

<i>First adopted:</i>	????
Next review date:	????
Document number:	A2150947
Sponsor/Group:	Group Manager: Finance & Strategy



Development Contributions Policy 2018

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 2015 is revoked at the time of the Taupō District Council Policy 2018 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	The Central Business District as defined in the 2004 Taupō Town Centre Structure 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

Community Infrastructure on Reserves	Provision of infrastructure on reserve land, both new and existing, including playgrounds, community centres and public toilets
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 on the attached maps
District Parks	The premier parks such as Owen Delany Park 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
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)
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 a serviced catchment where a single residential lot is subdivided into no more than 3 new lots
Lot	Has the same meaning as 'allotment' under s218(2) of the Resource Management Act 1991
LTP	Long Term Plan 2018-28
Non-Residential lot	An allotment that is not being used for residential purposes
Reserve Land	The cost of purchasing land and improvements necessary to enable the land to function as a local reserve.
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
Retail	Land use associated with: <ul 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

6. The LGA requires Council to adopt a policy on development contributions.
7. 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?

8. 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.
9. 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?
10. 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

11. 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.
12. 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.

13. 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.
14. Ratepayers have traditionally 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.
15. 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.
16. 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

17. 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

- 18.

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
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

19. 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.
20. Council is committed to play its part in delivering and funding these activities adequately and in good time.
21. 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.
22. 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

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

Units of Demand

25. 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.

26. Every new residential lot as per the growth model outlined in Schedule 5: Taupō District Growth Model 2018-2050 is presented as a HUE.
27. A HUE represents the demand created by one household unit of 2.6 persons (the district wide average occupancy rate).
28. 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.
29. 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.
30. For a commercial conversion see Schedule 2: Methodology/Calculation.

Allotments/Land Assessments

31. 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

32. Development contributions will be calculated using the cost of development driven expansion of infrastructure as described in the LTP.
33. 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.
34. 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

35. 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

36. 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.
37. Private development agreements will not be used to reduce the amount of contribution charge calculated under this policy.
38. Any private development agreement must show how costs payable for public works will be funded.

Credits

39. 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) 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.

- (iv) On sites where a dwelling was established after 1 July 2004 but subdivision did not occur at that stage, a credit will be given for the 20m² reserves contribution that would have been paid at the time of the Code of Compliance certificate being issued. Should this dwelling be subdivided off within a 2 year period, a contribution will be payable for the difference between the DC payable for the subdivision and that already paid at the time of building or landuse consent.
- (v) For existing non-residential buildings that are demolished and rebuilt to the same or higher intensity, the historical credit will be based on the Gross Floor Area (GFA) prior to demolition.
- (vi) Any lot within the commercial environment or industrial environment use which was created by a subdivision resource consent granted prior to 1 July 2004 (and where that consent has not lapsed or been uplifted) will have an historical credit equal to 23% site coverage (GFA) for industrial areas and 63% site coverage (GFA) for commercial areas. The historical credit on commercial or industrial sites does not contain a reserves or community infrastructure component. Any residential development of these sites may incur development contributions for these activities.

40. 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 will not have credit. Where water and wastewater service connections 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

41. Under s199A of the LGA, any applicant may request a reconsideration of their development contribution charges calculation.

42. 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.

43. Under s199C of the LGA, any applicant may object to their development contribution assessment.

44. 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

45. Development contributions may be paid in the form of cash, land, works, services or any combination of these.

46. An applicant can request an invoice be generated at any time.

47. 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.
48. 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.
49. 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.
50. 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.
51. Where an application for non-residential subdivision or landuse consent is lodged with accurate information on the proposed gross floor area (GFA) or demand (in HUEs) for council services, a development contribution assessment and invoice will be calculated using the processes described above for residential applications.
52. It is difficult and impractical to calculate the demand created by a non-residential development when an application for non-residential subdivision consent is lodged in the absence of a landuse consent, or where no information on the GFA proposed for each site is provided. In this circumstance Council will make an estimate of the likely GFA for calculation purposes, based on the average building coverage rates for that area. The developer will pay 25% of the estimated average building coverage for invoicing purposes.
53. The remaining portion, or balance, of the development contribution charge will then be included in the assessment provided at the time of application for building consent, or during subsequent landuse consent applications.

Remissions/Postponements/Refunds

Remissions

54. There are no remissions on development contributions.

Postponements

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

Refunds

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

Enforcement Powers

57. **Council** may use powers under s208 of the LGA if development contributions have not been paid or made.
58. 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

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

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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>Greenfield developments</p> <p>Infill residential development of more than 3 additional lots or houses. Note for infill residential development of more than 3 additional houses or lots, the DC charge will commence from the fourth lot or house onwards.</p>	Separate development contributions apply for each development contribution area (refer Schedule 3)
Reserve Infrastructure	To enable the land to function as an area of usable green open space, such as playgrounds, community centres and public toilets	Nil
District parks	For land purchase of future district parks, and infrastructure (playgrounds and public toilets) on both existing and new district parks.	A fixed fee for subdivision developments.

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	508,218	119,051	389,167
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
Water	Taupo	Taupo water treatment plant building and reticulation	25,481,889	3,702,519	21,779,371
Water	Taupo	Cherry Lane Reservoir	1,400,287	431,289	968,999
Water	Kinloch	Kinloch water reticulation and upgrade	1,149,488	346,215	803,273
Water	Mapara	Relocation of Mapara pump station	847,457	313,559	533,897
Wastewater	Omori/Kurutau/Pukawa	WW Treatment & Disposal System	14,359	4,451	9,907
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	Turangi	Turangi wastewater scheme	220,724	44,034	176,690
Wastewater	Kinloch	Kinloch wastewater infrastructure development	1,122,689	67,585	1,055,104
Wastewater	Kinloch	Kinloch wastewater treatment plant upgrade	19,354	3,532	15,822
Wastewater	Mangakino	Mangakino wastewater infrastructure development	2,087,986	1,901,788	186,198
Reserve Land	District Wide	Kinloch wastewater infrastructure development	1,841,482	918,000	923,482
Reserve Land	District Wide	Kuratau reserve acquisition	869,534	67,456	802,078
Reserve Land	District Wide	Lakeshore reserves development	12,913	12,913	-
District Parks	District Wide	181 Lake Terrace	377,655	377,655	-
District Parks	District Wide	183 Lake Terrace	273,782	273,782	-
District Parks	District Wide	Tongariro Domain redevelopment	1,397,428	240,604	1,156,823
District Parks	District Wide	Lakeshore reserves development	603,913	118,722	485,191
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
Community Infrastructure	District Wide	Playground Besley Park	81,006	2,738	78,268
Community Infrastructure	District Wide	Wharewaka Footpath	372,414	147,700	224,714
Community Infrastructure	District Wide	New playground & park assets	11,822	5,911	5,911
Total historic capital expenditure			185,978,924	30,775,877	155,203,047

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	905,000	507,876	397,124
Transport	District Wide	Second Bridge Crossing	12,000,000	5,823,666	6,176,334
Transport	District Wide	Oakdale Drive Extension	100,000	2,635	97,365
Transport	District Wide	Mapara Road Footpath	50,000	2,446	47,554
Transport	District Wide	Kinloch Footpath	350,000	10,210	339,790
Transport	District Wide	518 Lake Terrace Footpath	150,000	113,333	36,667
Transport	District Wide	Huka Falls Road Footpath	300,000	13,587	286,413
Water	Kinloch	Kinloch WTP upgrade	7,390,000	2,198,454	5,191,546
Water	Mapara	Mapara water pump station capacity increase	15,000	9,729	5,271
Water	Mapara	Mapara water upgrade Blue Ridge rising main	200,000	90,977	109,023
Water	Taupo	Taupo WTP Capacity Upgrade	1,750,000	1,049,711	700,289
Water	Taupo	Poihipi Reservoir Land	500,000	165,000	335,000
Water	Taupo	Poihipi Reservoir	4,100,000	1,353,000	2,747,000
Water	Taupo	Tauhara Ridge Reservoir Land	500,000	500,000	-
Water	Taupo	Tauhara Ridge Reservoir	1,800,000	1,800,000	-
Water	Pukawa/Omori/Kuratau	Omori water DWSNZ upgrade	3,200,000	167,665	3,032,335
Wastewater	Kinloch	Effluent Disposal Field	2,200,000	605,926	1,594,074
Wastewater	Kinloch	Kinloch Wastewater TP Balance Tank	1,800,000	492,225	1,307,775
Wastewater	Kinloch	WWTP Upgrade	2,750,000	2,241,362	508,638
Wastewater	Taupo	Control Gates Bridge Siphon	650,000	650,000	-
Wastewater	Taupo	Eastern trunk main capacity upgrade	1,800,000	1,194,683	605,317
Wastewater	Taupo	Southern trunk main upgrade	2,180,000	1,741,162	438,838
Reserve Land	Kinloch	Reserve Purchase Programme	612,500	612,500	-
Reserve Land	Taupo	Reserve Purchase Programme	1,837,500	1,837,500	-
District Parks	District Wide	Great Lake Walkway upgrade	1,750,000	1,750,000	-
Total planned capital expenditure			48,890,000	24,933,647	23,956,353

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

Schedule 2: Methodology/Calculation

60. 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.

61. Residential HUE Calculation:

Type of development	Unit of demand	Transportation	Water (if connecting to Council services)	Wastewater (if connecting to Council services)	Reserve Infrastructure	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	0	1
Commercial Accommodation	Accommodation Unit	0.44	0.5	0.5	0.5	0	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	0	1
Retirement Home – Care	Unit	0.5	0.5	0.5	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

62. 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

63. District Subdivision Code of Practice Design Standard: 700l/household/day (0.7m³/lot/day).

Land use Description	District Design Std (L/Day)	Units	HUEs
Commercial	200	100m ² GFA	0.29
Industrial (dry)	200	100m ² GFA	0.29
Retail	266	100m ² GFA	0.38

Table 5: Wastewater Non-Residential HUE Conversions

Note: Wet Industry to be treated as a 'special' case.

64. District Subdivision Code of Practice Design Standard: 1500l/household/day-1.5m³/lot/day.

Land use Description	District Design Std (L/Day)	Units	HUEs
Commercial	210	100m ² GFA	0.14
Industrial (dry)	210	100m ² GFA	0.14
Retail	280	100m ² GFA	0.19

Table 6: Water Non-Residential HUE Conversions

Note: Wet Industry to be treated as a 'special' case.

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

65. 1HEU = 10 equivalent vehicle movements (EVM's) for non-residential developments.

Land use	Movements	Classification			Net Movements	Equivalence HUE/unit	Averages Used	HUE per 100m ²
		1	2	3				
	VPD	50%	20%	5%	VPD	HUE/m ²		
Business								
Commercial								
Offices	20	50%	30%	20%	6.4	0.0041	0.0041	0.41
Retail								
FMCG Centres < 10,000m ²	160	30%	50%	20%	41.6	0.0268	0.0164	1.64
Centres > 10,000m ²	87	30%	50%	20%	22.6	0.0146		
Bulk Goods	40	60%	30%	10%	14.6	0.0094		
Restaurant	66	60%	20%	20%	23.1	0.0149		
Industry								
Warehousing	5	70%	20%	10%	2	0.0013	0.0028	0.28
Manufacturing	18	60%	30%	10%	6.6	0.0042		

Table 8: Transportation Non-Residential HUE Conversions

Notes:

- VPD – Vehicles per day
 - The end destination and sole purpose of the trip is to that activity e.g. home to work not stopping at school or any other destination
 - Trip is made as one of a number of linked trips
 - Trip is made but only because the route goes past that location
66. If subdividing commercial or industrial land and the future demand or GFA (of the future buildings) of the sites is not known, then an estimated GFA is used. The GFA is estimated by multiplying the land area by:
- 63% if the land is in the Taupo CBD, Retail or Commercial Outside CBD
 - 23% if the land is industrial.

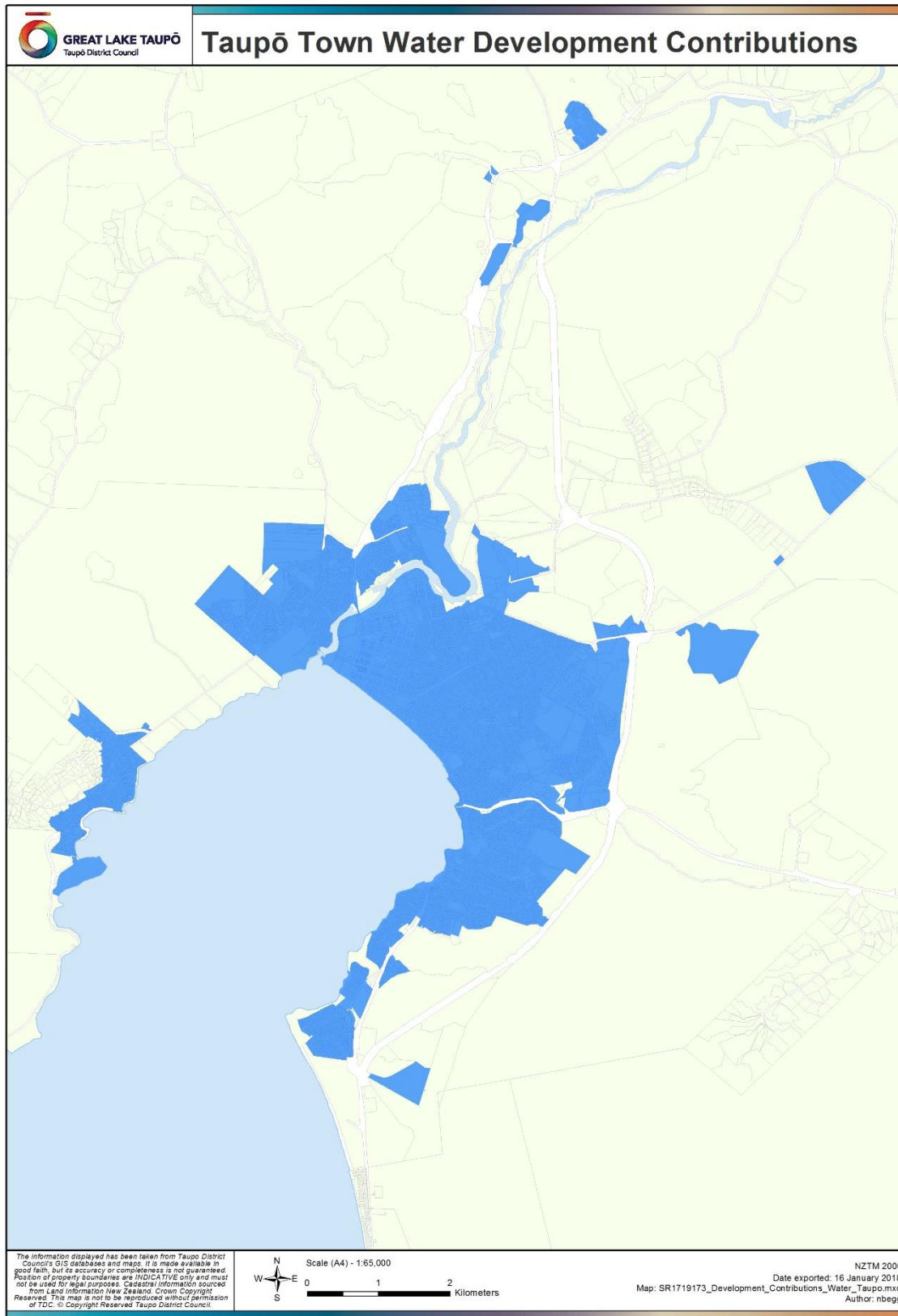
67. The following flow diagram indicates the process for converting a project with growth related costs to a DC charge.

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 backcharges. Generally speaking, the growth component of the cost is divided amongst the HUE growth as identified in the growth model. Backcharge 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)

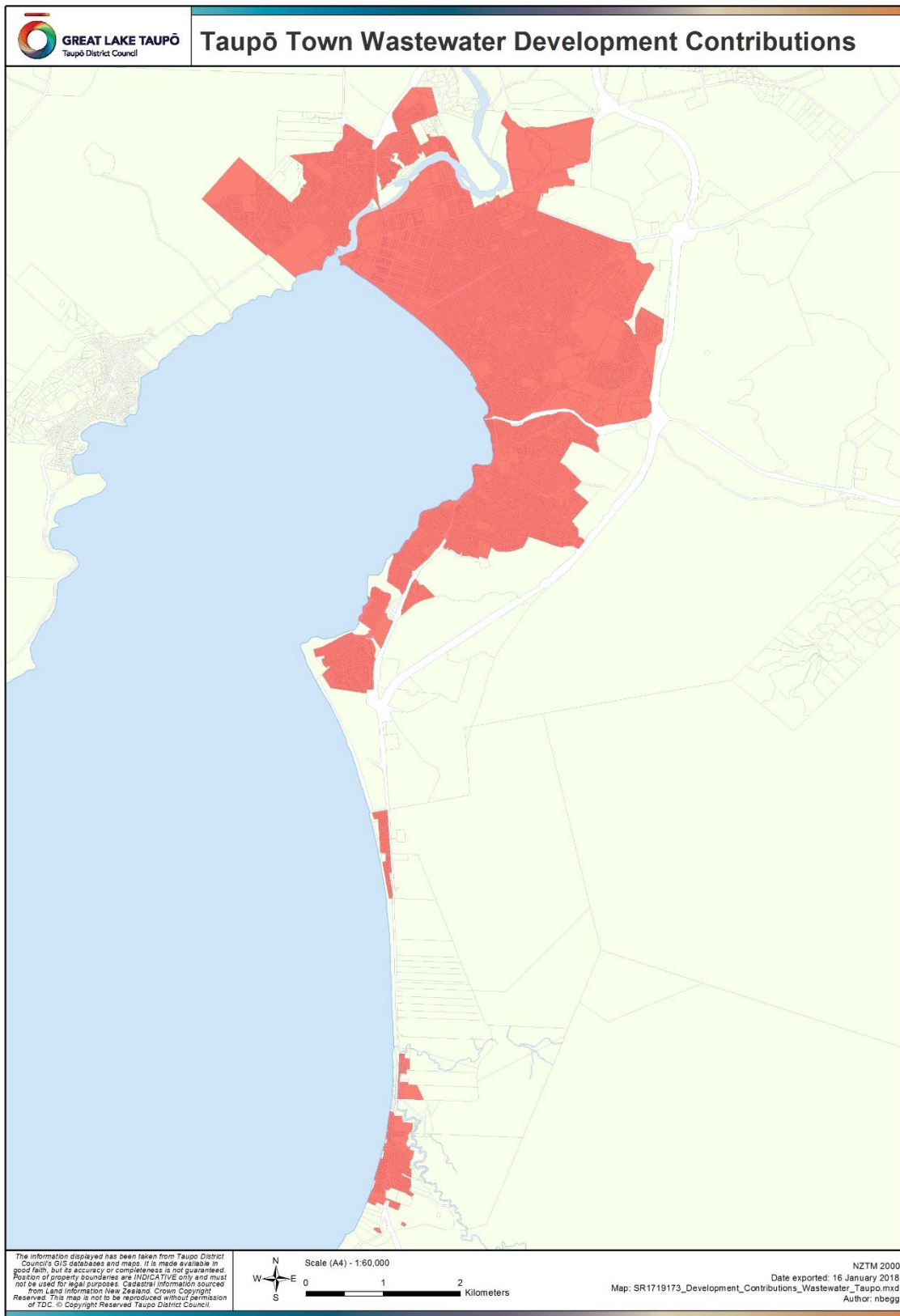
68. Development contributions are not a tool to fund maintenance or changing levels of service for existing users. Therefore, backlog and renewal portions of Capital Expenditure budgets are funded from other sources and not by development contributions. A project cannot be considered for development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

SCHEDULE 3: Funding Areas

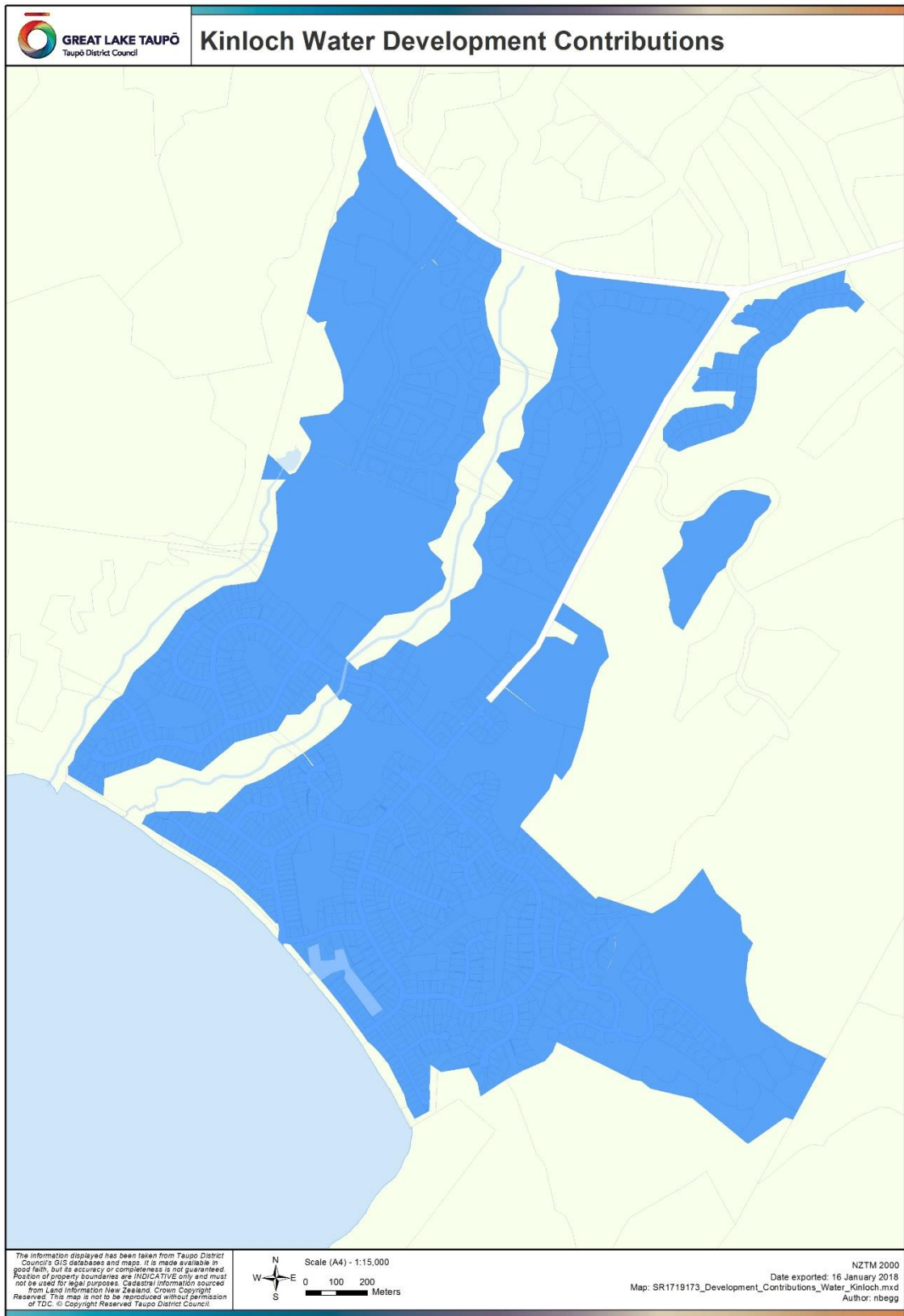
Map 1: Taupo Town Water Service Catchment



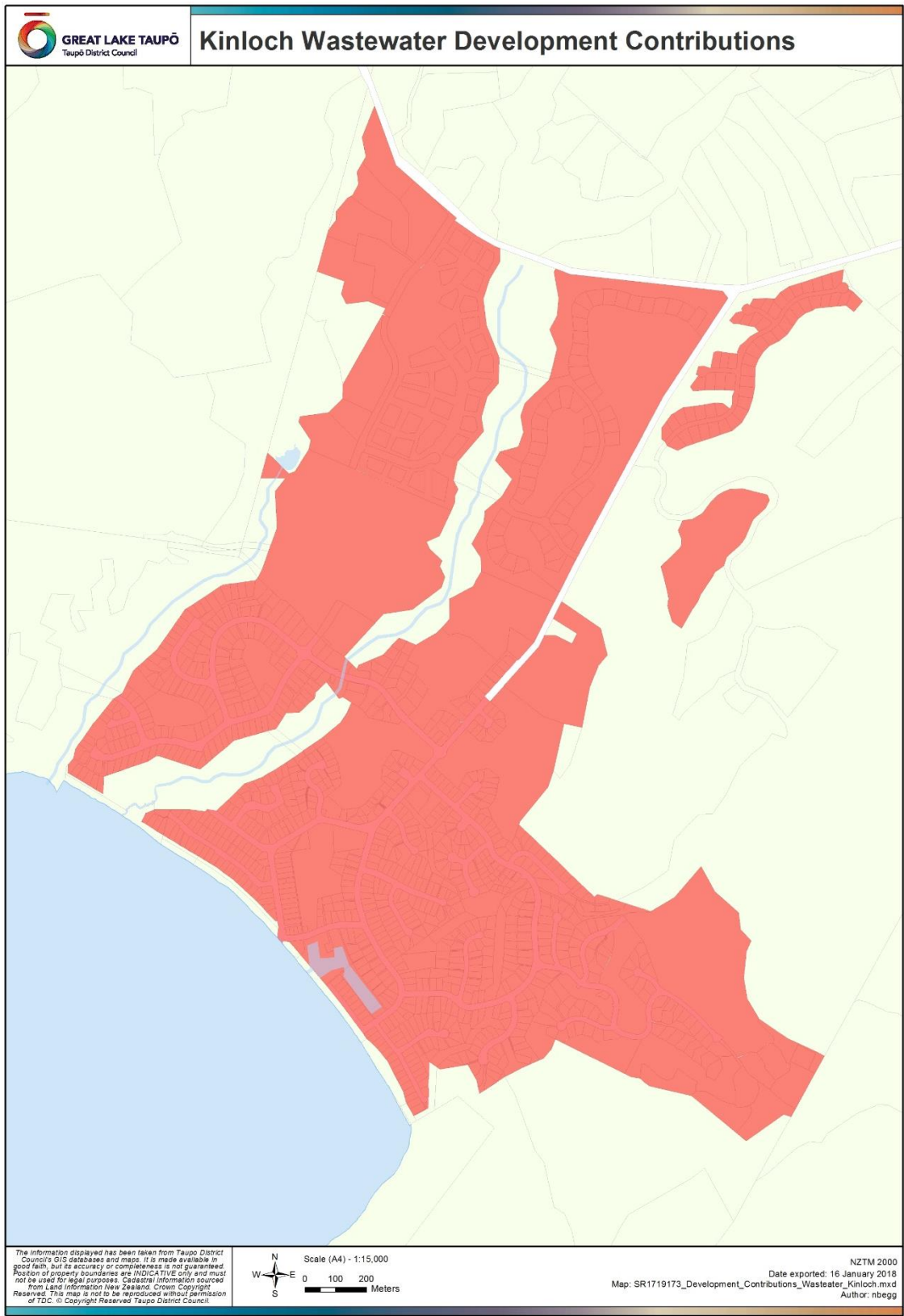
Map 2: Taupo Town Wastewater Service Catchment



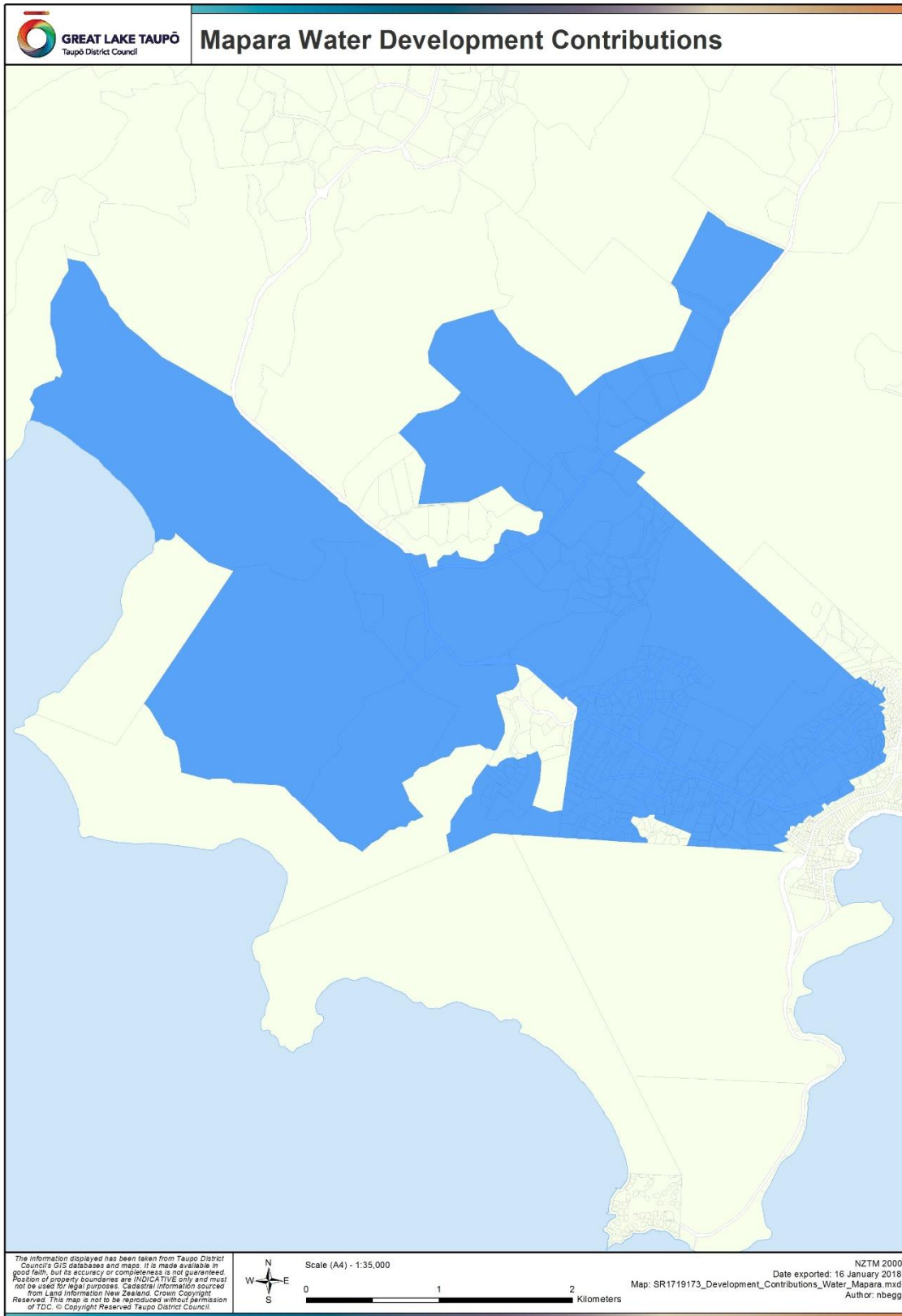
Map 3: Kinloch Water Service Catchment



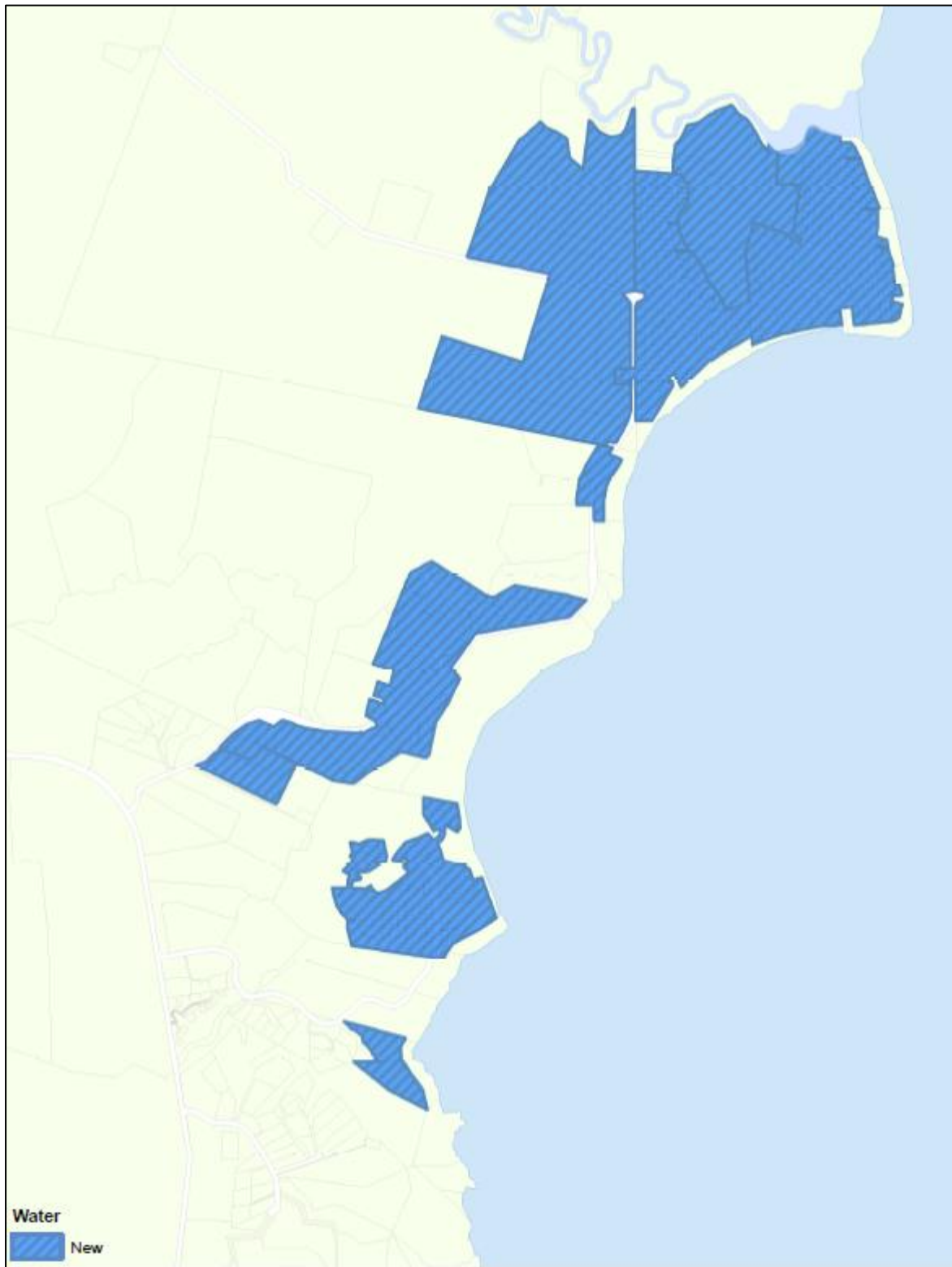
Map 4: Kinloch Wastewater Service Catchment



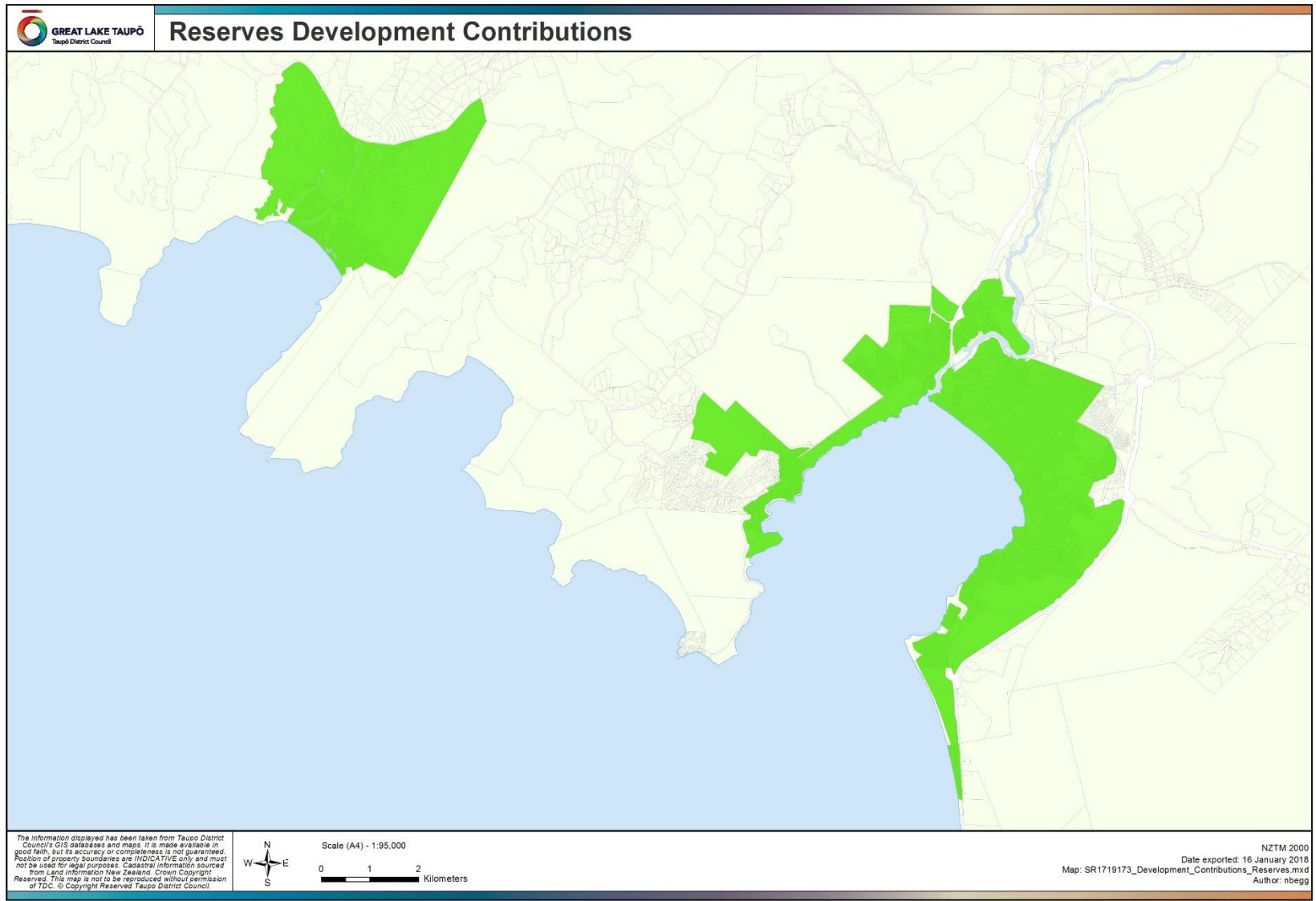
Map 5: Mapara Water Service Catchment



Map 6: Omori, Kuratau and Pukawa Water Service Catchment



Map 7: Reserves Collection Area



SCHEDULE 4: Development Contributions Schedule of Fees and Charges

Transportation Development Contributions Charge

69. Development contributions specified are exclusive of GST.

Area	Development Contribution (per HUE) excl GST
District Wide	\$4,256

Table 9: External Transportation District Wide

Note

- For non-residential developments HUE is 10 VPD.

Water and Wastewater Development Contributions Charges

Development Contribution Areas	Water Contribution (per HUE) excl GST	Wastewater Contribution (per HUE) excl GST
Taupo Town	\$5,360	\$7,446
Kinloch	\$3,423	\$8,028
Mapara	\$5,951	NPP
Pukawa/Omori/Kuratau	\$1,874	NPP

Table 10: Water and Wastewater

Notes

- Figures above cover development contributions only, and do not include normal connection charges.
- NPP – No Projects Proposed
- LG – Low Growth projected

Reserve Development Contributions Charges

Type of development	Reserve Land (refer to map 7 for included areas)	District Parks	Infrastructure on Reserves land (per HUE) (refer to map 7 for included areas)
Subdivision	A fixed charge of \$1,264 for Taupo Town or \$1,928 for Kinloch per additional lot up to a maximum of 5% of the value of the underlying lot	A fixed charge of \$971 per additional lot created	A fixed charge of \$118 per HEU created
Land use or building consent	Fixed charge of \$1,264 for Taupo Town or \$1,928 for Kinloch per additional HUE up to a	Nil	A fixed charge of \$118 per HEU created

	maximum value of 20m ² land		
Commercial Accommodation	Fixed charge of \$632 for Taupo Town or \$964 for Kinloch per additional HUE up to a maximum value of 10m ² land	Nil	A fixed charge of \$118 per HEU created
Commercial Accommodation – Unit Title	Fixed charge of \$1,264 for Taupo Town or \$1,928 for Kinloch per additional unit title up to a maximum of 5% of the land value content of each additional unit title	A fixed charge of \$971 up to a combined total (including Reserve Land) of 7.5% of the land value content per additional unit title	A fixed charge of \$118 per HEU created
Commercial Accommodation – Manager’s Unit	Fixed charge of \$1,264 for Taupo Town or \$1,928 for Kinloch per additional HUE up to a maximum value of 20m ² land	Nil	A fixed charge of \$118 per HEU created
Retirement Home - Care	Nil	Nil	A fixed charge of \$118 per HEU created
Retirement Home – Village	Fixed charge of \$632 for Taupo Town or \$964 for Kinloch per additional HUE up to a maximum value of 10m ² land	Nil	A fixed charge of \$118 per HEU created

Table 11: Reserve Land, Infrastructure and District Parks

Notes:

- The value of each allotment will be assessed up to the following maximum site areas:
- Rural: 40,000m²
- Low Density Residential: (as defined by the Low Density Residential Environment Area as set out in the Taupō District Plan): 4000m²
- 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.

