

## FINANCIAL CONTRIBUTION

### Introduction

The Financial Contributions ~~Chapter~~ contains district-wide provisions that cover the situations where the Council will take financial contributions for development.

Financial contributions are contributions of money and/or land that councils can require from developers as a resource consent condition or permitted activity standard under the RMA. Financial contributions can only be taken when the purpose of the contribution is specified in a ~~D~~istrict ~~P~~lan and the level of the contribution is determined in accordance with the plan.

This chapter should be read in conjunction with APP7 Financial Contribution, which contains additional detail on why, when and how financial contributions are required and calculated.<sup>1</sup>

The Financial Contribution Chapter rules apply in conjunction with the Council's Financial Contributions Policy, which is in the Revenue and Finance Policy and part of the Council's Long-Term Plan. The Financial Contributions Policy provides regular (triennial) updates on the Council's growth capex intentions, detail and justification on the proportional allocation of this funding stream, as well as separately identifying the activities and funding allocations – as required by s-106 of the Local Government Act 2002.<sup>2</sup>

### Objectives

#### FC-O1 Funding

Timaru District's infrastructure, open space and recreation facilities are funded to meet the demands generated by subdivision, land use and development and to ensure subdivision, land use and development<sup>3</sup> does not compromise the quality of service provided to existing users.

#### FC-O2 Adverse environmental effects

Development contributes fairly and equitably towards the costs of offsetting or compensating adverse effects on the environment that are not practicable to avoid, remedy or mitigate.

### Policies

#### FC-P1 Taking of financial contributions

Financial contributions shall be in the form of cash or land or a combination of these and will be applied in a fair and equitable manner that:

1. is financially transparent; and
2. is complementary to the Council's other financial management policies; and
3. takes into account any costs incurred in taking, holding and allocating the financial contributions; and
4. is spent within a timely manner or in accordance with an infrastructure development strategy or financial contributions policy;<sup>4</sup> and
5. is spent in the locality it was collected, unless it is needed to provide a broader community or district wide service.

<sup>1</sup> Rooney Holdings Limited [174.62], GJH Rooney [191.62], Rooney Group Limited [249.62], Rooney Farms Limite [250.62], Rooney Earthmoving Limited [251.62], Timaru Developments Limited [252.62]

<sup>2</sup> Rooney Holdings Limited [174.62], GJH Rooney [191.62], Rooney Group Limited [249.62], Rooney Farms Limite [250.62], Rooney Earthmoving Limited [251.62], Timaru Developments Limited [252.62]

<sup>3</sup> TDC [42.43]

<sup>4</sup> Kāinga Ora [229.55], [229.56]

<b>FC-P2</b>	<b>Financial contributions for infrastructure and facilities</b>
<p>Financial contributions will be used to <u>mitigate the adverse effects of new and intensified development on infrastructure and</u><sup>5</sup> meet the additional needs for public infrastructure and facilities that arise from the activity and shall include financial contributions taken for:</p> <ol style="list-style-type: none"> <li>1. roading; <u>and</u></li> <li>2. streetscape improvements; <u>and</u></li> <li>3. shared pathways, cycleways and walkways; <u>and</u></li> <li>4. vehicle parking; <u>and</u></li> <li>5. EV charging spaces; <u>and</u></li> <li>6. service lanes; <u>and</u></li> <li>7. water supply; <u>and</u></li> <li>8. wastewater, including trade waste; <u>and</u></li> <li>9. stormwater; <u>and</u></li> <li>10. parks, reserves and open spaces; <u>and</u></li> <li>11. recreation facilities; <u>and</u></li> <li>12. community facilities; <u>and</u></li> <li>13. planting of indigenous vegetation.</li> </ol>	

<b>FC-P3</b>	<b>Land contributions</b>
<p>Where land is provided by way of a financial contribution it shall be suitable for the intended use and the community to be served.</p>	

<b>FC-P4</b>	<b>Financial contributions for adverse environmental effects</b>
<p><u>Financial contributions shall be used to avoid, remedy or mitigate adverse effects on the natural and physical environment which would otherwise be created by new or intensified development.</u><sup>6</sup></p>	

## Rules

**Note:** Activities not listed in the rules of this chapter are classified as a permitted under this chapter. For certain activities, consent may be required by rules in more than one chapter in the District Plan. Unless expressly stated otherwise by a rule, consent is required under each of those rules. The steps plan users should take to determine what rules apply to any activity, and the status of that activity, are provided in Part 1, HPW — How the Plan Works - General Approach.

<b>FC-R1</b>	<b>An additional residential unit or visitor accommodation activity not in a Development Area</b>
All zones not in a Development Area	<p><b>Activity status:</b> Permitted</p> <p><b>Where:</b></p> <p><b>PER-1</b></p> <p>A financial contribution has been paid for open space and recreation purposes <u>as</u> set out in a certificate provided by the Council, calculated<sup>7</sup> in accordance with APP7 - Financial Contribution; <u>or</u></p> <p><b>Activity status when compliance not achieved:</b> Restricted Discretionary</p> <p><b>Matters of discretion are restricted to:</b></p> <ol style="list-style-type: none"> <li>1. The amount of the financial contribution <u>to the adverse effects on infrastructure and the environment,</u><sup>9</sup> having regard to the following matters:</li> </ol>

<sup>5</sup> Kāinga Ora [229.55], [229.56], Rooney Holdings Limited [174.62], GJH Rooney [191.62], Rooney Group Limited [249.62], Rooney Farms Limited [250.62], Rooney Earthmoving Limited [251.62], Timaru Developments Limited [252.62]

<sup>6</sup> Kāinga Ora [229.55], [229.56]

<sup>7</sup> Kāinga Ora [229.55], [229.56]

<sup>9</sup> Kāinga Ora [229.55], [229.56]

**PER-2**

The certificate issued by Council, calculated in accordance with APP7 – Financial Contribution confirms that no financial contribution is payable.<sup>8</sup>

- a. ~~T~~the purpose of the contribution and any matter in APP7 - Financial Contribution; and
- b. ~~T~~the extent to which the proposed development is a replacement or modification of existing development on the site, which was of a greater or similar intensity and scale; and
- c. ~~T~~the extent to which the proposal will lead to the enhancement of the natural and physical environment by:
  - i. protecting or enhancing amenities, habitats, ecosystems, landscape features, archaeological sites, cultural values or historic heritage features; and
  - ii. mitigating, reducing or avoiding land use activity or subdivision impacts on sensitive parts of the natural or physical environment; and
  - iii. giving public access to esplanade areas, areas of indigenous vegetation or habitats, historic heritage features or natural landscape features; and
  - iv. creating open spaces, landscaping, recreation areas or facilities or amenity areas additional to those required by the District Plan; and
- d. ~~T~~the extent to which the developer is creating or retaining a natural or physical resource to be used for any of the purposes in (c) beyond that required to meet District Plan or other statutory requirements; and
- e. ~~T~~the extent with which previous provision has been made for open space and recreation area purposes on an earlier development of the same land; and

<sup>8</sup> Kāinga Ora [229.55], [229.56]

		<p>f. <del>T</del>the extent to which the proposal will create a demand on open space and recreation areas; <u>and</u></p> <p>g. <del>T</del>the extent to which it is appropriate to take a financial contribution at a later date in a further stage of a project, secured by way of consent notice or legal agreement.<sup>10</sup></p> <p>h. The fairness and reasonableness of the financial contribution.<sup>11</sup></p>
FC-R2	<p><b>New <u>non-residential buildings</u> or additions to <u>non-residential commercial</u><sup>12</sup> buildings with an increase in floor area over 50m<sup>2</sup>, or a new residential unit <u>or visitor accommodation activity</u><sup>13</sup></b></p>	<p><b>Activity status: Controlled Permitted<sup>14</sup></b></p> <p><b>Where:</b></p> <p><b>PER-1</b> A financial contribution has been paid as set out in a certificate provided by the Council, calculated in accordance with APP7 - Financial Contribution.<sup>15</sup> or</p> <p><b>PER-2</b> The certificate issued by Council, calculated in accordance with APP7 – Financial Contribution confirms that no financial contribution is payable.<sup>16</sup></p> <p><b>Activity status when compliance not achieved: Not applicable Restricted Discretionary<sup>17</sup></b></p> <p><b>Matters of Control discretion are restricted to:</b></p> <ol style="list-style-type: none"> <li>1. The amount of the financial contribution <del>T</del>the adverse effects on infrastructure and the environment.<sup>18</sup> having regard to the following matters: <ol style="list-style-type: none"> <li>a. <del>T</del>the purpose of the contribution and any matter in APP7 - Financial Contribution; <u>and</u></li> <li>b. <del>T</del>the benefit that may accrue to other properties or the public as a result of the financial contribution; <u>and</u></li> <li>c. <del>T</del>the extent to which the proposed development is a replacement or modification of existing development on the site, which was of a greater or similar intensity and scale; <u>and</u></li> </ol> </li> </ol>

<sup>10</sup> Kāinga Ora [229.55], [229.56]

<sup>11</sup> [Panel Decision Report Part 5, Section 5.5](#)

<sup>12</sup> Kāinga Ora [229.55], [229.56]

<sup>13</sup> Kāinga Ora [229.55], [229.56]

<sup>14</sup> Kāinga Ora [229.55], [229.56]

<sup>15</sup> Kāinga Ora [229.55], [229.56]

<sup>16</sup> Kāinga Ora [229.55], [229.56]

<sup>17</sup> Kāinga Ora [229.55], [229.56]

<sup>18</sup> Kāinga Ora [229.55], [229.56]

d. ~~T~~the extent to which the proposal will lead to the enhancement of the natural and physical environment by:

- protecting or enhancing amenities, habitats, ecosystems, landscape features, archaeological sites, cultural values or historic heritage features; and
- mitigating, reducing or avoiding land use activity or subdivision impacts on sensitive parts of the natural or physical environment; and
- giving public access to esplanade areas, areas of indigenous vegetation or habitats, historic heritage features or natural landscape features; and
- creating open spaces, landscaping, recreation areas or facilities or amenity areas additional to those required by the District Plan; and

e. ~~T~~the extent to which the developer is creating or retaining a natural or physical resource to be used for any of the purposes in (1.d) beyond that required to meet District Plan or other statutory requirements; and

f. ~~T~~the extent with which previous provision has been made for open space and recreation area purposes on an earlier development of the same land; and

g. ~~T~~the extent to which the proposal will create a demand on open space and recreation areas and whether the amount of the contribution should be reduced accordingly; and

h. ~~T~~the extent to which it is appropriate to take a financial contribution at a later date in a further stage of a project, secured by way of consent

		<p><u>notice or legal agreement;</u> and<sup>19</sup></p> <ul style="list-style-type: none"> <li>i. <u>whether there is the provision for ongoing and secured public access that is considered to be part of a strategic network over private land where it otherwise would not occur.</u><sup>20</sup></li> <li>j. <u>The fairness and reasonableness of the financial contribution.</u><sup>21</sup></li> </ul>
FC-R3	<p><b>Subdivision</b></p> <p><b>All zones</b></p> <p><b>Activity status: Controlled Permitted</b><sup>22</sup></p> <p><b>Where:</b></p> <p><b>PER-1</b>  <u>A financial contribution has been paid as set out in a certificate provided by the Council, calculated in accordance with APP7 – Financial Contribution;</u><sup>23</sup> or</p> <p><b>PER-2</b>  <u>The certificate issued by Council, calculated in accordance with APP7 – Financial Contribution confirms that no financial contribution is payable.</u><sup>24</sup></p>	<p><b>Activity status when compliance not achieved: Not applicable Restricted Discretionary</b><sup>25</sup></p> <p><b>Matters of Control discretion are restricted to:</b></p> <ol style="list-style-type: none"> <li>1. The amount of the financial contribution <del>the adverse effects on infrastructure and the environment</del><sup>26</sup> having regard to the following matters: <ol style="list-style-type: none"> <li>a. <del>the purpose of the contribution and any matter in APP7 - Financial Contribution;</del></li> <li>b. <del>the benefit that may accrue to other properties or the public as a result of the financial contribution;</del></li> <li>c. <del>the extent to which the proposed development is a replacement or modification of existing development on the site, which was of a greater or similar intensity and scale;</del></li> <li>d. <del>the extent to which the proposal will lead to the enhancement of the natural and physical environment by:</del> <ol style="list-style-type: none"> <li>i. protecting or enhancing amenities, habitats, ecosystems, landscape features, archaeological</li> </ol> </li> </ol> </li> </ol>

<sup>19</sup> Kāinga Ora [229.55], [229.56]

<sup>20</sup> Kāinga Ora [229.55], [229.56]

<sup>21</sup> [Panel Decision Report Part 5, Section 5.5](#)

<sup>22</sup> Kāinga Ora [229.55], [229.56]

<sup>23</sup> Kāinga Ora [229.55], [229.56]

<sup>24</sup> Kāinga Ora [229.55], [229.56]

<sup>25</sup> Kāinga Ora [229.55], [229.56]

<sup>26</sup> Kāinga Ora [229.55], [229.56]

	<p>sites, cultural values or heritage features;</p> <p>ii. mitigating, reducing or avoiding land use activity or subdivision impacts on sensitive parts of the natural or physical environment;</p> <p>iii. giving public access to esplanade areas, areas of indigenous vegetation or habitats, heritage features or natural landscape features;</p> <p>iv. creating open spaces, landscaping, recreation areas or facilities or amenity areas additional to those required by the District Plan;</p> <p>e. <del>the extent to which the developer is creating or retaining a natural or physical resource to be used for any of the purposes in (1.d) beyond that required to meet District Plan or other statutory requirements;</del></p> <p>f. <del>the extent with which previous provision has been made for open space and recreation area purposes on an earlier development of the same land;</del></p> <p>g. <del>the extent to which the proposal will create a demand on open space and recreation areas and whether the amount of the contribution should be reduced accordingly.</del></p> <p>k. <del>the extent to which it is appropriate to take a financial contribution at a later date in a further stage of a project, secured by way of consent notice or legal agreement.<sup>27</sup></del></p> <p>h. <del>whether there is the provision for ongoing and secured public access that is considered to be part of a strategic network over private land where it otherwise would not occur.<sup>28</sup></del></p> <p>i. <span style="background-color: green;">The fairness and reasonableness of the financial contribution.<sup>29</sup></span></p>
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<sup>27</sup> Kāinga Ora [229.55], [229.56]

<sup>28</sup> Kāinga Ora [229.55], [229.56]

<sup>29</sup> [Panel Decision Report Part 5, Section 5.5](#)

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