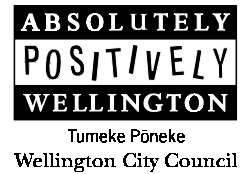

Guide to Development Impact Fees



About This Guide

This Guide to Development Impact Fees does not form part of the District Plan. It is a supplementary document and should be read in conjunction with section 3.4 “Financial Contributions” of the District Plan. The impact fees within this guide have been established in accordance with the methodology specified within the District Plan.

Important Note

The data used to generate the fees within this Guide is as up-to-date and accurate as possible. From time to time the impact fees will be reviewed to ensure they remain appropriate and relevant. As well as this, new impact fees will be introduced where they are deemed necessary. Any new impact fees will go through the same process of rigorous justification and analysis.

After a review this Guide will be re-published if necessary. If in doubt users should contact the Council to make sure that the guide being used is the current one.

What are Development Impact Fees?

Development impact fees are a way of ensuring that those who cause adverse environmental effects associated with new development meet the costs of avoiding, remedying or mitigating these, rather than the community at large.

The legal basis for development impact fees comes from the Resource Management Act 1991 and is an established method for avoiding, remedying or mitigating the adverse effects of development on the environment. The District Plan imposes a set of rules on development to ensure that the community’s expectations about environmental quality are met. Included in this set of rules are the provisions that require development impact fees.

What Development Impact Fees Apply?

The types of impact fees that can be imposed are:

- Traffic fees;
- Water fees;
- Drainage fees;
- Sewer fees; and
- Reserves fees.

However, at this point in time only **traffic**, **water** and **reserve** impact fees are required. Fees have not been included for the stormwater and sewer systems either because there is not enough information on which to base a fee or there is a very low marginal impact from new development on the carrying capacity of the asset.

GST

All impact fees within this Guide are GST inclusive.

When Are Impact Fees Payable?

Impact fees are payable either as a condition on a permitted activity or as a condition on a resource consent or when meeting the conditions for a permitted activity.

For residential activities they are generally required when subdividing land or allotments, or for the construction of new dwellings. For non-residential activities they are generally required when constructing additional floorspace, developing a site, or when meeting the conditions of a permitted activity.

Can the Fees be Reduced?

The impact fees have been calculated to reflect the actual cost of avoiding, remedying or mitigating the adverse effects of development. Where there are situations which warrant a reduction the Council may waive all or part of the impact fees.

Applicants will need to show that the adverse effects of the development are significantly less than the general case. However, it must be noted that the Council is obliged to take the **long term** view on these matters and to anticipate future changes in use and environmental impacts.

Net Impact Calculations

Calculations are always done on the basis of net impact or change. If a refurbishment, change of use, or a demolition associated with re-development occurs a credit for existing use should be factored into the calculations. For example, the impact fees for an office being converted into apartments would be the residential charge per dwelling less the non-residential charge for the existing office building. In a similar manner, impact fees that are charged at the time of subdivision anticipate one household unit per allotment will be constructed. Further fees will only apply for the second and subsequent units.

Off Site Works as Financial Contributions

Nothing in this Guide negates the financial contributions required as part of Rule 3.4.5 of the District Plan "Payment for Works Required to Connect Adequately to Infrastructure, Off Site".

Traffic Impact Fees

	Impact Fee
Residential Activities (all areas)	\$303 Per household unit or new allotment created
Non-residential Activities (all areas)	\$332 Per 70m ² gross floor area (or part thereof)

Citywide Reserves Impact Fees

	Impact Fee
Residential Activities (all areas)	\$198 Per household unit or new allotment created

Local Purpose Reserves Impact Fees - for Urban Periphery Land only.

	Impact Fee
Residential Activities (all areas)	\$2140 Per household unit or new allotment created *

*Note that this contribution will generally be in land rather than cash.

Urban periphery land is defined as land that is located on the fringes of the city's built, urban area. Development of the land will usually cause an increase in the size of what is considered to be the city's urban area.

The Council may waive the need for an impact fee where a urban periphery subdivision involves a small number (five or less) of allotments which:

- are not part of a larger development which is being incrementally developed,
- are generally aligned with the existing urban area.

Water Impact Fees

	Impact Fee
Grenada North (High Level) Zone	\$2475 Per household unit or new allotment created
Happy Valley Zone	\$2423 Per household unit or new allotment created
Johnsonville West Zone	\$928 Per household unit or new allotment created
Newlands Zone	\$116 Per household unit or new allotment created

Impact fees apply to sites either in or adjacent to the areas shown on the attached maps. For further information on water fees please contact the Wellington Regional Council.

