

FC - Financial Contributions

Financial contributions are a contribution of money, *land*, or a combination of both, to address the specific *effects* generated by a land use activity or *subdivision*.

Financial contributions under this Plan may be required in respect of the mitigation of *effects* on any or all of the following:

- *open spaces* and reserves;
- upgrading off-site *infrastructure*, before programmed works that will address any environmental *effects* created by the proposed *development*;
- significant heritage and ecological features; and
- riparian margins.

The natural environment values, historical and cultural values, and open space and recreation chapters of this plan provide further direction on where *financial contributions* may be payable.

Council will not require a further *financial contribution* where they have been previously taken in relation to:

- the same *development*;
- the same purpose; and
- the same level and intensity of *development*, and the same level of *effects*.

In addition to *financial contributions* under this Plan, Council also has a Development Contributions Policy under the Local Government Act 2002.

Council must not require a development contribution if it has imposed a *financial contribution* in relation to:

- the same *development*
- for the same purpose, and
- at the same level and intensity of development, and the same level of effects.

Council has expressed a preference to take development contributions in most circumstances rather than *financial contributions*.

As such *financial contributions* will generally only be required where the Development Contributions Policy does not apply or where the Development Contributions Policy does not address the type of adverse *effects* generated by the *development* or activity.

Note: Section 110 of the RMA applies when a land use, *subdivision* or *development* for which a *financial contribution* has been paid, does not proceed.

Strategic Context

The primary objectives that this chapter implements are:

- DO-O1 - Tāngata Whenua;
- DO-O3 - Development Management;
- DO-O8 - Strong Communities;
- DO-O13 - Infrastructure; and
- DO-O17 - Open Spaces / Active Communities.

DO-O1 Tāngata Whenua

To work in partnership with the *tāngata whenua* of the District in order to maintain *kaitiakitanga* of the District's resources and ensure that decisions affecting the natural *environment* in the District are made in accordance with the principles of Te Tiriti o Waitangi (Treaty of Waitangi).

DO-O3 Development Management

To maintain a consolidated urban form within existing urban areas and a limited number of identified growth areas which can be efficiently serviced and integrated with existing townships, delivering:

1. urban areas which maximise the efficient end use of energy and integration with infrastructure;
2. a variety of living and working areas in a manner which reinforces the function and vitality of centres;
3. resilient communities where development does not result in an increase in risk to life or severity of damage to property from natural hazard events;
4. higher residential densities in locations that are close to centres and public open spaces, with good access to public transport;
5. management of development in areas of special character or amenity so as to maintain, and where practicable, enhance those special values;
6. sustainable natural processes including freshwater systems, areas characterised by the productive potential of the land, ecological integrity, identified landscapes and features, and other places of significant natural amenity;
7. an adequate supply of housing and areas for business/employment to meet the needs of the District's anticipated population which is provided at a rate and in a manner that can be sustained within the finite carrying capacity of the District; and
8. management of the location and effects of potentially incompatible land uses including any interface between such uses.

DO-O8 Strong Communities

To support a cohesive and inclusive community where people:

1. have easy access and connectivity to quality and attractive public places and local social and community services and facilities;
2. have increased access to locally produced food, energy and other products and resources;
3. have improved health outcomes through opportunities for active living or access to health services; and
4. have a strong sense of safety and security in public and private spaces.

DO-O13 Infrastructure

To recognise the importance and national, regional and local benefits of *infrastructure* and ensure the efficient *development*, maintenance and operation of an adequate level of social and physical *infrastructure* and services throughout the District that:

1. meets the needs of the community and the region; and

2. builds stronger community resilience, while avoiding, remedying or mitigating adverse *effects* on the *environment*.

DO-017 Open Spaces / Active Communities

To have a rich and diverse network of *open space* areas that:

1. is developed, used and maintained in a manner that does not give rise to significant adverse *effects* on the natural and physical *environment*;
2. protects the District's cultural, ecological and *amenity values*, while allowing for the enhancement of the quality of *open space* areas;
3. supports the identity, health, cohesion and resilience of the District's communities; and
4. ensures that the present and future recreational and *open space* needs of the District are met.

The rules in this chapter apply to all land and activities in all *zones* unless otherwise specified. Provisions in other chapters of the Plan may also be relevant.

Policies

FC-P1 Provision of Reserves and Public Open Spaces

A *financial contribution* based on *Residential Unit Equivalent (RUE)* will be required for all granted *land use* and *subdivision* consents and as a requirement for permitted *land use* activities where it is determined they will increase the demand for reserves and public *open spaces* within the District and a financial or development contribution has not already been taken for the same *development*, purpose, and at the same level and intensity of *development*.

Council will use the contribution for reserves and public *open spaces* to:

1. contribute to District-wide facilities, and
2. address deficits within the District, and
3. undertake improvements to existing reserves and public *open spaces*.

The level of *financial contribution* that is required reflects the demands on and costs of acquiring and improving reserves and public *open space* are as follows:

1. the urban *RUE* value provides for the achievement of Policies UFD-P7 and UFD-P8;
2. the Ōtaki urban *RUE* value, set at 67% of the Urban value, recognises the lower land values compared to the rest of the District; and
3. the rural *RUE* value, set at 50% of the Urban value, recognises that rural areas generally have less need for or immediate access to local and neighbourhood parks.

Council will apply credits in particular circumstances.

Explanation: The price of the contribution per *RUE* is based on August 2011 Quotable Value data.

FC-P2 Provision of Infrastructure

A *financial contribution* may be required for any *land use* or *subdivision* application that results in the need to upgrade *infrastructure* beyond the *subject site* that the *resource consent* applies to. The extent and value of any particular *financial contribution* payable will be in proportion to:

1. the extent to which the *financial contribution* avoids, remedies or mitigates any on-site and off-

- site adverse environmental *effects* caused by the *subdivision, land use or development*.
2. the extent to which the adverse environmental *effects* of the *subdivision, land use or development* are off-set by the positive environmental *effects* of the type of *infrastructure*.
 3. the amount of financial or development contribution already taken for the same *development, purpose, and at the same level and intensity of development*.

Rules

FC-R1	Creation of a new <i>one-bedroom residential unit</i>
Permitted Activity	<p>Standards</p> <ol style="list-style-type: none"> 1. A <i>financial contribution</i> to the equivalent of 0.5 <i>RUE</i> shall be payable per each new <i>one-bedroom residential unit</i> as set out in FC-Table 1 and shall take into account any credits provided in FC-Table 1. 2. The <i>financial contribution</i> shall be payable: <ol style="list-style-type: none"> a. as a <i>condition</i> of consent for any <i>land use resource consent; and</i> b. prior to the commencement of construction for any relevant <i>permitted activity land use</i>.
FC-R2	Addition of new bedrooms to an existing <i>one-bedroom residential unit</i>
Permitted Activity	<p>Standards</p> <ol style="list-style-type: none"> 1. A <i>financial contribution</i> to the equivalent of 0.5 <i>RUE</i> shall be payable for the first additional bedroom calculated as set out in FC-Table 1 and shall take into account any credits provided in FC-Table 1. <p>Note: No additional <i>RUE</i> shall be payable above the first additional bedroom.</p> <ol style="list-style-type: none"> 2. The <i>financial contribution</i> shall be payable: <ol style="list-style-type: none"> a. as a <i>condition</i> of consent for any <i>land use resource consent; and</i> b. prior to the commencement of construction for any relevant <i>permitted activity land use</i>.
FC-R3	Creation of a new <i>residential unit(s)</i> (excluding <i>visitor accommodation</i> which is not <i>temporary residential rental accommodation</i>).
	<i>Measurement criteria</i> apply to activities under this rule.
Permitted Activity	<p>Standards</p> <ol style="list-style-type: none"> 1. A <i>financial contribution</i> to the equivalent of one <i>RUE</i> shall be payable per each new <i>residential unit</i> as set out in FC-Table 1 and shall take into account any credits provided in FC-Table 1. 2. The <i>financial contribution</i> shall be payable: <ol style="list-style-type: none"> a. as a <i>condition</i> of consent for any <i>land use resource consent; and</i> b. prior to the commencement of construction for any <i>permitted activity land use</i>.

	<p>Measurement Criteria:</p> <p>The <i>Residential Unit Measurement Criteria</i> must be followed when determining the number of <i>residential units</i>.</p>
FC-R4	<i>Subdivision of land</i> that results in the creation of an additional <i>allotment(s)</i>
Permitted Activity	<p>Standards</p> <ol style="list-style-type: none"> 1. A <i>financial contribution</i> to the equivalent of one <i>RUE</i> shall be payable per each new additional Record of Title (<i>allotment</i>) as set out in FC-Table 1 and shall take into account any credits provided in FC-Table 1. 2. The <i>financial contribution</i> shall be imposed as a <i>condition</i> of consent of any <i>subdivision</i> consent and: <ol style="list-style-type: none"> a. where money is to be taken, shall be payable prior to the issue of a certificate under Section 224 of the RMA. b. where <i>land</i> is to be taken, shall be vested on deposit of the survey plan. <p>Exceptions:</p> <p>This standard does not apply:</p> <ol style="list-style-type: none"> a. To the creation of <i>allotments</i> for a <i>network utility</i>. b. Where a title with an area less than 50m², provided that the title is for an <i>allotment</i> of a greater size forming part of the same <i>subdivision</i>.

FC-Table 1 - Contribution payable per Residential Unit Equivalent		Residential and Working Zones	Residential and Working Zones - Ōtaki Urban Area	Rural Zone
	One Residential Unit Equivalent		\$11,250 plus GST, as adjusted annually by the Consumer Price Index from 29 November 2012.	\$7,500 plus GST, as adjusted annually by the Consumer Price Index from 29 November 2012.
Credits		<p>In calculating the number of RUE, the Council will:</p> <ol style="list-style-type: none"> a. apply credits where and to the extent that: <ol style="list-style-type: none"> i. there is pre-existing lawfully established demand on the <i>subject site</i>; and ii. a financial contribution(s) has already been paid for the same <i>subject site</i> and for the same activity, at the same level of intensity and the same level of effects; or iii. a development contribution has already been paid for reserves and public open space for the same <i>subject site</i> and for the same activity, at the same level of intensity and the same level of effects. 		

		<p>Note: This includes financial contributions or development contributions paid at the <i>subdivision</i> stage, applied as a credit towards the effect of subsequent <i>building</i> activity.</p> <p>b. only apply credits for developments on the same <i>subject site</i>;</p> <p>c. not provide for credits to be transferred to another development; and</p> <p>d. not permit credits to be used to reduce the number of units of demand to less than zero</p> <p>e. not refund any credits</p>		
	Explanation: The following are examples of credits that may be applicable:			
	Prior development	New development	Financial contribution assessment (taking into account any credit)	Credit for pre-existing demand
	One title	Residential fee simple subdivision into 3 titles (two additional allotments)	2 <i>RUE</i> for the additional <i>allotments</i>	1 <i>RUE</i> credit for the original <i>allotment</i>
	<i>One-bedroom residential unit, which had already had a 50% reduction in financial contributions</i>	Add one or more new bedrooms	0.5 <i>RUE</i> for the addition	0.5 <i>RUE</i> credit for the existing development
	One house on an existing <i>allotment</i>	One additional <i>residential unit</i> , with or without subdivision.	1 <i>RUE</i> for the additional <i>residential unit</i> .	1 <i>RUE</i> credit for the existing <i>residential unit</i>
	Block of four flats on a single title	Convert to unit titles	Nil for the title conversion	4 <i>RUE</i> credit for the existing development