

Development Contributions Policy

INTRODUCTION

Legislative Requirements and Powers

The Council is required to have a Development Contributions Policy as a component of its Funding and Financial Policies in its Long Term Council Community Plan (*Kapiti Coast: Choosing Futures – Community Plan*) under section 102 (4) (d) of the Local Government Act 2002. Section 198 of the Local Government Act 2002 gives territorial authorities the power to require a contribution for developments. This includes resource consents for land use and subdivision and building consents. Development contributions will contribute towards infrastructure required due to growth, and may only be required if the Council has a Development Contributions Policy in place.

Funding the Council's capital expenditure for growth through development contributions will be considered alongside the Council's other funding tools, in order to provide fairness, predictability and certainty about the sources and levels of funding.

When a Development Contribution is Required

A Development Contribution will apply to developments where applications for building, subdivision and land use consents or service connections are received on or after July 1 2004, and will not apply retrospectively to developments where such applications have already been received or granted by the Council before this date.

The Local Government Act 2002 also imposes some strict controls around the circumstances in which contributions may be sought. These controls are set out in detail in section A.6 of this policy.

Relationship between “Development Contributions” and “Financial Contributions”

“Development Contributions” under the Local Government Act 2002 are different from “Financial Contributions” under the Resource Management Act 1991 (RMA 1991).

Local Authorities require development contributions from development to meet the capital expenditure for community facilities resulting from growth, whereas Local Authorities take financial contributions from development primarily in order to avoid, remedy, or mitigate the adverse effects of development activities on the environment.

Local authorities are prevented from "double-dipping" – that is, they may not take contributions in relation to an activity if financial contributions have already been received from that development for that activity.

The Council already has in place financial contributions policies, objectives, and rules in the District Plan (Refer Kapiti Coast District Plan: Part E). The Council currently has the ability to take financial contributions from new development under the District Plan to avoid, remedy, or mitigate the adverse effects of development activities on the environment, for the following:

- Reserves and Open Space;
- Roads and Access for motor vehicles, bicycles and pedestrians;
- Water Supply;
- Wastewater Disposal;
- Community Facilities.

However, the financial contributions policies, objectives, and rules in the District Plan do not appropriately provide for the capital expenditure to meet its funding requirements for the growth anticipated to take place in the district.

The financial contributions policies, objectives, and rules in the District Plan also do not meet the Council's new funding and financial policy obligations with regards to the funding of capital expenditure for growth under the Local Government Act 2002.

The Council considers that a Development Contributions Policy will fulfil its growth management, funding and financial policy obligations more appropriately than a Plan Change to the financial contributions policies, objectives, and rules in the District Plan. The exception is the case of open spaces and reserves, where the existing provisions of the District Plan will be reviewed as part of the District Plan review beginning in 2009. An outcome of that review may be that capital expenditure for open spaces and reserves are funded through the Development Contributions Policy in the future, and that relevant financial contributions are no longer sought.

Community Outcomes

The Kapiti Coast: Choosing Futures - Community Plan identifies and details the Community Outcomes to which the funding of capital expenditure for growth for roading, cycling, walking and bridleway facilities, water supply, wastewater treatment, community infrastructure, open spaces and reserves and flood mitigation facilities, primarily contribute.

The Kapiti Coast: Choosing Futures - Community Plan specifies Community Outcomes as:

- Outcome 1: there are healthy natural systems which people can enjoy;
- Outcome 2: local character is retained within a cohesive District;
- Outcome 3: the nature and rate of population growth is appropriate to community goals;
- Outcome 4: the community makes use of local resources and people have the ability to act in a sustainable way on a day-to-day basis;
- Outcome 5: there is increased choice to work locally;
- Outcome 6: the District is a place that works for young people;
- Outcome 7: the District has a strong healthy, safe and involved community.

The Council has concentrated its efforts and resources on these Community Outcomes, and considers the comprehensive initiatives it has taken to manage growth, including the preparation and subsequent revision of the Development Contributions Policy to fund the growth component of community facilities, as the best funding and financial strategy to achieve them.

Overview of Development Contributions Policy

Purpose of a Development Contributions Policy

The key purpose of the Development Contributions Policy is to ensure that a fair proportion of the cost of infrastructure needed to serve growth is funded by those who cause the need for that infrastructure (i.e. the developments leading to growth). Development Contributions are not a tool to fund the cost of maintaining infrastructure or improving levels of service. This cost will be met from other sources.

Facilities for which Development Contributions May Be Required

This policy provides for development contributions to be collected to fund:

- Capital expenditure **expected** to be incurred as a result of growth;
- Capital expenditure **already** incurred in anticipation of growth.

Funding the Council's capital expenditure for growth with development contributions must be considered alongside the Council's other funding tools. Development Contributions will be required from development under this Policy to meet the growth component of the future capital expenditure budgets alongside other sources. That is network infrastructure and community infrastructure including:

- Roading, cycling, walking and bridleway facilities;
- Water Supply facilities;
- Wastewater Treatment facilities;
- Community infrastructure facilities;
- Flood Mitigation facilities.

The Policy may be amended, in the future, to provide for contributions towards the acquisition and development of reserves.

Capital Expenditure the Council Expects to Incur as a Result of growth

Since 1999 the Council has developed a comprehensive growth management strategy. This is summarised in the Development Management Strategy (2006) and in resulting asset management plans that have identified the estimated capital expenditure by the Council for capital works projects resulting from the growth anticipated to occur in the District over a 20 year period. These costs are calculated in the Contributions Model for the District. The Council is responsible for providing infrastructure in a timely and affordable manner so that:

- growth within the Kapiti Coast will take place predominantly within existing urban areas, with limited low-impact expansion of selected urban areas where appropriate, and intensification around town centres and public transport centres will take place;
- the capital expenditure for growth will be affordable for the Council, the community and those undertaking developments;
- as far as is practicable, the growth will be financially self-supporting.

The Contributions Model has been built up from a capital works project component level, and calculates over a 20 year period the contributions that will be required from new development to meet a fair proportion of the capital expenditure required for growth for roading, cycling, walking and bridleway facilities, water supply, wastewater treatment, community infrastructure, and flood mitigation facilities.

The Council considers that most capital works projects address multiple drivers, including demand from Additional Capacity/Growth and Improved Level of Service. In determining the appropriate split between the various drivers the Council has considered the matters set out in section 101(3) of the Local Government Act 2002 and also the following:

- separation of each project into components with differing Additional Capacity/Growth and Improved Level of Service splits;
- the extent to which different parts of the community contribute to the need for the new facilities;
- the distribution of benefits from each component of each project throughout the community;
- projected population growth, and the anticipated pattern and distribution of development;
- existing population and development;
- anticipated infrastructural needs;
- adequacy of existing services;
- the life of benefits associated with each project;
- consistency across the District.

(refer Appendix B: Notes to Contributions Model for further detail).

Development contributions will only be required to meet the Additional Capacity/Growth components of capital works projects, with the Council funding the other drivers from other sources. The Contributions Model is based on the considered assessment of the distribution of the burden of meeting the Additional Capacity/Growth components of the Council's capital works projects among units of demand which arise from different types of new development.

The financial projections in the *Kapiti Coast: Choosing Futures - Community Plan* are based on the assumption that the effects caused by the growth of the District will be met in accordance with the Contributions Model. Provision of capital works will be funded predominantly by way of internal and external loans which are mostly spread over a 20 year period, with development contributions collected under this policy servicing those loans.

**Table 4.1
20-Year Estimated Total Capital Expenditure and Growth Component
(Funded by Development Contributions)**

Community Facility	Total Cost of Capital Works Project	Other Sources of Funding	Total Non-Growth Component (including Improved Level of Service)	Total Growth Component (Funded by Development Contributions)
	\$000	\$000	\$000	\$000
Roads/ CWB	337,000	195,500 (NZTA)	130,000	11,100
Water Supply	79,000	-	67,000	12,000
Wastewater Treatment	77,000	-	70,000	7,100
Community Infrastructure (e.g. Aquatic Centre, Libraries)	110,000	-	88,000	21,400
Community Facilities: Parks & Reserves	27,000	20,000 (Financial Contributions via District Plan)	7,000	-
Stormwater (Flood Mitigation)	115,000		106,000	9,000
Total	\$745,000	\$215,500	\$468,000	\$60,600

		Total Cost to Council	Growth Component
		\$000	\$000
Spent to Date	Paraparaumu / Waikanae Supplementary Water Supply (2005)	13,200	4,400
	Emergency Operations Centre (completed 2007)	1,800	440
	Libraries (Paraparaumu 2003 and Ōtaki 1998)	6,700	2,100
	Te Arawai Bridge (2009)	51	13
	Future Aquatic Centre Expenditure (08/09)	500	165
	Chrystalls Bend Flood Protection (completed 2008)	880	440
Total		\$23,131	\$7,558

The previous table summarises:

- total Capital Expenditure over the 20-year period of the policy;
- the respective non-growth-related (including renewals and Increased Levels of Service) and growth-related components of that Capital Expenditure;
- what proportion of the growth component will be funded out of development contributions (100%);
- sources of funding other than development contributions;
- amount spent to date (to be partially recovered through development contributions).

The full schedule of proposed Capital Expenditure for Years 1-10 (2009/10 to 2018/19) is in the Financial Information section of Part Two of this Community Plan as “Forecast Major Capital Expenditure Projects”. For a schedule of proposed Capital Expenditure for Years 11-20 (2019/20 to 2028/29), see Table B.8 in Appendix B to this Development Contributions Policy.

Distribution of Benefits

The Council has allocated the distribution of benefits derived from the Additional Capacity/Growth component of capital works projects among the units of demand generated by new development, both residential and non-residential.

Distribution of benefits will occur at two levels as a result of a catchment-based approach to allocation of capital expenditure for growth. One level is Districtwide for roading, cycling, walking and bridleway facilities, most community infrastructure facilities, and most flood mitigation facilities. The other level is Local Service Area for water supply, wastewater treatment, some community infrastructure and some flood mitigation facilities. The Council has identified these areas in the Contributions Model.

(Refer map A.6.1 and A.6.2 – Kapiti Coast District Local Service Areas, Appendix A: Schedule to Development Contributions Policy, and Appendix B: Notes to Contributions Model, for further detail).

(a) Districtwide

Certain significant community infrastructure, flood mitigation, and roading/cycling/walking/bridleway capital works projects have been identified as districtwide in distribution of benefits.

(b) Local Service Areas

The projected growth of the District expressed in numbers of new household units (for residential activities) and new household unit equivalents (HUEs, for non-residential activities) for has been calculated in the Contributions Model, and demarcated by Local Service Areas. The local Service Areas generally correspond with aggregated Statistics New Zealand Census Area Units, though they vary slightly to reflect the extent of reticulated services and other urban services. The Census Area Units are well defined areas of relatively homogenous development type, bounded by major roads or water bodies. The benefits of water supply, wastewater treatment, some flood mitigation and some community infrastructure capital works projects are shown

by Local Service Area, and have been assumed to be uniformly distributed throughout each Local Service Area.

The Council Use of Development Contributions

The Council will use development contributions only for or towards the community facility for which they are collected. This will be undertaken on an aggregated project basis for each of the activities; in other words, a particular development contribution for an activity (e.g. water supply or flood mitigation) is not targeted to one specific project but is spread proportionally across all projects within that activity. Where the Council anticipates funding from a third party for any part of the growth component of the capital expenditure budget, then this proportion has been excluded from the total estimated growth component to be funded by development contributions, as can be seen in Table 4.1

Implementation and Review

It is anticipated that this Policy will be updated triennially, or on an annual basis if needed. Any review of the Policy will take into account:

- any changes to the significant assumptions to the Development Contributions Policy;
- any changes in policy as the Council continues to develop and implement its growth management strategy;
- any changes in the capital works programme for growth;
- any changes in the pattern and distribution of development in the District;
- the regular reviews of the Revenue and Financing Policy, and the *Kapiti Coast: Choosing Futures - Community Plan*;
- any other matters the Council considers relevant.

Role of the Council

The Council considers it has a significant role in the provision of roading, cycling, walking and bridleway facilities, water supply, wastewater treatment, community infrastructure, and flood mitigation facilities. This forms part of the Council's historic growth management and sustainable development obligations to the district, which neither individuals, the community, the private sector, nor central government can appropriately fulfil.

The Council requires development contributions for the effects of development, including the cumulative effects that a development may have in combination with another development, which require the Council to incur capital expenditure to appropriately provide for new or additional roading, cycling, walking and bridleway facilities, water supply, wastewater treatment, community infrastructure and flood mitigation capital works for increased capacity. This also includes capital expenditure the Council has already incurred in anticipation of growth that is occurring within the timeframe of the Development Contributions Policy. In the future, this policy may be amended to include contributions towards reserve acquisition and development.

Roading, Cycleways, Walkways and Bridleways

Roading facilities and cycleways, walkways and bridleways (CWB) facilities are being constructed for the provision of a safe and cost effective network of roads and access ways to satisfy the current and future growth needs of road and access way users. This includes the need for roading to form part of a safe and efficient local, regional and national system of transport. The main component is the construction of the Western Link in conjunction with other residential and commercial roading upgrade projects, and the CWB network which provides alternatives to motorised transport.

Water Supply

It is envisaged that a new storage reservoir will be required to service Ōtaki. This work will include upgrades to the existing supply bores and supply infrastructure. This includes capacity for existing and future residents. In the southern urban area, the recently completed bore field will provide supplementary supply over the next 20-year planning period.

There will be a need to provide a pre-treatment water storage facility within the next 20 years. Existing ratepayers, together with new ratepayers, will have to pay their fair share of the costs.

The construction of additional supply infrastructure is also programmed for Paraparaumu, Waikanae and Raumati to accommodate both existing users and projected growth. The Waikanae water treatment plant will also require upgrade works that will have a growth component.

Wastewater Treatment

Most of the capital expenditure over the next 20 years will be upgrading infrastructure including pump stations, parallel pipes, augmentation of carriers and new balance tanks. A significant component of these upgrades is required to service additional growth.

Allowance has also been made for the upgrade of the Ōtaki wastewater treatment plant to accommodate growth.

Community Infrastructure

The Kapiti Coast: Choosing Futures - Community Plan has identified the growing importance of public resources and recreation facilities in supporting the quality of life in the District. Included in the *Kapiti Coast: Choosing Futures - Community Plan* are a new aquatic centre, a dedicated arts centre, an upgraded Waikanae Library, an upgraded civic building to cope with the growing district, and town centre upgrades. In addition, the Council has recently made large investments in a dedicated Emergency Operations Centre, and in new libraries in Ōtaki and Paraparaumu, to cater for existing and future demand.

Flood Mitigation Works

The completion of the Chrystalls Bend stopbank along the Ōtaki River has provided a direct benefit to Ōtaki. It is estimated that half the benefit will be to landowners who have the potential to further develop their land as a result of the flood mitigation works. It is considered fair and reasonable that they pay a contribution towards this capital work. In addition there will be significant investment in flood mitigation works over the next 20 years within all urban areas of the district. This will benefit both existing and future residents. While development in flood prone areas is required to undertake works to mitigate the flood hazard, the development still places some load on the stormwater/flood management system. As such 10% of the cost is attributed to growth which will go towards reducing and mitigating the flood hazard risk.

Reasons the Council Provides Community Facilities

The reasons the Council is engaged in the provision of roading, cycling, walking and bridleway facilities, water supply, wastewater treatment, community infrastructure and flood mitigation capital works fall into one or more of the following categories:

- **Legislative Requirement**
The Council has extensive powers, duties, and functions conferred upon it by central government, providing both mandatory and discretionary responsibilities.
- **Growth Management**
The Council seeks to manage the growth of the District in a timely, co-ordinated, cost-effective, equitable and sustainable manner.
- **To Ensure Public Access**
The Council has chosen to fund and/or provide these facilities to ensure they are available to the community at a reasonable cost and in the required quantity.
- **To Meet Community Expectation**
Community expectation is measured through the development of community outcomes every 6 years, its yearly Annual Plan and LTCCP processes, and consultation on specific issues. These processes assist in the Council's decision making in relation to the provision of individual services. Community expectation will also be given effect through the review of the *Kapiti Coast: Choosing Futures - Community Plan*.
- **No-one Else will Provide the Service**
If the Council were to stop providing some or all of these facilities, no alternative provider would be available.
- **To Enhance Community Safety**
Community safety applies to activities that relate to the protection of the community. In some instances there is a statutory responsibility to provide this service, but the Council provides a level of service that is higher than the statutory minimum requirements.

Why the Council has determined to use Development Contributions to meet the Costs of Capital Expenditure for Growth

The Kapiti Coast has historically experienced predominantly greenfields development. Increasingly, intensification of development is expected to occur in and around town centres and public transport centres. The Council considers that there is sufficient land and infrastructure for expected population growth over the next 20 years, which is projected (by Statistics NZ's medium projection) to comprise approximately 5600 new households and 10,000 new residents as the district's population increases from approximately 48,000 in 2009 to 58,000 by 2029. The district's employment is also expected to increase over the next 20 years by approximately 4700 employees.

The Council acknowledges that development will provide significant infrastructural services such as new roads. Population and employment growth will, however, place a significant strain on transport, water supply, wastewater treatment facilities, flood mitigation and community infrastructure of the district if not well managed or provided for.

The challenge has been to put in place a transparent, consistent, and equitable basis for requiring contributions so that those undertaking developments pay a fair share of the capital expenditure for roading / CWB, water supply, wastewater treatment facilities, flood mitigation and community infrastructure facilities without inhibiting growth. Benefits from growth accrue to those undertaking developments, the Council, and the community, and the costs of growth need to be correspondingly and fairly balanced given the limited sources of funding available to the Council.

In response to this challenge the Council has, since the late 1990s, developed a comprehensive growth management strategy in wide consultation with the community. This has included community-led concept planning exercises for the District, and is summarised in various community-specific Local Outcomes Statements that support the overarching districtwide Community Outcomes, as well as the districtwide Development Management Strategy (2006). These initiatives have at the same time enabled the Council to calculate the capital expenditure for community facilities necessary to support growth through the Contributions Model. Since 2004, the Council has expected development to pay a greater share of growth-related infrastructure costs than it had in the past.

The process of developing a comprehensive growth management strategy has entailed detailed consideration of the costs and benefits of growth, given the limited sources of funding available to the Council to meet the capital expenditure for growth for roading / CWB, water supply and wastewater treatment facilities, community infrastructure and flood mitigation capital works projects.

The Council's assessment of these costs and benefits in terms of funding has been put into practice through the Contributions Model. Notwithstanding other externalities arising from development (such as a larger rating base, or increased economic development), it is considered to be equitable that the growth-related capital expenditure will be met by the development community. Adopting a Development Contributions Policy (rather than other funding sources) will lead to increased

efficiency, and the catchment model will ensure that the distribution of benefits from a service matches the requirement to contribute to that service. Funding the capital expenditure for growth from development contributions is considered transparent, consistent, and equitable by the community, the Council, and the development community.

By undertaking all these initiatives the Council has been able to prepare a Development Contributions Policy that allows the Council to require development to fund pay for the increased capacity it requires, including capacity already provided by capital projects constructed in anticipation of growth.

The Council considers that requiring an appropriate level of development contributions from development, applied alongside other funding tools, is the best overall solution to achieving Community Outcomes, while balancing the costs and benefits in terms of funding between the community, the Council, and those undertaking developments.

Providing appropriately for community facilities in anticipation of growth is a core Council obligation in the promotion of the social, economic, environmental and cultural wellbeing of the community, in the present and for the future. As such, the Development Contributions Policy will provide predictability and certainty about the sources and levels of funding for the costs of growth, and continue to ensure the sustainable development of the District as a whole, without negatively impacting on growth.

Significant Assumptions to the Schedule of the Development Contributions Model

Significant assumptions underlying the calculation of the Schedule to the Development Contributions Policy are as follows:

Projected Growth

That, despite any short-term economic downturn, growth will continue in the longer term, with an increase of approximately 5,600 household units and 4,700 employees (950 household unit equivalents) in the Kapiti Coast spread over the 20-year planning period. This is a particularly critical assumption, since the Council is dependent on the timely receipt of contributions from those undertaking development to service debt. The current economic downturn will have impacts on development contributions revenue in the short term.

Best Available Knowledge

That the capital expenditure costs are based on the best available knowledge at the time of preparation and largely represent a “rough order of costs” rather than specific estimates. These will be refined in subsequent years as in some cases policies become clearer and in others there will be improved knowledge of asset requirements. The capital works programme for growth makes no allowance for changes in the scope or costs of projects, or for changes in the pattern and distribution of development.

Growth Areas in the District

That growth within the Kapiti Coast District will take place within and in close proximity to existing urban areas, with intensification in and around town centres and public transport centres.

Growth Affordability

That managed growth within all these areas is affordable to Council, and that the Council's share of capital expenditure is able to be financed predominantly through debt servicing and/or rates, supported by development contributions, in parallel with the Council's core business and other projects.

Growth Supports Growth

That the Council's policy, as detailed in the *Kapiti Coast: Choosing Futures - Community Plan*, is to ensure as far as practicable that new growth is financially self-supporting, with the costs being recovered through contributions from those undertaking development, recognising that for main services, which either extend physically or in capacity beyond a particular development, the Council may have to act as banker for these services and recover costs in stages from development.

That the Council accepts that a certain level of development exists in Kapiti Coast for which services have been provided at the time that the Development Contributions Policy commences. The Policy is limited to recovering development contributions on development over and above that existing at the time of an application for necessary consent(s), as applicable, and on development which falls within the framework of the Development Contributions Policy.

Financial and Administrative Assumptions

- that all figures in the Development Contributions Policy and Schedule to the Development Contributions Policy are based on current known pricing, and costs have been indexed in accordance with BERL guidelines on inflation (excluding the first two years which have been based on the average inflation index forecasts as proposed by the three main trading banks – Bank of New Zealand, ANZ National Bank and Westpac Banking Corporation);
- that the incomes generated from rates will be sufficient to meet the future operating costs resulting from capital expenditure;
- that operating expenditure will be allocated across the rating base of the District;
- that there will be an impact from the capital expenditure on operating expenditure and an allowance has been made for this, based on the type of asset;
- that all Transfund New Zealand subsidies will continue at present levels and that eligibility criteria will remain unchanged;
- that methods of service delivery will remain substantially unchanged.

Key Risks

- that the growth assumptions are not met, resulting in delayed development and consequently delayed development contributions;
- that there is a lag between expenditure being incurred by the Council and contributions received from those undertaking developments;
- that the costs of capital are greater than expected.

Summary of Methodology

In summary, each contribution has been calculated in accordance with the methodology set out in Schedule 13 of the Local Government Act 2002, namely:

Stage 1:

The Council has first, within each catchment, estimated the number of new units of demand (household equivalent units or 'HUEs') likely to be created over the next 20 years, based on existing trends in population, household and employment growth and the development potential of each catchment (see table B.3 in Appendix B: Notes to Contributions Model);

Stage 2:

The Council has, within each catchment, identified the total cost of the capital expenditure it expects to incur on roading / CWB, water supply and wastewater treatment facilities, community infrastructure and flood mitigation works over the next 20 years (these figures are drawn from the Council's asset management documentation and referred to in the Council's *Kapiti Coast: Choosing Futures - Community Plan*);

Stage 3:

The Council has identified the share of that capital expenditure attributable to growth. This involves identifying whether the "driver" for individual items of capital expenditure (projects) is improvement in levels of service, the provision of additional capacity, or a mixture of both; and then aggregating the expenditure attributable to providing additional capacity on individual projects into a single figure for each catchment (the "growth component"). The Council intends the entire growth component to be funded out of development contributions;

Stage 4:

In each catchment the Council has divided the growth component by the projected number of units of demand in that catchment to derive a per unit contribution.

Appendix A: Schedule to Development Contributions Policy

A.1 Requirement for Development Contributions

Development contributions shall be required from new development in the form of money or land or both at the Council's discretion for capital expenditure for growth for roading / CWB (cycling, walking, bridleways), water supply and wastewater treatment facilities, community infrastructure and flood mitigation facilities, according to the planning tables, planning maps, and procedures specified in A.6.

The requirement for a development contribution is subject to the remissions policy provided for in A.3 and exemptions and reductions provided by A.4.

Generally, however, the maximum level of development contributions will be required on development over and above that existing at the time of an application, creating additional units of demand, assessed by the Council according to A.6.1.

A.2 Timing

Development contributions shall be required from development for capital expenditure on the grant of:

1. resource consents (subdivision or land use) under the Resource Management Act 1991;
2. the necessary building consents under the Building Act 1991;
3. an authorisation for service connection.

The total contributions shall not exceed the development contributions specified in the development contributions policy at the time of the issue of resource consents or building consents or service connection.

Payment must be made immediately on receipt of an invoice.

For residential development, Council will generally apply contributions at the subdivision consent stage. Council considers that the subdivision consent stage is generally the most appropriate stage to take development contributions for residential development, for the following reasons:

- practicality of implementation;
- economies of scale in implementation costs;
- fairness;
- best available knowledge for projections and allocating budgets.

While generally development contributions will be taken at the subdivision consent stage for residential development, Council will apply contributions at the building or

land use resource consent stage where there are additional units of demand created in the absence of subdivision (e.g. an additional house on a lot). In such cases, as a matter of equity, the Council will assess and seek the appropriate development contribution at the building or the land use resource consent stage.

For non-residential development, the Council will initially require contributions at the subdivision consent stage (one per additional allotment created), but will then re-assess contributions at the building or land use resource consent stage based on the number of units of demand created (see Section A.6.1 Units of Demand). A credit will be applied for any contributions that had been paid for the property at the subdivision stage. This staging is necessary because the demand created by non-residential development varies depending on the characteristics (such as size) of the building or other activity, and these characteristics are generally not known until the building or land use consent stage.

The amount of development contributions payable will be assessed on the basis of the Development Contributions Policy in effect at the time that resource consent or building consent is granted.

Credits as provided under A.6 apply in terms of HUEs, rather than specific dollar amounts, even if the schedule of charges payable per unit in the Development Contributions Policy has changed between applications relating to the same development.

A.3 Remissions

At the request of an applicant, the development contributions required on a development may be considered for remission at the Council's discretion on a case by case basis. The Council's Chief Executive or the Sustainable Development Manager shall consider the request and make the determination.

Where the Council decides to consider such a request the following matters will be taken into account:

1. The Development Contributions Policy.
2. The Contributions Model.
3. The extent to which the value and nature of works proposed by the applicant, or in the case of non-residential activity the characteristics of the building and/or other development as proposed at the land use or building consent stage, reduces the need for works proposed by the Council in its capital works programme, and this factor has not been recognised in the assessment of HUEs.
4. The level of existing development on the site (if not adequately recognised in the initial assessment). Where multiple existing and pre-existing uses can be established, the Council will have regard to the most intensive use(s).
5. Any other matters Council considers relevant

The applicant may request a further review of an officer's determination on a request for remission. That review will be undertaken by a Hearings Commission, to be appointed by the Chair of the Council's Regulatory Management Committee.

A.4 Exemptions and Reductions

The following activities shall be exempt from Development Contributions:

1. Accessory buildings as defined in the Kapiti Coast District Council District Plan
2. Surplus Farm Buildings as defined in the Kapiti Coast District Council District Plan
3. Any subdivision development where no additional units of demand are created (examples may include but are not limited to upgrading of cross-leases, conversion to freehold title, and unit title subdivision)
4. Any other development where no additional units of demand are created
5. New buildings within school grounds

Family Flats as defined in the Kapiti Coast District Council District Plan will only be charged at 50% of the development contribution charges under this policy.

Note: As required by s.200 of the Local Government Act 2002 development contributions paid and/or works undertaken and/or land set aside as a result of:

- a. Development Contributions
- b. Agreements with Council
- c. Financial Contributions under the RMA

will be taken into account when calculating development contributions. As mentioned in A.2 above, credits for Development Contributions paid at the subdivision stage will be taken into account.

A.5 Statement of Goods and Services Tax (GST)

Development contributions required in the form of money are exclusive of Goods and Services Tax (GST). GST will be added to the development contributions when they are invoiced at the rate required under the relevant statutory or regulatory provisions.

A.6 Development Contribution Planning Tables and Planning Maps

Initial threshold test

Subdivision or other development (excluding the pipes or lines of a network utility operator) that generates a demand for community facilities will be liable for a development contribution where:

- the effect of the development, including its cumulative effect with another development, is to require new or additional assets or assets of increased capacity; and
- a development contribution for that purpose is provided in this Policy.

Additional limitations

As required by s.200 of the Local Government Act 2002, a development contribution will not be required to recover capital expenditure under this policy if:

- (a) the Council 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; or
- (b) the developer will fund or otherwise provide for the same reserve, network infrastructure, or community infrastructure; or
- (c) the council has received or will receive full funding from a third party.

A.6.1 Units of Demand

The units of demand used in this policy are referred to as “Household Unit Equivalent” or “HUEs”. For residential development, one dwelling unit is considered one HUE (except for Family Flats as per section A.4 above).

Because in most places in the District there will be only one dwelling per lot, the initial assessment at subdivision will be for one unit of demand or HUE per lot on all sites (irrespective of whether future development is anticipated to be residential or non-residential) . Further assessment may occur on any subsequent application for resource, building or service connection, where additional residential demand is generated.

For non-residential development, the initial charge at the subdivision stage will be for one unit of demand. This will be re-assessed at the time of application for land use or building consents or for service connection, at which time 500 square metres (m²) of building gross floor area (GFA) will constitute one HUE. Buildings smaller or larger than 500 m² will be charged pro rata at a rate of .002 HUE per m², minus any HUE credits remaining from previous stages of development on the site.

The non-residential GFA-to-HUE factor is based on an assessment of the demand placed on facilities by buildings of various sizes, considering the average number of employees per square metre and the average demand placed by employees relative to households, as follows: one employee is approximately 40% of the average household size of 2.4, and is estimated to create half the demand of a household resident (based on 40-hour work week). This means that 5 employees are assumed to create 1 HUE of demand. At an average of 100 square metres gross floor area (GFA) per employee, which is reasonable given the District’s predominantly non-office based employment profile, 500 square metres of GFA are assumed to equal one HUE.

These charges will apply to new vacant subdivided lots and to the construction of new or expanded buildings on existing lots in all District Plan zones in the Kapiti Coast District (refer Distribution of Benefits: Development Contributions Policy, and Appendix B: Notes to Contributions Model, for further detail).

Credits

Credits will apply where, and to the extent that:

- (a) there is pre-existing demand on an allotment. The total HUEs calculated in respect of a development will be reduced by the level of pre-existing demand from a development. This will be assessed using the same methodology applicable to HUE assessment. In other words, 1 HUE credit will apply for one existing residential dwelling on a site, and HUE credits will be calculated in proportion to the GFA of existing non-residential development at a site.
- (b) there has been prior payment of development contributions from the same development for the same activity. In addition to any limitation imposed on the Council under section 200, HUE credits will be used to recognise the extent to which previous development contributions have been paid. This includes development contributions paid at the subdivision stage, applied as a credit towards subsequent building activity. The credit will be based on the number of HUEs for which a development contribution was previously paid.

Credits may not reduce the development contribution payable below zero. Credits may not be transferred between sites.

A.6.2 Calculation of Development Contributions Required from Development

Calculation of development contributions required from development shall be assessed according to the following steps:

1. Calculate the HUEs applicable to the development, and subtract any credits that may apply.
2. Locate which service area the development is situated in, using *MAP A.6.1 – Kapiti Coast District Service Areas* or, for water supply, *MAP A.6.2 – Kapiti Coast District Service Areas - Water*.
3. Refer to the tables below for each component of the development contribution, and match the service area located with the “Development Contributions Per Lot/Unit of Demand” column.
4. The dollar figure in the “Development Contributions” column multiplied by the number of assessed HUEs is the development contribution required for that activity.
5. Total the activity payments in step 4, and add GST.

Table A.1**Roads, Walkways, Cycleways and Bridleways**

Local Service Area	Growth-Related Capital Expenditure	Projected Units of Demand	Development Contributions per Unit of Demand
	\$000		
Ōtaki	2,170	1,305	\$1,660
Waikanae	3,480	2,094	\$1,660
Paraparaumu/ Raumati/Otaihanga	4,280	2,576	\$1,660
Rural North	810	486	\$1,660
Rural South	140	87	\$1,660
Total	\$10,880	6,548	

Notes:

25% of Council Capital Expenditure is attributed to growth, on the basis that new households and non-residential units will account for approximately 25% of the total households and non-residential units at the end of the 20-year-period, which is assumed to be the period of demand for these facilities.

Major components:

Facility	Cost to Council	Growth Component	Demand Distribution
	\$000		
Western Link: Stage 1 and 3	12,490	25%	Districtwide
CWB Network	8,710	25%	Districtwide
Ihakara Street Extension	1,079	25%	Districtwide
Road Upgrading: Residential and Commercial	21,108	25%	Districtwide

Table A.2**Wastewater Supply Facilities**

Local Service Area	Growth-Related Capital Expenditure	Projected Units of Demand	Development Contributions per Unit of Demand
	\$000		
Ōtaki	130	1,305	\$98
Waikanae	2,250	2,094	\$1,076
Paraparaumu /Raumati/Otaihanga	4,720	2,576	\$1,832
Total	7,100	5,975	

Notes:

25% of most Council Capital Expenditure is attributed to growth, on the basis that new households and non-residential units will account for approximately 25% of the total households and non-residential units at the end of the 20-year-period, which is assumed to be the period of demand for these facilities. The exception is the upgrade of the Paraparaumu

Pump Station and the capacity upgrade for Waikanae Reticulation, which are 100% growth-related.

Major components:

Facility	Cost to Council	Growth Component	Demand Distribution
	\$000		
Pump Station and Riser, Coleman Street	1,294	25%	Paraparaumu / Raumati / Otaihanga
Pump Station Capacity Upgrade, Mazengarb Road	577	25%	Paraparaumu / Raumati / Otaihanga
Hurley Increase Pump Capacity	591	25%	Paraparaumu / Raumati / Otaihanga
Grey Ave. Pump Station Upgrade	887	25%	Paraparaumu / Raumati / Otaihanga
Upgrade Paraparaumu Pump Station	3,882	100%	Paraparaumu / Raumati / Otaihanga
Raupreha Major Pump Station	260	25%	Waikanae
Increase Buffer Storage	216	25%	Waikanae
Reticulation Capacity Upgrade	1,941	100%	Waikanae
Balance Tanks Waikanae	772	25%	Waikanae
Sludge Treatment Upgrade	510	25%	Ōtaki

Table A.3

Community Infrastructure

Local Service Area	Growth-Related Capital Expenditure	Projected Units of Demand	Development Contributions per Unit of Demand
	\$000		
Ōtaki	3,860	1,305	\$2,958
Waikanae	8,540	2,094	\$4,081
Paraparaumu/ Raumati/Otaihanga	10,010	2,576	\$3,885
Rural North	1,440	486	\$2,958
Rural South	340	87	\$3,882
Total	\$24,190	6,548	

Notes:

Between 25% and 33% of this Council Capital Expenditure is attributed to growth, on the basis that new households and non-residential units will account for approximately 25% of the total households and non-residential units at the end of the 20 year-period, which is assumed to be the period of demand for these facilities.

Major components:

Facility	Cost to Council \$000	Growth Component	Demand Distribution
Town Centre Upgrades	20,000	33%	Districtwide
Arts Centre	9,000	33%	Districtwide
Emergency Operations Centre (completed 2007)	1,773	25%	Districtwide
New Civic Building	20,000	33%	Districtwide
Improved Administration Building	4,929	25%	Districtwide
New Aquatic Centre	10,500	33%	Waikanae, Paraparaumu / Raumati / Otaihanga, Rural South
Paraparaumu Library (completed 2003)	5,600	33%	10% Districtwide, 90% Waikanae, Paraparaumu / Raumati / Otaihanga, Rural South
Te Arawai Bridge (completed 2009)	51	25%	Waikanae, Paraparaumu / Raumati / Otaihanga
Waikanae Library Upgrade	1,994	25%	Waikanae
Ōtaki Library (built 1998)	1,100	25%	Ōtaki

Table A.4

Flood Mitigation Works

Local Service Area	Growth-Related Capital Expenditure	Projected Units of Demand	Development Contributions per Unit of Demand
	\$000		
Ōtaki	2,130	1,305	\$1,629
Waikanae	1,450	2,094	\$691
Paraparaumu / Raumati / Otaihanga	5,400	2,576	\$2,096
Total	8,980	5,975	

Notes:

- A nominal charge of 10% is attributed to growth for new assets over the 20-year period.
- 50% is attributed to growth for the Council's contribution to the Chrystall's Bend project.

Major components:

Facility	Cost to Council	Growth Component	Demand Distribution
	\$000		
Chrystall's Bend (completed)	440	50%	Ōtaki
New Assets: Districtwide	6,342	10%	Ōtaki, Waikanae, Paraparaumu / Raumati / Otaihanga
New Assets: Ōtaki	17,673	10%	Ōtaki
New Assets: Paraparaumu / Raumati / Otaihanga	51,250	10%	Paraparaumu / Raumati / Otaihanga
New Assets: Waikanae	12,244	10%	Waikanae

Table A.5

Water Supply Facilities

Local Service Area	Growth-Related Capital Expenditure	Projected Units of Demand	Development Contributions per Unit of Demand
	\$000		
Ōtaki	1,390	1,305	\$1,067
Waikanae	5,070	2,094	\$2,421
Paraparaumu/ Raumati/Otaihanga	9,910	2,576	\$3,846
Total	16,370	5,975	

Notes:

25% of Council Capital Expenditure is attributed to growth for most facilities, on the basis that new households and non-residential units will account for approximately 25% of the total households and non-residential units at the end of the 20-year-period, which is assumed to be the period of demand for these facilities.

Major components:

Facility	Cost to Council	Growth Component	Demand Distribution
	\$000		
Waikanae / Paraparaumu / Raumati / Otaihanga supplementary supply (bores, completed)	13,200	33%	Waikanae, Paraparaumu / Raumati / Otaihanga
Treatment Plant Upgrade	2,948	25%	Waikanae, Paraparaumu / Raumati / Otaihanga
Additional Water Supply/Storage Capacity	24,850	25%	Waikanae, Paraparaumu / Raumati / Otaihanga

DWS – Reservoir	5,569	25%	Ōtaki
Riwai Reservoir Capacity Upgrade	14,679	25%	Paraparaumu / Raumati / Otaihanga

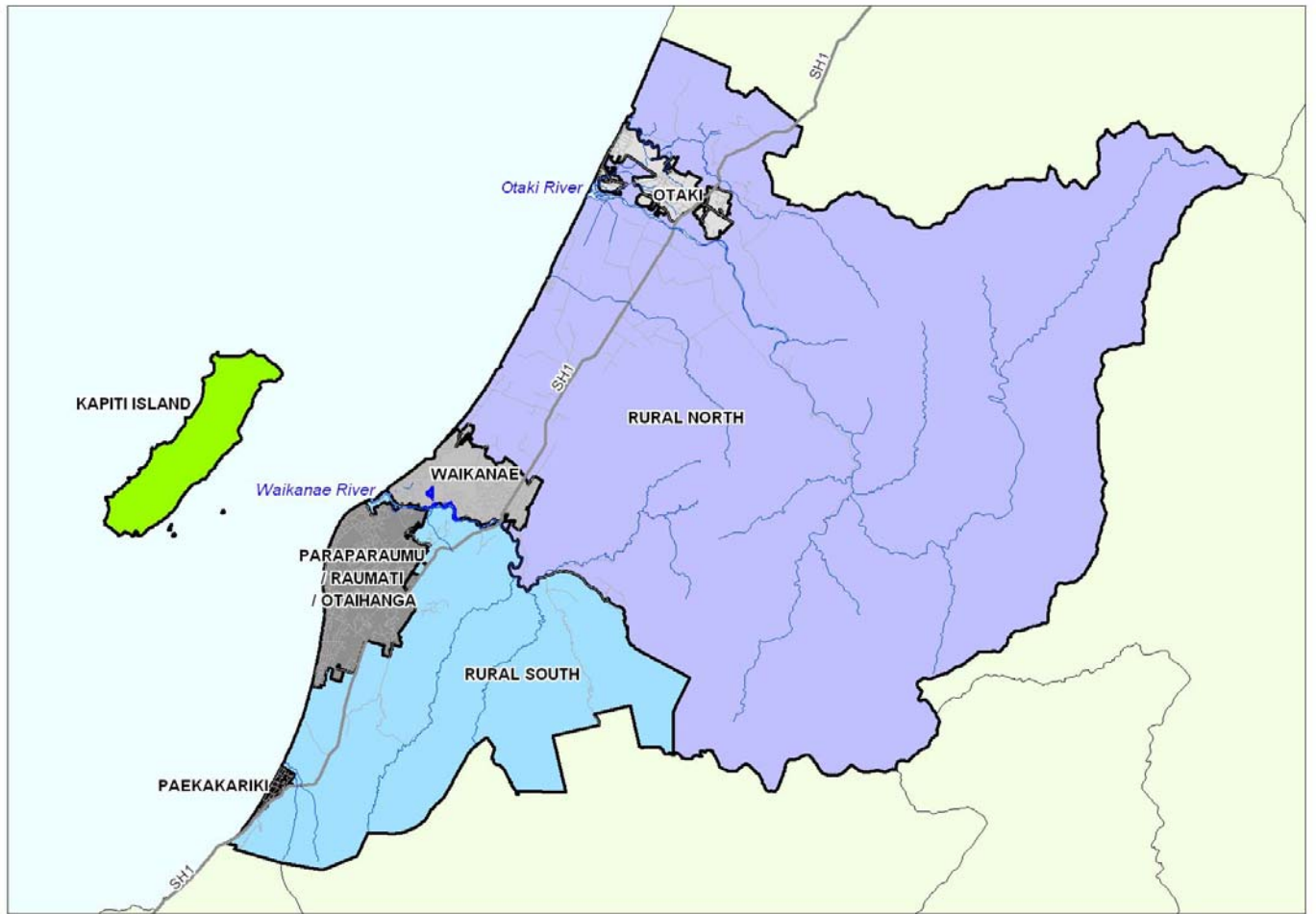
Table A.6

Total Fees Excluding Reserves Contribution*

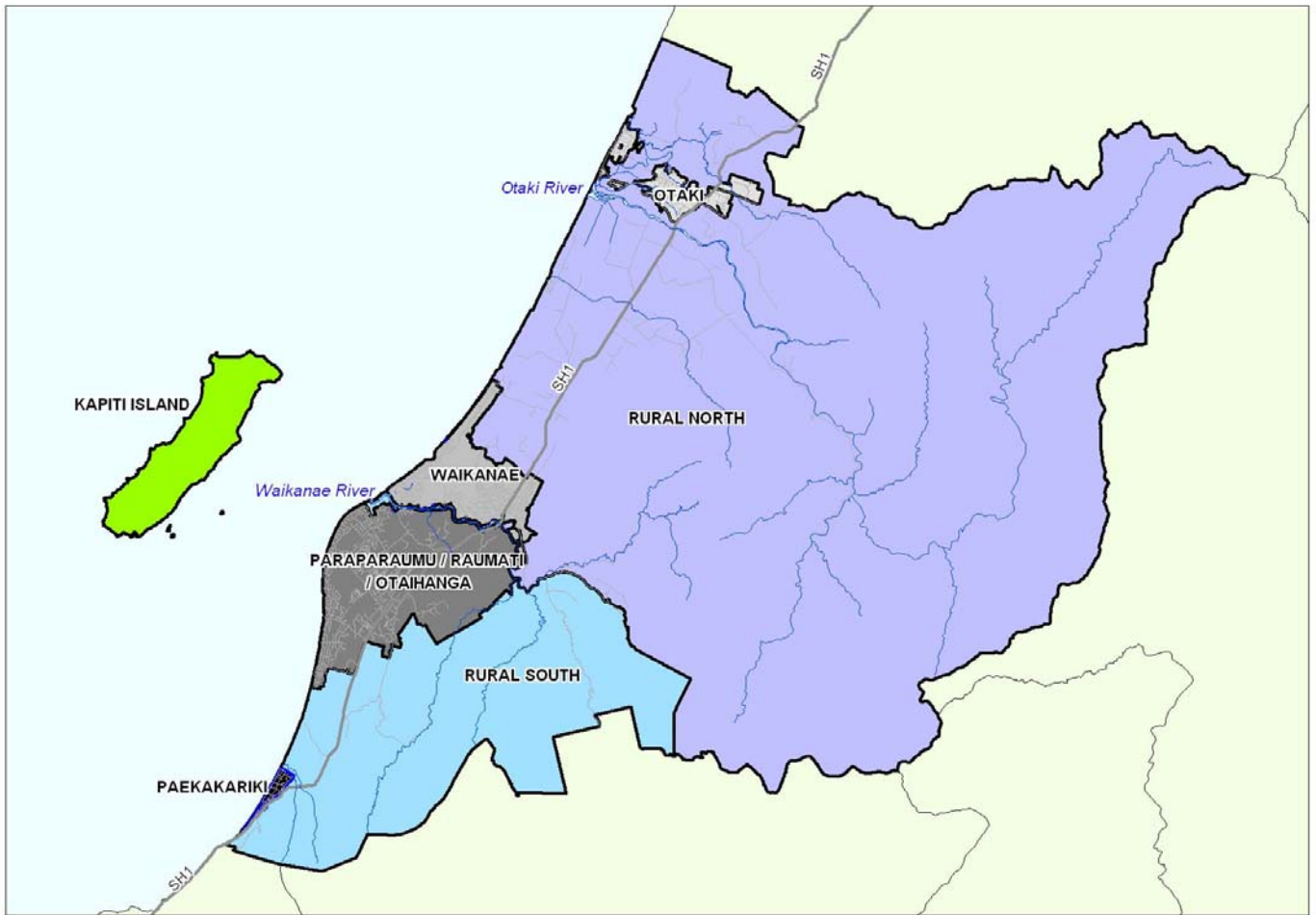
	Roads / CWB	Waste- water	Community Infrastructure	Flood Mitigation	Water	Total
Ōtaki	\$1,660	\$98	\$2,958	\$1,629	\$1,067	\$7,412
Waikanae	\$1,660	\$1,076	\$4,081	\$691	\$2,421	\$9,929
Paraparaumu /Raumati	\$1,660	\$1,832	\$3,885	\$2,096	\$3,846	\$13,319
Rural North	\$1,660	-	\$2,958	-	-	\$4,618
Rural South	\$1,660	-	\$3,882	-	-	\$5,542

* Reserves Contributions are currently taken as financial contributions under the District Plan. As at February 2009, the reserves contribution in the District Plan is 7.5% of land value (up to \$150,000 value per lot) for residential zones, or \$11,250 per lot. For commercial / retail / industrial / service / airport zones, the reserves contribution is 10% of land value.

Map A.6.1: Kapiti Coast District Service Areas: General



Map A.6.2: Kapiti Coast District Service Areas: Water Supply



Definitions:

Development Contributions Policy Schedule to Development Contributions Policy

In the Development Contributions Policy and the Schedule to the Development Contributions Policy, unless the context otherwise requires:

Activity has the same meaning set out in section 5 of the Local Government Act 2002 or any legislation substituted for the same as below:

5 Interpretation

(1) In this Act, unless the context otherwise requires:

Activity means a good or service provided by, or on behalf of, a local authority or a council-controlled organisation; and includes:

- (a) the provision of facilities and amenities; and*
- (b) the making of grants; and*
- (c) the performance of regulatory and other governmental functions*

Community Facilities has the same meaning set out in section 5 of the Local Government Act 2002 or any legislation substituted for the same as below:

5 Interpretation

(1) In this Act, unless the context otherwise requires:

Community Facilities means reserves, network infrastructure, or community infrastructure for which Development Contributions may be required in accordance with section 199

Contributions Model means the model adopted by the Council as part of the Development Contributions Policy in the *Kapiti Coast: Choosing Futures - Community Plan*.

Community Infrastructure has the same meaning set out in section 197 of the Local Government Act 2002 or any legislation substituted for the same as below:

197 Interpretation

In this subpart:

Community Infrastructure means:

- (a) land, or development assets on land, owned or controlled by the territorial authority to provide public amenities; and*
- (b) includes land that the territorial authority will acquire for that purpose.*

Development has the same meaning set out in section 197 of the Local Government Act 2002 or any legislation substituted for the same as below:

197 Interpretation

In this subpart:

Development means

- (a) any subdivision or other development that generates a demand for reserves, network infrastructure, or community infrastructure; but*
- (b) does not include the pipes or lines of a network utility operator*

Development Contribution has the same meaning set out in section 197 of the Local Government Act 2002 or any legislation substituted for the same as below:

197 Interpretation

In this subpart:

Development Contribution means a contribution:

- (a) provided for in a development contribution policy included in the Long Term Council Community Plan [or transitional annual plan] of a territorial authority; and*
- (b) calculated in accordance with the methodology; and*
- (c) comprising:*
 - (i) money; or*
 - (ii) land, including a reserve or esplanade reserve (other than in relation to a subdivision consent), but excluding Māori land within the meaning of Te Ture Whenua Act 1993, unless that Act provides otherwise; or*
 - (iii) both*

Development Contribution Policy has the same meaning set out in section 197 of the Local Government Act 2002 or any legislation substituted for the same as below:

197 Interpretation

In this subpart:

Development Contribution Policy means the policy on development contributions included in the Long Term Council Community Plan [or transitional annual plan] of the territorial authority under section 102(4)(d).

Family Flat means a building no greater than 50m² gross floor area (excluding decks and covered outdoor living areas) and shall be capable of relocation. No family flat shall be sold or otherwise disposed of except in conjunction with the dwelling. The flat may, however, be removed from the site. Note: A family flat should only be occupied by a socially dependent relative or close family associate of the occupants of the dwelling.

Household Unit means a building or part of a building intended to be used as an independent residence and includes any apartment, townhouse, dwelling unit or home unit

Household Unit Equivalent (HUE) means an amount of development that creates demand equivalent to that created by an average household unit

Goods and Services Tax (GST) means goods and services tax under the Goods and Services Tax Act 1985 or any legislation substituted for the same.

Network Infrastructure has the same meaning set out in section 197 of the Local Government Act 2002 or any legislation substituted for the same as below:

197 Interpretation

In this subpart:

Network Infrastructure means the provision of roads and other transport, water, wastewater, and stormwater collection and management.

RMA 1991 means the Resource Management Act 1991 or any legislation substituted for the same.

Service Area means the unit(s) in the Contributions Model which demarcate Kapiti Coast District.

Site means:

- (a) An area of land which is:
 - (i) comprised in a single certificate of title; or
 - (ii) contained in a single lot on an approved survey plan of subdivision for which a separate certificate of title could be issued without further consent of the Council; being in any case the smaller land area of (i) or (ii); or
- (b) An area of land which is composed of two or more contiguous lots held together in one certificate of title in such a way that the lots cannot be dealt with separately or without prior consent of the Council; or
- (c) An area of land which is comprised in two or more contiguous lots held in two or more certificates of title where such titles are:
 - (i) subject to a condition imposed under section 37 of the Building Act 1991 or section 643 of the Local Government Act 1974; or
 - (ii) held together in such a way that they cannot be dealt with separately without the prior consent of the Council; or

- (d) An area of land which is:
 - (i) partly made up of land which complies with (a), (b) or (c) above; and
 - (ii) partly made up of an interest in any airspace above or subsoil below a road:
 - where (i) and (ii) are adjacent and are held together in such a way that they cannot be dealt with separately without the prior consent of the Council; or
- (e) An area of land which is:
 - (i) partly made up of land which complies with (a), (b) or (c) above; and
 - (ii) partly made up of an interest in any airspace above or subsoil below a road:
 - where (i) and (ii) are adjacent and are held together in such a way that they cannot be dealt with separately without the prior consent of the Council; or
- (f) In the case of land subdivided under the Unit Titles Act 1972 or the cross lease system, 'site' shall be deemed to be each of the intended separate certificates of title as set out on a survey plan approved by the Council subject to the unit development or cross lease.

Units of Demand means those units set out in Schedule 13 of the Local Government Act 2002 or any legislation substituted for the same as below:

Schedule 13

Methodology for calculating development contributions

1 Methodology for relating cost of community facilities to units of demand

In order to calculate the maximum development contribution in respect of a community facility or an activity or group of activities for which a separate development contribution is to be required, a territorial authority must first:

- (a) *identify the total cost of the capital expenditure that the local authority expects to incur in respect of the community facility, or activity or group of activities, to meet increased demand resulting from growth within the district, or part of the district, as the case may be, as set out in the long term council community plan [or transitional annual plan] in accordance with section 106(2)(a); and*
- (b) *identify the share of that expenditure attributable to each unit of demand, using the units of demand for the community facility or for separate activities or groups of activities, as the case may be, by which the impact of growth has been assessed.*

2 Attribution of units of demand to developments

For the purpose of determining in accordance with section 203(2) the maximum development contribution that may be required for a particular development or type of development, a territorial authority must demonstrate in its methodology that it has attributed units of demand to particular developments or types of development on a consistent and equitable basis.

Appendix B:

Notes to Kapiti Coast District Contributions Model

B.1 Introduction

The Kapiti Coast District Contributions Model (Contributions Model) comprises a series of linked Excel spreadsheets containing estimates of all of the Council's expected or recently completed capital works projects that provide capacity for new development, in terms of roading, cycling, walking and bridleways facilities, water supply, wastewater treatment, community infrastructure and flood mitigation facilities for the next 20 years.

B.2 Project Costing Spreadsheets

The Contributions Model contains the name, estimated cost and programmed year of execution of all of the Council's capital works projects for growth for roading, cycling, walking and bridleways facilities, water supply, wastewater treatment, community infrastructure and flood mitigation facilities for the next 20 years. These are grouped by area as follows:

- a) Ōtaki
- b) Waikanae
- c) Paraparaumu/Raumati/Otaihanga
- d) Rural North
- e) Rural South

In the above spreadsheets, projects are characterised according to the service types of *roading, cycling, walking and bridleways facilities, water supply, wastewater treatment, community infrastructure and flood mitigation facilities*

The spreadsheets calculate the total cost of the Additional Capacity / Growth component, if any, of each project over 20 years, and divide this cost by the total units of demand (Household Unit Equivalents or HUE) expected to be established in that period, in the area to be served by the project.

The resulting amount is expressed as the Development Contribution per HUE for that particular project.

B.3 Growth Assumptions

B.3.1 Land Use Assumptions

The 2006 starting year land use assumptions applied to the update are derived from the 2006 vacant residential land estimates as follows:

Table B.1: Vacant Residential Land Use Assumptions, March 2006

Census Local Area Unit	Residential Vacant (ha)
Waikanae Beach	34.0
Waikanae Central	83.3
Waikanae East	35.8
Kaitawa	14.4
Ōtaki Forks	0.0
Te Horo	17.5
Ōtaki	94.2
Paraparaumu Beach North	20.2
Otaihanga	19.1
Paraparaumu Beach South	23.8
Paraparaumu Central	48.6
Raumati Beach	23.5
Raumati South	14.6
Paekākāriki	2.7
Maungakotukutuku	4.7
Kapiti Coast District	436.4

Note: Even though more recent estimates are now available for 2009, the 2006 estimates need to be used as the basis for the Development Contributions policy to correspond with the census population projections which are based on the 2006 Census data (five yearly).

The modelling run also provided for new vacant residential land (in hectares) to be assumed over the projection period according to the schedule below. This takes into account anticipated plan changes that would rezone land from non-residential to residential as well as allow for further intensification around town centres and transport nodes.

Table B.2: Additional Vacant Residential Land Assumed Made Available by Period

Census Local Area Unit	2006-11	2011-16	2016-21	2021-2026	2026-2031
Waikanae Beach	0	0	0	0	0
Waikanae Central	20	80	45	50	50
Waikanae East	30	25	10	0	0
Ōtaki Forks	0	0	0	0	0
Te Horo	0	0	0	0	0
Ōtaki	0	0	0	25	25
Paraparaumu Beach North	0	0	0	0	0
Otaihanga	0	0	0	0	0
Paraparaumu Beach South	0	0	0	0	0
Paraparaumu Central	10	20	10	10	0
Raumati Beach	5	5	0	0	0
Raumati South	5	5	10	10	0
Paekākāriki	0	0	0	0	0
Maungakotukutuku	0	0	0	0	0

For non-residential land, given that there is not a great deal of vacant commercial and industrial land in the district, the model is predominantly based not on current land availability but on employment projections for the District that were altered in accordance with Council's Kapiti Transport Model (see below).

B.3.2 Projection Method

The base model used to generate the projections was similar to the earlier documented model used in the Greater Wellington - The Regional Council 2006 base run of February 2008. The main differences of these 2009 estimates from the earlier model are: (a) the incorporation of revised vacant residential land and future residential rezoning assumptions outlined above; and (b) synchronisation of future localised rates of change for industrial and commercial employment in accordance with Council's Kapiti Transport Model.

B.3.3 Results

The resulting medium projection scenario for households and population is summarised below.

Table B.3: Projected 2006 to 2031 Occupied Private Households by Area Unit under the Medium Projection

Census Area Unit	2006	2011	2016	2021	2026	2031	Change 2006-2026
Waikanae Beach	1,194	1,273	1,333	1,387	1,497	1,545	303
Waikanae Central	2,619	2,812	3,439	4,071	4,203	4,324	1,584
Waikanae East	822	1,436	1,466	1,486	1,554	1,615	732
Kaitawa	174	173	185	184	198	207	24
Ōtaki Forks	537	569	594	609	651	683	114
Te Horo	288	295	311	328	344	357	56
Ōtaki	2,316	2,492	2,883	3,175	3,462	3,737	1,146
Paraparaumu Beach North	1,254	1,313	1,353	1,413	1,500	1,571	246
Otaihanga	408	418	439	454	479	498	71
Paraparaumu Beach South	2,028	2,115	2,171	2,236	2,342	2,441	314
Paraparaumu Central	3,312	3,487	3,591	3,720	3,907	4,081	595
Raumati Beach	1,845	1,946	2,013	2,088	2,181	2,278	336
Raumati South	1,350	1,438	1,507	1,588	1,676	1,757	326
Paekākāriki	660	670	667	674	678	687	18
Kapiti Island	3	0	0	0	0	0	-3
Maungakotukutuku	300	314	332	343	360	382	60
Kapiti Coast District	19,110	20,751	22,284	23,756	25,032	26,163	5,922

Source: February 2009 MERA customised Kapiti Coast District projections based on the assumptions of the December 2007 Statistics New Zealand 2006 Census-based local authority population projections

Table B.4: Projected 2006 to 2031 Usually Resident NZ Population by Area Unit of Usual Residence under the Medium Projection

Census Area Unit	2006	2011	2016	2021	2026	2031	Change 2006-2026
Waikanae Beach	2,895	2,996	3,066	3,106	3,265	3,351	370
Waikanae Central	5,607	5,990	7,291	8,605	8,857	9,131	3,250
Waikanae East	1,986	3,485	3,576	3,629	3,744	3,863	1,758
Kaitawa	474	490	517	517	536	547	62
Ōtaki Forks	1,410	1,453	1,486	1,509	1,567	1,620	157
Te Horo	675	686	715	733	763	787	88
Ōtaki	5,466	5,745	6,469	6,988	7,509	8,036	2,043
Paraparaumu Beach North	3,255	3,324	3,353	3,416	3,549	3,688	294
Otaihanga	1,110	1,137	1,172	1,198	1,246	1,293	136
Paraparaumu Beach South	4,674	4,829	4,883	4,968	5,169	5,364	495
Paraparaumu Central	8,238	8,519	8,631	8,810	9,166	9,528	928
Raumati Beach	4,455	4,607	4,669	4,768	4,959	5,152	504
Raumati South	3,507	3,596	3,655	3,746	3,899	4,056	392
Paekākāriki	1,599	1,608	1,587	1,587	1,594	1,587	-5
Kapiti Island	9	0	0	0	0	0	-9
Maungakotukutuku	837	858	895	913	950	987	113
Kapiti Coast District	46,197	49,323	51,965	54,493	56,773	58,990	10,576

Source: February 2009 MERA customised Kapiti Coast District projections based on the assumptions of the December 2007 Statistics New Zealand 2006 Census-based local authority population projections

The employment projections for the next 25 years are as follows:

Table B.5: Projected 2006 to 2031 Employment by Location

Kapiti Coast Local Service Area	2006	2011	2016	2021	2026	2031	Change 2006- 2026
Ōtaki	1,964	2,233	2,371	2,468	2,562	2,665	598
Rural North	1,022	1,118	1,163	1,193	1,221	1,252	199
Waikanae Area	2,574	2,943	3,140	3,242	3,332	3,426	758
Paraparaumu/Raumati/Otaihanga	8,389	9,888	11,051	11,666	12,273	12,926	3,884
Paekākāriki	310	349	367	381	393	406	83
Rural South	280	326	358	380	403	430	124
Kapiti Coast District	14,539	16,856	18,451	19,330	20,185	21,104	5,646

Source: February 2009 MERA customised Kapiti Coast District projections

Based on the projections above, the residential and non-residential projections for the next 20 years for the Local Service Areas, forming the basis for the Development Contributions, are as follows:

Table B.6: Projected Extra Residential Lots / Household Unit Equivalents, 2009-2029

Kapiti Coast Local Service Area	2009-2029	% of Growth
Ōtaki	1,205	22%
Waikanae	1,975	35%
Paraparaumu / Raumati / Otaihanga	1,901	34%
Paekākāriki *	0	0%
Rural North #	454	8%
Rural South	65	1%
Kapiti Coast District	5,600	100%

* Zero growth projected for Paekākāriki. If there are any subdivisions they will be charged financial contributions under the District Plan

Rural North includes Waikanae North Eco-Hamlet Area

Table B.7: Projected Extra Employment, Resulting Non-Residential Building Space and Household Unit Equivalents, 2009-2029

Kapiti Coast Service Area	Employees	Household Unit Equivalents (HUE) **	SqM Gross Floor Area (GFA) per HUE	Total GFA Expected	% of Growth
	2009-2029	2009-2029		2009-2029	
Ōtaki	499	100	500	49,857	11%
Waikanae	593	119	500	59,328	13%
Paraparaumu / Raumati / Otaihanga	3,376	675	500	337,648	71%
Paekākāriki *	0	0	500	0	0%
Rural North	160	32	500	15,989	3%
Rural South	112	22	500	11,201	2%
Kapiti Coast District	4,740	948	500	474,023	100%

* Zero growth projected for Paekākāriki. If there is any development it will be charged financial contributions under the District Plan

** Household Equivalency Factor is that one projected employee is expected to result in 0.2 Household Unit Equivalents (HUEs), based on one employee being 42% of the average household size of 2.4, and creating half the demand of a household resident (based on 40-hour work week). This means that 5 employees are assumed to create 1 HUE of demand. At an average of 100 square metres gross floor area (GFA) per employee, which is reasonable given the District's predominantly non-office based employment profile, 500 square metres of GFA are assumed to equal one HUE.

	Total Paraparaumu	-	-	1,903	1,979	-	-	-	-	-	-	3,882
	Wastewater - Major New Assets	-	-	1,903	1,979	-	-	-	-	-	-	3,882
	Total Wastewater	-	-	1,903	1,979	-	-	-	-	-	-	3,882
Water Management												
Water Supply - Joint - Waikanae/Paraparaumu/Raumati												
New Assets												
<i>Paraparaumu Reticulation</i>												
	RIWAI RESERVOIR UPGRADE	7,316	-	-	-	-	-	-	-	-	-	7,316
	New Assets	7,316	-	-	-	-	-	-	-	-	-	7,316
												-
	Total Joint Water	7,316	-	-	-	-	-	-	-	-	-	7,316
												-
	Grand Total	15,192	8,061	10,194	16,414	8,621	8,808	8,995	9,179	29,358	9,538	124,360
SUMMARY OF MAJOR PROJECTS												
		19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	New LTCCP Total
NEW ASSETS												
	Access and Transport	2,023	2,079	2,135	2,191	2,248	2,305	2,363	2,414	2,464	2,515	22,737
	Swimming Pools	-	-	-	-	-	-	-	-	-	-	-
	Civic Amenities	-	-	-	-	-	-	-	-	20,000	-	20,000
	Development Management	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	10,000
	Libraries, Arts and Museums	-	-	44	6,000	-	-	-	-	-	-	6,044
	Stormwater - Paraparaumu / Raumati	2,993	3,073	3,153	3,234	3,314	3,394	3,474	3,555	3,635	3,715	33,540
	Stormwater - Waikanae	537	551	566	580	594	609	623	638	652	666	6,016
	Stormwater - Otaki	1,007	1,034	1,061	1,088	1,115	1,142	1,169	1,196	1,223	1,250	11,285
	Districtwide Flooding Prevention	316	324	332	342	350	358	366	376	384	392	3,540
	Wastewater - Paraparaumu	-	-	1,903	1,979	-	-	-	-	-	-	3,882
	Wastewater - Waikanae	-	-	-	-	-	-	-	-	-	-	-
	Wastewater - Otaki	-	-	-	-	-	-	-	-	-	-	-
	Water Supply - Joint - Waikanae/Paraparaumu/Raumati	7,316	-	-	-	-	-	-	-	-	-	7,316
	Water Supply - Otaki	-	-	-	-	-	-	-	-	-	-	-
	Total New Assets	15,192	8,061	10,194	16,414	8,621	8,808	8,995	9,179	29,358	9,538	124,360