

LAWS *of* SUCCESS

THE NEWSLETTER *of* FLETCHER VAUTIER MOORE, LAWYERS

SEPTEMBER 2004

Welcome

Since our April newsletter, the firm has continued with the expansion of services into both the Havelock and Takaka communities.

We have solicitors visiting our Havelock Office every Friday providing legal advice to existing and new clients. As from Friday 20 August, the Southland Building Society will also have a presence in Havelock every Friday, sharing our office premises at 65A Main Road, Havelock.

Over in Golden Bay we have increased our service delivery by resourcing our Takaka Office at 118 Commercial Street two days a week, every Thursday and Friday. For appointments or general enquiries, please telephone 0800 287 030.

In this edition one of our Nelson Office solicitors, Victoria Chisnall, outlines the financial and development contributions made by both the Nelson City and Tasman District Councils. Please feel free to discuss any matters raised in the article with Victoria or any of our Commercial Team solicitors.

For those of you undertaking a property transaction, the firm is also at the forefront of another exciting conveyancing initiative, details of which are on page 3.

We trust you will enjoy reading this edition.

Steve Fraser
Business Manager

Community Sponsorship

Fletcher Vautier Moore is proud to have contributed to the ASB Aquatic Centre Tasman.

Having been prominent in providing legal services to the Nelson region for more than 50 years, the Partners of Fletcher Vautier Moore were pleased to be able to contribute towards a community that has in turn supported our business for many years.

Stuart Ritchie, a Partner in our Richmond Office, has been heavily involved with the project, providing legal advice to the Tasman District Council on a number of issues, including the construction contract and the contract for the operation of the Aquatic Centre.

Our name and logo will be featured on the side of the largest of the two spa pools, as part of our sponsorship arrangement with the Tasman District Council.



Official sponsorship handover by FVM Partners to John Hurley, Mayor of Tasman District.

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Nelson/Tasman Financial and Development Contributions - What you need to know

by Victoria Chisnall, Solicitor
Nelson Commercial Team

Introduction

Over recent years the Nelson/Tasman areas have experienced high rates of growth. With growth comes the inevitable strain on community services such as parks, community facilities, drainage, roading, sewerage and water supply. Under the new Local Government Act 2002 Councils' are required to prepare a Long Term Council Community Plan (LTCCP) spanning the next ten years (2004-2014). Both the Nelson City Council and the Tasman District Council have developed in their LTCCP's ten year strategies for dealing with the strain on community services to enable the cost of growth to be spread fairly between those directly benefiting from undertaking new activities and the wider community. Each Council has chosen different mechanisms for recovery of financial and development contributions and those mechanisms are set out in brief below.

Nelson City Council (NCC)

The NCC has determined that financial contributions will be recovered in accordance with the provisions of the Proposed Nelson Resource Management Plan (NRMP). Chapter 6 of the NRMP sets out the Council's objectives,

policies, methods and rules relating to financial contributions (also known as "development impact levies").

The NCC will seek to recover financial contributions in a number of circumstances including new subdivisions resulting in the creation of additional allotments, new developments involving a building consent of above \$60,125.00 in value (provided that no contribution is payable for a building being altered unless the gross floor area is increased) and activities requiring resource consent.

For the most part the NCC has sought to ensure that financial contributions are payable when land is subdivided. However a proportion will be recoverable upon building development, and in some circumstances building development where no subdivision has taken place.

By way of example, the table below demonstrates the financial contributions required for a new building development:

Purpose	Contribution Percent x 2% of Value of Building Work
Roads	25.2%
Solid Waste	0.8%
Sewerage	24.0%
Water Supply	27.0%
Stormwater & Flood Protection	23.0%
Reserves & Community Services	0.5% of estimated building value less \$60,125



NB: The first \$60,125.00 of the estimated value of the building work is exempt from the above assessment.

Tasman District Council (TDC)

The TDC has taken a different approach to that of the NCC. From 1 July 2004 financial contributions for reserves and community infrastructure continue to be recovered in accordance with

“New Look” Website

In early June we released our revamped website at www.fvm.co.nz

View past client newsletters, or browse through staff profiles under the “Our People” link. We have showcased our scenic Nelson/Tasman region for viewers looking to move to the area, and commented on career opportunities with Fletcher Vautier Moore.

Any feedback about our web page would also be welcomed. Please feel free to contact us via the form under the “Contact Us” section of our website.

the provisions of the Proposed Tasman Resource Management Plan (TRMP), but development contributions for network infrastructure (water, wastewater, roading and stormwater assets) will be recovered in accordance with the Council's Development Contributions Policy (DCP) under the LTCCP.

Therefore in the Tasman area, residents need to refer to both the TRMP and the DCP in order to calculate any applicable development and financial contributions.

The DCP has been prepared to allow for increased contributions in the Coastal Tasman Area compared to the remainder of the district.

The Policy has been drafted so as to ensure that financial and development contributions are generally recovered at resource

Activity	Contribution (GST inclusive)	Contribution Required
Road network (except as required below)	\$7,950	100%
Road network in Coastal Tasman area located west of Transit NZ designation for Ruby Bay bypass north of Gardner Valley Road	\$12,400	100%
Water reticulation	\$7,540	33%
Water supply	\$9,110	33%
Stormwater management	Nil	Nil

consent stage, but will also be required at building consent stage if additional units of demand are created and the costs have not been otherwise recovered in accordance with a resource consent. By way of example the table above demonstrates the development contributions required for new building development in the Coastal Tasman Area.

NB 1: The remainder of the Tasman District is subject to reduced development contributions and these contributions are set out in the Development Contribution Policy available at the TDC.

NB 2: In addition to the above financial contributions may also be required for reserves and community infrastructure under TRMP.

Conclusion

As a result of the need to recover the cost of the increasing demand on community services, both the NCC and the TDC have been forced to review and increase the financial and development contributions required in respect of development in the region.

Given the increasing financial and development contributions required, all prospective purchasers and developers are strongly advised to make enquiries of the local council and their Solicitor as to the potential costs which may be imposed in respect of the property prior to entering into any Agreement for Sale and Purchase or development projects.

Conveyancing Goes On-Line

Fletcher Vautier Moore is in the process of introducing an on-line website designed to keep clients, real estate agents, banks and mortgage brokers informed about the progress of a property transaction, through use of automated e-mails and text messages, which are transmitted as the dealing proceeds through various stages.

Clients will be able to gain access to certain key indicators showing how far a transaction has proceeded (with regard, for example, to satisfaction of conditions and conclusion of a settlement). Confidentiality will be preserved as demanded by ethics and Law Society regulations by limiting information available to key parties.

This new system will bring property dealings into a new era of efficiency and enable our firm to offer a unique service to our clients.

Staff Announcements

Kate Mitchell is a Solicitor in our Richmond Office Resource Management Team, having joined the firm in April 2004.



Prior to moving to Nelson, Kate practised for a number of years at Kensington Swan in Wellington and at a top London law firm.

Kate specialises in the areas of local government, planning, and environmental law, and has a particular focus on legal issues concerning Maori and the Treaty of Waitangi.

kmitchell@fvm.co.nz

Victoria Chisnall joined the firm in April 2004, having grown up in Nelson prior to graduating at Otago University.



Previously Victoria practised as a solicitor for several years at Gascoigne Wicks, Blenheim and at a London local authority before returning to Nelson.

As a member of our Nelson Office Commercial Team, Victoria specialises in commercial law, trusts, property and resource management.

vchisnall@fvm.co.nz

Nicole Ironside has been a Senior Solicitor in our Litigation Team since mid-May 2004.



Nicole has previously worked for Chapman Tripp in Wellington and at a major UK law firm.

Based at our Nelson Office, Nicole currently provides legal expertise in the areas of family and employment law.

nironside@fvm.co.nz

Deb Bloomfield is a new member of our Richmond Conveyancing Team after joining the firm at the end of August 2004.



With legal office experience spanning 17 years and qualified as a legal executive, Deb will be working alongside Pam Coltman providing legal executive and administrative support at our Richmond Office.

dbloomfield@fvm.co.nz

Kyle Millman took over the role of Accounts Administrator at our Nelson Office at the start of March 2004. **Penny Menzies** joined us from Wellington and has been Personal Assistant to the Management Team, based at our Nelson Office, since 19 July. **Yvonne Watson** also joined the firm in late July as a Personal Assistant at our Motueka Office. In August **Cassandra Trilford** was appointed Personal Assistant in our Richmond Commercial Team covering a parental leave position.

Departures

Belinda Fletcher, Senior Solicitor, Nelson Office resigned from the firm as at 5 July 2004. **Carole Flowers**, Legal Executive, Nelson Office moved to Perth in September to pursue new lifestyle and career opportunities.

Any clients who dealt with any staff who have left our firm can call our Business Manager, Steve Fraser, to discuss a suitable replacement as your legal advisor. Please feel free to check our web page where all of our legal staff and their areas of speciality are listed, www.fvm.co.nz

Would you prefer to receive our newsletter via e-mail?

If so, please contact Penny Menzies, PA to Management Team, Nelson Office

E-mail: pmenzies@fvm.co.nz, Telephone: 03 548 1469



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Takaka and Havelock by appointment