

Financial Contributions Policy			
Approved by	Council		
Department	City Strategy		
Original Approval Date		Review Approval Date	
Next Review Deadline		Document ID	
Relevant Legislation	The Local Government Act 2002, Resource Management Act 1991		
NCC Documents Referenced	Not Applicable		

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Overview

Purpose of the Policy

Population and business growth create the need for new subdivisions and developments, and these place increasing demands on the assets and services provided by Council. As a result, significant investment in new or upgraded assets and services is required to mitigate the environmental effects and meet the demands of growth. In this policy, this investment is termed the cost of growth.

Under Section 106 of the *Local Government Act*, Napier City Council can require development or financial contributions from developers to help fund the cost of new or expanded infrastructure and services that are required to meet the additional demand created by growth, and/or to avoid, remedy, or mitigate any adverse effects resulting from land development and subdivision.

Council intends to achieve this in the short term by using Financial Contributions under the *Resource Management Act 1991* (RMA91). This approach covers all types of development (residential and non-residential) and is a city-wide approach for development anywhere in Napier City.

Navigating this document

Part 1: Policy operation - provides information needed to understand if, when, and how financial contributions will apply to developments. It also explains peoples' rights and the steps required to properly operate the Policy. The key sections are:

- The contributions – how much will be levied.
- When financial contributions are levied and paid
- Other operational matters

Part 2: Policy Details – requirements of the policy.

Part 3: Supporting Information - Policy maps, District Plan references and definitions.

Changes to the policy

This policy retains the use of financial contributions for residential and non-residential development used in the previous policy. Minor changes are proposed to the 2021 policy to clarify the timing of payment for residential developments; the application of exemption/discounts for identified areas; and to align with the Three Year Plan.

1. Policy Operation

Council's functions under the RMA include establishing and implementing methods to achieve integrated management of the effects of the use, the development or the protection of land, and the control of subdivision. The charging of financial contributions is an important mechanism in carrying out those functions and ensuring there are positive effects on the environment that avoid, remedy, or mitigate any adverse effects resulting from land development and subdivision. Council considers the existing financial contributions the simplest and most effective means of funding growth costs as they are in place for the main development areas that are partially developed, or about to be developed.

Financial Contributions are a component of the City of Napier District Plan (Nov 2011). Copies of the City of Napier District Plan can be viewed at the Napier and Taradale Public Libraries and on Napier City Council's website www.napier.govt.nz. This is termed the operative District Plan in this policy.

1.1. Assessment criteria

Chapter 65 of the operative District Plan specifies in detail the issues, objectives, policies, and rules relating to financial contributions. The provisions of the operative District Plan on financial contributions relate to the following matters:

1. Residential Subdivision
 - a. On every subdivision the financial contribution per lot must be paid to the Council for each additional lot or certificate of title created by the subdivision.
 - b. Financial contributions do not apply where the subdivision is solely for the purpose of creating a title for an existing dwelling unit.
2. Residential Multi-Unit Development
 - a. On every multi-unit development for residential purposes, the financial contribution must be paid to the Council for the second and each subsequent unit of the development.
3. Industrial and Commercial Land Development
 - a. On every land development for industrial and/or commercial purposes, the financial contribution must be paid to the Council for:
 - i. Each additional lot or certificate of title created by the subdivision.
 - ii. The second and each subsequent unit of development.
 - b. Financial contributions do not apply where the subdivision is solely for the purpose of creating a title for an existing and lawfully established business unit.

For non-residential developments where a resource consent would not normally be required (complying or permitted activity), Council may require a resource consent for the purpose of levying a financial contribution - see Section 1.6.

Financial contributions are established in the following three categories:

<p>1. Non local (off site) 2. Local (off site)</p>	<p>Off Site Services means local services serving a particular locality provided at the time of land development (including subdivision) e.g. extended reticulation and sewer trunk mains and/or non-local services provided at district level in response to demand from new development e.g. increased sewage treatment capacity. Costs for off site services may be shared between various developers and the Council on behalf of existing sites.</p>
<p>3. On site</p>	<p>On Site Services means services within a land development (including a subdivision) paid for wholly by the developer and vested in the Council, e.g. on site sewer reticulation.</p>

1.2. Summary of Financial Contributions

All financial contributions are summarised in the tables below for both residential and non-residential development. These have been indexed as permitted by the District Plan. The original financial contributions as per the operative District Plan, and the inflation indexes can be found in Part 3 of this policy.

Table 1 : Infill, Residential and Rural Financial Contributions

Development Area	Non local Off Site Contributions		Local Off Site Contributions		On Site Contributions	
	1 July 2024 (inc GST)	paid per	1 July 2024 (inc GST)	paid per	1 July 2024 (inc GST)	paid per
Infill						
Urban Infill	\$32,144.57	per lot/unit	\$3,240.35	per lot/unit		
Multi-storey	\$28,517.61	per lot/unit	\$82,409.58	per Ha		
Jervois town: Full Urban	\$31,178.94	per lot/unit	\$122,606.48	per Ha		
Residential						
Citrus Grove	\$31,101.62	per lot/unit	\$1,001.60	per lot/unit	\$161.83	per lot/unit
King/Guppy	\$29,733.19	per lot/unit	\$276,037.65	per Ha		
Lagoon Farm	\$30,871.45	per lot/unit	\$1,030.36	per m road frontage		
Mission Special Character Zone	\$30,871.45	per lot/unit	\$1,001.60	per lot/unit		
Mission Special Character Zone	\$26,106.23	per lot/unit	\$1,352.25	per lot/unit		
Park Island	\$31,196.92	per lot/unit	\$1,001.60	per lot/unit		
Te Awa	\$29,519.20	per lot/unit	\$706,026.13	per Ha		
Te Awa			\$4,581.81	per m road frontage		
Rural						
Poraiti	\$21,599.94	per lot/unit	\$2,476.12	per lot/unit		

Lifestyle Chara.	\$26,106.23	per lot/unit	\$3,626.96	per lot/unit
Jervoistown: Rural Infill	\$25,223.31	per lot/unit	\$10,593.17	per lot/unit
			\$12,360.81	per lot/unit
			\$157,054.54	per lot/unit
All Other Rural Areas	\$21,599.94	per lot/unit	\$4,040.55	per lot/unit

See Section 3.4 Definitions for the definition of lot and unit (dwelling unit).

Table 2 : Non-residential Financial Contributions

Development Type	Water Supply Contribution		Wastewater Contribution	Stormwater Contribution	Roads & Transportation Contribution
	1 July 2024 (inc GST)	1 July 2024 (inc GST)	1 July 2024 (inc GST)	1 July 2024 (inc GST)	1 July 2024 (inc GST)
Non-Residential based	Gross floor area (\$ per m2)	Pervious land area (\$ per m2)	Gross floor area (\$ per m2)	Land area (\$ per m2)*	Per every new lot/unit ^ (\$)
Office & shops	\$10.00	\$3.75	\$6.97	\$6.82	\$16,663.53
Medical Clinics / Hospitals	\$12.49	\$3.75	\$8.72	\$6.82	\$16,663.53
Warehouses / Factories / Network Utility Operations	\$5.02	\$3.75	\$3.49	\$6.82	\$16,663.53
Unsealed Yards	\$0.00	\$3.75	\$0.00	\$1.74	\$16,663.53
Non-Residential based	Per church	Pervious land area (\$ per m2)	Per church	Land area (\$ per m2)*	Per every new lot/unit (\$)
Churches	\$5,002.45	\$3.75	\$3,489.12	\$6.82	\$16,663.53
Residential based	Population (\$ per head)	Pervious land area (\$ per m2)	Population (\$ per head)	Land area (\$ per m2)*	Per every new lot/unit (\$)
Residential Care Facilities	\$375.31	\$3.75	\$261.50	\$6.82	\$16,663.53
Travellers' Accommodation	\$375.31	\$3.75	\$261.50	\$6.82	\$16,663.53
Day Care Centres	\$188.87	\$3.75	\$130.75	\$6.82	\$16,663.53
Educational Facilities	\$188.87	\$3.75	\$130.75	\$6.82	\$16,663.53
Retirement Complexes	\$372.89	\$3.75	\$261.50	\$6.82	\$16,663.53
	OR equivalent water connection (whichever is greater)		OR equivalent wastewater connection (whichever is greater)	* based on 60% sealed area max. Sealed areas greater than 60% pro rata.	^ A unit is 8 vehicle

Connection Diameter (mm)	Water Supply Contribution per connection	Wastewater Contribution per connection	movements per day as defined in Chapter 65 of the District Plan (Table 2), being the average number of vehicle movements generated by a typical household
15	\$2,559.00	\$1,787.00	
20	\$4,556.00	\$3,190.00	
25	\$7,116.00	\$4,982.00	
32	\$11,656.00	\$8,163.00	
40	\$18,196.00	\$12,738.00	
50	\$28,431.00	\$19,902.00	
80	\$72,775.00	\$50,944.00	
100	\$113,717.00	\$79,603.00	

1.3. Capital contributions

In addition to the above financial contributions, the subdivider or developer is required to meet the cost of providing all infrastructure within land being developed or subdivided where the benefits accrue directly to the land being subdivided or developed.

Where existing infrastructure and services outside the land being subdivided or developed are inadequate for the existing development, the cost of upgrading or the provision of new facilities shall be shared fairly between the subdivider or developer and the Council if there is capital works of benefit to another area.

The subdivider or developer is required to meet the proportionate cost of upgrading infrastructure, or for the provision of new infrastructure, where the development/subdivision will necessitate such upgrading or new offsite services.

However, Council will still have the authority to require works or services, or seek cash or land contributions on new developments to avoid, remedy and mitigate the environmental effects of proposed developments through resource consent conditions or in accordance with any relevant rule in the District Plan or any transitional provision under the RMA.

1.4. Financial Contributions – Reserves

There is a long history of requiring subdivision of land to provide land or money for the purpose of providing public open space as reserves. Reserves are generally required as part of the subdivisions process since they provide the open space and recreation facilities and opportunities necessary to cater for additional demand generated and to protect or enhance amenity values.

As communities grow, there is a need to provide recreation and open space to meet their needs and requirements. The guiding principle in the determination of reserves requirements relating to city growth is the preservation of the current ratio of recreational reserves per residential lot.

This ratio for Napier has been calculated at 75 m² per residential property and is considered both satisfactory by current users and appropriate for the future.

1.5. Land, works or assets provided in lieu of financial contributions

Where the developer provides assets that council would typically provide, in lieu of financial contributions, the amount of the works shall be off-set against the total financial contribution applicable. The mechanism of how the total contributions is calculated (per lot, per metre road frontage, per hectare) will not be considered as part of the off-set calculation.

1.6. Timing of assessment, invoicing and payment

All financial contributions shall be levied as a condition of resource consent. The process for both residential and non-residential development is shown below.

Residential

The financial contribution shall be notified as a condition of resource consent (typically subdivision) when the consent is granted.

For subdivisions, the invoice shall be generated at the time the Section 224 Certificate is requested.

Once the payment of the financial contribution is received and all other conditions are met, the Section 224 Certificate shall be issued.

For residential developments subject to a land use consent, or established as a permitted activity, an invoice will be generated before the building consent is uplifted. The development will only be a permitted activity if the applicant has paid financial contributions. If the applicant has not paid financial contributions at the building consent stage, we can issue a certificate in terms of Section 37 of the Building Act 2004, requiring the applicant to apply for resource consent.

Non-Residential

The financial contribution for non-residential development will be assessed at the building consent stage. However, the financial contributions shall be levied as a condition of resource consent. A resource consent will be required for:

- A permitted activity - the development will only be a permitted activity if the applicant has paid financial contributions. If the applicant has not paid financial contributions at the building consent stage, we can issue a certificate in terms of Section 37 of the Building Act 2004, requiring the applicant to apply for resource consent.
- Not a permitted activity – a resource consent will be required as per standard practice for the development.

The invoice shall be generated before the building consent is uplifted.

Once the payment of the financial contribution is received and all other conditions are met, the

building consent may be uplifted.

Any land use not identified as a controlled activity, a restricted discretionary activity, a discretionary activity or a prohibited activity elsewhere in this plan and that complies with all the relevant conditions is a permitted activity.

Non-Payment

On time payment is important because, until the financial contributions have been paid in full, Council may:

- withhold Section 224 Certificate being issued.
- prevent a building consent being uplifted or issued, or prevent the commencement of the building. Council may also retain the right to pursue all normal debt collection processes should payment be withheld.

1.7. Exemptions / Discounts

Council wishes to encourage residential growth and a range of dwelling typologies in certain areas in order to revitalise the city, town and local centres. Accordingly, the exemptions/discounts to financial contributions below shall apply for the following developments. Note: the extent of the exemption/discount areas referred to in Sections .7.1 – 1.7.3 below are ampeped on Council's Intramaps, available online at napier.govt.nz.

1.7.1 City Centre

A new residential unit within the Art Deco Quarter and Inner City Commercial Zone within an existing gross floor area shall be exempt 80% of the financial contribution. Any new residential unit in addition to the existing floor area will be exempt by 50%. This reflects the fact that where a conversion development occurs within the existing built city environment, there is not always an established link between residential activity and an increased demand on services like 3-waters and transportation. However, there is an increase in demand for community infrastructure and parks/reserves, and from the new floor area that did not previously exist.

1.7.2 Fringe City and Taradale Centre

Any multi-unit residential development within Fringe Commercial Zone and Taradale Suburban Commercial Zone shall be exempt 50% of the financial contribution.

1.7.3 Proximity to Local Centre

Any multi-unit residential development in close proximity to the main commercial centers in Marewa, Napier South, Onekawa, Greenmeadows, Maraenui, Taradale and Tamatea (as defined in the map in Figure 4) shall be assessed based on the number of bedrooms in each apartment/unit. This is considered a fair way to reflect the lower demand typically created by smaller apartments compared to a residential dwelling, and is intended to encourage intensification and a range of dwelling typologies close to local centres. The exemptions shall be:

- One bedroom unit 50% exemption
- Two bedroom unit 33% exemption
- Three or more bedroom unit 0% exemption

The greater of the above exemptions shall be applied, however, a single development may only be granted one exemption. The approval of an exemption should be agreed prior to resource consent being granted so the exemption is made clear in the conditions of consent.

1.7.4 Non-connection

Where a development does not connect to Council's water supply, wastewater, and/or stormwater network, the development shall be exempt from these components of the financial contributions.

1.8. Extraordinary Circumstances

Council reserves the discretion to enter into specific arrangements with a developer for the provision of particular infrastructure to meet the special needs of a development, for example where a development requires a special level of service or is of a type or scale that is not readily assessed in terms of units of demand, or is developed through a legislative consent process outside of the RMA.

1.9. Refunds and Postponements

For the purposes of this Policy, refunds and/or postponements on payment of Financial Contributions will not be applied.

1.10. Tax - GST

Financial contributions required will incur a Goods and Services Tax at the appropriate rate. All figures in the above tables in this section are as on 1st July 2021 and are shown inclusive of GST of 15%.

1.11. Future indexing

Financial contributions for subsequent years (taking into account indexation) will be shown in Council's Schedule of Fees and Charges, available from 1st July each year. These will be adjusted based on the latest Producer Price Index (EE Construction SQNEE0000).

1.12. Example calculations

The following tables provides a range of examples for calculations of subdivision and developments in Napier city.

Variable	Inputs/Calculations	Unit
Location	Mission Special Character Zone	
Development type	Subdivision	
Lots	50	lots
Non-local Off-Site Contributions	\$26,106	inc GST
Local Off-Site Contributions	\$1,352	inc GST
On-Site Contributions	\$0	inc GST
Sub-Total (\$/lot)	\$27,459	per lot
TOTAL Financial Contribution	\$1,372,933	inc GST

Variable	Inputs/Calculations	Unit
Location	Urban Infill - within exemption zone	
Development type	Subdivision	
Lots	4	lots
Non-local Off-Site Contributions	\$32,145	inc GST

Local Off-Site Contributions	\$3,240	inc GST
On-Site Contributions	\$0	inc GST
Sub-Total (\$/lot)	\$35,385	per lot
Exemption @ 50%	\$17,692	per lot
Revised Sub-Total (\$/lot)	\$17,692	per lot
TOTAL Financial Contribution	\$70,770	inc GST

Variable	Inputs/Calculations	Unit
Location	Urban Infill	
Development type	Development - high density apartments	
Lots	1	lot
Apartments - 1 bedroom	10	units
Apartments - 2 bedroom	10	units
Non-local Off-Site Contributions	\$32,145	inc GST
Local Off-Site Contributions	\$3,240	inc GST
On-Site Contributions	\$0	inc GST
Sub-Total (\$/unit)	\$35,385	per lot
Exemption @ 50% for 1 bedroom	\$17,692	inc GST
Exemption @ 33% for 2 bedroom	\$11,677	inc GST
Revised Sub-Total (\$/unit) - 1 bedroom	\$17,692	per lot
Revised Sub-Total (\$/unit) - 2 bedroom	\$23,708	per lot
TOTAL Financial Contribution	\$414,002	inc GST

Variable	Inputs/Calculations	Unit
Location	Te Awa	
Development type	Subdivision	
Lots	30	lots
Land area	2	Ha
Road frontage	175	m
Non-local Off-Site Contributions	\$29,519.53	inc GST
Local Off-Site Contributions (per Ha)	\$706,026.43	inc GST
Local Off-Site Contributions (per m road frontage)	\$4,582.09	inc GST
On-Site Contributions	\$0.00	inc GST
Sub-total Non-local Off-Site Contributions	\$885,586	inc GST
Sub-total Local Off-Site Contributions (Land area)	\$1,412,053	inc GST
Sub-total Local Off-Site Contributions (Road frontage)	\$801,865	inc GST
TOTAL Financial Contribution	\$3,099,504	inc GST

Variable	Inputs/Calculations	Unit
Location	Napier City	
Development type	shop	Commercial Development - Retail
Gross floor area	1,000	m ²
Pervious land area	1,250	m ²
Land area	2,000	m ²
Lots	1	lot
Vehicle movements - traffic impact assessment	200	vpd
Water supply - Gross floor area (\$/m ²)	\$10.00	inc GST
Water supply - Pervious land area (\$/m ²)	\$3.75	inc GST
Wastewater - Gross Floor Area (\$/m ²)	\$6.97	inc GST
Stormwater - Land Area (\$/m ²)	\$6.82	inc GST
Road & Transportation - unit (\$/unit)	\$16,664	inc GST
Sub-total Water supply - Gross floor area	\$9,997	inc GST
Sub-total Water supply - Pervious land area	\$4,688	inc GST
Sub-total Wastewater - Gross Floor Area	\$6,974	inc GST
Sub-total Stormwater - Land Area	\$13,647	inc GST
Sub-total Road & Transportation - unit	\$416,596	inc GST
TOTAL Financial Contribution	\$451,903	inc GST

2. Policy Details

2.1. Requirement to have a policy

Council is required to have a policy on development contributions and financial contributions as a component of its funding and financial policies in its Long Term Plan under section 102(2)(d) of the LGA02. This Financial Contributions Policy meets that requirement.

2.2. Funding summary

Over the next 10 years, Council plans to spend nearly \$143M on infrastructure partially or wholly needed to meet the increased demand for community facilities resulting from growth/development. Of this cost, 13% percent will be funded from financial contributions. A summary by asset grouping is shown below.

Table 3: NCC 2024-34 Three Year Plan Capital Programme - Growth Capital

Activity Group	Total Capital Programme 2024-34 (\$000)	Growth Related Capital 2024-34 (\$000)	Portion funded by FCs %	Other
City Strategy	3,165	342	11%	89%
Community and Visitor Experiences	267,172	20,403	8%	92%
Other Infrastructure	33,684	4,791	14%	86%
Property Assets	117,716	116	0%	100%
Stormwater	120,645	14,602	12%	88%
Support Units	58,312	4,525	8%	92%
Transportation	248,818	22,959	9%	91%
Wastewater	189,103	49,250	26%	74%
Water Supply	98,671	25,993	26%	74%
Totals	1,137,286	142,981	13%	87%

2.3. General purposes for which financial contributions may be used

Council has decided to fund these growth related costs from financial contributions under the *Resource Management Act 1991* for the following activities:

- Water Supply
- Wastewater Disposal
- Waste Disposal
- Sports and Reserves
- Roads and Transportation
- Recreation Facilities
- Stormwater Disposal
- Library Facilities

2.4. Considerations for funding growth costs

In forming this view, Council has considered the matters set out in section 101(3) of the LGA02 within its Revenue and Financing Policy, and within this Policy.

Council is required under Section 106(2)(c) of the LGA02 to explain within this Policy why it has decided to use financial contributions to fund capital expenditure relating to the cost of growth. This assessment is below.

Council generally outlines its community outcomes in the Long Term Plan. For the 2024-2027 period, Council has outlined strategic priorities for its Three Year Plan. The funding of capital expenditure for growth for water supply, wastewater, stormwater, road, reserves, and community infrastructure will contribute to, and align with, the strategic priorities in this three year term. The strategic priorities are listed below.

Priority	Summary
Nurturing authentic relationships with our community and partners	Council fosters meaningful relationships, demonstrating our commitment to listen to our community's needs, concerns, and aspirations. Developing strong partnerships with mana whenua and tanaga whenua ensures we uphold our obligations under Te Tiriti o Waitangi.
Financially sustainable Council	Council has an operating model and financial strategy which is affordable for rate payers and enables us to achieve our objectives.
A Great Visitor Destination	Napier is a destination aspiring to provide 'world class' facilities and attract visitors to our city. We make it easy for people to invest in our city and create experiences that attract widespread participation.
Spaces and places for all	Napier has spaces and places that everyone has access to and wants to use. We have a focus on accessibility, affordability, safety, and city vibrancy.
A resilient city – the ability to thrive and withstand impacts, knocks, and shocks	Council makes good future planning and investment decisions to prepare for a changing climate future and enables our community to build self-reliance. Our people, economy and infrastructure are resilient.

Council has also considered the funding of growth-related costs specific to the other matters required by s101 (3) of the LGA. A summary of this assessment is below.

<p>Who Benefits / whose act creates the need</p>	<p>A significant portion of Council’s work programme over the next 30 years is driven by development or has been scoped to ensure it provides for new developments. The extent to which growth is serviced by, and benefits from, an asset or programme as well as how much it serves and benefits existing ratepayers is determined for each asset or programme.</p> <p>Council believes the growth costs identified through this process should be recovered from development as this is what creates the need for the expenditure and /or benefit principally from new assets and additional network capacity. Where and to the extent that works benefit existing residents and businesses, those costs are recovered through rates.</p> <p>The geographical areas are defined by the maps in the District Plan and summarised in Part 1 of this policy.</p>
<p>Period of benefit</p>	<p>The assets constructed for development provide benefits and capacity for developments now and developments in the future. In many cases, the ‘capacity life’ of such assets spans decades.</p> <p>Financial contributions are used to recover the capital costs to service an entire development area, over the capacity life of assets. Developments that benefit from the assets will contribute to its cost, regardless of whether they happen now or in the future.</p>
<p>Funding sources & REASONING for separate funding</p>	<p>The cost of supporting development in Napier City is significant. Financial contributions send clear signals to the development community about the cost of growth and the capital costs of providing infrastructure to support that growth.</p> <p>The benefits to the community are significantly greater than the cost of policy making, calculations, collection, accounting, and distribution of funding for financial contributions.</p>
<p>Overall impact of liability on the community</p>	<p>Council has also considered the impact of the overall allocation of liability on the community. In this case, the liability for revenue falls directly with the development community. Council considers that the level of financial contributions is affordable and does not consider it likely that there will be an undue or unreasonable impact on the social, economic, and cultural wellbeing of this section of the community.</p> <p>Moreover, shifting development costs onto ratepayers is likely to be perceived as unfair to existing residents as it would significantly impact the rates revenue required. Existing residents do not cause the need, or benefit directly from the growth infrastructure, needed to service new developments.</p> <p>Overall, Council considers it fair and reasonable to use financial contributions to fund the costs of growth-related capital expenditure for community facilities, and that the social, economic, and cultural interests of Napier’s communities are best advanced this way.</p>

2.5. Implementation and review

It is anticipated that this Policy will be updated on a three-yearly basis or at shorter intervals if Council deems it necessary. Any review of the Policy will take account of the following:

- Any changes to significant assumptions underlying the Financial Contributions Policy.
- Any changes in the capital development works programme for growth.
- Any changes in the pattern and distribution of development in the District.
- Any changes that reflect new or significant modelling of the networks.
- The regular reviews of the Revenue and Financial Policies, and the Long Term Plan.
- Any other matters Council considers relevant.
- Any review of the Urban Growth Study and Essential Services Development Plans.
- Any changes in legislation.

2.6. Significant Assumptions of the Financial Contributions Policy

Council has taken an approach to ensure that the cumulative effect of development is considered with a system-wide view. This Policy considers the specific infrastructure demands created by individual developments in the context of Council's wider community responsibilities as an infrastructure service provider.

The capital expenditure budgets and projected estimates of future asset works are based on the best available knowledge at the time of preparation. The Policy will be updated, as practical, to reflect better information as it becomes available.

Council continues to work with its neighboring and regional councils to provide for and manage the demand for both residential and non-residential growth.

The key risks that Council will continue to monitor and mitigate are as follows:

- That the costs required to service the development areas is higher than forecast resulting in a funding gap of the growth costs.
- That the growth predicted does not eventuate, resulting in a change to the assumed rate of development and impacting council's revenue.
- Development may occur in areas not considered in the operative District Plan, and therefore may not have appropriate funding mechanisms in place to recover the costs.
- Decisions on the zoning pattern in the proposed District Plan may affect the location and uptake of development.
- The potential changes to existing legislation, e.g. RMA reform, 3-Waters reform, fast tracked development areas.

To guard against the above, Council will continue to monitor the rate of growth, the timing of the delivery of assets/capacity and the funding policies in place, as required.

3. Supporting information

3.1. Inflation indexes

As permitted in the operative District Plan, the financial contributions in Part 1 of this policy have been adjusted based on the Producer Price Index (EE Construction SQNEE0000). The indexes are based on the following clauses in the operative District Plan:

- Residential (notes below Table 1 (Chapter 65) Residential and Rural Financial Contributions);

All figures in the table are as at 1 July 2010 - 30 June 2011 (based on December 2009 indices)

- Non-Residential (Chapter 65; 65.13 Indexing of Financial Contributions)

The financial contributions stated elsewhere in this Chapter are as at 1 July 2005 - 30 June 2006 (based on December 2004 PPI values) for Commercial and Industrial financial contributions.

The index and the adjustment for the residential and non-residential financial contributions are shown in the table below.

PPI Quarter	Policy start	Index	Residential	Non-Residential
	date		% adjustment	% adjustment
Dec-04	1-Jul-05	721	n/a	100%
Dec-05	1-Jul-06	773	n/a	107%
Dec-06	1-Jul-07	858	n/a	119%
Dec-07	1-Jul-08	902	n/a	125%
Dec-08	1-Jul-09	960	n/a	133%
Dec-09	1-Jul-10	971	100%	135%
Dec-10	1-Jul-11	1,000	103%	139%
Dec-11	1-Jul-12	1,031	106%	143%
Dec-12	1-Jul-13	1,046	108%	145%
Dec-13	1-Jul-14	1,057	109%	147%
Dec-14	1-Jul-15	1,067	110%	148%
Dec-15	1-Jul-16	1,076	111%	149%
Dec-16	1-Jul-17	1,094	113%	152%
Dec-17	1-Jul-18	1,129	116%	156%
Dec-18	1-Jul-19	1,176	121%	163%
Dec-19	1-Jul-20	1,199	123%	166%
Dec-20	1-Jul-21	1,211	125%	168%
Dec-21	1-Jul-22	1,304	134%	181%
Dec-22	1-Jul-23	1,467	151%	203%
Dec-23	1-Jul-24	1,519	156%	211%

3.2. Original and indexed financial contributions

Table 4 : Infill, Residential and Rural Financial Contributions

Development Area	Non local Off Site Contributions				Local Off Site Contributions				On Site Contributions			
	Original - District Plan (exc GST)	1-Jul-24 (exc GST)	1-Jul-2021 (inc GST)	Units	Original - District Plan (exc GST)	1-Jul-24 (exc GST)	1-Jul-2021 (inc GST)	Units	Original - District Plan (exc GST)	1-Jul-24 (exc GST)	1-Jul-2021 (inc GST)	Units
Infill												
Urban Infill	\$22,422	\$27,952	\$32,145	per lot/unit	\$2,260	\$2,817	\$3,240	per lot/unit	\$0	\$0	\$0	
Multi-storey	\$19,893	\$24,798	\$28,517	per lot/unit	\$57,485	\$71,660	\$82,410	per Ha	\$0	\$0	\$0	
Jervostown: Full Urban	\$21,749	\$27,112	\$31,179	per lot/unit	\$85,524	\$106,615	\$122,606	per Ha	\$0	\$0	\$0	
Residential												
Citrus Grove	\$21,695	\$27,045	\$31,101	per lot/unit	\$699	\$871	\$1,002	per lot/unit	\$113	\$140	\$162	per lot/unit
King/Guppy	\$20,740	\$25,854	\$29,733	per lot/unit	\$192,550	\$240,033	\$276,038	per Ha	\$0	\$0	\$0	
					\$719	\$896	\$1,030	per m road frontage	0	0	0	
Lagoon Farm	\$21,534	\$26,845	\$30,872	per lot/unit	\$699	\$871	\$1,002	per lot/unit	\$0	\$0	\$0	
Mission Special Character Zone	\$18,210	\$22,701	\$26,106	per lot/unit	\$943	\$1,175	\$1,352	per lot/unit	\$0	\$0	\$0	
Park Island	\$21,761	\$27,128	\$31,197	per lot/unit	\$699	\$871	\$1,002	per lot/unit	\$0	\$0	\$0	
Te Awa	\$20,591	\$25,669	\$29,520	per lot/unit	\$492,490	\$613,936	\$706,026	per Ha	\$0	\$0	\$0	
					\$3,196	\$3,984	\$4,582	per m road frontage				

Rural												
Poraiti	\$15,067	\$18,782	\$21,600	per lot/unit	\$1,727	\$2,154	\$2,476	per lot/unit	\$0	\$0	\$0	
Lifestyle Chara.	\$18,210	\$22,701	\$26,106	per lot/unit	\$2,530	\$3,153	\$3,628	per lot/unit	\$0	\$0	\$0	
Jervoistown: Rural Infill	\$17,595	\$21,933	\$25,223	per lot/unit	\$7,389	\$9,212	\$10,593	per lot/unit	\$0	\$0	\$0	
					\$8,622	\$10,748	\$12,360	per lot/unit				
					\$109,554	\$136,570	\$157,054	per lot/unit				
All Other Rural Areas	\$15,067	\$18,782	\$21,600	per lot/unit	\$2,818	\$3,513	\$4,040	per lot/unit	\$0	\$0	\$0	

Table 5 : Non-residential financial contributions

	Original - District Plan (exc GST)			Original - District Plan (exc GST)			Original - District Plan (exc GST)			Original - District Plan (exc GST)			Original - District Plan (exc GST)		
	1/07/2024 (exc GST)	2021 (inc GST)	1/07/2024 (exc GST)	1-Jul 2024 (inc GST)	1/07/2024 (exc GST)	2024 (inc GST)	1-Jul 2024 (inc GST)	1/07/2024 (exc GST)	2021 (inc GST)	1-Jul 2024 (inc GST)	1/07/2024 (exc GST)	2021 (inc GST)	1 July 2024 (inc GST)		
Non-Residential based	Gross floor area (\$ per m²)			Pervious land area (\$ per m²)			Gross floor area (\$ per m²)			Land area (\$ per m²)			Per every new lot/unit (\$)		
Office & shops	\$5.18	\$8.69	\$10.00	\$1.94	\$3.26	\$3.75	\$3.61	\$6.06	\$6.97	\$3.54	\$5.93	\$6.82	\$8,632.34	\$14,490.02	\$16,663.53
Medical Clinics/Hospitals	\$6.47	\$10.86	\$12.49	\$1.94	\$3.26	\$3.75	\$4.52	\$7.58	\$8.72	\$3.54	\$5.93	\$6.82	\$8,632.34	\$14,490.02	\$16,663.53
Warehouses/Factories/Network Utility Operations	\$2.60	\$4.35	\$5.02	\$1.94	\$3.26	\$3.75	\$1.81	\$3.04	\$3.49	\$3.54	\$5.93	\$6.82	\$8,632.34	\$14,490.02	\$16,663.53
Unsealed Yards	\$0.00	\$0.00	\$0.00	\$1.94	\$3.26	\$3.75	\$0.00	\$0.00	\$0.00	\$0.90	\$1.52	\$1.74	\$8,632.34	\$14,490.02	\$16,663.53
Non-Residential based	Per church			Pervious land area (\$ per m²)			Per church			Land area (\$ per m²)			Per every new lot/unit (\$)		
Churches	\$2,591.46	\$4,349.96	\$5,002.45	\$1.94	\$3.26	\$3.75	\$1,807.50	\$3,034.02	\$3,489.12	\$3.54	\$5.93	\$6.82	\$8,632.34	\$14,490.02	\$16,663.53

Residential based	Population (\$ per head)			Pervious land area (\$ per m ²)			Population (\$ per head)			Land area (\$ per m ²)			Per every new lot/unit (\$)		
Residential Care Facilities	\$194.42	\$326.35	\$375.31	\$1.94	\$3.26	\$3.75	\$135.47	\$227.40	\$261.50	\$3.54	\$5.93	\$6.82	\$8,632.34	\$14,490.02	\$16,663.53
Travellers' Accommodation	\$194.42	\$326.35	\$375.31	\$1.94	\$3.26	\$3.75	\$135.47	\$227.40	\$261.50	\$3.54	\$5.93	\$6.82	\$8,632.34	\$14,490.02	\$16,663.53
Day Care Centres	\$97.84	\$164.23	\$188.87	\$1.94	\$3.26	\$3.75	\$67.73	\$113.69	\$130.75	\$3.54	\$5.93	\$6.82	\$8,632.34	\$14,490.02	\$16,663.53
Educational Facilities	\$97.84	\$164.23	\$188.87	\$1.94	\$3.26	\$3.75	\$67.73	\$113.69	\$130.75	\$3.54	\$5.93	\$6.82	\$8,632.34	\$14,490.02	\$16,663.53
Retirement Complexes	\$193.17	\$324.25	\$372.89	\$1.94	\$3.26	\$3.75	\$135.47	\$227.40	\$261.50	\$3.54	\$5.93	\$6.82	\$8,632.34	\$14,490.02	\$16,663.53
	OR equivalent water connection (whichever is greater)						OR equivalent wastewater connection (whichever is greater)								
Connection Diameter (mm)	Water Supply Contribution per connection						Wastewater Contribution per connection								
15	\$1,296	\$2,175	\$2,501				\$904	\$1,518	\$1,746						
20	\$2,307	\$3,872	\$4,453				\$1,616	\$2,712	\$3,118						
25	\$3,602	\$6,047	\$6,954				\$2,522	\$4,235	\$4,869						
40	\$9,213	\$15,465	\$17,785				\$6,450	\$10,826	\$12,451						
50	\$14,396	\$24,165	\$27,790				\$10,077	\$16,916	\$19,453						
80	\$36,849	\$61,854	\$71,131				\$25,794	\$43,297	\$49,792						
100	\$57,579	\$96,650	\$111,148				\$40,306	\$67,656	\$77,804						

3.3. Maps

Note: Maps are also available on Council's GIS available online at napier.govt.nz

Figure 1 : District Plan Map of development areas

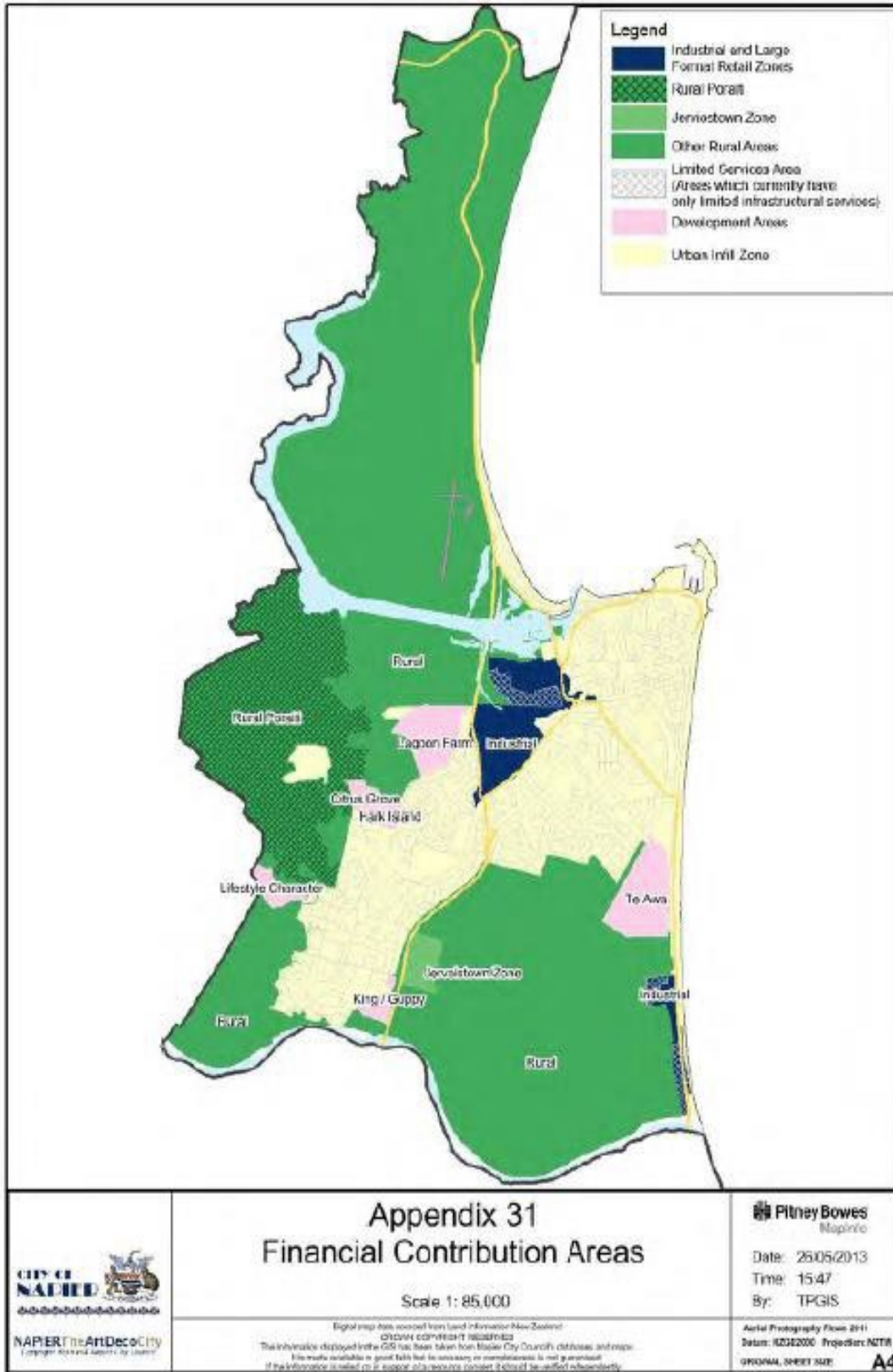


Figure 2 : Financial contributions zones

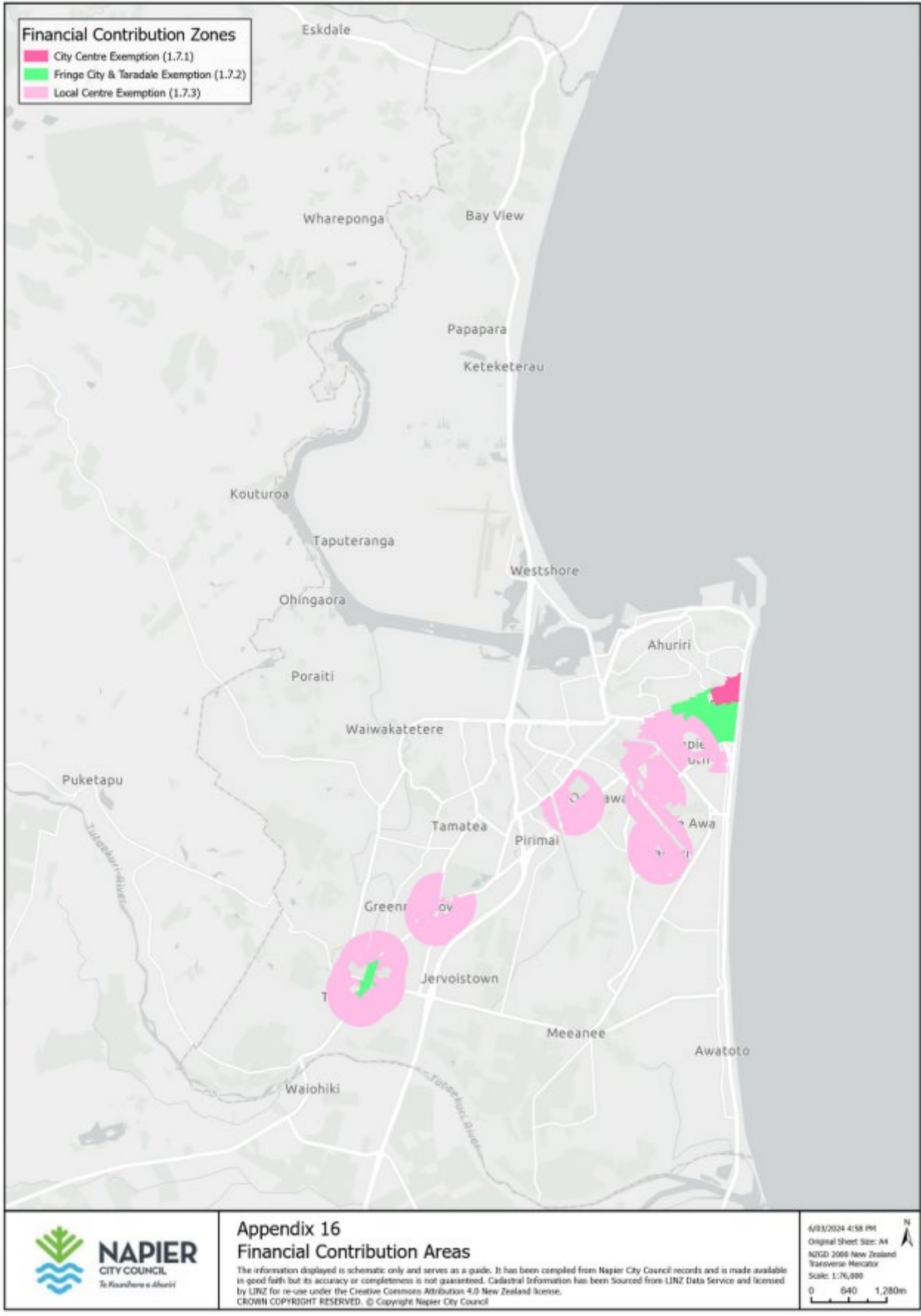
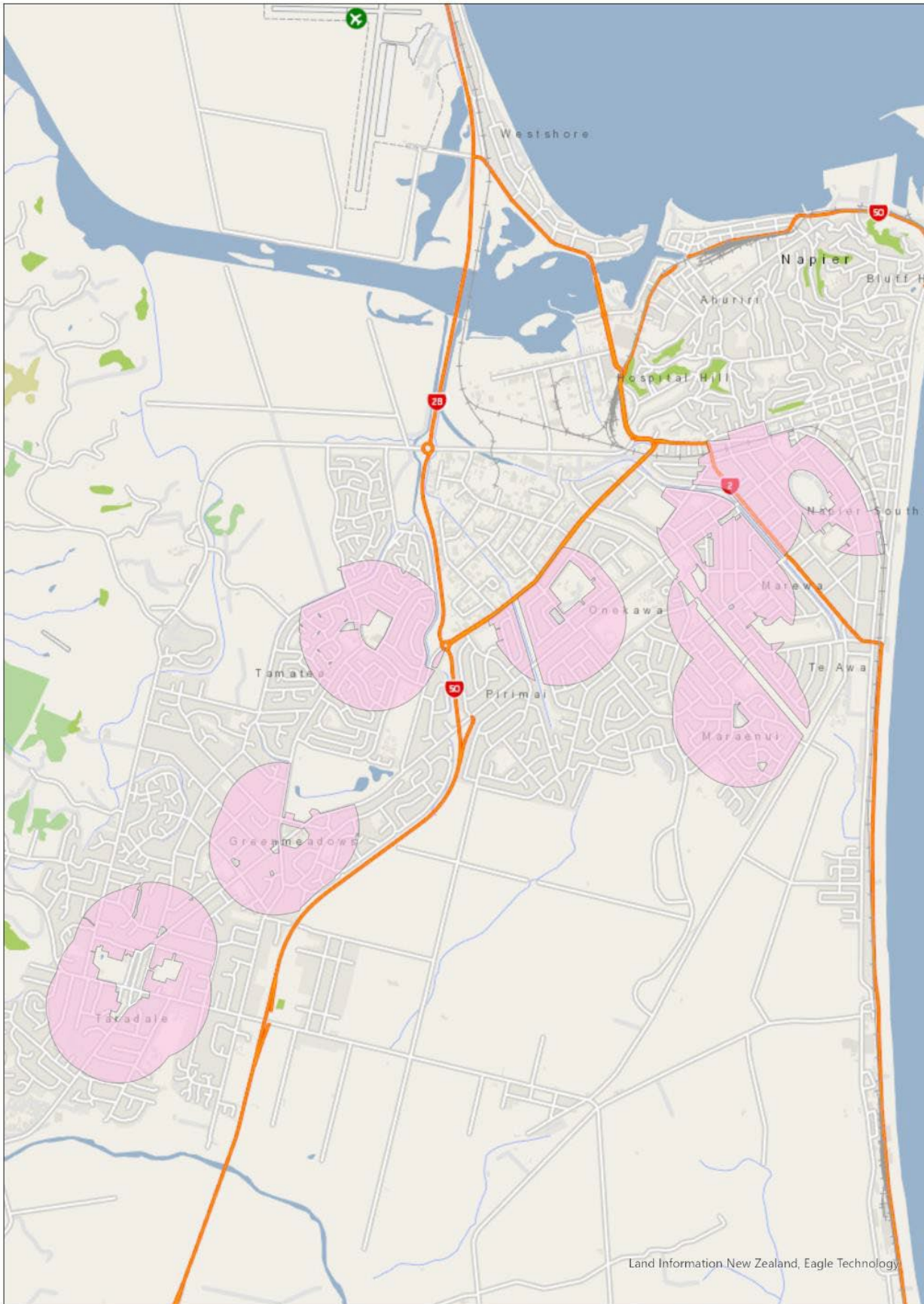


Figure 3 : Taradale Centre Exemption area applicable to Taradale Town Centre zone and Southern Fringe



Figure 4 : Financial contribution where exemptions as per Section 1.7 of this policy apply
The exemption applies to main commercial centers in Marewa, Napier South, Onekawa, Greenmeadows, Maraenui, Taradale and Tamatea as per map below.



Appendix 26B – 1: Mission Special Character Zone Structure Plan - Overall Map

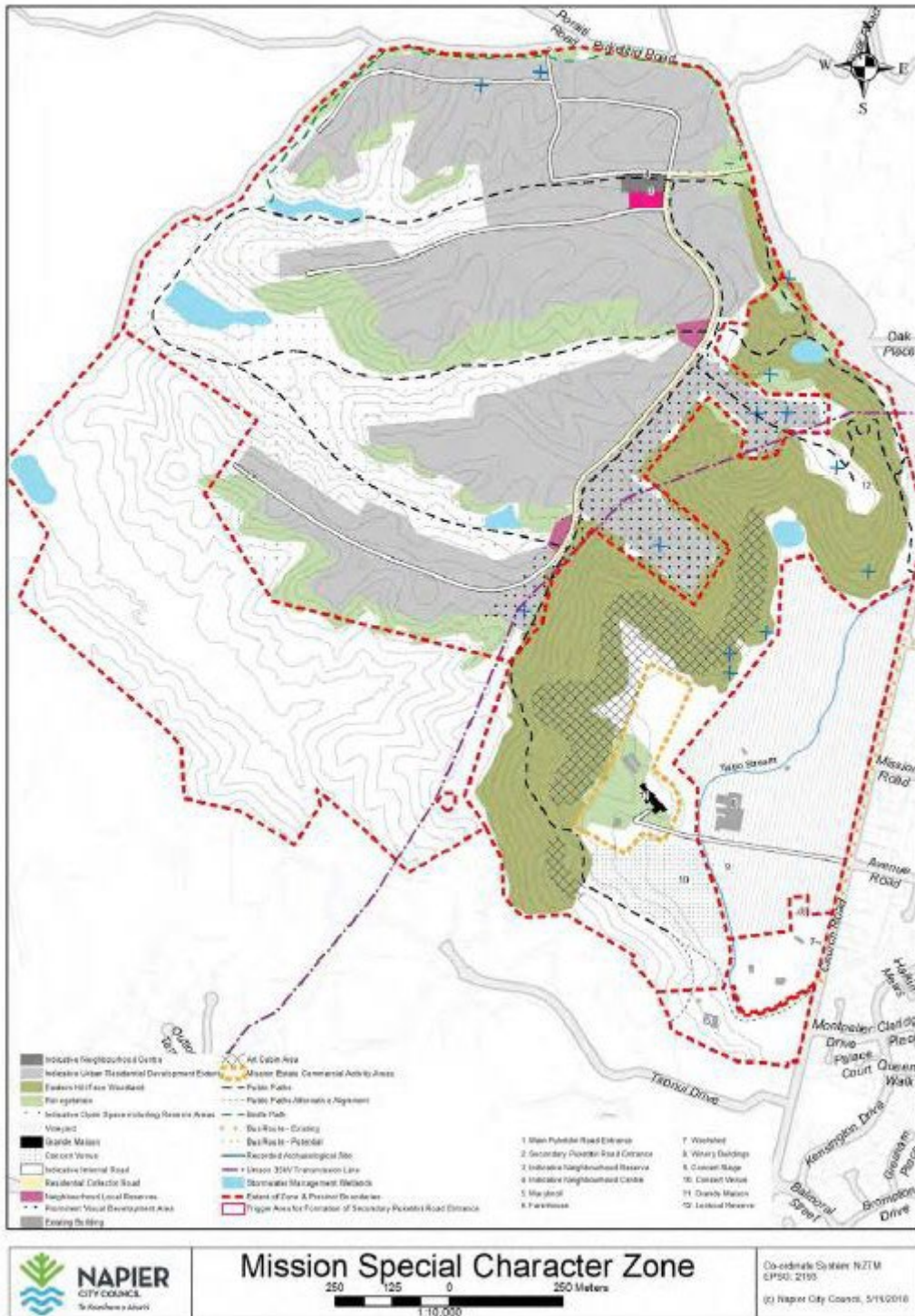
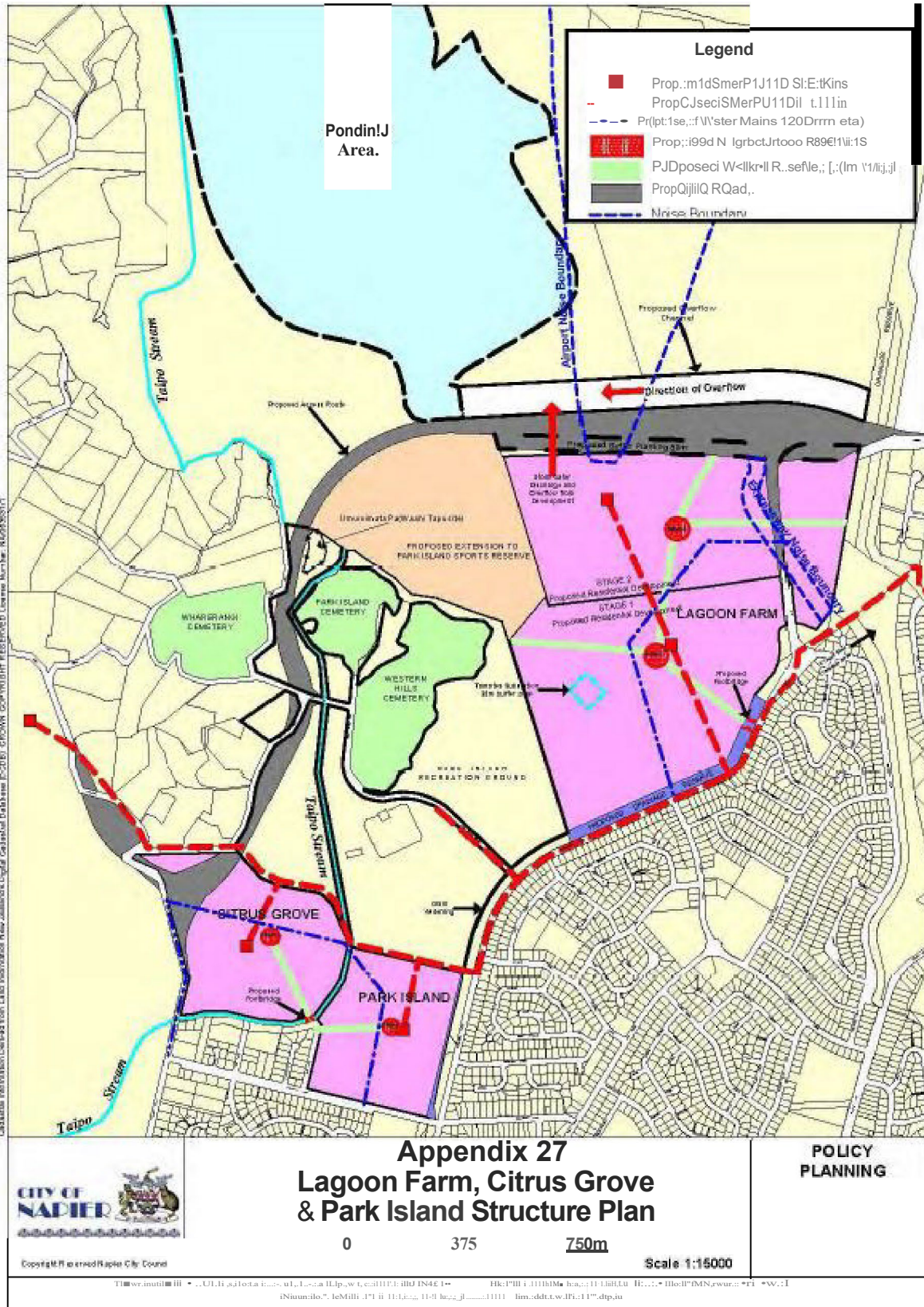
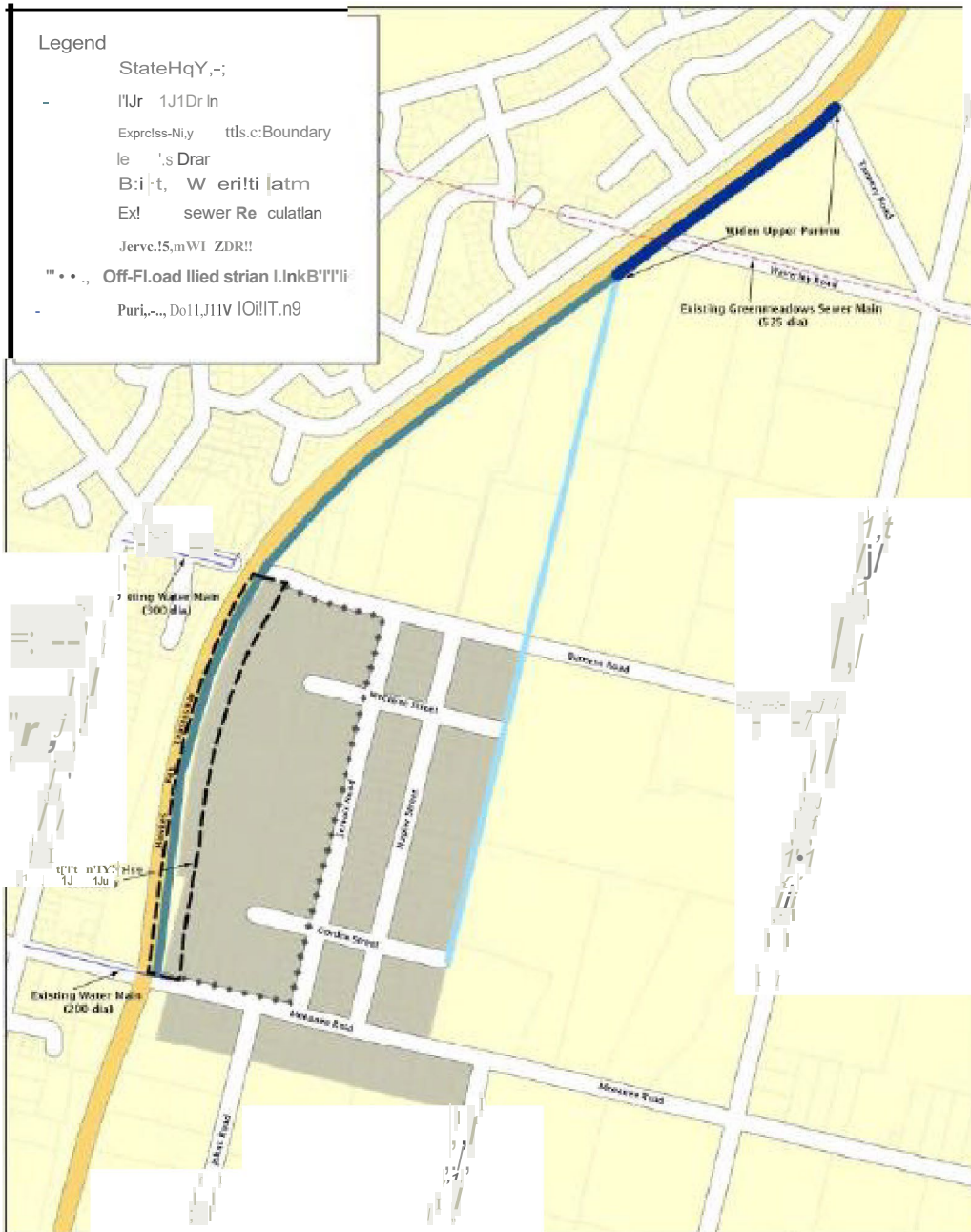


Figure 6 : Lagoon Farm, Citrus Grove and Park Island



**Appendix 288 - Jervistown Zone Structure Plan
(Services required for limited subdivision to 2500m² minimum lot size)**



Appendix 288 - Jervistown Zone Structure Plan of Services required to facilitate subdivision to 2500m²

Scale: 1:10,000

Pitney Bowes Mapping

Date: 12/12/2012
Title: Appendix 288
EIT: TPGIS

CITY OF NAPIER
The Art Deco City
Council Reserved Rights City Council

Aerial Photography: Planimetrics 2008
Datum: NZGD49 Projection: NZMG
ORIGINAL SHEET SIZE A4

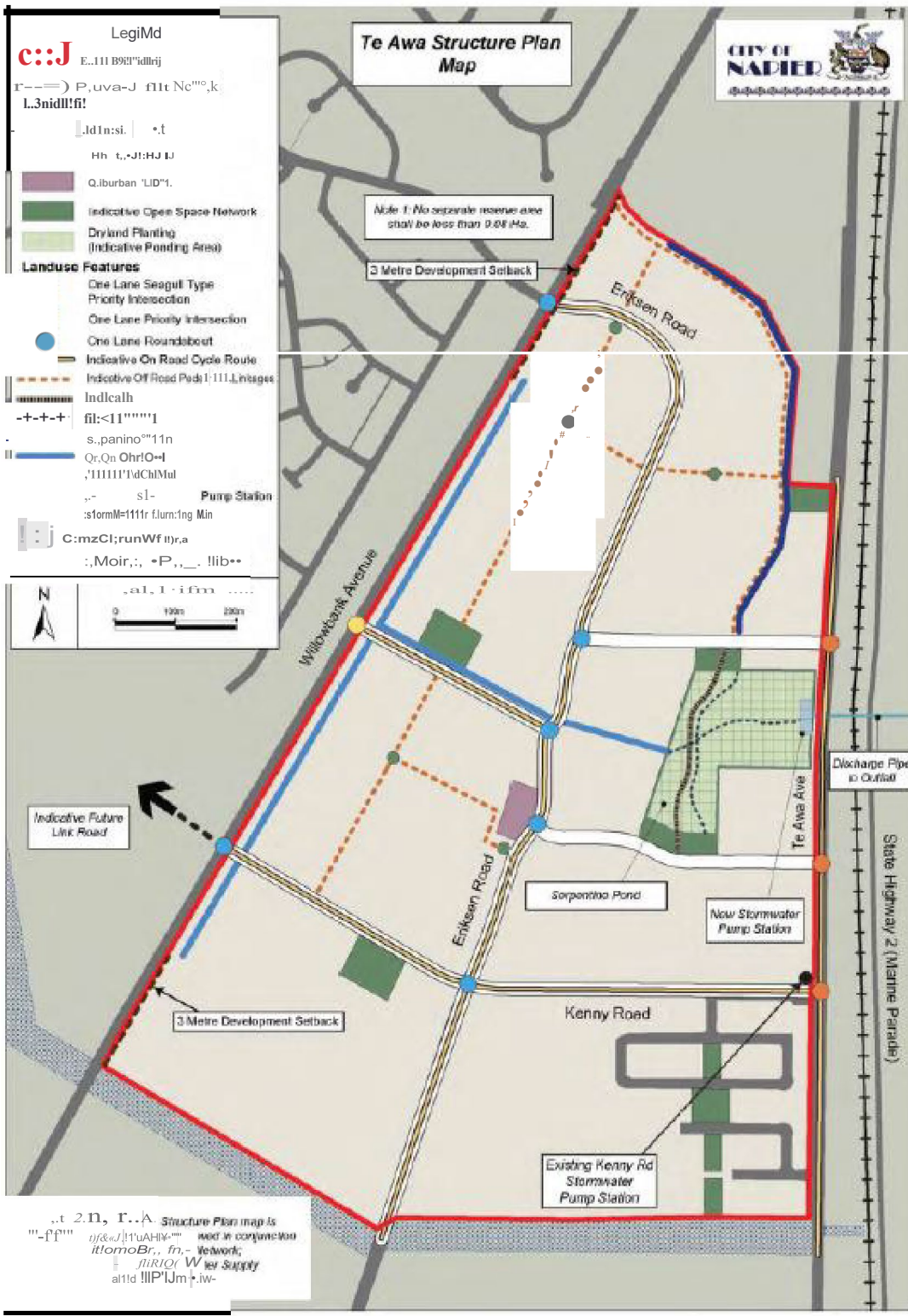
Information is provided in support of a resource consent. It should be verified independently.

Operative to 21/11/2012

FWJ

Appendix 29B

Te Awa Structure Plan Map



3.4. Definitions

Allotment/lot has the same meaning as set out in Section 218 of the ACT.

Bedroom: a room of minimum 6m² in area, which could be used for sleeping in, usually containing a bed.

Commercial Activity means the USE of LAND and BUILDINGS for the display, offering, provision, sale or hire of goods, equipment or service and includes retailing, TRAVELLERS' ACCOMMODATION, DAY CARE CENTRE and off-licence premises and wholesale liquor outlets, but does not include EDUCATION FACILITIES or any BUSINESS OF PROSTITUTION.

Council means the Napier City Council or any committee or elected member of Council or any officer authorised to exercise the functions, duties or powers of the Council.

Dwelling Unit means a BUILDING or part of a BUILDING designed for residential purposes and occupied or intended to be occupied exclusively as the home or residence of not more than one HOUSEHOLD and includes an apartment, a flat including kaumatua flats and a RESIDENTIAL CARE FACILITY, but does not include a SUPPLEMENTARY UNIT. Second kitchen facilities in conjunction with service facilities constitutes a second dwelling unit.

Financial Contribution means a contribution as set out in section 108(9) of the ACT.

Greenfield Development means an area zoned for the purpose of allowing intensive 'Land Development'. Existing Greenfield sites are identified in Appendix 31 of this Plan as 'Development Areas'. For all new Greenfield areas, Council will consider:

- i) the need for a Structure Plan that indicates the services to be provided by the developer, and
- ii) the financial contributions that will be required to avoid, remedy or mitigate any environmental effects associated with land development

New Greenfield areas will be introduced to the Plan by way of a variation or Plan Change or at the time of a Plan review.

Gross Building Area means the sum of the area of all BUILDINGS on a SITE as viewed vertically from above and includes all eaves and overhangs.

Gross Floor Area means the sum of the area of all floors of all BUILDINGS on a SITE measured from the outside walls on every floor and includes enclosed conservatories and enclosed decks but does not include open and covered decks.

Industrial Activity means the USE of LAND and/or BUILDINGS for the primary purpose of manufacturing, assembling, testing, fabricating, processing, packing or associated storage of goods and the servicing and repair of goods and vehicles and includes SERVICE STATIONS and TRANSPORT DEPOTS, and STORAGE OF TYRES.

Infill Development means the further subdivision and/or development of an existing site, but excluding the development areas identified in Appendix 31. (For the purposes of this Plan all sites are deemed to be existing, except those specifically identified as Greenfield or development areas).

Infrastructure means those built STRUCTURES necessary for operating and supplying NETWORK UTILITY OPERATIONS and services to the community including, but not limited to, RADIOCOMMUNICATIONS, TELECOMMUNICATIONS, natural or manufactured fuel, electricity, water, drainage, sewerage, ROADS, railway lines and airports.

Land Development and Development means any land use:

- Involving SUBDIVISION; (including all associated network utility operations required to service the subdivision); or

- Involving MULTI-UNIT DEVELOPMENT; (including all associated network utility operations required to service the multi unit development); or
- Requiring EARTHWORKS design pursuant to Chapter 52A; or
- Requiring an extension to one or more of the COUNCIL'S existing NETWORK UTILITY OPERATIONS.

LGA means the Local Government Act 2002.

Multi-Unit Residential Development in respect means any BUILDING or group or groups of BUILDINGS on the same SITE which contains, whether attached or detached, two or more HOUSEHOLDS and subject to the exceptions hereinafter listed includes all apartment buildings and flats, but shall not include any of the following:

- TRAVELLERS' ACCOMMODATION.
- staff accommodation at HEALTH CARE CENTRES or EDUCATION FACILITIES.

RMA or the Act, means the Resource Management Act 1991 and its amendments

Resource Consent has the same meaning as set out in Section 2 of the ACT.

Residential Activity means the USE of LAND and BUILDINGS (including ACCESSORY BUILDINGS such as garages, carports and storage sheds) by a HOUSEHOLD (whether any person is subject to care, supervision or not), and includes RESIDENTIAL CARE FACILITIES but does not include HOME OCCUPATIONS, or TRAVELLERS' ACCOMMODATION.

Rural Environment means any area of LAND identified in this PLAN as being included in the Main Rural, Rural Residential, Rural Commercial, Rural Conservation, Rural Settlement Jervostown or Lifestyle Character zones.

Supplementary Unit means a single bedroomed BUILDING located on the same SITE as a DWELLING UNIT, used or intended to be used solely for residential purposes and occupied or intended to be occupied as a home or residence.