



FINANCIAL CONTRIBUTIONS - POLICY

FC2.1 Introduction

A financial contribution is defined in Section 108(9) of the Act and includes not only money, but also land, works and services for the purposes specified in the Plan. A resource consent for any subdivision or land use may include a condition that a financial contribution be made up to the value of a maximum value specified in, or determined in accordance with, the Plan.

Council also operates a Development Contributions Policy under the Local Government Act 2002. Section 208 of the Local Government Act allows Council to take development contributions at the time of resource consent, building consent or service connection. Development contributions under the Local Government Act will only be levied if, and to the extent that, they have not already been charged previously including under the financial contribution provisions of the Ruapehu District Plan. It is recommended that, if applicants are in any doubt as to the origin of the contribution, they clarify with Council staff the basis upon which any contribution is being levied to them - either a Financial Contribution under the Resource Management Act or a Development Contribution under the Local Government Act.

FC2.2 Issue

- (a) Development can create financial demands on Council infrastructure.

FC2.2.1 Objective

- (a) Financial contributions that assist Council to achieve the purpose of the Act and, in particular, to contribute to and/or meet the cost of avoiding, remedying or mitigating adverse effects and/or ensuring positive effects on the environment to offset any adverse effects arising from activities, and to provide for the community's wellbeing, health and safety.

FC2.2.2 Policies

- (a) To require fair and reasonable financial contributions to avoid, remedy or mitigate and/or offset adverse effects of the use, development, protection and subdivision of land and to provide for the community's wellbeing, health and safety.
- (b) Without limiting the generality of Policy FC2.2.2(a), to require as a condition of any resource consent a financial contribution that is consistent with Objective FC2.2.1 with respect to the following:
 - (i) Infrastructure.
 - (ii) Earthworks.
 - (iii) Parking.
 - (iv) Landscaping.
- (c) To require that esplanade reserves and esplanade strips be provided which are consistent with the provisions of this Plan when a resource consent is granted.
- (d) To determine the extent and value of any particular financial contribution in accordance with the following:
 - (i) The value shall not exceed that authorised by the Act.
 - (ii) The extent that the activity created a need for a financial contribution to achieve the objectives and policies of this Plan.



- (iii) The proportional share of the cost of the avoidance, remedying, mitigation or offset measure that can reasonably be attributed to the activity.
- (iv) The extent to which the financial contribution provides some compensation/relief to the community for an adverse environmental effect caused by the activity.
- (v) The extent to which the positive environmental effects of the activity offset the adverse environmental effects.
- (vi) The contribution that an energy generation activity will make to the achievement of energy policy objectives and/or renewable energy generation targets of the New Zealand Government and the local, regional and national benefits to be derived from renewable energy generation and use.

FC2.2.3 Explanation of Policies

The test of the reasonableness of a financial contribution is fundamental to the implementation of Section 108(9) of the Act. The provisions of this Plan should ensure that activities which significantly adversely affect the environment, which cannot be adequately avoided, remedied or mitigated, do not proceed.

Where possible, quantifiable adverse effects will have been dealt with by the conditions for Permitted activities in the appropriate section of the Plan and developers will have to comply with established standards except as provided for under resource consents for Controlled, Restricted Discretionary, Discretionary and Non-Complying activities.

The policies develop a framework whereby a financial contribution will be fair and reasonably determined.