



HUTT CITY DEVELOPMENT CHARGES AND RATES REMISSIONS POLICY

OBJECTIVE

To encourage economic development in Lower Hutt by remitting the development charges listed below and rates on qualifying developments:

- development contributions;
- reserve financial contributions;
- resource consents charges; and
- building consents charges.¹

This policy is part of a wider programme aimed at urban growth and revitalising the CBD.

Remissions granted will be up to 100% of the charges levied by Hutt City Council, and for up to a maximum period of two years following granting remissions.

DEVELOPMENT CHARGES CONDITIONS AND CRITERIA

To be eligible for a remission of Council development charges a development must:

1. In Lower Hutt CBD only
<p>A. Be either:</p> <ul style="list-style-type: none"> ▪ a new apartment development of at least 8 attached residential dwelling units or of at least 500 m² (whichever is the lesser); or ▪ a conversion of a building from any use to an apartment development of at least 8 attached residential dwelling units or of at least 500 m² (whichever is the lesser); or ▪ a new commercial development of at least 500 m²; or ▪ a conversion of a building to, or redevelopment of, an existing commercial development for reuse as a commercial development of at least 500 m²; or ▪ a new development with a mix of apartment and commercial space of at least 500 m² in total; ▪ a conversion of a building to, or a redevelopment of, an existing building for reuse with a mix of apartment and commercial space of at least 500 m² in total; <p>And</p> <p>B. Be within the Hutt CBD as defined within the District Plan as the Central Commercial Activity Area; and</p> <p>C. Be subject to the Central Commercial Activity Area design guide; and</p> <p>D. Have resource or building consents lodged and accepted by Council for processing between 1 July 2014 and 31 December 2018.</p>
2. Throughout Lower Hutt

¹ Includes the cost of any external expertise sought by Council when assessing a resource or building consent and the cost of any hearing but excludes the cost of the building research levy paid to BRANZ or Department of Building and Housing fees. These must still be paid by developers.

- A. Be either:
- a **medium or high density residential development**; or
 - a new **non-residential development**; or
 - a conversion of a building from any use to residential apartments

And

- B. Have relevant resource or building consents applications lodged and accepted by Council for processing between 1 July 2014 and 31 December 2018.

3. For Wainuiomata Shopping Centre or Naenae Shopping Centre

- A. Be either:
- a medium or high density residential development; or
 - a new **non-residential development**;
 - a conversion of a building to, or redevelopment of, an existing non-residential development for reuse as a non-residential development of at least 500 m²; or
 - a new development with a mix of medium or high density residential and non-residential space of at least 500 m² in total;
 - a conversion of a building to, or a redevelopment of, an existing building for reuse with a mix of medium or high density residential and non-residential space of at least 500 m² in total;

And

- B. Specifically located at 18 The Strand, Wainuiomata OR “Naenae Shopping Centre” being all the properties located within the block bounded by Vogel Street, Everest Avenue, Cambridge Terrace and Treadwell Street.
- C. Have relevant resource or building consents applications lodged and accepted by Council for processing between 1 July 2017 and 31 December 2018.

DEFINITIONS

For the purposes of this policy:

- Development means:
 - construction of dwellings or one or more buildings requiring one or more building and resource consents that, as a body of work, occurs within a similar timeframe, and that stands alone as a complete activity in and of itself; or
- **apartment development** means an existing building or a new building or new building extension comprising attached residential dwelling units.²
- **Commercial development** means an existing building or a new building or new building extension comprised predominantly of space for:
 - office use; and/or

² Includes internal car parking space provided as part of the building

- hotel, motel, hostel or similar accommodation services; and/or
 - venue hire and conference use; and/or
 - restaurant / café/ bar; and/or
 - car parking.
- **Medium and high density housing** means any housing development of:
 - 3 or more adjoined dwellings, including resthomes and other residential facilities; or
 - 3 or more dwellings within a development with a combined land area of no more than 400 m² per dwelling on average;³
 - New **non-residential development** means construction of any new non-residential building of at least 500 m², including construction of a new building following demolition or removal of existing buildings. It also includes an extension to an existing building where the extension increases the size of the building by at least 500 m².

This policy does not exclude the potential for more than one development to occur on the same site.

Remissions granted will be up to 100% of the development charges levied by Hutt City Council.

CONDITIONS

In granting remissions under this policy, Hutt City Council may in its sole discretion specify certain conditions. Applicants will be required to agree in writing to these conditions and to pay any remitted charges if the conditions are violated.

RATES REMISSION CONDITIONS & CRITERIA

To be eligible for remission of rates:

1. Must be located within
 - A. the Hutt CBD as defined within the District Plan as the Central Commercial Activity Area; or
 - B. 18 The Strand, Wainuiomata; or
 - C. “Naenae Shopping Centre” being all the properties located within the block bounded by Vogel Street, Everest Avenue, Cambridge Terrace and Treadwell Street.

AND

- the development must meet the eligibility conditions and criteria for remission of development charges (as per above); and
- The amount spent on the development, as evidenced by the building consent application(s) must be (i) at least \$1,500,000 or (ii) at least 33 per cent of the current Capital Value of the development site; whichever is the greater; and
- The construction of the development must be commenced within 2 years of being granted remissions.

³ Any existing residential property remaining on the site can count as one of the dwellings.

The remission of rates will apply to the total rates levied by Hutt City Council on the site being developed and includes both the existing rates levied by Hutt City Council on the site being developed and the increase in rates caused by the improved value of a site as a result of the development.

The date remission of rates will apply from will be at the discretion of the applicant and will be either:

- 1 July after the date of commencement of the development; or
- 1 July after the date of completion of the development.

Remissions granted will be 100% of the rates levied by Hutt City Council and for a period of 5 (five) years. Rates to be paid to Greater Wellington Regional Council cannot be remitted under this policy.

APPLICATION PROCESS

Applications must be made in writing using an application form determined by Hutt City Council. Applications must be made in sufficient time to be considered prior to the commencement of construction. Preferably, applications should be made at the time resource consent requests are lodged. Commencement of construction will be deemed to have occurred when the activity for which a resource and building consent has been issued, is substantially underway and progressing.

Applications must be supported by the information specified in the application form. In considering applications, Hutt City Council may decide to seek independent verification of any information provided with an application.

In granting remissions under this policy, Hutt City Council may at its discretion specify certain conditions before the remission will be granted. Applicants will be required to agree in writing to these conditions and to pay any remitted development charges and rates if the conditions are violated.

PAYMENT OF RATES AND DEVELOPMENT CHARGES

Until such time as an application for a remission of Council's development charges has been approved under this policy **and** all relevant consents have been granted, applicants will remain liable for any charges and fees covered by this policy as per usual. Charges and fees will be remitted once approval has been granted **and** all relevant consents are granted. Should a consent not proceed to grant, the applicant will be liable for resource and building consent charges as per usual.

If the applicant is a company a Guarantor may be required. This could be a director/s of the company.

LIABILITY SHOULD CONSTRUCTION NOT COMMENCE WITHIN TWO YEARS

Should construction of a development not commence within two years of being granted remissions, the remission of development charges provided under this policy shall no longer apply. At that stage, all fees and charges will be fully payable for the development as per usual.

If the applicant is a company the Guarantor may be liable for repayment of any remitted charges.

Should construction of a development not commence within two years of being granted remissions the remission of rates provided under this policy shall no longer apply.

Commencement of construction will be deemed to have occurred when the activity for which a resource and building consent has been issued, is substantially underway and progressing.

DELEGATIONS

Applications for a remission of development charges for CBD development will be decided by the Chief Executive, or by a person authorised by the Chief Executive, including specifying any conditions.

Applications for remission of rates for CBD development will be decided by the Mayor, Chair of the City Development Committee and Chief Executive, including specifying any conditions.

APPEAL

Applicants may appeal against:

- a decision to decline a remission or not grant a full remission; or
- conditions imposed when a remission has been approved.

Appeals will be heard by the Finance and Performance Committee.

EXCLUSIONS

- This policy shall not apply to Council's development.
- This policy shall not apply to sites where council has provided infrastructure that would otherwise have to be provided by the developer. One such example is the properties currently numbered 193, 205, 206, 220, 221, 239, 248, 252 Wise Street, Wainuiomata.
- The development charges do not relate to charges for resource consent or building consent variations unless the Council has expressly given its prior written consent to such a remission.