

COMMENTS ON THE LAND USE RECOVERY PLAN REVIEW

To: Comments on Land Use Recovery Plan Review
Environment Canterbury
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From: Hughes Developments Limited
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Introduction

1. Hughes Development Limited (Hughes Development) is a well experienced and resourced development entity specialising in residential development.
2. Among other projects, Hughes Development is the developer of Faringdon at Rolleston, a 1000 section master-planned community offering a range of quality housing options within a high amenity environment.
3. Originally a 10 year development proposition, high demand for house and land packages in the Selwyn District generally, and in the Rolleston area specifically, has resulted in the development being close to build out within 4 years of commencement.
4. Hughes Development has secured land immediately adjacent to the Faringdon development which could provide a cost effective and readily serviceable option for extension of the existing community subject to amendment of the LURP. It is submitted that such amendment is necessary to ensure achievement of Outcome 6 for the reasons set out below.

Review Topic Area: Communities and Housing

5. Outcome 6 of the LURP anticipates the provision of a range of new housing that meets the diverse quality, price and demographic needs of the greater Christchurch population (both purchasers and renters, permanent and temporary).
6. Alongside the intensification of existing urban areas, the provision of Greenfield Priority Areas is a key mechanism provided for by the LURP towards achievement of this outcome¹.

¹ See 4.2 Building New Communities – LURP pages 25 - 26

7. Specifically, the LURP seeks to enable new greenfield development “on the edges of urban areas” to meet anticipated demand through to 2028.
8. Table 1 on page 13 of the LURP identifies the additional gross housing demand in the Selwyn District for the period 2012 to 2028 as 6,300 households.
9. In its Context Report dated 6 June 2014, the Selwyn District Council identifies a proposal for the establishment of 7 Outline Development Plan areas and accompanying District Plan amendments to “facilitate provision of up to 4500 additional sections”².
10. Although no reference is made in this document to the projected gross demand figure of 6300 households in the LURP, it is assumed that the remaining 1800 households had already been provided between 2012 and 2014.
11. While this is not made clear in the Context Report, it is consistent with information contained in **Appendix A**, Rolleston Residential Growth Report (the Report), which shows that Plan Change 7 which was made operative in 2011 has contributed a total of some 1561 consented and s224c certified sections³ to date.
12. In seeking to assess the effectiveness of the LURP mechanisms, it is noted that the LURP Monitoring Report for the year ended December 2014 does not revisit the demand projections referred to in the LURP nor critically analyse the extent to which the mechanisms contained within the LURP are contributing to meeting that (or an updated) projected housing demand.
13. Specifically, the commentary under Outcome 6 on pages 10 and 11 of the Monitoring Report focuses solely on the challenges of intensification. The role of Greenfield Priority Areas in the achievement of this outcome is not addressed at all in this section of the report, neither is there any commentary on whether more Greenfield land is required given the challenges inherent in intensification. It is submitted that the review of the LURP must consider this matter carefully.
14. At pages 36 and following the Monitoring Report provides a range of monitoring indicators which are not correlated to the housing demand figures expressed in the LURP and which likely (as set out in paragraph 10 above) include figures that relate to pre-LURP actions such as Plan Change 7.
15. In an attempt to better understand the current provision of housing to the market, the attached Report critically assesses the extent to which actions facilitated by the LURP (and specifically Action 18) have contributed, or are likely to contribute, to the achievement of Outcome 6 within the Selwyn District.
16. The Report identifies specific issue of concern with respect to achievement of the LURP outcomes.

² Paragraph 3.48

³ Page 3

17. First, the Report concludes that the provision of Greenfield Priority Areas in Selwyn as directed by the LURP equates to some 337ha with a prescribed minimum density of 10hh/ha which will contribute significantly less than the 4500 households identified as necessary.
18. Secondly, and importantly, the Report concludes that there is a very real risk that of the 3500 potential sections available very few may actually come to market, at least in the short to medium term.
19. The specific barriers or constraints to delivery of houses to the market from these ODP areas are set out in considerable detail in pages 6-28 of the Report. These constraints include infrastructure constraints (as with Christchurch City), multiple site ownership, existing improvements affecting economic viability, land values and other site specific legal impediments such as Right of Way access.
20. Issues related to multiple ownership affect 5 of the 6 ODP's identified in Action 18, with some 123 individual landowners involved. Only 60% of these landowners participated in consultation on the ODP development and it is difficult to ascertain how many of those are motivated to develop and/or in what timeframes.
21. In addition, many of the ODP areas are currently zoned Rural Residential or Rural Lifestyle which is an increasingly uncommon but desirable zoning. It is not clear that Living Z is necessarily the highest and best use of land in an economic sense such that the normal financial drivers of re-development will occur at all, or in the timeframes anticipated by the LURP.
22. Critically, only one of the ODP's (ODP 9) and some small parts of two others (ODP 10 and 12) has access to capacity in the existing wastewater network in the near future. The balance of the ODP areas require significant infrastructure investment before development can be contemplated.
23. This concern about infrastructure constraint is consistent with findings in the LURP monitoring report that some 12,000 sections in Christchurch City are constrained from delivering housing to the market by infrastructure issues.
24. It is submitted that this is a critical issue which any review of the LURP must address in detail in seeking to determine the effectiveness of the current LURP interventions in meeting Outcome 6 (and indeed a number of the other outcomes) and/or any requirement for amendment or further directions to be provided. .
25. Put simply, the cumulative result of this combination of constraints is the very real risk that the mechanisms advanced under Action 18 will not deliver the outcomes sought by the LURP. It is submitted that any review of the LURP must therefore address these issues, particularly in the short to medium term where any failure to achieve Outcome 6 would be most acutely felt by the communities of Greater Christchurch.
26. It is the submission of Hughes Development that a more thorough evaluation of the likelihood of zoned land bringing houses to market must be undertaken to inform possible amendments to the LURP. Specifically this review should consider the constraints affecting land in Christchurch City as well as in Selwyn District. Where

areas of land are identified as unlikely to be able to provide housing in the short to medium term, additional interventions by way of the LURP or other Canterbury Earthquake Recovery Act provisions must be considered.

27. To that end, Hughes Development has already identified land immediately adjacent to its Faringdon development which is available for immediate development (map attached and marked "B"). This land is not currently identified as Greenfield Priority Area but is within the Projected Infrastructure Boundary on Map A to the Canterbury Regional Policy Statement.
28. As set out in the introduction to this submission, Hughes Development is a well resourced and experienced residential developer. It has the skills and ability to rapidly develop the adjacent land as an extension of the existing development, cost effectively and quickly bridging the short to medium term "gap" created by the current constraints on existing ODP areas. Such an intervention would provide the necessary time to work towards resolving the constraints identified in other areas (such as they can be).
29. The land in question meets the criteria for Greenfield Priority areas set out in the LURP. It links to an existing community at Faringdon which already provides local retail and community spaces by way of a neighbourhood centre. Faringdon borders Foster Park, the premier recreation reserve in Rolleston.
30. The land is not at risk of natural hazard and has no environmental or cultural constraints. The land provides good connectivity to a range of transport modes and can be readily serviced. Unlike the majority of ODP areas the land is traversed by an existing wastewater pipeline with sufficient capacity to facilitate full development. Other necessary services are provided immediately adjacent to the area of land in question.
31. As required by the Regional Policy Statement, the development of this land would fully utilise existing infrastructure, enabling repayment of the existing Selwyn District Council capital investment and allowing re-investment into infrastructure for other ODP areas in the medium to longer term.
32. As an extension of the existing Faringdon community there can be confidence that the development philosophy will be maintained. This provides for a range of housing types and section sizes ranging from 200m² to 800m². Higher densities could be developed given the significant infrastructure and amenity already provided within the adjacent development.
33. Currently, Faringdon house and land packages range from approximately \$385,000 to \$800,000. Further development at this location will provide a similar range of options including a significant portion of housing at the more affordable end of the market. As has been made clear in the Monitoring Report, housing affordability in Christchurch has worsened in the past year⁴ which is inconsistent with the LURP outcomes sought.


⁴ Page 11

34. Importantly, the land is within the control of a single, committed and experienced development entity. There can be confidence that with rezoning would come development and the provision of housing. The same cannot be said of other identified ODP areas.

Conclusions

35. The mandatory review of the LURP must specifically consider the likelihood of zoned land being bought to market to meet the short to medium term demand. Such review should include an assessment of the constraints to development within all of the greater Christchurch area.
36. Where constraints to development, and therefore a risk to the achievement of Outcome 6 are identified, it is submitted that amendments to the LURP must be made to facilitate the development of appropriate areas of additional land.
37. Land within the control of Hughes Development adjacent to Faringdon is suitable and available for immediate development and should be identified as an additional Greenfield Priority Area and zoned Living Z given the significant constraints facing other ODP areas within the District and the wider greater Christchurch area.

Hughes Development appreciates the opportunity to contribute to the review and would be available to discuss the content of this submission with the Regional Council as required.

A handwritten signature in black ink, appearing to read "J Semple", written over a horizontal line.

For and behalf of Hughes Development Limited

29th day of May 2015