

BEFORE INDEPENDENT HEARINGS COMMISSIONER AT SELWYN

IN THE MATTER OF

Clause 21 of the First Schedule of
the Resource Management Act 1991
(Plan Change 75)

AND

IN THE MATTER OF

YOURSECTION LIMITED
(Applicant)

**STATEMENT OF EVIDENCE OF KERRY WATSON ON BEHALF OF
YOURSECTION LIMITED**

CORPORATE

Dated: 18 October 2021

INTRODUCTION:

- 1 My full name is Kerry Jane Watson.
- 2 I hold a B. Com VPM (Valuation and Property Management) and a Postgraduate Diploma in Commerce from Lincoln University. I am currently a Development Manager with Yoursection Ltd, a residential land development company that has undertaken numerous residential developments throughout Canterbury including Falcon's Landing, Rolleston.
- 3 I have been a Development Manager within the property industry for over 20 years and have been involved in the creation and implementation of numerous residential subdivisions throughout Canterbury including Tumara Park, Te Whariki, Prestons and more recently Falcon's Landing, along with other residential subdivisions throughout New Zealand.
- 4 I have been involved in the planning, design and implementation of Falcon's Landing in Rolleston since its inception in 2016. This has enabled me to gain a good understanding of the Rolleston township, particularly the southern area of town.
- 5 My evidence provides a summary of the characteristics of the adjoining Falcon's Landing subdivision, the surrounding areas and provides an overview of the company's aspirations for the plan change area and responds to specific matters within my knowledge raised by submitters and in the section 42A report (the *Officer's Report*).

BACKGROUND

- 6 Yoursection Limited seek to rezone approximately 24.7ha of Rural (Inner Plains) land along Lincoln Rolleston Road, Rolleston to Living Z, to accommodate approximately 280 sections.

EXISTING ROLLESTON TOWNSHIP

- 7 The 2018 NZ Census indicates the population of Rolleston township to be 17,532.¹
- 8 Rolleston is a fast-developing satellite township located 22km Southwest of Christchurch. With the Selwyn District known to be one of the fastest growing districts in New Zealand since 2006.²
- 9 Major infrastructure has been developed including a significant commercial hub, schools, amenities areas, and a large industrial district is situated to the North at Izone and Iport.

¹ Statistics NZ, 2018 Census

² SDC, Growth & Demand 2021-2051 for LTP

- 10 A new library and community centre is under construction, while a new retail centre is proposed at the domain on Tennyson Street, in the town centre.
- 11 The final stage of the Southern Motorway opened in December 2020 providing Rolleston with greater connections to other surroundings districts.
- 12 A new High School and Primary School opened in 2017. With the Ministry of Education having purchased a 3Ha site on Ed Hillary Drive for another Primary School which will be approximately 400m from PC75.
- 13 Rolleston's popularity has in part been due to demand for land outside of Christchurch City post the Canterbury earthquakes that was relatively unaffected by land damage and seen as more cost-effective area to build, primarily due to ground conditions enabling standard TC1 type foundations. This has attracted many young families wanting to own their own home and have the quintessential kiwi back yard.
- 14 In the last 6 to 12 months Rolleston land prices have risen sharply primarily due to the lack of titled or consented sections available for sale in the area. For example, a 700m² section within our Falcon's Landing subdivision sold in early 2020 for an average price of \$184,000 compared to a 700m² section being sold in a neighbouring development mid 2021 for \$350,000. This equates to more than a 90% price increase within a 12 month period.
- 15 The above figures are further supported by Mr Gary Sellars of Colliers International as part of his evidence for PC 67.³

FALCON'S LANDING

- 16 In 2017 a related entity of Yoursection Ltd (GW Rolleston Ltd) purchased 17 different lifestyle properties within ODP Area 11 (zoned Living Z) to develop around 600 residential lots. Known as Falcon's Landing the subdivision has been developed in stages over the last 4 years.
- 17 To give effect to the ODP, careful consideration needed to be given to the various existing dwellings and common boundaries where key infrastructure was to be placed in order to achieve a cohesive roading pattern and connectivity of the green network.
- 18 An objective of the subdivision was to work within the bounds of the ODP and create a subdivision that linked transport and reserve areas together to create view shafts leading to a centralised recreational reserve. Medium density housing was placed adjoining green areas and the wider transport corridors provided a sense of open space.

³Appendix 1 - PC 67 - Statement of Evidence of Gary Sellars

- 19 Falcon's Landing has provided a mix of medium and low density sections, ranging from 430m² to 900m². The variety of section sizes has appealed to a wide range of purchasers, from first home buyers, and young families to those looking to downsize.
- 20 Falcon's Landing also incorporates a Neighbourhood Centre (currently under construction) and a preschool (Freckles Early Learning Centre). These are located on the corner of Falcon Road and Branthwaite Drive.⁴
- 21 The final stage of Falcon's Landing (currently under construction) includes an extension of Ed Hillary Drive. Ed Hillary Drive is a Collector Road, ultimately intended to link Springston-Rolleston Road to Lincoln Rolleston Road. The road is identified in the Christchurch Rolleston and Environs Transportation Study (CRETS). Please refer to Mr Metherell's evidence (paragraph 38). The development of this portion of the CRETS Collector Road within Falcon's Landing has also enabled the neighbour to the east of Falcon's Landing (Lot 46 DP 547617) to develop their land and construct their portion of the CRETS Collector Road (due for completion August 2022). The location of Lot 46 is also shown on Appendix 2. This site adjoins Plan Change 75 (PC75).
- 22 Falcon's Landing adjoins the northern boundary of PC75 with an existing road (Raptor Street) providing future connection to PC75. There are also two cul de sac's (Flight Close and Saker Place) and a Local Purpose Reserve along this boundary which can also be integrated with PC75.
- 23 Falcon's Landing was originally anticipated to be developed over a 6 year period. However, demand for sections over the past 2 years has increased significantly which has led to the subdivision being completed 2 years ahead of programme. The sections within our final stage were placed on the market in May 2021 and sold within days.

CONNECTIVITY AND INTEGRATION

- 24 PC75 is located between Falcon's Landing (to the north), Acland Park (to the west), proposed PC78 (to the south) and Lincoln Rolleston Road to the east. PC75 is a natural extension of the existing urban neighbourhoods (Appendix 3 provides a map of approximate locations of existing subdivisions, proposed Plan Change locations and the CRETS Collector Road).
- 25 The proposed Outline Development Plan (ODP) for PC75 provides key transport and movement connections to all adjoining areas mentioned above. The Officer's Report has recommended a number of changes to the proposed ODP for PC 75 which have been carefully considered by Yoursection Ltd's experts and where appropriate, the proposed ODP has been amended. Ms Seaton, Mr Metherell and Mr Compton-Moen address these matters in more detail within their evidence. From a developer perspective, I make the following comments:

⁴ Appendix 2 – Falcon's Landing Neighbourhood Centre Location

- a. Lincoln Rolleston Road frontage upgrade – This will be a continuation of the upgrade work undertaken along the Falcon’s Landing - Lincoln Rolleston Road frontage which will provide a consistent visual street frontage along the urban portion of Lincoln Rolleston Road.
 - b. Pedestrian/Cycle connection from CRETS Collector Road to Saker Place/Flight Place – The intention of this connection is to provide an active walking/cycling link from the CRETS Collector Road to the local purpose reserve and Saker Place/Flight Close. The final location and form of this connection will be determined during the design and subdivision consent phase.
 - c. Lincoln Rolleston Road roundabout – As addressed in Mr Metherell’s evidence and the Officer’s Report, a roundabout in this location will be for the benefit of both current and future residents within the area, not just PC75. The design of a roundabout in this location will also affect the land on the eastern side of Lincoln Rolleston Road - not currently zoned for residential. This in turn could impact on the timing and ability of when a roundabout could be constructed in this area. Labelling the roundabout as a “Possible Future Roundabout” is appropriate in that it will ensure sufficient land at the intersection of PC75 can be set aside at the time of subdivision to ensure construction of a roundabout is not precluded in the future.
 - d. Cycle connections – The Officer’s report recommended several locations for a shared pedestrian/cycleway. (This is addressed in more detail within Mr Metherell’s and Mr Compton-Moen’s evidence). From my experience when creating extensions to existing connections, a change in profile/design from one development to another leads to confusion for the end user. Yoursection Ltd’s proposed location for cycle connections allows for a consistent profile/design to be created along both the north/south and the east/west connections with neighbouring developments.
- 26 A key link within PC75 is the completion of the eastern end of the CRETS Collector Road (Ed Hillary Drive) between Springston-Rolleston and Lincoln Rolleston Roads. This will provide the opportunity for all modes of transport to utilise this network including public and active transport.
- 27 The completion of Ed Hillary Drive will provide greater direct access to the schools referred to in paragraph 12. Particularly the proposed new primary school site (on the same road) within Acland Park. This connection will also provide access through to Falcon’s Landing, Branthwaite Estates and other areas within ODP Area 11⁵.
- 28 Further transport connections are proposed which will link Falcon’s Landing via Raptor Street to the north. A secondary roading connection is also proposed to the west and will continue out to Lincoln Rolleston

⁵ Appendix 3 – Southeast Rolleston - CRETS Collector Road & Subdivision Locations

Road. Two further roading connections are proposed to the south to link up with proposed PC78.

- 29 The existing Lincoln Rolleston Cycleway that runs along Lincoln Rolleston Road will be upgraded to the same standard as along the Falcon's Landing Lincoln Rolleston Road frontage.
- 30 The completion of Ed Hillary Drive as a Collector Road provides an opportunity to extend the current bus route from Springston-Rolleston Road (Bus 820) along Ed Hillary Drive out to Lincoln Rolleston Road, as referred to in Mr Metherell's evidence⁶.
- 31 Whilst I understand a funded and implemented public transport system is not currently in place, it is my experience these are often implemented after a community is established in an area. To implement a viable public transport model prior to residents being in an area is difficult to justify given the long and variable lead in times to grow the population. This is further supported by the Officers report, Page 22, (7.41).

URBAN FORM

- 32 The proposed ODP for PC75 has been designed with surrounding rural and urban characteristics in mind. The continued positive feedback we receive from Falcon's Landing residents as to how open spaces encourage more active transport options reconfirms well considered green areas along key transport routes are valued.
- 33 As discussed in paragraph 25a. above, the Falcon's Landing interface with Lincoln Rolleston Road was enhanced by a protective covenant being placed on all sections accessing Lincoln Rolleston Road which prevents structures, including fences, being placed within 3m of the road front. (Refer to Appendix 2 for location of existing covenant.) The intention of this covenant was to provide a more open street front opposite the rural area. It is Yoursection Ltd's intention to continue this protective covenant along PC 75 Lincoln Rolleston Road frontage.
- 34 As noted by Mr Compton-Moen⁷ the density of 12hh/ha is in keeping with other proposed Plan Changes within the area. And whilst this is a higher density than Falcon's Landing (10hh/ha), the proposed density will allow for a mix of section sizes and typologies.
- 35 Medium density housing contiguous to the reserve supports a higher level of amenity for these homes and good level of surveillance of the green space as is proposed within this ODP. In order to achieve the density sought by submitters, Yoursection Ltd have added a further area of Medium Density Housing to the north of the central reserve.
- 36 The submission received from MON Group Ltd proposes a Neighbourhood Centre (NZC) be located at the intersection of the CRETS Collector Road and Lincoln Rolleston Road. Yoursection Ltd are

⁶ Statement of Evidence – Andrew Metherell, Page 13 (48)

⁷ Statement of Evidence of Mr Compton-Moen, Page 7 (25)

neutral as to the inclusion of a Neighbourhood Centre within PC75. I note the Officer's Report requests the submitter provide more information to assess whether a NZC in this location is appropriate. I wish to confirm as the applicant for the Plan Change, that should a NZC proceed, our preference is for Mon Group Ltd's Option 1 configuration. The submitter's Option 1 configuration is more desirable running parallel to Lincoln Rolleston Road as fewer sections will be impacted by having a NZC on their northern boundary.

- 37 Mr Wyn-Williams⁸, in his submission requested sections be orientated so dwellings can be placed to take advantage of thermal efficiencies. In my view, this is a matter better addressed at the detailed subdivision stage. We will endeavour to achieve this as part of the subdivision layout however it is not always possible for all sections to be orientated this way.

OTHER MATTERS

- 38 It is Yoursection Ltd's intention to progressively develop this site as soon as approval is received.
- 39 Part of my role is to understand what is happening the market now and in the future. There is a clear shortage of titled and consented sections for sale within Canterbury and more particularly Rolleston. This lack of supply is pushing prices up across the board. Therefore, the creation of approximately 280 sections in a market where supply is severely constrained is significant and will provide a level of competition to the market.
- 40 I note Environment Canterbury⁹ in their submission "question whether the scale of the proposed development can be considered as delivering significant capacity under Policy 8 of the NPS-UD."
- 41 The word "significant" is wide ranging and in my view does not just refer to a percentage in terms of quantity. Infrastructure or objects that benefit the community can also be considered "significant" such as the completion of Ed Hillary Drive out to Lincoln Rolleston Road.
- 42 Environment Canterbury's submission has suggested greater attention should be given to housing needs identified in the recent housing capacity assessment – implying there is capacity. However, the Greater Christchurch Partnership Committee, in the minutes from their meeting, 13th August 2021 noted the following¹⁰:

Point 5 - Greater Christchurch Development Capacity Assessment – July 2021. Notes "The report relies on historical statistics, expressed concern that the report does not reflect the current reality of the unavailability of land the Selwyn and Waimakariri Districts."

⁸ Submission by Mr Wyn-Williams (PC750003)

⁹ Submission by Environment Canterbury (PC75010)

¹⁰ Appendix 4 - Minutes, 13th August 2021 – Greater Christchurch Partnership Committee

- 43 This comment is further supported by evidence presented by Mr Colegrave¹¹ and my own knowledge of the property market in Rolleston.
- 44 Finally, the NPS-UD seeks to ensure projects demonstrate they are viable. As noted by Mr Bannock in his evidence, there is the ability within the existing infrastructure to cater for PC 75. Upgrades, should they be required, are considered relatively minor such as pump upgrades, etc. Yoursection Ltd have funding lines in place and resources available to adequately cover the costs of developing this area. Therefore PC 75 is a viable proposition.

CONCLUSION

- 45 PC75 is a natural extension of the existing urban areas to the north (being Falcon's Landing), the west (Acland Park) and will provides key links with proposed PC78 to the south.
- 46 The ODP has been designed to provide connections to both existing and future transport networks. With the connections to existing areas being consistent with what has already been formed in neighbouring developments.
- 47 As the developer of Falcon's Landing, it is our intention to extend the look and feel of the Lincoln Rolleston Road frontage down the eastern boundary of PC75.
- 48 The proposed density of 12hh/ha will enable a range of section sizes and typologies to be created to cater for a variety of homeowners within the Rolleston market.
- 49 The proposal provides significant development capacity in a location where there is a clear shortage of titled and consented sections available for sale.

Kerry Watson

18 OCTOBER 2021

¹¹ Statement of Evidence – Mr Colegrave

APPENDICES

APPENDIX 1 PC 67 - Statement of Evidence -Gary Sellars

APPENDIX 2 Falcon's Landing Neighbourhood Centre Location

**APPENDIX 3 Southeast Rolleston – CRETS Collector Road and
Subdivision Locations**

**APPENDIX 4 Greater Christchurch Partnership Committee
Minutes - 13th August 2021**

APPENDIX ONE

PC67 STATEMENT OF EVIDENCE – GARY SELLARS

BEFORE INDEPENDENT HEARINGS COMMISSIONERS AT SELWYN

IN THE MATTER OF

Clause 21 of the First Schedule of
the Resource Management Act 1991
(Plan Change 67)

IN THE MATTER OF

GW WILFIELD LIMITED
(Applicant)

**STATEMENT OF EVIDENCE OF GARY RUSSELL SELLARS ON
BEHALF OF GW WILFIELD LIMITED**

REAL ESTATE

Dated: 30 August 2021

GREENWOOD ROCHE
LAWYERS
CHRISTCHURCH
Solicitor: Lauren Semple
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Applicant's Solicitor
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INTRODUCTION

- 1.1 My full name is Gary Russell Sellars. I am the Director of Valuation and Consultancy at Colliers Valuation. I have been in this position at Colliers for 13 years. Prior to that, I was the Managing Director of Fright Aubrey, where I worked for 23 years.
- 1.2 I am a Registered Valuer, Fellow of the New Zealand Institute of Valuers and a Fellow of the Property Institute of New Zealand. I was registered in 1976 and have been in continuous practice as a Registered Valuer since that time, including four years employed by the Hong Kong Government. I have been involved in the public sector since 1985 in Christchurch in positions with Fright Aubrey and more recently Colliers Valuation. I specialise in commercial, industrial and land development valuation and consultancy within the CBD and suburban locations of Christchurch and major metropolitan areas in the South Island. I complete research on Christchurch office vacancies on an annual basis and regularly complete research on the Greater Christchurch residential land and industrial business land supply and take-up.
- 1.3 I have been involved in the valuation of a number of large residential subdivision developments during the last 35 years including Pegasus Town, Ravenswood, Wigram Skies, Te Whariki, Yaldhurst Park, Prestons and Belfast Village. I have during this period regularly prepared and presented expert evidence before various courts or tribunals in relation to zoning applications and arbitrations.
- 1.4 I was instructed by GW Wilfield Limited to complete research and prepare and present evidence on the residential land market in Selwyn District, in particular the West Melton market including the looming lack of supply of residential sections and the impact that this is having, and will have, on market choice and price. Other than this instruction, I have not been involved with GW Wilfield Limited or any of its associated companies in completing valuation work.

CODE OF CONDUCT

- 2.1 I have read the Code of Conduct for Expert Witnesses contained in the Environment Court Practice Note 2011. I have complied with it in preparing this evidence and I agree to comply with it in presenting evidence at this hearing. The evidence that I give is within my area of

expertise except where I state that my evidence is given in reliance on another person's evidence. I have considered all material facts that are known to me that might alter or detract from the opinions that I express in this evidence.

SCOPE OF EVIDENCE

- 3.1 My evidence addresses the current supply of residential sections in West Melton and nearby Rolleston and quantifies the current imbalance of supply and demand which has resulted in recent significant price escalation. I note that I have also reviewed the economics evidence prepared by Fraser Colgrave and refer to sections of his evidence in my consideration of these matters.

SUMMARY

- 4.1 The residential property market in greater Christchurch has experienced significant demand during the last 12 months which has placed stress on the supply of both vacant and improved product resulting in significant price escalation. This market cycle is well publicised and results from a mix of low interest rates and constrained supply.
- 4.2 In the West Melton and Rolleston residential section markets there are virtually no vacant sections available for purchase. The recent sale releases of sections has resulted in significant price escalation. This market frenzy is driven by the severe restrictions on supply and choice.
- 4.3 The current land market in West Melton and Rolleston exhibits a dysfunctional market where there is virtually no current supply or choice with uncompetitive market practices being adopted by vendors and extreme price escalation. The only solution to this situation (and to accord with the aims of the National Policy Statement on Urban Development) is immediate increased supply.

RESEARCH METHODOLOGY

- 5.1 My research team at Colliers Valuation has surveyed all developed and undeveloped land in West Melton and Rolleston to quantify the current number of vacant residential sections available and completed research on residential section land that has sold or is available for sale. All development land has been surveyed and development potential quantified together with a review of all plan changes notified. Section sale data has been obtained from the respective developers or real

estate companies involved and base sale data was obtained from Property Guru and Corelogic.

West Melton

- 5.2 West Melton township is situated at the intersection of West Coast Road (SH.73) and Weedons Ross Road, approximately 25 kms west of the Christchurch CBD core. West Melton is a unique township providing low density residential housing on large lots in a rural residential village community setting. The township experienced significant growth following the Canterbury earthquakes and for the most part comprises three major subdivisions; Gainsborough/Halkett Grove, Preston Downs and Wilfield.
- 5.3 West Melton is provided with the normal range of services and amenities including a convenience shopping centre, primary school, fire station, Presbyterian and Anglican churches, tavern, community centre, Plunket and playcentre, and West Melton Domain which incorporates tennis, bowls, rugby and Scouts clubrooms.
- 5.4 The residential development in West Melton provides for predominantly larger lot sizes and larger residential dwelling floor areas. There are 933 titled lots in the township with 680 lots (72.9%) with an area of between 1,000 – 2,999 sqm.

Rolleston

- 5.5 Rolleston is a fast developing satellite township located 22 kms south west of Christchurch adjacent to State Highway No. 1 (SH.1). Major infrastructure has been developed at Rolleston including a significant commercial hub with associated schools and amenities and a large industrial district situated to the north at Izone and IPort.
- 5.6 Rolleston experienced significant growth following the Canterbury earthquakes and has been developed in a typical urban form similar to the outer residential suburbs of metropolitan Christchurch. There are 8,840 titled lots of which 7,254 (82.4%) sit in the 200 – 999 sqm size category.

West Melton & Rolleston Comparison

- 5.7 Rolleston is located approximately 10 kms south of West Melton and both urban areas form a sub-set of Selwyn District which in turn is a

sub-set of Greater Christchurch. The two urban areas are distinctly different and offer a range of section sizes and residential environments.

5.8 The following is a summary of lot size differences between West Melton and Rolleston which illustrates the distinct difference between the townships.

West Melton – Rolleston Lot Size Analysis				
	West Melton		Rolleston	
Lot Size	# Lots	%	# Lots	%
200 – 299	0	0.0%	178	2.0%
300 – 399	2	0.2%	293	3.3%
400 – 499	0	0.0%	1,464	16.6%
500 – 599	0	0.0%	903	10.3%
600 – 699	15	1.6%	1,344	15.3%
700 – 799	14	1.5%	1,795	20.4%
800 – 899	40	4.3%	886	10.1%
900 – 999	40	4.3%	391	4.4%
1,000 – 1,249	238	25.5%	721	8.2%
1,250 – 1,499	164	17.6%	231	2.6%
1,500 – 2,999	278	29.8%	389	4.4%
3,000 – 4,999	114	12.2%	77	0.9%
5,000 – 7,499	23	2.5%	124	1.4%
7,500 – 9,999	5	0.5%	8	0.1%
Total	933	100.0%	8,804	100.0%

5.9 As can be seen, there is a clear distinction between section sizes in West Melton and Rolleston. In West Melton, sections less than 1,000 sqm make up just 11.9% of the township, whereas in the case of Rolleston this size range makes up 82.4% of the township. Contrasting this in West Melton section sizes ranging between 1,000 – 2,999 sqm make up 72.9%, whereas in Rolleston this section size range makes up 15.2%.

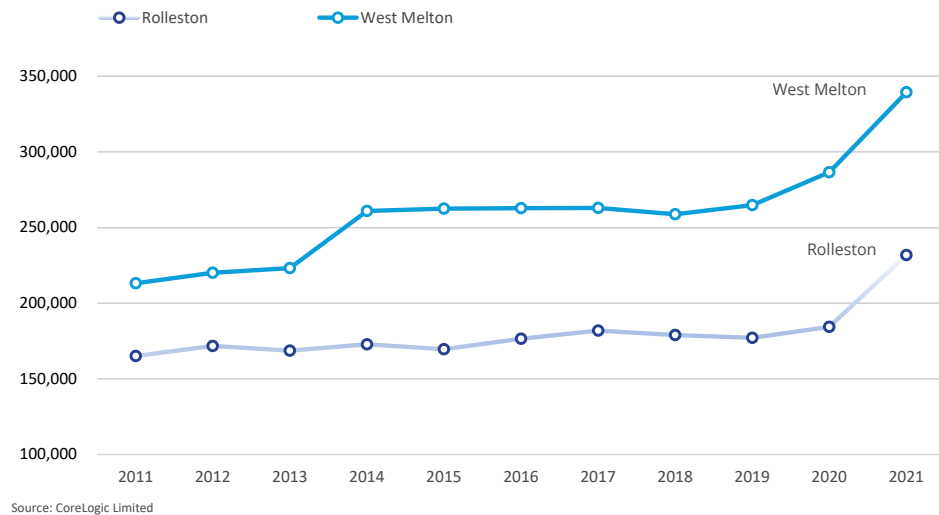
5.10 The following table provides an analysis of the average vacant residential section sale price in West Melton and Rolleston for the period from 2011 – 2021:

Vacant Residential Section Sales		
Year	West Melton Sale Price \$	Rolleston Sale Price \$
2011	213,202	164,996
2012	220,052	171,686
2013	223,179	168,635
2014	261,000	172,696
2015	262,565	169,526
2016	262,844	176,402
2017	263,008	181,874
2018	258,860	178,951
2019	264,750	177,069

2020	286,482	184,352
2021 (Part Year)	339,500	231,776

5.11 This same information is shown in the following graph which illustrates the sales price trend lines for West Melton and Rolleston.

Average Vacant Section Sale Price



5.12 The average vacant section sale price in West Melton is consistently higher than in Rolleston which is explained to a large degree by the larger average section size. What is consistent across both townships is the significant price escalation being seen in the last 12 months.

5.13 It should be noted that the above data is for titled sections only. Therefore in 2020 and 2021, the analysis provides only part of the true picture of the current situation. Sections sold in late 2020 and in 2021 have not been constructed or titled and therefore this sale data has not been captured.

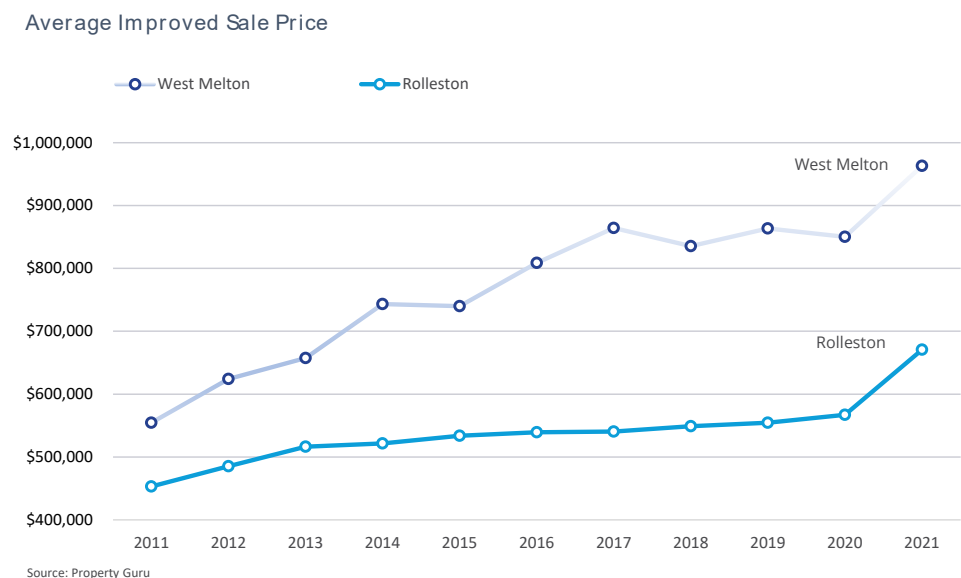
5.14 The market in both locations has accelerated at an even faster rate during the last eight months. For example in West Melton recent sales in August 2021 for 3,000 sqm sections in Wilfield were for \$430,000 compared to the average sale price in 2020 of \$286,482, representing an increase of approximately 50%. In Rolleston, a similar situation applies where 725 sqm sections are now selling for between \$390,000 - \$400,000 compared to the 2020 average of \$184,352, indicating an increase of approximately 100%.

5.15 These levels of price escalation are extreme even in a buoyant market and provide a clear indication of a constrained market in these two locations.

5.16 A similar pattern can be seen with house prices. The following is an analysis of the average residential dwelling sale price in West Melton and Rolleston for the period from 2011 – 2021:

Residential Dwelling Sales				
Year	West Melton		Rolleston	
	Sales #	Sale Price \$	Sales #	Sale Price \$
2011	3	554,396	119	453,042
2012	15	624,228	166	485,433
2013	25	657,622	244	516,380
2014	35	743,337	297	521,532
2015	36	739,903	390	553,680
2016	36	808,620	498	539,326
2017	35	864,214	450	540,546
2018	42	835,405	538	548,966
2019	51	863,459	650	554,690
2020	72	850,039	1,014	567,134
2021 (Part Year)	19	962,947	443	670,907

5.17 The same information is also shown on the following graph which illustrates the sales price trend lines for West Melton and Rolleston.



5.18

Analysis of the average improved residential property sale prices in West Melton and Rolleston illustrates a clear price differential between the two townships with West Melton consistently above Rolleston which is a reflection of the unique nature of the West Melton township with its rural residential character, larger section sizes and larger dwelling sizes. Over the last five years the average improved residential property sale price in West Melton was between 44% - 60% higher than Rolleston.

WEST MELTON MARKET

- 6.1 West Melton principally comprises three major subdivisions; Gainsborough/Halkett Grove, Preston Downs and Wilfield.
- 6.2 Gainsborough/Halkett Grove is located on the eastern side of Weedons Ross Road, between SH.73 and Halkett Road. The subdivision commenced in 2007 and contains 204 residential sections zoned in a mix of Living 1 (L1) and Living 1 B (L1B) with section sizes ranging between 1,200 – 5,300 sqm. Currently there are 10 vacant sections in this subdivision, six of which are owned by JR & RD Butt which form part of the family homestead block. JR & RD Butt were the previous owners of the Gainsborough land prior to subdivision development and I understand they have no intention of selling or building on these sections.
- 6.3 Preston Downs residential subdivision is located on the western side of Weedons Ross Road, between SH.73 and Halkett Road. The subdivision was commenced in 2010 and contains 362 lots zoned Living West Melton North (LWMN) with section sizes ranging between 500 – 3,000 sqm. Currently there are five vacant residential sections in Preston Downs, four which have no signage and one with a building company sign.
- 6.4 Wilfield is located on the eastern side of Weedons Ross Road, and south of SH.73. The staged subdivision commenced in 2016 and there are currently 282 lots developed which range in size from 649m² to 6,539m². The land is zoned Living WM South. Currently there are 113 vacant lots all of which have been sold.

WEST MELTON SUPPLY

- 7.1 The following table summarises the current West Melton supply of titled sections:

West Melton Supply					
Subdivision	Zone	Vacant #	For Sale #	Builder #	Total #
Gainsborough/Halkett Grove	L1 & L1B	10	-	-	10
Preston Downs	LWMN	4	-	1	5
Wilfield	LWMS	109	2	4	115
Total		123	2	5	130

- 7.2 There are currently 123 vacant sections in West Melton which have no signage, two sections for sale and a further five sections which have a

building company sign. It is difficult to accurately classify the status of vacant sections with no signage in an existing mature subdivision like Gainsborough or Preston Downs. We have, however, made the assumption these are not available for sale, particularly when taking into account there are currently only two residential sections in West Melton advertised for sale on TradeMe or any other real estate platform. The two lots offered for sale are by a private individual who is subdividing these off an existing improved property in Wilfield.

- 7.3 Wilfield released the last 16 sections to the market on 9 August 2021 all of which sold within two hours at prices which were at or about 50% higher than 12 months earlier. All vacant sections in Wilfield have been sold to third parties.

WEST MELTON FUTURE SUPPLY

- 8.1 The National Policy Statement on Urban Development 2020 (NPSUD) defines "Short Term" as within the next 3 years, "Medium Term" as between 3 – 10 years and "Long Term" as between 10 – 30 years. I have used these definitions when considering future supply below.

- 8.2 The following is a summary of the supply which would result from PC 67 which can be classified as short - medium term:

Plan Change	Zone	Area Ha	Lots #
PC 67 – GW Wilfield Ltd	LWM (South)	33.4000	131

- 8.3 The following table shows the West Melton potential supply currently subject to plan changes (in addition to PC 67) which can probably be classified as long term.

Plan Change	Zone	Area Ha	Lots #
PC 74 – Hughes Development Ltd	LWM	20.6870	130
PC 77 – Marama Te Wai Ltd	L1 WM & LZ	50.3685	525
Total		71.0555	655

- 8.4 The number of potential lots in each plan change has been taken from the Plan Change documentation.

PC74 – Hughes Development Ltd

- 8.5 PC74 provides for an extension of Gainsborough/Halkett Grove and is located on the eastern side of this subdivision extending between SH.73 and Halkett Road. The plan change provides for the creation of 130 lots

providing a mix of low density and medium density with low density adjacent to the rural boundary. Sections in this plan change range in size from 500 – 3,000 sqm.

PC77 – Marama Te Wai Ltd

8.6 PC 77 adjoins the western side of the existing Preston Downs subdivision and extends from SH.73 to Halkett Road. The plan change provides for 525 lots zoned a mix of LZ and L1WM with section sizes ranging between 650 – 1,000 sqm.

West Melton Summary

8.7 As can be seen from the above analysis currently there is virtually no existing supply of residential sections across the entire section size range with house and land packages available on five lots out of a total of 933 lots in West Melton. PC67 – Wilfield will provide the only supply of large rural residential lots in the township.

ROLLESTON MARKET

9.1 Rolleston is considered to be the closest alternative residential environment to West Melton which is located approximately 10.0 kms to the north.

9.2 I have categorised the residential market for vacant sections in Rolleston under the following headings:

- (a) Developed
- (b) Under Development
- (c) Plan Change Applications
- (d) Undeveloped – Piecemeal
- (e) Future Urban Development Area (FUDA) – Piecemeal

9.3 The following are summary tables of each of the above land categories and associated commentary.

Rolleston – Developed

Rolleston Developed				
Zone	Vacant #	For Sale#	Builder#	Total #
Rolleston - L1	40	-	5	45
Rolleston - LZ	157	2	51	210

Rolleston – L1B	8	1	-	9
Rolleston – L1C	1	-	-	1
Rolleston – L3	6	-	2	8
Total	212	3	58	273

9.4 There are 273 vacant sections in Rolleston of which 58 sections have a building company sign and three sections with for sale signage. There is just one residential section offered for sale on TradeMe, or any other real estate platform.

Rolleston – Under Development

9.5 The following is a summary of the current status of land that is under development:

Rolleston Under Development							
Development	Zone	Total #	UD #	Sold #	Hold #	For Sale #	Potential #
Goulds Estate	LZ	105	105	17	73	15	-
Acland Park	LZ	362	204	204	-	-	158
Silverstone	LZ	118	118	102	-	16	-
Hanks Run	LZ	42	42	42	-	-	-
189 Lowes Road	L1B	7	7	7	-	-	-
Total		634	476	372	73	31	158

9.6 In Goulds Estate, the developer is holding back 73 sections for its own house and land developments. In Acland Park there is land available for potential development of 158 additional sections. Across all developments, out of a total of 476 sections currently under development, there are just 31 sections that will be available for sale. The developers of Goulds Estate and Silverstone advise that the sections available for sale will be offered to the market in the near future. It is anticipated these sections will sell immediately.

Rolleston Potential Supply

9.7 The following is a summary of the land which is currently subject to plan change applications.

Rolleston Potential Supply			
Plan Change Applicant	Area Ha	Zone	Lots #
PC 64 – Hughes Development Ltd	83.8993	LZ	997
PC 70 – Hughes Development Ltd	65.3260	LZ	800

PC 71 – Four Stars Development & Anor	53.8800	LZ	660
PC 73 – Rolleston West Residential Ltd	160.2000	LZ	2,100
PC 75 – Yoursection Ltd	24.7000	LZ	280
PC 76 – Dunweavin 2020 Ltd	12.9690	LZ	155
PC 78 – Urban Estates Ltd	63.3512	LZ	750
Total	464.3255		5,742

- 9.8 Hughes Development (PC 64) released 190 sections to the market in the Westwood part of the Faringdon subdivision prior to rezoning, all of which sold immediately. A further 25 sections were retained by the developer for show home purposes.
- 9.9 The seven plan change areas **if approved** will release a further 464.3 ha or 5,742 sections to a market which is desperate for supply. Note the majority of the proposed supply will be of similar typology and density, being 12 households/hectare.
- 9.10 In addition to the potential supply from plan change applications, there are two other categories of land where there is further medium or long term potential.
- 9.11 I have quantified the potential area of land and lots that could be developed on land which is currently zoned for residential development but is in piecemeal ownership and generally currently in the form of lifestyle properties with most parcels containing an existing dwelling.
- 9.12 Likewise the same situation applies to land which is currently zoned Rural Inner Plains but within the Future Urban Development Area (FUDA).
- 9.13 In order to quantify the developable potential of this land in both cases, I have deducted a land curtilage area around the existing residential dwelling and adopted a yield of 12 lots per ha. Development of this land is difficult to achieve without amalgamation of large blocks and adoption of a master plan. The potential supply from the Living Z zoned land is constrained by owners intentions and should be viewed in the medium term window, otherwise it is likely they would have already been available to the market. The FUDA area must be considered as long term potential if at all. The following is a summary of these two potential land categories:

Rolleston – Additional Potential Supply		
Category	Area Ha	Lots #
Zoned – Potential Piecemeal Ownership	61.5630	658
Unzoned (FUDA) Potential Piecemeal	173.3230	2,069
Total	234.8860	2,727

Overall Summary

9.14 The following is a summary of the overall situation in Rolleston:

Overall Summary – Short Term		
Category	For Sale	Potential
Developed	3	-
Under Development	31	158
Total	34	158

Overall Summary – Medium Term		
Category	For Sale	Potential
PC Potential	-	5,742
Zoned – Potential Piecemeal	-	658
Total		6,400

Overall Summary – Long Term		
Category	For Sale	Potential
Unzoned (FUDA) Potential Piecemeal	-	2,069
Total	-	2,069

9.15 Currently there are potentially only 34 sections available for sale in Rolleston. I am aware that the 31 lots under development are not currently on the market but will be offered for sale in the short term and the expectation is that all of these lots will sell immediately. The current market is at a situation where developers are selling their entire stock in the space of hours prior to commencing development. There is currently insatiable demand for residential sections throughout Greater Christchurch although the market in Rolleston in particular is what could be described as frenzied, resulting in unprecedented price escalation due to demand outstripping supply.

9.16 The only land in Rolleston zoned for large lot subdivision similar to Wilfield is land in PC 73 where the owners have a plan change application to rezone the land from Living 3 to LZ allowing medium-low density. This site is located adjacent to the Resource Recovery Park and the Pines Waste Water Treatment Plant. The current Living 3 zone provides for a 20 ha Low Density Area on the periphery which has a minimum average lot area requirement of 4.0 ha. The balance of the land in the Outline

Development Plan outside of the above area is to be developed with an average lot size of no less than 5,000 sqm with a minimum lot size of 4,000 sqm. The medium-low density subdivision rules for the proposed LZ zone require a development density of 12 households per ha. Within the overall density requirement the zone will provide for variable lot sizes including Low Density (average lot size of 650 sqm), Medium Density (maximum lot size of 500 sqm) and Medium Density Comprehensive (maximum average lot size of 350 sqm).

- 9.17 There is no other land existing, proposed or subject to plan change in Rolleston which will produce large rural residential lots that are the subject of the Wilfield plan change application. Therefore currently there is no choice/supply available in either West Melton or Rolleston for this type of product.

MARKET CONSEQUENCES

- 10.1 I have reviewed the economics evidence prepared by Fraser Colgrave on behalf of GW Wilfield Limited and note that at **paragraph 4.1** of that evidence he refers to the NPSUD requirement for Councils in high growth areas to provide at least sufficient development capacity to meet expected future demand for additional dwellings over the short, medium and long term and that any likely capacity shortfalls are identified and rectified as soon as possible. He also refers to the housing and business development capacity assessment (HBA) which requires consideration to be given to supply and demand for new dwellings to ensure that sufficient capacity is being provided in the right places at the right time to keep pace with demand.
- 10.2 It is generally well understood that any disruption to the supply and demand in any market normally results in significant price fluctuation. or the residential property market to function without major price fluctuations, a reasonably regular supply and range of choice is required.
- 10.3 The current residential section market in greater Christchurch is characterised by price escalation with increases of between 20% - 100% during the last 12 months.
- 10.4 I have reviewed recent sales in Wilfield concluded in 2020 and 2021 to quantify the price escalation that has occurred during the last 12 months in West Melton.

Wilfield Price Escalation Comparison			
Lot No.	Date mth.yr	Area Sqm	Sale Price
277	10.20	1,636	\$272,000
73	08.21	1,555	\$400,000
72	08.21	1,573	\$400,000
Price Escalation			47.06%
225	07.20	3,200	\$283,000
88	08.21	3,251	\$430,000
Price Escalation			51.94%

10.5 Price escalation in Wilfield during the last 12 months has been at or around 50% which is exceptional even in a low interest rate environment.

10.6 Even greater escalation is prevalent in Rolleston where price escalation during the last nine months is at or exceeding 100% movement. There are numerous examples of recent releases of residential sections in Rolleston where the vendor has sold sections by deadline treaty or tender in order to extract the maximum price. The situation in Rolleston with price escalation at or exceeding 100% within the last nine months has resulted from extremely limited supply.

10.7 A similar situation applies in other small township locations in the Selwyn District including Kirwee, Tai Tapu, Lincoln and Prebbleton. In Kirwee, recent sales have been at a 32.2% premium above 12 months ago and in the case of Prebbleton and Tai Tapu, the price escalation has been between 25.0% - 32.5%.

10.8 By way of further comparison, recent analysis of price escalation in suburban Christchurch indicates an increase of at or around 25.0% - 30.0%. Rolleston at 100% plus and West Melton at or around 50% are at the high end of the range.

10.9 Various land developers interviewed stated that in the current market climate their intention was to now restrict supply to small releases of sections by way of deadline treaty or tender in order to maximise price. If no further supply is available in West Melton then potentially the level of residential land escalation could further increase to approach the level experienced in Rolleston.

CONCLUSION

11.1 West Melton is a unique low-density lifestyle township in a rural environment with a village community. In general terms, section sizes

in West Melton are larger than normal across the board than in Rolleston and there is strong demand for larger lots such as that offered in Wilfield.

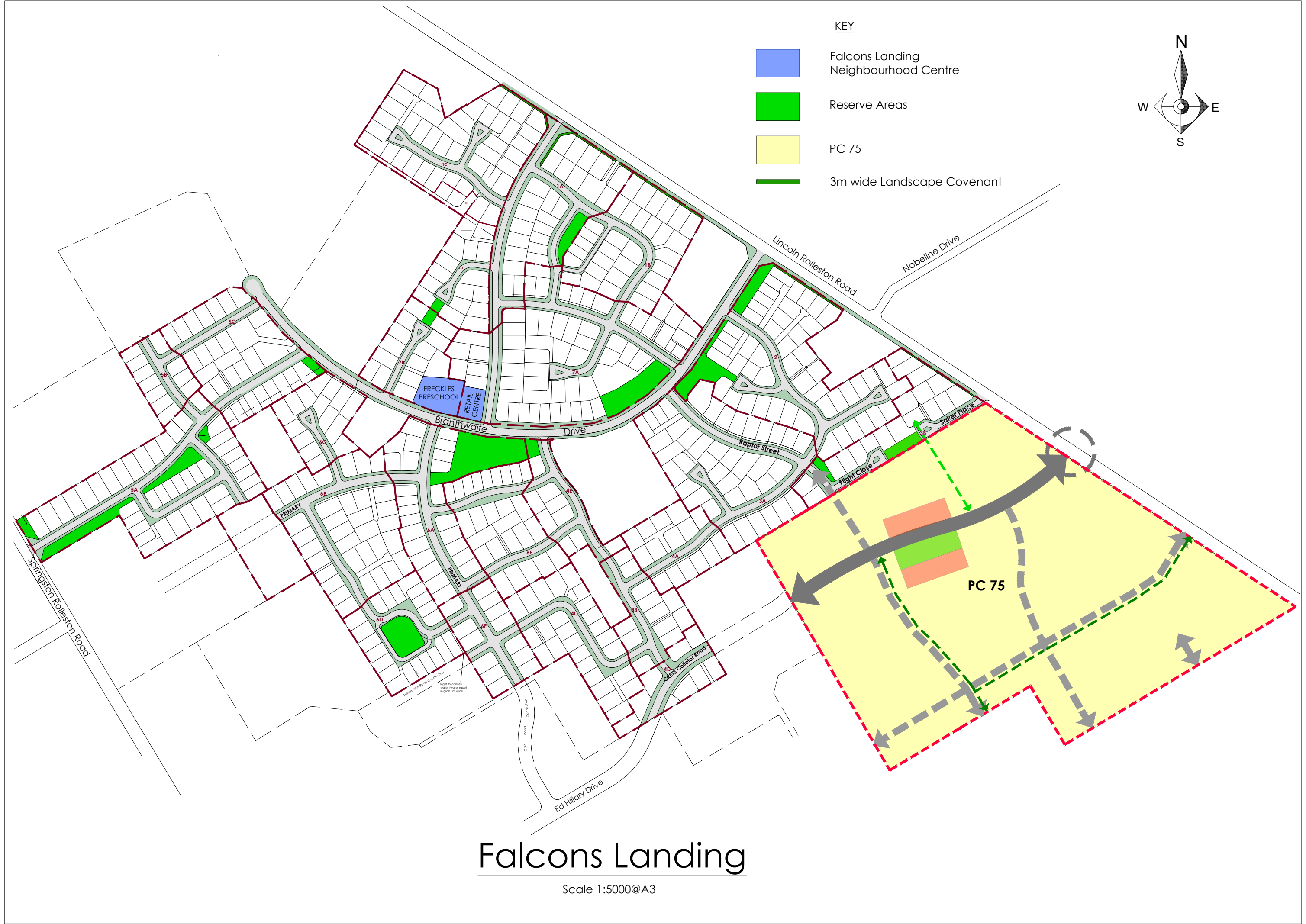
- 11.2 Currently there are virtually no vacant residential sections available in West Melton with the only future supply potentially available via the three major plan changes. The only plan change which produces large lots is Wilfield.
- 11.3 The NPSUD Objective 2 requires that planning decisions improve housing affordability by supporting competitive land and development markets.
- 11.4 The NPSUD Policy 1 seeks that planning decisions contribute to well-functioning urban environments which as a minimum have or enable a variety of homes that meet the needs in terms of type, price, and location of different households.
- 11.5 The current land market in West Melton and Rolleston exhibits a dysfunctional market where there is virtually no current supply or choice with uncompetitive market practices being adopted by vendors and extreme price escalation. The only solution to this situation (and to accord with the aims of the NPSUD) is immediate increased supply.

Gary Sellars

August 2021

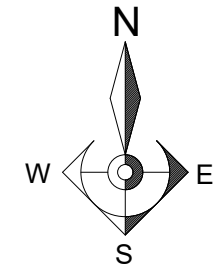
APPENDIX TWO

FALCON'S LANDING NEIGHBOURHOOD CENTRE LOCATION



KEY

- Falcons Landing Neighbourhood Centre
- Reserve Areas
- PC 75
- 3m wide Landscape Covenant

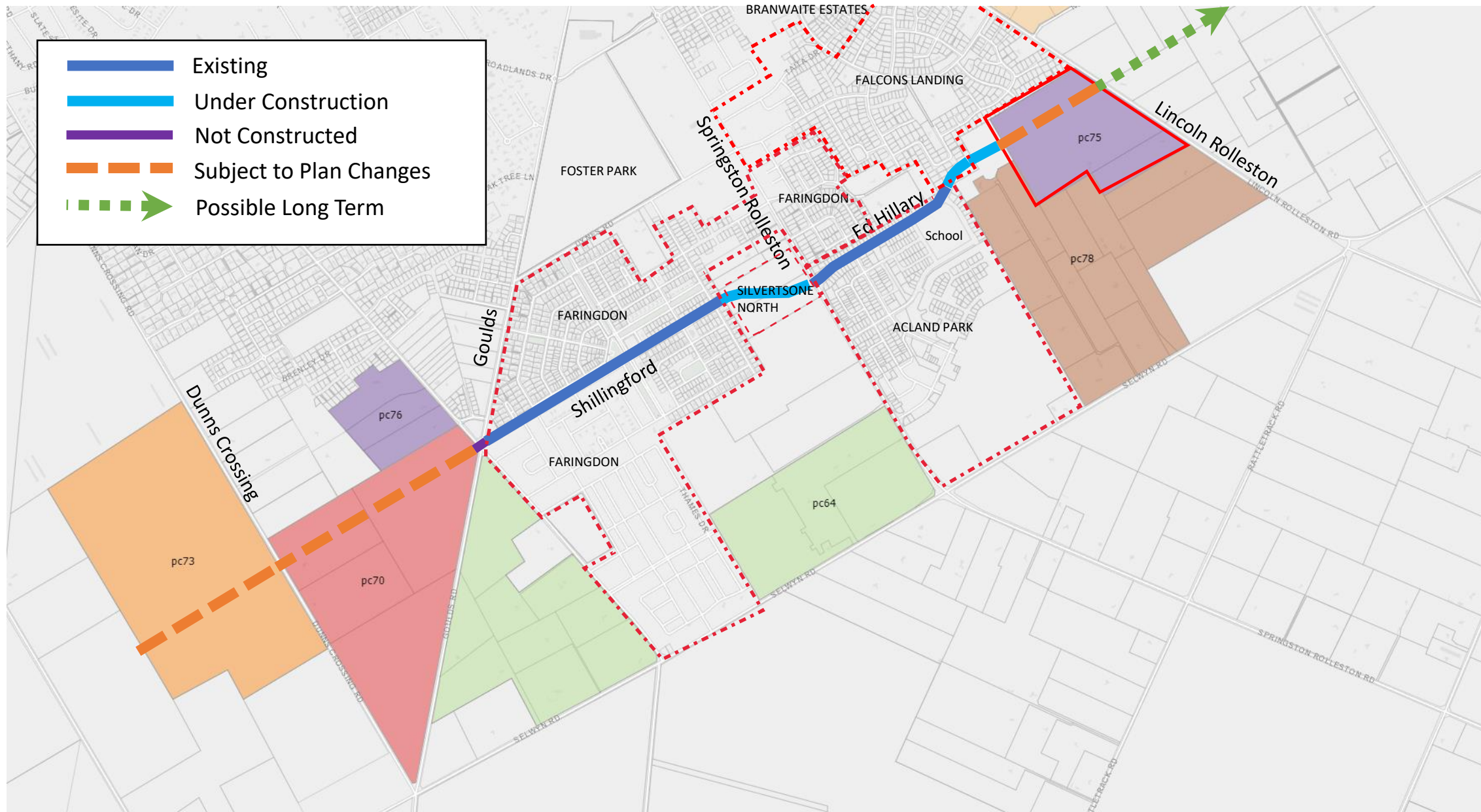


Falcons Landing

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APPENDIX THREE

SOUTHEAST ROLLESOTN – CRETS COLLECTOR ROAD AND SUBDIVISION LOCATIONS



APPENDIX FOUR

GREATER CHRISTCHURCH PARTNERSHIP COMMITTEE

MINUTES – 13TH AUGUST 2021



Greater Christchurch Partnership

Te Tira Tū Tahī
One Group, Standing Together

Greater Christchurch Partnership Committee OPEN MINUTES

Date: Friday 13 August 2021
Time: 9.03am
Venue: Council Chamber, Environment Canterbury,
200 Tuam Street, Christchurch

Present

Chairperson Jim Palmer
Members Mayor Lianne Dalziel, Christchurch City Council
Councillor Mike Davidson, Christchurch City Council
Councillor Sara Templeton, Christchurch City Council
Chairperson Jenny Hughey, Environment Canterbury
Councillor Phil Clearwater, Environment Canterbury
Councillor Grant Edge, Environment Canterbury
Mayor Sam Broughton, Selwyn District Council
Councillor Sophie McInnes, Selwyn District Council
Mayor Dan Gordon, Waimakariri District Council
Councillor Niki Mealings, Waimakariri District Council
Jane Huria, Te Rūnanga o Ngāi Tahu
Gail Gordon, Te Rūnanga o Ngāi Tahu
Sir John Hansen, Canterbury District Health Board
(Non-Voting Member) James Caygill, New Zealand Transport Agency

Principal Advisor

Anna Elphick
Partnership Manager
Tel: 941 5481

Nathaniel Heslop
Committee and Hearings Advisor
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Karakia – Timatanga Opening Incantation

Councillor Phil Clearwater led the committee in karakia

The agenda was dealt with in the following order.

1. Apologies Ngā Whakapāha

Committee Resolved GCPC/2021/00026

That the apologies received from Jane Huria and Mayor Sam Broughton for early departure, and from Dr Te Marie Tau, and Councillors Malcolm Lyall and Neville Atkinson for absence be accepted.

Mayor Dan Gordon/Councillor Niki Mealings

Carried

2. Declarations of Interest Ngā Whakapuaki Aronga

There were no declarations of interest recorded.

3. Deputations by Appointment Ngā Huinga Whakaritenga

There were no deputations by appointment.

4. Confirmation of Previous Minutes Te Whakaāe o te hui o mua

Committee Resolved GCPC/2021/00027

That the minutes of the Greater Christchurch Partnership Committee meeting held on Friday, 9 July 2021 be confirmed.

Mayor Dan Gordon/Sir John Hansen

Carried

5. Greater Christchurch Housing Development Capacity Assessment

Committee Comment

David Falconer, Tim Harris, and Ben Baird presented the July 2021 Housing Capacity Assessment to the Committee that will inform spatial planning. The Housing Capacity assessment is a 'point-in-time' assessment that uses historical statistics to create a forecast of future housing demand. Further pieces of work on demand for papakainga housing and housing bottom lines will be completed during 'stage 2'.

The Committee:

- Accepted this is a compliance report.
- Noting the report relies on historical statistics, expressed concern that the report does not reflect the current reality of unavailability of land in Selwyn and Waimakariri District's.
- Noted that projecting demand based on historical statistics has an inherent assumption of the status quo.
- Noted that the Spatial Plan may consider incentives to promote housing density and a variety of housing typologies.

Committee Resolved without amendment GCPC/2021/00028

That the Greater Christchurch Partnership Committee:

1. **Receive** the Greater Christchurch Housing Capacity Assessment July 2021.
2. **Note** that the Greater Christchurch Housing Capacity Assessment, together with supporting technical reports were published on the Greater Christchurch Partnership website on 31 July.
3. **Note** that Housing Capacity Assessment is a point-in-time assessment having regard to current and future drivers and trends and will inform the planning responses to be considered as part of the Greater Christchurch Spatial Plan.
Note that work will now commence on the Business Development Capacity Assessment, alongside further work on the Housing Development Capacity Assessment

Mayor Dan Gordon/Sir John Hansen

Carried

6. Infrastructure Acceleration Fund

Committee Comment

David Falconer and Tim Harris sought endorsement from the Committee for applications by Christchurch City Council and Selwyn District Council to the Infrastructure Acceleration Fund. This included five Christchurch City Council projects and two Selwyn District Council projects.

Staff Recommendations

That the Greater Christchurch Partnership Committee:

1. Endorse Partner Councils' Expressions of Interest for The Infrastructure Acceleration Fund.

Committee Resolved GCPC/2021/00029

That the Greater Christchurch Partnership Committee:

1. Endorse Council Partner led Expressions of Interest for The Infrastructure Acceleration Fund, subject to Partner Councils' approval of their respective proposals.

Councillor Sophie McInnes/Councillor Sara Templeton

Carried

Karakia – Whakakapi Closing Incantation

Councillor Phil Clearwater led the Committee in Karakia.

Meeting concluded at 9.54am.

CONFIRMED THIS 10th DAY OF SEPTEMBER 2021

**JIM PALMER
CHAIRPERSON**