

## **Onslow Road Special Housing Area**

**Housing Accords and Special Housing Areas Act 2013**

**Expression of Interest**

This expression of interest for the proposed Onslow Road Special Housing Area is made on behalf of Scott Crawford the owner of a block of land located at Onslow Road, Lake Hayes Estate.

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## 1.0      LOCATION

The site is located on the southern and eastern edge of the suburb of Lake Hayes Estate. Existing urban development in the form of low-density housing has been developed to the north and west of the site. Rural land, Council Reserves and the river and river flats are to the south and east of the site.



The site currently has access from Onslow Road but an unformed road exists along much of the sites southern boundary. The urbanized land to the north and west provide existing urban services. There are also large areas of recreation reserve in the general location. The site is in same general landscape catchment as existing residential development. The site provides for a natural extension to the existing urban area.

The location is well serviced from a transport point of view with a public transport and school bus route on Onslow Road. Urban amenities are close by, with the newly developed shop and café and Council playground and sports ground. Pre-school facilities and the new primary school under construction also add to the existing community facilities in the area.

## **2.0 SITE**

The site is described as Lot 403 DP 379403 and is contained in Certificate of Title 318605. It totals 1.1689 hectares in area. The site is flat to rolling with the area adjacent to the existing housing development being flat and level with the neighboring land. At the eastern edge of the site the land drops away considerably with a high, steep bank dropping down to the Council owned Recreation Reserve that comprises the river flats below. This topographical feature means the site is physically separated from the surrounding rural land and is much more closely related and connected to the existing residential area to the north and west of the site.

The site is currently in pasture with one farm shed developed on the site and accessed via a right-of-way from Onslow Road. The existing right of way that currently provides road frontage to this land would not be utilized, and instead a new road extension off Onslow Road would be formed along the western boundary of the site. The shed would be removed if development progresses. Urban services are existing to the boundaries of the site or on-site. The site has a good outlook to the river, mountains and surrounding reserve areas.



The site is well suited to a mix of densities from the existing density of the neighboring area to higher density smaller sections and town houses. Existing urban densities in the area are in the range of 800 to 1,000 square metres. This relatively low density reflects the current zoning of this recently urbanized area, which is a combination of Rural General and Rural Residential.

### **3.0 EXISTING ZONING**

The site is currently zoned Rural General in the Queenstown Lakes Operative District Plan. Besides general rural and farming activities this zoning provides for housing as a Discretionary Activity. Consent notices on the certificate of title however, place some restriction on farming activities including the keeping of stock. The operative District Plan shows the Outer Noise Control Boundary crossing the site but it is understood this is an error as Plan Change 35 is now operative and the outer control boundary is no longer on the site.

As indicated in the Operative District Plan, the site is contained in a Visual Amenity Landscape along with the existing developed area of Lake Hayes Estate adjacent to the site. As described earlier, the site is separated from the wider rural area by the steep bank dropping down to the river flats below. It is therefore considered that the site strongly relates to the existing, developed area adjacent. The landscape category



does not therefore raise any issues that cannot be dealt with at the time of resource consent.

Current densities in the existing developed adjacent area are in the range of 800 to 1,000 square metres. The zoning of this adjacent urban area is a mix of rural residential and Rural General zoning. A designated Council Reserve surrounds the remainder of the site and has an underlying zoning of Rural General.

#### **4.0 HISTORY OF THE SITE**

When the Lake Hayes Estate was originally developed a core area was zoned Low Density Residential. This was then framed with an area of Rural Residential zoned land and beyond that an area of Rural General zoning. Over the years much of the land zoned Rural Residential (with a planned minimum lot size of 4,000 square metres) has been developed at urban densities (typically 800 to 1,000 square metres) as has some of the land zoned Rural General beyond that. Such a pattern of development has occurred in the vicinity of the applicant's site.



Since the development of Lake Hayes Estate and the land adjacent to the applicant's site, the site subject to this expression of interest has remained in pasture and

largely unused and undeveloped save for the building of a large farm type shed. The consent for this building was issued in 2011 BC060675.

## 5.0 CONCEPT PLAN

A draft concept plan has been prepared to identify the typical density that might be achieved under the Special Housing Area classification.

This is only a first draft, and additional work would be undertaken to fine-tune the layout.

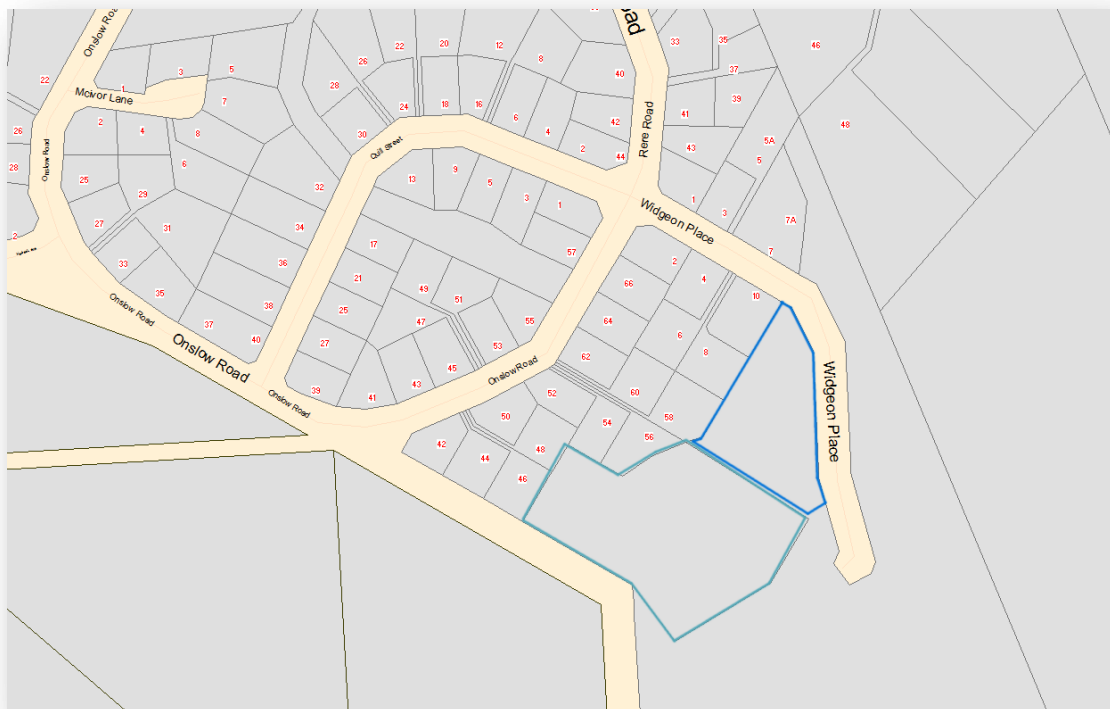


This land (outlined in light blue – below) adjoins the southern edge of the Lake Hayes Estate suburb, and is generally defined by an elevated river terrace that separates

the residential part of the Lake Hayes Estate community from the lower lying flood plain.

Widgeon Place is a road located to the east of the Onslow Road land. Widgeon Place road provides a link for the community down to the recreation areas that are at river level.

The alignment of this road results in a small area of Recreation Reserve land being isolated from the balance of the reserve (outlined in dark blue). This severed land is located uphill from the rest of the reserve and would be an appropriate area for inclusion within this Special Housing Area request.



## 6.0 WHY A SPECIAL HOUSING AREA?

With the development of suburban housing on the adjacent rural-residential and Rural General zoned land, an opportunity exists to enable development of the applicant's site that better meets of objectives of the "Housing Accords and Special Housing Areas Act 2013".

As stated in the Housing Accords and Special Housing Areas Act 2013 Implementation Guidelines the Act has the purpose of enhancing housing affordability by facilitating an increase in land and housing supply in certain regions or districts, listed in Schedule 1, that have been identified as having housing supply and affordability issues. Queenstown-Lakes District is one of the areas listed in

Schedule 1. The housing affordability issues in the district are well documented.

The Council and the Minister for Building and Housing have entered into a Housing Accord under the Act to assist housing supply and affordability in the District, with a specific focus on the Wakatipu Basin. This Policy should be read in conjunction with the Queenstown-Lakes Housing Accord. The Queenstown-Lakes Housing Accord is intended to increase housing supply and improve housing affordability in the Queenstown-Lakes District by facilitating development of quality housing that meets the needs of the growing local population.

With the site being over one hectare in area, an opportunity arises to comprehensively plan and develop this area. It is adjacent to existing urban development but separated from the surrounding, lower rural land by a steep bank down to the reserve land adjacent to the river.

## **7.0 ASSESSMENT AGAINST SPECIAL HOUSING AREA CRITERIA.**

### **7.1 Background.**

As outlined in the Act, Accord and Guidelines, in the process for considering a Special Housing Area, Council will embark on an engagement process with the community (including land and property developers) in November 2014. Council will request Expressions of Interest from landowners and developers for land that might be suitable for consideration as Special Housing Areas. The engagement process will also allow members of the general public to contribute their ideas on housing, with a specific focus on where new housing should be focused and what type of housing is required. This process will not preclude Council from identifying and considering areas as Special Housing Areas which have not been nominated via the Expression of Interest process. For example, there might be broader urban areas in multiple ownership that are not nominated that Council considers might be suitable for Special Housing Area status. Council will negotiate directly with landowners or developers seeking to use the provisions of the Act to ensure the agreed aims and targets in the Queenstown-Lakes Housing Accord are supported. Each proposed Special Housing Area will be considered on its own merits.

This expression of interest is a result of the above process.

### **7.2 Criteria for recommending a Special Housing Area to Government**

The guidelines state that the Council will assess an Expression of Interest against the following criteria. It should be noted that the location criterion is not a statutory consideration under the Act. However, in the interests of sound resource management planning practice, environmental and economic impact, and



consistency with the draft Strategic Directions chapter of the District Plan review – location is considered to be a vitally important consideration for Council.

**a. Location**

*The proposed area shall be located within or adjacent to existing urban areas. Areas located in rural areas remote from existing urban areas and services will generally not be viewed favorably.*

The proposed site is adjacent to a developed residential suburb and is separated from surrounding rural areas by substantial topographical features such as the high and steep bank dropping down to the river flats below the applicant's site.



The existing area of Lake Hayes Estate and the neighboring Shotover Country development contain a variety of urban and community facilities. These will provide support to future residents of this area and the development of this site will in turn support those facilities. It is therefore considered that the site meets the Strategic Objectives of the Operative District Plan and those in the draft Strategic Directions chapter of the District Plan review.

**b. Adequate Infrastructure**

*For Council-related services of water supply, wastewater, transport, stormwater and reserves the Council is satisfied:*

- a) *That infrastructure exists and has additional capacity to accommodate the likely cumulative demand from a qualifying development/s in the special housing area or infrastructure is planned or programmed in the Council's Long Term Plan and Development Contributions Policy, and/or*
- b) *That infrastructure would be provided and funded by the private sector ahead of the Long Term Plan programmed time at no additional cost to Council, and/or*
- c) *Where not planned or programmed in the Council's Long Term Plan and Development Contributions Policy, infrastructure would be fully provided and funded by the private sector at no cost to Council and can connect to existing infrastructure that has additional capacity to accommodate the likely cumulative demand from a qualifying development/s in the special housing area, and*
- d) *For stormwater, mitigation will meet the conditions of any relevant consent held by the Council or such other relevant engineering standards that are applicable, and*
- e) *That infrastructure will be designed and constructed in accordance with the relevant requirements of the Council's Infrastructure Development Code, and any other specific design, specifications and plans for infrastructure works arising from any consent or infrastructure agreement between the Council and any other party.*

Council's Infrastructure plans show all necessary council services adjacent to or onto the site.

#### Stormwater drainage.

A substantial drainage inlet is located on the eastern boundary of the site at the lowest point of the land. This would appear to be more than adequate for any stormwater arising from development.

#### Wastewater

A 150mm sewer main has been constructed from Onslow Road onto the site. Any further capacity that is required would be constructed along the presently unformed road when it is developed to service the site.

#### Water Supply

Water supply is currently provided to the site from Onslow Road. Any further capacity could also be provided along the road on the southern boundary when it is constructed.

## Transport

As already mentioned, an unformed road exists on the southern boundary of the site. Formation of this road will provide all the necessary access for development on the site.

Public and school transport is currently provided to the area with both bus routes being along Onslow Road.

In summary, given the relatively modest scale of the proposed development, no infrastructure capacity issues are foreseen. Any issues will be able to be dealt with at resource consent time and no financial issues should arise for the Council.

### **c. Other (non-Council) infrastructure**

*For other (non-Council) infrastructure of state highways, government facilities such as education, or network utilities (electricity, gas and telecommunications) the Council is satisfied that infrastructure exists or is planned by the relevant service provider with additional capacity to accommodate the likely cumulative demand generated from a qualifying development/s in the special housing area.*

All the usual non-council infrastructure is developed and available in the area. Given the relatively modest scale of the proposed development no capacity problems are foreseen.

The Shotover Country primary school is about to commence construction within 1km of the site, while a private daycare facility is located less than 500m away.

Other nearby facilities include a local convenience store (nearing completion) as well as children playground, BMX pump track and tennis courts.

The site is located adjacent to a large Council Recreation Reserve which in turn adjoins the Wakatipu off-road trail network.

### **d. Demand for a Qualifying Development**

*The Council is satisfied that there is evidence that the qualifying development/s in the Special Housing Area will deliver new residential housing that supports the aims and targets of the Queenstown Lakes Housing Accord in a timely manner.*

The applicant is keen to progress development on the site and the yield arising from this process will help deliver new residential housing that better supports the aims

and targets of the Housing Accord. The draft concept plan for the site indicates a yield of 22 lots for the development.

**e. Demand for Residential Housing**

*The Council is satisfied that there is evidence of demand for a range of housing types that could be developed within a Special Housing Area. Furthermore Council shall be satisfied that a variety of dwelling sizes and dwelling ownership or tenure arrangements are not ruled out by any proposed terms and conditions or covenants that would apply within the Special Housing Area.*

The fact that the Housing Accord has been developed between the District and the Government is evidence of demand for a range of housing types that could be developed on this site if it were to become a Special Housing Area.

The Housing Accord between Queenstown-Lakes District Council and the Government is intended to increase housing supply and improve housing affordability in the district. The agreed medium-term targets for the Wakatipu Basin are:

Housing Supply	Aspirational Targets		
	Year 1	Year 2	Year 3
Total number of sections and dwellings consented	350	450	500

The applicant's proposal for this site will help the Council meet these targets. It is not proposed to have any terms and conditions or covenants that would rule out a variety of dwelling sizes and dwelling ownership or tenure arrangements on the site. The draft concept plan for the site will yield approximately 22 lots.

**f. Affordability**

*In order to achieve the targets in the Housing Accord to deliver more dwellings at affordable price points, the Council will negotiate housing outcomes for each Special Housing Area and/or qualifying development on an individual basis. The delivery of more affordable housing options within qualifying developments will be appropriately balanced against:*

*o The need for development to remain profitable and commercially viable.*

*o Other strategic outcomes important to the Council such as integrated urban growth management.*

*The approach to affordability will be not to mandate the delivery of housing at specified price points, but to focus on requiring a certain proportion of qualifying developments to comprise smaller subdivision allotments or dwellings.*



*The negotiation of these housing outcomes will therefore cover:*

- a) The type and size of dwellings to be built; it is anticipated that in most if not all Special Housing Area at least 20% of dwellings will comprise two bedroom dwellings.*
- b) The size of sections; for typical low density housing subdivisions where the typical allotment size may be in the order of 500-700 square metres, land developers will be required to provide a certain proportion (typically at least 30%) of the allotments at smaller sizes i.e. 250-400 square metres.*
- c) The nature of any covenants (or similar restrictions) imposed on sections;*
- d) The potential for a development to target specific housing need e.g. first home buyers, the rental market or social housing;*
- e) The potential to spread or mix the type and size of sections and dwellings to be developed throughout the proposed special housing area.*
- f) Other relevant matters that are identified.*

The applicant is willing to positively engage with the Council to achieve the above outcomes. The achievement of the above outcomes is one reason why the applicant has developed this Expression of Interest.

The concept plan that has been prepared for the site (see below) provides mainly for smaller lots, typically in the range 290 to 400 square metres in area. This will provide opportunities for smaller, more affordable housing. This mixed with the existing lower density housing in the area will help achieve the objectives stated above. No restrictive covenants impacting on affordability are proposed. Existing covenants in favour of the Council will need to be considered at the time of resource consent.

**g. Predominantly Residential**

*A qualifying development within a Special Housing Area will have the primary purpose of supplying residential dwellings to the market. Any non-residential activities should be ancillary to the residential development and negotiated with the Council before the recommendation for a Special Housing Area is made to the Minister of Housing, including reserves and open space areas, commercial or community activities.*

The applicant proposes that the development of the site will be exclusively residential along with any reserves that Council considers are required. Given the existing reserves in the vicinity of the site, it is considered that few, if any, further reserves will be required. The concept plan that has been prepared (see below) does not provide for any further reserves.

**h. Building Height**

*The maximum calculated building height for a qualifying development in a special housing area will be determined as part of the declaration of that special housing area. It will be determined by the Council in discussion with the landowner/developer with reference to:*

- a) The characteristics of the land in the special housing area and land directly adjoining;*
- b) The maximum height provided for in the zone of the operative District Plan that currently applies to the land in question, and any changing and evolving direction regarding building height apparent through the development of the Proposed District Plan;*
- c) The maximum height provided for in the Act.*

The applicant's proposal for the site will not exceed the maximum height provided for in the Act. It is proposed that the maximum height for the development on the subject site will be the same as provided for in the low density residential zone applying to the Lake Hayes Estate area.

**i. Minimum Number of Dwellings**

*The minimum number of dwellings required in any special housing area to constitute a qualifying development will vary from area to area. In existing developed areas, the minimum number is likely to be set low e.g. two dwellings. In greenfield developments the figure will be higher, but is likely to vary depending on circumstances.*

While the proposed development is relatively modest and the site not particularly large, it will easily exceed the minimum number of dwellings outlined in the guidelines. The likely yield of household units will be in excess of 22 dwellings.

**j. Residential Development Quality**

*Council's development quality expectations are set out in Appendix B. Council will seek SHA land owners / developers to agree in principle with these requirements.*

The applicant agrees in principle with these requirements and considers these are important, particularly if the greater housing yields (and therefore supply and affordability) are to be achieved.

A draft concept plan for development of the site has been prepared and is included below. It shows development of the site being accessed from the presently unformed road. It provides for 22 lots ranging in size from 290 to 730 square metres.

Most lots are in the 300 to 400 square metre range. Given the size of the lots, on-street parking areas are also provided.

#### **k. Assessment of Environmental Effects**

In addition to those effects dealt with earlier, there are additional matters that should be considered in relation to the proposed site.

##### Landscape and Visual Amenity Values.

It would appear that the site is categorized as Visual Amenity Landscape in the Operative District Plan. This is the same landscape category as the surrounding Rural General zoned land that has already been subdivided and developed for residential activities. The site is generally on the same level as the existing residential development and is separated from the rural land below by a substantial bank which drops down to the river terraces below. The lower rural land adjacent to the river is in the Outstanding Natural Landscape (ONL) category in the District Plan. The boundary between the VAL and ONL areas is along the top of the bank between the Lake Hayes Estate area and the river terraces and the wider rural area beyond.

Development of the site will therefore be seen as a logical extension of existing development and not related to the wider rural area beyond. As stated earlier, the applicant's site is in the same landscape catchment as the developed land. For these reasons, it is not considered that there will be an undue impact on the wider landscape and visual amenity values of the surrounding area.

##### Natural Hazards

The Council's Hazard Register indicates that the only known possible hazard on the site is that of liquefaction. The western portion of the site (that nearest to the existing residential development) shows it as "possibly susceptible" (along with the already developed neighborhood). The eastern portion of the site shows the land to be "susceptible" to liquefaction although this is more likely to apply to the land on the lower terraces adjacent to the river.

Any issues arising from this indication can be considered in depth at the time of resource consent.

##### Contaminated Land.

Much of the site appears to have had earthworks carried out on it at the time of the development of the adjacent residential subdivision. There does not appear to be

any likely contamination issues, but the requirements of the NES can be met at the time of resource consent.

## **8.0 CONCLUSION.**

This Expression of Interest has attempted to set out the applicant's vision for the site and how that vision meets the aims and criteria of the "Housing Accords and Special Housing Areas Act 2013".

The analysis above has shown that the site is capable of being successfully developed as proposed while appropriately managing the effects of that development. Given the above, it is considered that the proposal should gain the support of the Council, and its positive recommendation to the Minister.