

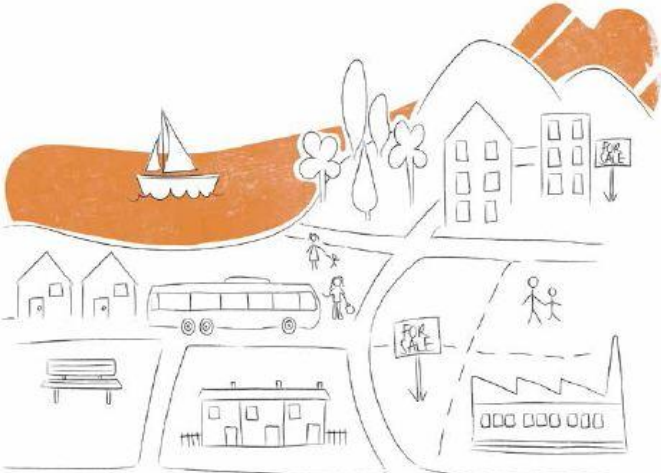
Further case study material and evidence from
greater Christchurch in support of

the New Zealand Productivity Commission's Inquiry:
Using land for housing

and to assist the collaborative workshop with the
Inquiry team on Wednesday 25th February

February 2014

Note: this material has been sourced and collated by staff from the strategic partners to assist the Commission's inquiry. Whilst the content is largely factual it has been drawn together in a short timeframe and has not been ratified by any governance body so is not necessarily the formal position of any individual organisation or the UDS Partnership.



Further case study material and evidence from greater Christchurch to support the New Zealand Productivity Commission's Inquiry: *Using land for housing* and to assist the collaborative workshop with the Inquiry team on Wednesday 25th February

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Section 1 – Strategic

1. Strategic Integrated Planning – the Urban Development Strategy

For over ten years now the councils in greater Christchurch (city, districts and regional), together with NZTA and Te Rūnanga o Ngāi Tahu, have been working concertedly in partnership to plan for and enable the future growth of the sub-region.

The first key milestone of this collaboration was the publication in 2007 of the Greater Christchurch Urban Development Strategy (UDS). The strategy followed from extensive community and stakeholder feedback which expressed a desire for a more compact approach to accommodating future growth, going ‘up’ as well as ‘out’. That meant facilitating redevelopment opportunities within existing neighbourhoods and providing for a better mix of housing in new subdivisions that are located close to existing centres and easily linked to essential infrastructure.

At its heart the strategy therefore sets out a future settlement pattern to achieve these aims. However, in establishing a vision for 2041 it also creates a more holistic plan that touches on the economic, social, cultural, health and environmental issues that underpin sustainable and prosperous communities. In many ways the spatial planning work achieved in Auckland in recent years had already been undertaken in greater Christchurch through a voluntary joint governance collaborative model.

Prepared under the Local Government Act, it required that key planning documents then incorporate measures to anchor this framework. These included the Regional Policy Statement and District Plans, the Regional Land Transport Plan and the Long Term Plans of the respective councils. Collectively, this would provide planning certainty and put in place the conditions to stimulate private sector investment.

The earthquakes of 2010 and 2011 proved to be a game-changer in many ways, nevertheless the time invested in the UDS enabled recovery planning (under powers provided under the Canterbury Earthquake Recovery Act 2011 and discussed later) to be advanced expeditiously and integrated in a manner that is consistent with plans for the longer term growth and development of greater Christchurch.

A copy of the UDS and background material can be viewed at:

<http://www.greaterchristchurch.org.nz/Strategy/index.aspx>

2. Demand modelling and supply monitoring

Demand modelling

The growth assumptions which feed into the UDS are outlined in the strategy in (section 3.6).

Statistics NZ projections provide the basis for identifying anticipated demand. For the UDS a medium variant was adopted (but adjusted to include a medium-high variant for migration). This was then an input into a bespoke Household Growth Model (HGM) which distributed them to finer spatial scales (census area unit or meshblocks) based on a number of assumptions. Periodic updates to the HGM have then occurred with the release of new Statistics NZ data.

With the preparation of the Land Use Recovery Plan (LURP) in 2012 the latest Statistics NZ medium projections were used but adjusted at a territorial level to take account of the constrained housing market in Christchurch. Whilst the figures for greater Christchurch remained constant, in-migration was weighted more to Selwyn and Waimakariri Districts and the formation of new households from within the resident population was deferred within the period to 2028.

In addition, a collaboration between the UDS partners, CERA and MBIE led to two further pieces of work:

1. The HGM was brought together with workforce modelling, housing repair programmes and other information into an Integrated (Housing) Model. This approach has helped assess the short-term housing issues brought about by the earthquakes and the resultant recovery activity. The most recent information from this work is included within the MBIE quarterly job-matching report (September 2014):

<http://www.dol.govt.nz/publications/research/canterbury-rebuild/>

2. A Greater Christchurch Housing Market Assessment was completed in August 2013 to obtain a greater understanding of the housing market at that time and understand the likely trends which would need to be considered to ensure an appropriate range of housing options was enabled through the LURP

<http://www.greaterchristchurch.org.nz/News/index.aspx#CHMA>

Supply monitoring

Councils prepare regular supply and uptake monitoring reports for their respective councils meetings, the two most recent examples being from December last year:

Christchurch (pdf page 5):

<http://resources.ccc.govt.nz/files/TheCouncil/meetingsminutes/agendas/2014/December/Strategy%20and%20Finance%20Committee%2018%20December%202014%20-%20FULL%20OPEN%20AGENDA.pdf>

Selwyn (pdf page 112):

http://www.selwyn.govt.nz/data/assets/pdf_file/0009/150687/PUBLIC-AGENDA-10-DECEMBER-2014-pgs-251-to-379.pdf

Periodic monitoring which draws this together to provide a greater Christchurch picture has also been undertaken:

http://resources.ccc.govt.nz/files/TheCouncil/meetingsminutes/agendas/2012/November/UDSIC_9Nov2012_Agenda.pdf

The next such report will be in the form of a LURP Monitoring Report currently in preparation.

Finally a more public orientated housing supply initiative developed using Council websites, particularly for the period immediately post-earthquake. This highlighted larger areas with sections for sale and allowed for developers to provide further details on lots available and links for further information:

<http://www.ccc.govt.nz/thecouncil/policiesreportsstrategies/landavailability/index.aspx>

<http://www.selwyn.govt.nz/services/planning/policy-strategy/land-availability>

<http://www.waimakariri.govt.nz/files/subdivisions/current.aspx>

3. Local Integrated Planning

In recent years the three territorial councils have all invested significant resources in developing and consulting on a range of statutory and non-statutory plans. While the terminology used differs slightly depending on the scale and purpose the intent is to provide greater planning certainty and assist more comprehensive development. Examples include structure plans, area plans, outline development plans (ODPs), rural residential strategies/plans, town centre strategies and suburban masterplans. This has helped implement the principles of the UDS and the requirements of the RPS at a more local level and has been augmented by ODPs produced by developers as part of plan changes.

This approach has required a proactive planning philosophy and although it has required time to be spent at the early stage of development it has enabled accelerated consenting to occur thereafter. It has also provided a much needed framework within which individual developers can bring forward land that is well connected to wider infrastructure networks and investment. It has also enabled greater infrastructure efficiencies within the study area, for example stormwater needs addressed strategically rather than on a subdivision by subdivision basis.

Consultation with developers, landowners and the wider community has been integral to these processes. Selwyn DC also utilised an independent facilitator to strengthen the collaborative nature of the work to prepare outline development plans.

Some examples include:

Christchurch's South West Area Plan:

<http://www.ccc.govt.nz/thecouncil/policiesreportsstrategies/areaplans/southwest/index.aspx>

Rolleston Structure Plan:

<http://www.selwyn.govt.nz/services/planning/plan-changes/rolleston-structure-plan/rolleston-structure-plan>

Rangiora Town Centre strategy:

http://waimakariri.govt.nz/your_council/district-development/rangiora-town-centre.aspx

4. Plan Testing

As well as the standard RMA processes for testing new plans, such as Section 32 analyses, UDS partner councils have often used two further processes to ensure planning changes are well considered and have sought early stakeholder and community input.

Firstly, councils have often released draft plan changes or discussion documents ahead of a formal notification process. Not only does this enable councils to gauge likely support for any such proposal it also helps iron out any minor points that could be administratively inefficient and burdensome if dealt with through a formal process of submissions, hearings and decisions. Examples of councils using this 'pre-notification draft' opportunity include Selwyn DC for Plan Change 7 (changes to give effect to the RPS) and its Rural Residential Strategy, Christchurch CC for Plan Change 56 (urban design) and its recent Replacement District Plan chapters, Waimakariri DC for its approach and planning provisions for development on Māori Reserve 873 (see below), and Environment Canterbury for the Land and Water Plan and new Regional Policy Statement (seen as especially important given the truncated process under the Environment Canterbury Act 2010, with appeals on points of law only).

Secondly, a more qualitative testing approach was employed for the UDS, the draft Central City Plan and more recently the LURP. This involved undertaking an integrated impact assessment methodology with stakeholder representatives at an early stage in the development of the project. This helped inform final plans and enabled a greater understanding of community expectations on what would constitute meeting the stated objectives of the initiatives and established greater ownership amongst stakeholders to the final product.

UDS health impact assessment:

<http://www.greaterchristchurch.org.nz/Background/RelatedInfo/index.aspx>

Draft Central City Plan Integrated Wellbeing and Sustainability Assessment:

<http://www.cph.co.nz/Files/WellbeingSustainabilityDraftCentralCityPlan.pdf>

LURP Integrated assessment:

<http://www.developingchoices.org.nz/background.html>

Section 2 – Recovery

5. Land Use Recovery Plan

Two Recovery Plans are operative under the CER Act, being the Christchurch Central Recovery Plan (CCRP) and the Land Use Recovery Plan (LURP). A draft Lyttelton Port Recovery Plan is also currently being prepared ready for community consultation ahead of it being considered by the CER Minister.

Recovery Plans follow a different process to the preparation of a 'normal' RMA document in that they can combine provisions and directions that might normally be found in a Regional Policy Statement, Regional Plan, District Plan and Long Term Plan, ensuring an integrated approach and implementation focussed documents, which include considerations of funding along with statutory controls.

The LURP was developed to ensure that the efforts to restore and enhance greater Christchurch were well coordinated and to facilitate a timely and expedited process for recovery. Its aim was to provide greater planning certainty and direction to ensure land use decision making was simplified and planning processes were streamlined. One of the most strategic interventions was the insertion of a new chapter into the RPS which drew heavily from the work initiated pre-earthquakes as a result of the UDS but which had stalled in the Environment Court. This and other measures are detailed further below.

A Monitoring Report is currently being prepared and will inform a review of the LURP likely to be completed by September 2015.

6. LURP Exemplar Projects

Action 8 of the LURP directed CCC to work with a number of developers to bring forward Exemplar housing projects – in effect examples of medium density housing development which incorporated affordability, sustainability and good design characteristics that would set a new direction.

Following the gazettal of LURP, the Council, in dialogue with its partner agencies, put in place a process through which the identified exemplar projects could be prepared, evaluated and supported through to development. The link below provides access to the process background report

<http://resources.ccc.govt.nz/files/TheCouncil/meetingsminutes/agendas/2014/February/Council13February2014-Separatelycirculatedreport-clause23.pdf>

In terms of the candidate sites, broadly speaking two groups of projects, involving 4 different developers, were identified:

1. Social Housing – The LURP sought two developments from both the City Council and Housing New Zealand respectively. The projects were to be demonstrations of how, as part of their rebuilding programmes, social housing could be redeveloped to deliver back energy efficient, well designed forms of housing. As such the projects would be examples of the types of housing that would re-emerge as part of the rebuild. Housing New Zealand had indicated during the development of the LURP that it had numerous candidate sites and had worked up indicative intensification schemes. The City Council had also indicated that it would progress redevelopments via the exemplar process although had not undertaken detailed work.

In terms of incentives, the LURP had introduced a set of planning rules to enable comprehensive redevelopment of multiple adjacent sites which sites which suited CCC and HNzs clustered land holdings. The rules provided a density bonus for each redevelopment, in effect allowing more intensive development (regardless of underlying zoning, subject to preconditions being met).

2. Subdivision Scale (Private Developments) – During the LURP process, two developers were engaged to determine their interest in the pursuit of Exemplar Housing Developments.
 - Riccarton Racecourse Trustees – A consortium involving the Racecourse Trustees and Arrow Strategy approached the team preparing the LURP and Council in mid 2013 promoting the use of reserve land (safeguarded under the 1878 Christchurch Racecourse Reserves Act) for a comprehensive development of leasehold housing. Some basic background work was completed

by the end of 2013 giving CERA and Council some confidence that this project was seeking to deliver a different form of well designed, affordable housing development and recommended the inclusion. The incentive for the landowner would be expedited land use rezoning via the Replacement District Plan process.

- Spreydon Lodge Ltd had promoted a site at Halswell which was already included as a greenfield priority area within the LURP. From its earliest stages in 2011, the developer had been promoting medium density housing and design led development and so this site was an obvious candidate as a candidate exemplar. The incentive for the developer was the use of CER act powers to formally rezone the land for development.

It is arguably too early to draw any firm conclusions about the success of the exemplar projects programme as the projects concerned have moved from different starting points. However the following observations can be made.

- The Spreydon Lodge development (originally pushed down a non complying and publicly notified resource consent pathway but now on the verge of being rezoned via the expedited Replacement District Plan process) illustrates how facilitated support and close partnership working between the developer and Council can improve the quality and pace of development coming forward bring forward. Given that the project forms part of a wider development area having to address significant stormwater management issues, the integration of a new commercial centre and connection of a heavily trafficked road network, its progress from concept in late 2011 to being 'shovel ready' in early 2015 is a relative success. The key challenge for the project going forward is for the developer to deliver the first homes on the site in 2015.

A report detailing the evaluation and approval of the project can be viewed at (Item 7, Page 31):

<http://resources.ccc.govt.nz/files/TheCouncil/meetingsminutes/agendas/2014/April/CommitteeoftheWhole3April2014AgendaFull.pdf>

- The City Council social projects, having initially been held back by regulation governing the use of its own assets, are now well placed to move into the tendering, consenting and construction stages. A tender for the first site is due to be awarded in March 2015.
- The nature of the Riccarton Racecourse project has shifted significantly during 2014 with the design led, leasehold nature of the original offer being replaced by a traditional freehold subdivision development model that is working to demonstrate its exemplar qualities. The Council remains hopeful that a joint venture between the Racecourse Trustees and Ngāi Tahu Properties will present a revised exemplar submission during 2015 that embraces the added value opportunity that the Racecourse setting offers and provides a clearer indication of how it will promote more diverse and affordable forms of housing. A report detailing the formal evaluation and approval of the project can be viewed at:
<http://resources.ccc.govt.nz/files/TheCouncil/meetingsminutes/agendas/2014/November/StrategyandFinanceCommittee20NovemberSupplementaryAgenda.pdf>
- Housing New Zealand continue to assess internal priorities during 2014, needing to consider the immediate needs to deliver back housing into the stock, and medium to longer term neighbourhood renewal. Both exemplar sites selected by HNZ lie within wider neighbourhood renewal areas and the delivery team involved continue to balance up the need to deliver the exemplars in the short term with the implications this may have within a wider area renewal.

The Housing Exemplar projects have reinforced the view that every development faces its own unique set of pressures and challenges. Regulatory side issues have been carefully managed by Council through the use of case managers to build and maintain relationships. This has enabled some of the thorny emerging issues to be tackled early. The Council will continue to support the projects with the focus on the outcomes (providing windows for the wider housing market) and pace – as far as the council can influence this.

The most recent report on the progress on all the exemplar projects can be viewed at (item 6, page 7):

<http://resources.ccc.govt.nz/files/TheCouncil/meetingsminutes/agendas/2014/November/StrategyandFinanceCommittee20November2014-FullOpenAgenda.pdf>

7. Use of CER Act section 27 and MOUs

Section 27 of the CER Act provides that the Minister may, by public notice, suspend, amend or revoke the whole or any part of certain documents as far as they relate to the area within greater Christchurch. The documents listed include "RMA documents". These are defined to cover regional policy statements, proposed regional policy statements, plans, proposed plans and changes or variations to those documents.

The Minister for Canterbury Earthquake Recovery used his powers under section 27 of the CER Act to give effect to the residential zoning of land. Subsequently, Memorandum of Understandings were set up with strategic partners and developers to facilitate subdivisions. This included Prestons (northern Christchurch), Sovereign Palms (northern Kaiapoi) and Silverstream (western Kaiapoi) subdivisions which collectively were intended to provide almost 1500 sections.

Memorandum of Understandings for three large subdivisions have been agreed – Prestons, Sovereign Palms and Silverstream. These Memorandum of Understandings have been made between CERA, the developer, the territorial authorities and Environment Canterbury and outline the intentions of the developments and are to undergo quarterly reviews

The Prestons Memorandum of Understanding states that the parties endeavour to offer to the market up to 600 sections and/or land and house packages. CERA obtained Ministerial approval to exercise section 27 CER Act powers to zone the Prestons development as Living G (Prestons), insert provisions into the City Plan in accordance with the Council's decision on Plan Change 30 and revoke Plan Change 30.

The Sovereign Palms Memorandum of Understanding states that the parties agree to endeavour to deliver 312 sections. CERA obtained Ministerial approval to exercise section 27 CER Act powers to zone the Sovereign Palms land for the purposes of the development.

The Silverstream Memorandum of Understanding states that the parties agree to endeavour to offer to the market up to 550 sections. CERA obtained Ministerial approval to exercise section 27 CER Act powers to zone the Silverstream Estates development land.

8. CER Temporary Activities

A number of amendments have been made to district plans to take account of the impacts arising from the earthquakes and address unforeseen circumstances and the need for temporary flexibilities and a reduced consenting burden. These include:

- the Canterbury Earthquake (Resource Management Permitted Activities) Order 2011 currently provides for a range of temporary earthquake recovery activities through to 2016.

<http://cera.govt.nz/legislation>

9. Designations and land aggregation/disaggregation

Designations for Anchor Projects

The Christchurch Central Recovery Plan was launched on 30 July 2012 after an intensive development process. The Recovery Plan directed changes to the Christchurch City Council's District Plan. Those changes included designating the various sites for Anchor Projects. An effect of a designation is that no person may do anything in relation to the designated land that would prevent or hinder the project. Permission can, however, be obtained from the Minister for Canterbury Earthquake Recovery (as the requiring authority for the designation) to undertake activities on the land. Letters were sent to affected land owners to notify them of the designations and questionnaires were sent out which contained questions on the status of the land and buildings and insurance claims.

Section 54 of the CER Act 2011 allows the Minister to acquire land compulsorily by causing a notice of intention to take land in the name of the Crown to be published in the Gazette and twice publicly notified. Under section 54, the Minister of Earthquake Recovery acquired land for the implementation of the Christchurch Central Recovery Plan.

<http://ccdu.govt.nz/land-acquisition>

Land Aggregation

Land assembly is a complex barrier in housing regeneration. Within Christchurch, interim densification of traditional suburban sections (delivering rear lots and 'sausage' blocks) particularly around the main suburban centres where intensification is most logical has multiplied the complexity involved. As things stand, there are few developers in the market that are able to buy up, hold and assemble multiple sites.

As part of input to the Land Use Recovery Plan, the Council worked with CERA to develop a package of zoning uplift provisions which offered a density bonus where multiple sites could be developed together. In principle, this package of provisions offers an incentive for adjacent landowners to work together to maximise a capital return that would not exist under the normal zoning rules. The package of rules, agreed at pace and under CER act powers warrant some refinement but reflect a means, independent of underlying zoning nuances to enable land assembly, underpinned by discretionary controls to ensure design quality.

The Enhanced Development Mechanism provisions can be viewed at (page 3):

<http://cera.govt.nz/sites/default/files/common/land-use-recovery-plan-appendix-2-amendments-to-the-christchurch-city-plan.pdf>

The key in going forward is to identify a range of other regulatory and non-regulatory tools to incentivise and de-burden these types of development. Issues cited by developers interested in using the provisions have highlighted party wall issues, lenders imposing higher risk penalties and insurance.

Land Disaggregation

A significant issue faced, particularly by volume builders, is the nature of disaggregation within a subdivision. A builder or speculator may take on a large un-lotted site (a 'superlot') to deliver multiple homes and then offer these on as fee simple units (or, more rarely, as part of a body corporate arrangement). This type of outcome is encouraged as developers can work with urban designers to optimise the use of a site and achieve higher density, more efficient use of land which is coupled with appropriate amenity considerations.

The development of houses on these sites can take place as a single exercise or involve multiple housebuilders. Examples to date suggest that the nature and value of the 'superlots' (or parts of them if developed in multiple stages) make it difficult for house builders to achieve affordable forms of housing without triggering resource consents (to which there is an aversion) and then falling into dispute with urban design and consenting officers. Quite fairly in more dense residential environments, council officers are seeking that amenity is carefully provided, particularly as outdoor living space is being traded off.

In seeking to resolve this matter, the current provisions in the proposed Replacement Christchurch District Plan are aimed at addressing this problem. Restricted Discretionary Pathway 2 (RD2) at section 8.4.2.1 of the provisions provides for a single consenting pathway for areas of 7000sqm where combined land use and subdivision consent is applied for. Sub-division rules do not define minimum lot sizes allowing the applicant to maximise the most appropriate mix of homes that meet remaining built form standards around which there is restricted discretion. At this manageable site size, a speculator (or the subdivider themselves) and a house builder could draw up a scheme and agree a land value creating a lot more certainty.

It should be noted that the detailed provisions within this section of the plan warrant some refinement but the intention is clearly set out in the section 32 report appendix via the link below:

<http://resources.ccc.govt.nz/files/TheCouncil/policiesreportsstrategies/districtplanning/districtplanreview/Appendix14-NewNeighbourhoodZone.pdf>

Section 3 – Enabling development

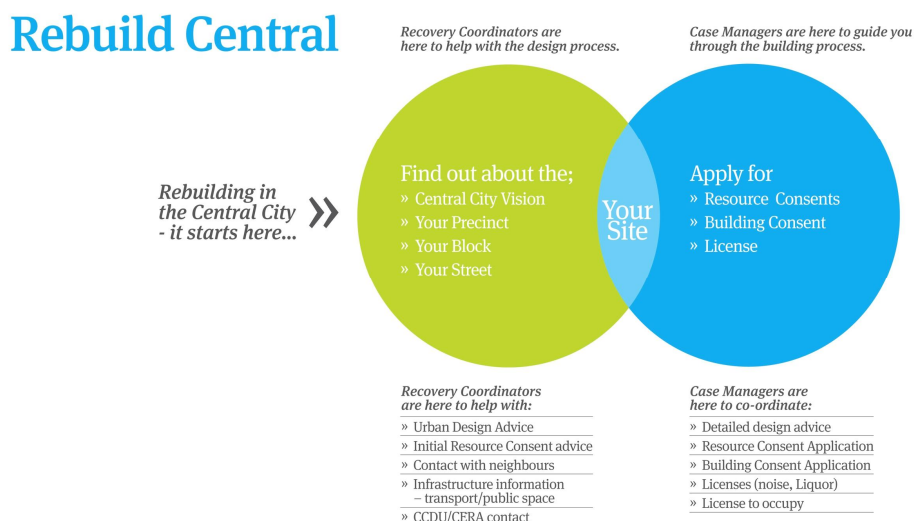
10. Pre-application advice

The single biggest way in which the development industry can help itself to improve its interaction with the planning and development system is to engage early in their projects. Rounded dialogue with the full range of relevant local authority disciplines, understanding pinch points in processes and the need for information means that by the time formal consenting processes are commenced, most issues have been ironed out. Too often, a failure to engage means that particular issues are uncoordinated meaning that applications suffer the need for Requests for Information (RFI).

The following examples highlight best practice being pursued in Christchurch towards the goal of focusing at the front end of the development process.

Rebuild Central

Rebuild was established following the 2010 and 2011 Canterbury Earthquakes as a one stop shop for developers, landowners and investors seeking to consider their options and commence the process of redevelopment within the central city and two suburban centres - Sydenham and Lyttelton - where masterplan work was in progress.



This highly visible, accessible 'front door' for landowners and developers provides a Recovery Coordination role in offering information about the Central City Recovery Plan and its component projects, helps seek out coordinated development solutions with adjacent landowners and infrastructure providers, as well as being able to signpost to a range of public and utility sector contacts. Once projects begin to be firmed up, Case Managers can be appointed to help steer projects through relevant council and statutory consenting processes, smoothing the process and tackling roadblocks, should they occur.

The small but agile team contains urban regeneration, planning, design, and building consent professionals with contacts to other built environment specialists and disciplines. A critical part of any project is to engage with relevant parts of council early on and Rebuild Central offers a free service in its Recovery Coordination and Case Management roles meaning that developers and landowners can engage without concerns about accumulating council pre-application advice costs.

More information is available at:

<http://www.futurechristchurch.co.nz/central-city/rebuild-central>

Waimakariri DC Project Advisory Group (PAG)

The PAG can be requested by a prospective developer or land owner to review, discuss and provide free, impartial, and without prejudice, advice on development relating to:

- Significant land use activities and subdivision proposals requiring resource consent; and
- Prospective District Plan change requests.

Unless requested otherwise the Council allows an hour for a PAG meeting. More than one PAG meeting can be requested if necessary for a major development, or following any major alterations to the proposal.

The PAG comprises the Planning Manager, Roading Manager, Three Waters Manager, Reserves and Green Space Manager and the Project Delivery Unit Manager, together with other planning, engineering and reserve staff as necessary to provide advice on the proposed development. The Council may also invite contractors or consultants as necessary.

Notes are taken by Council staff as a record of the meeting for internal Council purposes only. Developers are recommended to take their own notes of the meeting.

In order for the Council to provide some meaningful advice at the PAG meeting the following minimum information is required at the time of a request for a PAG meeting (in electronic form):

- A statement of proposal;
- A concept plan showing the location and features of the development;
- Details outlining proposed servicing proposals and any implications for provision;
- A preliminary assessment of any District Plan amendments or implications and compliance or otherwise with other planning documents including the Regional Policy Statement and structure plans.

Upon receipt of the information and request, the PAG will be organised as soon as practical based on availability of relevant staff.

11. Design guidelines and advice

Urban Design processes and guidance

Urban design has always been a component of planning. Urban design helps inform strategic decisions about where and how development should take place, it helps to shape the overall form of the development of an area, it informs the look, feel and function of our streets, helps build communities and, within our immediate day to day environments (our homes, our commercial centres, our parks, urban design help to optimise the occupants or users experience and safety. The council has always sought to encourage good design, however the RMA process – effectively setting a baseline that avoids the worst outcomes – could do more to support good design and encourage innovation.

During the 2000's, Christchurch City Council responded to concerns about the quality of environments created by new development. Particular emphasis was on better integrating development into its context, encouraging activity and surveillance into public environments. Furthermore, in response to pressures to achieve higher density housing through redevelopment focus also fell on creating safe streets, well conceived access and common areas as well as steps to optimise housing forms.

The council is keen to encourage well designed development rather than require it through a reactive and negative compliance process. With both of these routes in mind, it publishes guidance including that for medium and higher density housing linked to below.

http://resources.ccc.govt.nz/files/Homeliving/buildingplanning/forms/P332_UrbanDesignGuidel3Zones.pdf

Christchurch Urban Design Panel

The Christchurch Urban Design Panel offers an independent design review process for larger and significant development proposals (as set out in the Panel's Terms of Reference), generally as part of the early concept or pre-application stage. Panel members are leading urban designers, architects, landscape architects and property professionals.

The Panel is an advisory body and any decision on a consent application rests with the Council. The Panel provides recommendations to help applicants refine proposals and provides the council with independent advice that can be taken into account when assessing design related matters for resource consent.

As with all development projects, the earlier in the design process that a proposal can be viewed, the more helpful the advice of the Panel will be and the easier it will be for developers to incorporate their recommendations. To incentivise early engagement, a review by the Panel carries no cost and taking this opportunity can smooth downstream consenting processes as well as offering the potential to identify untapped aspects that can add value to a development.

The Panel meets fortnightly meaning that reviews can be quickly arranged and feedback is provided within 5 working days.

More information is available

at: <http://www.ccc.govt.nz/cityleisure/projectstoimprovechristchurch/urbandesign/urbandesignpanel/index.aspx>

Selwyn DC planning guidance

In conjunction with changes to the Selwyn District Plan the council has developed and published a range of award winning guidance documents to elaborate on and interpret planning provisions to assist development proposals. These include a subdivision design guide, a large lot re-subdivision guide, a medium density housing guide and a commercial design guide.

<http://www.selwyn.govt.nz/services/planning/design-guides>

Chapter 6 of the Canterbury Regional Policy Statement

Policy 6.3.2 – Development form and urban design states that:

Business development, residential development (including rural residential development) and the establishment of public space is to give effect to the principles of good urban design below, and those of the NZ Urban Design Protocol ... The explanation goes on to state that:

It is recognised that urban design is also about a process, where ideally collaboration takes place. Local authorities need to be clear about their expectations for development, to ensure efficient management through resource consent or plan change processes. As such, the development of clear, user friendly guides, developed in consultation with the development industry and professional institutes, for different types of development are a necessary means of achieving good design outcomes that will support the rebuilding and recovery of Greater Christchurch.

The Councils, particularly Christchurch City Council, will prepare guidance to support implementation of the District Plan and support the development industry and others contributing to rebuilding Christchurch.

12. Consenting processes

Fixed fee consenting

Waimakariri DC moved to fixed resource consenting fees in 2001 in response to the public's demand for certainty and clarity of Council's charges for the processing of all subdivisions and land use consents. There had been a preference expressed by developers that the costs of consent processing on a potential development be provided and made known at the beginning of the process with a high level of certainty. Costs relating to disbursements, eg advertising, photocopying and postage, and those arising out of hearings have been excluded from the fixed fee and these are charged on a recovery monthly invoice. The reason for this is that the disbursement costs will depend upon factors such as the size of the application, number of persons considered affected and number of submitters, whilst the cost of the hearing will depend upon factors such as length of presenting the applicants case and the number of submitters. These factors are all unknown to both the Council and the applicant at the time of lodgement of the application, and are quite variable between applications.

The fixed fees are payable in full at the time of lodgement of the application. Where subdivisions or land uses are determined to be processed on a notified basis following assessment a fixed fee invoice is generated for the difference. The certainty of fees payable to the Council has also reduced account queries and the follow-up of non payment of account giving rise to a time and cost saving for the Council.

Joint Hearings

In some cases where consent is required from two different consent authorities the process that has been followed has resulted in sub-optimal outcomes. When a co-ordinated joint consenting processes has been followed this has resulted in reduced costs and a smoother process. To support this, UDS partners are working to promote joint consenting processes and systems so that this best practice process becomes standard practice across all Councils.

Consent conditions

Christchurch City Council works from a standard condition list which has emerged from practice and refinement over the years to offer consistent outcomes.

Key steps.

- Staff are trained along the lines of the attached Quality Planning (QP) good practice note.
- Seek to agree conditions with applicants as part of the consent process. As a general practice the conditions are circulated to the applicant and agreement is sought wherever possible.
- The key thing however is to look to agree conditions

Experience shows that the conditions are agreed 98% of the time. It is rare that there is feedback about the fairness and reasonableness of the conditions and there is a free and formal process under the RMA to challenge any conditions if they are objected to by an applicant. An independent commissioner considers the objection and makes a decision. There is also a formal process under the RMA where minor corrections can be made within 15 working days of issue of the consent.

13. 2nd Generation Plans

Land and Water regional Plan

The Canterbury Land and Water Regional Plan will be made operative this year. It will replace the Natural Resources Regional Plan (NRRP) as the regional planning framework for Canterbury.

The Land and Water Regional Plan differs from the NRRP in two key areas:

1. Firstly the Land and Water Regional Plan focuses on only consenting activities where the consenting process will add value and improve the outcomes.

For example septic tanks required consent under the Natural Resources Regional Plan – however it was found that the conditions applied were similar or identical. It was therefore decided in the Land and Water Regional Plan to make these types of activities permitted, with permitted activity conditions mirroring those on existing resource consents.

2. Secondly the Land and Water Regional Plan differs to the Natural Resources Regional Plan in the way it approaches water management. The Land and Water Regional Plan is split into a regional section (with default regional rules) and sub-regional chapters, where the rule structure may be modified to take into account local nuances.

The Zone Committees and Regional Committee established under the Canterbury Water Management Strategy are key to the development of these sub-regional chapters as it is the Zone Implementation Programme developed by the Zone Committee and the wider community which drives the drafting of these sub regional chapters.

14. Incentives

Central City Development Contributions Rebate Policy

Since the publication of the UDS, developers have suggested that its targets for intensification may not be met as residential development within the central city 'do not stack up financially' compared to development opportunities on greenfield sites. Developers have, rightly or wrongly, pinned the blame on development contributions suggesting that they have a huge impact on their profit margins. This is in spite of the 2009 central city development contributions (\$18,925 excl GST) being lower than those on greenfield sites (\$25,735 excl GST).

There is also a more recent view by some developers that the inner city is an unattractive choice for buyers, both in terms of investment (low returns) and aesthetics (dust, open spaces, lack of amenity, etc). Challenges that impede a diverse range of inner city residential development include:

- i. the relative ease of developing greenfield land in comparison to brownfield land due to resource consent requirements and barriers to land aggregation
- ii. difficulty of attracting first movers into the central city due to uncertain demand, disruption caused by demolition and reconstruction, and the lag before major projects are complete and the benefits are realised
- iii. access to finance and insurance for developers and purchasers, particularly high deposit requirements on unit title developments.

The developers' conclusion is that central city development has significant risks compared to development on greenfield sites.

The UDS and Central City Recovery Plan (CCRP) have set significant residential targets of up to 17,500 additional residents or 10,000 households by 2041. The Council's own community outcomes in the Three Year Plan describe the need for a strong, central city with more people, including families, living in the central city. If central city residential development continues to remain 'stagnant' then there is some risk to the achievement of both the CCRP and the Council's own central city outcomes.

On this basis, the Council resolved, as part of the 2013 TYP,:

- a. That Council make provision for rebates on development contributions within the 4 Avenues for the purpose of incentivising residential components of mixed use development and medium/high density living ("residential developments").
- b. That the rebate be capped at \$10 million.
- c. That the rebate be available to "residential developments" under construction before July 2015 that have been reviewed by the Urban Design Panel.

The policy can be viewed at:

<http://resources.ccc.govt.nz/files/homeliving/goaheadbuildingplannings00/feesandcharges-s08/centralcitydevelopmentcontributionsrebatepolicy.pdf>

NB. In January 2015, Council resolved to extend the closing date for the rebate fund to July 2016

15. Māori Land

Māori land at Tuahiwi (Maori Reserve 873)

In 1848 Governor Grey sent land commissioner Henry Kemp to the South Island to buy land for the new settlement. Sixteen Ngāi Tahu chiefs signed Kemp's Deed in Akaroa on 12 June 1848, selling the larger part of their land for £2,000, but keeping some land for settlements and reserves, including those places where they gathered food (mahinga kai). Maori Reserve 873 (MR 873) is one of these reserves.

MR 873 is an area of land measuring 1068 hectares, with Woodend along its northeast boundary and the Cam (Ruataniwha) River as its western boundary. It comprises varied farmland with the Tuahiwi village at its centre. Since its establishment MR873 has been subject to various laws and regulations that have

tended to restrict the use of the land by the original grantees and their descendants and contribute to the alienation of the land.

The Operative District Plan recognises the historical significance of the reserve in its Objectives and Policies, but does not make provision for the special circumstances of the descendants, in particular the area zoned Rural in MR873 within the Operative District Plan that requires a minimum size lot to be four hectares for a dwelling to be established.

As such, it is arguable that the current relevant planning provisions do not provide for the use of MR 873 as originally intended by Kemps Deed. Various consultation exercises on the topic have demonstrated that these restrictions have been a significant frustration for Māori land owners within the reserve.

The Waimakariri District Council recognised that the current planning provisions do not provide for the descendants of the original grantees to use the land for the purpose it was intended and have therefore sought to review the provisions to better enable this.

In late 2013 the Land Use Recovery Plan changed the Waimakariri District Plan, following input from Waimakariri District Council Planning Staff and Ngai Tahu, to include objectives and policies for Maori Reserve 873, as set out in Appendix 3 (Amendment 2) of the Land Use Recovery Plan (LURP). The Plan also directed, under Action 21, that the Waimakariri District Council amend its district plan to the extent necessary to: (i) provide methods to give effect to objectives and policies for Maori Reserve 873 as set out in Appendix 3 (of the LURP).

Table 1 - Derived key outcomes from higher order(Regional Policy Statement & District Plan Objectives & Policies) plan provisions

Area	Outcome
Residential Zone	Enabling Kemps Deed
	Providing for descendants of original grantees
	Range of housing options, densities and allotment sizes
	Compact contained village
	Mixed-use centre
	Residential 3 area defined by natural / built features and landscape
	Implementation of an ODP
	Connection to reticulated services
	Avoidance of natural hazards
	Maintenance of rural outlook and setting
	Enhancing / protecting Cam River and historic streams
Rural Zone	View shaft protection
	Enabling Kemps Deed
	Providing for descendants of original grantees
	Range of housing options
	Comprehensive design for whole site
	Maintain rural environment, recognising different rural character
Cluster housing with rural outlook	

	Implementation of an O.D.P.
	Avoidance of natural hazards
	Connection to reticulated services
	Enhancing / protecting Cam River and historic streams

At this point in time Waimakariri District Council are suggesting cluster housing development to provide for increased rural development. In the proposed rules cluster housing is enabled for descendants of the original grantees, thereby enabling Kempt's Deed. As such, subdivision and the establishment of a dwellinghouse for non-descendants in the reserve will be required to continue to comply with existing rural zone provisions (i.e. a minimum site size of 4 hectares).

The proposed provisions provide for 3-7 dwellings being developed on sites of 5000m² or greater on 20% of the site. While a cluster must indicate the position of 3 dwellings, only one needs to actually be built. Through this approach there is significant flexibility to build one or more dwellings with different densities and spatial arrangements. In addition, apart from basic boundary setbacks and height limits the Plan is largely silent on bulk and location standards and other amenity provisions. This approach therefore enables significant flexibility for achieving a range of housing options.

The cluster housing provisions have been crafted with two key aspects in mind, to provide the greatest flexibility to descendants in terms of the housing location, density and design and to ensure the unique rural environment and character the defines MR873 is maintained. Therefore, provisions have been proposed that ensure developments are clustered as opposed to an ad hoc development pattern that would likely compromise the amenity and rural outlook and character of the reserve.

To ensure a rural outlook is achieved and character and amenity values are maintained a 20/80 split is proposed, whereby living areas are restricted to 20% of the site, leaving the balance 80% for rural activities. In addition, basic bulk and location provisions such as boundary setbacks. Finally any cluster development proposal must include a development plan for the whole site that addresses these and other matters identified in the provisions.

A key restricting factor for land development in MR 873 is the difficulty of obtaining finance for land that is multiple-owned. Banks and other lenders are reluctant to lend on this type of land due to the difficulty in selling it on the open market as a subdivided parcel. If the land is able to be subdivided this finance hurdle can be overcome.

While the ability to subdivide is therefore important, adverse effects could potentially arise if cluster developments are able to be subdivided. This is because the proposed reduction in bulk and location, amenity standards between houses and increased density is based on the principle that generally, extended families will occupy individual cluster developments who have a desire to live communally, whilst maintaining some exclusive space; as opposed to separate, unrelated individual dwellinghouses. The ability for cluster housing to function effectively relies on the assumption those in the cluster want to live in close proximity to one another. If parts of a cluster are able to be subdivided, and on sold, then the management of the development as whole, and in particular the rural portion, becomes more difficult.

To best manage the above issues the proposed rules provide for subdivision through unit titling. It is considered that this method of subdivision best provides for individual legal ownership whilst providing for on-going management and maintenance of common property. It is the best tool to manage the unique pattern and character of development anticipated within the cluster. Subdivision through unit titling will allow the underlying lot to be held in multiple ownership with the ability for separate ownership of dwellinghouses and their exclusive areas.

Section 4 – Constraints

16. Appeals

The Resource Management Act puts in place a hierarchy of planning documents which seek the sustainable management of natural resources within land use decisions. Putting these plans in place involves the adherence to prescribed processes. In common with similarly structured international planning frameworks, prescribed processes take time and can be drawn out by appeals and other legal proceedings. They can also often become adversarial in nature and not conducive to achieving consensus.

In greater Christchurch appeals and legal proceedings have significantly delayed decisions on a number of relatively modest set of strategic level provisions and specific developments. With the preceding UDS having established the overall framework for this change it appears that the process rather than the content is a factor to note. Foremost in this is the long 'tail' of the process and the limited weight attached within RMA decision making to strategies prepared under the LGA.

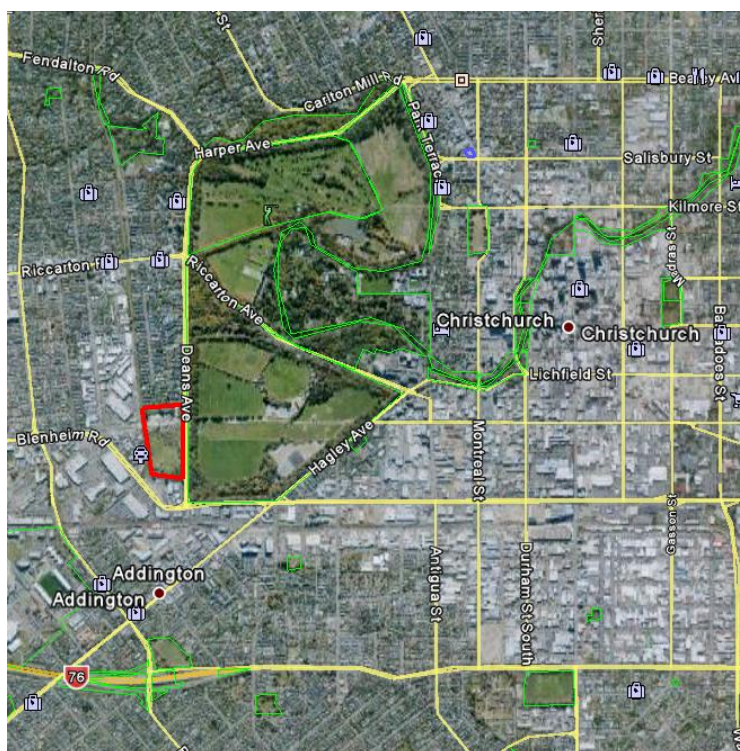
Two examples which highlight this are Proposed Change 1 (PC1) to the RPS and the Belfast 293 development, both matters considered by the Environment Court. Notified in 2007, PC1 sought to implement the land use settlement pattern and policy framework as outlined in the UDS. At the time of the earthquakes the Environment Court was still only just considering the strategic matters of the Change and it was likely that a number of years would be consumed before a final decision was reached.

The Belfast 293 land was the subject of Environment Court hearings for over a decade. The costs to such delay and the resources expended by numerous parties throughout this process were significant, as they were for the previous example.

17. Landbanking

Addington Sales Yard

The 4.5ha former Addington Sales Yard site is the largest undeveloped/underutilised site on the fringes of Hagley Park - Christchurch City's signature open space.



Previously used, up until 15 years ago for the sale of livestock, it has remained undeveloped since that time despite approaches for its re-use for a range of purposes, not least medium density residential development for which it is zoned.

The site was purchased in the late 1990s by a Taiwanese investor. The site was initially promoted for a commercial use of the site but this project fell away in light of the difficulties posed by the long standing residential land zoning. Periodic approaches, never formalised in the form of consents, for commercial uses on the site continued in the 2000s. In more recent years, at least three developers pursuing mixed use schemes involving residential uses have approached council for preliminary discussion. However, these have fallen away in light of an inability to reach a deal with the landowner on price. In 2013, responding to the potential decanting of car sales uses from the South Frame area designated in the Christchurch Central Recovery Plan, a scheme for 10 car dealerships was submitted for resource consent. This was understood to have the landowners support. However, being entirely at odds with the zoning, the application was withdrawn, prior to being refused following public notification. The most recent approach, involving a hotel, 100-120 high value, high specification apartments and park edge retailing (with a visitor hospitality focus) was well advanced by a speculative developer working with a high quality architect. However, once again the price being sought for the land was unrealistic leading to the project being shelved.

18. Covenants

Evidence from Christchurch

Restrictive Covenants are applied to most new subdivisions in Christchurch. It is undoubtedly the case that the covenants seek to create and maintain a harmonious living environment. The covenants also manage construction effects and boundary treatments.

However, there are a number of restrictions which act to drive property values, particularly restrictions on height (most lots are limited to single storey) and, in some cases, unit size. The example at Aidenfield (Example B in the appendix) requires new homes (unless expressly approved) to be at least 180sqm gross. Using conservative build costs of \$1800/sqm and a land value of \$200,000 - \$230,000 homes within this particular subdivision would start at \$525,000 to \$550,000.

Added to this are requirements for the use of particular materials, boundary treatments and other details which add further to the costs of the completed home.

A further factor affecting the nature of the home delivered are requirements on those building homes to have plans approved by the land subdivider. The nature of this arrangement requires buyers to either commission a bespoke architecturally designed home (within the covenanted limitations imposed, and often a set of design guidelines) or choose an off the shelf design from a house builder.

The relationship between subdividers and house builders in providing off the shelf designs to suit restrictive covenants and planning rules within subdivisions is unclear. It would be worthwhile understanding the degree to which house builder products drive the pattern of subdivision or whether land subdivision drives different products and in turn whether buyers of these products are actually given a real choice.

Evidence from Selwyn

Selwyn DC were integral to the production of a report on the extent and effects of minimum house size covenants in Rolleston. The report is based on the findings of the 2008/9 summer research scholarship, run by the Council and Lincoln University. The research looked at the covenants which have been put on new sections in Rolleston as the town has expanded. Interviews were also carried out with some of Rolleston's developers.

It is commonplace for covenants to be put in place on new subdivisions which control the size of house that can be built on lots. These impose a minimum house size on those buying sections, commonly 180m² or

200m². Covenants with explicit size requirements are in place in three quarters of newer sections in Rolleston. Other restrictions apply to most of the remaining lots. There are very few sections where smaller houses would be permitted.

It seems reasonable to assume that this may have an effect on the affordability of housing, for a number of reasons:

- It may increase the cost of building the smallest, most affordable house. There may be people who wish to build a smaller house, but who are forced to build a house larger than they want or need.
- It may price certain people out of Rolleston entirely. There may be people who would be able to afford to buy land and build a house, but who are unable to pay for the required size of house.

The presence of covenants may also restrict housing choice. There appears to be a very limited range of housing on new subdivisions in Rolleston, which has a strong predominance of larger family homes and a very limited choice of other types of housing. This may mean that people may be forced to move away when they become older and do not require such a large house.

Section 5 – Costs of development

19. Greenfield vs brownfield costs

The economics of providing the broad range of infrastructure (horizontal, social, community etc) to ensure sustainable communities is a significant driver for land use decision making. The City Council has previously used a financial Economic Sustainability Model to assess different growth scenarios. Clearly where capacity exists within existing communities the level of investment is substantially less than for greenfield sites. In addition, by integrating infrastructure upgrades with planned renewal further efficiencies arise. This was the case for much of the planned growth in south-west Christchurch where trunk infrastructure renewal was able to accommodate anticipated household growth identified through the UDS.

Rob Rouse was the Horizontal Infrastructure expert witness for the Crown's all of government submission on the Christchurch Replacement District Plan. Below are extracts which illustrate the importance of considering existing horizontal infrastructure when considering land use in order to support the investments, efficiency and economic activity:

'Integrating land use and infrastructure planning will ensure that the Crown's significant investment in horizontal infrastructure will be best positioned to support economic growth and productivity. An absence of integration between land use and infrastructure planning could undermine the significant amount of investment made and the future role that horizontal infrastructure has in supporting economic activity critical to recovery and beyond. An unplanned development that will require new infrastructure to service it also carries an opportunity cost where existing or planned infrastructure capacity elsewhere does not get used or built as a consequence'

'The Crown has suggested a new stand-alone 'City Form and development' objective and associated policies which seek to achieve an integrated pattern of development and well-functioning urban form. Integral to this objective is locating and designing development, including infrastructure and the transport network, to promote the efficient provision and use of infrastructure and to optimise the use of existing horizontal infrastructure capacity where possible'

Development Contributions Policy Review: Catchments

Council is looking to use the current review of its development contributions policy to move to a more catchment-based approach to allocating the costs of development contributions.

A catchment approach will more clearly show where the costs of providing infrastructure and facilities are and target developers in those parts of the city to fund a share of the Council's investment.

As the reviewed development contributions policy stands Council has decided to retain (and in some cases refine) catchment assessments for neighbourhood parks and stormwater and flood protection road network and to introduce a catchment assessment for road network, water supply and wastewater collection. The water and wastewater collection assessments are significant for some catchments and Council will decide how it wants to deal with this.

The effects of increasing the use of catchment assessments are to:

- reduce development contributions in areas where there is legacy infrastructure capable of servicing the forecast growth requirements. This is in the central city and established suburbs and development is primarily small scale in-fill development.
- increase development contributions in areas where Council needs to invest in new infrastructure and facilities to service growth requirements. This tends to be in the outer suburbs where development is primarily large-scale greenfields development.

Just what impact the price signals might have on developers is difficult to tell. Developers tend to specialise in either greenfields or infill development and it is difficult to see a wider interest from Greenfield developers in undertaking infill.

The greenfield land tends to be much cheaper than central city land suggesting this is where affordable housing might best be targeted; however the much higher development contributions may negate this.

A combination of low development contributions and modest land prices may exist in Christchurch in the central-eastern part of the city which may be appropriate as a focus for affordable housing developments.

The relative attraction of infill development could help promote infill development consistent with the Urban Development Strategy which identifies growth intensification nodes within the city.

The following table shows the relative impact of the draft policy as it currently stands on the development contributions that might be required for a variety of locations in the city. It shows the shift in development contributions from central/ infill areas to greenfields.

	Current Policy	November 14 Proposal	Change
Akaroa	\$21,832.58	\$54,261.31	\$32,428.73
Lyttleton	\$21,832.58	\$44,160.36	\$22,327.78
CBD	\$23,507.58	\$14,532.16	-\$8,975.42
Halswell (Greenfield)	\$32,316.44	\$47,643.98	\$15,327.54
Prestons (Greenfield)	\$41,336.23	\$60,461.77	\$19,125.54
Upper Riccarton (Infill)	\$33,109.53	\$15,796.96	-\$17,312.57
Northwood (Greenfield)	\$41,345.38	\$43,921.52	\$2,576.14
Barrington (Infill)	\$38,496.68	\$17,419.90	-\$21,076.78

NOTE: These figures are still subject to refinement and political debate.

Note: There is significantly more information on the general issues covered by the Inquiry that can be made available arising from the evidence presented to the Environment Court on Proposed Change 1 (2011) to the Regional Policy Statement and the current Replacement Christchurch District Plan hearings. This includes.

Proposed Change 1 to the RPS:

- Tim Hazeldine, Marcus Spiller and Geoff Butcher regarding economic implications of the proposed settlement pattern and alternative scenarios
- UDS Partner organisation officers on the background, legal framework, planning and transport matters covered by the Proposed Change

Christchurch Replacement District Plan:

- Rob Rouse (Crown) regarding horizontal infrastructure
- Ian Mitchell (Crown) regarding housing
- Natalie Jackson (Crown) regarding demographics
- John Richards (Crown) regarding transport
- Christchurch City Council officers regarding the chapters under consideration in Phase 1
- Evidence from other submitters

<http://www.chchplan.ihp.govt.nz/Hearings/Hearing1/Pages/default.aspx>

http://www.chchplan.ihp.govt.nz/Hearings/Hearing1/Pages/default.aspx?Paged=TRUE&p_SortBehavior=0&p_ID=123&PageFirstRow=61&&View={CD77DFF2-3ED6-4054-BFF9-6186C1908E29}