

# Memorandum

#### October 4, 2023

То	Alastair Smaill, <u>Alastair.Smaill@gw.govt.nz</u> Karen Inglis, <u>Karen.Inglis@4sight.co.nz</u>		
From	David Norman, Chief Economist GHD David.Norman@ghd.com	Project No.	12622514
Project Name	AOG Consultancy Panel – GWRC – Financial Contributions Estimation		
Subject	Defining EHUs and estimating FCs for stand-alone roading projects		

### **Scope and limitations**

This memorandum has been prepared by GHD for Greater Wellington Regional Council and may only be used and relied on by Greater Wellington Regional Council for the purpose agreed between GHD and Greater Wellington Regional Council.

GHD otherwise disclaims responsibility to any person other than Greater Wellington Regional Council arising in connection with this memorandum. GHD also excludes implied warranties and conditions, to the extent legally permissible.

The services undertaken by GHD in connection with preparing this memorandum were limited to those specifically detailed in the memorandum and are subject to the scope limitations set out in the memorandum.

The opinions, conclusions and any recommendations in this memorandum are based on conditions encountered and information reviewed at the date of preparation of the report. GHD has no responsibility or obligation to update this memorandum to account for events or changes occurring subsequent to the date that the memorandum was prepared.

The opinions, conclusions and any recommendations in this memorandum are based on assumptions made by GHD. GHD disclaims liability arising from any of the assumptions or information prepared by others being incorrect.

### Introduction

Greater Wellington Regional Council has requested further information on two points:

- A definition of an Equivalent Household Unit (EHU)
- A financial contribution (FC) estimate for stand-alone roading projects not linked to greenfield development.

This brief memorandum deals with these two points.

## **Definition of an EHU**

An EHU is an Equivalent Household Unit. An EHU is the basis for assessing the residual environmental impact (measured for copper and zinc contaminants in this instance) of the development of an average-sized residential unit for the purposes of calculating FCs. Each average-sized new residential unit is deemed to create one unit of impact (one EHU).

The Power of Commitment

Because non-residential developments also impact contaminant levels, but can vary dramatically in size, every 100m2 of roofing or roading/hardstand area is deemed to create one unit of impact, rather than using the EHU unit of measure used for residential development.

FCs are calculated based on the number of EHUs expected to be delivered in greenfield areas in the two whaitua. Non-residential FCs are calculated based on the amount of roofing and roading/hardstand expected in non-residential development areas.

# FC estimate for stand-alone roading projects

Unlike roading that is developed to access new residential or non-residential development, where the impact of that roading is included in estimates of the FCs for the residential or non-residential development, the contaminant impacts of, for example, new highway lanes, need to be estimated differently.

Morphum Environmental estimate that 85% of contaminant run-off from these roads would be dealt with onsite. This is the same assumption as used for residential and non-residential development in the earlier work. Using the relationship between zinc and copper contaminant run-off and the required size of wetlands from the initial work, the estimated FC is **\$360 per 100m**<sup>2</sup> of roading / hardstand when that roading is not in direct support of new greenfield development.