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Development Contributions Policy 2021

Purpose and Objectives

1. The purpose of this policy is to ensure new development contributes fairly to Taupō District's infrastructure and service requirements.
2. The objective is to:
 - enable Council to provide the necessary services where related to growth demand
 - provide an integrated approach to balance impacts of development on infrastructure capacity
 - provide a transparent method of calculating development contributions
 - provide a consistent application of development contribution charges.

Revocations

3. The Taupō District Council Development Contributions Policy 2018 is revoked at the time of the Taupō District Council Policy 2021 comes into force.

Definitions

4. Any words, phrases or expressions used in this policy which have meanings assigned to them by the Local Government Act 2002 (LGA) and shall have the meaning in the LGA, unless inconsistent with the context in which such words occur. The following definitions are used throughout the policy:

the LGA	The Local Government Act 2002
Backlog	The portion of a project that is the historical catch-up that meets the required level of service
CBD	Taupō Town Centre Pedestrian Precinct as per the Taupō District Plan
Commercial	Land use associated with: <ol style="list-style-type: none"> a. communication services b. finance c. insurance d. services to finance and investment e. real estate f. business services g. central government administration h. defence i. public order and safety services j. local government administration services and civil defence k. commercial offices l. or any activity trading goods, equipment, or services for gain or reward

Infrastructure on Reserve Land	Community or recreational facilities associated with the use of a reserve
Cost Allocation	The allocation of the capital costs of a project, including renewal, catch-up backlog, and additional capacity to provide for growth
Council	Taupō District Council
Development Contribution Area	Any areas existing for each asset category, e.g. district wide for transportation. For water and wastewater, areas are based upon existing 'constituted service catchment' areas as identified in the attached maps. Reserves contributions charges depend on whether the site is within the existing residential environment (infill) in the attached map or in the mapped greenfield residential growth areas.
District Parks	The premier parks such as Owen Delany Park, Tongariro Domain, Tūrangitukua and lakefront reserves, which are focal points for the whole district and visitors
ETA	East Taupō Arterial
Funding Model	The funding model ensuring an equitable assessment of the funding requirements to support the development contributions regime. The primary output of the funding model is an accurate assessment of the required development contribution charges
GFA	Gross Floor Area - the sum of the total area of all the floors of all buildings on an allotment measured in m ² , from the exterior faces of exterior walls or from the centre lines of common walls, but excluding: <ul style="list-style-type: none"> • stairways, escalators, lift shafts and mechanical service equipment areas, • staff and public toilets, • parking areas, loading spaces, vehicle access, and maneuvering areas, including internal garaging • accessways and pedestrian areas, and • external balconies.
Growth	The portion of a planned (or completed) capital project providing capacity in excess of existing community demand at the current agreed levels of service.
Growth Model	The anticipated area expansion and associated increases in HUEs
Household unit equivalent (HUE)	The unit of demand that creates an equivalency factor between a type of development and one detached dwelling unit (household unit)
High users of water or wastewater	Commercial or industrial users who require a take or discharge of more than 10m ³ per day.
Industrial	Activities, including associated land, infrastructure and buildings, used for manufacturing, fabricating, processing, packing or storage of goods, substances, energy or vehicles, and the servicing and repair of goods and vehicles whether by machinery or hand
Industrial Environment	Those areas zoned Industrial Environment in the Taupō District Plan
Infill Subdivision	Subdivision occurring within an existing residential environment as identified in maps 7 – 13.

Lot/Allotment	Has the same meaning as 'allotment' under s218(2) of the Resource Management Act 1991. Note any subdivision of land creating new title areas will be assessed for DC purposes, this includes but is not limited to; unit titles, cross lease and fee simple subdivisions.
LTP	Long Term Plan 2021-31
Non-Residential lot/allotment	An allotment that is not being used for residential purposes such as industrial or commercial use. Where an allotment has a mix of use, for example non-residential and a residential component, the two uses will be assessed separately for DC's.
Reserve Land	The cost of purchasing land including enhancement or development of the land for public recreation purposes
Reserve Land Infill	Areas as identified on maps indicating existing established residential areas otherwise known as 'brown fields development', collection of development contributions in these areas are used to improve existing neighbourhood reserves to cater for growth, including but not limited to: <ul style="list-style-type: none"> • widening of footpaths • contouring of reserve land • landscaping • carparking
Retirement Homes – Care	Rest homes providing full 24-hour care with residents requiring high levels of help and high staff ratios due to the level of care required
Retirement Homes – Village	Fenced retirement villages where residents occupy dwellings. These dwellings are generally self-contained with 2.5 or fewer bedrooms and provision for car parking
Renewal	The portion of project expenditure that has already been funded through depreciation of the existing asset
Residential Unit	A detached building (with the exception of apartments or flats) having a bathroom and kitchen. If a residential extension includes all these facilities but is attached to the house, it must be accessed from inside the house (garage not included) for it not to be considered a second or subsequent dwelling
Minor dwelling	Must be a second dwelling of less than 60m2 of GFA on an allotment
Retail	Land use associated with: <ol style="list-style-type: none"> a. retail trade b. restaurants and bars c. cultural and recreational services d. personal and other community services
Rural	Those areas zoned Rural Environment in the Taupō District Plan
Service Connection	A physical connection to a service provided by or on behalf of Council
Subdivision	The same as 's218(1) of the Resource Management Act 1991

Policy

Background

5. The LGA requires Council to adopt a policy on development contributions.
6. The LGA contains provisions for funding capital expenditure for reserves or infrastructure by means of development contributions where capital expenditure is required due to new development.

What is a Development Contribution?

7. A development contribution is a contribution made by a developer to Council, according to the methodology set out in this policy, and can be either: money, land or a combination of both.
8. Council may, under s198 of the LGA, require development contributions to be made. When officers are determining whether a development contribution is payable they will consider the following:
 - Is the project in accordance with s197 the LGA?
 - Does the project either alone or in combination with another development have the effect of requiring expenditure on infrastructure, s199 the LGA?
 - Is the development provided for in s198(2) the LGA?
9. The funding period of a development contribution can be an asset's capacity life, an asset's useful life, or 25 years, whichever is the lesser period.

Explanation/Justification

10. Section 106(2)(c) of the LGA requires Council to justify charging developers for the cost of development-driven increases in infrastructure capacity for community facilities. This justification must be based on Section 101(3) considerations of the LGA.
11. The effects of growth, particularly the cumulative effects of development, require council to incur capital expenditure, on behalf of the community, to provide new or additional services, including anticipating future growth. Funding tools such as development contributions, along with others, are essential in meeting these needs.
12. Development contributions enhance equity now and in the future. Referred to as intergenerational equity, the development contributions assist Council to assign the costs of growth to the time frame in which that demand was generated.
13. Ratepayers have historically borne the burden of paying for network infrastructure required for growth. Development contributions place a responsibility of funding on those that create and benefit from it rather than the ratepayer.
14. Council's decision-making framework identifies the strategies and plans that guide its decisions for the community. Council has made an assessment regarding the funding of activities following consideration of the requirements of s101(3) of the LGA. Council's Revenue and Financing Policy sets out how each activity will be funded with one source being development contributions.
15. This policy identifies those activities to be funded by development contributions ensuring a fair distribution of funding of infrastructure having regard to existing and future populations. The existing population has already made considerable investment in services and enjoys the benefit of using those services. Those undertaking new development benefit from: using; connecting to; extending existing services; or supplying new services; and must pay their fair share of the capital expenditure for this.

Significant Assumptions

16. The significant assumptions underlying this policy's calculation is as follows:

Significant Assumption	Effects	Level of Uncertainty
The level of growth occurs as forecast in the growth model	<ul style="list-style-type: none"> Lower than forecast – may need to review growth forecasts 	<ul style="list-style-type: none"> Significant – revenue streams are lower than anticipated
	<ul style="list-style-type: none"> Higher than forecast – may need to review growth forecasts 	<ul style="list-style-type: none"> Minor – revenue streams are higher than anticipated
No significant natural disasters e.g. earthquakes, volcanic eruptions occur	<ul style="list-style-type: none"> Any significant natural disaster may require a review of growth forecasts 	<ul style="list-style-type: none"> Significant
The levels of service agreed are maintained	<ul style="list-style-type: none"> Significant changes may require Council to re-evaluate capital expenditure projects and the schedules contained within the policy 	<ul style="list-style-type: none"> Significant – revenue streams are likely to change
Funding levels agreed within the LTP are maintained across the life of the policy	<ul style="list-style-type: none"> Lower than forecast 	<ul style="list-style-type: none"> Minor – revenue streams may be higher than anticipated
	<ul style="list-style-type: none"> Higher than forecast 	<ul style="list-style-type: none"> Significant – revenue streams may be lower than anticipated
The estimated capital expenditure costs come in on budget. This is based on best available knowledge at the time of preparation.	<ul style="list-style-type: none"> Lower than forecast 	<ul style="list-style-type: none"> Minor
	<ul style="list-style-type: none"> Higher than forecast 	<ul style="list-style-type: none"> Significant – revenue streams unlikely to meet the costs required
The wider economy remains stable	<ul style="list-style-type: none"> Major changes to the economy may require Council to re-evaluate capital expenditure projects and the schedules contained within the policy 	<ul style="list-style-type: none"> Significant – revenue streams may be lower
All government agency subsidies will continue at current levels	<ul style="list-style-type: none"> Major change in government policy that changes eligibility criteria that leads to a reduction in current levels may require Council to re-evaluate capital expenditure projects and the schedules contained within the policy 	<ul style="list-style-type: none"> Significant – revenue streams may be lower

Significant Assumption	Effects	Level of Uncertainty
All development contributions are paid in accordance clause 18	<ul style="list-style-type: none"> • Payment is required in accordance with the LGA and flexibility is built into Council processes 	<ul style="list-style-type: none"> • Minor – revenue streams are unlikely to be greatly affected
The legislative and regional policy requirements remain the same	<ul style="list-style-type: none"> • Major changes may change funding requirements which increase compliance costs. This may require Council to re-evaluate capital expenditure projects and the schedules contained within the policy 	<ul style="list-style-type: none"> • Medium – may require changes

Activities

17. Council has identified a number of activities that require funding through development contributions (refer Schedule 1: Activities to be funded). These are required to enable new development to proceed. In the case of greenfields residential subdivision the acquisition of local reserve land and improvements are required to provide amenities and meet council's levels of service.
18. Council is committed to play its part in delivering and funding these activities adequately and in good time.
19. Council has determined that within these activities it is appropriate to use development contributions as a funding source for capital expenditure related to activities listed Schedule 1: Activities to be funded.
20. Within these activities, development contributions will not be required to fund:
 - a. operating and maintenance costs
 - b. any part of a capital expenditure project that is funded from another source
 - c. costs incurred by Council to fund renewal and/or to increase existing levels of service that are below the stated service standard.

Funding Areas

21. Development contributions will be required from those areas outlined in Schedule 3: Funding Areas (refer to the maps in Schedule 3).
22. Capital expenditure projects Schedule 1: Activities to be funded.

Units of Demand

23. Council determines the appropriate share of the gross costs of growth-related infrastructure to be paid by developers by having regard to the factors set out in section 101(3) of the LGA.
24. Every new residential lot as per the growth model outlined in Schedule 5: Taupō District Growth Model 2018-2050 is presented as a HUE.
25. A HUE represents the demand created by one household unit of 2.6 persons (the district wide average occupancy rate).
26. The development contribution will be assessed for each service type in each catchment area and will be charged on the number of HUE. For the calculation of the HUE see Schedule 2: Methodology/Calculation.
27. For each area of Council activity, the development contribution capital charge payable for a HUE is assessed by determining the cost of growth-related infrastructure to be paid divided by the estimated number of HUEs in accordance with the growth model.
28. For a commercial conversion see Schedule 2: Methodology/Calculation.

Allotments/Land Assessments

29. In attributing units of demand as required by Schedule 13 of the LGA, Council will take account of the demand generated by existing allotments or land use on the development site. No credit will be given to lots not already connected to the services.

Calculating Development Contributions

30. Development contributions will be calculated using the cost of development driven expansion of infrastructure as described in the LTP.
31. The residential development contributions calculation is set out in Schedule 2: Methodology/Calculation. The commercial development contributions calculation is also set out in Schedule 2: Methodology/Calculation.
32. The schedules of this policy summarise and explain the cost of the development driven infrastructure capacity increases Council is planning over the next ten years.

Limits

33. Council cannot require a development contribution for a reserve, network infrastructure, or community infrastructure if:
 - a. it has, under section 108(2)(a) of the Resource Management Act 1991, imposed a condition on a resource consent in relation to the same development for the same purpose; or
 - b. the developer will fund or otherwise provide for the same reserve, network infrastructure, or community infrastructure; or
 - c. has received or will receive funding from a third party.

Development Agreements

34. Council may enter into private development agreement where there is a need to allocate responsibility between developers and Council for the construction and funding of public works in order to support Council strategies and plans.
35. Private development agreements will not be used to reduce the amount of contribution charge calculated under this policy.
36. Any private development agreement must show how costs payable for public works will be funded.

Credits

37. Credits can exist on a site which can be offset against the demand being created by a development. Situations where there are historical credits:
 - (i) Credit will be given for the pre-existing status of properties even if no previous financial or development contributions have been paid. Where service connections do not exist a development contribution will be payable upon connection.
 - (ii) A residential lot will be assessed as having 1 HUE for all service activities for which they have a lawful connection;
 - (iii) A commercial, industrial or retail allotment, created prior to 1 July 2021, will be assessed as having a 1 HUE credit for all service activities for which they have a lawful connection;
 - (iv) For a commercial, industrial or retail allotment that has several lawfully established activities (determined by a previous building or resource consent) prior to 1 July 2021, then should a subdivision occur around those existing activities and no further demand is generated, then a full credit would apply based on the existing use of the site.
 - (v) Any lot within the commercial environment or industrial environment shall not require an assessment for development contributions, at building consent or land use consent and shall only be assessed at subdivision consent for the newly created lots, with the exception of high users for water and wastewater.
 - (vi) For vacant sites created after 1 July 2004, credits are also taken into account where DCs or Financial contributions (FCs) have previously been assessed and paid. In other words, where the developer has already paid a DC or FC for the infrastructure necessary for that development, the developer receives a credit as if it had been built.
38. Situations where there are no historical credits:

- (i) If the property is not in a service catchment as defined by the areas in maps in Schedule 3, it is not deemed to have any credit for that service. For example, a vacant residential lot which was outside the wastewater service catchment area when it was granted a S224(c) certificate would not receive a credit for wastewater should it connect to the Council network in the future.
- (ii) Vacant lots which are within the areas shown on service catchment maps in Schedule 3 but which do not have service connections or are not rated for services will not have credit. Where water and wastewater service connections or rates payment history cannot be established to an allotment, credit will not exist for these activities.
- (iii) Any previous building or resource consent which has been granted but where the DC or FC was not paid does not receive a credit. For example, a site for which a resource consent was granted to subdivide a lot into 2 but was never granted a s224c certificate under the RMA 1991 (therefore did not pay a financial or development contribution) does not receive a credit.

Reconsideration Process/Objections

- 39. Under s199A of the LGA, any applicant may request a reconsideration of their development contribution charges calculation.
- 40. Applications for reconsideration must be in writing and should include at least:
 - the address of the development site;
 - the consent reference the development relates to;
 - what part of the development contribution charge its applying to; and
 - the reason why.
- 41. Under s199C of the LGA, any applicant may object to their development contribution assessment.
- 42. Under s150A of the LGA, Council may recover from an objector any actual and reasonable costs associated with the objection, including:
 - selection, engagement and employment of development contribution Commissioners;
 - secretarial and administrative support; and
 - preparation and organisation of hearings.

Payment/Invoicing

- 43. Development contributions may be paid in the form of cash, land, works, services or any combination of these.
- 44. An applicant can request an invoice be generated at any time.
- 45. If an invoice is not generated within 12 months of the issue of an assessment, then a new assessment will be calculated before an invoice can be generated.
- 46. Unless earlier requested, the invoice will be issued at the time of an application for a certificate under s224(c) of the Resource Management Act 1991, the time of application for a Code Compliance Certificate under s92 of the Building Act 2004, or prior to a request for service connection, whichever occurs sooner.
- 47. Future Development Units created through subdivision will be invoiced at the time of an application for a certificate under s224(c) of the Resource Management Act 1991 for the other development units.
- 48. For land use consent applications where, after 12 months, there has been no subsequent application for resource consent, building consent or a service connection, an invoice will be generated.
- 49. Where an application for non-residential subdivision consent is lodged, a development contribution assessment and invoice will be calculated based on a residential equivalent of 1 HUE for water, wastewater and transportation for each newly created allotment. A credit of one HUE shall apply to the parent allotment (or the allotment which contains the main commercial activity), except in the case of water and wastewater services if not currently serviced.

Remissions/Postponements/Refunds

Remissions

50. There are no remissions on development contributions.

Postponements

51. There are no postponements on payment of development contributions.

Refunds

52. **Council** will refund development contributions in accordance with s209 and s210 of the LGA.

Enforcement Powers

53. **Council** may use powers under s208 of the LGA if development contributions have not been paid or made.

54. Council may:

- a. in the case of a development contribution required under section 198(1)(a), -
 - (i) withhold a certificate under section 224(c) of the Resource Management Act 1991
 - (ii) prevent the commencement of a resource consent under the Resource Management Act 1991
- b. in the case of a development contribution required under section 198(1)(b), withhold a code of compliance certificate under section 95 of the Building Act 2004
- c. in the case of development contribution required under section 198(1)(c), withhold a service connection to the development
- d. in each case, 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 the development contribution was required.

Public Inspection

55. This policy, and any supporting information, is available for public inspection.

Schedule 1: Activities to be funded

Activity	Activity description	Fee Type
Transportation	Development and improvement to the roading network.	District wide
Water	Development and upgrading the water supply system	Separate development contributions apply for each development contribution area (refer Schedule 3)
Wastewater	Development and upgrading the wastewater disposal system	Separate development contributions apply for each development contribution area (refer Schedule 3)
Reserve land	<p>To purchase land for local parks and improvements to ensure the land can function as a local reserve</p> <p>In the case of infill reserve land collection areas, a lesser fixed charge will be utilised to make improvements to existing neighbourhood reserves to cater for growth, this could include but is not limited to footpath improvements, recontouring, landscaping and carparking</p>	<p>Separate development contributions apply for each development contribution area (refer Schedule 3)</p> <p>A reduced charge applies for infill subdivision as set \$1000 charge (refer Schedule 3)</p> <p>Greenfields developments may be subject to a reserves agreement (if required) by TDC. Any agreed excess contributions of land or improvements cannot be offset against other DCs.</p>
Infrastructure on Reserve Land	To enable the land to function as an area of usable green open space, such as playgrounds, community centres and public toilets	Separate development contributions apply for each development contribution area (refer Schedule 3)
District parks	For land purchase of future district parks, and infrastructure on both existing and new district parks.	District Wide

Table 1 – Activities to be funded

Activity	Funding area	Project name	Expenditure already incurred	Funded from development contributions	Funded from other sources
Transport	District Wide	East Taupo Arterial	104,753,311	7,792,367	96,960,944
Transport	District Wide	Wakeman Road extension	2,507,019	1,675,073	831,946
Transport	District Wide	Poihipi Road seal widening	1,496,388	320,537	1,175,851
Transport	District Wide	Downers Point upgrade	246,820	176,698	70,121
Transport	District Wide	Rural sealing / safety works	3,271,400	2,768,694	502,706
Transport	District Wide	518 Lake Terrace Footpath	34,250	12,755	21,495
Water	Taupo	Taupo water treatment plant building and reticulation	25,481,889	3,702,519	21,779,371
Water	Taupo	Taupo WTP capacity upgrade to 30 MLD	1,645,451	986,991	658,460
Water	Taupo	Cherry Lane Reservoir	1,400,287	431,289	968,999
Water	Kinloch	Kinloch water reticulation and upgrade	3,417,355	888,235	2,529,120
Water	Kinloch	Kinloch water DWSNZ upgrade	293,566	87,333	206,233
Water	Mapara	Relocation of Mapara pump station	1,082,940	400,682	682,258
Wastewater	Taupo	PCP upgrade	705,063	414,672	290,392
Wastewater	Taupo	View Road land disposal site development	20,880,943	4,549,022	16,331,921
Wastewater	Taupo	Main Trunk - Matuku St to Richmond Ave	940,703	165,282	775,421
Wastewater	Taupo	Taupo wastewater treatment plant	13,892,546	4,113,378	9,779,168
Wastewater	Taupo	Eastern truck sewer extension investigation	47,013	47,013	-
Wastewater	Taupo	Taupo WW Southern trunk main upgrade	99,838	80,971	18,867
Wastewater	Taupo	Taupo WW control gate bridge siphon	16,003	16,003	-
Wastewater	Kinloch	Kinloch wastewater infrastructure development	1,122,689	67,585	1,055,104
Wastewater	Kinloch	Kinloch wastewater treatment plant upgrade	738,202	200,108	538,094
Wastewater	Kinloch	Kinloch wastewater disposal field system	2,073,944	432,210	1,641,734
Wastewater	Turangi	Turangi wastewater scheme	727,566	29,088	698,478
Wastewater	Omori/Kurutau/Pukawa	WW Treatment & Disposal System	14,359	4,451	9,907
Reserve Land	District Wide	Kinloch wastewater infrastructure development/reserve land	1,841,482	918,000	923,482
Reserve Land	District Wide	Kuratau reserve acquisition	869,534	869,534	-
Reserve Land	District Wide	181 Lake Terrace	377,655	377,655	-
Reserve Land	District Wide	183 Lake Terrace	273,782	273,782	-
District Parks	District Wide	Lakeshore reserves development	616,826	131,635	485,191
District Parks	District Wide	Tongariro Domain redevelopment	1,397,428	240,604	1,156,823
District Parks	District Wide	Spa Park	60,590	17,571	43,019
District Parks	District Wide	Whangaroa reserve boating facilities	26,132	3,617	22,515
District Parks	District Wide	Great Lake Walkway	2,128,559	1,000,423	1,128,136
District Parks	District Wide	Otumuheke Stream/Spa Park upgrade	1,391,150	497,297	893,853
Community Infrastructure	District Wide	Playground Besley Park	81,006	2,738	78,268
Community Infrastructure	District Wide	Wharewaka footpath & carpark	372,414	147,700	224,714
Community Infrastructure	District Wide	New playground & park assets	11,822	5,911	5,911
Community Infrastructure	District Wide	Seal carpark adjacent to pump track	130,768	35,768	95,000
Total historic capital expenditure			196,468,692	33,885,190	162,583,502

Table 2: Historical Capital Expenditure Related to Growth – Schedule of Assets

Activity	Funding area	Project name	Planned capital expenditure	Planned capital expenditure funded from development contributions	Planned capital expenditure funded from other sources
Transport	District Wide	Poihipi seal widening	2,572,004	374,068	2,197,936
Transport	District Wide	Second sridge crossing	20,500,000	10,230,439	10,269,561
Transport	District Wide	Whangamata Road improvements	2,550,000	801,990	1,748,010
Transport	District Wide	518 Lake Terrace Footpath	115,750	42,853	72,897
Water	Taupo	Brentwood reservoir land and construction	3,500,000	1,351,021	2,148,979
Water	Taupo	Control Gates bridge pipeline upgrade	200,000	34,894	165,106
Water	Taupo	Napier Road reservoir land and construction	4,750,000	1,407,755	3,342,245
Water	Taupo	Poihipi reservoir land and construction	9,410,000	1,716,002	7,693,998
Water	Taupo	Tauhara Ridge reservoir land and construction	4,170,000	2,255,590	1,914,410
Water	Taupo	Taupo WTP capacity upgrade to 30 MLD	104,549	62,712	41,837
Water	Taupo	Taupo WTP capacity upgrade to 35 MLD	500,000	365,500	134,500
Water	Taupo	Taupo WTP taste, odour and cyanotoxin treatment upgrade	1,400,000	157,484	1,242,516
Water	Taupo	Taupo water low pressure project	900,000	495,000	405,000
Water	Taupo	Wairakei reservoir upgrade and renewal	1,200,000	141,136	1,058,864
Water	Kinloch	Kinloch WTP upgrade	9,198,260	2,313,734	6,884,526
Water	Kinloch	Kinloch low zone reservoir and construction	5,230,000	1,805,750	3,424,250
Water	Mapara	Mapara scheme capacity increase	1,557,000	172,306	1,384,694
Water	Mapara	Relocation of Mapara pump station	7,060	2,674	4,386
Water	Omori	Omori water DWSNZ upgrade	3,100,000	122,614	2,977,386
Wastewater	Taupo	Control Gates bridge siphon	1,900,000	429,265	1,470,735
Wastewater	Taupo	Eastern trunk main capacity upgrade	1,800,000	568,464	1,231,536
Wastewater	Taupo	Irrigation expansion new land and infrastructure	14,000,000	4,569,230	9,430,770
Wastewater	Taupo	Southern trunk main upgrade	10,605,336	4,501,358	6,103,978
Wastewater	Taupo	Taupo land disposal and tertiary treatment	5,200,000	373,372	4,826,628
Wastewater	Taupo	WWTP primary clarifier 3	2,100,000	546,000	1,554,000
Wastewater	Kinloch	Kinloch Wastewater TP MBR (previously Balance Tank)	14,800,000	2,882,303	11,917,697
Wastewater	Kinloch	Kinloch wastewater disposal field system	1,921,174	668,129	1,253,045
Reserve Land	Taupo	Reserve Purchase Programme	8,923,046	8,923,046	-
Reserve Land	Kinloch	Reserve Purchase Programme	2,974,349	2,974,349	-
Community Infrastructure	Taupo	Playgrounds on Reserve Land	900,000	900,000	-
Community Infrastructure	Kinloch	Playgrounds on Reserve Land	300,000	300,000	-
Total planned capital expenditure			136,388,528	51,489,038	84,899,490

Table 3: Planned Capital Expenditure Related to Growth – Schedule of Assets

Schedule 2: Methodology/Calculation

56. A development contribution is payable for each new HUE created by development in accordance with the Schedule 4: Development Contributions Schedule of Fees and Charges.

57. Residential HUE Calculation:

Type of development	Unit of demand	Transportation	Water (if connecting to Council services)	Wastewater (if connecting to Council services)	Infrastructure on Reserve Land	District Parks	Reserve land
		HUE per Unit of Demand					
Subdivision	Allotment	1	1	1	1	1	1
Land use or building consent	Dwelling	1	1	1	1	1	1
Land use or building consent	Minor Dwelling	0.5	0.5	0.5	0.5	0.5	0.5
Commercial Accommodation	Accommodation Unit	0.5	0.5	0.5	0.5	0.5	0.5
Commercial Accommodation – Unit Title	Accommodation Unit	1	1	1	1	1	1
Commercial Accommodation – Manager's Unit	Manager Unit	1	1	1	1	1	1
Retirement Home – Care	Unit	0.33	0.33	0.33	0	0	0
Retirement Home – Village	Unit	0.5	0.5	0.5	0.5	0	0.5

Table 4: Residential conversion factors from units of demand to HUE

58. For properties with restricted water flows, 1.2 l/min is the equivalent of one HUE. Additional l/min required will be charged as a ratio of 1.2 l/min to the water HUE charge.

Commercial Conversions

59. District Subdivision.

Land use Description	Underlying Credit	HUE at time of subdivision
Commercial	1 HUE for parent allotment if consented prior to 1 July 2021 (and if already connected in the case of water/wastewater)	1 HUE for water, wastewater and transportation for each newly created allotment at time of subdivision
Industrial	1 HUE for parent allotment if consented prior to 1 July 2021 (and if already connected in the case of water/wastewater)	1 HUE for water, wastewater and transportation for each newly created allotment at time of subdivision
Retail	1 HUE for parent allotment if consented prior to 1 July 2021 (and if already connected in the case of water/wastewater)	1 HUE for water, wastewater and transportation for each newly created allotment at time of subdivision

Table 5: Water, Wastewater and Transportation Non-Residential HUE Conversions

Note: Wet Industry to be treated as a 'special' case, at TDC discretion.

Vehicle Movements

Vehicle	Movements	Explanation
Staff member	4	Assume travel to and from work and have a lunch break
Customer	2	Assume travel to and from the business
Truck	4	Assume travel to and from the business but have a greater effect on wear and tear of road
Truck and trailer	8	Assume travel to and from the business but have a greater effect on wear and tear of road

Table 7: Converting to Equivalent Vehicle Movements

60. 1HUE = 10 equivalent vehicle movements (EVM's) for non-residential developments.

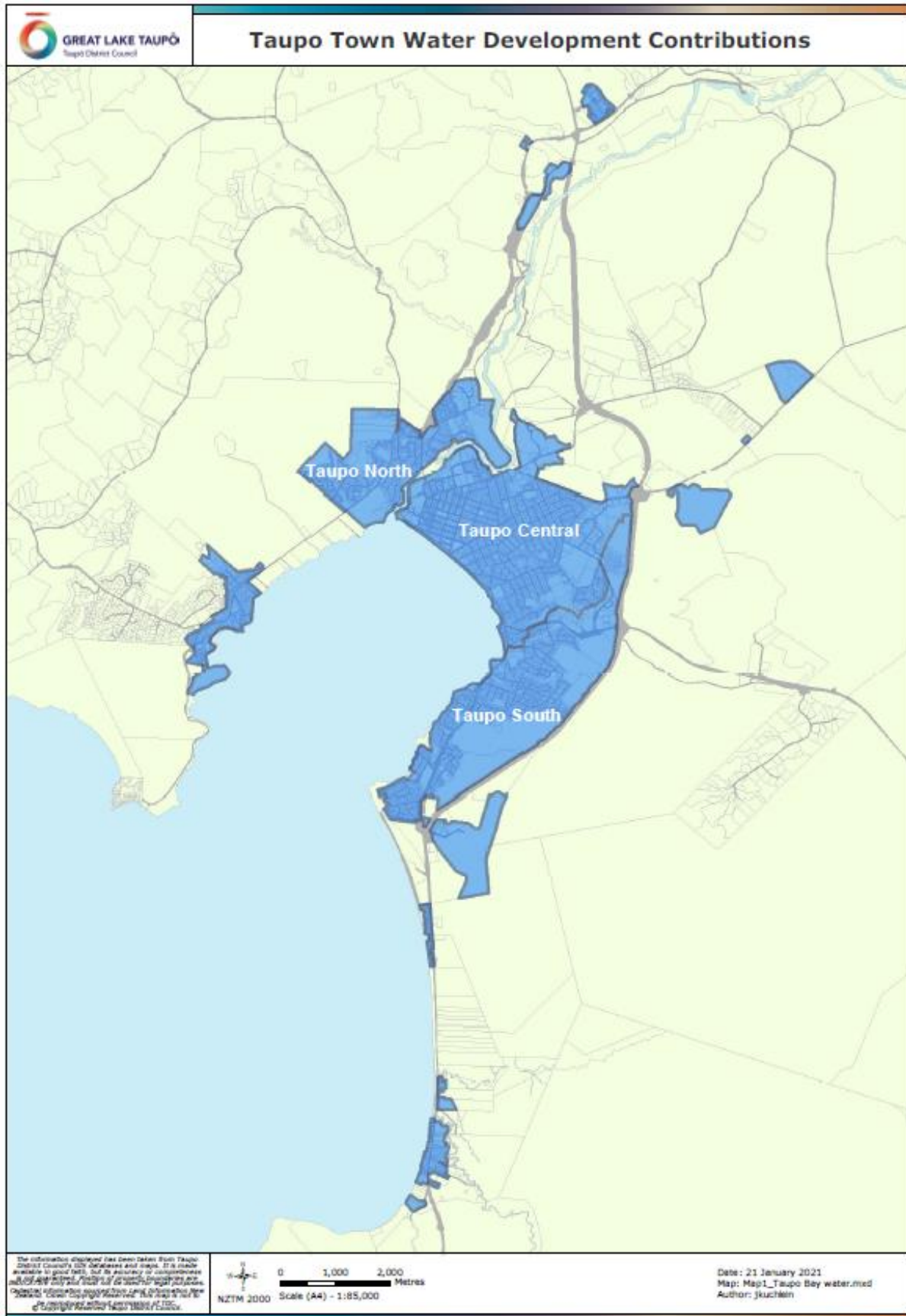
61. The following flow diagram indicates the process for converting a project with growth related costs to a DC charge.

Process
1. Project
2. Inflation is included based on the BERL estimates
3. Remove other funding, e.g. NZTA
4. A stand-alone project is estimated (Renewal) that is the cost of constructing the assets renewed by the project without consideration of any other aspect of the project
5. A stand-alone project is estimated (New Work) that is the cost of achieving the capacity requirements of the project without consideration of the renewal component.
6. The renewal component of the project is determined and removed from the analysis
7. Identify outcomes/impacts arising from implementing the project. e.g. capacity, amenity, safety etc.
8. Either identify the stand alone cost of achieving the outcome/impact or assign a % of the project to each outcome/impact based on engineering knowledge
9. Allocate a proportion of each-outcome/impact between backlog and growth taking into account growth model predictions, existing and proposed capacities of plant, s101(3) requirements etc. The following process then takes place for each outcome/impact
10. The growth proportion of the project is checked to ensure that the cost to the growth community is no more than what it would have cost to do it themselves.
11. A summary then indicates per outcome/impact percentage splits between renewal, backlog, growth and unallocated. At this stage a funding source is defined for each of these, e.g. backlog rates, growth DC, renewal rates, unallocated rates
12. The funding model completes a DC calculation calculates non growth charge, growth charge and removes back-charges. Generally speaking, the growth component of the cost is divided amongst the HUE growth as identified in the growth model. Back-charge relates to the amount the growth community will be paying in rates in the future. This amount is removed to avoid double dipping in the future.
13. DC charge (the growth cost is divided amongst the HUE in the area)
14. Elected members stand back and consider the overall DC charge and confirm the charge is reasonable in terms of s101(3)

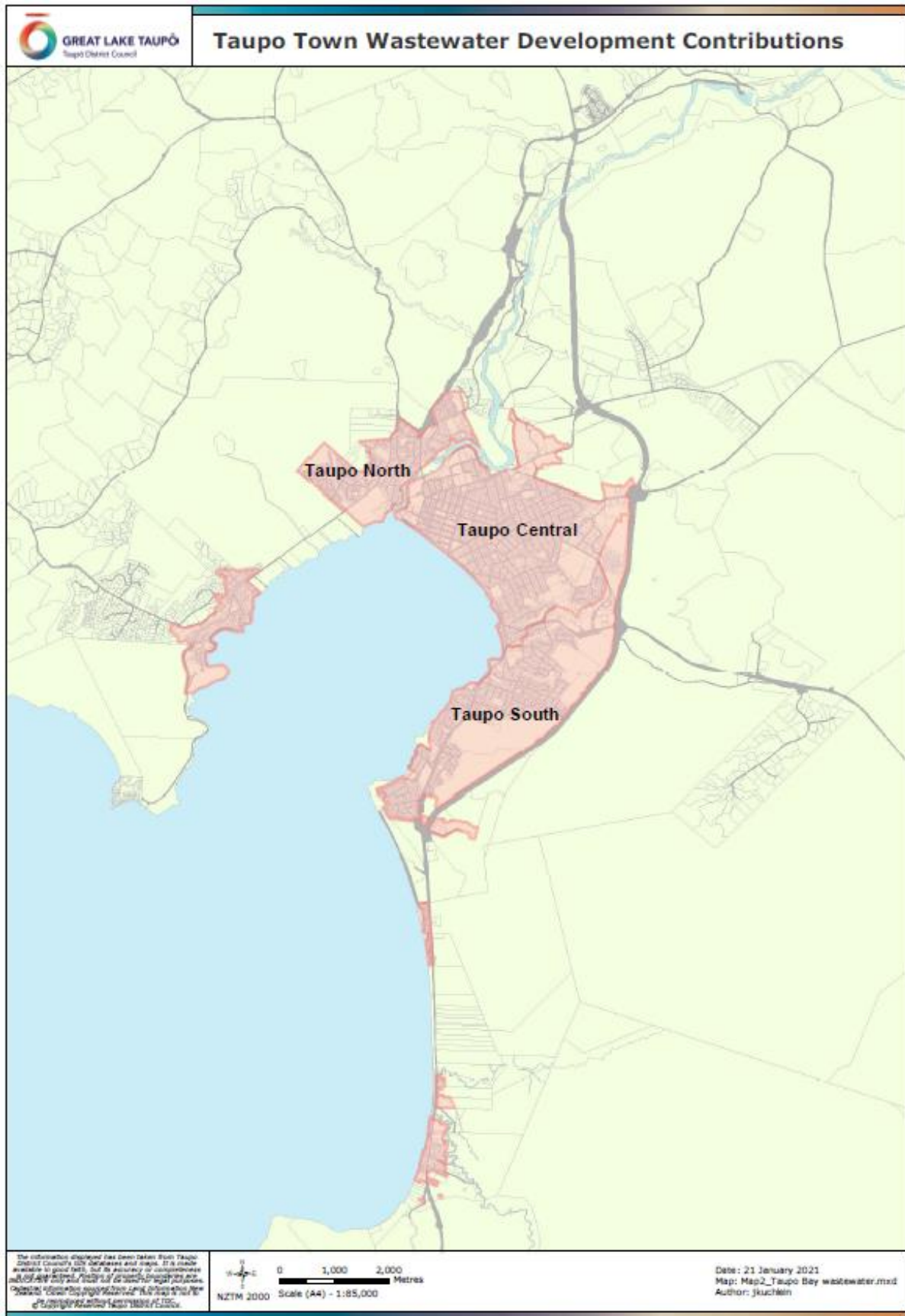
62. Development contributions are not a tool to fund maintenance or changing levels of service for existing users. Therefore, backlog and renewal portions of Capital Expenditure budgets are funded from other sources and not by development contributions. A project cannot be considered for development contributions unless it is contained within the LTP.

SCHEDULE 3: Funding Areas

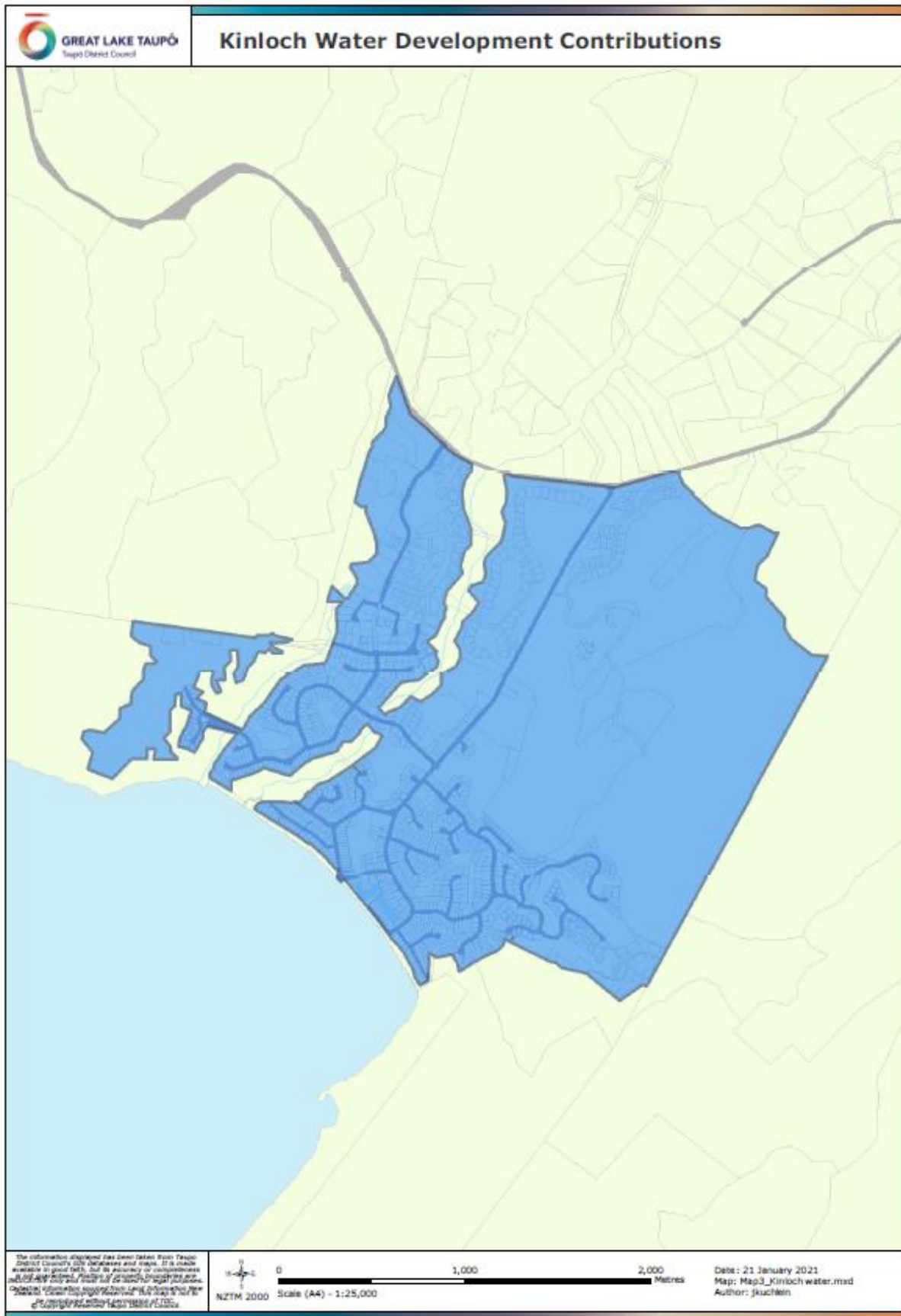
Map 1: Taupo Town Water Service Catchment



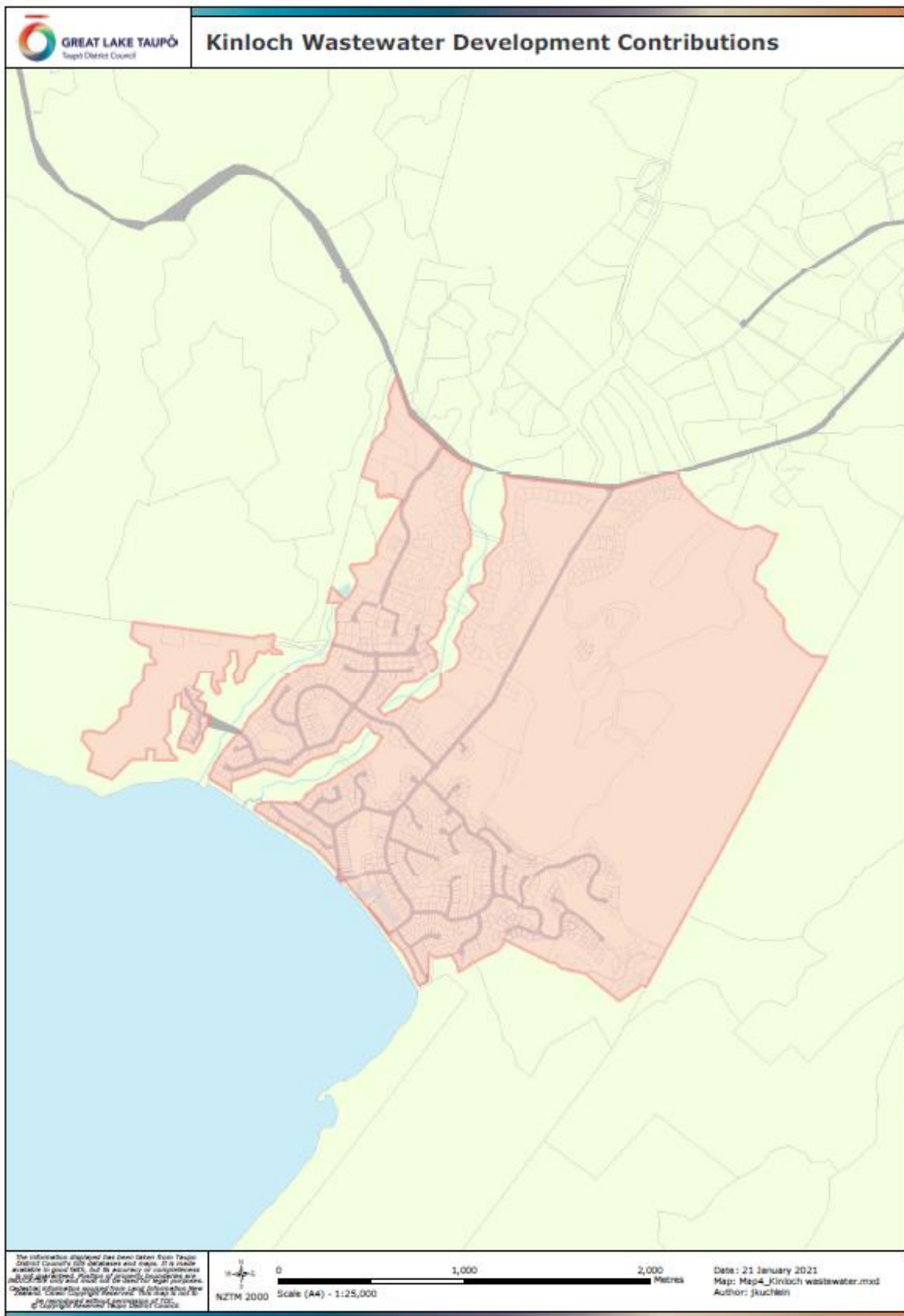
Map 2: Taupo Town Wastewater Service Catchment



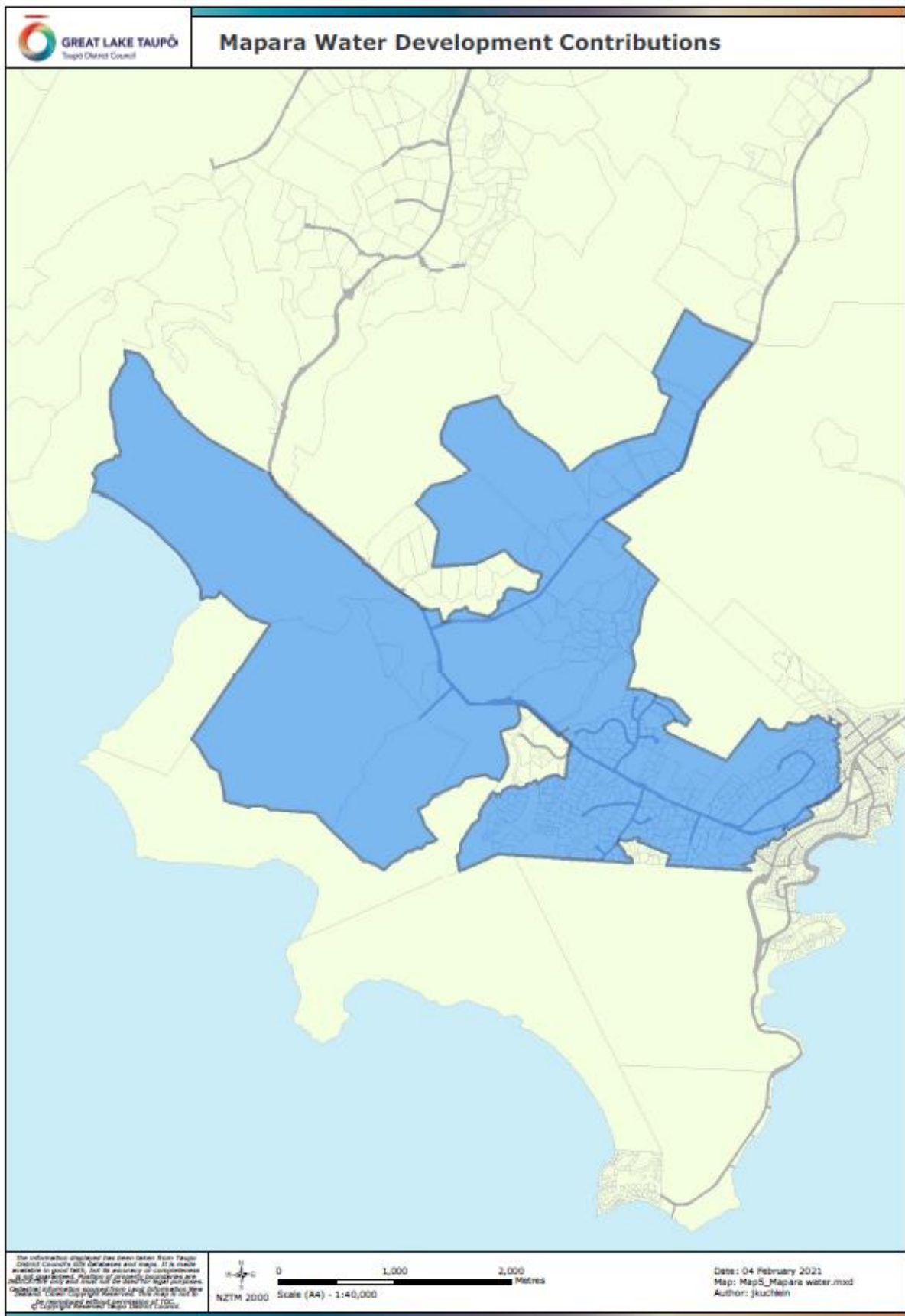
Map 3: Kinloch Water Service Catchment



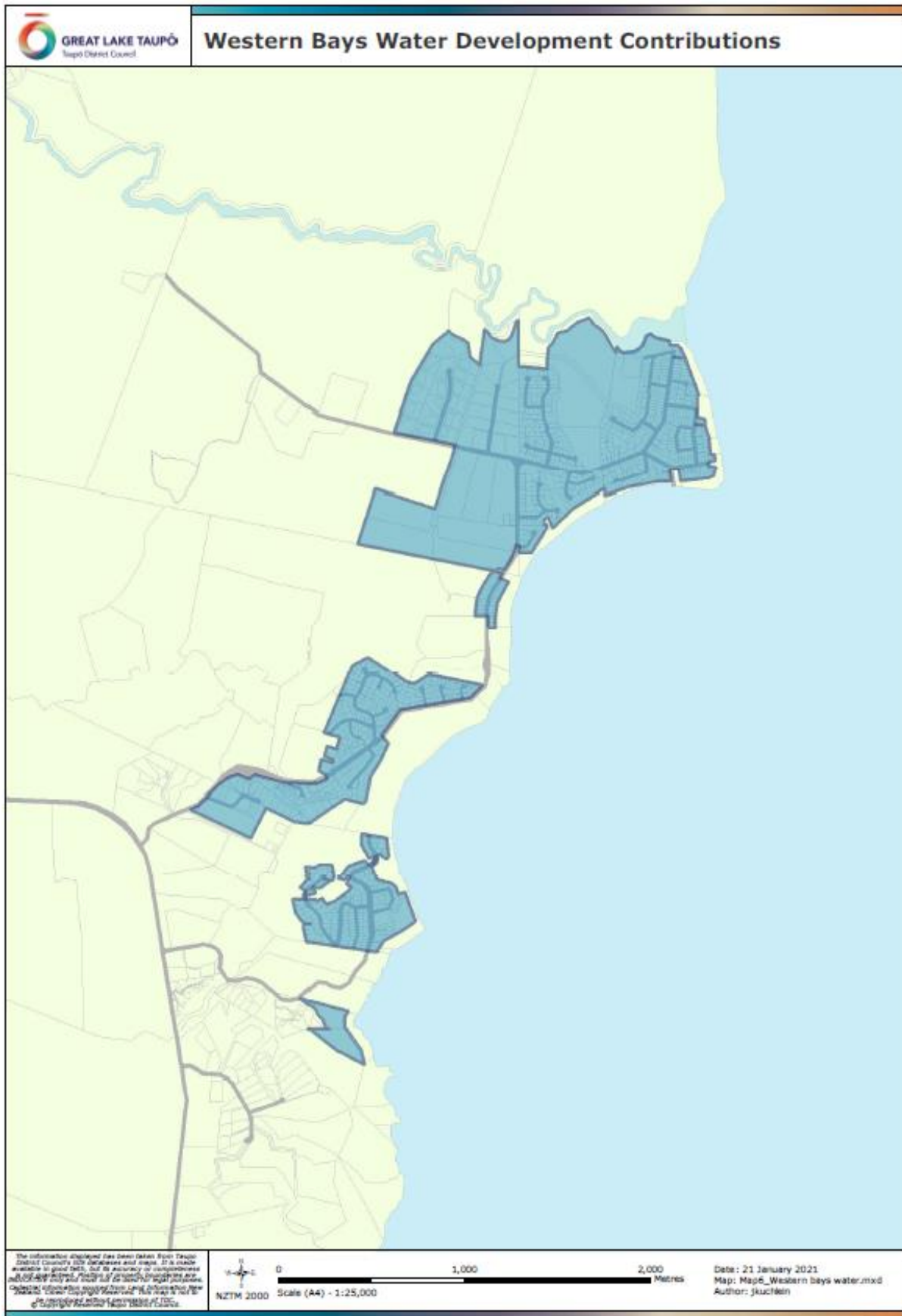
Map 4: Kinloch Wastewater Service Catchment



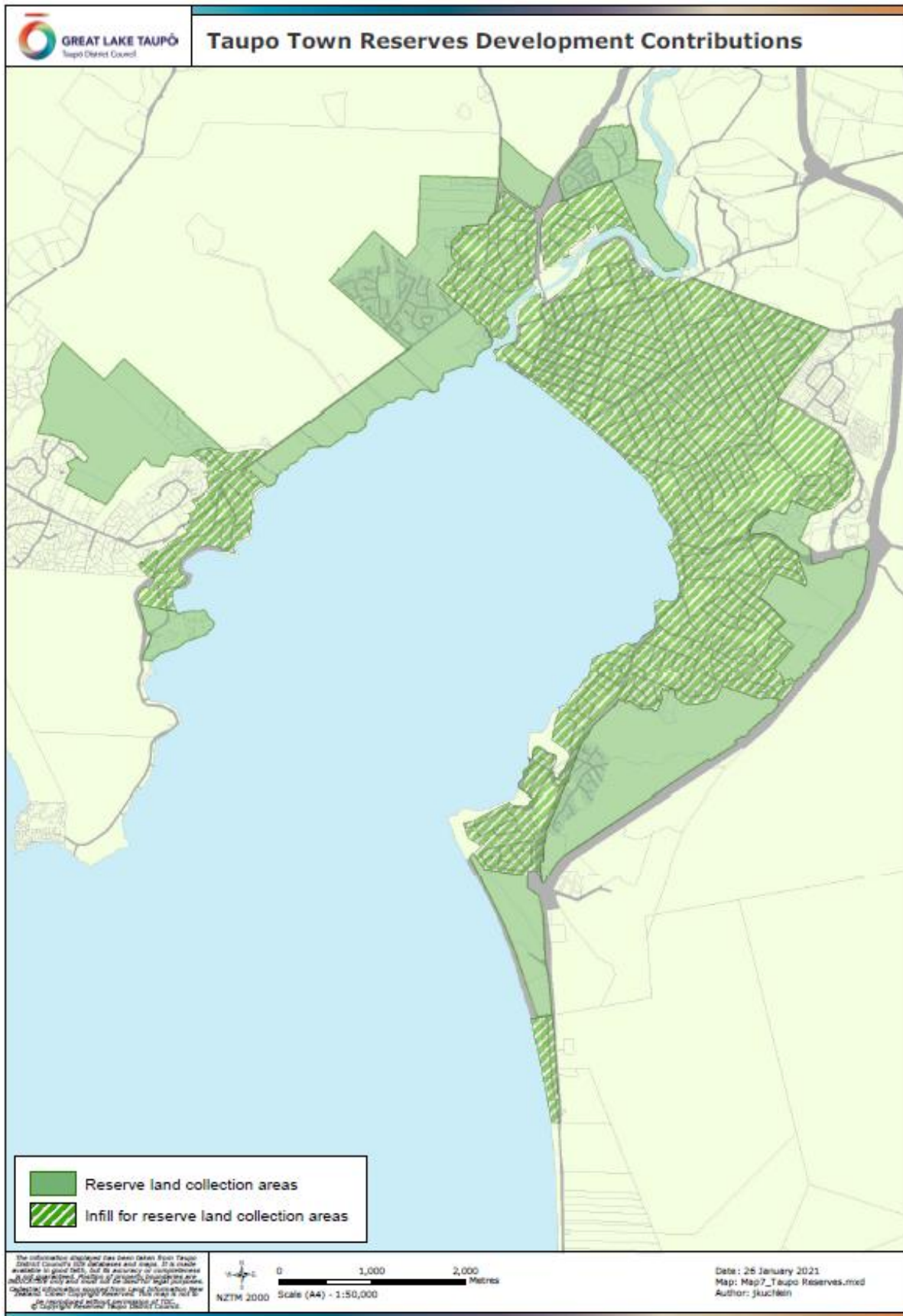
Map 5: Mapara Water Service Catchment



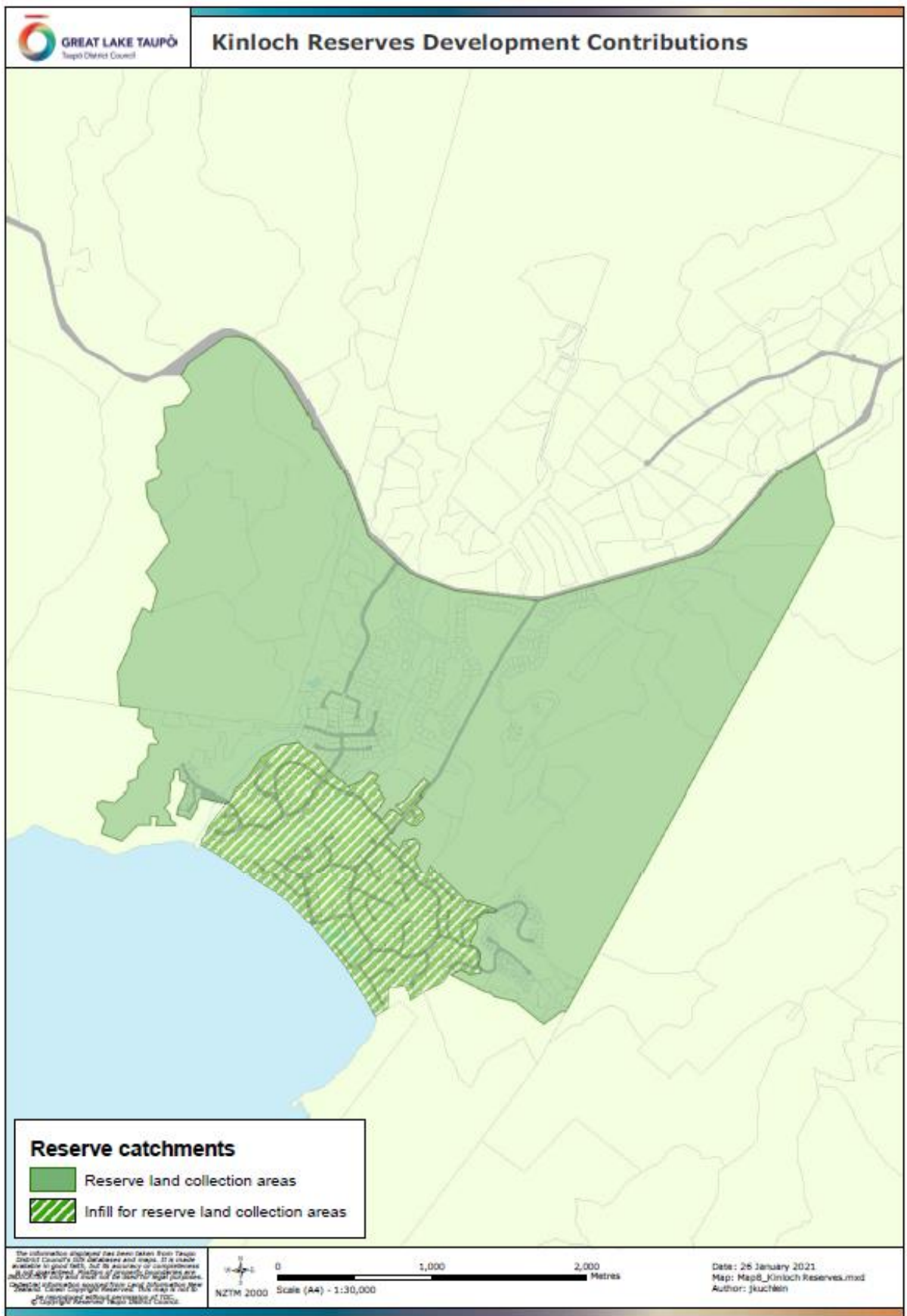
Map 6: Omori, Kuratau and Pukawa Water Service Catchment



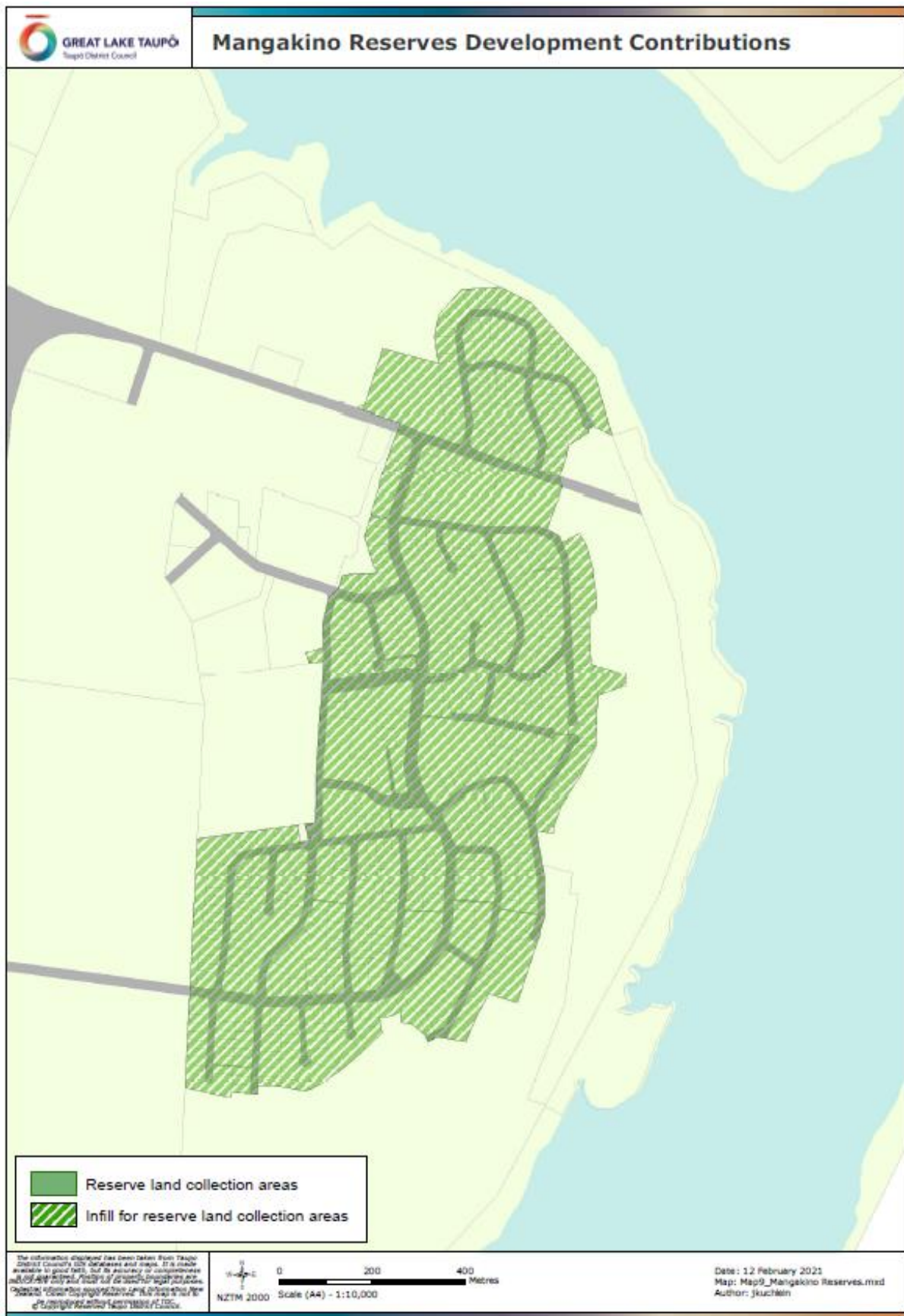
Map 7: Taupo Town Reserves Collection Area



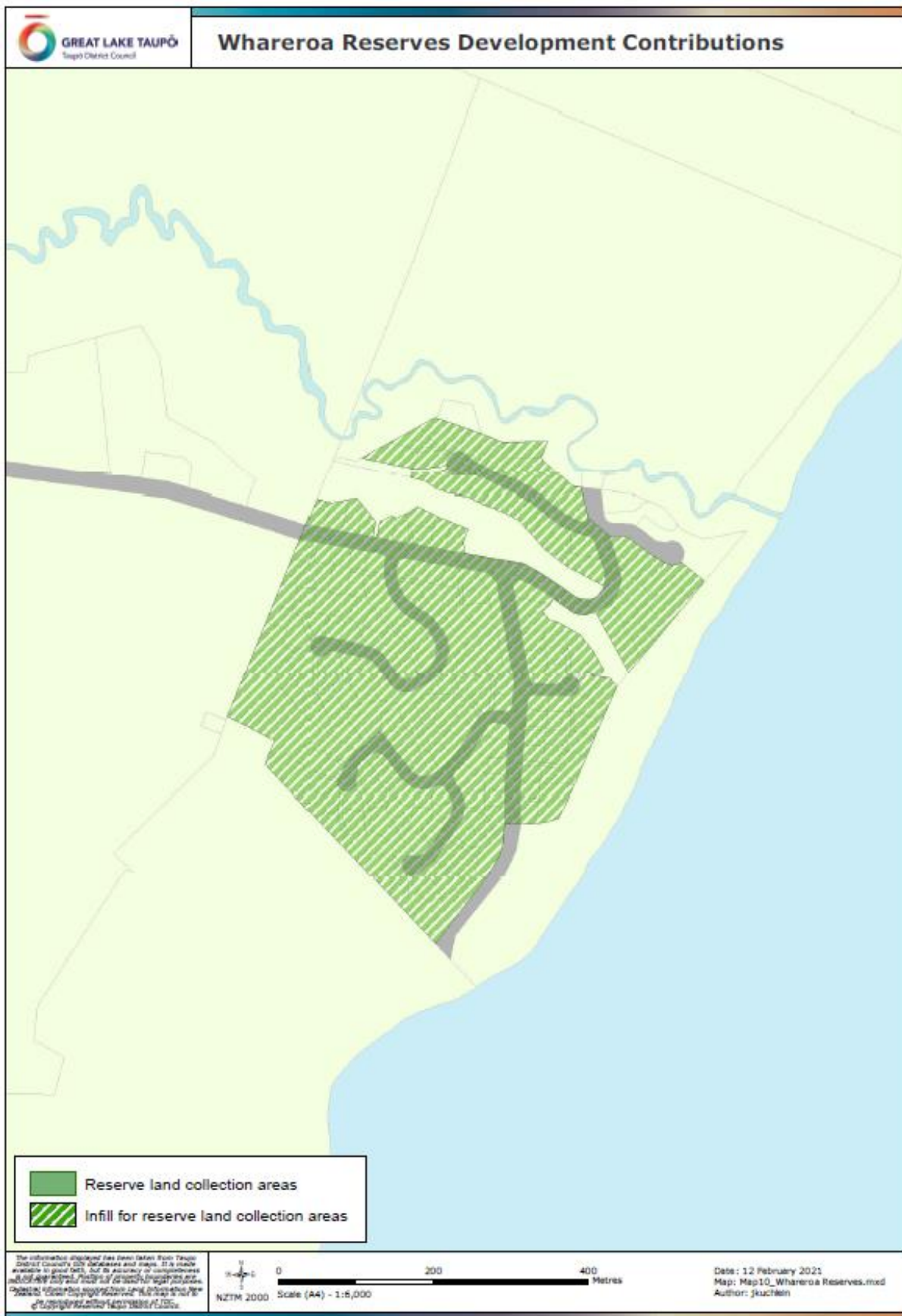
Map 8: Kinloch Reserves Collection Area



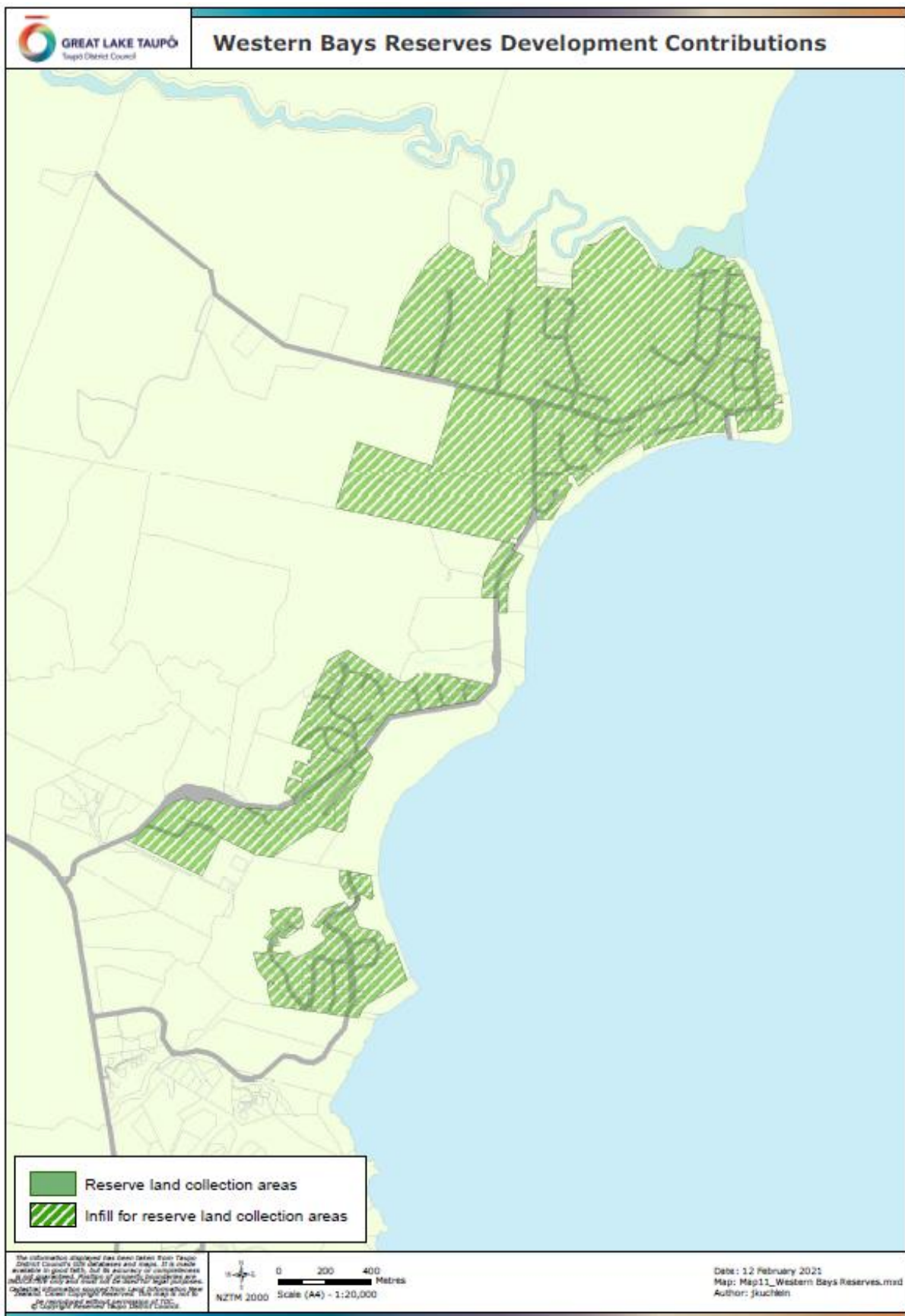
Map 9: Mangakino Reserves collection Area



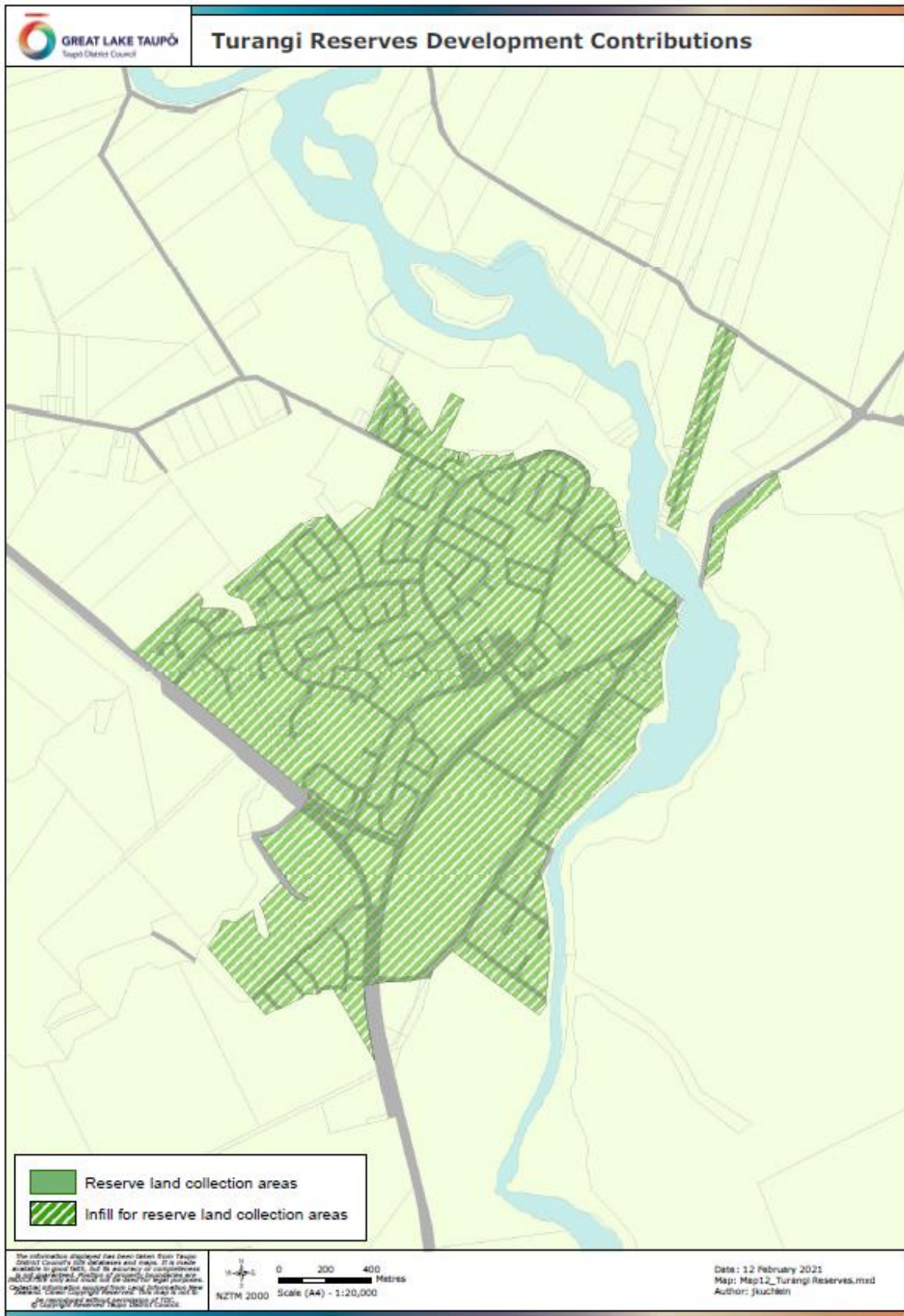
Map 10: Whareroa Reserves Collection Area



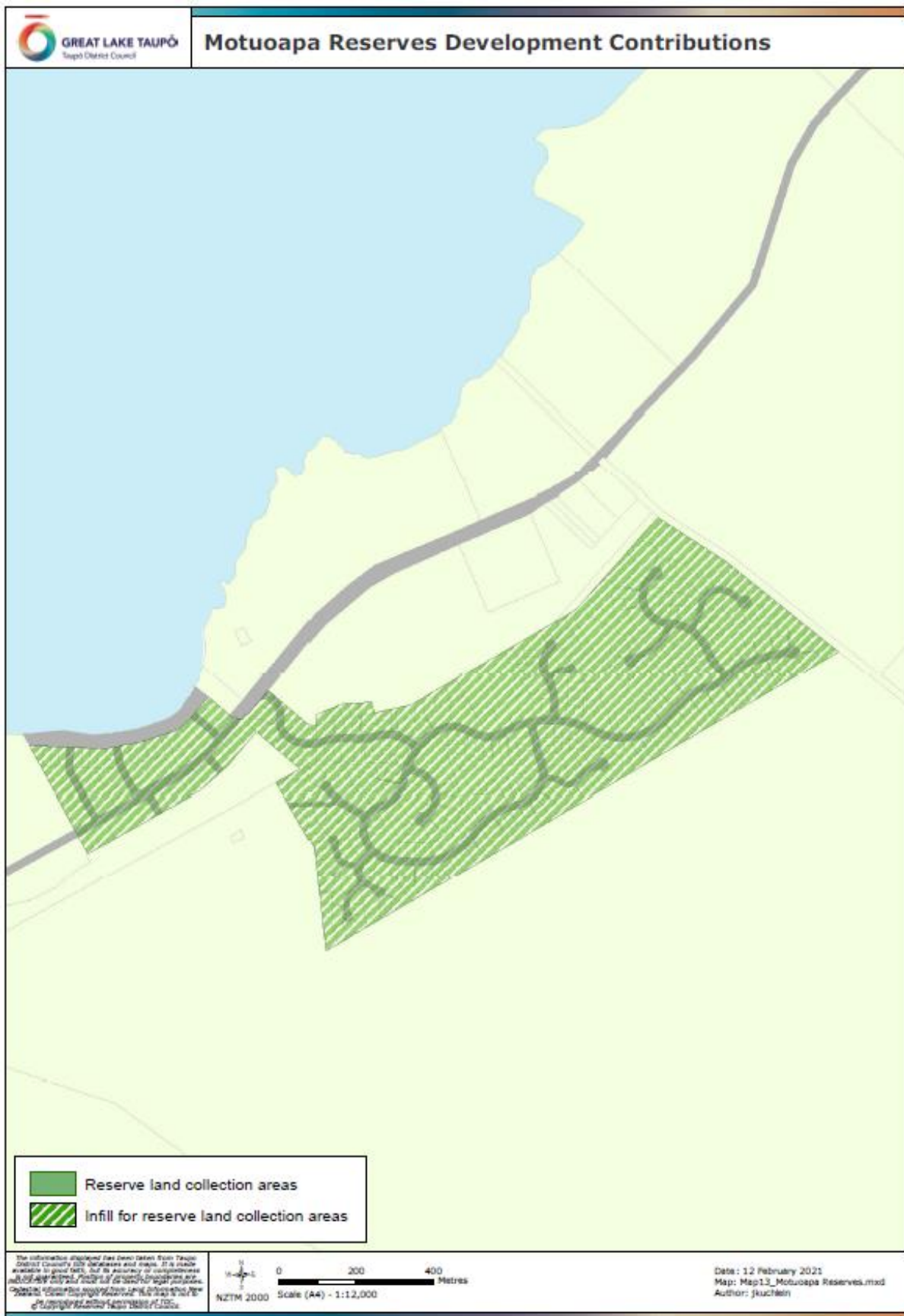
Map 11: Western Bays Reserves Collection Area



Map 12: Turangi Reserves Collection Area



Map 13: Motuoapa Reserves Collection Area



SCHEDULE 4: Development Contributions Schedule of Fees and Charges

63. Development contributions specified are exclusive of GST.
64. Development contributions specified do not include connection charges.
65. Development contributions specified are per HUE. Residential conversion factors for units are available in table 4 in Schedule 2. Non-residential conversion factors are available in Schedule 2.

Transportation Development Contributions Charge

Area	Transport (per HUE) excl GST
District Wide	\$6,609

Table 9: External Transportation District Wide

Water and Wastewater Development Contributions Charges

Development Contribution Areas	Water Contribution (per HUE) excl GST	Wastewater Contribution (per HUE) excl GST
Taupo Town	\$4,424	\$8,226
Taupo South	\$8,555	\$11,234
Taupo North	\$11,481	\$6,297
Acacia Bay	\$4,424	\$8,226
Kinloch	\$9,710	\$11,552
Mapara	\$8,666	Nil
Pukawa/Omori/Kuratau	\$2,689	Nil

Table 10: Water and Wastewater

Reserve Development Contributions Charges

Development Contribution Areas (refer to maps 7 – 13 for included areas)	Reserve Land (per HUE) excl GST	Infrastructure on Reserve Land (Per HUE) excl GST	District Wide Parks (per HUE) excl GST
Taupo	4% of land value* for lots up to 2,500m ² 2% of land value* for lots between 2,500m ² and 40,000m ² \$1,000 for lots greater than 40,000m ² .	\$633	\$957
Taupo infill areas	\$1,000	\$633	\$957
Kinloch	4% of land value* for lots up to 2,500m ² 2% of land value* for lots between 2,500m ² and 40,000m ² \$1,000 for lots greater than 40,000m ² .	\$839	\$957
Kinloch infill areas	\$1,000	\$839	\$957
All other infill areas	\$1,000	Nil	\$957
District Wide	Nil	Nil	\$957

Table 11: Reserve Land, Infrastructure and District Parks

- Where a development is changing the underlying environment (e.g. subdividing existing rural land into residential) then the contribution will be assessed based upon the proposed development, not the underlying environment.
- *A land valuation shall be provided at time of 224(c) or CCC (or no more than 3 months from the date of application) in order for an assessment of reserve land charges. The valuation shall be provided by an independent registered valuer with the 4% based on the market value excluding GST for a serviced section including development contributions, but excluding improvements such as fencing or retaining installed at the election of the developer, for example where a lot has a value of \$200,000 excluding GST, the reserve land contribution would be \$8,000 plus GST. Council reserves the right to seek an independent review of a valuation in the case where a disagreement over value occurs.
- For greenfield development, recreation reserves vested to Council shall be considered in lieu of cash payment subject to an independent valuation and agreement with Council, if the land value exceeds the DC charges for reserve land, Council will not fund this additional land area
 - Council reserves the right, at it's sole discretion, to consider offsets for reserve land where the land being vested has some recreation value, such as stormwater gullies that include paved footpaths and furniture. A valuation providing an apportionment of the land area for infrastructure purposes and recreation purposes may be required.

Where a developer is also providing infrastructure on reserve land that would otherwise be provided by Council (such as playgrounds, toilets, furniture etc), a credit may be applied against the DC's normally collected for this infrastructure. Should the developer provide infrastructure more than the value of the equivalent DC's, Council will not fund this additional cost.

Schedule 5: Taupō District Growth Model 2021-2050

All Growth		Taupo District All Growth Model 2021 - 2050																																																					
2009/20 actuals																																																							
Financial Year Starting	2009/2010	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	35/36	36/37	37/38	38/39	39/40	40/41	41/42	42/43	43/44	44/45	45/46	46/47	47/48	48/49	49/50														
Total Residential properties per year	88	76	37	76	77	81	97	230	331	251	175	210	240	206	166	152	129	127	114	106	96	84	92	91	86	85	84	84	79	66	66	66	66	66	66	66	66	66	66	66	66	66	66	66	66	66	66	66	66						
Running Total for LTP	168	129	111	119	136	194	265	290	334	270	300	210	240	200	166	152	129	127	114	106	96	84	92	91	86	85	84	84	79	66	66	66	66	66	66	66	66	66	66	66	66	66	66	66	66	66	66	66	66	66					
Building Consents	168	129	111	119	136	194	265	290	334	270	300	210	240	200	166	152	129	127	114	106	96	84	92	91	86	85	84	84	79	66	66	66	66	66	66	66	66	66	66	66	66	66	66	66	66	66	66	66	66	66	66				
Cumulative	76	113	189	266	347	444	674	1005	1256	1431	1641	1881	2081	2247	2399	2528	2655	2769	2875	2971	3065	3157	3248	3334	3419	3503	3587	3666	3732	3798	3864	3930	3996	4062	4128	4194	4260	4326	4392	4458															
RESIDENTIAL AREA	2012-2022 LTP Period				2015-2025 LTP Period				2018-2028 LTP Period				2021-2031 LTP																																Totals										
Taupo South	0	18	1	9	13	0	1	26	140	32	76	85	124	80	80	80	59	44	29	29	25	25	20	10	20	0	20	8	20	0	20	0	20	0	20	0	20	0	20	0	20	0	20	0	20	0	20	0	20	0	20	0	20		
Taupo North West	2	2	12	24	16	12	17	121	98	49	0	58	25	64	5	20	25	20	25	25	25	25	0	23	0	23	0	23	0	23	0	23	0	23	0	23	0	23	0	23	0	23	0	23	0	23	0	23	0	23	0	23	0	23	
Taupo Town	55	14	12	25	22	29	59	14	27	22	27	15	14	10	10	12	12	12	12	12	12	12	10	17	20	17	20	17	20	17	20	17	20	17	20	17	20	17	20	17	20	17	20	17	20	17	20	17	20	17	20	17	20		
Total Lots Created	57	34	25	58	51	41	77	161	265	103	103	158	163	154	95	92	96	76	66	66	62	62	30	50	40	40	40	40	48	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40		
Building Consents Issued	78	58	56	55	52	67	102	157	155	151	158	158	163	154	95	92	96	76	66	66	62	62	30	50	40	40	40	40	48	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40		
Acacia Bay (including lower Mangia Rd)	0	1	0	1	0	2	1	2	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	2	2	1	1	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2		
Total Lots Created	0	1	0	1	0	2	1	2	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	2	2	1	1	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2		
Building Consents Issued	0	3	1	3	2	9	1	6	4	6	7	1	1	1	1	1	1	1	1	1	1	1	1	2	2	1	1	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2		
Kinloch Area	3	0	4	2	7	19	6	38	29	107	24	29	55	30	43	29	20	20	20	20	20	20	20	25	30	30	30	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20		
Total Lots Created	3	0	4	2	7	19	6	38	29	107	24	29	55	30	43	29	20	20	20	20	20	20	20	25	30	30	30	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20		
Building Consents Issued	22	18	21	25	42	44	66	59	51	36	48	29	55	30	43	29	20	20	20	20	20	20	20	25	30	30	30	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20			
Mapara/Blue Ridge Area	3	16	3	7	5	1	8	4	7	5	20	12	16	5	5	5	5	5	5	12	6	4	4	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	
Total Lots Created	3	16	3	7	5	1	8	4	7	5	20	12	16	5	5	5	5	5	5	12	6	4	4	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	
Building Consents Issued	12	9	7	6	7	13	24	19	17	13	13	12	16	5	5	5	5	5	5	12	6	4	4	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	
Five Mile Bay/Watahanui	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Lots Created	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Building Consents Issued	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Turangi	2	7	1	1	0	0	3	0	8	1	0	2	0	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	
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Building Consents Issued	8	2	1	6	1	2	2	6	16	7	0	2	0	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	
Hatepe	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Lots Created	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Building Consents Issued	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Motuoaipa	0	0	0	0	0	0	0	0	0	26	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Lots Created	0	0	0	0	0	0	0	0	0	26	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Building Consents Issued	6	8	1	7	3	2	16	11	18	13	8	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Pukawa/Omorikuratau	0	0	1	1	7	2	0	20	1	0	1	3	0	3	15	3	0	18	0	0	0	0	0	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Lots Created	0	0	1	1	7	2	0	20	1	0	1	3	0	3	15	3	0	18	0	0	0	0	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Building Consents Issued	8	11	5	2	5	4	5	3	15	10	19	3	0	3	15	3	0	18	0	0	0	0	10	0	0																														

