



**Financial contribution
guidelines for lots zoned
Medium Density Residential
in Te Puke and Ōmokoroa**



**Western
Bay of Plenty**
District Council

Purpose of these guidelines

This guideline applies to the Medium Density Residential Zones in Ōmokoroa and Te Puke only.

The purpose of this guide is to assist Council staff, landowners and developers with calculating financial contributions (Fincos) for the construction of residential units (dwellings) or subdivision of Medium Density Residential lots.

What are Fincos?

A growing town needs additional infrastructure, or an upgrade of existing infrastructure to accommodate the growth, and this infrastructure needs to be funded.

The Resource Management Act provides for a local authority to impose Fincos on a new development to pay for its share of Council infrastructure that is already available or will become available as development occurs.

More details on the infrastructure requirements and its funding are included in the Ōmokoroa and Te Puke Structure Plans and Council's Long-Term Plan.

The following infrastructure is included in the Finco calculations:

- Stormwater
- water supply
- wastewater
- transportation (strategic and urban specific catchments)
- ecological protection, and
- recreation and leisure

Calculation of Fincos

One or two additional residential units (Permitted Activity)

Fincos for permitted residential units can only be collected through the building consent process.

Where an existing residential unit already exists, that unit will be exempted from paying Fincos.

In the case of a vacant site, the builder/developer can choose which residential unit to exempt.

Except for stormwater, Fincos for one or two additional residential units are based on the net floor area (gross floor area minus the garage) of each residential unit. Fincos for stormwater are based on the building footprint, which includes the garage.

Definition of Gross Floor Area:

“Gross Floor Area” means the sum of the area of all floors of a building measured either from the exterior faces of the exterior walls, or from the centre line of walls separating two tenancies, as the circumstances may require.

Definition of Building Footprint:

“Building Footprint” within the definition of “building coverage” when used in Section 14A (Ōmokoroa and Te Puke Medium Density Residential) means the total area of buildings at ground floor level together with the area of any section of any of those buildings that extends out beyond the ground floor level limits of the building and overhangs the ground.

Rule 11.5.3(b) provides that one household equivalent (HHE) for a residential unit is equal to a net floor area of 150m² (gross floor area excluding any garage) or a building footprint of 150m² (including any garage or carport) in the case of stormwater.

A maximum of 1 HHE can be charged and there is a minimum of 0.5HHE.

Key information needed for calculations:

- Net floor area which is the gross floor area of the dwelling minus the garage.
- Building footprint size including any garage/carport

The formula is:

For all Fincos except stormwater:

Net floor area m² divided by 150 = HHE apportionment

For stormwater:

Building footprint m² divided by 150 = HHE apportionment

Examples to Calculate Fincos

Example 1: Additional single storey unit

The details are as follow:

Net floor area = 125m²

Double garage = 40m²

Building footprint = 165m².

Calculations:

All fincos except stormwater

$$125/150 = 0.833\text{HHE}$$

Stormwater finco

$$165/150 = 1.1\text{HHE} = 1\text{HHE}$$

Rule 11.5.3(b)(iv) provides that an additional residential unit shall not pay more than 1HHE.

As a result, the stormwater Finco will be 1HHE.

Example 2: Additional double storey unit

The details are as follow:

Gross floor area = 180m²

Net floor area = 145m²

Building footprint = 120m²

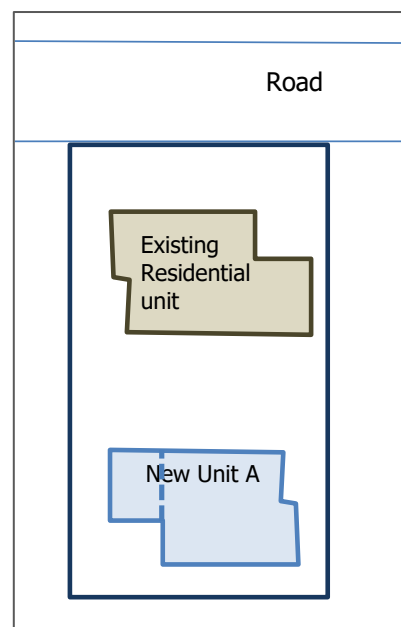
Calculations:

All Fincos except stormwater

$$145/150 = 0.967\text{HHE}$$

Stormwater Finco

$$120/150 = 0.8\text{HHE}$$



Subdivision and four or more residential units on a site in the Ōmokoroa and Te Puke Medium Density Residential Zones

Section 3 of the District Plan defines Developable Area as follows:

“Developable Area” when used in Section 14A (Ōmokoroa and Te Puke Medium Density Residential) and in the definition of “minimum average” and “maximum average” means all land zoned Medium Density Residential except for the following:

- Road reserves of Ōmokoroa Road, Prole Road and Francis Road (including its extension to Ōmokoroa Road);
- Identified structure plan link road between Prole Road and Francis Road;
- Identified structure plan active reserve;
- As part of a resource consent, areas identified as unsuitable for the construction of a residential unit by a suitably qualified and experienced:
 - o geotechnical engineer or equivalent, or
 - o stormwater engineer or equivalent due to the land having stormwater management as its primary function, or
 - o natural hazards engineer or equivalent due to the land being subject to one or more natural hazards.

All local roads and local reserves are included in the yield calculations.

It is important to ensure that the Fincos for a medium density residential development are aligned with the required minimum yield.

All Fincos (ecological protection, recreation and leisure, transportation, water supply, wastewater and stormwater) are based on a number of lots or residential units per hectare (10,000m²) of developable area.

The following number of HHEs shall be paid per hectare of developable area:

Area	HHEs per hectare of developable area
Ōmokoroa Stage 3A	15
Ōmokoroa Stage 3B	20
Ōmokoroa (Outside of Stage 3)	20
Te Puke	20
Ōmokoroa Stage 3C	30

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The number of HHEs to be paid per residential unit shall be proportional to the number of hectares of developable area.

Key information needed for calculations:

- The required yield (e.g. 20 dwellings/ha).
- The size of the developable area.
- Number of residential units to be constructed.
- Will it be staged.

Important Note:

Council's FINCO calculations will only show the total number of HHEs to be charged.

Examples: Yield of 20 residential units per hectare of developable area

The formula is:

Developable area divided by required yield = total Fincos to be paid

Example 1: Eleven additional lots

A developer would like to subdivide a 5,000m² site in Ōmokoroa Stage 3B into 12 lots (11 additional lots), including a road that provides access to these lots. The entire site is developable therefore a developable area of 5,000m²). Rule 11.5.5(b) requires a minimum density of 20 residential units per hectare of developable area. Therefore 20 HHEs per hectare.

Developable Area = 0.5ha (5,000m²)

Required yield = 20 residential units/ha

The HHEs is therefore:

$$0.5\text{ha} \times 20 \text{ units/ha} = \mathbf{10\text{HHEs}}$$

One HHE is credited for the original lot. Therefore, **9 HHEs** to be paid for this subdivision.

The Fincos per lot will be:

$$9\text{HHEs} / 11 \text{ additional lots} = \mathbf{0.818\text{HHEs per additional lot.}}$$

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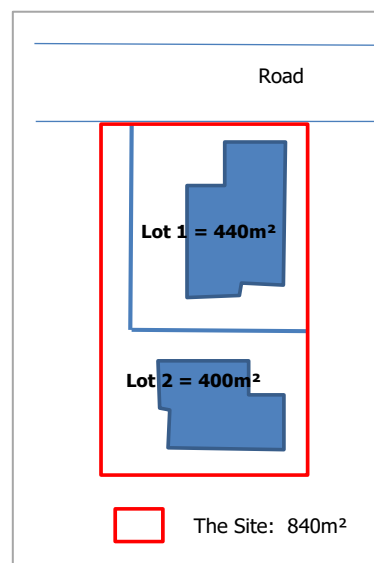
Example 2: Infill subdivision

A new infill subdivision in Te Puke. The site measures 840m². One additional rear lot (400m²) with an access strip is developed.

Yield requirement: 20 dwellings/ha

The HHE is therefore:

$$0.0400 \times 20 = 0.8\text{HHE}$$



Example 3: Seven additional lots that do not meet the yield requirements

A developer would like to do an eight-lot subdivision on a site with a developable area of 4,640m² (0.4640ha). Access is provided via an 8m wide private way that measures 240m². The required yield is 20 dwellings/ha.

HHEs to be paid for the subdivision:

$$0.4640\text{ha} \times 20 \text{ residential units/ha} = 9.28\text{HHEs}$$

One existing title, therefore 9.28HHEs - 1HHE = **8.28 HHEs** to be paid

HHEs per lot:

$$8.28\text{HHEs}/7 \text{ additional lots} = \mathbf{1.183\text{HHEs /lot}}$$

Example 4: 120 lot subdivision plus a balance lot

A developer submits a subdivision and landuse consent for a 120 lot subdivision in Ōmokoroa Stage 3B. The subdivision is over two titles with a combined size of 11ha.

The subdivision comprises of the following:

- 2 local reserves,
- 4 roads and 2 private ways,
- 120 medium density residential lots with one residential unit per lot,
- 1 balance lot of 2ha for future subdivision.

The site has the following constraints:

- Land within a flood hazard = 0.8ha
- Land with geotechnical constraints = 2.8ha
- None of these constraints are within the balance lot.

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As per Rule 11.5.5(e), the balance lot will be charged 1HHE.

The subdivision will be done **on 9ha** (11ha – 2ha balance lot)

There are geotechnical and flood constraints on the site. The total **developable area** is thus:

$$9\text{ha} - 0.8\text{ha} - 2.8\text{ha} = 5.4\text{ha of developable land}$$

The required yield is 20 lots/ha

The total HHEs to be paid:

$$5.4\text{ha} \times 20 = \mathbf{108 \text{ HHEs}}$$

$$\text{There were two existing titles, therefore: } 108 - 2 = \mathbf{106\text{HHE to be paid}}$$

The Finco per additional lot will be:

$$106/120 = \mathbf{0.883\text{HHEs residential unit or lot}}$$

Example 5: Retirement village

A new retirement village will be developed in Ōmokoroa Stage 3B on one existing title, measuring 6.6ha. The development will be over two stages.

Stage 1: 165 residential units on 4.8ha. There are a few areas subject to flooding. The developable area for Stage 1 is **4.2ha**

Stage 2: 55 residential units on a developable area of 1.8ha. A balance lot will be created for Stage 2.

The required yield is 20 lots/ha

The total HHEs to be paid:

$$4.2\text{ha} \times 20 = 84 \text{ HHEs}$$

$$\text{Minus 1 existing title} = 83\text{HHEs to be paid}$$

$$\text{Plus 1HHE for the balance lot for Stage 2} = \mathbf{84 \text{ HHEs in total}}$$

The Finco per additional residential unit will be:

$$83\text{HHEs}/165 \text{ units} = \mathbf{0.503\text{HHEs per unit}}$$

Examples: Yield of 30 residential units per hectare of developable area

Example 1: An apartment and individual lots

Fifty-two new residential units will be constructed on a 1.55ha site with a developable area of 1.50ha. The existing dwelling will be demolished. The development comprises of 52 medium density residential units. Twenty residential units are on individual lots with their own title. The remaining 32 residential units will be part of in a four-storey apartment building. A small neighbourhood reserve and access road are included in the development.

The yield requirement is 30 residential units per hectare.

The total HHEs to be paid:

$$1.5\text{ha} \times 30 = 45\text{HHEs}$$

Minus the existing title.

Therefore, **44HHEs** to be paid

HHEs per residential unit:

There will be 51 additional residential units.

Therefore:

$$44\text{HHEs} / 51 \text{ unit} = \mathbf{0.863\text{HHEs per unit}}$$

