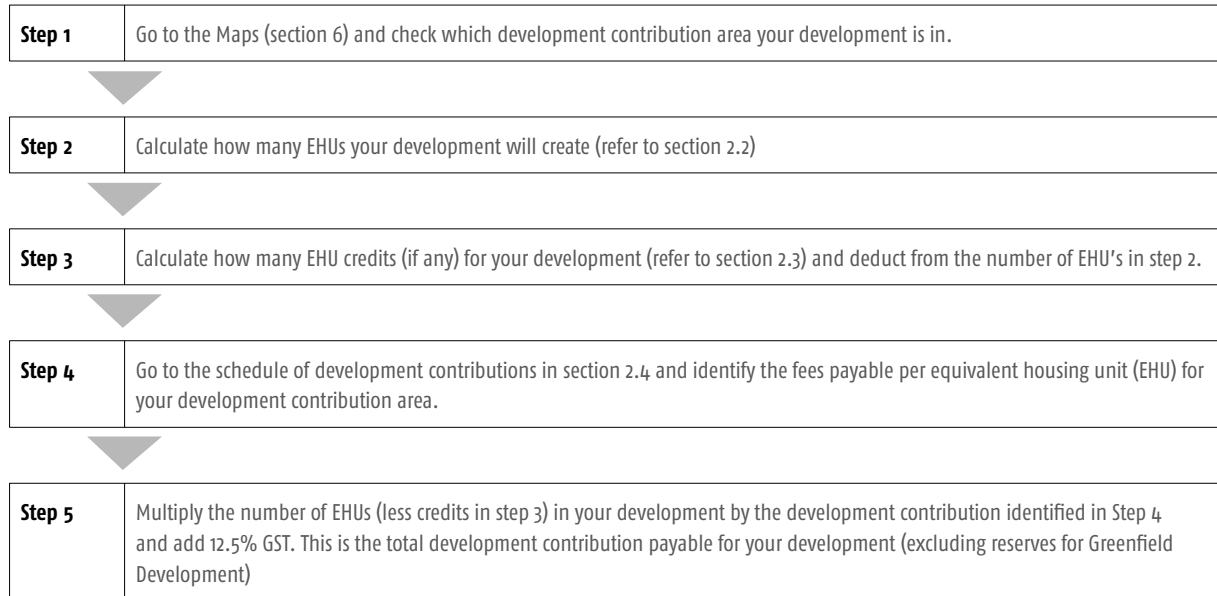


Part 1: Operational Policy

2 APPLICATION OF THE POLICY

2.1 HOW TO CALCULATE YOUR DEVELOPMENT CONTRIBUTION



Note: Contact Council to determine the reserves payable for greenfield development.

2.2 HOW TO CALCULATE THE NUMBER OF EHU'S?

2.2.1 Development contributions are payable for the number of EHU's created by each development. EHU's are applied as follows:

TYPE OF DEVELOPMENT:	EHU ASSESSMENT BASED ON:
Residential development	1 EHU per Household unit
Subdivision	1 EHU per allotment
Non residential development	1 EHU for every 65m ² of gfa unless changed following an assessment under the process in 2.5.5 below

2.3 CREDIT FOR EHUS FOR EXISTING DEVELOPMENT

2.3.1 In some cases, credits may be used to reduce the development contribution payable. Credits will be expressed in EHUs. Credits will not be refunded, and can only be used for developments on the same site and for the same activity. Credits cannot be used to reduce the number of units of demand to less than zero.

2.3.2 A credit is given for the number of EHUs assessed for the development or use existing on the site at the time the application is assessed for the development contribution payable, to recognise situations where existing structures on the site or uses on the site mean that the development being assessed will not contribute to growth to the extent that the assessed number of units of demand implies.

2.3.3 The number of EHU credits will be calculated by applying the criteria in paragraph 2.3.2 above, unless in the case of non residential development, the assessment process is used. Where a self-assessment or special assessment is undertaken under 2.2 it will also include a determination of the credits under the policy.

2.3.4 Examples where credits will arise are:

TYPE OF DEVELOPMENT:	EHU ASSESSMENT BASED ON:
Infill Residential fee simple subdivision of existing allotment into 3 fee simple allotments	1 EHU credit – for the original allotment. Development Contributions payable on 2 EHU's
Residential development of existing CBD site with 650m ² gfa commercial building into 100 unit title apartments	10 EHU credit (i.e. 650m ² gfa /65m ²) unless an assessment is undertaken
Additional household unit on existing allotment with one house – (with or without subdivision)	1 EHU credit for the existing household unit only Development contribution charged on additional household unit
Development of 4 fee simple lots in the Northern Growth area for commercial storage facility – with 10,000m ² gfa	4 EHU credit for the existing allotments to be deducted from the total payable for the commercial storage facility (10,000 m ² gfa/ 65)

2.4

SCHEDULE OF DEVELOPMENT CONTRIBUTIONS

- 2.4.1 The schedule of development contributions refers to areas A to S. These refer to geographically defined development contribution areas set out in Appendix A – Maps of development contributions catchment areas.
- 2.4.2 All fees in the schedule are GST exclusive.

MAP ZONE	CITY WIDE \$ PER EHU	CATCHMENT SPECIFIC				RESERVES EXCLUDING GREENFIELD DEVELOPMENT* \$ PER EHU	TOTAL EXCLUDING RESERVES FOR GREENFIELD DEVELOPMENT \$ PER EHU
		WATER SUPPLY \$ PER EHU	WASTE WATER \$ PER EHU	ROADING \$ PER EHU			
A Roseneath	\$1,750	\$1,775	\$1,185	\$0	\$0	\$4,710	
B Western Messines	\$1,750	\$961	\$2,440	\$0	\$0	\$5,151	
C Grenada North HL	\$1,750	\$7,250	\$1,185	\$0	\$0	\$10,185	
D Frobisher	\$1,750	\$1,904	\$1,185	\$0	\$0	\$4,839	
E Kelburn	\$1,750	\$1,392	\$1,185	\$0	\$0	\$4,327	
F Central Johnsonville West	\$1,750	\$850	\$1,185	\$0	\$0	\$3,785	
G Ngaio West	\$1,750	\$3,907	\$1,185	\$0	\$0	\$6,842	
H Onslow	\$1,750	\$677	\$1,185	\$0	\$0	\$3,612	
I Churton-Stebbing	\$1,457	\$1,543	\$722	\$2,495	\$0	\$6,217	
J Northern Grenada- Lincolnshire	\$1,457	\$5,720	\$722	\$1,141	\$0	\$9,040	
K Inner City – Residential	\$1,750	\$0	\$1,185	\$0	\$2,099	\$5,033	
Inner City – Non-Residential	\$1,750	\$0	\$1,185	\$0	\$262	\$3,197	
L Northern	\$1,750	\$0	\$722	\$0	\$0	\$2,472	
M Western	\$1,750	\$0	\$2,440	\$0	\$0	\$4,190	
N Central	\$1,750	\$0	\$1,185	\$0	\$0	\$2,935	
O Rural (Citywide roading & reserves only payable - unless practical to connect to water or wastewater.)	\$1,034	\$0	\$0	\$0	\$0	\$1,034	

MAP ZONE	CITY WIDE \$ PER EHU	CATCHMENT SPECIFIC				RESERVES EXCLUDING GREENFIELD DEVELOPMENT* \$ PER EHU	TOTAL EXCLUDING RESERVES FOR GREENFIELD DEVELOPMENT \$ PER EHU
		WATER SUPPLY \$ PER EHU	WASTE WATER \$ PER EHU	ROADING \$ PER EHU			
Q Central Messines	\$1,750	\$961	\$1,185	\$0	\$0	\$3,896	
R Northern Johnsonville West	\$1,750	\$850	\$722	\$0	\$0	\$3,322	
S Central Grenada- Lincolnshire	\$1,457	\$5,720	\$1,185	\$1,141	\$0	\$9,503	

Greenfield development

* See paragraph 12.2.9 and Appendix B6.1.2 – B6.1.7 for the development contribution for reserves for any Greenfield development. As an indication, an average development contribution for Greenfield development reserve is \$7,510.

2.5 ADDITIONAL INFORMATION ON ASSESSING THE DEVELOPMENT CONTRIBUTION PAYABLE

When Council will not require a development contribution

2.5.1 Under the Local Government Act Council is unable to require a development contribution for a reserve, network infrastructure or community infrastructure if, and to the extent that:

- It has, under section 108(2)(a) of the Resource Management Act 1991, imposed a condition on a resource consent in relation to the same development for the same purpose;
- The developer will fund or otherwise provide for the same local reserve, network infrastructure, community infrastructure in agreement with Council (and citywide fees will still apply); or
- Council has received or will receive funding from a third party.

Development where there is no practical connection

2.5.2 For developments where there is no practical connection to water supply or wastewater reticulation systems, the Council will reduce the amount of the contribution payable by the relevant fee (or fees) payable in that catchment as follows:

- Water – citywide and catchment
- Wastewater – citywide and catchment

2.5.3 If a development is subsequently connected to the water and/or wastewater reticulation systems, the following will be payable prior to the connection:

- the applicable additional citywide contribution; and
- the relevant catchment area development contribution.

New connections

- 2.5.4 Where an existing development that is not connected to the City water or wastewater network as at 1 July 2005, connects to the City water or wastewater network the development contribution that applies to the relevant water or wastewater catchment must be paid prior to the service being connected.

Assessment process for non residential development

- 2.5.5 The non-residential unit of demand (65m² GFA per EHU) may be departed from in the following circumstances:

Self-assessment

- 2.5.6.1 An applicant may apply for a self-assessment of the number of EHU's payable for a particular development as follows:

- (a) Application must be made in writing before any development contributions payment in respect of the development becomes due.
- (b) The assessment must relate to all infrastructure and reserve categories for which development contributions are payable under the policy.
- (c) The onus is on the applicant to prove (on the balance of probabilities) that the Actual Increased Demand created by the development is different from that assessed by applying the non residential unit of demand in paragraph 2.2.1. Actual Increased Demand means the demand created by the most intensive non residential use(s) likely to become established in the development within 10 years from the date of application.
- (d) The Council may determine an application made under this part at its discretion. In doing so the Council must take into account everything presented to it by way of the written application, and may take into account any other matter(s) it considers relevant.
- (e) Any application must be accompanied by the fee payable to recover Council's actual and reasonable costs of determining the application.

Special assessment

- 2.5.6.2 If the Council believes on reasonable grounds that the increased demand for water supply, wastewater, stormwater, transport and roading and/or reserves assessed for a particular development by applying the non residential unit of demand in paragraph 2.2.1 is less than the Actual Increased Demand created by the development, it may require a special assessment to determine the number of EHUs as follows:

- (a) A special assessment must be initiated before any development contributions payment in respect of the development becomes due.
- (b) The assessment must relate to all infrastructure and reserve categories for which development contributions are payable under the policy.
- (c) The Council may request information from the applicant to establish the Actual Increased Demand.
- (d) The Council must bear its own costs.
- (e) Everything the Council intends to take into account when making a special assessment must be provided to the applicant for a written reply at least 14 days before the assessment is determined.

- (f) The Council may determine a special assessment made under this part at its discretion. In doing so the Council must take into account everything presented to it by way of a written reply, and may take into account any other matter(s) it considers relevant.

Assessment guidelines

2.5.6.3 Without limiting the Council's discretion, when assessing an application for a self-assessment, or a special assessment initiated by Council, the Council will be guided by the following:

INFRASTRUCTURE TYPE	USAGE MEASURE PER EHU
Water Supply	780 litres per day including storage
Wastewater	390 litres per day
Stormwater	Runoff co-efficient not exceeding 0.7
Traffic and Roading	10 private vehicle trips per day
Reserves	600m ² of allotment area

Private development agreements

2.5.6 Council may enter into a private agreement with a developer. The agreement must clearly record why an agreement is being used, record the basis of the cost sharing and, in particular, whether there is any variation from the Council's policy that new development should pay 100% of growth related capital expenditure, and when the infrastructure will be provided.

2.5.7 Council foresees two situations where a private agreement may be appropriate:

- In a greenfield situation where Council will work with a developer to provide greater local capacity than that required for a particular subdivision to allow for potential further development and/or to reduce Council's long term operating costs;
- Where new capital expenditure is required to facilitate development of an area, but because there is no budgeted capital expenditure for the project there is no development contribution set under the policy.

2.5.8 Any departure from the policy that new development should pay less than 100% of growth related capital expenditure will be dealt with as if a remission under this policy.

2.6 REMISSION AND POSTPONEMENT

2.6.1 Council may remit or postpone payment of a development contribution at its complete discretion. Council will only consider exercising its discretion in exceptional circumstances. Applications made under this part will be considered on their own merits and any previous decisions of Council will not be regarded as creating precedent or expectations.

- 2.6.2 Remissions will only be granted by resolution of Council (or a Committee or Subcommittee acting under delegated authority).
- 2.6.3 An application for remission must be applied for before a development contribution payment is made to Council. Council will not allow remissions retrospectively.
- 2.6.4 An application must be made in writing, and set out the reasons for the request.

2.7 REFUNDS

- 2.7.1 Refunds will be made in accordance with sections 209 and 210 of the Local Government Act 2002, including any amendments made to those provisions at the time of making a refund.

3 ASSESSMENT AND PAYMENT

This part of the policy sets out when a development contribution will be required (i.e. assessed by the Council) and when payment is required.

3.1 REQUIREMENT

- 3.1.1 For every development, the Council has the discretion to require a development contribution under section 198 of the Local Government Act 2002 when:
 - 3.1.1.1 Resource consent is granted under the Resource Management Act 1991 for a development within the Wellington City district; or
 - 3.1.1.2 Building consent is granted under the Building Act 2004 for building work situated in its district (including the grant of a certificate of acceptance); or
 - 3.1.1.3 Authorisation for a service connection is granted.

3.2 WHEN COUNCIL WILL REQUIRE A DEVELOPMENT CONTRIBUTION?

- 3.2.1 The following sets out when Council will assess developments for development contributions. Council retains the discretion to change its approach (subject to compliance with section 198 LGA 2002) from time to time.
- 3.2.2 The amount of the development contribution payable will be calculated under the schedule of development contributions in the policy that applies at the date of the assessment.

Subdivision of land (excluding unit title development)
- 3.2.3 A development contribution required in respect of a resource consent being granted under the Resource Management Act 1991 for the fee simple subdivision of land, will be assessed when the subdivision consent is granted.
- 3.2.4 Where a subdivision consent provides for its implementation in stages, Council will apportion any development contribution assessed between each stage at its sole discretion.

Building consent
- 3.2.5 Council will assess all developments requiring a building consent when the building consent is granted.

Land use consent or unit title development
- 3.2.6 Developments requiring a land use consent or subdivision consent for a unit title development will not be assessed for development contributions at the time of granting consent, unless no building consent is required.