



Change

20

**Proposed Plan Change 20: FINANCIAL CONTRIBUTIONS FOR UPGRADE
OF ARGELINS ROAD/WOODBANK ROAD/SH7A
INTERSECTON**

Notified August 2008

Format

- 1. Summary of the change**
- 2. The Changes**
- 3. Section 32 Report, including description of the changes**

Summary

This Plan Change:

- (a) Inserts a new Rule C2.2.1(b)(x) for financial contributions for upgrading the Woodbank Road / Argelins Road / SH7A intersection.

The Changes

Chapter headed “Financial contributions”:

Add a new Rule C2.2.1(b)(iv), under rule C2.2.1(b) as follows:

(x) In addition to (i) and (ii) above, within the Hanmer Springs Ward:

A financial contribution for the upgrade of the Woodbank Road / Argelins Road / SH7A intersection to be levied at a flat rate per new allotment, by reference to the following formula:

$$\text{Financial Contribution per additional allotment} = \frac{(A \times C) \times B + \text{GST}}{D}$$

Where:

A = project cost

B = 23.48% of cost attributed to growth

C = cumulative inflation (over ten year period, 2010 – 2019)

D = growth (number of new units in Hanmer Springs Ward over a ten year period, 2010 – 2019)

This rule applies until such time as the Hurunui District Council has recovered the full cost of the intersection upgrade that has been attributed to development. The progress of cost recovery will be documented through the Long Term Council Community Plan.

**Proposed Plan Change 20: FINANCIAL CONTRIBUTIONS FOR UPGRADE
OF ARGELINS RD/WOODBANK RD/SH7A
INTERSECTION**

Section 32 Report

Introduction

This is a summary of the evaluation of proposed Plan Change 20 that introduces specific financial contribution provisions concerning the upgrade of the Argelins Road / Woodbank Road / SH7A intersection at Hanmer Springs into the District Plan. The evaluation is done under Section 32 of the Resource Management Act 1991 (the RMA).

Section 32 of the RMA

Section 32 of the RMA requires Council, in achieving the purpose of the Act, to conduct and record a specified evaluation before notifying a proposed change to the District Plan. Council has to:

1. *Carry out an evaluation that examines:*
 - a) *The extent to which each objective is the most appropriate way to achieve the purpose of the Act; and*
 - b) *Whether, having regard to their efficiency, the policies, rules or other methods are the most appropriate for achieving the objectives.*
2. *For the purposes of that examination, take into account:*
 - a) *The benefits and costs of policies, rules or other methods; and*
 - b) *The risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the policies, rules or other methods.*

This s32 report will first describe the context of the plan change and the reasons for it. Part of the comparison of options is in that discussion. It will continue with a detailed comparison following the description.

Description of the Changes

Issues

Policy 12.10 of the District Plan states *“To promote safe and efficient use and development of the transportation network”*. The explanation that supports this

policy recognises that *“maintaining or improving the efficiency of the road system through appropriate management techniques and providing for the appropriate use of the road system”* is an issue associated with maintaining and developing the transport system. Furthermore, this needs to be achieved without creating significant adverse effects on the community and general environment.

The Hanmer Springs Ward has experienced significant population growth in the last decade. The 2006 Census confirmed the population was 910 residents; however, there are more than 600 holiday homes in Hanmer Springs Township and this raises the Hanmer Springs population to around 2,700 during peak holiday times. In addition, Hanmer Springs’ popularity as a tourist destination means that the number of people in the area during peak holiday times can be as high as 6,000 (see the Hurunui Long Term Community Plan (HLTCP) 2009-2019, p60). The HLTCP development contributions policy anticipates that 473 new allotments will be created in the Hanmer Springs ward over the next 10 years to accommodate the anticipated growth. Given this predication, it is anticipated that there will be a total of 1885 unit of demand (rateable units) in the Hanmer Springs ward come 2019.

It is essential that the Argelins Rd/ Woodbank Rd/SH7A intersection be upgraded to ensure the anticipated growth and associated increase in traffic volume can be accommodated in a safe manner. While only 4 crashes have been recorded at the intersection over the last ten years, the intersection is known as problematic and feedback from the local community indicates that there have been a considerable number of near misses.

It is also recognised by the District Plan¹ that *“there are difficulties identifying the costs and benefits associated with the provision of infrastructure for new developments, consequently there can be problems allocating costs and benefits between developers and the community so that neither bears a disproportionate burden.”*

The funding for this intersection upgrade has been the subject of much discussion and an agreement in principle had been negotiated which sees the cost of the intersection upgrade shared between the New Zealand Transport Agency (NZTA), ratepayers and private development.

The intersection upgrade work is programmed in the HLTCP for the 09/10 financial year. The upgrade funding is to be split as follows:

New Zealand Transport Agency	\$150, 000	41.67%
Hurunui District Council – general roading rate	\$75, 000	20.83%
Hurunui District Council – Hanmer Springs amenity rate	\$50, 500	14.02%

¹ Issue 12 – Infrastructure and development – issue (c), p73

Developer contribution	\$84, 500	23.48%
Total	\$360, 000	

Table 1: Summary of Funding Split

A financial contribution mechanisms need to be put in place in the District Plan to ensure developers will pay a fair portion of the upgrade costs at the time of development. The financial contribution, as derived from the proposed formula, will be set at a fixed rate of \$210 per additional allotment. This rate would be adjusted slightly annually in line with inflation. By 2019 it is anticipated that this rate would be \$270 per additional allotment.

It is appropriate to take the contribution at the time of development, as this is the point at which developers will begin to benefit from the intersection upgrade and the point at which additional pressure will be placed on the intersection as a result of development.

This plan change addresses the above issue by introducing specific rules requiring a financial contribution for development within the Hanmer Springs Ward. The contribution is to be taken at the time of subdivision and levied on each additional allotment created within the Hanmer Springs ward, until such time as the intersection upgrade has been fully paid for. The formula recognises that development should only pay a proportional cost of the works as the benefit of the intersection accrues to all residents in the Ward.

Background

Context of the Issue

Hanmer Springs has experienced considerable growth in recent years, both in terms of urban development and tourism. Hanmer Springs is a key tourism destination within the Alpine Pacific Triangle. The growth of tourism is strong as a result. With growth comes pressure on infrastructure, therefore, it is essential to improve infrastructure to ensure that the pressure is alleviated and sustainably managed.

Tourism growth is anticipated to continue. Compounded with this is the future expansion and urban development of the Hanmer Springs Township. The Council is aware of forthcoming private plan changes which will seek the rezoning of land and the extension of the urban boundary.

The intersection of Argelins Road/Woodbank Road and State Highway 7A is inadequate and will not cope with this predicted growth. This intersection is required to be upgraded as a matter of safety and efficiency.

The District Plan recognises the issues identified above through Objective 12 which seeks *“An environmentally sustainable infrastructure and pattern of development, meeting both the needs of today’s community and the reasonably*

foreseeable needs of future generations.” The supporting Policy 12.10 seeks to *“promote safe and efficient use and development of the transportation network”*

Furthermore the District Plan includes policy direction (Policy 12.9) that seeks *“to ensure the costs of the cumulative effects of new subdivision and development on the District’s infrastructure are fully addressed and fairly apportioned”*. Financial contributions are recognised as a suitable funding method to ensure the costs of development on infrastructure and services are fairly apportioned.

A financial contribution can include money, land, works and services. In this instance, it has been determined that the most appropriate form of financial contribution is money, as the upgrade work is required to precede subdivision development. Additional lands are not required, and it is not efficient for developers to provide works or services in this instance.

The District Plan contains provisions intended to offset any potential adverse effects of development on the District’s infrastructure. In respect of roading, District Plan Policy 12.9 requires developers to pay the full costs of any new road or upgrade within a development and up to 75% of the cost of any new road or upgrade outside the development. Given that the upgrade of the intersection will benefit the wider community and visitors, because it is the entrance to the township, the developer portion has been set at 18.75%. The apportioning of funding is shown in Table 1 above. The figures were set through negotiations between NZTA, the Hanmer Springs Community Board, developers and the Council.

The District Plan anticipates the following environmental results:

- An efficient and effective infrastructure throughout the District
- Avoidance, remediation or mitigation of the adverse effects of constructing and maintaining the District’s infrastructure
- Development of a more sustainably based infrastructure

This plan change seeks to fulfil these anticipated results.

Adverse Effects of not upgrading

Current Rules for Financial Contributions

Under the Operative Hurunui District Plan, there are currently no specific rules that allow a targeted financial contribution to be taken for the upgrading of this intersection.

Consultation on Proposed Changes to District Plan

Consultation with developers, the New Zealand Transport Agency and the Hanmer Springs Community Board has been undertaken prior to the notification of this Plan Change. The principal form of consultation was pre-notification meetings.

Issues raised during consultation included:

- The urgency and necessity of the upgrade
- The importance of fairly apportioning the cost of the upgrade

Assessment under Section 32

The Section 32 evaluation must demonstrate that any objective in this plan change is necessary to achieve the purpose of the RMA; and that the policies and rules or other methods to achieve those objectives, are the most appropriate option.

Objectives Most Appropriate to Achieve the Purpose of the RMA

The existing objective that is relevant to managing the effects of infrastructure upgrades is:

Objective 12: An environmentally sustainable infrastructure and pattern of development, meeting both the needs of today's community and the reasonably foreseeable needs of future generations.

The plan change does not propose to add any new objectives or amend any existing objectives, as it is considered that the existing objectives are the most appropriate way to achieve the purpose of the Act.

Policies, Rules and Other Methods Most Appropriate to Achieve the District Plan Objectives

The next step is to evaluate whether the proposed policies, rules or other methods are the most appropriate option for achieving the objectives, having regard to the main alternative(s).

Section 32(3)(b) of the RMA requires the Council to undertake an evaluation of the policies and rules in the plan change. Section 32(3)(b) states:

“(b) whether having regard to their efficiency and effectiveness, the policies, rules or other methods are the most appropriate for achieving the objectives”

Section 32(4) then describes the requirements of the evaluation. It states:

“For the purposes of the examinations referred to in subsections 3 and 3(a) an evaluation must take into account –

- (a) the benefits and costs of policies, rules or other methods; and*
- (b) the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the policies, rules or other methods...”*

In managing the potential adverse effects of the Argelins Road/Woodbank Road/ SH7A upgrade, the following options were evaluated to determine the most appropriate approach, having regard to their efficiency and effectiveness, and the benefits and costs:

Option A: Retain the Status Quo – no change to the existing District Plan rules and recover costs through the HLTCP.

Option B: Introduction of a targeted financial contribution to fund the ‘developers share’ for upgrade costs. This contribution is to apply only to development in the Hanmer Springs Ward.

Option C: Use additional funds from the general roading development contribution.

Option D: Use additional funds from the Hanmer Springs amenities rate.

Option E: A financial contribution from developers in the form of land, works, or services.

Option F: A private agreement between the Council and developers

Below is a description of the options:

Option A: Retain the Status Quo – no change to the existing District Plan rules

Option A is to retain the current District Plan provisions for financial contributions (as described above). Assuming that the intersection upgrade proceeds, this option will not allow the developer share of \$84,500, as programmed in the HLTCP, to be recovered via the District Plan. There is currently no alternative mechanism in place to recover the developer share of the costs.

Option B: Introduction of a Financial Contribution

This option will require a targeted financial contribution to be paid on developments within the Hanmer Springs ward. The financial contribution will be set at a fixed rate per additional allotment. The rate will be adjusted slightly annually in line with inflation. It is anticipated that the full \$84,500 would be recovered within approximately 10 years.

Option C: Use funds from general roading rate

Recovering the costs of the intersection upgrade from the general roading development contribution would require \$84,500, in addition to the \$75,000 already allocated. This option would result in the additional cost being funded through the Roding Rate, which would increase rates by \$2.00 per \$100,000 of Capital Value of each rateable property in the District. This option would not require a targeted financial contribution from developers.

Option D: Use funds from Hanmer Springs amenity rates

Recovering the costs of the intersection upgrade from the Hanmer Springs amenity rate would require \$84,500 in addition to the \$50,500 already allocated. This option would result in the additional costs being funded from the Hanmer

Springs Amenities Rate, which would increase the rate by \$60.30 per rating unit in the Hanmer Springs Ward. This option would not require a targeted financial contribution from developers.

Option E: A financial contribution from developers in the form of land, works, or services.

This option would require developers to exchange land, works or services to the value of \$84,500 as their contribution towards the intersection upgrade. Land would be appropriate only if additional land was required for the intersection upgrade. Works or services may be appropriate if only a limited number of developers were to potentially benefit from the works, and those developers had specialist staff to carry out the works or services to the appropriate value.

Option F: A private agreement between the Council and Developers

This option would require both the Council and all developers who will benefit from the intersection upgrade to be willing to enter into a private agreement to recover the \$84,500. Those developers who would benefit must be identified now and be willing to pay the contribution before the upgrade works begin.

Summary Evaluation

The evaluation is set out in the following table:

OPTIONS	EFFECTIVENESS & EFFICIENCY	BENEFITS	COSTS
<p>Option A: Retain the Status Quo</p>	<p>As highlighted by discussion in pre-notification meetings the fair apportioning of costs is a major concern.</p> <p>Funding of the intersection upgrade will be split between NZTA, HDC – general rate, HDC – Hanmer Springs amenity rate and an appropriate form of contribution from developers. The portion to be paid by each party has been agreed. However, a method of obtaining the developer contribution needs to be decided and implemented.</p> <p>Retaining the status quo will not provide a method for ‘clawing back’ any funding from developers.</p> <p>The uncertainty of how the funding will be obtained jeopardises the project as a whole. Certainty is required to allow the upgrade to occur in 2009/10, as timetabled.</p>	<ul style="list-style-type: none"> - Does not incur any costs with a plan change process. 	<ul style="list-style-type: none"> - Provides uncertainty to the community as to when developer contribution for payment of the upgrade may occur. - Provides uncertainty to the community as to how the cost of the upgrade will be fairly apportioned between all parties who will benefit from it, in particular land developers.
<p>Option B: Introduction of a Financial Contribution</p>	<p>This option is effective in fairly apportioning the costs of the intersection upgrade and ensuring that the upgrade will occur within the desired timeframes. There is certainty that the developer portion of costs will be recovered and this will occur at a rate directly proportional to the level of benefit incurred i.e. for every additional allotment created (and therefore additional users of the intersection) a targeted financial contribution is paid towards the cost of the upgrade. This option is an effective and efficient method of fairly recovering costs and ensuring the required intersection upgrades occur within the preferred timeframes.</p>	<ul style="list-style-type: none"> - Maintains the intersection to a standard appropriate to the use and traffic volume. - Provides certainty that the upgrade can occur in 2009/10, as specified in the HLTCP - The costs are incurred by all parties at a rate directly proportional to the level of benefit received by the upgrade. 	<ul style="list-style-type: none"> - The cost of the plan change process.

OPTIONS	EFFECTIVENESS & EFFICIENCY	BENEFITS	COSTS
<p>Option C: Use funds from general roading rate</p>	<p>This option will not be effective in fairly apportioning the cost of the upgrade, as a contribution from new development will not be captured. Given the level of funding that is already being contributed by this method, it is highly questionable as to whether the Council should provide further funding from this rating method.</p> <p>As such it is also not considered an efficient funding option.</p>	<ul style="list-style-type: none"> - Does not incur any costs with a plan change process. - If agreed by the Council this method could provide for the maintenance of the intersection to a standard appropriate to the use and traffic volume. 	<ul style="list-style-type: none"> - An additional \$84, 500 would have to be funded from the general rates – roading, at an approximate increase of \$2.00 per \$100,000 of Capital Value of each rateable property in the district. - Delay project by at least 12 months, as the additional rates cannot be levied until the 2010/11 Annual Plan. - In this case, those exacerbating the need for the upgrade and benefiting from it in the longer term would not meet their share of the cost.
<p>Option D: Use funds from the Hanmer Springs amenity rates</p>	<p>This option will not be effective in fairly apportioning the cost of the upgrade, as a contribution from new development will not be captured. Given the level of funding that is already being contributed by this method, it is highly questionable as to whether the Council should provide further funding from this rating method.</p> <p>As such it is also not considered an efficient funding option.</p>	<ul style="list-style-type: none"> - Does not incur any costs with a plan change process. - If agreed by the Council this method could provide for the maintenance of the intersection to a standard appropriate to the use and traffic volume. 	<ul style="list-style-type: none"> - An additional \$84, 500 would have to be funded from the Hanmer Springs amenities rates, at an approximate increase of \$60.30 per rating unit in the Hanmer Springs Ward. - Delay project by at least 12 months, as the additional rates can not be levied until the 2010/11 Annual Plan. - Potential increase in construction costs due to delay. - In this case those exacerbating the need for the upgrade and benefiting from it in the longer term would not met their share of the cost.
<p>Option E: A financial contribution from developers in the form of land, works, or services</p>	<p>Additional land is not required for the intersection upgrade.</p> <p>With regard to contribution in the form of works, the Council has contractors who specialise in roading upgrades for the District. Generally, the contractors used by the Council are also those used by developers. There is no benefit in the developer engaging contractors for the same purpose as their</p>	<ul style="list-style-type: none"> - Does not incur any costs with a plan change process. 	<ul style="list-style-type: none"> - Council staff time to co-ordinate the provision of works or services from multiple parties. - No certainly that developer's will ever enter into an agreement. - Delay the upgrade for an unknown timeframe. - No certainly that the intersection will ever be upgraded to a standard appropriate to the use

OPTIONS	EFFECTIVENESS & EFFICIENCY	BENEFITS	COSTS
	<p>form of contribution.</p> <p>Furthermore, the contribution via this method needs to occur in 2009/10, which means that the contribution would precede development (and any benefit to developers of the upgrade) and therefore this not an effective method of fairly apportioning the cost.</p> <p>Further, land would be an appropriate form of contribution if additional land was required for the intersection upgrade. Works or services may be appropriate if only a limited number of developers were to potentially benefit from the works, and those developers had specialist staff to carry out the works or services to the appropriate value.</p> <p>This option is not effective in that due to the current economic recession, developers are not willing to enter into a private agreement that requires any form of payment before development.</p> <p>For these reasons, this is not an effective or efficient method of fairly apportioning the developer contribution.</p>		<p>and traffic volume</p>
<p>Option F: A private agreement between the Council and Developers</p>	<p>This option is not effective in that due to the current economic recession, developers are not willing to enter into a private agreement that requires payment before development.</p> <p>This option is not efficient in that the upgrade would have to be postponed until such time as the developers may be ready to enter a private agreement.</p> <p>There is no certainty that the developer contribution for the intersection upgrade will ever be resolved.</p>	<ul style="list-style-type: none"> - Does not incur any costs with a plan change process. 	<ul style="list-style-type: none"> - Cost of legal fees associated with drawing up the agreement. - Delay the upgrade for an unknown timeframe. - No certainty that developer's will ever enter into an agreement. - No certainty that the intersection will ever be upgraded to a standard appropriate to the use and traffic volume.

Plan Change Consistency With ss74-75 RMA Requirements

Section 74 of the RMA sets out the matters to be considered by a territorial authority when preparing or changing its district plan. Section 75 of the RMA sets out the content of district plans. The relevant matters in these Sections are discussed below.

Ensures that the Plan Gives Effect to National Policy Statements

There are no relevant National Policy Statements.

Ensures that the Plan Gives Effect to the New Zealand Coastal Policy Statement

The NZ Coastal Policy Statement is not relevant.

Ensures that the Plan is Not Inconsistent with a Water Conservation Order

The change is not inconsistent with any Water Conservation Order.

Ensures that the Plan Gives Effect to the Regional Policy Statement

The Proposed Plan Change gives effect to the provisions of the RPS as it enables a safe, efficient and cost-effective transport system to meet present and future regional needs for transport.

Ensures that the Plan is Not Inconsistent with a Regional Plan

There is no relevant regional plan.

Having regard to any proposed Regional Policy Statement

There is no relevant Proposed Regional Policy Statement.

Having regard to the Proposed Regional Plan

It is considered that the proposed plan change is not inconsistent with the Proposed Natural Resource Regional Plan.

Having Regard to Relevant Management Plans and Strategies Prepared Under Other Acts

New Zealand Transport Strategy

The New Zealand Transport Strategy states the Government's vision for transport in 2040 is that '*People and freight in New Zealand have access to an affordable, integrated, safe, responsible and sustainable transport system.*' A key objective of the strategy is to '*assist safety and personal security*' as well as '*ensuring environmental sustainability*'. The change is consistent with the vision and objectives of the New Zealand Transport Strategy.

The proposed plan change is not inconsistent with the visions and goals of the Canterbury Regional Travel Demand Strategy 2008. The aim of this strategy is to maximise the efficiency of the land transport system by removing the least productive trips or shifting them to times of less demand.

Similarly, the proposed plan change is not inconsistent with the Canterbury Regional Land Transport Strategy 2008-2018 or the Draft Canterbury Regional Land Transport Programme 2009-2019, as the plan change supports infrastructure improvements that improve road safety, especially at intersections.

Hanmer Springs Growth Management Strategy & Town Centre Development Plan

The Hanmer Springs Growth Management Strategy & Town Centre Development Plan was prepared in 2006 as trends in subdivision and holiday home development, together with increasing visitor prompted consideration of the possible extent of future urban growth in Hanmer Springs and what this might mean for the future of the Township. The report commented that “*among the number of growth factors needing to be addressed it is important to consider what changes and development of the road network would be desirable over the planning period to accommodate potential growth in traffic volumes...*” (p76). The Plan Change is consistent with this strategy.

Having Regard to the Extent to Which the Plan Needs to be Consistent with the Plans of Adjacent Territorial Authorities

It is considered that there are no cross-boundary issues with adjacent authorities arising from this Plan Change.

Taking Into Account Relevant Planning Documents Recognised by the Iwi Authority and Lodged With the HDC

It is considered that there are no issues arising from the Plan Change in relation to the Te Runanga o Kaikoura Environmental Management Plan.

Accord With HDC’s Functions Under the Act

It is considered that the proposed plan change is in accordance with the Council’s functions under the Act. The change (applying s31 of the Act):

- Achieves the integrated management of the effects of the use, development, or protection of land and associated natural and physical resources of the district;
- Assists the Council to control the actual or potential effects of the use, development, or protection of land;
- Assists the Council to prevent or mitigate any adverse effects of development and subdivision,

Accord With the Purpose and Principles of the Act

The purpose is set out in section 5 of the Act as follows:

The purpose of this Act is to promote the sustainable management of natural and physical resources.

In this Act, “sustainable management” mean managing the use, development, and protection of natural and physical resources in a way, or at a rate, which enables people and communities to provide for their social, economic, and cultural wellbeing and for their health and safety while-

- (a) *Sustaining the potential of natural and physical resources (excluding minerals) to meet the reasonably foreseeable needs of future generations; and*
- (b) *Safeguarding the life-supporting capacity of air, water, soil, and ecosystems; and*
- (c) *Avoiding, remedying, or mitigating any adverse effects of activities on the environment.*

The principles are set out in sections 6-8 of the Act as follows:

6. Matters of national importance—

In achieving the purpose of this Act, all persons exercising functions and powers under it, in relation to managing the use, development, and protection of natural and physical resources, shall recognise and provide for the following matters of national importance:

- (a) The preservation of the natural character of the coastal environment (including the coastal marine area), wetlands, and lakes and rivers and their margins, and the protection of them from inappropriate subdivision, use, and development:*
- (b) The protection of outstanding natural features and landscapes from inappropriate subdivision, use, and development:*
- (c) The protection of areas of significant indigenous vegetation and significant habitats of indigenous fauna:*
- (d) The maintenance and enhancement of public access to and along the coastal marine area, lakes, and rivers:*
- (e) The relationship of Maori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga.*
- (f) the protection of historic heritage from inappropriate subdivision, use, and development.*

7. Other matters—

In achieving the purpose of this Act, all persons exercising functions and powers under it, in relation to managing the use, development, and protection of natural and physical resources, shall have particular regard to—

- (a) Kaitiakitanga:*
 - (aa) The ethic of stewardship:*
 - (b) The efficient use and development of natural and physical resources:*
 - (ba) The efficiency of the end use of energy:*
 - (c) The maintenance and enhancement of amenity values:*
 - (d) Intrinsic values of ecosystems:*
 - (e) Repealed.*
 - (f) Maintenance and enhancement of the quality of the environment:*
 - (g) Any finite characteristics of natural and physical resources:*
 - (h) The protection of the habitat of trout and salmon:*
 - (i) The effects of climate change:]*
 - (j) The benefits to be derived from the use and development of renewable energy.*

8. Treaty of Waitangi—

In achieving the purpose of this Act, all persons exercising functions and powers under it, in relation to managing the use, development, and protection of natural and physical resources, shall take into account the principles of the Treaty of Waitangi (Te Tiriti o Waitangi).

It is considered that the current objectives and policies of the District Plan have regard to the purpose and principles of the Act. The change is consistent with the current objectives and policies, and is consistent with the purpose and principles of the Act;

and in particular, with the duty to have particular regard to sustaining the potential of physical resources to meet reasonably foreseeable needs of future generations.

The Risk of Acting or Not Acting

The evaluation under Section 32 must consider the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the proposed approach. In this case, it is considered that there is sufficient information available to understanding the effects of not providing for a targeted financial contribution within the District Plan. Principally, there is no certainty that the intersection upgrade will occur and there is no certainty that the cost of the upgrade will be fairly and reasonable apportioned if the Plan Change does not proceed. This would result in the retention of an intersection that is not of a standard appropriate to the use and traffic volumes experienced.

Conclusion of s32 Analysis

The evaluation of the objectives, policies, methods and rules for the transport network concludes that the most appropriate approach is to ensure that the funding of the Argelins Rd/ Woodbank Rd/SH7A intersection upgrade is fairly apportioned, via a targeted financial contribution that will be taken at the time of development. It will be applied only to development within the Hanmer Springs Ward.

The targeted financial contribution is considered the most appropriate method for obtaining the funds as it is effective in fairly apportioning the costs of the intersection upgrade and ensuring that the upgrade will occur within the desired timeframes. There is certainty that the developer portion of costs will be recovered and this will occur at a rate directly proportional to the level of benefit incurred; i.e. for every additional allotment created (and therefore additional potential users of the intersection) a targeted financial contribution is paid to recover the cost of the intersection upgrade.

The conclusion of the s32 analysis is that the proposed approach would be the most effective and efficient in achieving the objective of *an environmentally sustainable infrastructure and pattern of development, meeting both the needs of today's community and the reasonably foreseeable needs of future generations.*