

DEVELOPMENT AND FINANCIAL CONTRIBUTIONS POLICY

Council is currently reviewing the options for the use of Development Contributions and Financial Contributions under the Local Government Act 2002.

To date Council has relied on the Operative Rotorua District Plan provisions 'Part 16 Subdivision and Development' section and 'Appendix U Financial Contributions for Reserve Purposes'.

The District Plan provides:

FINANCIAL CONTRIBUTION RULES FOR SUBDIVISION AND DEVELOPMENT

INTRODUCTION

Subdivision and development are subject to financial contributions in accordance with the following rules, and the provisions of **Appendix U** and **Appendix W**. Section 108(9) of the *Resource Management Act 1991* define financial contribution as money, land, works or services. A number of categories of financial contribution apply to subdivision and development.

The first category is outlined in '**Financial Contributions for Reserves and Heritage Purposes**'.

The second and third categories are outlined in '**Financial Contributions – Minimum Engineering Requirements for Subdivision**' and '**Financial Contributions – Minimum Engineering Requirements for Development**'. Council considers that subdividers and developers should provide, those works and services necessary to ensure the efficient functioning of their subdivision and development. A contribution may include requirements relating to the formation of building sites, earthworks, roads and landscaping, access ways, private ways, sanitary and stormwater drainage, water supply, and all ancillary works and services within or appurtenant to the subdivision and/or development.

The fourth category, outlined in '**Financial Contributions – Service Lanes and Road Widening**', specifically relates to identified service lane and road widening requirements which will be imposed as a financial contribution on applications for subdivision or development.

The fifth category, outlined in '**Financial Contributions – Upgrading Requirements for Subdivision and Development**' may include the formation of an unformed road, the upgrading of a formed road where the activity is likely to generate additional traffic, or the upgrading of an undersized sanitary sewer, water main or stormwater drain.

Rule '**Miscellaneous Financial Contribution Requirements for Subdivision and Development**' lists miscellaneous matters regarding financial contributions for the engineering requirements, service lanes and road widening, and upgrading contributions.

FINANCIAL CONTRIBUTIONS FOR RESERVES AND HERITAGE PURPOSES

Appendix U provides the method of calculation for financial contributions for reserves and heritage purposes and also specifies the maximum value of the financial contribution.

General

All subdivision and development will be subject to the Rules for financial contributions for reserves and heritage purposes. The objectives, policies and rules for requiring a financial contribution are contained in **Part Eleven**.

At Council's discretion and as outlined in **Part Eleven**, land may be required for esplanade reserves, heritage protection or local purpose reserves and in some situations works may also be required, for example for landscaping.

Rules Applicable To Development For Esplanade Reserves And Strips

In accordance with **u1.3.5** of **Appendix U**, Council will require the vesting of esplanade reserves and/or creation of esplanade strips upon a development proposed on lots or lease areas adjoining a lake or river as defined in Section 2 of the *Resource Management Act 1991*.

FINANCIAL CONTRIBUTIONS - MINIMUM ENGINEERING REQUIREMENTS FOR SUBDIVISION

Note : The Performance Standards for the following Rules '**Earthworks and Foundations**' to '**Access Ways and Private Ways**' are contained in **Appendix W**. Various methods may be used to satisfy these Performance Standards. However compliance with the

Rotorua District Council Engineering Code of Practice is deemed to satisfy the particular Performance Standards listed.

The maximum level of the financial contribution for minimum engineering requirements is the total cost of providing these requirements in accordance with the Performance Standards outlined in **Appendix W**.

Earthworks And Foundations

Every lot or lease area within the subdivision shall have a foundation suitable for any intended activity, which will be free from inundation, erosion, subsidence and slippage.

Roading And Landscaping

Roads or other means of access approved by Council shall be provided to all lots and lease areas within a subdivision. Large lot subdivision (ie. subdivision into lots or lease areas that may be further subdivided in accordance with the rules of this plan) within the Residential Zones, shall also make provision for satisfactory access to future potential residential lots.

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Every lot that does not have frontage to an existing road or private road shall have a frontage to a road or private road to be provided by the owner(s) which will give

vehicular access to that lot from an existing road or private road.

Notwithstanding the above, Council may approve an application for subdivision in any of the following situations:

- Where Council considers that vehicular access is unnecessary, it may approve access to any lot or lease area by foot only;
- Where Council considers that because of the topographical nature of the land vehicular access is impractical, it may approve access to a lot or lease area by foot only;
- Where Council is satisfied that adequate access to the lot or lease area is provided over other land pursuant to an easement of right of way.

Note: The Memorandum of Transfer or Easement Certificate must provide for and detail maintenance standards, cost sharing provisions, and means of arbitration.

In addition:

- (a) The subdivider shall form and completely construct a proposed road as shown on the scheme plan to the required Council standard, and to enable the proposed road to carry the predicted traffic loadings. This may include providing pedestrian and cycle facilities, drainage, landscaping, and planting;
- (b) The subdivider shall form and construct a carriageway over every proposed private way and private road as shown on the scheme plan.
- (c)
 - (i) No private way or private road in the Rural A Zone which services more than four potential lots (based on the minimum lot size) shall exceed 500 metres in length.
 - (ii) No private way or private road in the Rural B, D or E Zone which services more than four potential lots (based on the minimum lot size) shall exceed 200 metres in length.
- (d) The subdivider shall set aside within the road reserve areas of land for the purpose of landscaping and street tree planting to the satisfaction of Council.

Stormwater

The subdivider shall provide a satisfactory system for the collection, treatment and disposal of stormwater from the proposed roads, private ways, access ways, reserves and from all lots, lease areas and building sites within the subdivision.

Sanitary Sewerage

The subdivider shall provide for the satisfactory disposal of sewage from each lot, lease area and building site within the subdivision.

Water Supply

The subdivider shall provide a satisfactory water supply to all lots, lease areas and building sites within the subdivision.

Electricity Supply

The subdivider shall make suitable arrangements for the reticulation of an electric power supply for every lot, lease area and building site within the subdivision.

Gas Supply

The subdivider shall make suitable arrangements for the reticulation of a gas supply for every lot, lease area and building site within the subdivision, where existing gas reticulation is available within 100 metres of the subdivision.

Telephone Services

The subdivider shall make suitable arrangements for the reticulation of a telephone service and other telecommunication services for every lot, lease area and building site within the subdivision.

Access Ways And Private Ways

The minimum access and formation widths for access ways and private ways serving household units shall be provided in accordance with the following table:

NUMBER OF POTENTIAL HOUSEHOLD UNITS	ACCESS WIDTH	FORMATION WIDTH
1	3.0m	2.5m
2	3.0m	3.0m
3 - 4	4.5m	4.0m
5 - 8	6.0m	5.0m

More than 8 household units may not share private access

For other access ways and private ways, see **Appendix W**.

FINANCIAL CONTRIBUTIONS - MINIMUM ENGINEERING REQUIREMENTS FOR DEVELOPMENT

Note: The Performance Standards for the following Rules 'Earthworks and Foundations' to 'Bonds' are contained in **Appendix W**. Various methods may be used to satisfy these Performance Standards. However compliance with the *Rotorua District Council Engineering Code of Practice* is deemed to satisfy the particular Performance Standards listed.

The maximum level of the financial contribution for minimum engineering requirements is the total cost of providing these requirements in accordance with the Performance Standards outlined in **Appendix W**.

Earthworks And Foundations

Every building within the development shall have a foundation suitable for its intended use, free from inundation, erosion, subsidence and slippage.

Roading

Roads or other means of access approved by Council shall be provided to all buildings within the development. However, Council may approve the development where it is satisfied that adequate access to the development is provided over other land pursuant to an easement of right of way.

The developer shall:-

- (a) form and completely construct and drain all proposed roads, parking and turning areas; and
- (b) form and construct a carriageway over every proposed private way and private road.

Note: The Memorandum of Transfer or Easement Certificate must provide for and detail maintenance standards, cost sharing provisions and means of arbitration, in cases of easements of rights of way.

Stormwater

The developer shall provide a satisfactory system for the collection, treatment and disposal of stormwater from the development.

Sanitary Sewerage

The developer shall provide for the satisfactory disposal of sewage from the development.

Water Supply

The developer shall provide a satisfactory water supply to the development.

Electricity Supply

The developer shall make suitable arrangements for the reticulation of electric power to the development.

Telephone Services

The developer shall make suitable arrangements for the reticulation of telephone and other telecommunication services to the development.

Bonds

Council may require the developer or owner(s) to enter into a bond for the due compliance with the above requirements which would be arranged prior to the uplifting of a building consent, where the above

requirements involve off-site works or affect the existing public road or service infrastructure.

FINANCIAL CONTRIBUTIONS - SERVICE LANES AND ROAD WIDENING

In the case where land is vested for service lane or road widening the maximum level of the financial contribution will be in accordance with the identified service lane and road widening requirements listed or described in **Appendix N** and **Appendix D** respectively. In addition any costs associated with the vesting of the service lane or road widening will form part of the maximum financial contribution in accordance with the provisions of **Part Twelve**.

Subject to **R12.6** and **R12.7** of **Part Twelve**, Council will require the vesting of land for service lanes or road widening upon subdivision or development of lots or lease areas with identified service lane or road widening requirements listed or described in **Appendix N** and **Appendix D** respectively.

FINANCIAL CONTRIBUTIONS - UPGRADING REQUIREMENTS FOR SUBDIVISION AND DEVELOPMENT

The maximum level of the financial contribution for upgrading will be limited to the works necessary to meet the additional loading on the infrastructure caused by the subdivision or development, as determined by Council.

Roading

For the purpose of forming, diverting, or upgrading any existing road or forming any new road because of new or increased traffic owing to the subdivision or development of any land, Council may, as a condition of approval of a scheme plan or development, require the owner(s) to:

- (a) pay, or enter into a binding contract to pay, to Council a fair and reasonable contribution towards the cost of forming or upgrading roads or parts of roads within or adjacent to the subdivision or development or of any other land in the same ownership. Such forming and upgrading shall be carried out to a state or standard as determined by Council. Alternatively Council may require the owner(s) to carry out, or enter into a binding contract to carry out, that work;

and/ or,

- (b) dedicate a strip of land in the same ownership for the widening of any road.

The above requirements shall be limited to the extent to which the road serves or is intended to serve the subdivision or development.

Upgrading Parameters For Rooding

- (a) Each household unit will be deemed to generate 6 vehicle movements per day (v.p.d.).
- (b) All existing roads directly serving the subdivision or development shall be formed and sealed when required to carry in excess of 70 v.p.d., except that metalled cul-de-sacs or cul-de-sac ends less than 300m in length shall also be formed and sealed even though assessed traffic volumes may be less than 70 v.p.d.
- (c) Where contributions towards footpath, kerb and channel and berm formation are required, the contribution shall be at the rate of 50% of the total estimated cost.

Water Supply And Drainage

Council may, as a condition of its approval of the scheme plan or development, require the owner(s):

- (a) where an existing public water supply system or drainage system is available, to service the subdivision (being a system within or contiguous to the land in the subdivision) -

to pay, or enter into a bond to pay, to Council such amount as Council considers fair and reasonable for or towards the cost of upgrading the said system.

- (b) where any such system is not available, but is likely to be available within a period of five years, to pay, or enter into a bond to pay, Council such amount as Council considers fair and reasonable for or towards the cost of providing water, drainage, electricity or gas connections from that system to the subdivision or to any lots in the subdivision.

Upgrading Parameters For Water Supply And Drainage

Unless otherwise provided for, the upgrading contribution required towards the cost of upgrading a service will be the total cost of upgrading such service to serve for the subdivision or development in accordance with the Performance Standards of **Appendix W**.

MISCELLANEOUS FINANCIAL CONTRIBUTION REQUIREMENTS FOR SUBDIVISION AND DEVELOPMENT

Sharing Of Cost Other Than Upgrading Contributions

The provisions of 'Financial Contributions – Upgrading Requirements for Subdivision and Development', with the exception of 'Upgrading Parameters for Roading' (c), do not define a basis for the sharing of the cost of services between the subdivider or developer and Council. The share of the cost to be met by the subdivider or developer will be determined by Council at the time of scheme plan or development approval.

Council's share and upgrading costs are required to be included in the Annual Plan process which may delay provision of the appropriate service and implementation of the subdivision or development. The subdivider or developer may elect to proceed with such works at their cost.

Engineering Inspection Fees

To cover the cost of the inspection by Council of the Engineering Plans and Specifications, and the cost of inspection of construction, the subdivider or developer shall pay the following fees:

- (a) 1% + GST of the value of the works inspected and approved based on a schedule of quantities and estimated rates to be submitted by the subdivider or developer; or
- (b) A minimum fee as determined by Council.

All estimated rates must be fair and reasonable.

Easements For Public Services

All easements necessary for public services and batters, or where required by Council, are to be granted by the subdivider or developer.

Discharge Permits

All discharge permits shall be obtained by the subdivider or developer in their name.

Works In Reserves, Domains Or Private Land

Wherever any works are to be constructed within a reserve or domain vested in Council, the subdivider or developer shall obtain the approval of Council. In the case of private property, written permission of both the owner(s) and the occupier(s) shall be obtained and submitted to Council along with the engineering plans. Upon completion of the works and prior to the issue of a completion certificate in the case of a subdivision, written confirmation of the property owner'(s) satisfaction with reinstatement works shall be provided.

Drains laid on private property other than that owned by the subdivider, are subject to Section 445 of the *Local Government Act 1974* and only Council is empowered to serve the statutory notifications, etc. required. All costs involved in the serving of notices, hearing of objections and any other consequential expenditure shall be met by the subdivider or developer.

Variation Of Requirements

Any variation from the requirements which may be necessary to meet particular circumstances must be referred to Council for specific approval and will be assessed as a Non-Complying Activity. Any reduction in standards must receive the approval of Council prior to being incorporated in plans and specifications for subdivision or development.

Policy

Rotorua District Council will continue to use the relevant provisions of the Operative District Plan to determine financial contributions.

The review currently being undertaken will continue and be part of a special consultation process during the next 12-18 months.