

- (b) There are legal and practical limitations to the use of rates to recover the cost of growth. The rates revenue sought by a local authority in any year from uniform annual general charge and targeted rates set on a uniform basis or as a fixed amount must not exceed 30% of total rates revenue. Although this limit does not apply to targeted rates that are solely for water supply or sewerage disposal it severely constrains Council's ability to recover the cost of growth, in relation to all types of community facilities.
- (c) Targeted rates are borne by the future ratepayers and not by the developers. Use of targeted rates to fund this sort of expenditure may not therefore lead to efficient decision-making by developers.
- (d) The use of borrowing to fund the cost of growth also involves rates increases to meet debt servicing needs. Any borrowing to fund the cost of growth will limit the ability to borrow for other eventualities. There is always natural concern to ensure the maintenance of prudent debt levels.

The philosophical basis for requiring payment of development contributions is the economic principle that costs should be borne by those parties who cause the need for such costs. That approach encourages the efficient allocation of resources in the City. If developers are aware of the cost of the community facilities required for new developments in advance they can take those costs into account when making development decisions.

Development contributions are therefore considered to be the best means available to allocate the costs of growth. Existing ratepayers will still have to face the additional costs arising from increased depreciation and operating expenditure arising from the new facilities.

Council's Revenue and Financing Policy does however provide for other forms of funding (generally through borrowing) where the level of development contributions will not cover the full cost.

5. DEVELOPMENT CONTRIBUTIONS OR FINANCIAL CONTRIBUTIONS

Prior to the passing of the Resource Management Act in 1991, the Council collected financial contributions to fund some costs of growth in relation to community facilities under sections 283, 285, 286, 289, 291, 292, 321A and 322 of the Local Government Act 1974 (LGA 74). Following the repeal of those sections by the RMA, the Council continued to require financial contributions for similar purposes in reliance upon the transitional provisions contained in sections 407 and 409 of the RMA. When the Council's District Plan was notified it included a financial contributions chapter which included a proposed financial contributions framework for community facilities. There was also a framework for the taking of financial contributions to mitigate other environmental effects of development activity.

There were submissions, and later appeals, lodged against the proposed financial contribution provisions in the District Plan relating to community facilities which raised major issues about the approach adopted by the Council. These appeals had not been resolved at the time of introduction of the LGA02, which introduced the alternative of development contributions as a means of recovering costs for the costs of growth relating to community facilities. In Council's view, the development contribution provisions of LGA 02 provided a better mechanism to resolve the issues highlighted in the District Plan appeals.

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The Council has therefore decided to recover costs of growth relating to community facilities through development contributions rather than financial contributions. Financial contributions will however continue to be taken as conditions of resource consents granted under RMA to mitigate any other effects. Developers will also be required to provide infrastructure and services which are internal to the development in accordance with the requirements of the District Plan and the powers under RMA to impose appropriate conditions of consent, including conditions requiring the developer to provide works and services.

6. REQUIREMENT FOR DEVELOPMENT CONTRIBUTION

Council will require development contributions to be paid, to fund the capital expenditure which the Council expects to incur to meet the increased demand for community facilities resulting from growth occasioned by development. This Policy identifies the capital expenditure resulting from growth contained within the LTCCP 2006, by activity, and sets out the basis upon which that capital expenditure is to be recovered, through the appropriate application of units of demand, for each activity or group of activities, within each catchment. Changes in forecasts of costs, or of demand arising from growth, will be captured in each 3 yearly review of the LTCCP of this Policy and may be captured more frequently if Council elects to undertake more frequent reviews.

7. METHODOLOGY

The following is a summary of methodology adopted to calculate development contributions for community facilities, other than reserves:

- (a) Calculate the capital expenditure to be incurred in relation to that activity over the period of the LTCCP 2006 distinguishing between renewals, backlog, improved level of service, and capital expenditure attributable to growth (see the table in Appendix 2)
- (b) Subtract other sources of external funding and subsidies
- (c) Identify the relevant catchment area
- (d) Establish the cost of growth for that catchment area, distinguishing between residential and non-residential demand.
- (e) Convert the identified cost of growth rates to units of demand, either household units (HH) or household equivalent units (HEU)
- (f) Divide the capital expenditure attributable to growth by the total number of household units and household equivalent units for each catchment to determine the appropriate rate of contribution for that activity..

The full methodology for each activity is contained in the asset worksheets.

Development contributions for reserves are based on the value of land.

8. PLANNING TIMEFRAME

This policy is based on the ten year time frame of the LTCCP, and the principle that costs triggered by growth over that period should be both allocated to, and recovered within, the 10 year period. However, in some cases it is more efficient to build assets of greater capacity, which will either extend physically, or in capacity, beyond immediate needs and the time frame of LTCCP 2006. Council's activity plans are accordingly based on the useful life of the asset. Council accepts that it may have to act as banker

and recover costs over time from later development. Any costs incurred in anticipation of growth in later years (i.e. outside that 10 year period) will be allocated to and recovered in those later years, subject however to a maximum total recovery period of twenty years.

9. GROWTH STUDIES

This Policy is based on the capital expenditure required for growth as identified in the LTCCP 2006, which in turn is based on the urban development strategy, current growth management assessments, concept plans, structure plans, activity plans, Codes of Practice and other strategies that Council has adopted. Taken together, these planning tools provide an initial estimate of the growth in expenditure required to meet Waitakere City Council's commitments in the Regional Growth Strategy (1999) and Northern and Western Sector Agreement (2001).

The Waitakere City Population Projections (Version 11 - 31 May 2005) have provided the basis for the projected population figures used in this Policy. Some activities have used figures updated from the Census 2001 which indicated a lower actual figure than the projections. However, Council takes the view that the population will continue to rise (even if at varying rates over time) and accordingly it is more efficient and economically sensible to use a median to high growth figure for assessing future demand for community facilities. Any major variance between the projections made and the actual figures of growth will be assessed at each 3 yearly review of this Policy with adjustments made where appropriate.

10. PROJECTED GROWTH

Selections from the population projections for Waitakere City under the High Growth Scenario as used in the Waitakere City Population Projections are contained in the table below

Year	Population	Growth/year	Households	Growth/year	Occupancy
2003	185,600		61,421		3.02
2006	199,751	4,717	66,991	1,857	2.98
2011	217,387	3,527	74,770	1,556	2.91
2016	235,242	3,571	82,803	1,607	2.84
2021	253,297	3,611	90,997	1,639	2.78
2051	351,434	3,271	132,359	1,379	2.66

Total projected population growth over the ten year period of the 2006-16 LTCCP is 35,491, accompanied with an increase in households of 15,812.

The average household size is falling, due not only to new dwellings having lower occupancy rates, but also to falling occupancy rates of existing dwellings. The period-end (2016) average of 2.8 has been used for this policy.

11. CAPITAL EXPENDITURE AND FUNDING

A summary of the total capital expenditure identified in LTCCP 2006, the proportion of that expenditure attributable to growth and possible funding sources is set out in Appendix 1.

The capital expenditure indicated in LTCCP 2006 includes prospective financial information derived from best available knowledge at the time of preparation of that plan and represents Council's estimation of the expenditure that will be incurred.

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Prospective financial information can be either a forecast or a projection. A forecast is based on assumptions which the Council reasonably expects to occur whereas a projection is based on one or more hypothetical but realistic assumptions. This prospective financial information is a forecast and has been prepared on the basis of assumptions as to future events that the Council reasonably expects to occur, associated with the actions it reasonably expects to take as at the date the forecast was prepared.

Planning work which will both inform and affect estimation of future costs of growth is ongoing. Any revision of the costs of growth will be reflected in subsequent LTCCPs, Activity Plans and the Schedules to this policy.

12. PRINCIPLES AND ASSUMPTIONS

The following principles and assumptions have been adopted in the formulation of this Policy:

- where capital expenditure is required to be made in advance to meet growth demand, those costs will be recovered over time
- The appropriate levels of service are those used in the LTCCP 06 and associated activity plans. Where an increased capacity is required to meet the demands of an increasing population (for example where more park infrastructure is required in an established urban area) while maintaining the current level of service, then that additional capacity is for growth and will be funded by development contributions
- where a backlog of work exists, and current assets do not meet agreed levels of service, capital expenditure incurred achieving agreed levels of service for the existing population will be excluded from the capital expenditure to be funded by development contributions. However, if undertaking the backlog work increases the capacity of the infrastructure in order to facilitate growth, then the identified cost of the increased capacity component will be included as part of the expenditure to be funded by development contributions.
- Where renewals of infrastructure will provide extra capacity to cater for growth, the extra capacity component will also be funded by development contributions. This applies particularly to the wastewater renewal budgets, but also to other asset types.
- Contributions will not applied to meeting any depreciation or operating costs, including maintenance, of the community facility for the contribution was required.
- Provision should be made to reflect the likely consequences of inflation on the level of capital expenditure over time.
- Revenue generated from rates and other funding sources will be sufficient to meet the increase in depreciation and operating costs generated by the increasing level of capital expenditure into the future;
- Depreciation and operating expenditure will be allocated across the rating base of the city;
- All subsidies will continue at present levels or as forecast.
- Post-construction interest costs of capital are not included as part of the capital expenditure.

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13. CATCHMENTS

In most cases citywide catchments are used. They have been adopted for the following reasons:

- They are administratively efficient;
- Dividing the city into smaller catchments can result in a disproportionate increase in costs for those areas which require significant infrastructure before growth can occur;
- Changing patterns of urban growth may result in capital expenditure for smaller catchments remaining unfunded in whole or in part catchment basis for smaller catchment areas could be uncertain.
- The difference in rate of contribution between small catchments and large catchments was in many cases negligible.

Those catchment areas which are not citywide have been derived from geographical, historical or environmental features. Examples of this are natural stormwater catchment areas, or existing infrastructure networks such as those for water supply.

Catchment plans are attached at Appendix 3

14. UNITS OF DEMAND

The unit of demand adopted the purposes of section 203(2) of LGA 02 is the household unit for residential purposes, or its equivalent for all other non-residential purposes. The household unit is a reasonable proxy for most types of growth and for calculating the effects of that growth. It is easy for people to understand and provides a more efficient method than attempting to assess growth on a case-by-case basis. It provides a consistent method of assessing the cost of growth across the city.

(a) Land and Buildings to Be Used for Residential Purposes (Household Unit)

A household unit (HH) is taken as a residential unit a standardised occupancy of 2.8 persons. This is consistent with the figures used for most regional planning initiatives. Large dwellings on the one hand, and minor household units, smaller dwellings or other residential units on the other hand, are all treated as one household unit notwithstanding that the rate of occupancy may be above or below 2.8 persons. There is no absolute correlation between the size of a residential unit and the number of occupants. The only certainty is that any use of land for residential purposes will contribute, to one degree or another, to the need for community facilities. A development contribution is not charged when a dwelling or a minor household unit, smaller dwelling or other residential unit is subsequently altered or extended to allow for increased occupancy.

(b) Land and Buildings to Be Used for All Other Non-Residential Purposes (household equivalent unit)

For non-residential purposes, demand is calculated separately for each activity, and converted to household equivalent units ("HEU"). The exception is stormwater, where demand is calculated based on impermeable surface area.

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For all activities other than stormwater, the householder equivalent unit of demand is assessed:

- on a development, having regard to the gross floor area of the building for which a resource consent, building consent or resource consent is sought;
- on a subdivision, having regard to the maximum gross floor area of a notional development on each lot at maximum site coverage as a permitted activity under the district plan or (where a resource consent is required from any development) the most likely maximum site coverage that would be approved on an application for a resource consent for a discretionary activity on that lot; and

by comparing the demand for community facilities per square metre of gross floor area as with the typical demand from one household unit

(c) **Reserves**

Rather than using units of demand, the assessment of the rate of contribution for reserves is based on value of land in accordance with section 203(1) of LGA 02.

The need for reserves within the City was assessed in the Waitakere City Council Parks Strategy completed in 2005. The assessment analysed historical rates of development, the rate at which land was historically vested for reserves at the time of subdivision or development, the level of demand which would be generated by new development based on the growth model and estimated the level of future expenditure it is very to fund a land purchase programme to meet that identified demand.

Prior to the commencement of this policy the Council collected reserve contributions under the RMA, at the rate of 6% of land value of additional allotments created at the time of subdivision or on a value equivalent of 20 square metres of land breach additional household unit at the time of development. The analysis work undertaken in the Parks Strategy indicated that continuing to take contributions at those rates was appropriate to fund the spending needs identified in the Strategy. The 6% rate is less than the statutory maximum permitted under section 203(1) and LGA 02. The value equivalent of 20 square metres of land is the maximum permitted under that section for contributions to reserves at the time of development.

15. SCHEDULES TO THE POLICY

The development contributions charging schedule appears in Section 7 Schedule A, and identifies the amount of the contribution for each activity for each catchment. The explanation of the basis for Schedule A, appears in the supporting worksheets for each asset group. Schedule A includes an identification of each activity or group of activities for which a development contribution will be required and a calculation of the amount to be funded by development contributions. Details of the methodology and calculation worksheets are available from the Council on request through the Council's Call Centre (phone 839 0400), at the Civic offices and from the Council's website www.waitakere.govt.nz.

Schedule B contains the contributions for existing works (ie past projects with residual capacity) showing the historical cost of those projects and the proportion of cost allocated to growth and to be funded by a development contribution.

Schedule C sets out the process for the taking of contributions.

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16. JUSTIFICATIONS FOR CALCULATIONS

The basis for the level of contributions is the expected cost of growth in the city. The cost for each household unit or household equivalent unit will be assessed as indicated in Schedules A and B.

17. CONTRIBUTIONS FOR WORKS ALREADY IN PLACE.

Where assets have been planned and developed to provide for future growth in the City and still have capacity to cater for growth, development contributions will be required to be paid in respect of that residual excess capacity. This will apply particularly for roading projects with a citywide use, and for community infrastructure. The details including schedules of capacity and cost are contained in Schedule B (Contributions for existing works schedule).

18. COUNCIL DEVELOPMENTS

If the Council needs to obtain a resource consent, building consent or services connection for the purpose of constructing a community facility which will be funded, in whole or in part, by a development contribution then a development contribution will not be levied, since the charging of a contribution in those circumstances will not result in the generation of additional funding. It will only result in an internal transfer from one account to another.

Any other development undertaken by the Council, or other Council related parties will be subject to the development contributions regime in the same manner as if the development was being undertaken by a third party.

19. DEVELOPER AGREEMENTS

Circumstances may arise where developers and the Council have a common expectation in relation to development objectives, but for one reason or another a developer wishes to proceed more quickly than the Council is able or willing to proceed. This will most commonly arise in the circumstances of green fields development involving a discrete catchment where a mistiming occurs between the need for expenditure and the budgeting of funding (including funding by subsidy) for that expenditure and it is evident that the best interests of the developer, the Council and the community will be served by proceeding more quickly. If the catchment is a large one there may be more than one developer wishing to proceed.

In those circumstances the Council will be prepared to negotiate with a developer to enter into an agreement ("developer agreement") under which the developer will accept physical and financial responsibility for construction of community facilities on the basis that the developer will be reimbursed for capital expenditure made from development contribution levies received from future developers in the same catchment over time, or on some other alternative basis. Community facilities provided by a developer pursuant to a developer agreement will need to meet the Council's requirements in relation to the specifications for and pricing OF that work.

20. REQUIREMENT FOR AND TIMING OF CONTRIBUTIONS

(a) Financial Contribution - timing

- (i) Council may require a financial contribution to be paid at the time of granting a resource consent as a condition imposed under s108(2)(a) RMA. A financial contribution will only be required to address the effects of the development and may not be taken in respect of any matter for which a development contribution is required under this Policy.

- (ii) The quantum of a financial contribution will be assessed as a condition of the resource consent and is subject to the objection and appeal processes set out in RMA.

(b) Development Contribution - timing

- (i) Council will require development contributions to be paid when granting either:
- A resource consent under RMA;
 - A building consent under the Building Act 1991; or
 - An authorisation for a service connection.
- (ii) A development contribution required at the time of granting a resource consent or a building consent is not imposed as a condition of either consent and is not therefore subject to the objection and appeal processes set out in RMA or the determination procedures set out in the Building Act 2004.
- (iii) The quantum of the development contributions will be assessed in accordance with the policy schedules applicable at the date of payment of the development contribution. Credits may be allowed in accordance with the provisions of this Policy.

21. ASSESSMENT OF DEVELOPMENT CONTRIBUTIONS

(a) Development Contributions (other than reserves) on Subdivision

- (i) Contributions will be assessed on the basis the number of lots created by the subdivision by applying the appropriate unit of demand as follows:
- For land intended to be used for residential purposes, on the basis of 1 household unit (HH) per lot. Where a lot is of sufficient size to accommodate more than a residential unit the subdivider may elect to prepay the development contribution for the other unit or units but otherwise any shortfall will be picked up at the time of resource consent, building consent or services connections for the additional units.
 - For land intended to be used for any other purpose, on the basis of the number of household equivalent units (HEUs) assessed for each lot. This assessment will be made on the basis of the notional development of a single storey building at maximum site coverage as a permitted activity under the district plan or (where a resource consent is required for any development) the most likely maximum site coverage that would be approved on an application for a resource consent for a discretionary activity on that lot.
- (ii) When assessing the number of lots created by a subdivision no account will be taken of lots shown on the subdivision plan for road, reserve, utilities or access purposes.

- (iii) If there are existing buildings on the land which it is proposed to subdivide, and those buildings were constructed under a building consent application received by the Council prior to 30 June 2004, a deemed credit will be given for each existing building as follows:
- In respect of land intended for residential use, a credit of 1 household unit for each existing dwelling (but excluding any minor household unit) which is capable of occupation and was lawfully erected on the land at the date of receipt of the application for subdivision consent.
 - In respect of all other land, a credit for the actual household equivalent unit assessed to those buildings.
- (iv) If there are existing buildings on the land which it is proposed to subdivide, and development contributions have previously been paid at the time of building consent or services connection consent, credit will be given for the number of households (HH) or household equivalent units (HEU) for which development contributions were paid. When the number of households (HH) or household equivalent units (HEU) assessed at the time of subdivision exceeds the number paid for at the time of development, then a development contribution will be payable for the shortfall. When the amount of the contribution paid at the time of development exceeds the amount assessed at the time of subdivision, no refund will be given.
- (v) When assessing contributions for stormwater for all land other than residential land, the contribution may, at Council's discretion, be assessed at 50% of the assessed household equivalent unit to encourage innovation in stormwater mitigation design at the time of development when the balance assessed on the basis of the actual development will become payable.

(b) Development contributions (other than reserves) on development

- (i) Contributions will be assessed on the basis of the actual development being undertaken. No regard will be had to existing buildings, only the new, additional or extended buildings. In the case of an extension or addition to an existing residential dwelling, or the erection of a garage, carport or sleepout no development contribution will be payable if the building or group of buildings on that land continues to fall within the definition of a "dwelling" in the district plan (essentially a place of residence for one housekeeping unit of not more than 8 people).
- (ii) If the lot upon which the development is occurring has no buildings erected upon it, and was subdivided pursuant to a subdivision consent application received by the Council prior to 30 June 2004, then a deemed credit will be given on all applications for building consent or services connection received by 30 June 2007 as follows:
- In respect of a lot intended for residential use, a credit of 1 household unit per lot.
 - In respect of all other land, a credit of 1 household equivalent unit per lot.

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- (iii) If the lot upon which the development is occurring has no buildings erected upon it and was subdivided pursuant to a subdivision consent granted by the Council in the 3 year period preceding the date upon which the resource consent, building consent or services consent application was received credit will be given for the household unit or household equivalent units for which a development contribution was paid at the time of subdivision in respect of that lot. If the application is received after the expiry of 3 years, credit will only be given for the actual dollar amount paid.
- (iv) When the number of household units (HH) or household equivalent units (HEU) assessed at the time of development exceeds the number, if any, of units for which development contributions were paid at the time of subdivision, then a development contribution will be payable for the shortfall. When the amount of the contribution paid at the time of subdivision exceeds the amount assessed at the time of development, no refund will be given.

(c) **Credits for past financial contributions**

Where a financial contribution has been paid for community infrastructure under a cost sharing scheme established under LGA 74 and/or has been recovered under the transitional provisions of RMA and the Council considers, in its discretion, that it is appropriate to give a credit for all or part of that financial contribution, the credit to be allowed will be the actual, or the proportionate, dollar amount paid.

(d) **Credits for land outside the MUL**

Where the land being subdivided or developed is land which was located outside the metropolitan urban limit ("MUL") on 1 July 2004, and a development contribution was paid in respect of a subdivision or development of that land prior to the commencement of this policy then the credit to be allowed for the previous contributions paid will be the actual dollar amount paid (rather than a credit for a household units or household equivalent units, as appropriate),

(e) **Development contributions for reserves on subdivision**

- (i) The development contribution for reserves will be paid in an amount equal to 6% of the market value of each additional lot created by the subdivision. The market value of each additional lot will be assessed by a registered valuer retained by the Council, at the expense of the subdivider, at the time of payment of the contribution (being not later than the date upon which a certificate is issued under section 224(c) RMA).
- (ii) A development contribution for reserves is payable upon a subdivision of all classes of land within the City irrespective of the use to which that land is put. Where the land subdivided is intended for residential purposes the amount paid on subdivision for each lot will, for the purposes of levying development contributions for reserves on development, be treated as having been paid for one household unit to be erected on that lot.
- (iii) If the land being subdivided has a residential building upon it and a development contribution for reserves was paid at the time of construction of that building in accordance with the terms of this policy or any predecessor of this policy, the credit for the underlying lot must be allocated to the lot upon which the building is located.

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- (iv) If the land being subdivided has more than one residential building upon it in respect of development contributions were paid at the time of construction of each of those buildings in accordance with the terms of this policy or any predecessor of this policy, no development contribution for reserves will be payable for each lot upon which each of those residential buildings is located. The credit for the underlying lot must however be allocated to a lot upon which one of those buildings is located.
- (v) in any case where land is subdivided and the district plan:
- requires that the minimum allotment size is 2000 square metres or more and
 - imposes restrictions on bush clearance or other limitations upon further development on the balance of the site

and it would be unfair or reasonable for a development contribution to be calculated on the basis of the market value of the whole site the Council may, in its discretion, elect to calculate the development contribution for reserves on the basis of a residential curtelage not exceeding 800 square metres in area.

- (vi) For the purpose of calculating the number of additional lots created by the subdivision:
- no account will be taken of lots shown on the subdivision plan for road, reserve, utilities or access purposes
 - credit will only be given for multiple underlying lots to the extent that each lot was held in a separate certificate of title, or was capable of being held in separate certificates of title under s 226 RMA other than a certificate of title issued under s72 of the Land Transfer Act 1952.

(f) **Development contributions for reserves on development for residential purposes**

- (i) A development contribution for reserves on development will be paid in an amount equal to the market value of 20 square metres of land within the development for each new or additional household unit created by the development. The market value of the 20 square metres of land will be assessed by registered valuer retained by the Council, at the expense of the subdivider at the time of payment of the contribution (being not later than the date specified for commencement of a land use consent or upon application for services connection or issue of a code compliance certificate under the Building Act 2004, as the case may require).
- (ii) A development contribution for reserves is only payable in respect of the development of buildings intended to be used for residential purposes. Where the buildings are to be used for mixed residential/non-residential purposes then every residential unit within the development will be deemed to be an additional household unit for the purpose of calculating the amount to be paid.

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- (iii) If a development contribution for reserves was paid at the time of subdivision of the land upon which the development is to occur, whether as a financial contribution levied under LGA 74 or under the transitional provisions of the RMA or as a development contribution under this policy or any predecessor policy, a credit will be given for the dollar value amount of the reserves contribution paid at the time of subdivision.

(g) **Vesting of land for reserves**

- (i) Land may only be vested for reserve upon a subdivision or upon a development of land and buildings for residential purposes with the prior agreement of the Council, in its discretion. A developer wishing to vest land for reserves should consult with the Council before submitting a subdivision, resource consent, building consent or services connection application.
- (ii) The Council may not agree to give a credit against the amount of the development contribution for reserves if the reserve which it is proposed to vest is surplus to the Council's requirements for reserves in that locality or is inappropriately sized and/or located.
- (iii) If Council agrees to give a credit for land to be vested that credit will only be allowed on a market value basis (rather than on an area basis), determined at the same time and in the same manner as for the calculation of the amount of the development contribution for reserves.

(h) **Mixed Use Subdivisions or Developments**

Where land in a subdivision, or buildings or parts of buildings in a development, are intended to be used for both residential and other non-residential purposes development contributions will be assessed by first identifying the residential elements of the subdivision or development before proceeding to calculate household equivalent units for the balance of the subdivision or development to be used for other purposes.

(i) **Record Keeping**

Council will keep a record of the basis of assessments and payments made, under this policy. LIM reports will include details of development contributions paid, to the extent that this is reasonably practicable.

22. PAYMENT

(a) **Subdivisions**

A financial contribution or development contribution required on subdivision must be paid prior to the issue of a certificate under s.224(c) RMA.

(b) **Financial contribution on development**

A financial contribution on development must be paid in accordance with the conditions of any resource consent required for that development or required by a rule in the district plan.

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(c) **Development contributions on development**

- (i) A development contribution on development must be paid:
- where a land use consent under RMA is required, prior to commencement of the consent pursuant to s208(a)(ii)LGA 02. In this case Council may also withhold issue of a building consent under s35(1A) of the Building Act 1991 until the contribution is paid;
 - where the development is permitted under the district plan and a building consent is required, prior to issue of the building consent. The Council may refuse to issue a Code Compliance Certificate under s43 of the Building Act 1991 pursuant to s208(b) LGA 02 until the contribution is paid;
 - where the development is permitted under the district plan and a building consent is not required, prior to making the services connection , pursuant to s208(c) LGA 02.

(d) **Security for unpaid contributions**

- (i) Council may require a bond to secure payment of financial contributions as a condition of a resource consent pursuant to s.108(2)(b) and s108A RMA, or under s.222(1) and (3) RMA.
- (ii) Council may register a statutory land charge under the Statutory Land Charges Registration Act 1928 to secure payment of development contributions pursuant to s.208(d) LGA 02.

23. POSTPONEMENT, REMISSIONS AND REFUND

(a) **Postponement**

The Policy does not provide for postponements of payment, but Council may review this in the future. The next review will be as part of the preparation of the Development and Financial Contributions Policy to be operative from 1 July 2009.

(b) **Remissions**

- (i) The Council will not entertain applications for remission of development contributions on the ground of financial hardship, or upon the charitable or benevolent status of the subdivider or developer.
- (ii) The Council will consider an application for remission of development contributions where the subdivider or developer intends to undertake works or to provide community facilities within the subdivision or development which will vest in the Council and will directly or indirectly reduce the demand for, or cost to Council of, other community facilities which would otherwise have to be funded by development contributions. A remission will not be granted unless:
- the application for admission is made and approved prior to commencement of construction of the facilities in respect of which remission is sought;

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- the amount of the remission to be granted has been agreed prior to the commencement of work;
- the facilities are constructed in accordance with plans and specifications approved by the Council prior to the commencement of work; and
- appropriate arrangements are in place to secure performance of the developers or subdividers obligations in relation to completion of the works and the vesting of at the same in the Council.

(c) **Refund**

Refunds will be made in accordance with the provisions of s209 and 210 LGA02, copies of which are attached at Appendix 4 .

ATTACHMENTS

Schedule A

Schedule B

Schedule C

Appendix 1 (NORSGA maps)

Appendix 2 Capital Expenditure Summary (2003 version below)

Appendix 3 (Catchment plans)

Appendix 4 (legislation)

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APPENDIX 2 - [TO BE UPDATED]

Table 1 - Long Term Council Community Plan Capital Expenditure Summary

The amounts to be recovered as Development Contributions and Financial Contributions are considered to be initial projections as at 28 April 2004 and will be further amended by consultation, ongoing financial analysis and modelling before adoption by 30 June 2004.

Capital Expenditure 2003 to 2013

Network Infrastructure	\$000's	Growth Funded from Development Contributions	Percent	Funded from Financial Contributions	Percent
Network Infrastructure					
Wastewater	97,205	65,223	67.10	-	-
Stormwater	107,073	19,866	18.55	7,500	7.00
Water Supply	44,662	5,060	11.33	-	-
Roading	170,596	34,857	20.43	-	-
Community Infrastructure					
Parks	2,160	-	-	-	-
Community Infrastructure on Parks	48,403	1,657	3.42	22,582	46.65
Libraries	18,432	2,569	13.94	-	-
Urban & Rural Villages	83,762	7,739	9.24	168	0.20
Cemetery	4,969	139	2.80	-	-
Transport	12,693	9,693	76.36	-	-
Leisure Services	5,538	4,642	83.82	10	0.18
Other	54,717	-	-	-	-
Total	650,210	151,445	23.29	30,260	4.65
Funded as Follows:					
	Adopted LTCCP	Change		Revised LTCCP	Percent
Debt	312,841	(98,044)		214,797	33.04
Rates	179,274	-		179,274	27.57
Financial Contributions	30,260	-		30,260	4.65
Other External Sources	28,232	-		28,232	4.34
Development Contributions (See Note)	26,659	98,044		124,703 ²	19.18
Reserves	14,895	-		14,895	2.29
Transfund Subsidy	58,049	-		58,049	8.93
Total	650,210	-		650,210	100.00

Note 1

In addition to the above, Council has determined that it will take development contributions on capital expenditure that it has already incurred in anticipation of growth. These contributions total \$2.084 million making the total amount of development contributions expected to be received \$153.529 million.

Note 2

A portion of the total expected revenue of \$153.529 million from development contributions is expected to be received in the years ending 30 June 2014 to 30 June 2023 because some recoveries are spread over more than the 10 year period of the LTCCP.

Details are:

Total received in years 2004 to 2013	124,703
Total received in years 2014 to 2023	28,826

Total Development Contributions Received	153,529
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AIOS

Draft

2005/2006 TRUSTS STADIUM FUNDING AND SERVICE AGREEMENT

**for the operations of the Trusts Stadium by WRST with financial
contribution by Waitakere City Council**

Dated the _____ day of _____ 2005

PARTIES: WAITAKERE CITY COUNCIL ("Council")

WAITAKERE REGIONAL SPORTS TRUST ("Sport Waitakere")

BACKGROUND

- A. The Trust Stadium is owned and operated by Waitakere Regional Sports Trust (WRST).
- B. Council committed \$12,470,000 to WRST as a contribution to the construction costs.
- C. A subsequent Council grant of \$500,000 and an overdraft guarantee up to \$250,000 for 3 years have been made.
- D. The Council and WRST relationship with regards to The Trusts Stadium has been formalised through the Charter document Waitakere City Leisure Precinct Sports Complex Charter July 2002.
- E. The principal objective (as set out in the Charter) of the Trusts Stadium is to serve the wider Waitakere community as a key multi-purpose venue for the local community to host sporting, leisure, trade and cultural activities and events.

- F. Council recognises that the Trust's Stadium facilities are capable of serving National and International events and providing economic benefits to Waitakere City. Council also wants to ensure wider community benefit through the communities ability to use and enjoy the Trusts Stadium. Council recognises the need for some operational investment to ensure Council's Community objectives are met through an appropriate mix of commercial, event and community use.
- G. Council believes that it is not desirable for community use to be monopolised by any one user, user group or sport.
- H. Council and WRST are committed to enhancing the wellbeing of people in the community by providing opportunities for them to participate in leisure activities. The purpose of this funding agreement is to reflect the joint goals and respective responsibilities of the WRST and Council as outlined in Schedule 1.
- i. The Council and WRST will work together to use their collective resources and knowledge (other than that of a confidential nature) to assist either party from time to time to remedy issues relating to the performance of schedule 1 targets.

TERMS OF THIS AGREEMENT

1. Term

- 1.1. This agreement relates solely to the operation of The Trust Stadium by WRST.
- 1.2. This Agreement commences on the first day of July 2005 and expires the last day of June 2006 (the Term").

2. Funding and Payment

- 2.1. For the period to 30 June 2006, Council will pay WRST \$475,000 plus GST less \$150,000 which was advanced in the 2004/2005 financial year.

- 2.2. Council will pay the balance of \$325,000 by two equal instalments with the first payment in July 2005. The remaining instalment will be paid on the last day of January 2006.
- 2.3. The January 2006 payment is subject to WRST providing Council with the required December 2005 report as set out in Schedule 1 which demonstrates a satisfactory achievement of 'Outcomes Sought'.

3. Services

- 3.1. During the Term of this Agreement WRST will apply the funding provided in clause 2 to the performance of the services or the provision of the programmes described in Schedule 1 to this Agreement ("Services").
- 3.2. The Services will at all times be provided exercising all due care, diligence, and skill conforming with all applicable industry standards.

4. Performance Measurement

- 4.1. WRST will use its best endeavours to ensure that the performance measures set out in Schedule 1 are met during the Term of this Agreement.
- 4.2. WRST will regularly monitor achievement of the performance measures during the Term and will provide to the Council (in a form approved by the Council) such written reports with such frequency as the Council may reasonably require. Reports will cover Year to Date as at the last days of October 2005, February 2006 and June 2006. Reports are to be provided within 1 calendar month of the end of each report period unless otherwise stated. Reports will contain, but are not limited to the following:
 - I. A brief description of each service and business area,
 - II. The performance of each service and business area against its respective target in accordance with Schedule 1,

- III. A general overview of the success of each service and business area, what the factors were behind the level of success or lack of success and what steps WRST is taking to capitalise on or improve the level of success, and
 - IV. Profit and Loss report presented 4, 8 and 12 monthly, detailing month by month progress and detailing the month and year to date performance allowing Council to understand how effective the grant is to meeting the Trusts Stadium operating needs.
- 4.3. Monthly meetings shall be held between the Council Representative and a WRST representative to discuss topics relevant to this Agreement.
- 4.4. Solely for the purposes of Council assessing the achievement of Schedule 1 outcomes WRST will provide in confidence to the Council:
- (a) A copy of WRST's strategic plan for The Trusts Stadium in its final form within 3 months of the signing of this agreement.
 - (b) A copy of generic risk management plans for the stadium within 3 calendar months of the signing of this agreement.
 - (c) A report detailing User Groups and their agreed minimum usage and subsidy policies between WRST and User Groups that relate to The Trust Stadium to help Council identify the mix of usage at the stadium..
 - (d) A list of all bookings at The Trusts Stadium on a monthly basis.
 - (e) Pricing schedules for all services within 14 days of signing this agreement,
 - (f) Proposed updates to pricing to be forwarded to Council 14 days prior to implementation for Council information,

- 4.5. WRST will allow Council access to records enabling the Council, should it wish to do so, to fairly and fully audit achievement of the performance measures by WRST.
- 4.6. If Council is notified that a key performance targets may not be met, within 14 days of notification:
- (a) WRST will provide a full explanation of the circumstances and reasons for the possibility of default; and
 - (b) The parties shall meet to discuss a possible variation of the Agreement or other remedy.

5. WRST Responsibilities

- 5.1. WRST will use its best endeavours to ensure that in any publicity connected with the Services the Council receives due recognition for its role as a funder of WRST and The Trusts Stadium.
- 5.2. In any case where WRST is authorised to use the Council's logo for promotional purposes, it will comply in all respects with the Council's directions to the use of that logo.
- 5.3. WRST will, throughout the Term:
- (a) When using staff to conduct its operations and perform the Services, observe good employer principles;
 - (b) Comply with all of its obligations in relation to the health and safety of its employees, customers and recipients of the Services;
 - (c) Maintain adequate insurance cover for all of its activities including without limitation public liability cover in a sum not less than \$10,000,000 or such a lesser sum as Council may approve in writing.

- 5.4. A representative from WRST will be available to attend and present if necessary to a Council Committee meeting at least two times during the Term of this Agreement. Council's representative will provide notice of the requirement to make a presentation at least one month prior to the Committee meeting.

6. Co-operation

- 6.1. The parties agree to co-operate with each other to the fullest possible extent during the Term of this Agreement so as to ensure that:
- (a) WSRT achieves the performance measures set out in Schedule 1 and
 - (b) Council achieves maximum and best value for the funding provided under clause 2 of this Agreement.
- 6.2. The parties will use their best endeavours to exchange information, on a proactive rather than reactive basis, in respect of all matters which are relevant to the performance of the Services. Requests for information will be actioned as fully as possible and within 10 working days.
- 6.3. The parties agree to communicate in the following manner with regards to the following issues:
- (a) WRST and Council will seek to reach agreement on common stances before any public media comment is made about either party which is not positive or endorsing of either parties actions. The CEO's of each party will meet to discuss the matter fully and try to reach agreement on statements made publicly.
 - (b) Initial contact about serious issues will be done via Director/CEO to CEO not through other staff members of WRST.

7. Force Majeure

- 7.1. Neither party shall be obliged to perform, and shall be deemed not to be in default of its obligations under this Agreement, if prevented in whole or in part from performing its obligations under this Agreement by reason of any matter beyond the control of either or both of the parties ("force majeure").
- 7.2. The parties forthwith upon the occurrence of force majeure will diligently do all acts and things which may be necessary or desirable to remove such force majeure as quickly as possible, but neither party shall be required to settle strikes, lockouts or other labour disputes or meet any claims or demands by government authority contrary to the wishes of that party which may be prejudicial to the interests of that party.

8. Cancellation

- 8.1. Either party may cancel this Agreement if the other party is in breach of this Agreement and the other party, after receipt of written notice of the circumstances of such breach, has not completed the steps required to be taken to remedy that breach in a reasonable period (but no less than 60 days) within which such action is required.
- 8.2. The Council may cancel this Agreement if at any time during the Term WRST:
- (a) Ceases, refuses or is unable (except as provided in clause 7) to provide the service objectives to the agreed target as detailed in Schedule 1, or
 - (b) Consistently fails to achieve the agreed targets set out in Schedule 1.

9. Miscellaneous

9.1 Relationship

Nothing in this Agreement shall be construed to create the relationship of master and servant, principal and agent, partnership or joint venture.

9.2 Indemnity

WRST indemnifies the Council in respect of all costs (including legal costs on a solicitor/client basis), claims, liabilities and expenses which the Council may suffer by reason of any lawful, negligent, or criminal or reckless errors, acts or omissions by WRST in the performance of the Services.

9.3 Entire Agreement

This Agreement constitutes the entire agreement between the parties relating to the subject matter and supersedes all prior agreements or undertakings, whether oral or written. WRST confirms that in entering into this Agreement it has not relied upon any statement, warranty or other representation made or informations supplied by or on behalf of Council.

9.4 Waiver

- (a) Waiver of a breach of this Agreement or any rights created by or arising upon default under this Agreement must be in writing and signed by the party granting the waiver.
- (b) A breach of this Agreement is not waived at law or equity by any failure or delay in exercise, or partial exercise, of any right or remedy available under this Agreement.
- (c) A right or remedy created or arising upon default under this Agreement is not waived by any failure or delay in exercise or partial exercise of that remedy.

9.5 Council's Representative

The Council's Representative will be a person nominated by the Chief Executive of the Council from time to time to receive reports, to give and receive notices, and to perform all matters relating to this Agreement on behalf of Council. Until otherwise notified in writing by the Director of City Services, Council's Representative is the Leisure Services Manager, Louis Rattray.

9.6 WRST Representative

WRST's Representative will be the Trusts Stadium Chief Executive (or their nominee) from time to time to write reports, to give and receive notices, and to perform all matters relating to this Agreement on behalf of Sport Waitakere. The WRST representative shall be Simon Wickham.

9.7 Notices

(a) Any notice under this Agreement may be given as provided in the Public Law Act 1952 and in any event shall be deemed sufficiently served if:

- i. actually received by the addressee or its authorised representative; or
- ii. Sent by post, fax or email to the service address as listed below. (Any notice sent by post shall be deemed to have been served on the day following posting.)

(b) WRST's service address:

The Trusts Stadium
Central Park Drive
Po Box 21 241
Fax no: 912-2993
Attention: Simon Wickham

(c) The Council's service address:

6 Waipareira Avenue
DX CX 10250, Auckland Mail Centre
Private Bag 93 109, Henderson
WAITKAERE CITY
Fax no: 836-8001
Attention: Louis Rattray
E-mail: louis.rattray@waitakere.govt.nz

- (d) Either party may by notice in writing notify changes to that party's service address any time and from time to time.

10. Resolution of Disputes

10.1 Notice of Dispute

In the event of a dispute between the parties, either party may provide to the other written notice adequately identifying the subject matter of the dispute or difference. The giving of this notice will be a condition precedent to the commencement by either party of litigation in respect of any dispute or difference. This clause does not however limit the right of either party to seek urgent interlocutory relief by way of Court proceedings.

10.2 Good Faith Negotiation

The parties will use their best endeavours to resolve all disputes by good faith negotiation. Any dispute may be referred to the personal negotiation of the Chief Executives of both parties.

10.3 Mediation

If the matter cannot be resolved by negotiation, the matter will be referred to mediation by a mediator agreed between the parties and failing agreement by a mediator appointed by a President for the time being of the Auckland District Law Society or the President's nominee.