

Section 42A Officer's Report

Hearing Stream 7: Other Topics

Topic: Financial Contributions

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2 Introduction

- (1) This report is the Officers Report for Hearing #7 Other Topics – Financial Contributions for the Proposed Lower Hutt District Plan (the PDP).
- (2) This report is prepared under section 42A of the Resource Management Act 1991 (the RMA) to:
 - a. Assist the Hearing Panel in making their recommendations on the submissions and further submissions on the Financial Contributions chapter of the PDP, and
 - b. Provide submitters with information on how their submissions/further submissions have been evaluated by the reporting officer(s) for this hearing stream, and their recommendations to the Hearing Panel.
- (3) This report considers submissions/further submissions received by Council in relation to the Financial Contributions chapter, and concludes with recommendations with respect to decisions requested by submitters for the chapter.
- (4) The Hearing Panel may choose to accept or reject the conclusions and recommendations of this report, or may come to different conclusions and make different recommendations, based on the information provided to them, including evidence provided to them by submitters.

2.1 Authors

- (5) My name is Hamish Philip Joseph Wesney. I am a Consultant Planner at Boffa Miskell, who is assisting Hutt City Council (HCC) with the District Plan Review/PDP. My role with the District Plan Review/PDP has been assisting with the review and preparation of specific chapters. However, I was not involved in the review or preparation of the Financial Contributions chapter. Also, during 2019 – 2021, I had a part-time secondment to the HCC Policy Planning Team, assisting with the initial scoping and work programme for the District Plan Review.

- (6) I hold the qualification of Bachelor of Resource and Environmental Planning with First Class Honours from Massey University. I am a Full Member of the New Zealand Planning Institute.
- (7) I have approximately 25 years' experience in planning and resource management, working for both a local authority and a consultancy. For the first four years I was employed as a planner with the Horowhenua District Council, undertaking a variety of planning tasks, including processing numerous land use and subdivision resource consent applications and alterations and outline plans for designations. For the past 21 years, I have been a consulting planner, and have been involved in advising a wide range of clients, including local authorities, corporate entities, central government, and individuals on various projects. In particular, I have been involved in reviewing and drafting a number of district plans including the Wairarapa Combined District Plan, New Plymouth District Plan, Horowhenua District Plan, and South Taranaki District Plan.
- (8) Although this is a Council hearing, I have read the Code of Conduct for Expert Witnesses in the Environment Court Practice Note 2023. I have complied with the Code of Conduct when preparing my written report and I agree to comply with it when I give any oral evidence.
- (9) Other than where I state that I am relying on the advice of another person, this evidence is within my area of expertise. I have not omitted to consider material facts known to me that might alter or detract from the opinions that I express.
- (10) Any data, information, facts, and assumptions I have considered in forming my opinions are set out in the part of the evidence in which I express my opinion. Where I have set out opinions in my evidence, I have given reasons for those opinions.

2.2 Declaration of Interests

- (11) Boffa Miskell also provides policy advice and assistance to Transpower New Zealand Ltd with reviewing and submitting on RMA planning documents. Therefore, in preparing this Section 42A report, where provisions have been submitted on by Transpower, those evaluations and recommendations

(which refer to first person) are authored by Nathan Geard, Policy Planning Manager, Hutt City Council.

2.3 Supporting evidence

- (12) Other than the section 32 evaluation reports for this chapter, there are no additional supporting documents or evidence for this report.

2.4 Procedural issues

- (13) At the time of writing this report there have not been any pre-hearing conferences, clause 8AA meetings, or expert witness conferencing in relation to the Financial Contributions chapter.

2.5 Relevance of PDP exemption for Financial Contributions chapter

- (14) I have reviewed the exemption application and Minister's approval which fully encompasses the Financial Contributions chapter. I have identified a few minor matters in evaluating submissions on these chapters that raise integration and consequential amendments arising from the exemption. I have addressed these matters in the relevant submission points below.

3 Financial Contributions

3.1 Chapter Summary

- (15) The Financial Contributions chapter sets an objective, policies and rules for how Council imposes financial contributions for permitted activities and activities that require resource consent to fund growth related infrastructure and services.
- (16) FC-O1 is the sole objective of the chapter. It seeks the following:
- Subdivision, use and development contributes equitably towards the costs of upgrading or providing services, reserves, and infrastructure, as well as avoiding, remedying, mitigating, offsetting, and compensating for any adverse environmental effects.*
- (17) The chapter includes five policies, being:
- FC-P1: Fairness and equity,
 - FC-P2: Providing sufficient services and infrastructure,
 - FC-P3: Reserves contributions,
 - FC-P4: Reserves contributions in form of land, and
 - FC-P5: Retirement villages.
- (18) The two rules of the chapter provide for subdivision that creates additional allotments (FC-R1) and land use activities (FC-R2) subject to permitted activity standards. Those standards relate to the purpose and nature of financial contributions (FC-S1 and FC-S2), the amount of financial contributions for reserves (FC-S3), and a standard on financial contributions for services and infrastructure (FC-S4), including offsetting and compensation.

3.2 Statutory and Policy Context

- (19) The Section 32 evaluation report for the Financial Contributions topic outlines the statutory and policy context for the chapter.

- (20) In short, sections 77E, 108 and 111 of the Resource Management Act, and Council's Development and Financial Contributions Policy 2024 are most relevant for this chapter.

Resource Management Act

- (21) No amendments relating to financial contributions have been made to the Resource Management Act since the PDP was notified.
- (22) Section 77E of the RMA enables financial contributions to be required for any class of activity (e.g. permitted activity, discretionary activity) other than a prohibited activity. This section also states that a rule requiring a financial contribution must specify the following matters in the district plan:
- (a) the purpose for which the financial contribution is required (which may include the purpose of ensuring positive effects on the environment to offset any adverse effect);
 - (b) how the level of the financial contribution will be determined; and
 - (c) when the financial contribution will be required.
- (23) Section 108 of the RMA empowers a council to impose financial contributions on resource consents in accordance with the purposes specified in the plan and at a level determined in a manner described in a plan.
- (24) In Section 108(9) of the RMA, a financial contribution means a contribution of:
- (a) money; or
 - (b) land, including an esplanade reserve or esplanade strip (other than in relation to a subdivision consent), but excluding Māori land within the meaning of Te Ture Whenua Māori Act 1993 unless that Act provides otherwise; or
 - (c) a combination of money and land.
- (25) Section 108(10) of the RMA states a consent authority (Council) must not include a condition in a resource consent requiring a financial contribution unless:
- (a) the condition is imposed in accordance with the purposes specified in the plan or proposed plan (including the purpose of ensuring positive effects on the environment to offset any adverse effect); and

- (b) the level of contribution is determined in the manner described in the plan or proposed plan.
- (26) Section 111 of the RMA states councils must use money received through a financial contribution in accordance with the purpose for which the money was received.
- (27) These sections need to be applied in preparing the financial contributions provisions in the Proposed District Plan.
- (28) The Development and Financial Contributions Policy 2024 – 2034 is aligned with the Council’s Financial Strategy principle of “growth pays for growth”. To this end, the policy states that the Council will use “financial contributions under the Resource Management Act to help fund 100% of growth-related reserve provision and any infrastructure impacts caused directly by a development that are not addressed and funded by development contributions”.

Development and Financial Contributions Policy 2024 – 2034

- (29) The Council’s Development and Financial Contributions Policy 2024–2034 has been prepared under the Local Government Act 2002 (LGA) and describes the relationship between financial contributions and development contributions. In particular, the policy states that financial contributions and development contributions in this policy are separate charges, and Council uses them to fund separate categories of expenditure. This ensures there is no ‘double dipping’ and is consistent with the intention of section 200 of the LGA. In addition, the policy notes that the Council intends to recover growth costs related to providing community infrastructure in future development contribution policies.
- (30) The Council’s Development and Financial Contributions Policy was amended on 30 June 2026 to remove water, wastewater and stormwater development contributions due to the establishment of Tiaki Wai Ltd who is responsible for these contributions from 1 July 2026. No changes were made to the policy in relation to financial contributions. I also note that Tiaki Wai Ltd adopted the Council’s Development Contributions Policy as its own policy on 1 July 2026 as an interim measure. Therefore, development contributions for water, wastewater and stormwater are now payable to Tiaki Wai Ltd.

3.3 Submissions and further submissions

- (31) A total of 17 submission points were received in relation to the Financial Contributions chapter, from 14 submitters. The submissions generally focus on a limited number of recurring themes rather than widespread opposition to the chapter as a whole.
- (32) The main themes raised in submissions are:
- a. **Funding of growth-related infrastructure and services:** Several submitters question or seek clarification on the relationship between financial contributions and development contributions, particularly whether infrastructure and service upgrades should continue to be funded through financial contributions where development contributions are already collected.
 - b. **Certainty, transparency and discretion:** Submitters including commercial operators seek greater certainty regarding when financial contributions will be required and how contribution amounts will be determined. Concerns were raised that some provisions provide excessive discretion and insufficient guidance for both Council and developers.
 - c. **Offsetting and compensation provisions:** A few submissions, particularly from infrastructure providers, oppose or seek clarification of references to offsetting and compensation throughout the chapter. Submitters question the circumstances in which such contributions would be required and whether the provisions are appropriate.
 - d. **Application to infrastructure and network utility activities:** Infrastructure providers seek exemptions or alternative treatment for network utilities and nationally significant infrastructure, including the transport network and National Grid activities.
 - e. **Reserve contributions:** Some submitters oppose the application of reserve contributions in rural areas and seek the exclusion of development within the General Rural Zone. One submitter also opposes any increase in reserve contributions.

- f. **Retirement villages and housing for kaumātua:** One submission supports the retirement village policy in part but seeks equivalent recognition of kaumātua housing developments.

- (33) Overall, submissions are principally concerned with the scope and administration of financial contributions, the interaction with other funding mechanisms, and ensuring that contribution requirements are proportionate, transparent, and appropriately targeted.
- (34) Further submissions generally support the primary submissions on these same matters and do not introduce any materially new issues for the Hearing Panel's consideration.

3.4 Key resource management issues

- (35) The key resource management issues raised in submissions are:
 - a. Whether the financial contribution provisions provide sufficient certainty, transparency, and guidance for applicants and Council.
 - b. Whether the proposed approach appropriately integrates with other growth funding mechanisms, particularly development contributions, without creating duplication or uncertainty.
 - c. Whether financial contributions should be used to address offsetting and compensation, and if so, in what circumstances.
 - d. Whether exemptions are appropriate for network utilities.
 - e. Whether reserve contributions should apply to development in the General Rural Zone.
 - f. Whether the retirement village provisions should also apply to kaumātua housing developments.
 - g. Whether the chapter is consistent with the statutory framework for financial contributions under the Resource Management Act 1991.

3.5 Discussion of submissions and recommendations

- (36) This section provides analysis of the submission points on the Financial Contributions chapter and my recommendations on decisions requested by submitters on this topic.
- (37) The submission points are discussed in the same order that the provisions appear in the Financial Contributions chapter of the PDP.

3.5.1 Reserve contributions

Submissions

- (38) D Surrey (427.2) opposes the reserves contributions component of the Financial Contributions chapter in part, and requests that reserve contributions are not increased.

Assessment

- (39) D Surrey opposes any increase in reserve contributions, stating that development is already expensive due to development contributions and questioning whether the proposed increase in reserve contribution is appropriate.
- (40) I acknowledge the submitter's concerns regarding development costs. The proposed provisions increase the maximum reserve contribution in the operative District Plan (ODP) from \$10,000 to \$12,500 per residential allotment or unit, and from \$5,000 to \$7,500 per rural allotment. However, the proposed chapter largely retains the operative District Plan approach to calculating reserve contributions, including the existing land value-based methodology and Council's discretion to reduce contributions where justified by the circumstances of a development.
- (41) The section 32 evaluation¹ identifies reserve contributions as an important mechanism for funding growth-related reserve provision and implementing

¹ Section 32 Evaluation – Financial Contributions

Council's "growth pays for growth" approach. The evaluation notes that Council's Long Term Plan 2024–2034 and Reserves Investment Strategy anticipate ongoing investment in the reserve network, including the acquisition of new reserves and upgrades to existing reserves, to meet the needs arising from growth. The increase in the maximum reserve contribution is intended to better align contributions with the costs of providing and improving reserve assets required to service future development, while ensuring a greater proportion of those costs are borne by development rather than existing ratepayers. The proposed provisions also retain Council's discretion to reduce reserve contributions where the circumstances of a development justify a lower contribution.

- (42) The section 32 evaluation acknowledges that the proposed increase may result in higher costs for some developers. However, it concludes that the benefits of ensuring adequate reserve provision, maintaining levels of service, and funding growth-related reserve infrastructure in accordance with the "growth pays for growth" principle outweigh those costs. While the submitter questions the increase, no evidence has been provided to demonstrate that the proposed contribution levels are unreasonable, inequitable, or inconsistent with the purpose of financial contributions under the RMA. On that basis, I consider the notified provisions remain appropriate.

Recommendation

- (43) Reject submission point 427.2 by D Surrey and retain FC-S3 as notified.

3.5.2 Whole chapter

Submissions

- (44) Bunnings Ltd (173.5) and McDonald's Restaurants (174.7) seek reconsideration of the Financial Contributions chapter to reduce discretion and provide clearer guidance for Council and developers. McDonald's Restaurants (F11.3), Foodstuffs North Island (F17.4 and F17.22) and Kāinga Ora (F26.1 and F26.2) support the submissions by Bunnings Ltd and McDonald's Restaurants. Bunnings (F18.3) support the submission of McDonald's Restaurants.

- (45) Foodstuffs North Island (239.11) request that the Financial Contributions chapter be deleted or at least amended to reduce discretion and provide clearer guidance for Council and developers. McDonald's Restaurants (F11.20) support the submission from Foodstuffs North Island.

Assessment

- (46) Bunnings Ltd, McDonald's Restaurants and Foodstuffs North Island raise concerns that the Financial Contributions chapter does not provide sufficient guidance regarding when financial contributions will be required and how they will be assessed, leaving excessive discretion to Council and potentially discouraging development. Foodstuffs North Island further requests that the chapter be deleted if these concerns are not addressed.
- (47) I acknowledge the submitters' concerns regarding certainty and development costs. However, I note that a key reason for reviewing the operative financial contribution provisions was to improve clarity and reduce uncertainty regarding the circumstances in which financial contributions may be required, including addressing concerns about overlap with development contributions. The section 32 evaluation identified that the operative provisions lacked clarity in some instances and that greater certainty would improve their effectiveness and administration.
- (48) In response, the notified chapter expressly identifies the purpose of financial contributions, the activities to which they apply, circumstances where contributions are not required, the timing and nature of contributions, and the methodology for determining contribution amounts. The notified provisions therefore provide a clearer and more transparent framework than the operative District Plan and implement the requirements of section 77E of the RMA.
- (49) While some discretion remains, particularly in relation to unplanned infrastructure requirements and reductions to reserve contributions, I consider this both necessary and appropriate. Financial contributions must be capable of responding to the specific effects and demands generated by individual developments, and a fully prescriptive approach would not adequately account for the wide range of development scenarios that may arise. The notified provisions also include assessment matters and calculation methodologies that appropriately constrain that discretion.

- (50) I do not support deletion of the chapter. The section 32 evaluation concluded that a financial contributions framework remains necessary to address growth-related reserve provision and infrastructure demands that are not otherwise funded through development contributions. Removing the chapter would reduce Council's ability to recover those costs from development and would likely shift them to ratepayers or result in lower levels of service.
- (51) For these reasons, I consider the notified chapter appropriately balances certainty with the flexibility necessary to respond to site-specific circumstances and should be retained.

Recommendation

- (52) Reject submission points 173.5 (Bunnings Ltd), 174.7 (McDonald's Restaurants) and 239.11 (Foodstuffs North Island) and further submissions F11.3, F11.20 (McDonald's Restaurants), F17.4, F17.22 (Foodstuffs North Island), F18.3 (Bunnings) and F26.1 and F26.2 (Kāinga Ora) and retain the Financial Contributions chapter as notified.

3.5.3 Introduction

Submissions

- (53) Transpower (504.97) request the following paragraph be deleted from the Introduction of the Financial Contributions chapter:

A financial contribution may also be required when an applicant proposes to off-set or provide compensation for any adverse effects generated by the development or activity.

Assessment

- (54) Transpower seeks deletion of the statement that a financial contribution may be required where an applicant proposes to offset or compensate for adverse effects generated by a development or activity. Transpower considers that offsetting and compensation are generally addressed in the context of indigenous biodiversity and submits that, if retained, the chapter should clarify the effects to which these concepts apply.
- (55) I do not support deleting the statement. Section 77E of the RMA expressly provides for financial contributions to be required for the purpose of ensuring

positive effects on the environment to offset adverse effects, and the notified chapter has been drafted to enable the use of financial contributions for offsetting and compensation where appropriate.

- (56) I agree with Transpower, however, that the use of offsetting and compensation is more commonly associated with specific adverse environmental effects, such as impacts on indigenous biodiversity, and that greater clarity regarding the intended scope of these provisions would assist plan users. The section 32 evaluation identified that the operative provisions were unclear as to whether financial contributions could be used to mitigate or offset adverse environmental effects, and one purpose of the review was to clarify this matter.
- (57) In my view, the concern raised by Transpower is not with the explanatory text in the Introduction itself, but with the way offsetting and compensation are provided for in the substantive provisions of the chapter. Accordingly, I consider the issue is more appropriately addressed through consideration of submission points on FC-O1, FC-R2 and FC-S4, where the scope and application of offsetting and compensation can be assessed in greater detail.
- (58) For these reasons, I consider the introductory text should be retained pending consideration of the related submissions on the operative provisions.

Recommendation

- (59) Reject submission point 504.97 by Transpower and retain the Introduction as notified.

3.5.4 FC-O1 (Financial contributions)

Submissions

- (60) Transpower (504.98) request that references to offsetting and compensation are removed from Objective FC-O1 or otherwise clarify (in objective or through a separate policy) in what circumstances offsetting and compensation would be required or be appropriate.

Assessment

- (61) Transpower supports the intent of FC-O1 but seeks the removal of references to offsetting and compensation, or alternatively seeks clarification as to the

circumstances in which they would apply. The submitter is concerned that offsetting and compensation are generally addressed in the PDP in relation to indigenous biodiversity and that the objective could potentially enable a wider application to activities such as the National Grid without guidance on when contributions would be required or how they would be calculated. The submitter also notes that there is no corresponding policy framework providing direction on the use of offsetting and compensation.

- (62) I do not support removing references to offsetting and compensation from FC-O1. Section 77E of the RMA expressly enables financial contributions to be required for the purpose of ensuring positive effects on the environment to offset adverse effects. The inclusion of offsetting and compensation within the objective therefore reflects the scope of the statutory framework for financial contributions.
- (63) However, I agree with the submitter that the notified chapter provides limited direction on the circumstances in which offsetting and compensation would be appropriate. While FC-O1 appropriately identifies the outcome sought, it does not explain the types of adverse effects to which offsetting and compensation may apply, nor the circumstances in which financial contributions may be used for that purpose. I consider this is principally a policy issue rather than an issue with the objective itself, as objectives are intended to state outcomes whereas policies provide direction on implementation.
- (64) Accordingly, I consider that references to offsetting and compensation should be retained in FC-O1, but that the concerns raised by Transpower support further consideration of whether additional policy direction is required elsewhere in the chapter to clarify the intended application of these provisions. This matter is discussed further in relation to the associated policy and rule provisions.

Recommendation

- (65) Accept in part submission point 504.98 by Transpower by:
- a. Retaining the references to offsetting and compensation in FC-O1; and
 - b. Considering additional policy guidance in the chapter to clarify the circumstances in which financial contributions for offsetting and compensation may be required or appropriate.

3.5.5 FC-P5 Retirement Villages

Submissions

- (66) Te Rūnanganui O Te Ātiawa (503.45) support Policy FC-P5 in part, and request that it be amended to also provide for kaumātua housing developments.

Assessment

- (67) I support this submission. The purpose of FC-P5 is to recognise that some forms of residential development generate lower demand for reserves and services than conventional residential development and that financial contributions should reflect those differences. The operative District Plan and proposed provisions recognise this in relation to retirement villages, based on their occupancy characteristics and generally lower demand for reserves and recreation facilities on a per-unit basis.
- (68) In my view, similar considerations apply to kaumātua housing developments. Kaumātua housing is typically designed to meet the housing needs of older persons and commonly exhibits occupancy and use characteristics similar to retirement village accommodation. As a result, it is reasonable to expect that demand for reserves and recreational facilities generated by such developments will generally be lower than that generated by conventional residential development. This supports a comparable approach to the assessment of financial contributions.
- (69) I also consider that recognising kaumātua housing within FC-P5 is consistent with the Council's commitment to supporting Māori housing aspirations and enabling housing choices that meet the social and cultural needs of Māori communities. The Development and Financial Contributions Policy recognises the importance of facilitating development on Māori land and providing for the occupation and development of land for the benefit of its owners, whānau and hapū.
- (70) For these reasons, I consider FC-P5 should be amended to expressly include kaumātua housing developments alongside retirement villages.

Recommendation

- (71) Accept submission point 503.45 by Te Rūnanganui o Te Ātiawa and amend FC-P5 to recognise kaumātua housing developments alongside retirement villages when determining financial contributions.

FC-P5 Retirement villages and kaumātua housing

Recognise that the demand for services, reserves, and infrastructure associated with retirement villages and kaumātua housing are expected to be less than those from typical residential development on a per unit basis due to the age and mobility of older residents, on-site amenities, and operational efficiencies.

Consequential amendment:

FC-Table 2 – Financial Contribution Amount and Nature for Reserves

b. Whether the development generates lower levels of demand or need for reserves and open space per residential unit than the average (e.g. retirement villages and kaumātua housing).

Section 32AA Assessment

- (72) The recommended amendment to FC-P5 to include kaumātua housing alongside retirement villages is a relatively minor refinement to the notified policy that does not alter the overall intent or direction of the Financial Contributions chapter. The amendment recognises that, similar to retirement villages, kaumātua housing developments are generally intended to accommodate older persons and can generate lower demand for reserves, recreation facilities, services and infrastructure on a per-unit basis than conventional residential development. The amendment improves the effectiveness of FC-P5 by ensuring that the policy applies consistently to residential development types with similar demand characteristics, while also supporting housing choices that meet the social and cultural needs of Māori communities. The costs of the amendment are expected to be negligible, as it does not introduce a new assessment framework or materially change the administration of financial contributions. I therefore consider that the amendment is the most appropriate way to achieve the objective of ensuring that financial contributions are applied in a fair and equitable manner and are proportionate to the demand generated by development.

3.5.6 FC-R2 (Any land use activity)

Submissions

- (73) NZTA (385.67) supports Rule FC-R2 in part, and requests the following amendment to the list of situations where the rule does not require a financial contribution:

No financial contribution is required for the following: ...

6. Where the land use activity is for the purpose of constructing, operating, or maintaining a network utility or a part of the transport network."

- (74) Wellington Water Ltd (F36.403) support the submission from NZTA.
- (75) Transpower (504.99) seeks that either the references to offsetting and compensation within FC-R2, FC-S4 and Table FC-Table 2 are deleted, or the exemptions within FC-R2 are amended to include an exemption for the National Grid.

Assessment

- (76) I support the submission from NZTA. The purpose of the Financial Contributions chapter is to ensure that subdivision and development contribute towards the costs of reserves, infrastructure and services, and to address adverse effects generated by development. In my view, network utility and transport network activities are distinguishable from typical development activities because they generally provide infrastructure and services that support the functioning of communities and wider development, rather than generating demand for reserves and community facilities in their own right.
- (77) I also note that the Council's Development and Financial Contributions Policy does not require development contributions for any bridge, dam or other public utility.
- (78) Providing an exemption for network utility and transport network activities would be consistent with the underlying purpose of financial contributions and would provide greater certainty for infrastructure providers. In my view, extending the exemption to network utility activities and the transport network is appropriate and achieves the intent of FC-R2.

- (79) Accordingly, I support amending FC-R2 to provide an exemption for land use activities undertaken for the purpose of constructing, operating, or maintaining a network utility or part of the transport network.
- (80) In response to the Transpower submission, I do not support deleting references to offsetting and compensation. As discussed in relation to submission point 504.98, sections 77E and 108 of the RMA provide for financial contributions to be used to offset adverse environmental effects, and the notified provisions seek to provide a framework for addressing adverse effects that cannot otherwise be avoided, remedied or mitigated.
- (81) However, I acknowledge the concern regarding the application of these provisions to National Grid activities and other network utility infrastructure. In my view, National Grid assets are critical infrastructure that provide significant regional and national benefits and are not comparable to development that generates demand for reserves or community facilities. Consistent with the recommendation on NZTA's submission, I consider it appropriate that FC-R2 exempt network utility activities from financial contributions. Such an approach would provide greater certainty for infrastructure providers and avoid the unintended application of financial contribution requirements to infrastructure that serves a broader public purpose.
- (82) As the National Grid is a network utility, I consider that amending FC-R2 to exempt network utility activities, as sought by NZTA, will address Transpower's concerns without removing the ability for the chapter to provide for offsetting and compensation in other appropriate circumstances.
- (83) However, I recommend that the exemption be expanded from that requested by NZTA (who requested an exemption for *constructing, operating or maintaining* a network utility or a part of the transport network) to also exempt upgrading and developing of a network utility or a part of the transport network. I also recommend that the rule refers to *network utility operation* rather than *network utility* as network utility operation is defined in the PDP (through the National Planning Standards and RMA definition of network utility operator) where network utility is not.

Recommendation

- (84) Accept submission point 385.67 by NZTA and further submission from Wellington Water (F36.403)
- (85) Accept in part submission point 504.99 by Transpower by:
- Rejecting the request to delete references to offsetting and compensation from FC-R2, FC-S4 and FC-Table 2; and
 - Accepting the request for an exemption from financial contributions for National Grid activities by amending FC-R2 to exempt activities undertaken for the purpose of constructing, operating, maintaining, upgrading or developing a network utility operation.
- (86) Amend FC-R2 as follows:
- No financial contribution is required for the following:*
- ...
6. Where the land use activity is for the purpose of constructing, operating, maintaining, upgrading or developing a network utility operation or part of the transport network.

Section 32AA Assessment

- (87) The recommended amendment to FC-R2 to exempt land use activities undertaken for the purpose of constructing, operating, maintaining, upgrading or developing a network utility operation or part of the transport network is a minor change that better aligns the rule with the purpose of the Financial Contributions chapter and the nature of network utility activities. The amendment recognises that network utilities and transport network infrastructure generally provide essential infrastructure and services that support communities and development rather than generating demand for reserves, services or community facilities in the same way as residential, commercial or industrial development. The amendment is therefore expected to improve the efficiency and effectiveness of the rule by providing greater certainty for infrastructure providers and avoiding the unintended application of financial contributions to activities that deliver significant local, regional or national benefits.
- (88) The amendment does not alter the overall policy framework or objective of the chapter, nor does it affect Council's ability to require financial contributions from developments that generate demand for reserves,

infrastructure or services. Any costs associated with the amendment are expected to be negligible, while the benefits include improved plan clarity and consistency with the broader funding framework. Accordingly, I consider the amendment is the most appropriate way to achieve the objectives of the chapter.

3.5.7 FC-S1 (Purpose of financial contributions)

Submissions

- (89) Kāinga Ora (386.11) oppose Standard FC-S1 in part, and request the following amendment:

A financial contribution may be required for the following purposes:

- 1. Providing and/or upgrading services and infrastructure.*
- 2. Providing and/or upgrading reserves.*
- 3. Ensuring positive effects on the environment to offset or compensate any adverse effects that cannot otherwise be avoided, remedied or mitigated.*

Assessment

- (90) Kāinga Ora opposes FC-S1 in part and seeks the deletion of the purpose relating to "providing and/or upgrading services and infrastructure". The submitter queries the need for financial contributions for services and infrastructure when Council also collects development contributions and is concerned about the potential for "double dipping".
- (91) I acknowledge the submitter's concern. However, I do not consider that retaining this purpose creates a risk of double charging. The section 32 evaluation identified potential duplication between development contributions and financial contributions as an issue requiring clarification through the District Plan review. In response, the notified chapter has been drafted to better distinguish the circumstances in which each funding mechanism applies.
- (92) The Development and Financial Contributions Policy states that development contributions and financial contributions are separate charges used to fund

separate categories of expenditure, and that this approach avoids "double dipping". Development contributions are used to fund planned growth-related infrastructure identified through Council's funding programmes, whereas financial contributions may be required for reserves and where individual developments give rise to infrastructure costs that are not planned for or funded through development contributions.

- (93) Retaining the ability to require financial contributions for services and infrastructure is therefore necessary to address circumstances where a development creates a need for infrastructure upgrades or extensions that fall outside the scope of the Development and Financial Contributions Policy. Removing clause 1 would significantly constrain Council's ability to recover such costs from development and would be inconsistent with the objective that development contributes equitably towards the costs of infrastructure it necessitates.
- (94) For these reasons, I am satisfied that the notified provisions appropriately distinguish between development contributions and financial contributions and do not result in duplication of charges. Accordingly, I consider FC-S1 should be retained as notified.

Recommendation

- (95) Reject submission point 386.11 by Kāinga Ora and retain FC-S1 as notified.

3.5.8 FC-S3 (Amount of financial contributions – Reserves)

Submissions

- (96) K Jackson (168.13), D McCreary (196.12), C Jackson (319.13) and S Full and A Bason (365.15) oppose Standard FC-S3, and request that the standard is amended to exclude the General Rural Zone from financial contributions for reserves.

Assessment

- (97) The submitters state that reserve contributions should not apply in the General Rural Zone because rural development would reduce pressure on

parks and reserves, and that the proposed increase in the rural reserve contribution from \$5,000 to \$7,500 is unreasonable.

- (98) I do not support the relief sought in these submissions.
- (99) The purpose of reserve contributions is to ensure that subdivision and development contributes towards the costs of providing and upgrading reserves to meet the additional demand generated by growth. The section 32 evaluation identifies reserve contributions as an established mechanism for funding growth-related reserve provision and implementing Council's "growth pays for growth" approach. Reserve contributions also reduce the extent to which these costs are borne by existing ratepayers.
- (100) While I acknowledge the submitters' view that rural residents may place less demand on some reserves and recreational facilities than residents in urban areas, I do not accept that rural development generates no demand for reserves. Residents of rural allotments continue to have access to and benefit from the district-wide network of parks, sports fields, recreational reserves, walkways and natural open spaces. It is therefore appropriate that development in rural areas contributes towards the provision and maintenance of these facilities.
- (101) The notified provisions also recognise that rural development generally creates lower demand than urban development by applying a lower maximum reserve contribution in Rural Zones. Under FC-S3, the maximum contribution is \$7,500 per additional allotment in a Rural Zone, compared with \$12,500 per allotment or residential unit in urban zones. Council also retains discretion to reduce reserve contributions where justified by the circumstances of a particular development.
- (102) In relation to the increase in the contribution amount, I acknowledge that the proposed rural contribution cap is higher than the operative District Plan cap of \$5,000 per allotment. However, the section 32 evaluation considered the increase in reserve contribution levels and concluded that the proposed provisions remain an effective and efficient means of funding growth-related reserve provision, with the benefits outweighing the associated costs. No evidence has been provided by the submitters to demonstrate that the proposed rural contribution level is excessive, inequitable, or disproportionate to the effects of rural growth.

- (103) For these reasons, I consider that the inclusion of the General Rural Zone within FC-S3 remains appropriate and that the notified provisions should be retained.

Recommendation

- (104) Reject submission points 168.13 (K Jackson), 196.12 (D McCreary), 319.13 (C Jackson), and 365.15 (S Full and A Bason), and retain FC-S3 as notified.

3.5.9 FC-S4 (Amount of financial contributions – Services and infrastructure, and offsetting and compensation)

Submissions

- (105) Kāinga Ora (386.12) oppose Standard FC-S4 and query the need for providing and/or upgrading services and infrastructure when Council collects development contributions for the same purpose.

Assessment

- (106) Kāinga Ora opposes FC-S4 and queries the need for financial contributions for providing and/or upgrading services and infrastructure when Council also collects development contributions. The submitter is concerned that the provisions could result in "double dipping" through the collection of both development contributions and financial contributions for the same infrastructure.
- (107) I acknowledge the submitter's concern. However, I do not consider that FC-S4 results in duplication between development contributions and financial contributions.
- (108) A key issue identified through the review of the operative provisions was the potential uncertainty regarding the relationship between financial contributions and development contributions. In response, both the notified Financial Contributions chapter and the Development and Financial Contributions Policy have been drafted to clarify the respective roles of each funding mechanism and avoid overlap. The Development and Financial Contributions Policy expressly states that financial contributions and development contributions are separate charges used to fund separate

categories of expenditure and that this approach avoids "double dipping". Development contributions are used to fund planned growth-related infrastructure, whereas financial contributions may be required for reserve provision and infrastructure impacts arising from individual developments that are not otherwise addressed through development contributions.

- (109) FC-S4 applies only where a subdivision or development creates the need to provide or upgrade services and infrastructure, or to address adverse environmental effects through offsetting or compensation. The standard enables Council to recover actual costs, or a fair proportion of costs, associated with infrastructure required as a direct consequence of a particular development. This is consistent with the longstanding approach in the operative District Plan and with the objective that development contributes equitably towards the costs it generates.
- (110) Removing the reference to services and infrastructure from FC-S4 would limit Council's ability to address circumstances where development necessitates infrastructure works that are not funded through the Development and Financial Contributions Policy. It could also result in those costs being borne by existing ratepayers rather than the development creating the demand.
- (111) Accordingly, I am satisfied that the notified provisions appropriately distinguish between development contributions and financial contributions and that FC-S4 should be retained as notified.

Recommendation

- (112) Reject submission point 386.12 by Kāinga Ora and retain FC-S4 as notified.

3.5.10 Table 1: (Financial Contribution Amount for Services and Infrastructure)

Submissions

- (113) Kāinga Ora (386.13) opposes Table 1 of the Financial Contributions chapter (on the Financial Contribution amount for services and infrastructure), and query the need for providing and/or upgrading services and infrastructure when Council collects development contributions for the same purpose. The submitter requests that the table be deleted.

- (114) L Skilton (314.82) opposes Table 1 of the Financial Contributions chapter in part, on grounds that it is not clear what upgrades are already covered by development contributions.

Assessment

- (115) Kāinga Ora opposes FC-Table 1 and seeks its deletion, querying the need for financial contributions for providing and/or upgrading services and infrastructure when Council also collects development contributions for the same purpose. The submitter is concerned that the proposed provisions could result in "double dipping" of fees paid for infrastructure.
- (116) L Skilton opposes FC-Table 1 in part. The submitter is concerned that it is unclear which infrastructure upgrades are funded through development contributions and which may be funded through financial contributions. The submitter also questions whether the proposed methodology fairly allocates the costs of infrastructure upgrades where existing system capacity is insufficient and seeks amendments so that development contributes only a proportionate share of upgrade costs attributable to the demand generated by that development.
- (117) I acknowledge the concerns raised by both submitters. However, I do not support deleting FC-Table 1 or the specific amendments sought by L Skilton.
- (118) FC-Table 1 performs an important function by specifying the methodology for determining the amount of a financial contribution where FC-S4 applies. This assists in giving effect to sections 77E and 108 of the RMA, which require district plans to specify how the level of a financial contribution is determined. Deleting the table would significantly reduce certainty regarding the calculation of financial contributions and undermine the operation of FC-S4.
- (119) In relation to the concerns regarding duplication between development contributions and financial contributions, I consider the notified provisions already address this matter. Both FC-R1 and FC-R2 expressly provide that no financial contribution is required, except for reserve contributions, where a development contribution has been paid under the relevant Development Contributions Policy for planned infrastructure projects, including special assessments for unplanned infrastructure projects. The chapter introduction also distinguishes between the separate purposes of development contributions and financial contributions and states that financial

contributions for services and infrastructure will generally only be required where the Development and Financial Contributions Policy does not apply or does not address the effects generated by the development.

- (120) I also consider that the matters for consideration within FC-Table 1 already provide an appropriate framework for determining contributions where infrastructure upgrades are required. In particular, the table requires consideration of whether new infrastructure, upgrades or extensions are already contained in the Development Contributions Policy and whether other funding sources apply. This enables Council to consider the extent to which costs should be attributed to a particular development and avoids inappropriate duplication of charges.
- (121) Accordingly, I am satisfied that the notified provisions appropriately distinguish between infrastructure funded through development contributions and infrastructure funded through financial contributions, and that no amendments to FC-Table 1 are necessary.

Recommendation

- (122) Reject submission point 386.13 by Kāinga Ora and retain FC-Table 1 as notified.
- (123) Reject submission point 314.82 by L Skilton and retain FC-Table 1 as notified.

4 Mechanical issues, minor and consequential amendments

- (124) No Schedule 1, clause 16 (2) of the RMA corrections or minor amendments have been identified for the Financial Contributions chapter. No other consequential amendments have been identified, apart from those contained in the evaluation and recommendations in the previous section of this report.

5 Summary of recommendations

- (125) This report has provided an assessment of submissions received on the PDP related to the Financial Contributions chapter. The primary amendments to the PDP that I have recommended relate to:
- Retaining the majority of the provisions in the Financial Contributions chapter.
 - Amending FC-P5 and FC-Table 2 by adding reference to kaumātua housing to provide the same policy recognition as retirement villages in terms of the demand for services, reserves and infrastructure.
 - Amending FC-R2 to add an exclusion for financial contributions for land use activities which are for the purpose of constructing, operating, maintaining, upgrading or developing a network utility operation or part of the transport network.
- (126) These amendments are set out in full in the chapters in Appendix 1 to this report.

6 Conclusion

- (127) This report has provided an assessment of submissions received in relation to the Financial Contributions chapter.
- (128) Section 3 assesses and provides recommendations on the decisions requested in submissions. I consider that the submissions on this topic should be accepted, accepted in part, or rejected, as set out in my recommendations of this report and in Appendix 2.
- (129) I recommend that provisions be amended as set out in Appendix 1 for the reasons set out in this report.
- (130) I consider that the amended provisions will be efficient and effective in achieving the purpose of the RMA, the relevant objectives of the PDP and other relevant statutory documents, for the reasons set out in the Section 32AA evaluations undertaken in the relevant sections of this report.

Appendix 1: Recommended amendments to the Proposed District Plan

FC — Financial Contributions

Financial contributions in the District Plan and development contributions in the Council's Development and Financial Contributions Policy are separate tools that Council uses to fund growth related infrastructure and services.

Financial contributions can be required under the RMA in line with provisions in the District Plan. For example, financial contributions are required under this Chapter for reserves and where individual developments give rise to capital expenditure that is not planned and recovered via development contributions. In these cases, Council may impose a financial contribution for a permitted activity or through a resource consent.

Development contributions are used to help fund planned and budgeted capital expenditure related to growth for the activities and assets listed in the development contributions schedule of assets in the Development and Financial Contributions Policy.

The Council takes development contributions to fund growth-related infrastructure and services in most circumstances rather than financial contributions. The exception is financial contributions for reserves which are always required through the District Plan.

Outside reserves contributions, other financial contributions will generally only be required where the Development and Financial Contributions Policy does not apply or where the Development and Financial Contributions Policy does not address the type of adverse effects generated by the development or activity.

A financial contribution may also be required when an applicant proposes to off-set or provide compensation for any adverse effects generated by the development or activity.

This Chapter sets out where financial contributions may be required by Council, as well as how they are to be calculated and collected.

Objectives

FC-O1	Financial contributions
Subdivision, use and development contributes equitably towards the costs of upgrading or providing services, reserves, and infrastructure, as well as avoiding, remedying, mitigating, offsetting, and compensating for any adverse environmental effects.	

Policies

FC-P1	Fairness and equity
Apply financial contributions in a fair and equitable manner that: 1. Complements Council's other financial management policies, including development contributions, 2. Recognises that different types of development may place different demands on services, reserves, and infrastructure, 3. Is proportionate to the actual demand of a development on those services, reserves, or infrastructure, including accounting for cumulative effects from other developments, and 4. Is in the form of money, or land, or a combination of both.	

Financial Contributions

FC-P2	Providing sufficient services and infrastructure
Require financial contributions where necessary to avoid, remedy, mitigate, offset, or compensate for the adverse effects of subdivision or development, including: 1. The full and actual costs of upgrading or providing new services or infrastructure where required solely to serve the new subdivision or development, 2. A contribution towards upgrading or providing new services and infrastructure that is proportionate to the demand created by the new development or subdivision, 3. A contribution towards existing services and infrastructure that is proportionate to its demand created by the new subdivision or development, accounting for cumulative effects from other developments, or 4. A contribution towards costs associated with maintaining and improving residential amenity.	
FC-P3	Reserves contributions
Require financial contributions for reserves for subdivision, residential development, commercial development, industrial development and other non-residential development that lead to an increase in demand or need for reserves and open space.	
FC-P4	Reserves contributions in form of land
Ensure that land within a subdivision which is proposed as a reserve contribution is located, sized, and designed to provide a quality contribution to the open space network and is consistent with the Council's reserve and open space acquisition and investment policy and strategy.	
FC-P5	Retirement villages <u>and kaumātua housing</u>
Recognise that the demand for services, reserves, and infrastructure associated with retirement villages <u>and kaumātua housing</u> are expected to be less than those from typical residential development on a per unit basis due to the age and mobility of older residents, on-site amenities, and operational efficiencies.	

Commented [NG1]: Te Rūnanganui O Te Ātiawa (503.45)

Rules

FC-R1	Subdivision that creates any additional allotments
All zones	1. Activity status: Permitted Where: a. A financial contribution is provided in compliance with: i. FC-S1: Purpose of financial contributions, ii. FC-S2: Nature and timing of financial contributions, iii. FC-S3: Amount of financial contributions — Reserves, and iv. FC-S4: Amount of financial contributions — Services and infrastructure, and offsetting and compensation. No financial contribution is required for the following: 1. An additional allotment solely for a network utility where the allotment is unoccupied and has no water or sewerage connection. 2. An additional allotment containing land set aside for ecological, historic heritage or cultural protection in perpetuity. 3. Except for a financial contribution for reserves, where a development contribution has been paid under the relevant Development Contribution Policy for planned infrastructure projects that includes a special assessment under the Development Contribution Policy for unplanned infrastructure projects. 4. The conversion of an existing residential unit development into unit

Financial Contributions

	titles, where this does not create any additional residential units that did not exist on the date of public notification of the Proposed District Plan.
All zones	2. Activity status: Discretionary Where: a. FC-R1.1 is not complied with.
FC-R2	Any land use activity
All zones	1. Activity status: Permitted Where: a. A financial contribution is provided in compliance with: - FC-S1: Purpose of financial contributions, - FC-S2: Nature and timing of financial contributions, - FC-S3: Amount of financial contributions — Reserves, and - FC-S4: Amount of financial contributions — Services and infrastructure, and offsetting and compensation. No financial contribution is required for the following: - Non-residential activity for which a building consent is required and that either is less than \$20,000 exclusive of GST in value or has a GFA of less than 10m², unless the building consent is for a change of use. - In relation to any residential unit, the replacement, development, repair or renovation work generates no additional demand for reserves or infrastructure. - Where a contribution for the same purpose has already been made at the time of subdivision creating that lot. - Except for a financial contribution for reserves, where a development contribution has been paid under the relevant Development Contribution Policy for planned infrastructure projects that includes a special assessment under the Development Contribution Policy for unplanned infrastructure projects. - Where a development agreement between the applicant and Council provides that no financial contribution is required. <u>Where the land use activity is for the purpose of constructing, operating, maintaining, upgrading or developing a network utility operation or part of the transport network.</u>
All zones	2. Activity status: Discretionary Where: a. FC-R2.1 is not complied with.

Commented [NG2]: NZTA (385.67)
Transpower NZ (504.99)

Standards

FC-S1	Purpose of financial contributions
All zones	A financial contribution may be required for the following purposes: - Providing and/or upgrading services and infrastructure. - Providing and/or upgrading reserves. - Ensuring positive effects on the environment to offset or compensate any adverse effects that cannot otherwise be avoided, remedied or mitigated.

Financial Contributions

FC-S2	Nature and timing of financial contributions
All zones	- Financial contributions must be paid to Council by the following due dates: - For permitted activities where there is no resource consent, either: - Prior to issue of the code compliance certificate under the Building Act 2004, or - At issue of the certificate of acceptance under the Building Act 2004. - For resource consent for subdivision, prior to release of the certificate under section 224(c) of the RMA for each stage. - For resource consent for land use, as and when required by any condition of that consent. - For service connection, at issue of the connection approval. - Financial contributions will be in the form of money, land, works or a combination of land, money and works, calculated in accordance with FC-S3 unless otherwise stated in a resource consent condition.
FC-S3	Amount of financial contributions - Reserves
All zones	- For residential development or subdivision, the financial contribution for reserves shall be the lesser of: - A contribution of an equivalent value equal to 7.5% of the total value of each additional allotment (plus GST). Value of the land is to be established on the basis of a registered valuer's report. Registered valuer's reports are to be produced at the applicant's cost and be no older than 3 months at the time the contribution is determined. - A contribution amount of \$12,500 (plus GST) per additional allotment or residential unit. - For non-residential development or subdivision, the financial contribution for reserves shall be the lesser of: - A contribution of money equivalent to 0.5% of the value of the development (plus GST) in excess of \$200,000. - A contribution amount of \$12,500 (plus GST) per additional allotment created in Residential Zones, Commercial and Mixed Use Zones, Industrial Zones and Special Purpose Zones, or \$7,500 (plus GST) per additional allotment created in Rural Zones. Note: Council may reduce the amount of a financial contribution that is required under this standard. FC-Table 2 lists the assessment matters for reducing the amount of financial contributions for reserves and determining the nature of the contribution, including whether land, cash, or a combination of land and cash will be required as the reserve contribution.
FC-S4	Amount of financial contributions — Services and infrastructure, and offsetting and compensation
All zones	- The amount of contribution shall be up to 100% of the actual or estimated costs, or land necessary to provide for the "Reasons for Financial Contribution" specified in FC-Table 1. - The estimated or actual cost of financial contributions, whether provided or constructed by the Council or otherwise shall be calculated in accordance with the matters for consideration set out in FC-Table 1. - The amount of financial contribution shall include any associated costs including but not limited to: - The reimbursement of legal costs incurred by Council in providing easements, encumbrances, covenants and the like.

Financial Contributions

	b. The reimbursement of fees charged to Council by Government departments, local authorities and the suppliers of public utilities and infrastructure. c. Survey work. d. Any fees incurred by an adjoining local authority or network operator in processing the application. e. Goods and Services Tax (GST).
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FC-Table 1 — Financial Contribution Amount for Services and Infrastructure

Purpose of financial contribution	Reasons for financial contribution	Matters for consideration in determining amount and/or nature of financial contribution
Water supply	• Where an existing Council supply is available, the cost of connection with the existing system. • Where an existing Council water supply is available, but the capacity and pressure of the system is inadequate to meet the additional generated demand by the proposed subdivision or development, the costs of connection and capacity upgrading of the existing system to meet the additional generated demand. • Where an existing Council supply is not available, the cost of providing for the supply of water.	• Whether the new infrastructure/ upgrade/extension is already contained in the Development Contributions Policy. • Whether other funding sources apply. • The quality and quantity of the supply or disposal. • The effect any additional connections may have on the existing system, its users, and/or on the quality and quantity of the supply or disposal. • The age and value of the existing infrastructure.
Stormwater disposal services	• Where the existing Council stormwater infrastructure is available, the cost of connection with the existing stormwater system. • Where the existing Council stormwater infrastructure is available, but the capacity of the system is inadequate to meet the additional generated demand by the proposed development or subdivision, the cost of connecting and capacity upgrading of the stormwater system to meet additional generated demand. • Where the existing Council stormwater infrastructure is not available, the cost of providing a stormwater system.	
Wastewater disposal services	• Where an existing Council wastewater system is available, the cost of connection to it. • Where an existing Council wastewater system is available, but its capacity is inadequate to meet the additional generated demand by the	

Financial Contributions

	proposed development or subdivision, the cost of connecting and capacity upgrading to meet additional generated demand. Where an existing Council wastewater system is not available, the cost of providing it.	
Transport network infrastructure	The costs of specific works needed to service the use, subdivision or development and/or mitigate the effects on safety, efficiency and function of the transport network.	- Whether the new infrastructure/ upgrade/extension is already contained in the Development Contributions Policy. - Whether other funding sources apply. - The current standard and estimated carrying capacity of the transport network the subdivision, development or land use will connect to. - The current number of users of the transport network and the estimated increase in number of users as a result of the subdivision, development or land use. - The sensitivity and location of activities adjoining the transport network adjacent to the subject site. - Sight distances and the presence of blind spots within the adjacent transport network and the standard and adequacy of intersections. - The need to improve the transport network to accommodate additional traffic generated (taking into account both type and numbers of traffic generated) by the subdivision, development and/or land use. - The benefit to the subdivision or land use arising from the improvement to the transport network relative to the benefit to existing users and other members of the public. - The estimated number of future users of the transport network, assuming degrees of development and growth anticipated by the standards in the District Plan. - The likely route from the site to key locations in the City.
Offsetting and compensation of adverse effects	The amount of money or land or both needed to offset or compensate for any adverse environmental effects that cannot otherwise be avoided, remedied or mitigated.	

FC-Table 2 — Financial Contribution Amount and Nature for Reserves

Financial Contributions

Purpose of financial contribution	Matters for consideration in determining amount and/or nature of financial contribution
Reserve contributions	1. In determining whether the amount of the financial contribution for reserves should be reduced the following matters will be taken into account: a. Whether there will be an increase in intensity of use of land which will lead to an increase in demand or need for reserves and open space. b. Whether the development generates lower levels of demand or need for reserves and open space per residential unit than the average (e.g. retirement villages and kaumatua housing). c. Whether there will be changes to the nature and character of the use of land which will have adverse effects on the environment. d. The nature, type and suitability of recreation and open space provisions provided by the development. e. The amount, type and distribution of open/recreation space and whether they are adequately meeting community needs and requirements. f. The nature of the topography, natural features, vegetation, landscape and visual amenity values of the land being developed to meet community open space and recreational requirements and/or to ensure protection of amenity values. g. The amount of reserve contribution paid on the land in the last ten years. h. The amount and nature of planting or improvements made to new and existing reserves and open space areas. 2. In Council determining whether land, cash, or a combination of cash and land will be required as the reserve contribution, the following matters will be taken into account: a. The size and nature of the proposed open/recreation space. b. The ability of the open/recreation space to be used for the proposed purpose. c. The distance and accessibility of the proposed open/recreation space to users. d. The cost of maintaining the proposed open/recreation space. e. The topography of the proposed open/recreation space. f. The ability to link the proposed open/recreation space to an existing or future network of open/recreation space and/or community facilities. g. For commercial and industrial activities, the amount of floor area to be used exclusively for public recreation activities.

Commented [NG3]: Te Rūnanganui O Te Ātiawa (503.45)

Appendix 2: Recommended decisions on submissions on Financial Contributions chapter

Submitter	Sub #	SP #	Support/oppose	Requested Relief	Recommendation
David Surrey	427	2	FC - Financial Contributions	Reserves contributions	Reject
Bunnings Ltd	173	5	Oppose	Seeks reconsideration of Financial Contributions chapter to reduce discretion and provide clearer guidance for council and developers.	Reject
McDonald's Restaurants (NZ) Ltd	F11	3	Support	Allow	Reject
Foodstuffs North Island	F17	20	Support	Allow	Reject
Kāinga Ora	F26	1	Support	Allow	Reject
McDonald's Restaurants (NZ) Limited	174	7	Oppose	Seeks that the FC chapter is reconsidered "to reduce discretion and provide clearer guidance for council and developers." (Refer to original submission)	Reject
Foodstuffs North Island	F17	22	Support	Allow	Reject
Kāinga Ora	F26	2	Support	Allow	Reject
Bunnings Ltd	F18	3	Support	Allow	Reject
Foodstuffs North Island	239	11	Oppose	Seeks that the Financial Contributions chapter be removed, or at the least amended to reduce discretion and provide clearer guidance for council and developers.	Reject
Transpower New Zealand Limited	504	97	Amend	Amend the Introduction to delete the following text: "A financial contribution may also be required when an applicant proposes off-set or provide compensation for any adverse effects generated by the development or activity."	Reject
Transpower New Zealand Limited	504	98	Amend	Seeks that references to offsetting and compensation are removed from the objective, or otherwise clarify (in objective or through a separate policy) in what circumstances offsetting and compensation would be required or be appropriate.	Reject

Te Ruunanganui O Te Atiawa	503	45	Support in part	Amend FC-P5 to provide for kaumatua Housing developments also.	Accept
NZ Transport Agency Waka Kotahi	385	67	Support in part	Amend the notified rule as follows: "No financial contribution is required for the following:.. <u>6. Where the land use activity is for the purpose of constructing, operating, or maintaining a network utility or a part of the transport network.</u> "	Accept
Wellington Water Ltd	36	403	Support	Allow	Accept
Transpower New Zealand Limited	504	99	Amend	Seeks that either the references to offsetting and compensation within FC-R2, FC-S4 and Tale FC-Table 2 are deleted, or the exemptions within FC-R2 amended to include an exemption for the National Grid	Accept in part
Kāinga Ora - Homes and Communities	386	11	Oppose in part	Amend standard as follows: "A financial contribution may be required for the following purposes: 1. Providing and/or upgrading services and infrastructure. 2. Providing and/or upgrading reserves...."	Reject
Ken Jackson	168	13	Oppose in part	Seeks that the standard is amended to exclude the General Rural Zone from reserves requirements (inferred - refer to original submission)	Reject
Donald McCreary	196	12	Oppose	Seeks that the standard is amended to exclude the General Rural Zone from reserves requirements (inferred - refer to original submission)	Reject
Claire Jackson	319	13	Oppose	Seeks that the standard is amended to exclude the General Rural Zone from reserves requirements (inferred - refer to original submission)	Reject
Steve Full and Andrea Bason	365	15	Oppose	Seeks that the standard is amended to exclude the General Rural Zone from reserves requirements (inferred - refer to original submission)	Reject
Kāinga Ora - Homes and Communities	386	12	Oppose	Delete standard	Reject

Kāinga Ora - Homes and Communities	386	13	FC - Financial Contributions	Table 1: (Financial Contribution Amount for Services and Infrastructure)	Reject
Laura Skilton	314	82	Oppose in part	Seeks that relief is provided in the "Reasons for financial contribution" column for "Water supply", "Stormwater disposal services" and "Wastewater disposal services", consistent with the following example relief: "- Where an existing Council water is available, the cost of connection with the existing system- - Where an existing Council water supply is available, but the capacity and pressure of the system is inadequate to meet the additional demand by the proposed subdivision or development, the costs of connection <u>and proportion of capacity and pressure</u> upgrading of the existing system to meet the additional generated demand - Where the existing Council supply is not available, the cost of providing for the supply of water."	Reject