

# Manawatū District Council

## Development Contributions Rebate Policy

Adopted by the Council on [date].

### 1. Policy Context

Development contributions are charges that may be levied under the Local Government Act 2002 (LGA02) to enable the Manawatū District Council (Council) to recover from those persons undertaking development a fair, equitable and proportionate amount of the total cost of capital expenditure to service growth over the long term. Growth related development creates the need for increased infrastructure capacity, such as wastewater treatment and disposal systems, stormwater, roads, and other transport infrastructure.

The Council has decided it will use development contributions as the primary method of funding growth-related infrastructure. This approach will apportion the cost of growth infrastructure to the owners and occupiers of developments who will benefit from that infrastructure, rather than imposing those costs on existing residents via rates.

The Council's Development Contributions Policy (Policy) explains how development contributions are calculated, when the requirement to pay a development contribution is triggered, the amount of development contributions payable and the reconsideration and objection process under the LGA02. The Policy also explains how and when financial contributions will be levied under the Resource Management Act 1991.

The Council considers that there are situations where there is a significant benefit to the wider community from promoting particular types of development or development in particular locations. The benefit to the wider community means it can be appropriate to fund some or all of the development contributions required in these situations from rates. Providing a rebate of development contributions is one way the Council can seek to encourage development it considers provides these wider community benefits.

### 2. Policy Statement

The Council recognises that certain types of development provide significant benefit to the wider community and that it can be appropriate for the wider community to fund some or all of the development contributions required from that development.

To encourage development with community benefits, the Council may at its discretion put in place a rebate scheme for developments to achieve strategic goals that benefit the wider community.

Any development contributions rebate scheme operated by the Council will be introduced and implemented consistently with this Contributions Rebate Policy.

### 3. Policy Principles

- 3.1. The Council will only consider implementing a development contributions rebate scheme where there is a clearly identified benefit to the wider community. For

example, to encourage development in a particular area to occur faster or on a larger scale than it would without a rebate scheme in place.

- 3.2. A development contributions rebate scheme will not be used solely to address issues of affordability for the developer. Developer affordability is more appropriately addressed through the development contributions policy.
- 3.3. A development contribution rebate will mean the Council does not recover the cost of the specified infrastructure. Cost recovery will be funded instead from another source, likely rates. The source of the rates funding for the development should reflect the wide community benefit and therefore be allocated as widely as practicable.
- 3.4. The Council will not fund a development contribution rebate by increasing development contribution charges on other developers.
- 3.5. Any rebate scheme should be as user-friendly for the developer as possible, while also being as efficient as possible for the Council to administer.
- 3.6. Development contributions rebates will address specific situations for a finite period and will be used at the Council's discretion. Where Council intends to promote particular outcomes, encourage localised growth or types of development in the long-term it will adjust the development contributions regime in the Policy.

#### **4. Rebate Scheme Parameters**

The Council will determine the terms of any development contributions rebate scheme at its discretion. However, the stipulated terms will address the following matters:

- 4.1. Details of which developments are eligible for the rebate - identified by development type, location and/or any other parameters of the development that enable or limit eligibility.
- 4.2. How the rebate is to be applied, including:
  - a. What portion of the standard development contribution is to be rebated, or any metrics that the Council will apply in determining this portion.
  - b. The date from which the rebate will apply and when it will expire.
  - c. Any financial cap that will apply to individual development contribution rebates and/or to the rebate scheme as a whole.
  - d. Any additional conditions a development must meet to be eligible for a rebate.
  - e. Any procedural requirements including details of any application for a rebate that will be required.

The scheme parameters adopted by the Council for each rebate scheme will be attached as an appendix to this policy.

The adoption, review, or revocation of parameters for a specific rebate scheme does not constitute a change to this policy.

#### **5. Policy Review**

The Council will review this policy at least every six years. The Council may undertake a review at any time in addition to the normal review cycle.

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