**IN THE MATTER OF** Resource Management Act 1991

AND

IN THE MATTER OF An application by Rolleston Industrial

Developments Limited for a private plan change RCP31 to the Waimakariri District Plan pursuant to Part 2 of Schedule 1 of the

Resource Management Act 1991

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#### MINUTE 5: QUESTIONS FOR MR YEOMAN - RESPONSE

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#### Introduction

The RCP031 Hearings Panel issued Minute 5 which contained a number of questions for me to respond to. I have set out my response below (*in italic text*), using each question as a heading.

#### For the medium term:

 Provide a breakdown of the total amount of greenfield capacity (with each subdivision listed, its location and total number of lots/capacity counted for that subdivision). It would assist the hearings panel to have these identified on the relevant planning maps in the operative district plan.

**Response**: The following data shows a summary of the information from the Waimakariri Capacity for Growth Model 22 (WCGM22). This WCGM22 data was provided to the applicant and was discussed in the expert statements (Mr Sextan, Mr Akehurst, Mr Walsh, also within the Formative report that was attached to the s42 report and my Summary Statement).

The table of data below and the attached maps in Appendix A indicate the greenfield areas. For presentation purposes, I have provided indicative names for each greenfield area, which may differ from the names used by the developer or council.

Also for comparison purposes, where possible the table provides information about the greenfield developments (based on Master Plans, Consents, Development websites, etc). While developer plans can and will change, I consider that this information is useful for understanding the WCGM22 estimates of capacity.

I note that for most instances the WCGM22 underestimates capacity compared to developers intentions. In total developer intentions suggest that 136 more dwellings could be built compared to the WCGM22 estimate.

# Waimakariri Urban Environment Medium Term Capacity – WCGM22 and Developer intentions

Rangiora	WCGM22	Developer	Difference		Notes
A) Bellgrove					Bellgrove Rangiora Ltd: Stage 1 consented underway with 197.
, - 3	952	800	-16%	- 152	Stages 2, 3, 4, 5 to come, "around 800 new homes".
B) Townsend Fields	419				Townsend Fields: Stage 4 and future, insufficient data.
C) Summerset Retirement Village	211	260	23%	49	Summerset Retirement Village: 260 Self contained+119 Assisted
D) Flaxton Village	59	124	110%	65	Rangiora Developments Ltd: subdivision plan
E) East Rangiora	76	124	110/0	03	Bellgrove Rangiora Ltd: land vacant, no data
Vacant	379	na			beigiove Rangiora Eta. Iana vacant, no data
Infill/Intensification	355	na			
Total Rangiora	2,451	Tia			
Kaiapoi	-	Developer	Dif	ference	Notes
F) Beach Grove	332	334	1%	2	Beach Road Estates: Stages 5, 6, 7 and 8 development plan.
G) Silver Stream	89	107	20%	18	Silverstream1 Limited: Stages 7, 8, and 9 consents.
Future Silver Stream	44	-			Silverstream1 Limited: insufficent data.
H) The Sterling	137	347	153%	210	The Sterling: 347 Self contained + 36 Assisted
I) Momentum	116	211	82%	95	Momentum: 211 Self contained + 90 Assisted
Vacant	277	na			
Infill/Intensification	292	na			
Total Kaiapoi	1,287				
Woodend-Pegasus	WCGM22	Developer	fference		Notes
J) Ravenswood					Ravenswood: Stage 4, 5 and 6. On the 25 June 2023 developer
	969	721	-26%	- 248	was granted change from residential to commercial
K) Commons Lifestyle Village	131	237	81%	106	Commons Lifesylte Vilalge: Site Plan
L) Woodland Estate	104	85	-18%	- 19	Woodlands Estate: Stage 3
M) Eders	42	49	17%	7	MF Properties Christchurch Limited
Parsonage/ Gladstone North	148				Insufficent data
Gladstone South	18	21	17%	3	Gladstone Project Limited
N) Pegasus	369				Pegasus: insufficent data, and land still vacant
Vacant	413	na			
Infill/Intensification	2	na			
Total Woodend-Pegasus	2,196				
Total Medium Term	5,934			136	

I note that Bellgrove development has only consented Stage 1, and that Stages 2, 3, 4, and 5 are not yet defined. The developer notes that the entire development will have "around 800 new homes". I consider that there could be more dwellings provided on this site in the future, and that the MDRZ could result in more intensive development of the remaining Stages.

Also, recently (25<sup>th</sup> June 2023) Ravenswood development was approved to change some residential land into business land. This change is not reflected in the WCGM22 or the Proposed District Plan zones. Therefore, the developer is now proposing fewer lots (721) which explains the difference between WCGM22 and the developer intentions.

As noted above, the comparison of the developer intentions to the WCGM22 shows that the model is conservative. Specifically, I consider that the model underestimates capacity.

To avoid any doubt, the table does not exclude the capacity identified by Mr Sextan or Mr Akehurst. As discussed in my Summary Statement, Mr Sextan or Mr Akehurst identified parcels with a medium term capacity of 53 dwellings which should be removed. While not material to the assessment of development opportunities in the

Urban Environment, I agree that this capacity should be removed and this would be a 0.9% reduction in capacity.

Provide details of the total amount of infill/intensification capacity assumed.

Response: see table above.

What assumptions were made about the Kaiapoi qualifying matters and their impact on density

**Response**: the commercially feasible or reasonably realisable assessment in the WCGM22 tests multiple development options which are lower density than is plan enabled in most of the MDRZ taking into account the qualifying matter in Kaiapoi.

In the medium term there is potential for 570 new dwellings in the existing area, of which 81% are on sites of more than 400m² and other 19% being 300-400m² sites, which is akin to either standalone houses or low density attached units. These densities are much lower than is enabled in most of the MDRZ in Kaiapoi (which has a minimum allotment area of 200m²).¹ Also as discussed in my Summary Statement the market is currently achieving higher density than anticipated in the model. I therefore consider that the WCGM22 underestimates the development that is achievable in the Kaiapoi MDRZ in the medium term.

However, there is a segment of the MDRZ in Kaiapoi that is under the Natural Hazard Kaiapoi Area B, which has a minimum allotment area of 500m² (map of area in Appendix B). In this area, the WCGM22 has a capacity for 27 new dwellings in the medium term. The allotment sizes applied in the WCGM22 are smaller than the 500m². If the 500m² minimum is applied then capacity would drop from 27 modelled to 17. I consider that the application of this proposed qualifying mater would not have a material impact on capacity estimated in the WCGM22 (at 0.2% of medium term capacity).

4. Confirm whether the NDAs/FDAs have or have not been counted in the medium-term.

**Response**: The NDAs have not been counted in the medium term, and I consider that the NDA in the proposed District Plan should not be included as medium term capacity for the purposes of NPS-UD assessments. This land is zoned <u>Rural</u> in the ODP and <u>Rural Lifestyle</u> zone in the PDP, and a plain reading of clause 3.4(1) of the NPSUD would suggest that this land is long term capacity.

However, while the land is proposed to be Rural Lifestyle zone these NDAs have a certification process that is different to a normal FDA. This land could be zoned for residential use if a set of criteria are met and the Chief Executive Officer issues a certificate (PDP sets this out in DEV-K-P1, DEV-SER-P1, DEV-NER-P1, DEV-WR-P1). Until so certified, the land is not available for residential use. My understanding is that the certification process may enable faster and

<sup>&</sup>lt;sup>1</sup> Table SUB-1: Minimum allotment sizes and dimensions – as amended by Variation 1 Residential Intensification.

more efficient live zoning through a certification process (i.e. it does not require a normal plan change process) which is not a common process adopted by councils for FDA.

I acknowledge that clause 3.4(1) of the NPSUD could be interpreted in a way that the NDAs could be calculated as medium term capacity. If the NDAs were included as medium term capacity, that would increase the capacity shown in response to question 1 above by a considerable amount.

- 5. Confirm whether or not you have included:
  - a. Commercial areas;

**Response**: the commercial and industrial areas are included in the WCGM22. But it is assumed that they do not provide residential capacity.

There may well be some dwellings developed in the commercial and to a lesser extent industrial areas. However, I consider that this potential supply will not be material and probably increase capacity by less than 1%. Therefore, in my opinion, it is reasonable to exclude commercial and industrial from the residential assessment in the WCGM22.

b. Preschools/day-care centres; or

**Response**: the preschools/day-care centres were excluded manually. Mr Sextan identified one daycare in Kaiapoi that was missed in this process, which I agree should be removed.

c. Kāinga-Ora, Ngāi Tahu or Retirement villages.

**Response**: the NPSUD requires that capacity be viable to a commercial developer<sup>4</sup>. This means that non-commercial (Kāinga-Ora, etc), semicommercial (Ngāi Tahu, etc), and non-developer (Retirement Villages, etc) which have different approaches to providing dwellings are not modelled in the WCGM22. This approach is consistent with MFE guidelines.

To be clear the WCGM22 assesses the development of land using a 'normal' commercial developer business model. Any other non-normal types of developments are not modelled.

#### Examples:

 Kāinga-Ora: is developing seven new dwellings on 61-65 Church Street, Rangiora. The WCGM22 applies a normal commercial developer model and finds a capacity of 0 dwellings for these sites. A commercial developer must make a profit, so some of the types of developments undertaken by non-commercial providers such as

<sup>&</sup>lt;sup>2</sup> There are some apartments in Rangiora and "shop-top" units, however this is not common. I do not consider that these types of development will provide much capacity in the future.

<sup>&</sup>lt;sup>3</sup> Live-work industrial units are not common, however they do exist in Christchurch and there could be some units developed in Waimakariri in the future.

<sup>&</sup>lt;sup>4</sup> NPSUD – 1.4 Interpretation – Feasible and 3.2(2)(c).

Kāinga-Ora (which do not need to make a profit) will not be viable for commercial developers. Generally, developments by non-commercial developers will not be accurately captured in the WCGM22, which will underestimate capacity that is achievable.

• Retirement Village: one example is the Summerset retirement village on South Belt Road, Rangiora. This operator is developing 260 self-contained villas and 119 assisted living units (379 units in total). The WCGM22 applies a normal commercial developer model and finds a capacity of 211 dwellings for this site. The retirement village business model is different to a normal commercial developer, so they are able to develop more lots on the same site. Generally, developments by retirement village developers will not be accurately captured in the WCGM22, which will underestimate capacity that is achievable.

This means that WCGM22, by design, underestimates the amount of development that is feasible because it can not model retirement villages and non-commercial developers such as Kāinga-Ora and Ngāi Tahu. I consider that this underestimation will be material and that total capacity that is actually developable will likely be in the range of 5-10% higher than modelled in the WCGM22 once those capacity in retirement villages and non-commercial developments is accounted for.

6. Confirm whether heritage sites or notable trees have been taken account of.

**Response**: the WCGM22 did not exclude land with notable trees or heritage, however in the review process council officers did manually check and remove sites for notable trees or heritage. I have checked the notable trees and heritage sites manually for this response and noted the following.

There are 59 notable trees in the PDP, of which most (54) are outside the Urban Environment<sup>5</sup> or not on residential land. Within the Urban Environment, there is a single residential parcel in Kaiapof that has notable trees and it is recorded in WCGM22 as having a capacity of 7 dwellings in the medium term. It is not possible to tell if the notable trees will undermine achieving the anticipated development capacity without a site visit and knowing what a developer may propose on site and I also note resource consent could be obtained to remove some or all of the trees.

I consider that this property should be excluded from the WCGM22, and the modelled capacity of 7 dwellings should reduce to nil. That exclusion of notable trees and reduction of 7 dwellings from the total capacity would not have a material impact on capacity, resulting in a decrease in modelled of medium term capacity of 0.1%.

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<sup>&</sup>lt;sup>5</sup> The data presented before this hearing and this response to Minute 5 has focused on the "Urban Environment", as defined by the Greater Christchurch Partnership in the Housing Capacity Assessment. The Urban Environment area in the Housing Capacity Assessment covers the urban zones of Rangiora, Kaiapoi, and Woodend-Pegasus. I acknowledge that there was some debate about the definition of "Urban Environment", however I note that all of the evidence before the hearing on capacity and demand used the same geography (i.e. Urban Environment defined as Rangiora, Kaiapoi, and Woodend-Pegasus). Therefore, to maintain consistency with the economic evidence before the hearing, I have also adopted the same geography in this response.

<sup>6</sup> 23 Fuller Street, Kaiapoi.

There are 117 Historic Heritage items in the PDP, of which most (100) are outside the Urban Environment or not on residential land. Within the Urban Environment, there is a single residential parcel in Kaiapoi<sup>7</sup> that has a Historic Heritage item and it is recorded in WCGM22 as having a capacity of 1 dwelling in the medium term. It is not possible to tell if the heritage item will undermine achieving the anticipated development capacity without a site visit and knowing what a developer may propose on site and I also note resource consent could be obtained to demolish, shift on site, or modify the heritage item.

I consider that this property should be excluded from the WCGM22 and the modelled capacity of 1 dwelling should reduce to nil That exclusion of Historic Heritage items and reduction of 1 dwelling from the total capacity would not have a material impact on capacity, resulting in a decrease in modelled medium term capacity of 0.02%.

#### For the long term:

7. Provide a breakdown of the total amount of greenfield capacity (with each subdivision listed, its location and total number of lots/capacity counted for that subdivision). It would assist the hearings panel to have these identified on the relevant planning maps in the operative district plan.

**Response**: The following data shows a summary of the information from the WCGM22. This WCGM22 data was provided to the applicant and was discussed in the expert statements (Mr Sextan, Mr Akehurst, Mr Walsh, also within the Formative report that was attached to the s42 report and my Summary Statement).

The table of data below and the attached maps in Appendix A indicate the NDA. For presentation purposes, I have provided indicative names for each NDA, which may differ from the names used by the developer or council.

There is no data available on developer intentions for the NDA. However, as noted in my Summary Statement many of the landowners of the NDA have submitted on the PDP and Variation 1 requesting that their land be live zoned residential which shows an intention to develop this land, but no detail on the potential number of dwellings that could be achieved.

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<sup>&</sup>lt;sup>7</sup> 232 Williams Street, Kaiapoi.

#### Waimakariri Urban Environment Long Term Capacity - WCGM22

Rangiora	WCGM22
1) South East Rangiora	1,447
2) North East Rangiora	680
3) North West Rangiora	85
4) South West Rangiora	1,148
Existing Greenfield	1,717
Vacant	394
Infill/Intensification	2,086
Total Rangiora	7,557
Kaiapoi	WCGM22
5) North Kaiapoi	1,785
Existing Greenfield	718
Vacant	279
Infill/Intensification	1,319
Total Kaiapoi	4,101
Woodend-Pegasus	WCGM22
Existing Greenfield	1,791
Vacant	422
Infill/Intensification	579
Total Woodend-Pegasus	2,792
Total Long Term	14,450

To avoid any doubt, the table does not exclude the capacity identified by Mr Sextan or Mr Akehurst. As discussed in my Summary Statement, Mr Sextan or Mr Akehurst identified parcels with a long term capacity of 137 dwellings which should be removed. While not material to the assessment of development opportunities in the Urban Environment, I agree that this capacity should be removed and this would be a 0.9% reduction in capacity.

8. Provide details of the total amount of infill/intensification capacity assumed.

Response: see table above.

- 9. Confirm total numbers for NDAs/FDAs allowed for, including:
  - a. List each individual NDA/FDA (it would assist the hearings panel if these can be identified on the relevant planning maps in the operative district plan and provide the reference to the relevant proposed district planning map) and total number of lots/capacity in each area;

**Response:** South East Rangiora (capacity of 1,447 dwellings applied in the WCGM22), North East Rangiora (680), North West Rangiora (85), South West Rangiora (1,148), and North Kaiapoi (1,785). This gives a total of 5,145 dwellings capacity in applied in the WCGM22.

b. Area (in hectares);

**Response**: South East Rangiora (97ha applied in the WCGM22), North East Rangiora (49ha)<sup>8</sup>, North West Rangiora (8 ha), South West Rangiora (76ha), and North Kaiapoi (91ha). This gives a total of 321ha applied in the WCGM22.

- c. What has been subtracted in % (and hectares) for:
  - i. Stormwater;
  - ii. Infrastructure:
  - iii. Reserves;

**Response**: a total of 25% of raw land is removed, which accounts for all types of non-developable land, and there is in the WCGM22 no disaggregation of that 25% aggregate figure.<sup>9</sup>

10. What is the lot size assumed or hh/ha yield?

**Response**: the average lot sizes applied in the WCGM22 are as follows for South East Rangiora (501m²), North East Rangiora (543m²), North West Rangiora (693m²), South West Rangiora (499m²), and North Kaiapoi (384m²).

I consider that these lots sizes are conservative compared to what is already being achieved in the market. Also that in the coming long term that development intensity may well increase further. Specifically, in my opinion, the trend of increasing intensity that has been observed in the District is likely to continue in the coming 10-30 years, which means that the densities in the WCGM22 for the NDA are likely to be conservative.

11. What assumptions were made about the Kaiapoi qualifying matters and their impact on density?

**Response**: the commercially feasible or reasonably realisable assessment in the WCGM22 tests multiple development options which are lower density than is plan enabled in most of the MDRZ including considering the qualifying matter in Kaiapoi.

In the long term there is potential for 2,200 new dwellings in the existing area, of which 37% are on sites larger than 400m² and the remainder being on sites of 300-400m² sites, which is akin to either standalone houses or lower density attached units. These densities are much lower than are in most of the MDRZ in Kaiapoi (which has a minimum allotment area of 200m²).¹¹ Also as discussed in my Summary Statement the market is currently achieving higher density. I consider that the WCGM22 underestimates the development that is achievable in

<sup>&</sup>lt;sup>8</sup> As outlined in my summary statement this area includes a funeral director (1.6ha) and park (4ha), which should be excluded. I address this in the final paragraph of Question 7 above. Also, there is the Rangiora College farm land of 15ha, which is in my opinion likely to be developable in the coming 10-30 and is capacity in the long term. However I acknowledge that this is a point of contention.

<sup>&</sup>lt;sup>9</sup> I note that Mr Bacon provided comment on the share of land required for stormwater in the NDA.

<sup>&</sup>lt;sup>10</sup> Table SUB-1: Minimum allotment sizes and dimensions – as amended by Variation 1 Residential Intensification.

the Kaiapoi MDRZ in long term, as it applies larger average lot sizes than what is likely to be achieved, given minimum lot size rules and recent trends.

However, there is a section of the MDRZ in Kaiapoi that is under the Natural Hazard Kaiapoi Area B (if approved by the Hearings Panel), which has a minimum allotment area of 500m². In this area, the WCGM22 has a capacity for 173 new dwellings in the long term and allotment sizes smaller than 500m². If the 500m² minimum is applied then capacity would drop to 27. I consider that the application of this proposed rule would not have a material impact on capacity estimated in the WCGM22 (at 1% of long term capacity).

#### Infill/intensification capacity assumptions

12. Did you take into account restrictive covenants/encumbrances considerations that may apply to particular land parcels or greenfield areas and if so what were they?

**Response**: covenants have not been included in the model. For intensification and infill capacity the incidence of covenants would be rare, as this development is located in the older parts of the residential areas which were built before covenants became popular in greenfield developments.

I acknowledge that covenants may be an issue in 30-50 years when the recent greenfield developments come up for redevelopment. However, this is beyond the timeframes assessed in the WCGM22 and not relevant to this hearing.

13. Is it assumed demolition of the existing houses would occur or is intensification based on utilising the balance land of a parcel?

**Response**: The WCGM22 assesses both infill and intensification development options. For redevelopment through intensification, the WCGM222 assumes that the demolition of existing buildings would occur.

14. Did you consider access constraints in determining additional dwellings on sections and what were they?

**Response**: Yes. For infill redevelopment the WCGM22 applies the proposed requirements in the PDP zones for set backs, heights, lot size, and driveway requirements.

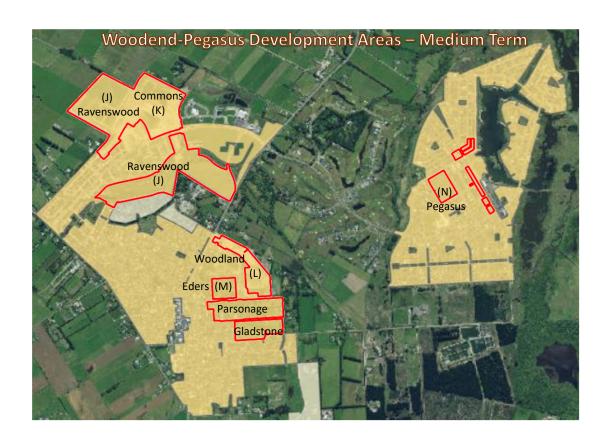
15. Were house shape or parcel shape considerations incorporated and if so what were they?

**Response**: the WCGM22 assesses both infill and intensification development options. For infill, the existing building footprint and PDP zone setbacks, heights, lot size, and driveway requirements are applied. For intensification the building footprint is not assessed as it is assumed that the building is demolished.

### **Appendix A Maps of Development Areas**











## Appendix B Natural Hazard Kaiapoi Area B

