

# FREQUENTLY ASKED QUESTIONS

## DEVELOPMENT CONTRIBUTIONS (RESIDENTIAL)

### WHAT ARE DEVELOPMENT CONTRIBUTIONS?

Hastings District is forecast to grow by over 2,500 residential dwellings over the next ten years which creates a demand for council services and infrastructure. To ensure the level of service enjoyed by existing residents is not compromised, Development Contributions are collected under the Local Government Act 2002 to fund 'growth infrastructure' to meet that additional demand.

### WHEN IS A DEVELOPMENT CONTRIBUTION PAYABLE?

In the case of residential development, a contribution will generally be required from any resource consent that results in the creation of additional lots or a land use change, or from any building consent to build or relocate a residential dwelling.

### WHAT IF I MOVED WITHIN THE DISTRICT? DO I STILL HAVE TO PAY A CONTRIBUTION?

**YES.** Growth is taken as any additional lot or new residential dwelling irrespective of whether you move within the district. Council has determined that applying development contributions on this basis is the fairest means available for passing on the cost of growth.

### WHAT DOES MY CONTRIBUTION COVER?

Contributions have been split into six different 'activities':

ACTIVITY	IMPACT
<b>RETICULATED SERVICES</b> <ul style="list-style-type: none"><li>• Water</li><li>• Stormwater</li><li>• Wastewater</li></ul>	<ul style="list-style-type: none"><li>• New households / lots that connect to council's infrastructure will place an increased demand on our services, i.e; discharging more wastewater and stormwater or requiring additional water supply.</li><li>• To ensure existing level of service is not compromised, council may need to extend, upgrade services or renew existing services earlier.</li><li>• Contributions are 'catchment based' and are only required where a connection is made to a council maintained network.</li></ul>
<b>PARKS &amp; SERVICES</b>	<ul style="list-style-type: none"><li>• New households / lots will place an increased demand on our provision of Parks &amp; Reserves.</li><li>• To ensure existing level of service is not compromised, council will need to acquire new land and reserves for all residents to use and enjoy.</li><li>• Contributions are 'catchment based'. Each additional household or lot is taken as having access to use council's parks and reserves network.</li></ul>
<b>ROADING</b>	<ul style="list-style-type: none"><li>• New households / lots will lead to increased traffic movements on our roading network.</li><li>• To ensure existing level of service is not compromised, council may need to improve, upgrade, extend, or replace earlier, its roading network throughout the entire district.</li><li>• Contributions are paid equally per household or lot, as any development irrespective of location, gives rise to the need for expenditure on our network as a whole.</li></ul>
<b>COMMUNITY INFRASTRUCTURE</b>	<ul style="list-style-type: none"><li>• New households / lots will place an increased demand on our provision of public toilets and playgrounds.</li><li>• To ensure existing level of service is not compromised, council will need to build new playgrounds and public toilet facilities for all households to use and equally enjoy.</li><li>• Contributions are paid equally per household or lot, as any development irrespective of location, can equally use those facilities and services provided.</li></ul>

### HOW IS EACH CONTRIBUTION CALCULATED?

Development Contributions originate from the 10 year capital programme within the council's Long Term Plan. They are simply the cost of all those projects caused or benefiting growth development divided by the anticipated growth expected to occur. Contributions are applied on a per household unit basis (HUE's).

### HOW MUCH WILL I PAY?

The level of contributions each development pays will depend on a number of factors:

- The number of household units (HUE's) created by the development
- Whether there a financial contribution was previously assessed and paid (historic & actual credits)
- Whether a service connection is made to council infrastructure,
- The location (catchment) of the development taking place.
- (If applicable) Whether the building is a secondary or subsidiary residential building under 80m<sup>2</sup> in size

## HOW DO I KNOW IF I RECEIVE A 'HISTORIC OR ACTUAL CREDIT' AGAINST MY ASSESSMENT?

DATE OF PRE-EXISTING SUBDIVISION OR DEVELOPMENT	EXTENT OF CREDIT
<b>PRIOR TO 19 APRIL 2000</b> (Where no Financial or Development Contributions Policy existed)	<b>HISTORIC CREDITS:</b> shall be applied on the basis of the greater of 1 HUE per activity, per existing allotment, or 1 HUE per activity per existing residential dwelling unit, where an infrastructural connection exists.
<b>BETWEEN 19 APRIL 2000 AND 01 JULY 2007</b> (Where Financial Contributions charged under the District Plan through Development Levies)	<b>ACTUAL CREDITS:</b> shall be applied but only where a financial contribution has previously been assessed and paid. If a financial contribution has not been assessed and paid, a contribution will be required in accordance with this policy.
<b>AFTER JULY 2007</b> (Where Development Contributions charged)	<b>ACTUAL CREDITS:</b> shall be applied but only where a financial contribution has previously been assessed and paid. If a development contribution has not been assessed and paid, a contribution will be required in accordance with this policy.

## WHEN WILL I NEED TO PAY THE ASSESSMENT?

Payment of any development contribution required can be made at any time up to application for Code Compliance Certificate in the case of a Building Consent Application, service connection authorization in the case of a service connection, or application for 224(c) in the case of a Resource Consent Application. Please contact the Financial Policy Advisor on 06 8715012 to request an invoice.

## WHAT HAPPENS IF I DO NOT PAY MY ASSESSMENT?

If payment of a development is not received, under Section 208, council may:

- Withhold a certificate under Section 224(c) of the Resource Management Act 1991
- Prevent the commencement of a resource consent under the Resource Management Act 1991
- Withhold a code compliance certificate under Section 94(4) of the Building Act 2004
- Withhold a service connection to the development
- In each of the above cases, register the development contribution under the Statutory Land Charges Registration Act 1928, as a charge on the title of the land in respect of which a development contribution was required.

## CAN I REQUEST A REVIEW OR MAKE AN OBJECTION TO MY ASSESSMENT?

A request for council to reconsider the development contribution must be made in writing within 10 working days of the notice being made in accordance with those processes outlined under Section 7.1 in the Development Contributions Policy. A formal objection must be made in writing within 15 working days of the notice being made in accordance with those processes outlined under Section 7.2 in the Development Contributions Policy.

## DOES MY RATES COVER THIS?

Unfortunately not; Rates and Development Contributions fund separate costs. Rates fund operational costs and the cost attached to providing services for the existing community. Development contributions cover the cost of new infrastructure and services for the 'growth community'.

ACTIVITY	IMPACT	
	RATES	DEVELOPMENT CONTRIBUTIONS
<b>RETICULATED SERVICES</b> • Water • Stormwater • Wastewater	• Repairs and maintenance (renewal) works to existing infrastructure that services the existing community	• New infrastructure or upgrading of existing infrastructure to cater for the increased impact caused by the growth community
<b>PARKS &amp; RESERVES</b>	• Maintenance of existing parks and reserves that services the existing community	• Purchase of new Parks & Reserves Land to cater for the growth community
<b>ROADING</b>	• Maintenance and upgrades of existing roading network that services the existing community	• New roading networks to cater for the increased traffic movements • 'Growth component' of the Cost of resealing roads i.e; resealing every 20 years rather than every 25 years due to increased traffic movements
<b>COMMUNITY INFRASTRUCTURE</b>	• Operational costs • Maintenance of existing playgrounds and toilets that service the existing community	• Purchase of new toilets and new playgrounds to cater for the growth community.