

Highview Terrace Special Housing Area

Housing Accords and Special Housing Areas Act 2013

Expression of Interest

1.0 APPLICANT

The applicant for this Special Housing Area is **St Andrews Park Ltd**

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2.0 LOCATION

The **Highview Terrace Special Housing Area** is located at 52 and 60 Highview Terrace and is also accessed off St. Luke Court, in the St Andrews Park suburb of Queenstown.



The land is immediately adjacent to and north of the existing residential development fronting Highview Terrace and is positioned between that residential development and the recreation reserve of Queenstown Hill.

The general area is serviced with existing urban infrastructural services including roading, drainage, water supply and sewer services.



3.0 SITE

The site totals 6,991 square metres in area and consists of three lots in two Certificates of Title.



Lots 500 & 501 DP 465471 total 3,935 square metres in area and are contained in Certificate of Title 619910. These lots both gain access to Highview Terrace.

Lot 502 DP 465471 is 3,056 square metres in area and is contained in Certificate of Title 619911. This lot has frontage to St Pauls Court which is a cul-de-sac off St George Avenue.

The site is generally flat to rolling. A stream and watercourse run through the site on an east-west alignment. This stream continues beyond the site through existing development. South of the site, a stormwater retention pond has been developed. As development has occurred in the area, several of the houses front this stream and gain amenity from it.

To the north of the site is the recreation reserve of Queenstown Hill. To the west is a local reserve which has been developed to a high standard with seating, paths, planting and a large feature tree. The tree is a protected feature in the Operative District Plan. It is a Wellingtonia Heritage Tree and the schedule in the District Plan describes it as the largest exotic conifer in New Zealand.

To the south is the existing line of houses fronting Highview Terrace. Most of these have been recently developed and the area is gaining a developed character. To the east are St Pauls Court and St Luke Court which are currently being developed with further residential development.

Residential development on this site will largely be obscured from public view by the existing development fronting Highview Terrace. There is no formed public access in this part of the Queenstown Hill Recreation Reserve that overlooks this site.



4.0 EXISTING ZONING

The site is currently zoned Low Density Residential in the Queenstown Lakes Operative District Plan. This zoning provides for mainly low density housing in the range of one household unit per 450 to 600 square metres at the time of subdivision. Higher densities are provided for if development occurs prior to subdivision as part of a comprehensive development. Current densities in the existing developed adjacent area are in the range of 450 to 1000 square metres.

Some larger lots, in excess of 2,000 square metres were developed as part of the original subdivision to enable subsequent applications for Comprehensive Residential Developments (as Discretionary Activity applications) that would most likely be treated as notified applications and potentially challenged by local

residents. These applications have not been made and these few larger sites remain undeveloped.

5.0 HISTORY OF THE SITE

As stated above the site is zoned Low Density Residential in the Operative District Plan. Most of the surrounding land was subdivided in the early 2000s and has had houses developed on those sites over the last decade. That process is nearing completion. This site has remained undeveloped since the original subdivision of St Andrews Park.

6.0 WHY A SPECIAL HOUSING AREA?

With a relatively substantial area of land presently zoned for residential development but currently undeveloped an opportunity exists to enable development that better meets 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.

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 favourably.

The proposed site is within a developed residential suburb, with current residential zoning and adjacent to reserves and developed residential housing. It therefore 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 plan show all necessary council services adjacent to or onto the site. A 150mm Sewer Main is constructed onto the site and is also in the streets adjacent in St Lukes Court, St George Avenue and Highview Terrace. A 225mm drainage main exists in the adjacent road and water supply is also available. From a roading point of view the site is serviced by the Highview Terrace/St George Avenue roading system which has substantial capacity for traffic.

Given the relatively modest scale of the proposed development, no capacity issues are foreseen. No additional costs for the Council are likely to arise. Any issues will be able to be dealt with at resource consent time.

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 of 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.

This neighborhood is within the catchment of the Queenstown Primary School (and also St. Josephs Primary School). With the recent development of Remarkables Primary School and the Shotover Country Primary School, any capacity issues at Queenstown Primary School have been relived.

Electricity and telecommunication supplies are located within the adjoining road corridor. There are no known capacity or supply issues with either service.

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 improved yield arising from this process will help deliver new residential housing that better supports the aims and targets of the Housing Accord.

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.

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:

- *The need for development to remain profitable and commercially viable.*
- *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 ie. 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 a key reason why the applicant has developed this Expression of Interest.

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 to the immediate north and west of the site, it is considered that few, if any, further reserves will be required beyond those neighboring the stream.

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. Given the characteristics of the site in that it is generally level with the height of adjacent development and with the strong topographical feature of Queenstown Hill behind, some opportunity for enhanced height may exist. The applicant is willing to discuss this issue with the Council. Some increased height beyond that provided for in the existing zone may enable development to better meet the aims and objectives of the Act. It will however need to take into account any local amenity issues.

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 eg. 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, particularly as the site has an operative residential zone.

The attached plan indicates the approximate density would be in the order of 18 sections.

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 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 below has been prepared by the applicant which indicates how the site will be developed and how access and connections will be developed to the existing street network.



The site will be accessed from both sides of the stream and watercourse. This will leave an un-developed corridor through the centre of the site. The southern part of the site will be accessed by two roads running north from Highview Terrace. New development on the site will therefore be largely separated from the existing housing on Highview Terrace.



The northern part of the site, adjacent to Queenstown Hill, will be accessed from St. Pauls Court/ S.t Lukes Lane.

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.

Any proposed development on the site will be largely buffered by the existing line of housing development along Highview Terrace. It will also be absorbed by the topography of Queenstown Hill. The site is currently zoned residential and therefore does not have any identified landscape categories applying to it. Any development on the site will, however, have a very low impact on wider views of the landscape and will be subservient to the larger (and higher) landscape elements, such as Queenstown Hill. Development on the site will be at a lower elevation than adjacent development to the east of the site in the Goldfields neighborhood. It will also be at a lower elevation than the development to the west of the local reserve, in the vicinity of St Peters Place.



Development of this site will largely be in sympathy with adjacent development in that it will extend to the edge of the Queenstown Hill reserve to the same extent as existing developments to the west and east. This merely reflects the long established zone boundary location.

Natural Hazards

The only hazard for the site identified on Council's Hazard Register is a nil to low liquefaction risk. Any issues that may arise can be dealt with at resource consent time.

Contaminated Land.

From property records and site visits, no issues appear obvious. The NES requirements will need to 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 existing zoning of the site and its location within the current Queenstown Urban Area, it is considered that the proposal should gain the support of the Council, and its positive recommendation to the Minister.