

SOUTHLAND DISTRICT COUNCIL

DEVELOPMENT LEVIES

Appropriate development is welcomed throughout the Southland District area. However, such new development can impose additional demand on community infrastructure.

The Council's policy is that, wherever possible, developers should contribute fairly to the cost of infrastructure works generated by the additional demands from these developments.

Local communities should not be left carrying significant additional infrastructure and reserves costs.



Mechanisms are in place for development to contribute to parks and reserves, water, sewerage and stormwater headworks and roads.

Contributions may be required whenever subdivision is undertaken, new buildings are constructed, or extensions or changes of use are made to existing buildings.

The contribution amounts have been set through public consultation under the Council's Development and Reserves Contribution Policy 2004.

What are contributions used for?

Reserve contributions will be used to help pay for new reserves and upgrading of existing reserves to cater for additional demand, sports facilities and town beautification.



Although some townships in the District already have adequate land set aside for reserves, many of these are underdeveloped. Current estimates show that each new allotment should be contributing approximately \$11,000 to provide adequate recreational facilities.

Water and sewerage and stormwater contributions are used to upgrade trunk mains, storage and treatment facilities to meet the additional demand imposed by development on these services.

The Council has committed itself, through the longterm planning process, to spend collected funds for the stated purpose and this is also legally required by the Local Government Act 2002. Any contributions not spent after ten years may be claimed back by developers. Each year Council will detail the amount of development levies collected and expenditure against these levies in its Annual Report.

How much do I have to pay?

Reserve Contributions

Reserve contributions are required as follows:

- 7.5% of the value of additional allotments, at the time of a subdivision consent being applied for (*either in cash or land equivalent, at Council's discretion*) except that in the case of rural-residential subdivisions and rural lifestyle (allotments of areas between 4000m² and 4 hectares), the value of the rural allotment for this purpose shall be the equivalent value of a house site of 1,000m² within each allotment.
- Cash equivalent of the value of 20m² of land for each additional residential unit created, at the time of building consent, less any contribution made at the time of previous subdivision within the preceding five years.
- Cash equivalent of the value of 4m² of land for each additional 100m² of new, net, nonresidential, building floor area created, at the time of building consent, less any contribution made at the time of previous subdivision within the preceding five years.
- Where the contribution is given as land, the location shall be suitable for the reserve purposes of the area and shall be no less than 1,000m² in each separate title. Council reserves the right to determine whether any land offered is suitable for reserve purposes.

For the purposes of this policy, the land value used is to be the **current market value** inclusive of GST, at the time of the application for consent or approval to connect to utility services.

Water and Sewerage Contributions

For Te Anau township the contribution amounts are set out under the Development Contributions Policy.

These amounts are calculated from the schedule of capital works that the Te Anau Community Board needs to put in place to cater for the rising demand on services.

The water and sewerage demands of any development are calculated in terms of its household equivalent, (*details given in full policy*). For other townships the contribution amounts are set under the provisions of the District Plan (*not the Development Levies Policy*) and vary from town to town.



For any development other than a new house, the contribution amount is calculated on its demand in terms of equivalent demand, thus:

DEVELOPMENT TYPE	UNIT	SEWERAGE DEMAND	WATER DEMAND
Household	Household lot	1	1
Hotel/Motel/B&B	Guest or resident staff	0.25/bed	0.11/bed + 0.57/lot
Serviced camping	Guest or resident staff	0.18/bed	0.08/bed + 0.57/lot
Restaurant	Diner	0.04/seat/meal	0.02/seat/meal + 0.57/premise
Office	Employee	0.08/person	0.04/person + 0.57/premise
Industry and others	<i>Determined for each specific case</i>		

Roading Contributions

When additional traffic generated by a development requires the adjacent road to be upgraded, up to half of the cost may be charged to the developer.

Other Contributions

Other specialised financial contributions may be imposed under the District Plan for large capital commercial and industrial developments.

Need More Information?

Full details of the reserves contribution and development contribution policies and calculation formulas are set out on Council's website at www.southlanddc.govt.nz

Details of the Financial Contributions required under the District Plan are also available on the website. Alternatively give us a call on 0800 732 732.

DEVELOPMENT LEVIES



Explained


People First
Southland District Council
Te Rohe Pōtae O Murihiku