

# DEVELOPMENT CONTRIBUTIONS INFORMATION SHEET

## BEDROOM BASED APPROACH FOR RESIDENTIAL DEVELOPMENTS

### OVERVIEW

Under the 2018/19 Development Contributions (DC) Policy or later, residential developments are assessed for DCs based on the number of bedrooms a dwelling contains. DCs for larger dwellings are higher compared to smaller dwellings, noting that all dwellings with four or more bedrooms pay the same rate (large residential).

#### The four residential dwelling types are:

- One-bedroom dwelling (not more than one bedroom in total)
- Two-bedroom dwelling (not more than two bedrooms in total)
- Standard residential dwelling (not more than three bedrooms in total)
- Large residential dwelling (four or more bedrooms)

### RESIDENTIAL SUBDIVISION

DCs will be charged on a subdivision consent based on the number of bedrooms a proposed dwelling has, or as one standard residential dwelling (one residential HUE) where sufficient information is not available to determine the residential demand type when the consent was approved.

If prior to the date when payment is required, Council establishes to its satisfaction that the number of bedrooms differs from a standard residential dwelling (for example a land use consent or building consent showing either one, two or four bedrooms), then the Council will use this information to reassess that residential unit according to the development types stated above and set out in the Policy.

Where a DC has been paid, no refund will be given if the actual number of bedrooms is less than the standard residential dwelling assumes, but rather a credit will be retained for the DCs paid.

Where a standard residential unit was paid on a subdivision consent under the 2018/19 DC Policy or later, and a building consent is lodged for a large residential dwelling, an additional DC charge will be incurred on the building consent.

### RESIDENTIAL RENOVATIONS

Where a residential dwelling existed on a site prior to 1 July 2018, no additional DC will be required for adding additional bedrooms to the dwelling.

Areas of a renovation that are deemed to be self-contained will be subject to a DC charge based on the number of bedrooms within the self-contained area. Additional DCs will be required where additional bedroom(s) are added to residential units that were assessed under the 2018/19 DC Policy or later.

### RESIDENTIAL CREDITS

Under the 2018/19 DC Policy or later, if you are demolishing an existing residential dwelling on site or have paid a DC previously, then you will be eligible for a credit against the proposed DC charge.

Where information in relation to a demolished dwelling is practicably available (for example, historical building consent plans), this information will be used to determine the number of bedrooms in the dwelling and the type of residential credit applicable.

The following minimum classifications shall apply to all demolitions unless there is information demonstrating that the dwelling had more bedrooms:

- a) detached dwellings are credited as standard residential dwellings, and
- b) attached dwellings are credited as two-bedroom dwellings, and
- c) ancillary units are credited as one-bedroom dwellings.

Where a residential DC has been paid under a Policy prior to the 2018/19 DC Policy and a consent has been lodged for one single residential dwelling, then no additional DC charge will be incurred.

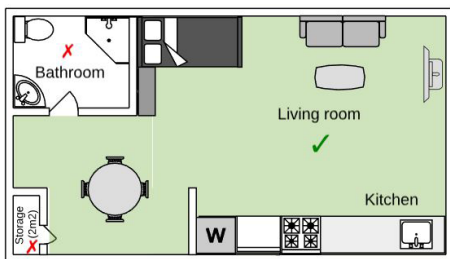
## HOW TO IDENTIFY A BEDROOM

For the purposes of DCs, a bedroom is defined as an area of a residential unit that is not:

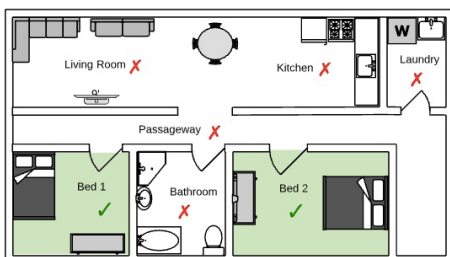
- the kitchen, bathroom(s), laundry and toilet(s),
- the dining room or living room (**but not both**) whether open plan with the kitchen or not,
- entrance hall or passageways,
- garage, and
- any other room smaller than 6m<sup>2</sup>.

That is, the kitchen, bathroom, laundry, toilet, entrance hall, passageway, garage and any other room smaller than 6m<sup>2</sup> will not be counted as a bedroom. Also excluded from the definition of a bedroom is one of either a dining or living room. The exception to this is where the dining and living area are open plan with the kitchen (one room). In this case only, the dining/living room will not be counted as a bedroom.

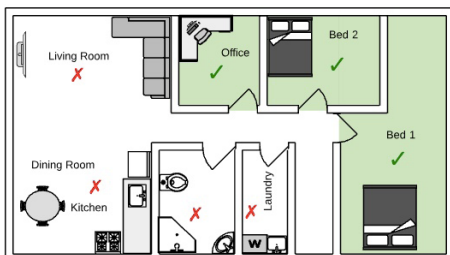
The following examples may assist in counting the number of bedrooms in your proposed dwelling.



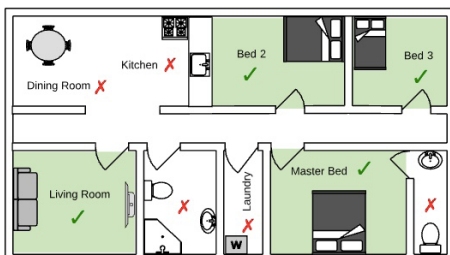
**ONE  
BEDROOM  
DWELLING**  
0 BEDROOMS



**TWO  
BEDROOM  
DWELLING**  
2 BEDROOMS



**STANDARD  
RESIDENTIAL  
DWELLING**  
3 BEDROOMS



**LARGE  
RESIDENTIAL  
DWELLING**  
4 BEDROOMS

## WORKING EXAMPLES

### EXAMPLE ONE

One detached residential dwelling is being demolished and plans from a historical building consent shows the dwelling has three bedrooms. Building consent lodged for one four-bedroom dwelling.

#### DC assessment:

One standard residential credit applied for dwelling to be demolished and DCs charged on the demand for one large residential dwelling at the 2019/20 DC rate.

### EXAMPLE TWO

One residential dwelling paid on subdivision under the 2016/17 DC policy. Building consent lodged for one four-bedroom dwelling.

#### DC assessment:

No DCs payable.

### EXAMPLE THREE

One residential dwelling paid on subdivision under the 2016/17 DC policy. Building consent lodged for one duplex comprising of two bedrooms in each dwelling.

#### DC assessment:

One standard residential credit applied for the DC paid on subdivision and DCs charged on the demand for two two-bedroom dwellings at the 2019/20 DC rate.

### EXAMPLE FOUR

One detached residential dwelling is being demolished and plans provided by the applicant shows the dwelling had four bedrooms. Building consent lodged for one two-bedroom dwelling.

#### DC assessment:

No DC payable. Applicant may add up to two bedrooms to dwelling in future and incur no additional DC charge due to residual credit from large residential dwelling that was demolished.

### EXAMPLE FIVE

One standard residential dwelling paid on subdivision under 2018/19 DC Policy. Building consent proposing one four-bedroom dwelling.

#### DC assessment:

One standard residential credit applied for the DC paid on subdivision and DCs charged on the demand for one large residential dwelling at the 2019/20 DC rate.

## CONTACT US

For further assistance please contact

**Development Contributions Assessment Officer**

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**Note:** This information sheet is intended as a guide only. In the event of any conflict arising in the practical application of this information, the provisions of the Local Government Act 2002 and the relevant DC Policy prevails.

*Updated July 2019*