

## **REPORT**

**TO:** Chief Executive  
**FOR:** Council Meeting – 25 November 2015  
**FROM:** Environmental Services Manager  
**DATE:** 16 November 2015  
**SUBJECT:** **HOUSING ACCORD**

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### **1. RECOMMENDATION**

**That the Council**

- a) Approves entering into a Housing Accord with the Ministry of Housing for the purposes of increasing housing supply and improving housing affordability in Rolleston by facilitating development of quality housing that meets the needs of the growing population.**
- b) Provides the CEO with the delegation to make minor amendments to the Housing Accord that occur as a result of discussions with the Minister of Housing.**

### **2. PURPOSE**

This report is to obtain the Council's approval to enter into an agreement (Housing Accord) with the Ministry of Housing. A draft Housing Accord is attached as Appendix 1 and while it is not anticipated that this will change significantly, approval is also sought for the ability of the CEO of Selwyn District Council to make minor amendments in the light of any comments received from the Ministry of Housing and its officials.

### **3. SIGNIFICANCE ASSESSMENT/COMPLIANCE STATEMENT**

This matter has been assessed using the significance policy, and the following is noted:

- a) The matter does not affect all or large portion of the community in a way that has a potential impact or consequence on the affected persons.**
- b) There are not any financial implications on the Council's resources that would be substantial and are likely to generate a high degree of controversy.**

It should be noted any land added through the Housing Accord would be subject to a degree of public consultation for those who are directly affected (being those residents adjoining a special housing area).

#### **4. HISTORY/BACKGROUND**

The Housing Accord and Special Housing Areas Act (the Act) was introduced in 2013. The purpose of the legislation is to enhance housing affordability by facilitating an increase in land and housing supply in certain regions or districts listed in Schedule 1 of the Act, that have been identified as having housing supply and affordability issues. Selwyn District was added to Schedule 1 of the Act in 2015.




The legislation does have some time limits, and while it commenced on 16 September 2013, the ability to establish new housing areas ceases on the 16 September 2016. The entire Act will be repealed on the 16 September 2018.

In simple terms the Housing Accord is an agreement between a Territorial Authority and Central Government which sets out how the purpose of the Act will be achieved, and identifies as targets and criteria for special housing areas as a first step.

Once a Housing Accord is entered into, the next step is for special housing areas to be identified through an order in council. Application for complying development areas could be made and assessed against the Housing Accord's criteria. The Council could then choose to limited notify an application to adjacent landowners, infrastructure providers and designating authorities. After that process is completed the special housing area would effectively have a resource consent bestowing on it the Living Z provisions.

The diagram below summaries the Acts process:

### Summary of process under HASHAA

Step	Description
<b>Add district to Schedule 1</b>	<p>Requires an Order in Council by the Governor General following a recommendation of the Minister</p> <p>Will only be done where the Minister is satisfied that the district is "experiencing significant housing supply and affordability issues"</p>
	
<b>Enter into a Housing Accord</b>	<p>A housing accord is an agreement between the Minister and a territorial authority for a scheduled district that sets out how the two parties will work together to address housing affordability issues</p> <p>Section 11 sets out specific matters that the Accord must contain and a range of matters that it may contain.</p>
	
<b>Identify Special Housing Areas</b>	<p>Requires an Order in Council by the Governor General following a recommendation of the Minister</p> <p>Will only be made if the Minister is satisfied that there is demand for residential housing in these areas and there is adequate infrastructure to service development</p> <p>OIC may specify criteria for qualifying developments relating to the maximum number of storeys, the maximum building height, the minimum number of dwellings to be built and the percentage of dwellings that must be affordable (including criteria specifying how affordability is determined) (s15).</p>
	
<b>Lodge application for Qualifying Developments</b>	<p>Application lodged with the territorial authority, which is processed in accordance with the provisions of HASHA rather than the usual RMA provisions</p> <p>A qualifying development must be predominantly residential and comply with all applicable criteria specified in the Order in Council (s14).</p>

## Growth

The growth in Rolleston has not slowed over the last year. The numbers of new dwellings continues to rise, with around 60 to 80 building consents for new homes in Rolleston being processed per month. This continued growth follows a significantly increased growth rate as a consequence of the earthquakes of 2010 and 2011.

Rolleston is identified by Statistics New Zealand as the location in Greater Christchurch which experienced the largest population increase between the 2006 and 2013 censuses (the usually resident population increased from 4,919 to 9,555). The latest population estimate available for Rolleston from Statistics New Zealand as at 2015 is 11,810 people.

A recent report commissioned to assist the Land Use Recovery Plan (LURP) review (Updating LURP Projected Housing Demand– Market Economics June 2015) has found that the projected increase to 2028 for Selwyn is considerably greater than previous estimates, potentially creating an additional 4,000 households by 2028.

*For **Selwyn District**, the latest (Census-based) estimate for 2012 is also close to the previous estimate, differing by just +70 households, or +0.7%. However, the projected increase to 2028 for Selwyn is considerably greater than the previous estimate, at +10,300 households (+64%) over the period. This is an additional 4,000 households, which would take the Selwyn total households to 20,420 by 2028. This would be +4,070 more households (+24.9%) than the previous estimate;<sup>1</sup>*

While it is acknowledged that population growth is difficult to gauge, it should be noted that there is a growing economic basis to support that growth with significant investment in the master planning of the Rolleston Town Centre and the expansion of industrial land north of Rolleston including two inland container terminals, a large format retail centre and some two hundred and eighty hectares of industrial land. Currently this industrial hub employs close to 700 hundred workers which is anticipated to increase to around 2,000 over the next ten years.

Other recent and proposed expenditure in infrastructure such as the Christchurch Southern Motorway, the Selwyn Aquatic Centre, Foster Recreational Park, the development four new primary schools (the latest one locating in the Hughes SHA) and one proposed High School (2017) all indicate that Rolleston has strong drivers for sustained growth.

Most recently the Statistics New Zealand subnational population estimates at 30 June 2015, which were released on the 22 October 2015 signals the continued rapid growth in Selwyn District.

*New Zealand's three fastest-growing territorial authorities in the June 2015 year were all in the South Island. Selwyn experienced the highest growth (6.5 percent), followed by Queenstown-Lakes (4.9 percent), and Waimakariri (3.6 percent). These three areas also grew the fastest in each of the previous two years.*

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<sup>1</sup> Updating LURP Projected Housing Demand –Market Economics June 2015 p3





To date the developer response to this demand has been to supply a standard 3/4 bedroom house with attached garage on a uniform allotment size. Because of demand levels there is little incentive to provide affordable housing through design, selection of build materials or build processes. Also the Council has no tools available to influence and provide for affordable housing. If it could do so in a broader sense, Council could better manage resources such as land and infrastructure services including transport in a sustainable way.

The amount of Greenfield land that is able to be developed is dwindling. Of all the land rezoned through Plan Change 7, (some 350 hectares), 90% is already in the development process, which equates to about 1 years supply remaining. Accordingly there is a pending shortage of single ownership Greenfield land that is able to be developed in Rolleston. This lack of supply will be an issue in terms of maintaining supply to meet the demand for residential growth in Rolleston. If Rolleston cannot meet that demand then the District will not grow which is neither a good outcome for it nor the region. Also it does not necessarily follow that if Rolleston cannot provide for growth, that growth will take place elsewhere within the region. It may be lost to the region.

## LURP Action 18

A year ago the Selwyn District Council progressed a number of parcels of land through Action 18 of the LURP to accommodate earthquake related growth in Rolleston. In total there were approximately 350 hectares of land yielding an approximate 4,500 lots. This land is currently developed as low density rural residential development on the outskirts of the urban area of Selwyn District (see Appendix 2).

Unlike the Plan Change 7 growth areas, the LURP growth areas are characterised by fragmented land ownership, involving landowners with different objectives and expectations in relation to the use, value expectations and development of their land. These differences and the lack of co-ordination between landowners are acting as a constraint on residential land supply. Much of the land in the LURP growth areas has been purchased and developed as “lifestyle” properties and this prevents the land from being made available to the market at a price that enables residential development to occur. We have feedback from experienced developers detailing unsuccessful efforts to purchase and amalgamate blocks for development. In addition, a considerable proportion of this land is unlikely to be serviced in the near future. These impediments to development in this area has resulted in only 30 out of the potential 4,500 lots entering into the development process over the last year.

While in the fullness of time some this land may be expected to be developed, the inevitable conclusion is that this is not likely to be the case in the foreseeable future. The constraint is real.

### **Why was this land promoted via Action 18?**

The Action 18 land had already been rezoned as suitable for deferred residential development through Plan Change 7 to the Selwyn District Plan four years ago. That land was included in a decision by Hearing Commissioners. Accordingly it seemed appropriate that this land, as deferred, should be the first put forward for further residential development under the LURP.

## **5. PROPOSAL**

The objective of this report is to allow the Council to consider whether it wants to enter into a Housing Accord with the Ministry for Housing.

If the Council wants to continue with a Housing Accord it is suggested that the Draft Housing Accord attached to this report in Appendix 1 could be used as the basis for such an agreement. This Draft Housing Accord has already been sent to the Ministry for Building Innovation and Employment for comment. The timeframes for getting an agreement in place and completing the other parts of the Act's processes before its expiry in September 2016 (the date by which applications for qualifying developments are required to be lodged) are tight and accordingly it is proposed that the CEO be provided the delegation to progress the agreement with Central Government rather than needing to come back to the Council for its final approval. The Housing Accord is concluded when it is signed by the Mayor and the Minister for Housing.

Fundamentally, the purpose of the Housing Accord would be to enable subdivision and development of houses in suitable locations outside those growth areas identified in the LURP but inside the Rolleston projected infrastructure boundary as identified in the RPS.

In order to avoid the issues of multiple land ownership which appear to be slowing development of the LURP areas, the Housing Accord focusses on enabling development of large parcels of land under single ownership or control. Furthermore the Housing Accord is intended to ensure that a suitable proportion of housing delivered is affordable at first sale by comparison with median sale prices in the District.

The Housing Accord would potentially contain a number of targets which would include the number of sections consented within a specified timeframe, the number of houses to be delivered within a specified timeframe, and provide required densities.

In addition the Housing Accord includes a number of criteria that a Special Housing Area would need to meet, including being inside the infrastructure boundary for Rolleston, outside of the Christchurch International Airport noise contour, a size perhaps not less than 30 hectares, single party ownership or control, evidence of housing demand, the availability of adequate infrastructure, and an agreed outline development plan.

These criteria limit the amount of land that could be brought forward as a Special Housing Area, with the only two blocks that would meet these criteria are shown in Appendix 2. In addition, every Special Housing Area, irrespective of meeting the Housing Accord criteria, is still subject to Council's discretion as to whether it should proceed. It is also noted that the Act expires in 2018. So the Act, given its limited duration and focus, is a one off opportunity provided by Central Government to specifically address and resolve supply and affordability issues.

The key advantage of a Special Housing Area developed under the Act is that it provides a timely response to housing supply issues. It also it allows the Council to work closely with landowner and developer to an provide opportunities for urban design outcomes and affordability criteria not available through a RMA process.

Appendix 3 provides an indicative layout for Farringdon South which gives an illustration of some of the outcomes that could be achieved in a in a Special Housing Area.

## **6. OPTIONS**

The core option for Council is whether to continue to progress an agreement for a Housing Accord. The table below identifies some of the advantages and disadvantages of proceeding with a Housing Accord

Advantages	Disadvantage	Comments
Speed of delivery of residential activity and maintain and an adequate supply of developable residential greenfield land.		It is envisaged that from the signing of the Housing Accord to the establishment of residential activity could be as short as 9 to 18 months.
Affordability		It is acknowledge that improving the affordability of housing is a complex issue and requires consideration of wider issues, not all of which will be able to be addressed under this Housing Accord. However a Housing Accord provides an opportunity to seek to address and provide affordability opportunities not available via standard development process.
Design outcomes		<p>The process available under the Housing Accord and the linked Order in Council provides an opportunity to provide for not only establishing special housing areas but via a detailed ODP providing for detailed urban design outcomes.</p> <p>With a willing and focused developer a more detailed urban design outcome compared to standard processes is possible because providing and securing urban design outcomes will be a key element of a qualifying development.</p>

Advantages	Disadvantage	Comments
Efficient use of infrastructure		If the entry price for new housing is affordable, demand will continue and more units will be built ensuring better utilisation of infrastructure. Furthermore the areas identified as being potentially appropriate for Special Housing Areas are already able to access existing infrastructure.
	Over supply of housing	In reality the majority of Greenfield developments in Canterbury with any scale are undertaken by a relatively small group of very experienced and well-resourced development companies. These parties are careful to manage carefully the amount of developed sections they bring to the market at any one time in order to ensure there is not a market perception of oversupply and that they do not get exposed financially.
	Inconsistency if Plan Change does not proceed to address the underlying zoning and consistency with the CRPS.	The Act expires 2018, and accordingly a plan change would be beneficial to change the underlying zoning and the CRPS.
Consistency with Councils Strategic planning process (Rolleston Structure Plan)		The potential Special Housing Areas are within the existing infrastructure boundary and were also within the overall urban boundary for the previous PC1.
Accommodate existing and anticipated future growth		Consistent growth in Rolleston continues (Market Economics report) and the latest Stats NZ figures combined with the constraints facing much of the Action 18 land means that developable greenfield residential land in Rolleston is dwindling.

Advantages	Disadvantage	Comments
	Slow down existing LURP 18 land	LURP growth areas are ultimately suited to residential use however achieving efficient development responses will be intrinsically difficult in the short term.
	Inconsistency with regional approach to managing growth	Growth continues at Rolleston. Providing for this growth may be seen by some as inconsistent with the regional approach to managing growth. However the areas that could be subject to the Housing Accord are within an area that has been subject to the Rolleston Structure Plan and were pre-earthquake within the urban limit.

## Alternative Processes

At the Urban Development Strategy Implementation Committee (UDSIC) meeting of Friday the 6 November 2015, a resolution was passed in respect of the Housing Accord discussion. That resolution asked that Selwyn District Council consider any alternatives to the Act for providing land for residential purposes.

One alternative would be to progress changes to the Canterbury Regional Policy Statement through normal RMA processes. Both the UDSIC and Chief Executives Advisory Group (CEAG) have discussed this in the last few months. However views are being formed that this process would be expensive and have significant litigation risks. It has also been suggested that the timeframes for this process could stretch to around 2 years.

Another potential option exists through the UDS Refresh process, however it is unclear at this point to what extent that refresh would address residential land supply issues across greater Christchurch. Even if it did in itself this document would not have significant statutory weight. Any subsequent change to the Canterbury Regional Policy Statement would again take significant time with no surety of the outcome.

In conclusion both of these options are not seen as viable alternatives as they lack any certainty and the timeframes that are potentially involved do not address the current land supply issue in Rolleston in a timely way.

However while both of these alternatives had issues in terms of the lack of certainty and the length of time that they would take to provide a result, they are still alternatives that could be further explored. Given the tight timeframes for developing a Housing Accord under the Act, it is recommended that this process be continued alongside exploring other alternatives for rezoning of land within Rolleston. Each application for special housing areas is entirely at the Council's discretion to grant or not to grant so even once a Housing Accord is entered into, there remains the ability for the Council not to proceed with a Special Housing Area and/or withdraw from the Housing Accord at any time it chooses. This may well be a pathway that the Council chooses if other alternatives materialise and provide more benefits.

Accordingly it is recommended that the Council continues to discuss these other options with its strategic partners and particularly the Canterbury Regional Council while continuing to enter into a Housing Accord and progress Special Housing Areas under the Act.

## **7. VIEWS OF THOSE AFFECTED/CONSULTATION**

This matter as discussed above has been raised with Councils Strategic partners. No other views have been obtained

## **8. RELEVANT POLICY/PLANS**

A legal opinion commissioned by Council staff concludes that it is appropriate and reasonable for Selwyn District Council to seek to rely on the provisions of the Act as it considers there are issues of housing affordability and supply which are not being adequately addressed by the LURP. The legal opinion goes on to advise that enabling urban development outside of the current urban limits is not incompatible with the Land Use Recovery Plan, the Canterbury Regional Policy Statement and the Canterbury Earthquake Strategy.

Parliament so as to ensure effective government should not pass legislation that is inconsistent. To do so causes confusion. Intended legislation is always considered for inconsistency. Given the Act has been passed by Parliament against the context of the CER and RMA Acts, it is assumed Parliament knew and understood what it was doing and was satisfied that no inconsistency existed. In its own provisions the Act clearly provides how it works alongside the RMA and planning documents prepared under the RMA. These provisions clearly demonstrate no inconsistency is evident.

## **9. COMMUNITY OUTCOMES**

It is noted that this report has taken account of the Community Outcomes identified in the Council's Long Term Plan regarding the Environment, Social, Economic and Culture of the community. This recommendation to Council is considered consistent with achieving those outcomes.

## **10. LEGAL IMPLICATIONS**

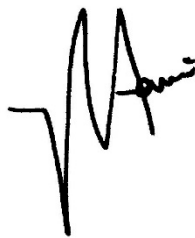
At this point no legal implications are foreseen.

## **11. FUNDING IMPLICATIONS**

The work to date has included staff time and is within existing budgets. There is however recognition that there could be significant costs from future plan changes that are driven by successful Special Housing Areas that are developed under the Act.

As the Special Housing Areas will proceed by way of resource consenting it is important to note that Council's usual cost recovery policy for the processing of resource consents will apply. In addition it is contemplated that a plan change to both the district and regional plan will follow on subsequent to the resource consent. Currently it is not clear if this will be a private initiated plan change or alternatively a Council led plan change. However there will be costs incurred by this subsequent plan change process and Council will be requiring a significant contribution to those costs from the developers. If the plan change is to be privately initiated and also to provide for funding there will need to be careful identification of the developer undertake providing resources and funding.

It is not possible at this point to be definitive about overall costs. However it is fair to say costs with these types of processes are never inexpensive. Accordingly the Council will be seeking to enter into agreements with developers associated with Special Housing Areas requiring them to work with the Council in a cooperative way and to identify costs and provide for them.

A handwritten signature in black ink, appearing to read 'Tim Harris', with a stylized, cursive script.

TIM HARRIS  
ENVIRONMENTAL SERVICES MANAGER





SELWYN  
HOUSING ACCORD

FIFTH DRAFT  
11 November 2015

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## Selwyn Housing Accord

- 1 The Selwyn Housing Accord between the Selwyn District Council(Council) and the Government is intended to result in increased land and housing supply in Rolleston during the period in which the Act applies.

## Background

- 2 Growth in Rolleston has been identified as a priority and an expectation for Selwyn District for many years.
- 3 The 2009 Rolleston Structure Plan identified that Rolleston was expected to grow from a population of 6800 to approximately 22,000 in 2041 – an average increase of approximately 500 persons or 160 houses per annum.
- 4 Since 2009 greenfield land for future residential development in Rolleston has been identified by way of six specific growth areas, through Plan Change 7 to the Selwyn District Plan.
- 5 Rolleston experienced a significantly increased growth rate as a consequence of the earthquakes of 2010 and 2011, which had resulted in a short term loss of between 10,000 and 20,000 dwellings in the Greater Christchurch area. Rolleston is identified by Statistics New Zealand as the location in Greater Christchurch which experienced the largest population increase between the 2006 and 2013 censuses (the usually resident population increased from 4919 to 9555).The latest population estimate available for Rolleston from Statistics New Zealand as at 2015 is 11810 people.
- 6 In particular, those Plan Change 7 growth areas under the control of single landowner developers have experienced sales level significantly in excess of initial projections. Much of the land in single ownership has been developed or is nearing the final stages of development.
- 7 Recently the potential capacity has been supplemented by way of the Land Use Recovery Plan (LURP), which has created six more growth areas which have a theoretical capacity of 4500 dwellings. The Selwyn District Plan anticipates the development of all these areas in accordance with Outline Development Plans. There has been very limited development to date in these areas.
- 8 Unlike the Plan Change 7 growth areas, the LURP growth areas are characterised by fragmented land ownership, involving landowners who have different objectives and expectations in relation to the use and development of their land. These differences and the lack of co-ordination between landowners is likely to act as a constraint on residential land supply. Much of the land in the LURP growth areas has been purchased and developed as “lifestyle” properties which prevents the land from being made available to the market at a price that enables residential development to occur. A considerable proportion of it is unlikely to be serviced in the near future.
- 9 While in the fullness of time some of this land may be expected to be developed, the inevitable conclusion is that this is not likely to be the case in the foreseeable future.
- 10 In April 2015 a report by Davie Lovell Smith entitled the *Rolleston Residential Growth Report* examined the extent of this issue. This report reviewed the PC7 growth areas and demonstrated their dwindling capacity. It looked in turn at each LURP growth area and identified a number of common practical issues inhibiting the likelihood of extensive short term growth – notably related to multiple land ownership, infrastructure availability, and land value issues (particularly associated with developed rural lifestyle blocks with extensive homes).

- 11 The DLS report concluded that while there is no question the LURP growth areas are ultimately suited to residential use achieving efficient development responses will be intrinsically difficult in the short term.
- 12 As such, it has been identified that during the next few years there is likely to be a land supply problem in Rolleston. This could have the effect of reducing the affordability of the remaining sections in the growth areas.
- 13 The key purpose of this Accord is thus to increase supply of land in Rolleston in suitable locations, and a further purpose is to ensure that a proportion of the new dwelling supply created is affordable housing.
- 14 The parties acknowledge that improving the affordability of housing is a complex issue and requires consideration of wider issues, not all of which will be able to be addressed under this Accord.
- 15 The Housing Accords and Special Housing Areas Act (HASHAA) provides an opportunity to address these problems by facilitating an interim fast track consent process for suitable landholdings in the general vicinity of the LURP priority areas, while not precluding the LURP area development as appropriate in the longer term.

## Purpose

- 16 The Selwyn Housing Accord is intended to enable subdivision and development of housing in suitable locations outside those growth areas area identified in the Land Use Recovery Plan (LURP) but inside the Rolleston Projected Infrastructure Boundary.
- 17 In order to avoid a repeat of the issues of multiple landownership which are likely to slow the development of the LURP areas, the Accord is focused on enabling development of large parcels of land under single ownership or control.
- 18 The Accord is also intended to ensure that a suitable proportion of the housing delivered is affordable at first sale by comparison with median sales prices in the district.

## Principles to guide how the Government and the Council will work together

- 19 The Council and the Government agree that they will:
  - Work collaboratively to facilitate an increase in housing supply in Rolleston
  - Allocate appropriate resources to achieve the objectives of this Accord
  - Prioritise achievement of targets in the Accord
  - Adopt a no surprises approach
  - Seek to resolve differences quickly
  - Respect the obligations resulting from each party's statutory and legislative requirements

## Targets

- 20 The Council and Government acknowledge the importance of agreeing targets to give effect to the purpose of this Housing Accord that will assist in delivering the level of land supply and dwellings necessary to meet Rolleston's housing needs.
- 21 The agreed aims and targets are set out below. They are focused on Special Housing Areas and recognize the currently stated repeal dates under the Act. It is understood that all applications for qualifying developments must be lodged with the Council on or before 16 September 2016.

Aim	Target
To increase the opportunity for increased supply of residential sections and dwellings within Rolleston	The section/dwelling capacity of land identified for development by Special Housing Area declarations under the Selwyn Housing Accord is at least 900 By 16 September 2016.
To increase the supply of residential land holding consents for subdivision within Rolleston.	The number of sections consented within Special Housing Areas is at least 150 by 16 September 2016, at least 300 by 16 September 2017, and at least 450 by 16 September 2018.
To increase the delivery of residential sections within Rolleston.	The number of new titled sections within Special Housing Areas is at least 150 by 16 September 2017, at least 300 by 16 September 2018, and at least 450 by 16 September 2019.
To ensure efficient use of land and variety of product, including affordable small dwelling options	<p>The sections/buildings consented shall be developed at a net density measured across each Special Housing Area of not less than 12 dwellings per hectare (net density as defined under the Selwyn District Plan).</p> <p>At least ten percent of the dwellings enabled by the consents are affordable in price-relative terms at first sale.</p>

## Special Housing Areas

- 22 Upon commencement of this Accord, the Council will have the ability to recommend the creation of Special Housing Areas to the Minister of Building and Housing under the Act. If the Government agrees, the recommended Special Housing Areas could be established by Order in Council, enabling the Council to access the powers available under the Act to streamline resource consent approvals.

- 23 The Council will not recommend the creation of a Special Housing Area unless it is satisfied that the land meets all of the following requirements:
- a. It is located on land zoned Rural Inner Plains zone under the Operative Selwyn District Plan within the area bounded by Dunns Crossing Road, Selwyn Road, Weedons Road and State Highway 1;
  - b. It is not subject in any part to the Christchurch International Airport Noise Contour under the Operative District Plan;
  - c. It comprises a contiguous land area of not less than 30 hectares adjacent or opposite an existing ODP Area ;
  - d. It is owned or controlled by a single party, or there is a contract for this party to purchase all of the land;
  - e. There is evidence of demand to create qualifying developments in this area and there will be demand for residential housing in the proposed special housing area, and the party described in clause 23d is or is partnered with an experienced land developer and has a genuine intention to develop the land;
  - f. It is in a location where adequate infrastructure to service qualifying developments within the proposed special housing area either exists, or is likely to exist, having regard to relevant local planning documents, strategies and policies, and any other relevant information;
  - g. Council and the party described in clause 23d have agreed an Outline Development Plan for the whole of the special housing areas (SHA) following the agreed format of the Selwyn District Plan and that will achieves an outcome that is consistent with the provisions of the Living Z zone.

## Qualifying Developments

- 24 Any party may propose to the Council for consideration Qualifying Developments within SHAs which are:
- Predominantly residential;
  - Have capacity for 50 or more dwellings or 50 or more vacant residential sites;
  - Have a maximum dwelling height in accordance with the provisions of the Living Z zone of the Operative District Plan;
  - Will achieve, or will not frustrate the achievement of, a net density of 12 dwellings per hectare, measured across the SHA.
- 25 When considering an application for a Qualifying Development under Section 34 of the Housing Accords and Special Housing Areas Act:
- there is no requirement to give effect to the provisions of the operative Canterbury Regional Policy Statement; and
  - any regard that is had to the Operative Selwyn District Plan shall be with reference to the objectives, policies and rules of the Living Z zone, and any reference therein to a relevant Outline Development Plan will be a reference to the Outline Development Plan prepared with the Order in Council referred to in clause 23g. This shall apply even though the land within the SHA may not be zoned Living Z in the Operative Selwyn District Plan at the time
- 26 Qualifying Developments are required to give consideration to the provision of affordable housing. It is anticipated that this will be provided by way of smaller dwellings for which land use consent is required under the rules of the Living Z

zone.

- 27 Conditions of qualifying development consents to be recorded by way of Consent Notices(or other suitable legal mechanism) on titles may include a requirement that a number of dwellings being equivalent to not less than 10% of the total potential yield of the Qualifying Development shall be affordable dwellings. Affordable in this clause shall be defined as the sale price at the first sale being not more than 75% of the median house price for the Selwyn District(as published or available from Quotable Value for the month prior to the land use consent being granted. Consent notices may include a requirement that the first sale for the purpose of this clause shall be to an individual or individuals (rather than building companies and investors)

## Other Matters

- 28 Where by 16 September 2018 land in a Special Housing Area has been substantially developed the Council undertakes at the earliest opportunity thereafter, subject to obtaining suitable support from the developers who utilise this Accord and subject to its obligations under the Canterbury Earthquake Recovery Act and the Resource Management Act, to prepare a Change to the Selwyn District Plan and to seek associated changes to the Canterbury Regional Policy Statement.
- 29 This change will apply the Living Z zoning and associated Outline Development Plan to all land for which a title exists pursuant to a subdivision consent issued under the HASHA Act.

## Governance and Process

- 30 Governance of this Accord will rest with a Joint Housing Steering Group comprising the Mayor of Selwyn and the Minister of Building and Housing. The Joint Housing Steering Group will meet annually.
- 31 The Joint Housing Steering Group has the ability to amend this Accord, including targets, upon agreement. The targets shall be reviewed annually, subject to reports on progress and the state of the building/construction sector.
- 32 The Council and the Government shall establish an Officials Working Group which will meet as often as required to advance implementation of this Accord.
- 33 The Officials Working Group will report to the Joint Housing Steering Group and will prepare any progress or monitoring report as requested by the Steering Group

## Monitoring and Review

- 34 In order to ensure that the purposes of this Accord are achieved, the Steering Group will monitor and review the implementation and effectiveness of this Accord. An official from each of MBIE and Council will be present to advise and observe the Steering Group Meetings.
- 35 In order to ensure the implementation and effectiveness of this Accord the Officials Working Group will meet as required to:
- Review progress in implementing the Accord
  - Review progress towards the Accord targets and declaration/ implementation of Special Housing Areas
  - Review progress on the other areas of joint action or information sharing

- 36 A full review of the effectiveness of the Accord will be carried out by the Officials Working Group after its first 12 months of operation and be reported to the Joint Housing Steering Group.

## Termination of the Accord

- 37 This Accord will come to an end:
- On 16 September 2018, as specified in section 3(1) of the Act, or
  - Six months following the date that either party gives notice of its intention to withdraw from this Accord, subject to clause 39
- 38 Subject to first complying with the requirements in clauses 41 to 46 either party may terminate this Accord, on any of the grounds set out in clause 40 by giving not less than six (6) months' notice to the other.
- 39 The grounds on which this accord may be terminated are:
- Failure to reach the agreed targets as set out in the Accord; whether the failure results from inaction or ineffective action;
  - Failure of either party to allocate adequate resources to support the purpose or the exercising of powers and functions under the Housing Accords and Special Housing Areas Act;
  - Failure on the part of the Council to exercise the powers and functions of an Authorised Agency under the Housing Accords and Special Housing Areas Act;
  - The parties agree that there is an irretrievable breakdown in the relationship;. or
  - Selwyn is removed from Schedule 1 of the Housing Accords and Special Housing Areas Act, in accordance with that Act e.g. if Selwyn no longer meets the affordability and land supply criteria provided for under that Act.

## Dispute Resolution Process

- 40 The parties will attempt to resolve any dispute or difference that may arise under or in connection with this Accord (including seeking to terminate) amicably and in good faith as set out below).
- 41 The initiating party must immediately refer the dispute to the other party in writing.
- 42 The Joint Housing Steering Group must meet for the purpose of resolving the dispute within 10 business days of the dispute being referred to the parties.
- 43 If, for any reason the Steering Group is unable to resolve the dispute in the meeting referred to in clause 43 above, the Steering Group must reconvene for the purpose of resolving the dispute within 20 business days of the meeting referred to in clause 43 above.



- 44 If the Steering group remains unable to resolve the dispute at the second meeting, either party may terminate the Accord by giving written notice to the other party. This notice must provide for at least six months in advance of the termination date.
- 45 The parties must continue to perform their obligations under this Accord as if the dispute had not arisen, pending final resolution of the dispute in accordance with this section of the Accord.

## Publicity

- 46 The Mayor and the Minister of Building and Housing agree that any communications or publicity relating to this Accord will be mutually agreed prior to release.

## Ratification and Commencement of the Accord

- 47 The Accord commences from the date at which the latter of the following occurs:
- The Accord is signed by the Minister of Building and Housing and the Mayor of SDC, and;
  - SDC ratifies the agreement by formal council resolution.

Signed on this       day of       2015

















Hon Dr Nick Smith  
**Minister of  
Housing**

His Worship Kelvin Coe  
**Mayor of Selwyn District**



# LURP ACTION 18 ROLLESTON OVERALL OUTLINE DEVELOPMENT PLAN

## KEY

	ODP areas		Arterial Road		Primary Route		Low density housing (1000m2+)
	Parcel		Collector Road		Secondary Route		Low density housing
	Proposed Water reservoir		Indicative well location		Proposed Neighbourhood Park		Medium Density
	Historic sewer treatment plant		Existing water race		Proposed Neighbourhood Centre		Pedestrian/Cycleway green link

## LURP ACTION 18 ROLLESTON

### Overall Plan

- 04** East of Lincoln Rolleston Road  
Size: Approximately 7.2ha  
Density: 10h/ha  
Estimated section numbers: 72  
Development Stage: Existing LZ Def Zone
- 09** Helpot Park  
Size: Approximately 25ha  
Density: 10h/ha  
Estimated section numbers: 250  
Development Stage: Existing LZ Def zone
- 10** Triangle block  
Size: Approximately 31ha  
Density: 10h/ha  
Estimated section numbers: 310  
Development Stage: Existing LZ Zone
- 11** Branthwaite Drive incl. Council land  
Size: Approximately 151ha  
Density: 14h/ha  
Estimated section numbers: 2114  
Development Stage: Existing LZ Def Zone
- 12** West Block  
Size: Approximately 87ha  
Density: 15h/ha  
Estimated section numbers: 1300  
Development Stage: Existing L2A Zone
- 13** East of Springston Rolleston Road  
Size: Approximately 36ha  
Density: 15h/ha  
Estimated section numbers: 540  
Development Stage: Existing L2A Zone
- Total area: approx. 340ha  
= up to 4500 potential sections**

	Hughes land
	Geddes/Dryden land
	Farrington subdivision
	Available land Rolleston South 341ha

Scale @ A0 1:6000



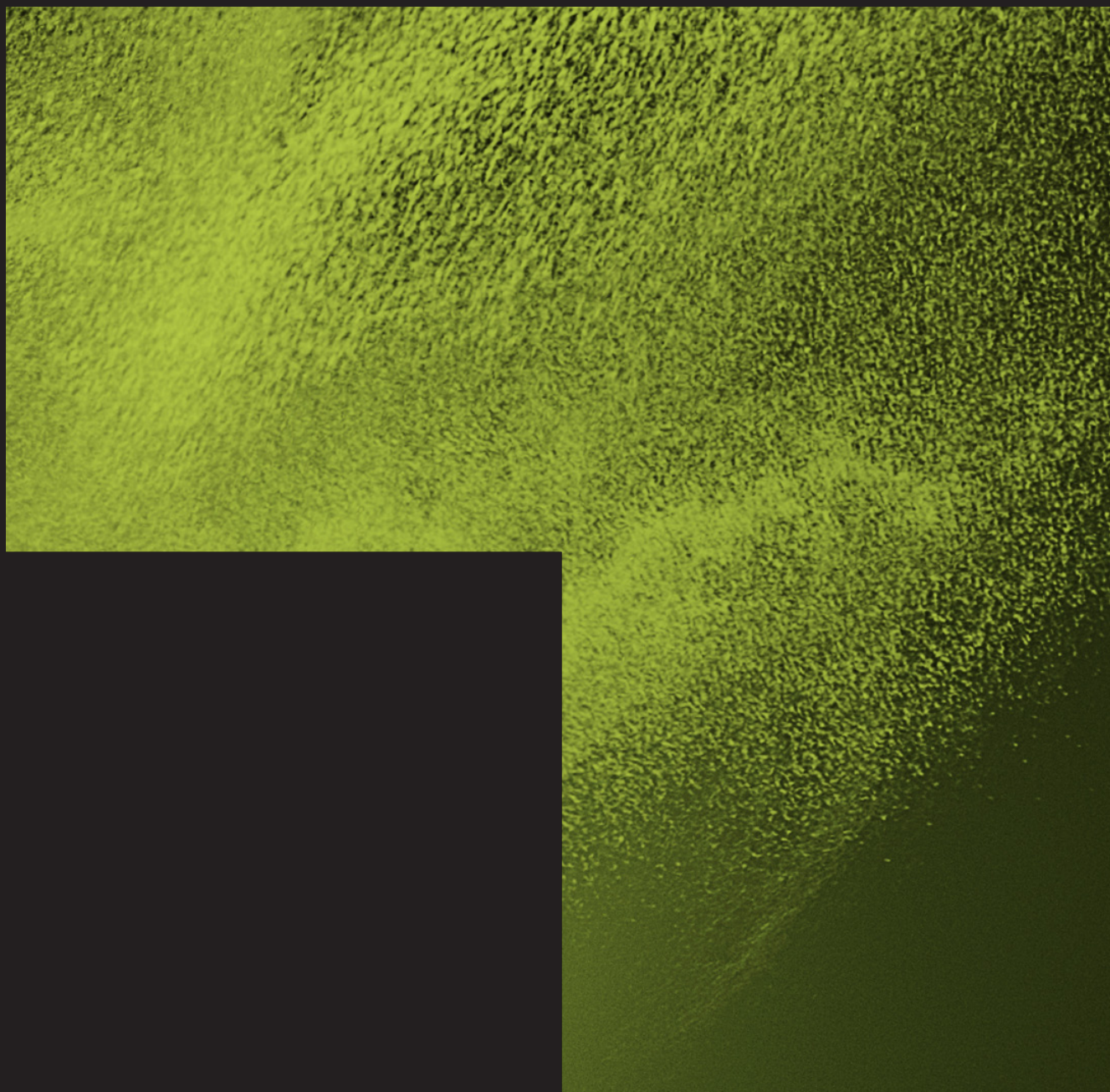
Land available 341ha



# FARINGDON SOUTH, ROLLESTON

Layout Design Background Report

Hughes Development Limited







## DOCUMENT CONTROL RECORD

**CLIENT**  
**PROJECT**  
**HG PROJECT NO.**  
**HG DOCUMENT NO.**  
**DOCUMENT**

Hughes Developments Limited  
Faringdon South, Rolleston  
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Layout Design Background Report

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Ian Craig - Urban Design Manager

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Michael Kibblewhite - Urban Designer

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## 1.0 PURPOSE OF THIS REPORT

This report has been requested by Tim Harris for a Selwyn District Council meeting scheduled for late November 2015. Its purpose is to:

- Describe the urban design background to the Faringdon South Master Plan and Outline Development Plan;
- Illustrate possible outcomes for new rear lane typologies;
- Illustrate possible outcomes for affordable housing;
- Illustrate possible outcomes for medium density lots.

## 2.0 BACKGROUND

Hughes Developments Limited is assisting SDC with the establishment of a Housing Accord under the Housing Accords and Special Housing Areas Act. The Accord will enable SDC to request the creation of Special Housing Areas for landholdings of 30 hectares or more which meet a range of other criteria.

As a consequence of that process Council will be able to consider applications for subdivision and development of those landholdings as though they were zoned Living Z.

One of the criteria is that Council and the landowner or controller of the landholding must have agreed with SDC an Outline Development Plan (“ODP”) for the landholding.

Faringdon South is a 42 hectare landholding owned or controlled by Hughes Developments Limited which fits the SHA selection criteria. Harrison Grierson, urban designers for Faringdon to date, have prepared a preliminary master plan for Faringdon South which in turn has been used to derive an ODP for the landholding. This report describes the rationale for the design.

Faringdon South is envisaged to be a logical extension of the Faringdon development, and the master plan reflects this. However, it includes design elements and future typologies not yet seen in Faringdon, incorporated in response to recent changes to the Living Z rules encouraging “rear lane” development. This report uses worked 3D examples to show how these comprehensively-designed rear lane typologies might work.

When applications are made to develop land with SHA status the Accord will also require that consideration is given to the provision of affordable housing, anticipated to be by way of smaller dwellings for which land use consent is required under the rules of the Living Z zone.

The concept of affordable housing has been grappled with in Auckland under its Special Housing Areas. It has also been a requirement of the government's Hobsonville Point development. The Report showcases completed examples of how this requirement has been met at Hobsonville Point and provides a worked 3D example of how this might be provided in Faringdon South as part of a rear lane typology.

Lastly, HDL has learned a lot from its collaboration with its housebuilding partners in Faringdon. The report discusses and illustrates how medium density housing on small lots might be provided in future, taking into account recent changes to the Living Z zone intended to address this development type.



### 3.0 FARINGDON SOUTH MASTER PLAN AND ODP



**FIG 1 PRELIMINARY MASTER PLAN FOR FARINGDON SOUTH**

Scale 1:4,000



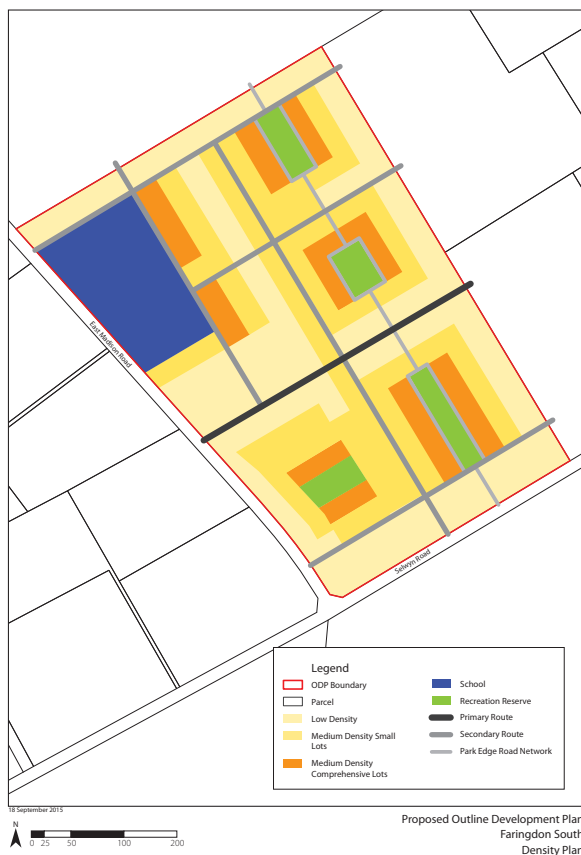




**FIG 2** ODP - GREEN NETWORK



**FIG 3** ODP - MOVEMENT NETWORK



**FIG 4** ODP - DENSITY PLAN

It should be noted that the Preliminary Master Plan has at this point been developed primarily to create the ODP – to lock in the “bones” of the development. Much of the further detail to follow is subject to refinement and discussion with SDC, and further market analysis, prior to applications coming forward.

The Master Plan has been prepared assuming application of the current Living Z provisions. It depicts a potential total of over 500 residential lots (i.e. over 12 lots per hectare) based on a mix of three products:

- 185 Low Density lots complying with the 550m<sup>2</sup> minimum and 650m<sup>2</sup> minimum average rule;
- 194 Medium Density (Small-lot) lots complying with the 400m<sup>2</sup> minimum and 500m<sup>2</sup> maximum average rule;
- “Super lots” for development as Medium Density comprehensively designed housing.

Final total yield would depend on how the Superlots were developed. The Master Plan currently shows a yield of 139 lots emerging from the comprehensive developments, giving a total of 518 lots.

The Master Plan also includes a four hectare site for a primary school. The school site has been located with road frontage on three sides. It is envisaged that it would be accessed from the road abutting its eastern boundary, with its classrooms clustered at the southern end of the parcel, and the playing fields at the north. HDL has completed an agreement for sale of this parcel to the Ministry of Education and there are plans for the school to open in Term 1 of 2017.

In addition to the large area of open space associated with the school, the layout is based around four pocket parks with roaded edges, each in excess of the 2500m<sup>2</sup> which has typically been sought by SDC as a minimum in the balance of Faringdon. The reserves form the focal point for individual neighbourhoods within Faringdon South. Small Lot and comprehensive medium density typologies are located opposite the parks, as per the pattern in existing Faringdon.

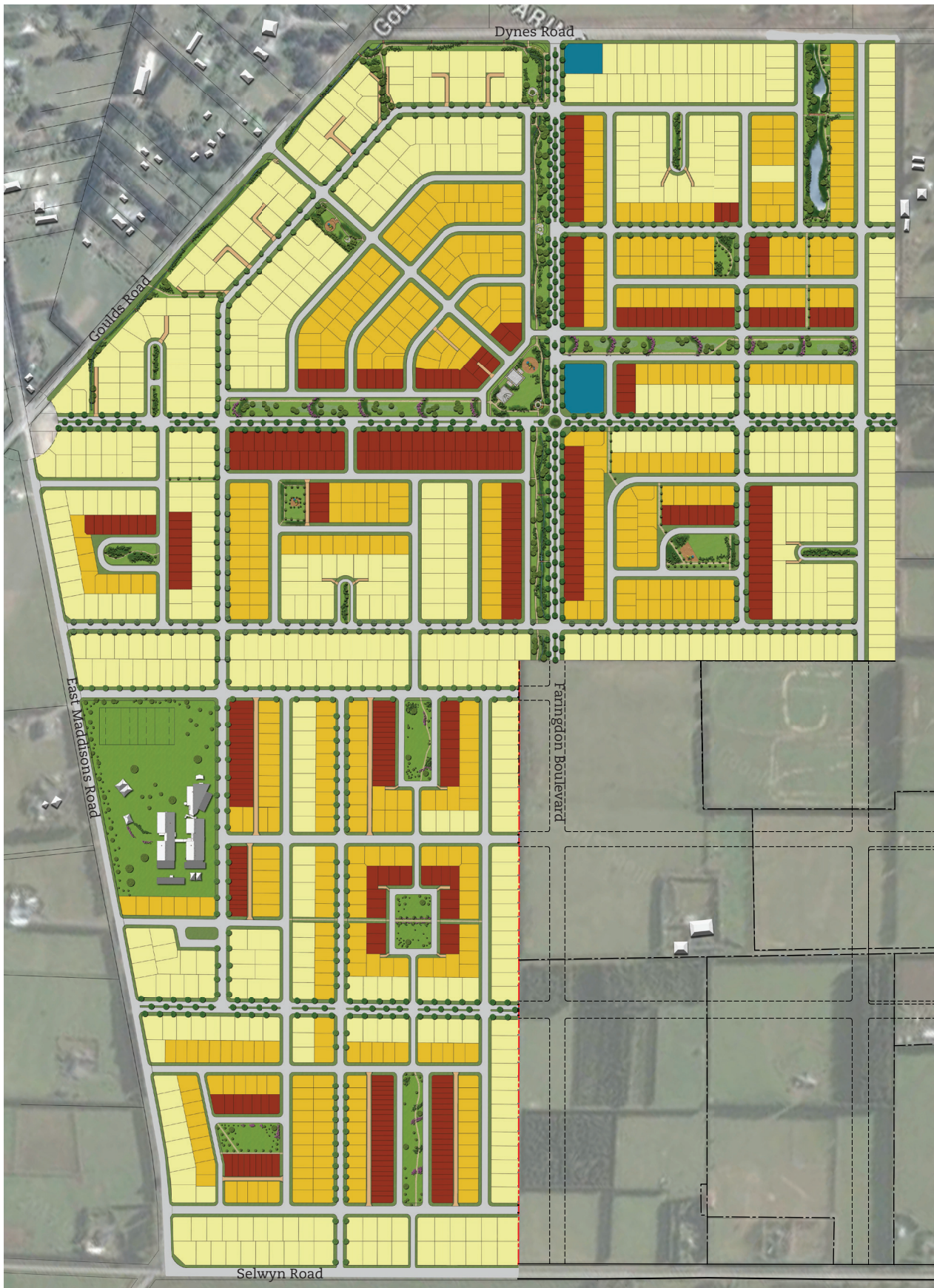
Roading pattern, like in existing Faringdon, is distinctively rectilinear, with its roading pattern favouring north-south roads in order to create lots with optimal east-west orientation.

A common “rule of thumb” in urban design is to control block length and block perimeter to ensure permeability. Lengths of 200m to 250m are often cited. Block lengths proposed are typically less than this, compliant with the perimeter guidance offered by the Living Z zone.

Four future road connections to the east have been included. A new West-East boulevard road is incorporated running east from East Maddisons Road. It is envisaged that one day this, like Shillingford Boulevard, could connect across to Springston-Rolleston Road. First it, and the other east-bound roads would intersect an extension of Faringdon Boulevard running north to south and eventually linking Dynes Road to Selwyn Road.

Figure 5 is drawing combining the Faringdon South and Faringdon Master Plans, which demonstrates how, at a broad development pattern scale, the development forms an integrated whole.





**FIG 5** COMBINED FARINGDON MASTER PLAN

Scale 1:7,500



## 4.0 COMPREHENSIVE REAR LANE DEVELOPMENT TYPOLOGIES

SDC completed several changes to the Living Z zone rules in December 2014. One change in particular has had a consequence on the approach to the layout, being new rule 12.1.3.53:

“For Medium Density areas shown on an Outline Development Plan, subdivisions consented after 30th June 2014 shall be designed to provide rear service lane access to small lot medium density sites. Comprehensive development blocks are to be a minimum of 35m deep to enable the provision of a rear service lane as part of a future comprehensive development.”

The new rule has been inserted because:

“the ability to provide vehicle access to lots via a rear service lane .. provide[s] increased flexibility for future residential unit design and ... minimise[s] the visual impact for garaging on the street scene.”

The layout does not fully accord with this, though the encouragement of rear lanes has been taken into account in planning for the comprehensive developments. While some of the future comprehensively developed lots will be accessed directly from the street (similar to those planned for comprehensive development in existing Faringdon), a portion are currently envisaged as rear lane development. This is in locations opposite three of the reserves and opposite the school, and directly abutting a fourth reserve (i.e. the front doors are actually accessed from the reserve).

This creates an attractive garage-free frontage across from the reserves and school, and has the advantage of eliminating reversing manoeuvres and freeing up parking opposite the school, which are beneficial from a safety and convenience perspective.

While there are benefits from removing garages from the streetscape (in terms of aesthetic impact and improved visual interaction/surveillance) and from using rear lanes to position garaging at the south of a site (leaving the northern frontage open for greater glazing and solar access) there are a number of potentially adverse consequences to be aware of, such as:

- ❑ rear lane development is typically very land consumptive;
- ❑ rear lanes may require mechanisms for maintenance, or conversely can become poorly maintained;
- ❑ rear lanes work best if they are short and straight, but with all but the most regular grid patterns it is difficult to create short straight lengths;
- ❑ where rear lanes are long and it is not possible to see from one end to the other rear lanes can be perceived as (or actually become) unsafe;
- ❑ rear lanes can actually de-activate the street edge (because residents and even familiar visitors tend to arrive and leave by car at the rear).

In our opinion rear lane development can thus have a place in medium density design but should be used judiciously and logically. Where used in Master Plans designed by the Harrison Grierson Urban Design Unit rear lane access will be typically only be for comprehensive development, and located opposite or fronting onto an amenity such as a park or a green street, or in a location where the frontage road cannot be easily accessed by vehicle, or other traffic safety issues are relevant.







Figures 6 and 7 are derived from a 3D model illustrating how a typical rear lane typology could work on a block in the southwest quadrant of the development. Essentially the front doors face the park and the garages are separate, and are accessed from the rear lane. As seen in Figure 7, rear lane development can also incorporate a studio or semi-self-contained living space above the garage, which provides activity near and surveillance of the rear lane itself.



**FIG 6** REAR LANE DEVELOPMENT FRONTING ONTO A PARK



**FIG 7** POSSIBLE EXTRA LIVING SPACE ABOVE REAR GARAGE



**EXAMPLE OF REAR LANE TERRACE DEVELOPMENT WITH FRONT DOORS OPENING ONTO A PARK AT STONEFIELDS, AUCKLAND**

## 5.0 AFFORDABLE HOUSING

Experience in Auckland's Special Housing Areas suggests that there are many ways to approach affordable housing provision. However, unless it has been created for sale to a long term housing provider, the affordable housing needs to be commercially viable. For housing to be viable there has to be savings in house size, construction materials, and land price.

For most, this has been by way of providing a small dwelling and small land parcel at a price point lower than average house prices within the Region. In that way an affordable house provided under the Auckland Accord cannot later in time be sold on for a premium. Other than usual market increases the value of that house will not suddenly increase.

Many affordable typologies have been used in SHA projects. The Hobsonville Point development is possibly the most advanced in its thinking in this regard – having had requirements for affordability in place since before the HASHAA legislation. Solutions used include single storey front access two bedroom developments, and various forms of terraces. The photographs opposite illustrate completed affordable houses at Hobsonville Point. The key point is that while they are small and efficiently built, they are not lacking in urban design quality, and sit well in their neighbourhoods.

HDL has considerable further investigations to do before it is in a position to establish its particular solution for this matter.

Common to many approaches is the concept that affordable developments can be successfully provided, in urban design terms, as a rear lane terraced housing typology. Such a typological solution is being utilised for Fletcher Residential Limited for Whenuapai Village, one of the first greenfield SHAs to get off the ground in Auckland. At this point in time this is one of the preliminary design intentions for affordable product Faringdon South.

Figure 8 shows 3D model illustrating how such a type, with two upstairs bedrooms, living areas at the ground floor, its front doors facing the street and rear lane access to a car port could work on one of the rear lane blocks (opposite the south end of the school).







EXAMPLES OF AFFORDABLE HOUSING PRODUCED UNDER THE REQUIREMENTS OF THE HOBSONVILLE POINT DEVELOPMENT



FIG 8 POSSIBLE AFFORDABLE REAR LAN DEVELOPMENT OPPOSITE SCHOOL SITE

## 6.0 MEDIUM DENSITY SMALL LOT DEVELOPMENT

Another December 2014 change to the Living Z rules was an increase in the minimum lot size of 400m<sup>2</sup> for vacant medium density lots (instead of 350m<sup>2</sup>) and a maximum average of 500m<sup>2</sup>. This has been met in the Master Plan, and was intended to promote greater variation between the small lot product and the comprehensively designed (and more dense) product.

The new rules introduced are a consequence of concerns that, in effect, as-of-right built development on existing medium density lots can produce long rows of relatively monotonous and garage-dominant development. Other rules introduced at that time for small lots include requirements for garage setbacks and that any garages greater than 3m wide must be accessed from a rear lane.

The Preliminary Master Plan for Faringdon South does not comply with Rule 12.1.3.53. In particular most or all of the medium density small lot development is envisaged to be on lots with garages which are accessed from the street. This aspect of the layout accords with what the land developer, builders and market have sought to date in Faringdon. For many the rear lane concept is land consumptive and relies on the owner being happy to be part of the ownership of the rear lane.

In our opinion the new rules are unusually extreme in their approach to garaging.

When the layout is progressed towards a consent application HDL will engage with SDC staff over other design initiatives which could be introduced to ensure that good urban design outcomes can be facilitated on the small lot product. The concepts could include limiting the proportion (not just the width) of garage doors within the street facades, splitting double garages into twin doors and so on.

HDL is also keen to encourage two storey housing into the vacant lot product mix, but has found most of its builder and buyer market to be resistant to this. Solutions thus need to be found which suit one and two storey outcomes.



EXAMPLES ONE AND TWO STOREY HOUSING SOLUTIONS WHICH ADDRESS THE STREET AND DIMINISH THE IMPACTS OF GARAGING.