

# Papakāinga Project Planning & Feasibility Checklist

V2 27/8/21

The following papakāinga planning & feasibility checklist will help you and your whānau during the planning & feasibility stage of your papakāinga development.

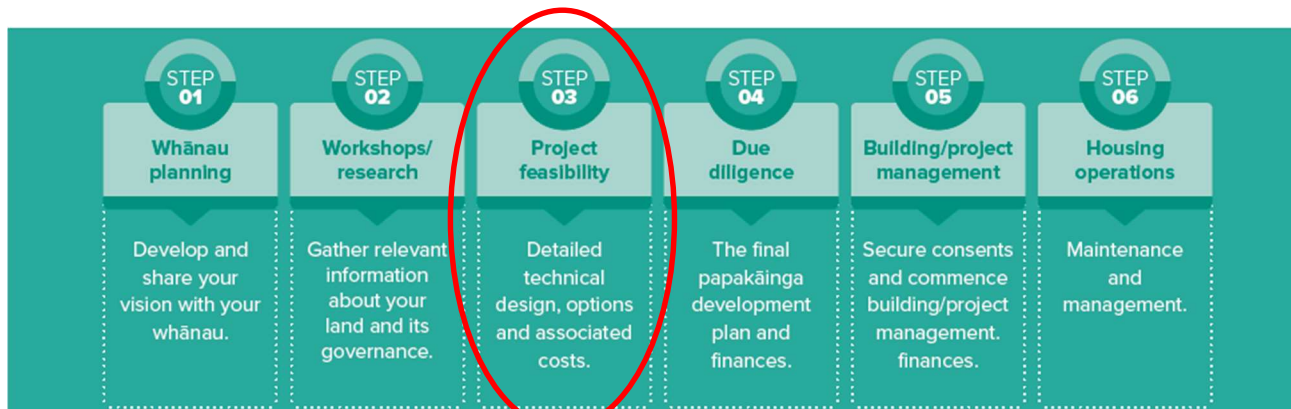


Image from [A Guide to Papakāinga Housing](#), published by Te Puni Kōkiri

If you intend to apply for government funding to support the build of your papakāinga, most of the information you collect from this checklist will be required to be submitted with your funding application.

This is not an application form for Te Puni Kōkiri housing funding. It is a guide and checklist to help you through the planning and feasibility stage of a papakāinga development. More information about Te Puni Kōkiri support for papakāinga development can be found on the website:

<https://www.tpk.govt.nz/en/whakamahia/maori-housing-support/supporting-new-homes-and-papakāinga>

## Project feasibility checklist – Whānau

*Tip: save your documents to a DropBox or Google Drive, named, dated & numbered clearly so you can find them easily.*

WHĀNAU	What? / Why?	Done ✓
1. Needs assessment / waiting list information / other statistics / research about the target market for your proposed housing development.	Demonstrates there is general demand / need in the immediate / surrounding area for the rental housing being proposed (including bearing in mind bedroom number and rental \$ per week). Avoids developed housing sitting vacant on completion and placing Kaitono and / or tenants under undue financial pressure.	
2. List of prospective tenants / homeowners for houses on completion including any supporting evidence of those individual household circumstances and demonstration of their interest / financial capacity to live in the housing.	A more detailed expansion of point 1, where specific whanau are identified (to the extent possible) for the rental housing being proposed (including bearing in mind bedroom number and rental \$ per week). This should document key circumstances such as the number of whanau members in each household and household income. When you prepare the financial model for the development and operation of the papakāinga (see reference to “PVAT” in point 28 below), you will need this information to determine what is an “affordable rent”. It also demonstrates proposed tenants’ awareness of having been identified for the proposed housing by the Kaitono.	

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WHĀNAU	What? / Why?	Done ✓
3. Evidence of how you have worked with your community / whānau to develop this proposal and understand the outcomes they are seeking, including the voice of the community.	To ensure community / whanau aspirations and concerns regarding the proposed development are clearly addressed, resolved and incorporated prior to further development planning commencing.	
4. Written description of any services aside from housing provision that are being proposed as part of the overall development e.g. education or health programmes, pastoral care / mentoring, other wrap around support services (noting these services are not funded by TPK housing grants).	<p>Provides a holistic view of the development in terms a of total community impact as opposed to a housing only view. This is known as a “community development approach”, and when it’s used in the context of papakāinga it focusses on <i>community transformation and reversing deprivation, rather than large scale housing developments and the numbers of houses</i>. The approach broadly involves partnering with whānau and communities to identify their aspirations including housing aspirations; building whānau and community capability and capacity to improve housing outcomes; partnering with other agencies and leveraging relationships to enhance community access to resources; and measuring impact.</p> <p>Community development has the potential to create more enduring and sustainable benefits for whānau and communities than investing in housing alone. In addition, there can be a deliberate investment in the Māori economy by procuring from Māori owned businesses, and when possible, supporting local employment opportunities.</p>	

## Project feasibility checklist – Whenua

Tip: look up your whenua on [www.tupu.nz](http://www.tupu.nz) for a downloadable information pack about your land block

WHENUA	What? / Why?	Done ✓
5. Address of the site		
6. Certificate of title for the site of the proposed housing development, including any LINZ and Māori Land Court details.	Identifies exact development location, site size, whenua type, and any caveats / encumbrances / mortgages against the property. Of particular importance in terms of ability to borrow against the whenua and/or housing on it.	

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WHENUA	What? / Why?	Done ✓
7. Documentation of governance arrangements in place for the whenua.	<p>Identify the governing body for the whenua. If you don't know the governance arrangements over the whenua, you should enquire through the Māori Land Court.</p> <p>If there is no Trust in place, you may have to work through this with the landowners to establish the most appropriate governance arrangements over the whenua.</p> <p>Outline the process for gaining assurance that those members that have made assertions in relation to use of the land for development and ongoing use are duly authorised to do so, thereby avoiding issues / delays further down the track (which may impact on the development timeline).</p> <p>From a Te Puni Kōkiri funding perspective, there needs to be an established working governance entity in place.</p>	
8. Is the land owning Trust registered as a Māori Authority with Inland Revenue?	<p>Māori Authorities are taxed at 17.5% instead of 33%.</p> <p>You can find more information here:  <a href="https://www.ird.govt.nz/roles/maori-authorities">https://www.ird.govt.nz/roles/maori-authorities</a></p>	
9. Express written permission from the land-owning governing body (eg, Ahu Whenua Trust, Land Incorporation etc), or all required landowners (if governance not yet established), to use the whenua for the proposed housing development.	<p>Ensures governing body / landowners are aware of and in support of the proposed development from the beginning to avoid issues / delays further down the track (which may impact on programme).</p> <p>If there is an Ahu Whenua Trust or other established governance body in place, you will need to work with them to confirm that you can use the whenua.</p> <p>Mostly Te Puni Kōkiri works directly with the land-owning governance body.</p>	
10. Any lease / occupation orders / licence to occupy arrangements in place or planned for the whenua.	<p>Lease is of relevance in case whenua is currently leased to another party and therefore not available to use for papakāinga development. Licence to occupy is of particular relevance to owner occupiers, as this is required on whenua Māori to provide assurance the owner occupier will be able to occupy the land for an agreed period of time once the house is constructed and transferred from the Kaitono to the owner occupier.</p>	
11. Local authority information regarding current zoning / planning area and allowable uses under statutory planning legislation.	<p>Determines what the whenua is able to be used for under current zoning (including the planned papakāinga development and how many whare are allowable), and therefore whether resource consent is required, which can impact significantly on programme / delivery of housing.</p>	

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WHENUA	What? / Why?	Done ✓
12. Any agreement from lenders regarding ability to use land as security for borrowing purposes.	<p>For whenua Māori - only Kiwibank has been prepared to provide lending for housing on Māori freehold land ie Kiwibank via Kāinga Whenua Loans, where lending is secured against the whare (on piles and therefore removable) only and requires a licence to occupy to be in place. Document what onboarding or engagement there has been with KiwiBank or Kāinga Ora (in the case of rōpū Registration of Interest). This may involve a due diligence process for the Trust and Trustees. You may or may not have a firm letter of offer before you apply for grant funding, however you should have started to engage with the bank. If you apply for grant funding to build your papakāinga, you will need to give explicit permission for government to talk to Kāinga Ora and/or Kiwibank about the loan application as it relates to and interacts with the grant funding.</p> <p>For general title land - Document what onboarding or engagement there has been with banks or other lenders, and any pre-approved loans</p> <p>Linked also to point 30.</p>	
13. Land survey.	A land survey is a drawing that shows exactly where the boundaries of a property are. A survey will also lay out the dimensions and location of any buildings or other site improvements on the property. This provides the starting point for considering the site in relation to the proposed papakāinga development.	
14. Topographical survey.	Topographical surveys are conducted to identify and map the contours of any given piece of land and any features that exist above or below ground, such as buildings, services, roads and vegetation. For building purposes, these surveys also include boundary lines and easements. This provides constraints of the whare in relation to the proposed papakāinga development.	
15. Geotechnical report.	The geotechnical investigation report will present the findings of the site investigation, outline the assessment of the ground conditions and provide recommendations for building foundations, earthworks or retaining walls. Adverse findings can have a significant impact on construction costs.	
16. Site contamination report.	A (site) contamination report, also known as a Contaminated Land Report (CLR), provides advice to landowners and developers as to whether there is, or is likely to be, any contamination on a site where development is proposed. Contamination can occur naturally, accumulate over time or be present due to a single event or prior uses of the land, in particular for industrial purposes. Adverse findings can have a significant impact on land development costs due to the need to scrape and remediate land prior to construction commencement.	

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WHENUA	What? / Why?	Done ✓
17. Hydrology assessment.	A hydrological assessment is carried out to quantify the flow or volume of water in a river or stream, over land, in soils, in a pond or in a reservoir. Hydrological assessment is therefore used to help reassure or alert developers, planners and land managers to potential issues for concern. Findings can influence buildability of different parts of the site and may therefore impact significantly on development costs.	
18. Infrastructure assessment.	An infrastructure assessment is a report that looks at the location and condition of existing services, to assess the area for infrastructure requirements for current and future development. This can have a significant impact on development costs and is of particular relevance in rural settings where network connections are a long way from site boundaries, meaning either significant network infrastructure extension costs or off-grid solutions being required. Should incorporate 3-waters (potable water, stormwater, sewage) roading, electricity and internet.	
19. Infrastructure services diagram.	Shows where existing infrastructure services eg 3-waters, power, phone, internet) run through the site. Can impact on development cost ie connection costs increase the further they are away from where existing services are located.	
20. Heritage, archaeological, cultural significance reports. Please include a description of any tikanga / wāhi tapu for the whenua.	Can impact on which parts of the site can be developed or any special care needed when undertaking earthworks / construction and can therefore impact on development costs.	
21. Environmental audit including what the property has been used for historically.	An environmental auditor is able to provide independent assessment of contaminated sites and remediation works to ensure that land is suitable for a particular use. Auditing services can be used by anyone who needs an independent and authoritative review of potential or actual land contamination.	
22. Resource consents lodged / obtained (include draft if awaiting lodgement).	Provides an indication of the permissions being sought by the proposed development to do something that the local authority hasn't clearly identified in their plan as either permitted or prohibited. It includes things like using land and taking water. The consent lodgement date provides an indication of how far away the development is from breaking ground.	

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## Project feasibility checklist – Whare

*Tip: the work you did in the “Whānau” section will help determine the typology of houses you need to plan for in this section*

WHARE	What? / Why?	Done ✓
23. Detailed description of any existing improvements on the site including any compliance problems with the Building Act 2004 and / or statutory authorities.	May delay construction if needing to work around existing buildings, and / or create inequity between existing and future tenants / homeowners once the development is complete.	
24. Bulk and location / yield study including specification of maximum housing capacity of the site.	Provides analysis of how much housing the site can deliver and how much the current stage contributes to that. Especially relevant re infrastructure investment as current infrastructure being applied for may be able to service significantly more houses than the current stage being applied for.	
25. Concept / preliminary / detailed design for proposed development (current stage).	Provides assurance that the number of houses proposed and represented in the long-term financial model are achievable on the site.	
26. Building consents lodged / obtained (include draft if awaiting lodgement).	A building consent is a formal approval from a Building Consent Authority to carry out building work in accordance with the approved plans and specifications. It is a key programme milestone as can add significant time while waiting for consent to be approved.	
27. Description of infrastructure solution for 3-waters (potable water, stormwater, sewage), electricity, internet etc.	Provides information to substantiate infrastructure costings and confirms whether infrastructure solutions are on or off grid.	
28. House plans and / or product specification documents for any alternative / non-traditional house construction methods being proposed.	Identify the construction method, and any features of note/interest. Specify foundation type, where relevant to Kāinga Whenua Loan requirements (ie, on piles). It adds construction risk where non-traditional products are being proposed, and increased likelihood of warranty issues for kaitono in the case of rental housing.	
29. Detailed long term financial model (at least 25-year timeframe).	This should cover both development costs and ongoing operations, from the perspective of both your organisation and the tenant / homeowner. Clearly identify key inputs / assumptions / variables. Clearly state any assumptions around Income Related Rent Subsidy / Accommodation Supplement if applicable. Ensure full funding breakdown included. If you are applying for a grant funding contribution, you will need to use the Te Puni Kōkiri Project Viability Assessment Tool (PVAT) template - ask for this from a Te Puni Kōkiri regional office Housing Adviser. You can also find it online here under <i>Resources</i> : <a href="https://www.tpk.govt.nz/en/whakamahia/maori-housing-support/supporting-new-homes-and-papakainga/papakainga-planning">https://www.tpk.govt.nz/en/whakamahia/maori-housing-support/supporting-new-homes-and-papakainga/papakainga-planning</a>	

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WHARE	What? / Why?	Done ✓
30. Borrowing approvals with banks or other lenders in relation to your proposed housing development.	Provides confidence in terms of both development finance availability for the Kaitono and can extend to the ability of homeowners to finance individual houses in the case of any home ownership houses.	
31. Documented insurance arrangements in relation to your proposed housing development.	Inadequate insurance arrangements have the ability to topple the kaitono financially and therefore put the development at a higher risk of non-completion. Identify the form of build guarantee you intend to have in place (eg, MasterBuild Guarantee, Certified Builders Guarantee)	
32. Tax advice regarding whether any grant funding sought will be used for the making of taxable supplies.	This is required to be able to enter into a funding agreement with TPK, and ensures GST is dealt with by the Kaitono correctly. Generally, the building of rental homes is not taxable supply, so GST cannot be claimed.	
33. Full development programme, ensuring that the following key dates are included: <ul style="list-style-type: none"> <li>- Preliminary design complete and approved by kaitono</li> <li>- Resource consent lodged / obtained</li> <li>- Detailed design complete and approved by kaitono</li> <li>- Building consent lodged / obtained</li> <li>- External borrowing confirmed</li> <li>- Civils / earthworks contractor appointed</li> <li>- House constructor appointed</li> </ul>	Provides assurance of when completed houses are likely to be delivered. Helpful when talking to potential investment partners / funders.	
<ul style="list-style-type: none"> <li>- Shovel ready (expected civil / infrastructure physical works commencement)</li> <li>- Build ready (expected vertical build physical works commencement)</li> <li>- Build complete (expected practical completion date of each house split by rental vs home ownership).</li> <li>- Code Compliance Certificate received (expected code compliance certificate receipt date of each house split by rental vs home ownership).</li> </ul>		

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34. Description and supporting evidence of planned appointments for the following roles: <ul style="list-style-type: none"> <li>- External Project Manager</li> <li>- Engineer</li> <li>- Designer</li> <li>- Architect</li> <li>- Quantity Surveyor</li> <li>- Civils / Infrastructure Contractor</li> <li>- House Constructor.</li> </ul>	Provides assurance that suitable resource has been appointed to maximise the chance of the development being completed on time on budget.	
35. Contractual arrangements (including draft) / evidence of discussion with outsourced developer (if applicable), civils contractors or house constructors.	Provides assurance that development partners and key physical works contractors are available to deliver the proposed housing development.	
36. Development specific risk register.	An opportunity to consider key factors that may derail the project / reduce the chances of houses being delivered on time on budget.	
37. If the papakāinga has rental housing, who will manage the tenancies?	Have you contemplated getting registered as a Community Housing Provider (CHP), or using a local CHP?  This will affect potential access to Income Related Rent Subsidies, and therefore your rent assumptions.	