

ATTACHMENTS

UNDER SEPARATE COVER 1

Ordinary Council Meeting

3 May 2024

Table of Contents

5.2	Approval of the (draft) Development Contributions Policy	
	Attachment 1 (draft) Development contributions policy	3
	Attachment 2 Extracts of legal requirements and obligations in the LGA	60



TAUPŌ DISTRICT

DEVELOPMENT CONTRIBUTIONS

POLICY 2024

TABLE OF CONTENTS	
Table of Contents	1
Adoption, application and review of the Policy	2
Revocations	2
Purpose of the Policy	3
Navigating this document	3
Definitions	5
What is a development contribution?	8
Rationale for Funding Growth through development contributions	9
Rationale for establishing catchment areas	9
The charges	10
Liability for Development Contributions	15
When development contributions are levied	15
Determining infrastructure impact	18
Review rights	21
Other Operational matters	23
Public Inspection	24
Requirement to have a policy	25
Funding summary	25
Funding policy summary	25
Catchment determination	29
Significant assumptions of the policy	29
Cost allocation	32
Calculating the development contributions	33
Schedule 1 – Forecasted Future Assets	35
Schedule 2 – Asset Constructed in Anticipation of Growth	40
Schedule 3 – Funding Model	43
Water Catchment Maps	44
Wastewater Catchment Maps	48
Reserves Catchment Maps	50

ADOPTION, APPLICATION AND REVIEW OF THE POLICY

This Development Contributions Policy (the Policy) was adopted by Taupō District Council (Council) on [insert date] with effect from [insert date]. The Policy will be reviewed on a three-yearly basis but may be updated at shorter intervals if Council considers it necessary. See the Council website: www.taupodc.govt.nz for further information.

REVOCATIONS

The Taupō District Council Development Contributions Policy 2021 is revoked when the Development Contributions Policy 2024 comes into force.

INTRODUCTION

PURPOSE OF THE POLICY

1. Population and business growth create the need for new subdivisions and developments in our District, and this growth places increasing demands on the assets and services provided by Taupō District Council (Council). As a result, significant investment in new or upgraded assets and services is required to meet the demands of growth.
2. The purpose of the Policy is to ensure that the cost of that infrastructure is funded by development with the overarching guiding principle that **“Growth-Pays-For-Growth”**. The objective is to:
 - enable Council to provide the additional infrastructure capacity required to service growth.
 - provide an integrated approach to network management when designing and delivering growth-related infrastructure activities.
 - provide a transparent method for calculating development contributions provide a consistent application of development contribution charges.
 - support the principles set out in the preamble to Te Ture Whenua Māori Act 1993.
3. Council intends to achieve these objectives by levying development contributions under the Local Government Act 2002 (LGA) for extending existing services or supplying new services in relation to transportation, water, wastewater, and reserves in the catchment areas set out in Part 3.

NAVIGATING THIS DOCUMENT

4. This Policy outlines Council’s approach to funding development infrastructure via development contributions under the LGA.
5. This Policy has three main parts:
 - Part 1: Policy operation
 - Part 2: Policy background and supporting information
 - Part 3: Catchment maps for the development contributions

PART 1: POLICY OPERATION

6. Part 1 provides information needed to understand if, when, and how development contributions will apply to developments. It also explains peoples’ rights and the steps required to properly operate the Policy.
7. The key sections of Part 1 are:
 - Definitions
 - The charges

- Liability for development contributions
- When development contributions are levied
- Determining infrastructure impact
- Review rights
- Other operational matters

PART 2: BACKGROUND AND SUPPORTING INFORMATION

8. Part 2 provides the information needed to meet the accountability and transparency requirements of the LGA for the Policy, including explaining Council's policy decisions, how the development contributions were calculated, and what assets the development contributions are intended to be used towards.
9. The key sections of Part 2 are:
 - Requirement to have the Policy
 - Funding summary
 - Funding policy summary
 - Catchment determination
 - Significant assumptions of the Policy
 - Cost allocation
 - Calculating the development contributions
 - Schedule 1 Future assets and programmes funded by development contributions
 - Schedule 2 Past assets and programmes funded by development contributions

PART 3: CATCHMENT MAPS

10. Part 3 provides the catchment maps that show where the development contributions in the Policy apply.

Part 1: Policy Operation

DEFINITIONS

11. In this Policy, unless the context otherwise requires, the following applies:

24-hour aged care facilities means rest homes providing full 24-hour care with residents requiring high levels of help and high staff ratios due to the level of care provided.

Accommodation unit means units, apartments, rooms in one or more buildings, or cabins or sites in camping grounds and holiday parks, for the purpose of providing overnight, temporary, or rental accommodation. These are distinct from commercial accommodation units or retirement units as separately defined below.

Activity means the provision of facilities and amenities within the meaning of s8 of the Infrastructure Funding and Financing Act 2020, namely water services infrastructure, transport infrastructure, community infrastructure, and environmental resilience infrastructure, and reserves.

Allotment (or lot) has the meaning given to allotment in s218(2) of the RMA.

Asset Management Plan means a Council plan for the management of assets within an activity that applies engineering and financial management techniques to ensure that specified levels of service are provided in the most cost-effective manner over the full life-cycle of each asset.

Backlog means the portion of an activity's cost or capacity required to rectify an existing service level shortfall without growth.

Capacity life means the number of years that an infrastructure activity will have spare capacity to accommodate growth in demand, including additional demand arising from developments.

Catchment Area means the areas in our District where development contributions charges are set and charged.

CBD means the Taupō Town Centre Pedestrian Precinct as per the Taupō District Plan.

Commercial Accommodation - temporarily occupied means a unit in a commercial accommodation establishment or facility that offer lodging or temporary accommodation services to paying guests or customers. Such establishments typically include hotels, motels, serviced apartments, lodges, hostels, bed and breakfasts, resorts, and other similar establishments.

Commercial Accommodation – permanently occupied means a unit in a commercial accommodation establishment or facility that is used as a permanent accommodation by paying customers or employees of that same establishment.

