Appendix 1: Policy Overview

National Policy Framework

The Urban Growth Agenda

The Urban Growth Agenda (UGA) is a national programme of work that aims to remove barriers to the supply of land and infrastructure and make room for cities to grow up and out.

The main objective of the UGA is to improve housing affordability, underpinned by affordable urban land. This objective is supported by wider objectives to:

- improve choices about the location and type of housing,
- improve access to employment, education and services,
- assist emission reductions and build climate resilience, and
- enable quality-built environments, while avoiding unnecessary sprawl.

To meet these objectives, the programme covers aspects of urban and infrastructure planning and provision through five interconnected focus areas:

1. infrastructure funding and financing — enabling a more responsive supply of infrastructure and appropriate cost allocation
2. urban planning — to allow for cities to make room for growth, support quality-built environments and enable strategic integrated planning
3. spatial planning (initially focused on Auckland and the Auckland-Hamilton corridor) — to build a stronger partnership with local government as a means of developing integrated spatial planning
4. transport pricing — to ensure the price of transport infrastructure promotes efficient use of the network
5. legislative reform — to ensure that regulatory, institutional and funding settings are collectively supporting UGA objectives.

The programme is expected to deliver the medium to long-term changes needed to system settings to create the conditions for the market to respond to growth and bring down the high cost of urban land[1].

[1] Cabinet paper - Urban Growth Agenda: Proposed approach (hud.govt.nz)

The National Policy Statement on Urban Development

The new National Policy Statement on Urban Development (NPS-UD) is a key initiative of the Urban Growth Agenda (UGA) and replaces the National Policy Statement on Urban Development Capacity 2016. The NPS-UD is designed to reinforce the responsiveness and competitiveness of land and development markets to better meet the different housing needs and preferences of New Zealanders. In particular, it removes overly restrictive planning rules that make it difficult to build homes and directs local authorities to provide more development capacity in accessible places, so more houses can be built in response to demand.

Some of the provisions in the NPS-UD apply across all urban environments. Others, setting more stringent requirements, are restricted to Tier 1 and Tier 2 urban environments where pressure on housing is greatest. Christchurch is a Tier 1 urban environment, so the majority of provisions apply.

The NPS-UD requires Tier 1 authorities to enable (but not require) denser housing, particularly in areas of high demand and access, including a minimum building height of 6 storeys in areas within a walkable catchment of existing and planned rapid transit stops, the edge of city centre zones and the edge of metropolitan centre zones.

The NPS-UD also removes the ability of Tier 1, 2 and 3 authorities to require car parking when applying for resource consent to construct new housing. This could lower development costs in Christchurch and potentially encourage development through increasing land use flexibility.

Another key policy encourages councils to take a responsive and proactive approach to increasing development capacity by requiring them to consider private plan changes where they would add significantly to development capacity, good urban outcomes and are well connected by transport corridors. This includes out-of-sequence developments or land unanticipated by RMA planning documents.

Tier 1 and some Tier 2 authorities are also required to work together to produce Future Development Strategies (FDS), which set out the long-term strategic vision for accommodating urban growth. FDSs are discussed in more detail below.

Future Development Strategies

A key policy of the NPS-UD requires Tier 1 and Tier 2 authorities to produce a Future Development Strategy (FDS) every 6 years and in time to inform, or at the same time as the authority's next long-term plan. The first FDS must be prepared in time to inform 2024 long-term plans and be regularly reviewed to determine whether anything needs updating.

The purpose of an FDS is to promote long-term, integrated, strategic planning by setting out how (and where, if relevant) a local authority intends provide sufficient development capacity to accommodate long-term growth, achieve well-functioning urban environments and assist the integration of planning decisions with infrastructure and funding decisions.

FDSs must respond to housing and business development capacity assessments (HBA), which Tier 1 and 2 authorities are required by the NPS-UD to prepare every 3 years. HBAs quantify the development capacity that is sufficient to meet expected demand for housing and for business land in the short, medium and long term. This is achieved through an assessment of the demand and supply of housing and of business land within the boundaries of the relevant tier 1 or tier 2

urban environment, and the impact of planning and infrastructure decisions of the relevant local authorities on that demand and supply.

In Christchurch, FDSs may lead to development in existing urban areas (Brownfields) that were previously not considered for residential uses or the release of more residential land (Greenfields) if the existing capacity will not be able to accommodate future demand.

Resource Management (Enabling Housing Supply and Other Matters) Amendment Bill 2021

The Resource Management (Enabling Housing Supply and Other Matters) Amendment Bill 2021 (the Bill) works with the NPS-UD to accelerate housing supply in areas of high demand. The Bill, which was passed into law in December 2021, enables greater levels of permitted residential intensification within low and medium density residential zones in New Zealand's largest centres. This is achieved through two key instruments:

- **Medium density residential standards (MDRS)** – requires Tier 1 authorities to adopt new medium density residential standards in residential zones, which enable people to build up to three units and three storeys on most residential zones, without the need for a land use resource consent, provided all other rules and standards in the district plan have been complied with. Exceptions to individual sites and areas will apply based on qualifying matters set out in the NPS-UD and councils must publicly notify their proposed changes to their district plans by the end of August 2022.
- **The Intensification Streamlined Planning Process (ISPP)** – supports councils to implement the intensification policies of the NPS-UD and adopt the MDRS at least a year earlier, by amending the existing streamlined planning process under the RMA to be faster, easier, and less costly.

The MDRS apply to all residential zones in the Tier 1 urban environments, except:

- large lot residential zones and settlement zones
- areas predominantly urban in character that the 2018 census recorded as having a resident population of less than 5,000, unless a local authority intends the area to become part of an urban environment, or
- offshore islands.

Enabling greater housing intensification in larger urban centres is critical to addressing Aotearoa's housing shortage as it allows more, and different types of housing to be built in areas with good access to public transport, jobs, services, amenities, and other community facilities.

Existing District Plan and Council's Strategic Plans

Christchurch City Council has a number of strategies, plan and policies that influence residential development.

Christchurch Central Recovery Plan

The 2010 and 2011 Christchurch earthquakes resulted in significant, widespread damage to property and much of the city's infrastructure. In the past 11 years, Christchurch has undergone significant redevelopment, particularly in its city centre. This redevelopment has been driven by the Recovery Strategy for Greater Christchurch - Mahere Haumanutanga and the

Christchurch Central Recovery Plan (CCRP), which were developed in line with the Christchurch Earthquake Recovery Act 2011 (the Act).

The CCRPs overarching design concept is the development of a greener, more accessible city with a compact core and a stronger built identity. It will also be a city for all people and cultures, recognising in particular Ngāi Tahu heritage and places of significance.

The CCRPs Blueprint provides a spatial framework for central Christchurch, or the "Frame". It describes the form in which the central city can be rebuilt as a whole, and defines the locations of 'anchor' projects, which will stimulate further redevelopment.

Under the Act, councils must act consistently with the CCRP and may be required to amend plans and policies where they are inconsistent with the CCRP, or where the CCRP directs it.

Whilst a large amount of redevelopment is complete, Christchurch's development will continue to be shaped by the strategic direction of the CCRP.

Canterbury Regional Policy Statement

The Canterbury Regional Policy Statement (CRPS) gives an overview of the significant resource management issues facing the Canterbury region, including issues of resource management significance to Ngāi Tahu. The purpose of the CRPS is to set out objectives, policies and methods to resolve those resource management issues and to achieve the integrated management of the natural and physical resources of Canterbury. This includes objectives to enable recovery and accommodate population growth, by providing for development (new land use, subdivision, infrastructure, housing) in a way that achieves the purpose of the RMA.

Chapter 5 of the CRPS sets out the issues and objectives for land use and infrastructure in the Canterbury region. It outlines the need for strategic integration of land use with regionally significant infrastructure, and provides a set of objectives and related policies concerning the location, design and function of development, the integration of land use and regionally significant infrastructure, and a transport network that supports a consolidated and sustainable urban form.

Chapter 6 of the CRPS provides a resource management framework for the recovery of Greater Christchurch, to enable and support earthquake recovery and rebuilding, including restoration and enhancement for the area through to 2028. It provides a set of objectives and related policies to enable recovery, rebuilding and development of Greater Christchurch, while achieving sustainable, and carefully managed urban development, quality urban environments and consolidation and intensification of urban areas.

Regional and District Plans must be consistent with the objectives set out in the CRPS. Regional Councils must also give effect to the urban form identified in Map A of the CRPS, which identifies the location and extent of urban development that will support recovery, rebuilding and planning for future growth and infrastructure delivery.

Map A - Greenfield Priority Areas and Future Development Areas (viewable in more detail at www.ecan.govt.nz)

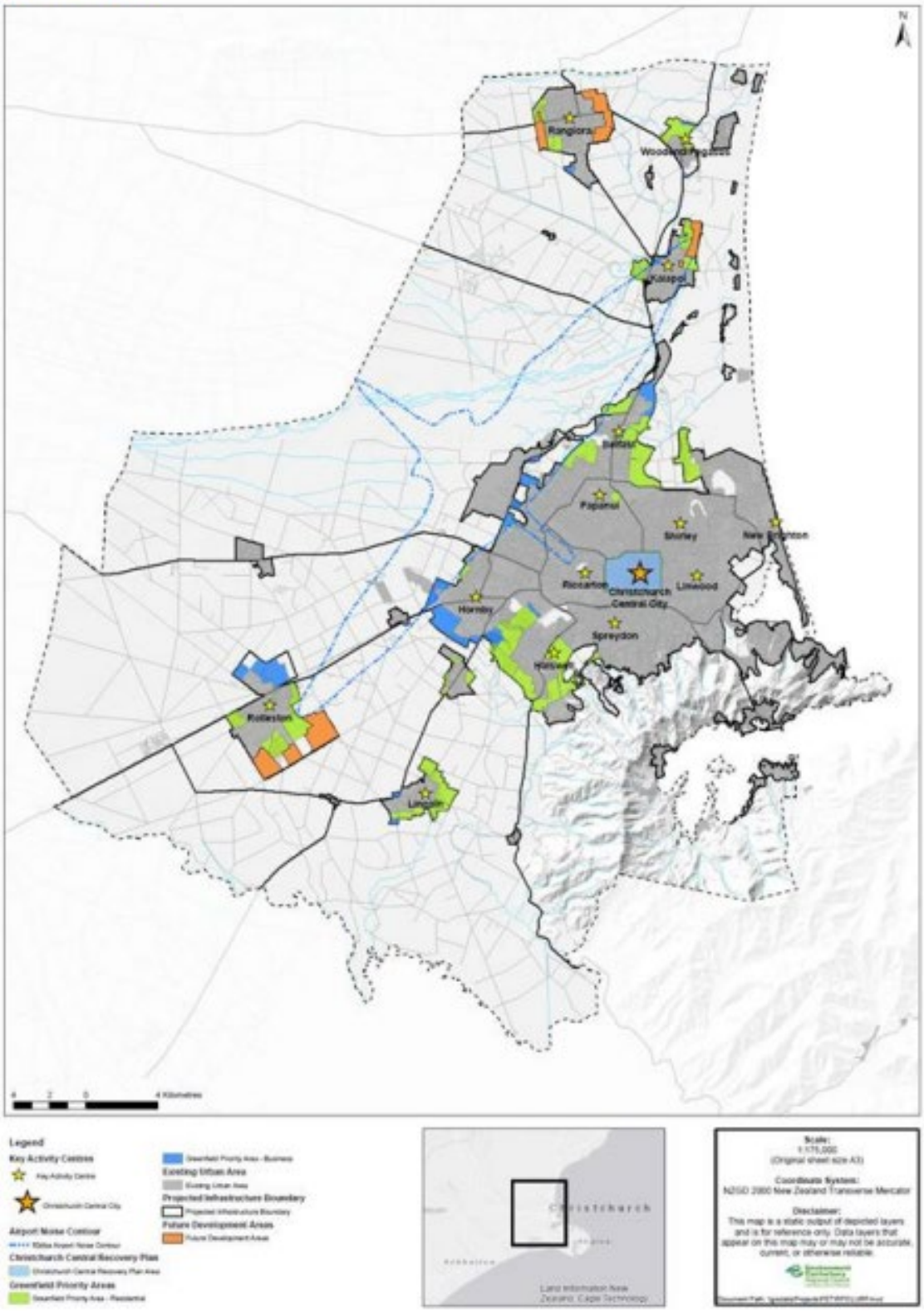

Figure 1: Greater Christchurch greenfield priority areas and future development areas

Christchurch District Plan

The District Plan sets a framework for the development and management of resources in the district in a manner that is consistent with the RMA and Canterbury Regional Policy Statement. It includes objectives, policies and rules to manage the environmental effects of land use activities and defines the various zones and the rules for what activities are permitted to occur in each zone.

A set of strategic objectives provide the overarching direction for the District Plan, including for developing the other chapters within the Plan, and for its subsequent implementation and interpretation.These objectives are primarily driven by the need to accommodate long-term population growth, respond to the city's recovery needs following the 2020 and 2011 earthquakes, revitalise the city centre, and recognise and provide for Ngāi Tahu mana whenua's role as kaitiaki (guardian).

Objective 3.3.4 enables a minimum of 55,950 additional dwellings between 2018-2048, through a combination of residential intensification, brownfield and greenfield development, and a variety of housing types, densities and locations.

Objective 3.7.7. also increases housing opportunities, while seeking development that is well-integrated with infrastructure, a consolidated urban form and a high quality urban environment.

Greater Christchurch Urban Development Strategy 2007

The Greater Christchurch Urban Development Strategy 2007 (UDS) sets a vision for Greater Christchurch and provides a broad settlement pattern for Greater Christchurch for the next 35 years. This provides the primary strategic direction for the Greater Christchurch area by identifying the location of future housing, development of social and retail activity centres, areas for new employment and integration with transport networks. It promotes an integrated and intergenerational approach to planning for urban growth, and seeks to ensure that development is managed in a manner that protects environments, improves transport links, creates liveable areas and sustainably manages population growth

The UDS also establishes clear strategies, policies, and processes for organisations and the community to work collaboratively to manage growth. Guiding principles shape and guide decisions on planning, transport and infrastructure investment, while the strategic directions underpin and provide context for the specific actions listed in the Action Plan.

Our Space 2018-2048 – Christchurch Future Development Strategy

Our Space 2018-2048 complements the Greater Christchurch Urban Development Strategy (UDS) and has been prepared in order to satisfy the requirement to produce a future development strategy, outlined in the NPS-UD. This responded to the first HCA for Christchurch (discussed later in this document) and is implemented under Chapter 6 to the Canterbury Regional Policy Statement and relevant District Plans.

The document outlines land use and development proposals to ensure there is sufficient development capacity for housing and business growth across Greater Christchurch to 2048. The proposed settlement pattern is based upon maintaining the distinction between urban and rural areas by concentrating development at and around existing urban areas, both large and small.

The document was developed by the Greater Christchurch Partnership, which has worked collaboratively for more than a decade on planning and managing urban growth and development across Greater Christchurch (Christchurch City, Waimakariri District and Selwyn District). This Partnership brings together the leadership roles of local government, Te Rūnanga o Ngāi Tahu, the district health board, and Government agencies, and is guided by the vision, principles and strategic goals outlined in the UDS.

The UDS continues to provide the roadmap for growth planning in Greater Christchurch. Our Space therefore does not seek to replace this comprehensive strategy, but rather builds on it by considering and updating many of the key settlement pattern matters.

Canterbury Housing and Business Development Capacity Assessment

A Christchurch Housing and Business Development Capacity Assessment was produced by the Greater Christchurch Partnership in 2021 to satisfy the requirements of the National Policy Statement on Urban Development (NPS-UD).

The HCA includes an assessment of expected housing demand to 2051 for Christchurch, Selwyn and Waimakariri, and the sufficiency of development capacity. It builds upon the 2018 Housing Capacity Assessment undertaken under the previous National Policy Statement on Urban Development Capacity (NPS-UDC), and responds to key changes in the policy requirements between the NPS-UDC and NPS-UD.

Key demand trends for Greater Christchurch identified through the assessment include:

- resident population is projected to grow from 536,880 in 2021 to 705,600 in 2051, an increase of 168,720 people
- the number of households is projected to increase by 77,100 or 37%;
- demographic profile is projected to change with an aging population resulting in strong growth in the number of 'couple only' and one person households.

An assessment of the housing capacity found) there is sufficient urban capacity in the short term (next three years) within each territorial authority to accommodate population projections. There are however shortfalls in the medium term (next ten years) approximately 2,000 households within Selwyn and approximately 3,100 households within Waimakariri.

In response to the medium-term shortfall, "Our Space 2018-2048" identified Future Urban Development Areas (FUDA's) to accommodate growth projections. On the 28 July 2021, the Minister for the Environment approved Proposed Change 1 to Chapter 6 of the CRPS which identifies new FUDAs in Rolleston, Rangiora and Kaiapoi. Change 1 also adds associated policy provisions to enable Selwyn and Waimakariri District Councils to consider rezoning land within these areas through their district planning processes to meet shortfalls in housing capacity.

Canterbury Regional Transport Strategy 2012-2042

The Canterbury Regional Transport Strategy identifies a package of interventions to address Christchurch's current and future transport challenges.

The strategy seeks to transition towards a multi-modal transport system that gives people greater transport choice, supported by land use patterns that make transport accessible and affordable. The strategy also seeks to enable people to choose efficient travel options by employing a mix of infrastructure and service interventions, public education and price signals.

To achieve this vision, the Strategy identifies a range of objectives, outcomes and targets, that describe in detail how progress will be made and how it will be measured.

In the long-term, the Strategy seeks improved transport and land use integration to minimise the need to travel.

Canterbury Regional Land Transport Plan

The Canterbury Regional Land Transport Plan (RLTP) guides land transport planning and investment within the region. It sets out:

- the current state of the region's transport network
- priorities for investment
- a 10-year programme.

Canterbury Regional Public Transport Plan 2018-2028

The Canterbury Regional Public Transport Plan is a legislative document that sets out Environment Canterbury's vision, strategic objectives and policies for delivering public transport in Canterbury.

It describes the public transport system that Environment Canterbury, in partnership with local councils in Greater Christchurch and Timaru, proposes to fund and operate, the priorities for future investment and the policies which those services will operate by. It also explains how Environment Canterbury will work in partnership with operators and territorial authorities.

The Plan's vision is to provide all transport users with sustainable options that move people and freight around and through our region in a safe and efficient way that enables Environment Canterbury to be responsive to future challenges.

Greater Christchurch Public Transport Futures Programme and Mass Rapid Transit Business Case

Greater Christchurch partners are collaborating on a study to understand the implications of a Mass Rapid Transit solution for Greater Christchurch as part of its Public Transport Future's Programme. This is in response to high growth and changing travel demand in the sub-region.

The Public Transport Futures programme consists of three packages: Foundations, Rest of Network, and Mass Rapid Transit (MRT). The first two packages outline the priority opportunity for improving Greater Christchurch's current public transport network. The development of these two packages was finished in late 2020; they are now in the implementation phase with Greater Christchurch councils' Long-Term Plans deciding the appropriate phasing and timing of investment.

The third package – Mass Rapid Transit – is a transformational package that lays the foundation for significant urban development and land use changes and transformation in transport accessibility. This work is required under the Government Policy Statement for land transport and listed in the Canterbury Regional Land Transport Plan (RLTP). In 2021, work was undertaken to identify and protect the corridors and to enable policy changes that support intensification and regeneration in key areas. The implementation of MRT is currently mode agnostic and it is anticipated that the MRT business case will determine the timing and methodology for MRT implementation.

The National Policy Statement on Urban Development (NPS-UD) requires Tier 1 authorities to enable a minimum of 6 storeys in areas within a walkable catchment of existing and planned rapid transit stops[2]. Whilst Christchurch does not currently have a mass rapid transit system, improvements to Christchurch's existing public transport network or the implementation of a mass rapid transit system could have a significant impact on the density of development that is enabled through the NPS-UD.

Potential corridors for mass rapid transit and high frequency public transport services are identified in the Canterbury RLTP's 30 year vision (see diagram below).

[2] The NPS-UD defines rapid transit service as an existing or planned frequent, quick, reliable and high-capacity public transport service that operates on a permanent route (road or rail) that is largely separated from other traffic

Appendix 2: Market Assessment

Christchurch City Council

Residential Market Assessment

January 2022

the propertygroup

Contents

Quality control

Document	Christchurch City Residential Market Assessment
Ref	717987
Date	28 January 2022
Prepared by	Hayley Brownlie, Senior Property Consultant Meegan Skinner, Property Consultant Ruth Allen, Lead Advisor Urban Regeneration
Reviewed by	Ruth Allen

Revision history

Revision	**Revision date**	**Details**	**Authorised**	
			Name/Position	**Signature**
01	01.02.2022		Ruth Allen	

Executive Summary

The Property Group Limited (TPG) has been engaged by Christchurch City Council (Council) to undertake an updated residential capacity analysis for Christchurch City that takes into consideration the impact of the recent policy direction for urban growth under the National Policy Statement on Urban Development (NPSUD) and the implications of the Resource Management (Enabling Housing Supply and Other Matters) Amendment Bill and the new Medium Density Residential Standards (MDRS).

This market assessment has been prepared to support preparation of the capacity analysis. The purpose of the market assessment is to identify the current residential market across the cities catchments and to review the likely demand into the future.

The key findings of the market assessment and analysis include:

- **Strong district residential growth and demand**

The population of Christchurch City is projected to grow under a medium growth scenario, from 392,100 people in 2021 to 417,000 people in 2028 reflecting an increase of 6.4%, with further projected growth to 453,800 people in 2038. The number of dwellings in the city is projected to increase from 148,000 in 2018 to over 161,100 by 2028, and 176,400 by 2043 to account for population growth. The average household size is also steadily declining, reflecting the changing demographics of older households and family structures.

- **Strong value growth and demand**

In recent years, the Christchurch property market has experienced significant activity with strong demand across all value ranges which has resulted in a reduction in supply. The latest statistics released by Quotable Value indicate that Christchurch had the largest rise in average sale price across New Zealand, up 40.2% over 2021. Property listings in the region have been far less constrained than most other parts of the country for an extended period of time, with investors now attracted to Christchurch where prices are significantly more affordable than in Auckland and Wellington and much better yields are achievable.

- **Decreasing Housing Affordability**

Christchurch city is currently considered more affordable than all other main centres in New Zealand. After many years of slow value growth following the Christchurch rebuild, value growth in Christchurch has picked up considerably, with the housing affordability index despite still being much lower than other main centres, now following a similar downward trend.

- **Housing supply**

Over the long term (next 30 years) across the Greater Christchurch area as a whole, there is sufficient capacity and a significant surplus of housing supply capacity in terms of available land. Building consent data indicates an increasing number of infill development in comparison to greenfields in recent years.

- **Limited small to medium sized housing stock available**

There is currently limited availability of apartments, townhouses, or smaller dwelling types across Christchurch compared to similarly sized New Zealand cities. This suggests that there is currently an area of unmet demand for diversity of the housing stock including smaller dwelling typologies to accommodate, smaller household sizes and affordable price points.

1. Introduction

The Property Group Limited (TPG) has been engaged by Christchurch City Council (Council) to undertake an updated residential capacity analysis for Christchurch City that takes into consideration the impact of the recent policy direction for urban growth under the National Policy Statement on Urban Development (NPSUD) and the implications of the Resource Management (Enabling Housing Supply and Other Matters) Amendment Bill and the new Medium Density Residential Standards (MDRS).

The assessment will include consideration of the range of residential dwelling typologies that could be developed across the city under the new policy framework from standalone residential homes to more medium density typologies including infill development, apartments, and town houses.

As part of the capacity assessment, it is important to understand the current market drivers behind residential development. This includes both an understanding of the current residential market trends as well as anticipated levels of growth and demand for housing.

The market assessment has been prepared as a background document to support development of the capacity assessment.

Scope of the Market Assessment

The market assessment aims to provide an understanding of the current market for residential development within Christchurch. It also provides some indication how this may change into the future based on future directions for growth.

The objectives of the market assessment include the following:

- To review and quantify the current residential supply across the city's catchments
- Identify the potential pipeline of residential development and likely demand

Report Structure

Following this introduction, this report provides an overview of the results of the assessment in the following sections.

- Section 2, The Strategic Context: Puts the assessment into context by providing a review of relevant plans and policies and what they mean for residential development
- Section 3, Population growth
- Section 4, Residential Market: Analyses trends in the residential market to establish current and future demand for this sector
- Section 6, Development cost assumption: Outline of development costs including, construction costs and other direct costs and other assumptions.

2. Population growth and demand

The following section of this report provides a high-level overview of the population projections for Christchurch City to identify potential future residential demand.

Population Projections

The greater Christchurch area has experienced significant population change following the Canterbury earthquakes in September 2010 and February 2011. The population of Christchurch City fell in 2011 and 2012 by 18,000 people, mainly due to people moving to adjacent greater Christchurch areas (such as Selwyn and Waimakariri districts). Christchurch City's population took several years to re-bound, to surpass the 2010 population of 376,000 people. (Canterbury District Health Board, 2022).

The estimated resident population as 30 June 2013 and 2018 for Christchurch City is noted below in comparison to the Canterbury Region and New Zealand together with projections for 2023. Between the Census years of 2013 and 2018, the population of Christchurch City increased 42,331 persons or 12.4%.

The estimated resident population of Christchurch City in 2021 is 392,100 people an increase of 8,300 persons (+2.1%) over three years. (Statistics NZ, 2021)

	2013	2018	2023 projection
Christchurch City	341,469	383,800	402,400
Population Change		+ 42,331	+ 18,600
% Increase		+ 12.4%	+ 4.8%
Canterbury Region	539,533	622,800	661,300
Population Change		+ 83,267	+ 38,500
% Increase		+15.4%	+ 6.2%
New Zealand	4,242,048	4,900,600	5,222,400
Population Change		+ 658,552	+ 321,800
% increase		+15.5%	+ 6.6%

TABLE 1: POPULATION STATISTICS AND PROJECTIONS (SOURCE: STATISTICS NZ)

Estimated population forecasts indicate a projected resident population of 463,500 by 2048 an increase of 79,700 persons from 2018 to 2048 representing growth of 20.7%.

Table 2 shows the Statistics New Zealand population and household forecasts in Christchurch City from 2018 through to 2048 under a medium growth scenario. The period 2018 to 2033, as the short to medium term, is likely to be the most accurate and useful forecast information for immediate planning purposes.

	Forecast year						
Summary	**2018**	**2023**	**2028**	**2033**	**2038**	**2043**	**2048**
Population Forecast	383,800	402,400	417,000	430,600	453,800	453,800	463,500
Population Change	-	+ 18,600	+14,600	+13,600	+12,200	+11,000	+9,700
% Increase	-	4.8%	3.6%	3.3%	2.8%	2.5%	2.1%
Household Forecast (Medium growth scenario)	148,000	155,000	161,100	167,200	172,400	176,400	*

TABLE 2: POPULATION AND HOUSEHOLD FORECASTS FOR CHRISTCHURCH CITY 2018 - 2048 (SOURCE: STATISTICS NZ)

It is important to look at the relationship between population and average household size. If the average household size is falling, then there will need to be growth in the number of households (and dwellings for people to live in) to maintain or grow the population. In addition, a reduction in household size may increase the demand for smaller dwelling typologies.

The average household size was estimated to be 2.54 in 2021 and projected to decreased to 2.45 by 2051, the declining rate reflects the changing demographics of older households and changing family structures.

Household Type	**Forecast year**						**Overall % change**
	2018	2023	2028	2033	2038	2043	
Family	101,100	108,100	113,500	119,000	123,700	127,700	26.3%
% Year total	68%	70%	70%	71%	72%	72%	
Other multi-person	10,400	9,800	9,800	9,800	9,700	9,600	7.7%
% Year total	28%	26%	26%	26%	25%	25%	
One person	36,500	37,100	37,800	38,400	38,900	39,100	7.1%
% Year total	25%	24%	23%	23%	23%	22%	
Total	**148,000**	**155,000**	**161,100**	**167,200**	**172,400**	**176,400**	19.2%

TABLE 3: HOUSEHOLD TYPE FORECASTS FOR CHRISTCHURCH CITY 2018-2048 (SOURCE: STATISTICS NZ)

3. Residential Market Assessment

General Market Commentary

To identify recent and potential pricing trends for residential property in Christchurch City we have commented on general market trends over recent years and completed analysis of recent residential sales and rentals across the various catchments.

Following the emergence of the COVID-19 pandemic in late 2019 the New Zealand economy has recovered better than anticipated, and generally on a more national level the residential property sector has remained strong. During the period of 2015 to 2018, Christchurch City experienced a decline in the residential property market, followed by a period of relatively subdued but steady growth through to the end of 2019. This trend was unique in comparison to most of New Zealand, which was experiencing strong growth. Factors influencing the property market decline in Christchurch over this period included:

- Fast tracking of planning and consenting requirements, therefore accelerating development and supply of housing.
- Low population growth in the immediate years following the earthquakes.
- Increased construction associated with the 2011 earthquake rebuild and an influx of migrant construction workers required for the rebuild.
- Rapid growth in surrounding Selwyn and Waimakariri Districts with flat land which is relatively more efficient in term so cost and time to develop.

Post COVID-19 the Christchurch property market has experienced significant activity with strong demand across all value ranges which has resulted in a reduction in supply. The latest statistics released by Quotable Value indicate that Christchurch had the biggest rise in average sale price up 40.2% over 2021.

The reduction of supply together with strong buyer demand and historically low interest rates has resulted in steadily rising prices. Property listings in the region have been far less constrained than most other parts of the country for an extended period of time, with investors now attracted to Christchurch where prices are significantly more affordable than in Auckland and Wellington and much better yields are achievable. (Tony Alexander)

Summarised below are sales statistics relating to Median Sale Price, Number of Sales, Median Days to Sell for Christchurch City in comparison to New Zealand as a whole. The figures reflect the slower value growth Christchurch City when compared to national indicators during the period 2015 to 2018, with increased market activity and value appreciation during 2021 and 2022.

Regional							
	Nov-21	Nov-20	Nov-19	Nov-18	Nov-17	Nov-16	Nov-15
Christchurch City							
Median Sale Price	690,000	525,000	465,000	445,000	460,000	445,000	425,000
Annual Increase	33.4%	12.9%	4.5%	-3.3%	3.4%	4.7%	
No. Sales	1,176	1399	708	776	1040	935	1003
Overall increase - Nov 2015 to Nov 2021					62.4%		
National							
	Nov-21	Nov-20	Nov-19	Nov-18	Nov-17	Nov-16	Nov-15
New Zealand							
Median Sale Price	925,000	747,000	632,000	580,000	540,000	520,000	457,000
Annual Increase	23.8%	18.2%	9.0%	7.4%	3.8%	13.8%	
No. Sales	9,381	10220	7627	7550	7102	7565	8025
Overall Increase - Nov 2015 to 2021 (6 yrs)					102.4%		

TABLE 4: MEDIAN SALE PRICE, ANNUAL INCREASE AND NUMBER OF SALES FOR CHRISTCHURCH AND NZ (SOURCE REINZ)

Summary of Sales Statistics and Analysis

City wide residential sales

An overview of the average gross sale price for all dwellings, standalone dwellings, townhouses and apartments for the last three months per suburb and grouped by catchment is summarised in Table 5 below.

Area/Suburb	All Dwellings		Houses		Flats		Apartments	
Christchurch City	1608	$635,000	1200	$679,000	354	$492,750	54	$520,500
Westmorland	7	$1,180,000	7	$1,180,000				
Strowan	13	$719,000	8	$872,000	5	$603,000		
Sumner	10	$986,000	9	$987,000				
Hoon Hay	36	$598,500	32	$616,250	4	$440,500		
Southshore	5	$710,000	5	$710,000				
Upper Riccarton	23	$632,000	16	$756,000	7	$507,000		

Lyttelton	6	$733,643	5	$718,285				
Broomfield	14	$804,500	14	$804,500				
South New Brighton	10	$478,000	7	$484,000	3	$449,000		
Somerfield	30	$721,750	24	$764,500	6	$586,000		
Waltham	20	$475,000	8	$535,500	12	$438,000		
Wainoni	14	$431,500	12	$431,500	2	$414,380		
Hei Hei	16	$549,025	15	$554,000				
Belfast	20	$615,750	17	$642,000	3	$509,000		
Redcliffs	8	$918,500	6	$985,000	2	$770,500		
Sockburn	23	$634,000	18	$645,000	5	$519,000		
Mairehau	30	$559,500	27	$572,000	3	$547,000		
Middleton	7	$647,000	5	$647,000	2	$654,500		
Opawa	5	$680,000	5	$680,000				
Christchurch Central	71	$547,000	6	$1,484,750	25	$554,000	40	$530,500
Avondale	16	$489,000	15	$489,000				
Harewood	3	$599,000	2	$639,000				
Phillipstown	17	$462,000	9	$467,130	4	$431,500	4	$319,000
Halswell	91	$797,917	85	$814,000	6	$599,000		
Clifton	5	$1,210,000	5	$1,210,000				
Dallington	8	$586,250	7	$588,500				
Marshland	8	$1,012,000	8	$1,012,000				
Saint Martins	9	$602,000	5	$695,000	4	$555,500		
Hornby	37	$569,000	30	$605,500	7	$399,000		
New Brighton	29	$509,500	24	$532,000	5	$383,000		
Sydenham	34	$505,500	13	$607,109	18	$505,500	3	$502,000
Edgeware	17	$524,000	7	$540,000	10	$450,500		
Merivale	12	$678,000	4	$1,494,500	8	$662,000		
Waimairi Beach	8	$967,000	8	$967,000				
North New Brighton	18	$499,500	14	$523,764	4	$468,000		
Cashmere	26	$926,250	22	$938,509	4	$623,250		
Avonhead	31	$779,000	29	$780,000				
Diamond Harbour	5	$664,000	5	$664,000	4	$637,000		
Burnside	49	$789,000	45	$794,000	6	$501,500		
Bishopdale	34	$688,500	28	$700,000	8	$349,750		
Woolston	49	$492,000	41	$524,000				
Richmond	27	$495,000	16	$525,500	10	$470,500		
Hillmorton	3	$672,000	3	$672,000				
Parklands	38	$598,000	28	$653,500				
Riccarton	30	$501,500	11	$845,000				
Northwood	23	$794,000	22	$797,000				

Burwood	27	$595,000	27	$595,000				
Beckenham	4	$593,750	3	$592,000				
Kainga	4	$519,250	4	$519,250				
Addington	21	$475,000	8	$535,500	13	$447,000		
Casebrook	22	$712,750	19	$737,000	3	$483,500		
Spreydon	36	$589,500	27	$617,000	9	$465,000		
Ilam	28	$789,500	21	$867,000	7	$621,000		
Shirley	37	$592,000	32	$620,500	5	$471,000		
Wigram	19	$817,000	16	$843,500	3	$599,000		
Russley	12	$676,000	12	$676,000				
Aranui	18	$371,500	14	$410,500	4	$316,750		
Northcote	14	$579,000	13	$594,000				
Linwood	41	$444,000	22	$508,000	16	$384,500	3	$419,000
Bryndwr	26	$680,500	25	$692,000				
Huntsbury	10	$1,068,500	10	$1,068,500				
Islington	11	$568,000	10	$571,000				
Bromley	12	$465,500	9	$533,000	3	$449,000		
Mount Pleasant	9	$1,105,000	8	$1,111,000				
Hillsborough	8	$655,000	7	$674,000				
Fendalton	13	$1,920,000	12	$2,020,000				
Papanui	33	$652,000	27	$707,000	6	$514,000		
Avonside	4	$535,500	4	$535,500				
Heathcote Valley	12	$685,500	9	$694,000	3	$597,000		
Redwood	33	$647,000	28	$667,000	5	$494,000		
Yaldhurst	5	$716,000	5	$716,000				
Templeton	13	$689,000	10	$749,500	3	$492,000		

TABLE 5: SUMMARY OF THE MEDIAN SALE PRICE OVER THE LAST 3 MONTHS PER SUBURB FOR ALL DWELLINGS, HOUSES, FLATS AND APARTMENTS

Table 6 below outlines the sale price per square metre of gross floor area for all standalone dwellings in all of Christchurch City and the city centre separately. The evidence is summarised in ranges and reflects the gross sale price per square metre of building area. The figures are given in a range which reflects sales which range in location, outlook, aspect, quality and size.

Standalone Homes	
Area	**Analysis Gross Sale Price ($/sqm)**
All of Christchurch	$1,000 - $12,000 per square metre
City Centre	$6,000 - $10,000 per square metre

TABLE 6: SALE PRICE PER GROSS FLOOR AREA FOR STANDALONE DWELLINGS

Table 7 below outlines the sale price per gross floor area of townhouse sales which have occurred in the last 3 months. The suburbs represented in the table below have had more than 5 sales over this period of time, with the majority of townhouse sales occurring St Albans and Shirley. The upper end of the ranges reflects modern smaller townhouses of say one to two bedrooms, with the upper end of the range reflecting older townhouses or larger townhouses of three or more bedrooms.

Townhouses	
Suburb	**Analysis Gross Sale Price ($/sqm)**
Christchurch City Centre	$4,100 - $9,400/sqm
Addington	$4,500 - $12,500/sqm
Richmond	$6,000 - $9,000/sqm
Shirley	$6,000 - $9,100/sqm
Somerfield	$5,000 - $12,600/sqm
St Albans	$3,500 - $10,000/sqm
Sydenham	$3,600 - $10,100/sqm

TABLE 7: SALE PRICE PER GROSS FLOOR AREA FOR TOWN HOUSES

Table 8 below outlines the sale price per gross floor area range for apartment sales within the last 3 months. The upper end of the range reflects modern recently constructed apartments in the City Centre, with the lower end of the range reflecting older apartments less centrally located.

Apartments			
Area	**Analysis Gross Sale Price ($/sqm)**		
	1bed	**2bed**	**3bed**
All Suburbs	$6,700 - $12,500	$5,500 - $12,500	$5,500 - $11,500

TABLE 8: SALE PRICE PER GROSS FLOOR AREA FOR APARTMENTS

The number of apartments in Christchurch City is relatively low, with the majority of apartment sales occurring in the City Centre, followed by a small number in Linwood and St Albans.

Residential Rentals

An overview of the median and upper price points for rentals are shown in Table 9 below. The data is categorised by dwelling type, including detached houses and flats and apartments.

Suburb			Apartment						Flat				Houses									
	All Typologies		1 Bed		2 Bed		3 Bed		1 Bed		2 Bed		1 Bed		2 Bed		3 Bed		4 Bed		5 + Bed	
	Median	Upper	Median	Upper	Median	Upper	Median	Upper	Median	Upper	Median	Upper	Median	Upper	Median	Upper	Median	Upper	Median	Upper	Median	Upper
Addington	350	425			415	420	418	420			335	388	220	400	420	448	450	493	550	595	320	320
Aidanfield	590	629															505	569	603	631		
Aranui	410	445													380	410	400	443				
Avondale	425	470															455	483				
Avonhead	493	549									380	420			400	429	490	530	575	600	635	680
Avonside	410	475															460	480				
Beckenham	445	493															490	500				
Belfast	500	530													355	390	508	530	555	560		
Bishopdale	475	505									380	385		380	408	480	508	530	580			
Bromley	380	423															450	450				
Broomfield	490	550															440	460	498	500		
Bryndwr	450	520									390	405			398	420	490	523	550	594		
Burnside	490	580													410	435	485	515	580	600		
Casebrook	450	510													410	426	450	505	430	540		
Cashmere	510	570													420	443	535	550	635	685		
Christchurch Central	410	475	380	410	450	495	530	560	280	393	350	425	390	400	445	480	525	600	625	665		
Clifton	740	923															750	940				
Dallington	443	493															475	485	520	580		
Edgeware	400	465	379	379	410	450			275	295	360	398	320	350	425	450	495	550	550	560		
Fendalton	500	650			550	550									450	495	515	643	650	800		
Ferrymead	412	436																				
Halswell	545	580													428	453	520	550	588	620		
Harewood	540	595																				
Heathcote Valley	480	495													480	480	495	495				
Christchurch - Hei Hei	470	480															460	475	485	525		
Hillmorton	465	520													370	410	495	518	540	565		
Hillsborough	450	461													400	450	455	471				
Hoon Hay	455	490													425	450	460	485	523	578		
Hornby	450	470													360	395	450	480	500	560		

(TENANCY SERVICES , MAY - OCTOBER 2021)

TABLE 9: MEDIAN RENTAL BY SUBURB FOR CHRISTCHURCH CITY SUBURBS (TENANCY SERVICES MAY - OCT 2021)

Suburb			Apartment						Flat				Houses									
	All Typologies		1 Bed		2 Bed		3 Bed		1 Bed		2 Bed		1 Bed		2 Bed		3 Bed		4 Bed		5 + Bed	
Huntsbury	540	593															580	588				
Ilam	450	560									390	408			410	439	500	550	600	650	700	840
Islington	445	483															445	480	500	510		
Linwood	350	425	325	340	360	393	430	434	298	320	335	360	305	326	385	429	450	495	478	508		
Mairehau	460	510													400	406	465	499	510	530		
Merivale	450	510			450	470			315	320	375	418			440	470	525	618	700	1000		
Moncks Bay	475	560																				
Mount Pleasant	533	645													420	450	550	695	650	675		
New Brighton	413	470									375	390			355	380	460	495	520	558		
North New Brighton	450	480													415	428	450	478				
Northcote	440	500															438	480				
Opawa	455	600															435	470				
Papanui	460	530									383	413	109	252	438	443	490	550	550	650		
Parklands	465	550									380	380			433	455	460	490	565	593		
Phillipstown	345	410	290	300	340	360			265	275	328	350	293	306	375	410	438	483				
Redcliffs	493	563													450	525	495	600				
Redwood	460	494													390	440	460	480				
Riccarton	380	450			410	468	500	600	300	338	385	408	400	400	410	440	460	515	533	580	625	703
Richmond	420	445	290	290	438	438			300	315	320	340			425	430	445	480	500	575		
Russley	465	500													420	430	480	529	475	550		
Saint Martins	450	500													410	420	490	538				
Scarborough	708	749															720	725				
Shirley	450	483													348	358	450	484	495	534		
Sockburn	423	470									345	384			380	410	450	473	590	631		
Somerfield	450	510									403	421			398	420	490	513				
South New Brighton	403	418																				
Southshore	450	500																				
Spreydon	438	495							280	280	375	389			420	450	480	528	500	558		
St Albans	420	500	345	350	380	416			275	300	380	400	330	366	420	450	520	580	580	693	750	850
Strowan	493	550													400	425	545	555	564	650		
Sumner	475	515													425	480	510	535				
Sydenham	420	460	350	360	375	410					340	370	355	380	420	440	470	495	540	578		
Templeton	440	484															445	450				
Upper Riccarton	380	450									385	400	230	253	385	416	463	490	545	593	480	625
Wainoni	398	443															420	445	450	460		
Waltham	360	410	265	295	360	366					350	360	345	360	390	410	460	495				
Westmorland	538	578															525	550				
Woolston	400	450									350	370			373	400	435	460	550	558		
Yaldhurst	545	620															530	545	583	643		

Building Consents

Table 11, below shows the history of new residential building consents since 2015. The number of residential building consents dropped each year from 2015-2019, which reflects the normalising of residential construction post the Christchurch rebuild.

	Number of new dwellings consented					
Year ended June	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**
Christchurch City	4,236	3,838	2,620	2,522	2,519	2,903
Annual change	-398	-1,218	-98	-3	-98	+384
% Change over 5 years						-31.5%
New Zealand	25,154	29,097	30,453	32,860	34,804	37,614
Annual Change	3,943	1,356	2,407	1,944	2,407	12,460
% Change over 5 years						49.5%

TABLE 10: RESIDENTIAL BUILDING CONSENTS SINCE 2015, CHRISTCHURCH AND NATIONALLY (SOURCE STATISTICS NZ)

The number of new dwelling building consents issued in Christchurch City has decreased over the five-year period from 2015 to 2020 from 4,236 to 2903 (-1,333) reflecting a 31.5% reduction over this time. This compares a national increase of 49.5% increase over the same five-year period. This reflects the reduction of consents to a more 'normal' level following significant consenting activity associated with the Christchurch rebuild. In the last 24 months however, there has been a marked increase in the number of residential building consents reflecting the increased demand for new residential development and the strength of the residential property market.

Housing Affordability

The housing affordability index is the ratio of the average current house value to average annual earnings. A higher ratio, therefore, suggests that average houses cost a greater multiple of typical incomes, which indicates lower housing affordability (i.e. a lower index is more affordable).

Property value appreciation has become a more prominent issue affecting housing affordability and has been influenced by a range of factors including more widely accessible credit, historically low interest rates, high net migration and population growth with insufficient housing supply, increasing construction costs and high demand to live close to major centres. At the same time as there has been consistent appreciation in property values, household incomes have generally risen at lower rates. (CorelogicNZ)

Figure 1 below outlines the Housing Affordability Index for Christchurch in comparison to other main centres around New Zealand, along with the share of income for repayments, years to save deposit and rent to income ratio.

	Value to Income ratio		Share of income for repayments		Years to save deposit		Rent to income ratio	
Main centre	Latest (Q2 2021)	Average (2004-21)	Latest (Q2 2021)	Average (2004-21)	Latest (Q2 2021)	Average (2004-21)	Latest (Q2 2021)	Average (2004-21)
Auckland	9.1	6.9	43%	43%	12.1	9.2	20%	22%
Hamilton	7.9	5.1	38%	32%	10.5	6.8	22%	20%
Tauranga	10.3	7.8	49%	50%	13.7	10.4	29%	27%
Wellington	7.6	5.2	36%	33%	10.1	6.9	19%	18%
Christchurch	5.7	5.0	28%	32%	7.6	6.7	19%	20%
Dunedin	8.1	5.4	39%	34%	10.7	7.2	24%	23%
NZ	7.9	5.8	38%	37%	10.6	7.8	21%	21%

FIGURE 1: HOUSING AFFORDABILITY COMPARISON OF CHRISTCHURCH WITH OTHER MAIN CENTRES (SOURCE: CORELOGIC Q2 2021 HOUSING AFFORDABILITY REPORT)

The Christchurch housing affordability index was 5.7 in Q2 2021 up from 4.8 the previous year, this compares with the national average which reached a record high of 7.9 in Q2 2021 up from 6.6 the previous year. Whilst Christchurch appears to be following the national trend as a result of house price appreciation, the Christchurch affordability index is still much lower than all main centres across New Zealand.

Risk assessment

The long-term effects of COVID-19 pandemic over the past 24 months are still unknown. In the short term the pandemic appears to have been a factor in supporting residential sale price growth in Christchurch. The long-term consequences of the pandemic are not clear and whether the growth in house prices continues or declines as a result is likely to be linked to the impact on the wider economy.

There are a number of risk factors which are currently placing pressure on the residential property market, these include:

- Government Policy and Interest Rates – House prices have continued to increase despite changes in Government tax policies focused on residential property investments, the tightening of bank loan to value ratios and falling population growth rates. The outlook is still tempered by the prospect of rising mortgage interest rates and the introduction of debt-to-income ratio restrictions on bank lending. Short term interest rates have increased since July 2021, as the Reserve Bank has started tightening its monetary policy settings. Market expectations are for higher interest rates to come, which in turn will limit homeowners buying power.
- Inflation – Inflation is currently 4.9% however new data to be provided in late January is expected to show a rate close to 6%. Uncertainty regarding the track for inflation is very high and strong price rises may begin to alter people's spending patterns.
- Construction Costs - On an annual basis, construction costs rose from 4.5% in Q2 2021 to 5.5% in Q3, the fastest rate of growth since the first quarter of 2018. The data shows that timber prices, particularly structural timber and cladding, have been a key contributor to overall cost increases. Metal costs and products have also been a factor in the increases. Looking ahead, it seems likely that the construction industry will remain strong for some time, with investors strongly incentivised to buy new-builds, due to their exemption from the loan to value ratio rules and ability to claim mortgage interest as a deductible expense for the first 20 years of the property's life (CoreLogic, Q3 2021).
- Construction supply shortages – the COVID-19 pandemic and resultant global supply chain issues is exacerbating shortages of construction materials and delaying project completion. The construction sector is experiencing increased holding costs as a result, and an inability to deliver on time and to budget.
- Housing Affordability - The housing affordability index has stepped up since 2016. The Index Value has increased from a figure of just under 5 to just under 6, meaning housing is now less affordable than 2016. This follows the general trend in New Zealand with house prices growing faster than incomes.

4. Development costs assessment

Introduction

The purpose of the development cost review and the rates noted below is to identify indicative construction costs within the Christchurch market to inform the preliminary financial feasibility and modelling of the development options. The cost information is based on the market sectors identified by TPG and as generally commented on in this report. The costs below are broad and based on generic assumptions of the site and proposed buildings. They assume a median build quality and average floor sizes. They will require refinement as the build options are further defined. Any site-specific conditions, including those that may onerously affect the due diligence, method of construction or materials will need to be assessed with the feasibility studies and included in addition to the below as the individual projects are defined and assessed.

It should be noted development costs, and particularly construction costs, are currently volatile while consequences of the COVID-19 pandemic a felt throughout the market. The below indicative costs are based on current development estimates as of early 2021, however, these estimates are themselves heavily caveated and subject to update, availability of materials and cost updates at the time of instruction. They will likely be influenced by pre COVID-19 prices and therefore a degree of cost escalation needs to be considered. Further comment is included in the Cost Escalation section below.

Construction Costs

Once the project is further defined including detail around occupier use, building type, floor areas, number of levels, location, access etc are available, a refined build cost will be provided for the feasibility studies which will incorporate site-specific issues. The following rates are indicative and for guidance only. They are build rates for construction above ground on a gross floor area basis. Rates are exclusive of the following:

- Goods and Services Tax
- Professional fees
- Legal costs
- Council development costs (contributions)
- Remediation, earthworks, and site infrastructure costs
- Removal of contaminated materials, including in demolition and earthworks
- Resource consent fees
- Service connections
- Car parking
- Resource consent fees
- Finance costs
- Land purchase
- Developers Profit
- Land purchase
- The following development cost assumptions were sourced from TPG's market intelligence.

TABLE 11: CONSTRUCTION COSTS (TPG INTERNAL DATABASE)

Construction Costs	Cost ($ plus GST, if any)
Residential	
Low density/rise	$2,800 - $4,000 psm
Medium density/rise	$3,000 - $4,500 psm
High density/rise	$5,000 - $6,000 psm
Carparking - Central CBD only	
Open Area Parking	$350 psm
Covered and Multi-level	$1,760 psm
Seismic Resilience	Base Isolation 2.5-10% of construction costs
Open Space	
Soft	$100 psm
Hard	$400 psm
Demolition Costs	
Light duty – heavy duty	$80 - $200 psm
Site Establishment	$300/sqm (civils and services)

TABLE 12: ADDITIONAL FEES AND COSTS (TPG INTERNAL DATABASE)

Fees and Additional Costs	Cost ($ plus GST, if any)
Professional Fees	10-15%
Goods and Services Tax	15%
Council fees (subdivision and building)	$5,000 - $8,000 per dwelling
Legal Fees	$2,000 per dwelling
Marketing Costs	2.5% of gross sales
Survey and Title	$5,000 per unit
Project Contingency	10 – 20 %
Development Contributions	Refer Below
Interest Rate	7.0%
Cost Escalation	5.0%

Site establishment

Site establishment is not included within the above. The cost is site specific and will vary dependent on a number of factors including location, accessibility and surroundings.

Town Centre, brown field or reclamations will incur additional site establishment costs than a greenfield site. Locations within a Town Centre location with restricted access, storage, site accommodation and the like will incur additional costs; this is likely to be in the region of 5% to 10% over that of greenfield sites.

Development contributions

Development contribution charges are applied on a catchment basis. For resource consent (subdivision) applications, it is assumed that every lot created will contain one household unit equivalent (HUE). If, at a future time, more than one residential unit is developed on a lot, a development assessment is undertaken for each additional residential unit. Council's development contribution charges schedule is attached as Appendix 1 to this report.

A lot will be assessed as containing more than one household unit if it contains more than one kitchen. In these cases, the lot will be assessed at a rate of 1 HUE per kitchen where that kitchen creates a self-contained residential unit.

Small residential unit adjustment

- A small residential unit adjustment is applied to a residential unit with a gross floor area (GFA) of less than 100sqm, including garaging and potentially habitable accessory buildings. For activities other than stormwater and flood protection, the adjustment reduces the HUE calculation on a sliding scale in proportion of the GFA. For example, a residential unit with a GFA of 80sqm will be assessed at 0.8 HUE or 80% of the normally applicable development contribution requirement. The maximum adjustment is to a GFA of 35sqm or 35% of the charge for 1 HUE.
- For developments of more than on residential unit the adjustment is applied based on the average size of all units with a GFA of less than 100sqm (units with a GFA of 100sqm or more are assessed as 1 HUE). The assessment for stormwater and flood protection is on the basis of all units having an equal share of the total ISA.

Subsequent Redevelopment

- If a residential unit has previously received a small residential unit adjustment and is later the subject of consent application to enlarge the GFA, a development contribution assessment will be made, recognising the development contributions previously paid.

Multi-unit stormwater and flood protection adjustment

- Residential developments of two or more attached residential units on a single lot receive an adjusted stormwater and flood protection development contribution if they have a lower-than-average Impervious Surface Area (ISA). The total impervious surface area of the development is divided by the average ISA for a single residential unit (427sqm) to calculate the number of HUES for stormwater and flood protection.

Resource Consent

Planning compliance, including resource consent costs will be dependent on the site the specifics. Costs for complex sites will require to be incorporated within site specific project business plans. As a general rule of thumb resource consents (exclusive of Development Contribution Fees) could be considered to generally be in the region of 0.05% to 0.1% of the gross development value, however this will be dependent on the project.

Legal fees

Legal Fees inclusive of Surveying and Subdivision Fees will be dependent on the site. Costs for complex sites will require to be incorporated within site specific project business plans.

Cost Escalation

Construction costs and material prices have been extremely volatile following implications of COVID-19. Effects including following the periods of shutdown, and also logistics and import difficulties have resulted in significant increases. These are ongoing, particularly for materials like timber and steel, and estimating a figure for how much these have increased over the past 12 months across the market will be inaccurate.

On an annual basis, construction cost growth rose from 4.5% in Q2 2021 to 5.5% in Q3, the fastest rate of growth since the first quarter of 2018. The data shows that timber prices, particularly structural timber and cladding, have been a key contributor to overall cost increases. Metal costs and products have also been a factor in the increases.

Looking ahead, it seems likely that the construction industry will remain strong for some time, with investors strongly incentivised to buy new-builds, due to their exemption from the loan to value ratio rules and ability to claim mortgage interest as a deductible expense for the first 20 years of the property's life (CoreLogic, Q3 2021). It appears a degree of cost uncertainty will continue over at least the short term and potentially over a longer time period.

Land Costs

Land values vary across Christchurch City as a result of varying parcel sizes, location and proximity to amenities and ground conditions. High level land values have been estimated through TPG's sales analysis and through discussions with local property professionals and range from $1,000 - $5,000 per square metre.

The lower end of the range reflects traditional sized development sites in the outer city suburbs, along with large centrally located sites, with the upper end of the range reflecting smaller and traditional sized Central City and West End development sites.

Liquefaction issues and ground conditions are factored into the purchase price of land, with developers discounting land prices by up to $300 per square metre if significant ground stability work and excavation is required. It is common practice for Council to request full geotechnical site investigations before consent for development is granted.

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2.7 Schedule of development contribution charges (per HUE)

Table 4: Development contribution charge for each activity by catchment. The overall charge will depend on the location of the development.

Activity Group	Activity	Catchment Development Contribution Charge							
Reserves	Regional Parks	District-wide							
	Ex. GST	$101.07							
	Inc. GST	$116.23							
	Garden and Heritage Parks	District-wide							
	Ex. GST	$140.36							
	Inc. GST	$161.42							
	Sports Parks	District-wide							
	Ex. GST	$337.17							
	Inc. GST	$387.75							
	Neighbourhood Parks	Central	Medium Density	Suburban	Growth	Banks Peninsula			
	Ex. GST	$119.02	$69.63	$535.35	$472.69	$136.56			
	Inc. GST	$136.87	$80.07	$615.65	$543.60	$157.04			
Network Infrastructure	Water Supply	Akaroa Harbour	Central North	Central South	Lyttelton Harbour	Marshlands	North	North West	Banks Peninsula
	Ex. GST	$10,977.46	$1,165.96	$693.16	$5,130.89	$4,755.71	$562.83	$2,008.11	$6,467.53
	Inc. GST	$12,624.07	$1,340.85	$797.13	$5,900.52	$5,469.06	$647.26	$2,309.32	$7,437.66
	Water Supply Cont.	West	Woolston/Sumner						
	Ex. GST	$1,608.04	$980.85						
	Inc. GST	$1,849.24	$1,127.97						
	Wastewater Collection	North	North West	South	South West	East	City	West	Lyttelton Harbour
	Ex. GST	$4,085.68	$1,862.04	$1,066.03	$6,989.79	$258.31	$261.61	$2,987.56	$6,025.25
	Inc. GST	$4,698.53	$2,141.35	$1,225.93	$8,038.26	$297.06	$300.85	$3,332.19	$6,929.04

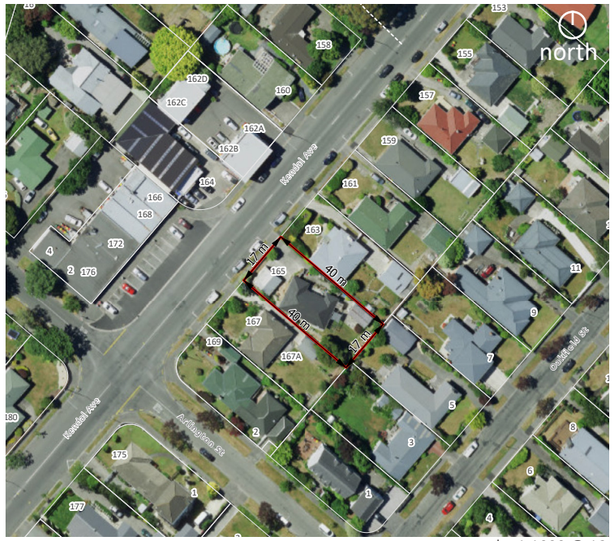
Activity Group	Activity	Catchment Development Contribution Charge							
		Akaroa Harbour	**Banks Peninsula**						
	Ex. GST	$2,105.48	$258.31						
	Inc. GST	$2,421.30	$297.06						
Network Infrastructure	**Wastewater Treatment/Disposal**	**Christchurch**	**Akaroa Harbour**	**Banks Peninsula**					
	Ex. GST	$935.35	$42,057.16	$0.00					
	Inc. GST	$1,075.65	$48,365.73	$0.00					
	Stormwater & Flood Protection	**Styx**	**Ōtukaikino**	**Avon**	**Waimakariri**	**Coastal**	**Heathcote**	**Halswell**	**Banks Peninsula**
	Ex. GST	$11,717.92	$3,448.72	$829.57	$183.54	$654.56	$4,095.55	$13,469.48	$2,042.09
	Inc. GST	$13,475.61	$3,966.03	$954.01	$211.08	$752.74	$4,709.89	$15,489.90	$2,348.41
		Lyttelton Harbour / Whakaraupō							
	Ex. GST	$654.10							
	Inc. GST	$752.22							
	Road Network	**Growth**	**Central City**	**Medium Density**	**Suburban**	**Banks Peninsula**	**Lyttelton Harbour**		
	Ex. GST	$3,359.86	$984.01	$988.65	$948.58	$538.56	$1,035.88		
	Inc. GST	$3,863.84	$1,131.61	$1,136.95	$1,090.87	$619.35	$1,191.26		
	Active Travel	**Metro Zone**							
	Ex. GST	$851.70							
	Inc. GST	$979.46							
	Public Transport	**Metro Zone**							
	Ex. GST	$481.42							
	Inc. GST	$553.63							
Community Infrastructure	**Community Infrastructure**	**District-Wide**							
	Ex. GST	$859.50							
	Inc. GST	$988.43							

Appendix 3: Typology Development

165 Kendal Avenue, Burnside, Christchurch

Residential Suburban Zone

Site Area: 700m2 (17 x 40 m)



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Residential Zone	MDRS: Enabling Housing Supply and other Matters Bill	Christchurch: Residential Suburban Zone
Site Density	Max. 3 Units	1 unit/ 450m^2 minimum No minimum net site area for multi-unit residential complexes, social housing complexes, and older person's housing units
Maximum Site Coverage (building coverage)	50% 350m^2	35% net site area covered by buildings: 245m^2 40% net site area for single storey multi-unit complexes where all the buildings are single storey: 280m^2
Maximum Building Height	11m plus roof form up to 12m	8m
Landscaped Area coverage	Minimum 20% 140m^2	Minimum 20% for multi-unit developments: 140m^2
Height to Boundary (Daylight recession planes)	4m + 60°	2.3m plus recession plane angle
Outdoor Living Space	Ground floor: 20m^2 no dimension less than 3m Above ground floor level: 8m^2 minimum dimension 1.8m	Minimum area: 90m^2 with minimum dimension: 6m Multi-unit residential units: minimum 30m^2 with minimum dimension 4m
Minimum building setbacks	Front: 1.5m Side: 1m Rear: 1m	1m from internal boundaries
Outlook space	Principal living room: 4x 4m; Bedroom: 1x 1m	N/a
Minimum setback for balconies		4m
Minimum road boundary building setback	Front: 1.5m	4.5m
Subdivision Minimum Site Area		450m^2

Notes:

The proposed Medium Density Residential Standards (MDRS) allows for increased height and site coverage compared to the existing Residential Suburban zoning (RSZ). However, the RSZ allows for multi unit developments that would allow for smaller units with increased landscape area.

The MDRS examples allow for three large houses that take advantage of the bulk and mass permissible under the MDRS and '3 units'. A more compact form such as townhouses may be more efficient, support a better built form outcome and be more profitable although the single laneway access is not ideal from an urban design perspective. A terrace layout also potentially allows for improved landscaping options although small ground floor footprint can limit ground floor area and accessibility of units due to the potential for all bedrooms to be located on the upper floors.

There is potential for shared wall and duplex arrangements between the sites that share boundaries.

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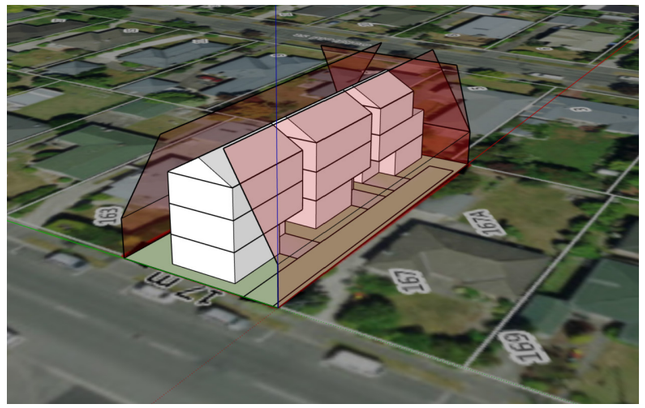
TYPOLOGY

Standalone Housing



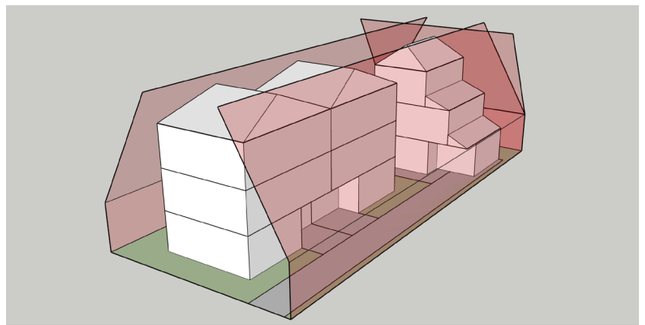
MDRS

Number of Units: 3 x three storey standalone dwellings

Building Coverage: 99.5 m^2 per unit (includes garage)

Residential Suburban Zone allows for:
Number of Units: 2 x 2 storey
Maximum 122.5 m^2 per unit maximum site coverage

Terrace/ Duplex Housing

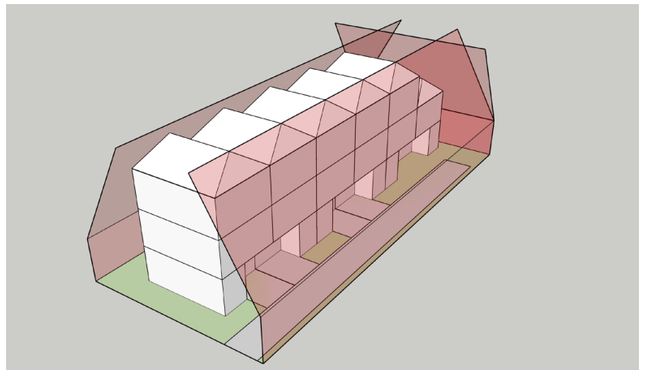


MDRS

Total Number of Units: 3

1 x three storey standalone; building coverage (includes garage) 80 m^2
2 x three storey duplex; building coverage (includes garage) 80 m^2 per Unit (includes garage)

Note: Similar outcome to standalone

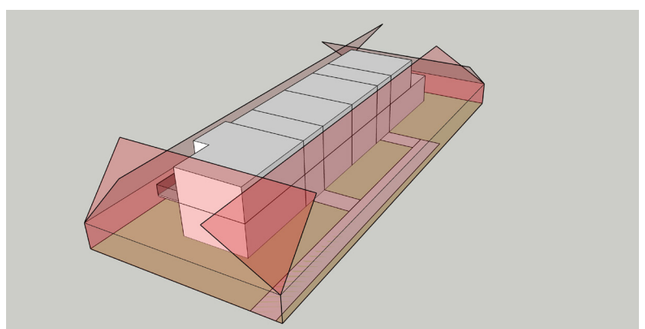


Alternative Option

Total number of Units: 6
5 x three storey; building coverage 48 m^2 (includes garage)
1x two storey; building coverage 48 m^2 (includes garage)

Note: Compliant with most controls under MDRS including Site Coverage, Outlook and Outdoor Space

Multi Unit Housing Examples



Residential Suburban Zone

Total number of Units: 8
1x two bedroom, 2x one bedroom and 5x studio units between 35-65 m^2

Walk access only- can remove some ground floor units to allow for vehicle access and under croft parking.

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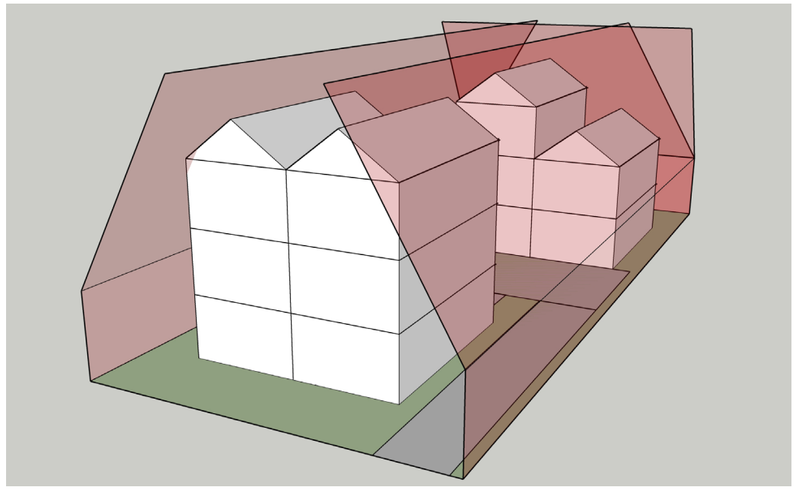
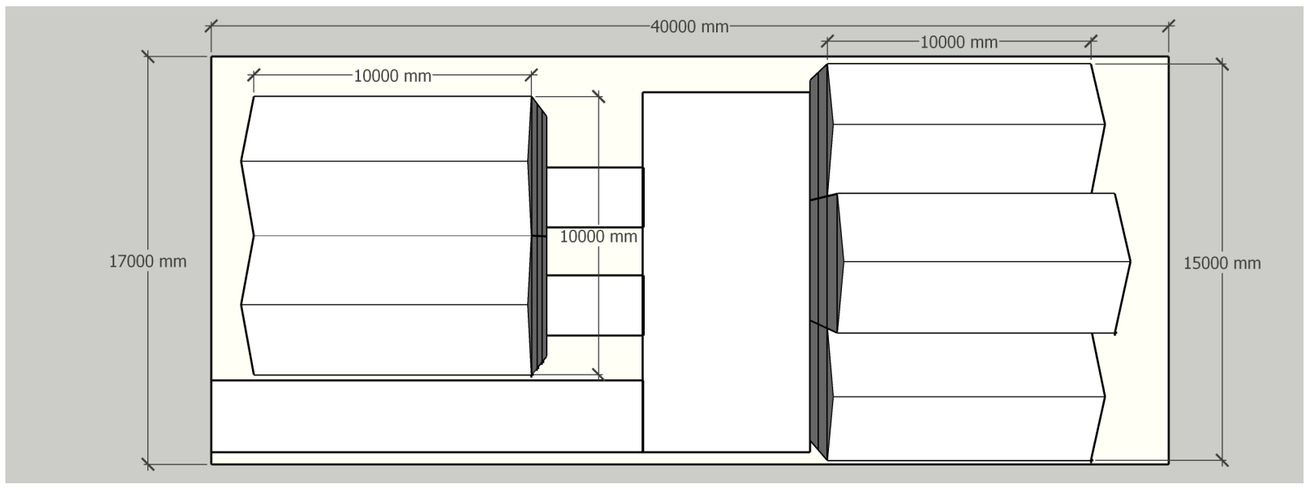
Multi Unit Housing Examples

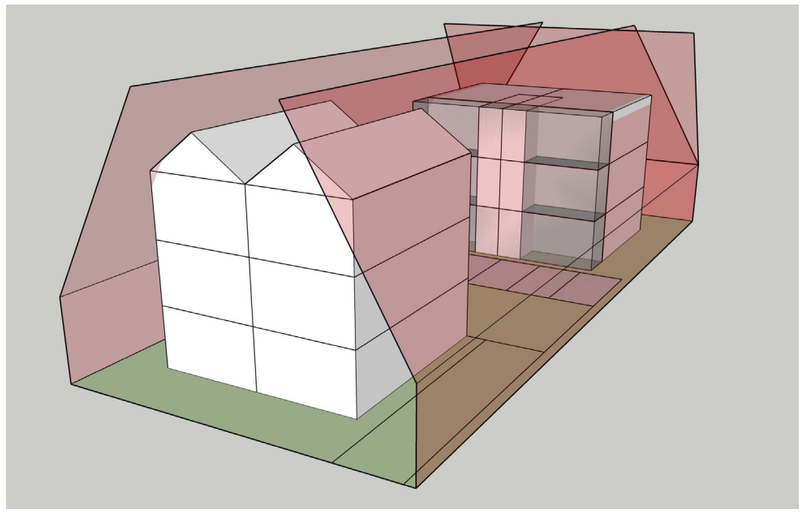
Alternative Option
Total number of Units: 5
3 x three storey terrace; building coverage 50 m^2 (includes one garage/ unit)
2 x two storey terrace; building coverage 50 m^2 per floor (includes one garage/ unit)

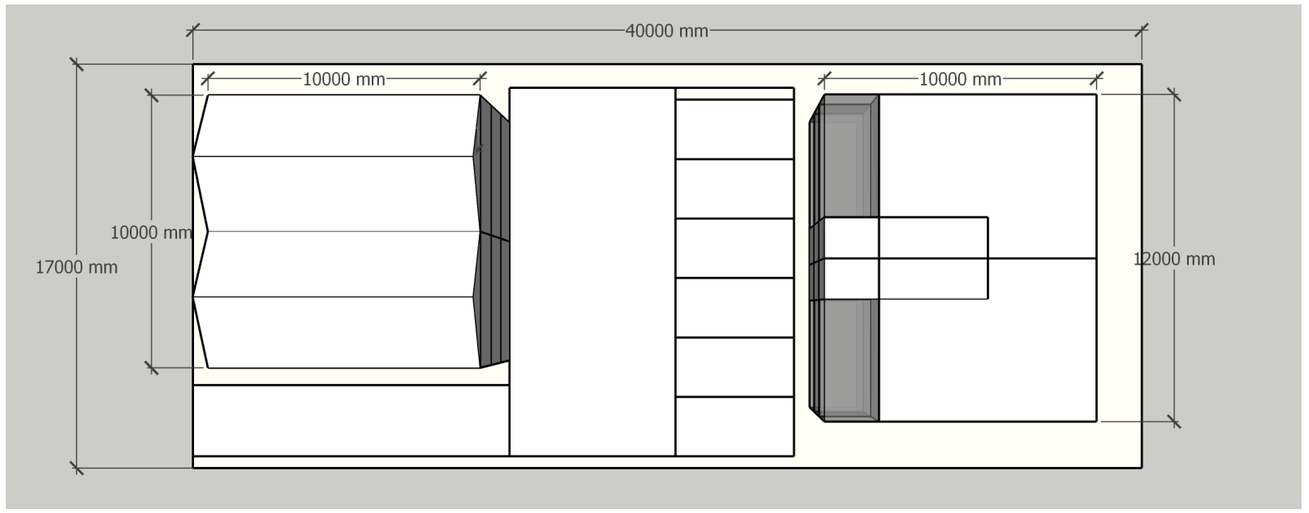
Note: Compliant with most controls under MDRS including Site Coverage, Outlook and Outdoor Space





Alternative Option
Total number of Units: 8
2 x three storey terrace; building coverage 50m^2 per unit (includes one garage/ unit)
6 x 42m^2 Studio or 3 x 84 m^2 2-3 Bedroom Units in Walk up (includes 6 at grade car parks)





162 Clarence Street, Riccarton, Christchurch

Residential Medium Density Zone

Site Area: 550m² (15 x 36 m)

Residential Zone	MDRS: Enabling Housing Supply and other Matters Bill	Christchurch: Residential Medium Density Zone
Site Density	Max. 3 Units	No site density applies- Minimum subdivision area 200m²
Maximum Site Coverage (building coverage)	50% 275m²	50% 275m²
Maximum Building Height	11m plus roof form up to 12m	11m (unless site subject to overlay)
Landscaped Area coverage	Minimum 20% 110m²	Minimum 20% 110m²
Height to Boundary (Daylight recession planes)	4m + 60°	2.3m plus recession plane angle
Outdoor Living Space	Ground floor: 20m² no dimension less than 3m Above ground floor level: 8m² minimum dimension 1.8m	For one bedroom / studio: Minimum ground floor area: 16m² Minimum for balcony: 1.5m dimension and 6m² area For two plus bedrooms: Minimum ground floor area: 30m² Minimum dimension at ground level: 4m Minimum dimension for balcony: 1.5m
Outlook space	Principal living room: 4x 4m; Bedroom: 1x 1m	n/a
Minimum setback for balconies		4m
Minimum road boundary building setback	Front: 1.5m	2m
Minimum residential unit size		Studio 35m² 1 Bedroom 45m² 2 Bedrooms 60m² 3 or more Bedrooms 90m²
Subdivision Minimum Site Area		200m²

Existing area has many surrounding sites already at a maximum or infilled.

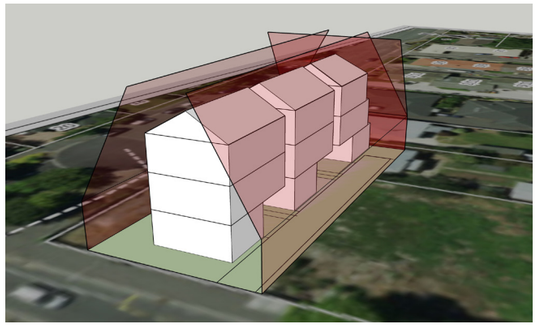
Site width at 15m and geometry limits access options and location of built form which is largely constrained to centre of site. Vehicle access route to south to allow for northern orientation of outdoor areas.

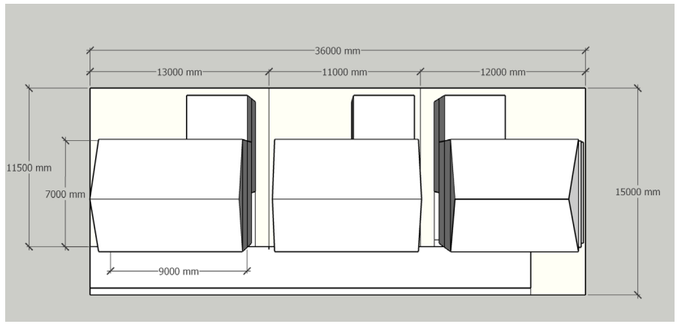
MDRS zoning rules are comparable with Residential Medium Density Zone although there is an increased outdoor area requirement for ground floor units with two bedrooms and above and different recession plane requirements.

the propertygroup

TYPOLOGY

Standalone Housing





MDRS:

Number of Units: 3 x three storey
Building Coverage Approx. 80 m^2 per unit (includes garage)

Residential Medium Density Zone allows for:
Number of Units: 2
Max. 137.5m^2 floor area per Unit

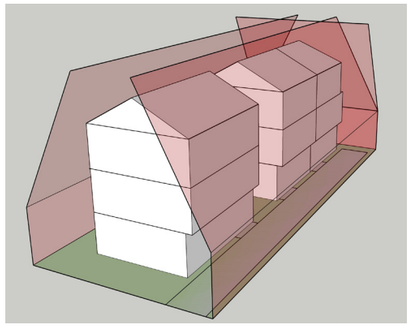
Terrace Housing

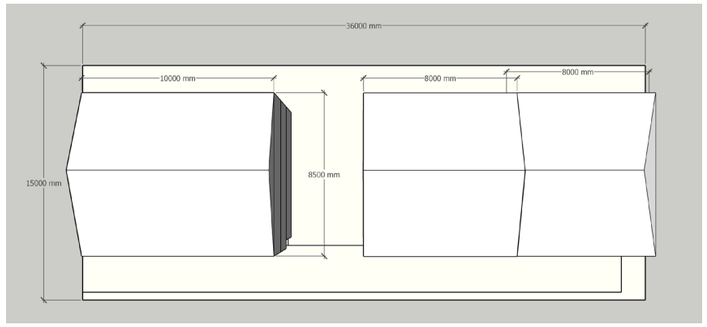
Similar to Layout and built form to above scenario although more compact

MDRS:

Number of Units: 3 x three storey terrace
Building Coverage 80 m^2 per unit (includes garage)

Multi Unit Housing Options

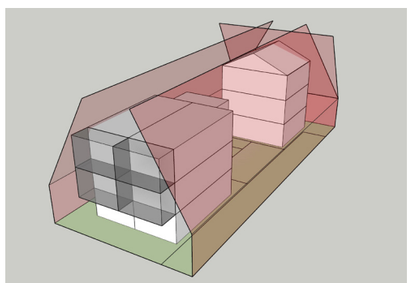


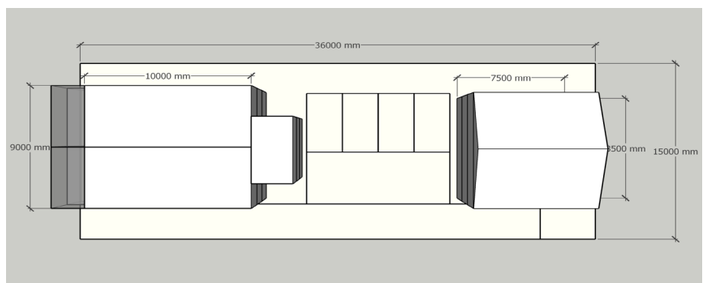


MDRS:
Total number of Units: 3

1 x three storey standalone-
Building Coverage approx. 80 m^2 (includes garage)

2x three storey duplex unit-
Building Coverage approx. 80 m^2 per unit (includes garage)



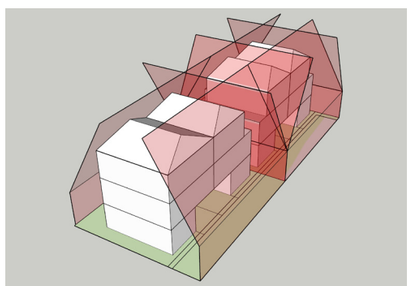


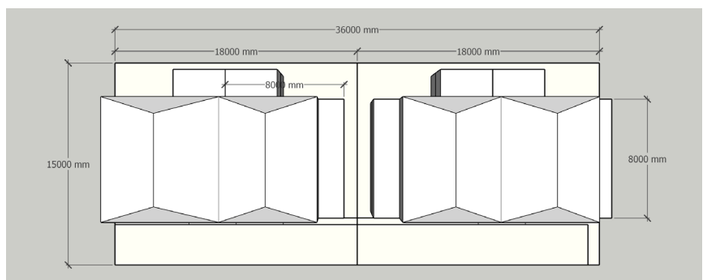
Alternative Option:
Total number of Units: 7

1 x three storey standalone-
Building Coverage approx. 65m^2 per unit (includes garage)

6 x one bedroom 45m^2 units plus deck/ outdoor living
4 x at grade parking

Subdivision Option





Subdivision Scenario:

Site areas- 1 x 268 m^2 + 1 x 207 m^2 plus laneway access

Can allow for 2 x three storey duplex housing per site
Building coverage approx. 67m^2 per unit

211 & 213 Linwood Avenue, Christchurch

Residential Medium Density Zone

Site Area: 2000m^2 (25 x 80 m)

Residential Zone	MDRS: Enabling Housing Supply and other Matters Bill	Christchurch: Residential Medium Density Zone
Site Density	Max. 3 Units/ site	No site density applies- Minimum subdivision area 200m^2
Maximum Site Coverage (building coverage)	50% 1000m^2	50% 1000m^2
Maximum Building Height	11m plus roof form up to 12m	11m (unless site subject to overlay)
Landscaped Area coverage	Minimum 20% 400 m^2	Minimum 20% 400m^2
Height to Boundary (Daylight recession planes)	4m + 60°	2.3m plus recession plane angle
Outdoor Living Space	Ground floor: 20m^2 no dimension less than 3m Above ground floor level: 8m^2 minimum dimension 1.8m	For one bedroom / studio: Minimum ground floor area: 16m^2 Minimum for balcony: 1.5m dimension and 6m^2 area For two plus bedrooms: Minimum ground floor area: 30m^2 Minimum dimension at ground level: 4m Minimum dimension for balcony: 1.5m
Outlook space	Principal living room: 4x 4m; Bedroom: 1x 1m	n/a
Minimum setback for balconies		4m
Minimum road boundary building setback	Front: 1.5m	2m
Minimum residential unit size		Studio 35m^2 1 Bedroom 45m^2 2 Bedrooms 60m^2 3 or more Bedrooms 90m^2
Subdivision Minimum Site Area		200m^2

Amalgamation of two sites with 25m width.

Opportunities for mixed use fronting street and residential to rear.

Recession plane and HirB generous due to ROW access on neighbouring sites.

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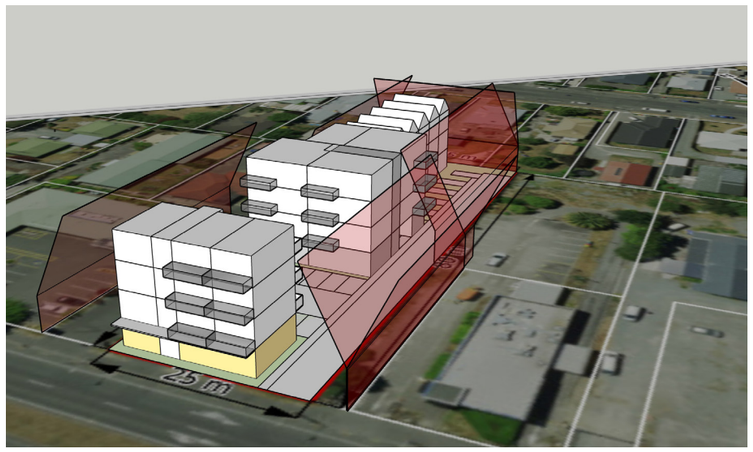
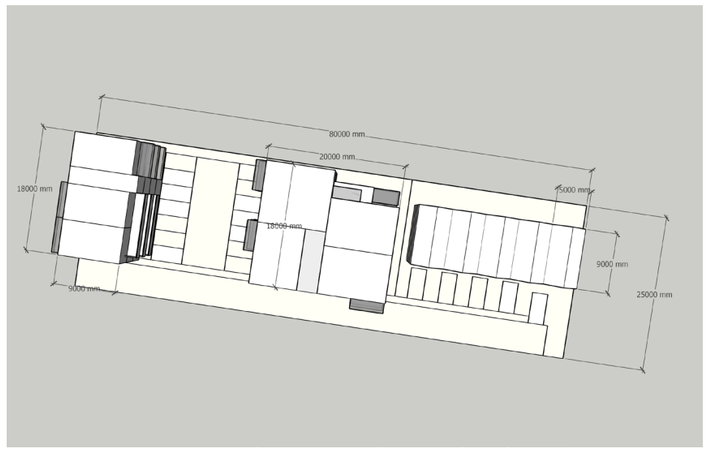
TYPOLOGY

Mixed Use Option





commercial/ retail at street level with residential above

Overall Building coverage: 747m^2

Commercial Block (street fronting):
Total building coverage: 162m^2
Commercial/ Retail Area at ground level: 1x 45m^2 + 1 x 85.5m^2= 130.5m^2
9 x one bedroom units 45m^2 per unit
14 at grade car parks

Residential Apartment Block (centre) with basement parking
Building coverage: 360m^2
3 x three bedroom units (90m^2)
9x two bedroom units (3 x 65m^2 + 6 x 70m^2)
12 car park spaces

Terrace Units (rear)
5 x three storey terrace- building coverage 45 m^2 plus at grade car park/ garage

Note: Can reduce parking areas to increase floor area as needed

Subdivision Scenario

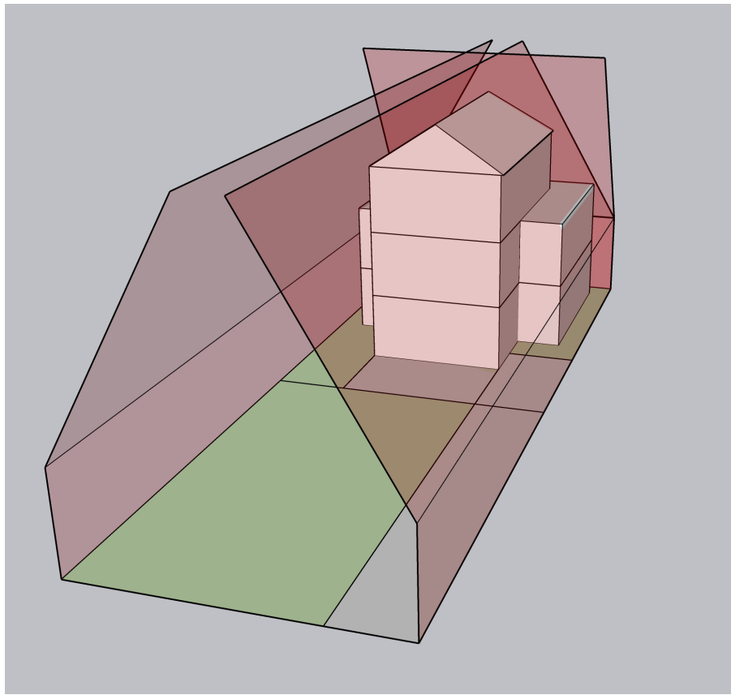
2000m^2
Site areas- 8 x 200 m^2 plus laneway access (10m x 20m)

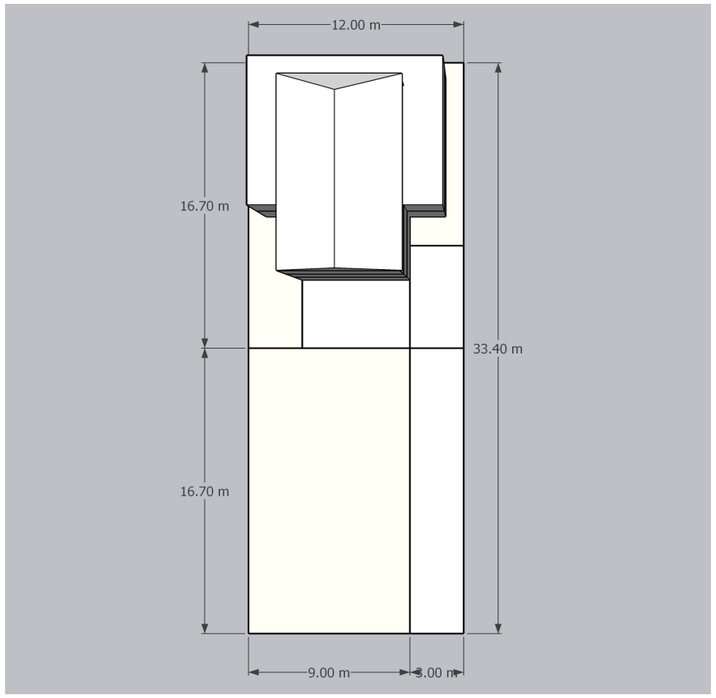
INFILL EXAMPLE

Rear site area 200m^2 (12 x 16.7m) with 3m vehicle access

Building coverage: 100 m^2
Allows for 55 m^2 landscaping and some area for circulation and at grade car parking although a garage could be incorporated on the ground floor if needed.

Can achieve two storey at 100 sq.m per floor plus around an extra 60 sq.m for a third storey- potentially enable a total dwelling GFA of around 260 sq.m





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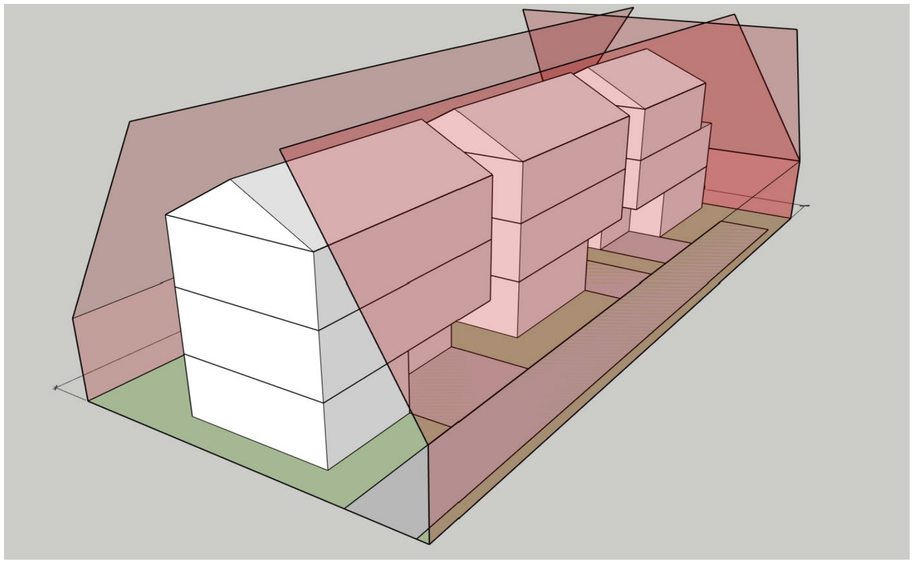
Appendix 4:
Development Feasibility Analysis

Christchurch City Council
Preliminary development feasibility study

165 Kendal Avenue, Burnside

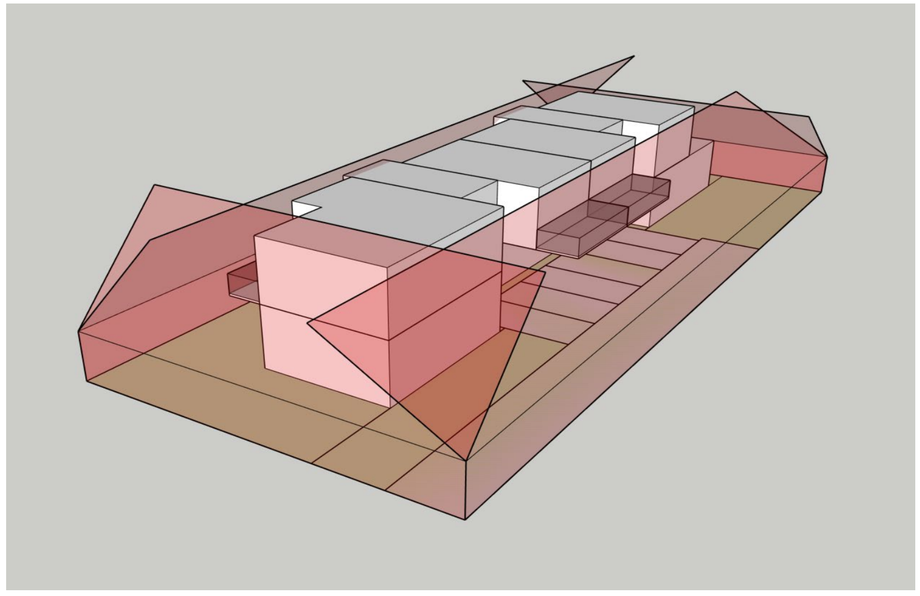
Option 1



Number of units/dwellings	3
Typology (per unit/dwelling including building height in storeys)	Standalone Unit – 3 Storey
Number of bedrooms per unit/dwelling	5
GFA per unit/dwelling	173 sq.m
GFA of garaging (if any)	26 sq. m (single garage with storage/ laundry)
Total Area of landscaping	187.4 sq.m Unit 1 (72.4m2); Unit 2 (47 m2); Unit 3 (68m2)
Area of any common space	Right of Way access and side berm 112 sq.m
Access and circulation estimate (Apartments only)	n/a
Ground conditions, if possible	

Assumptions:
Assume subdivision
No Resource consent required
Ground conditions are suitable for building - no additional costs

Option 2



Number of units/dwellings	7
Typology (per unit/dwelling including building height in storeys)	Single level units with outdoor space or balcony over two levels- walk up
Number of bedrooms per unit/dwelling	Total: 3 x studio units (35 m2) + 6 sq.m balcony 1 x one bedroom unit (45m2) 3 x two bedroom units (60m2) Full Breakdown- Ground Floor: 1x 45 sqm one bedroom unit + 40 sqm. Outdoor area 1 x 60 sq.m two bedroom unit + 77 sq. m outdoor space 1x 60 sqm two bedroom unit + 66 sq.m outdoor area Upper Level: 3 x 35 sq.m studio units + 6 sq.m balcony 1 x 60 sq.m two bedroom unit + 6 sq.m balcony
GFA per unit/dwelling	As above
GFA of garaging (if any)	None- 6 x at grade parking
Total area of landscaping	317 sq.m
Area of any common space	Communal Garden area total: 126 sq.m Vehicle access 84 sq.m
Access and circulation estimate (Apartments only)	36 sq.m
Ground conditions, if possible	

Assumptions
Assume unit title development
No resource consent required
Ground conditions are suitable for building - no additional costs
Permitted within planning framework

Christchurch City Council
Preliminary development feasibility study

165 Kendal Avenue, Christchurch

Summary of Options Based on Market Evidence

Option	Option 1 - 3 Standalone Dwellings	Option 2 - 7 attached units
Residential dwellings	**3**	**7**
Net Dwelling GFA	720 m2	330 m2
Garaging GFA	108 m2	0 m2
Total GBA	**828 m2**	**330 m2**
Sensitivity analysis	Market	Market
Estimated project duration	1.5 years	2 years
Gross realisation (sales in $m)	$4.80	$3.11
Net proceeds ($m)	$4.05	$2.62
Total construction costs ($m)	$2.47	$1.51
Total development costs ($m)	**$3.51**	**$2.40**
Residual Property Value	**$544,000**	**$220,000**
Property Purchase Price	$900,000	$900,000
Developers Profit	**-8.1%**	**-75.6%**

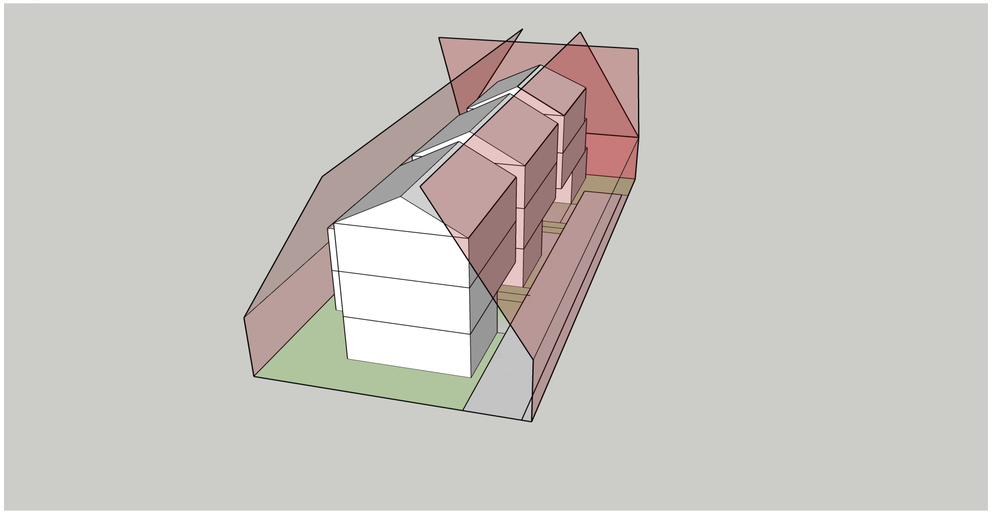
Assumptions:

Assumes subdivision under Option 1, and unit title development under Option 2
Assumes development contributions at a rate of $9,890 per additional HUE
Assumes no additional site excavation/remediation is required to account for liquefaction/flooding risk
Assumes that the development is permitted under the planning framework and therefore no Resource Consent fees
Construction costs of $2,800 plus GST for standalone, $3,500 for multi-unit

Christchurch City Council
Preliminary development feasibility study

162 Clarence St, Riccarton

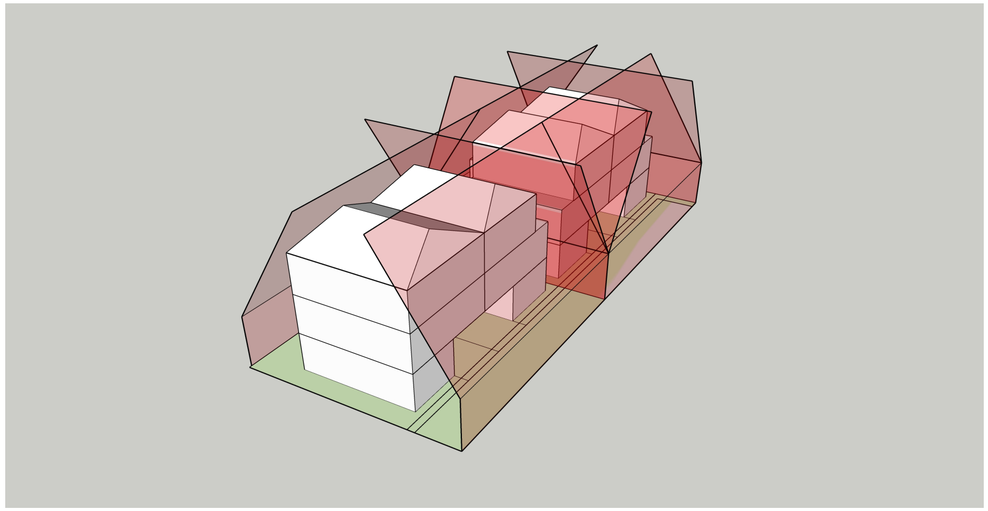
Option 1



Number of units/dwellings	3
Typology (per unit/dwelling including building height in storeys)	Standalone Unit – 3 Storey
Number of bedrooms per unit/dwelling	5
GFA per unit/dwelling	173 sq.m
GFA of garaging (if any)	26 sq. m (single garage with storage/ laundry)
Total Area of landscaping	187.4 sq.m Unit 1 (72.4m2); Unit 2 (47 m2); Unit 3 (68m2)
Area of any common space	Right of Way access and side berm 112 sq.m
Access and circulation estimate (Apartments only)	n/a
Ground conditions, if possible	

Assumptions:
Assume unit title development
No Resource consent required
Ground conditions are suitable for building - no additional costs

Option 2



Number of units/dwellings	4
Typology (per unit/dwelling including building height in storeys)	2 x three level duplex units
Number of bedrooms per unit/dwelling	4
GFA per unit/dwelling	156.6
GFA of garaging (if any)	Single garage with storage 24.5sqm
Total area of landscaping	124
Area of any common space	Right of way 126 sqm
Access and circulation estimate (Apartments only)	As above - right of way 126sqm
Ground conditions, if possible	

Assumptions
Assume subdivision
No resource consent required
Ground conditions are suitable for building - no additional costs
Permitted within planning framework

Christchurch City Council
Preliminary development feasibility study

162 Clarence Street, Riccarton

Summary of Options Based on Market Evidence

Option	Option 1 - 3 standalone dwellings	Option 2 - Two duplexes
Residential dwellings	**3**	**4**
Net Dwelling GFA	519 m2	626 m2
Garaging GFA (per dwg)	78 m2	98 m2
Total GBA	**597 m2**	**724 m2**
Estimated project duration	1.5 years	2 years
Gross realisation (sales in $m)	$4.78	$5.33
Net proceeds ($m)	$4.03	$4.49
Total construction costs ($m)	$1.78	$2.14
Total development costs ($m)	$2.58	$3.07
Residual Property Value	**$1,451,038**	**$1,423,424**
Property Purchase Price	$1,200,000	$1,200,000
Developers Profit	**6.6%**	**18.6%**

Assumptions:

Assumes subdivision under both options, along with unit title of each site under Option 2
Assumes development contributions at a rate of $9210 per additional HUE
Assumes no additional site excavation/remediation is required to account for liquefaction/flooding risk
Assumes that the development is permitted under the planning framework and therefore no Resource Consent fees
Construction costs of $2,800 plus GST for standalone, $2,600 plus GST for duplex.

Appendix 5: Model Assumptions

Appendix 5: Assumptions

Key Assumptions for built form included in the capacity model

Sites with new development potential

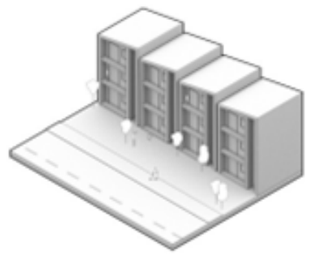
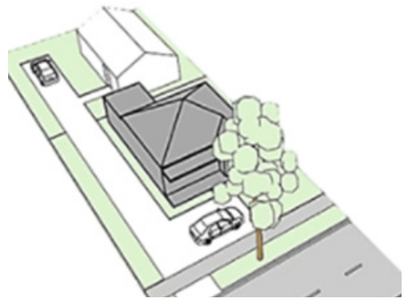
- Vacant sites
- Earthquake prone buildings
- Sites where land value is more than 80% of the capital value
- Minimum Site size that can accommodate development – 200 sqm
- All heritage buildings or heritage sites excluded
- All community facilities, designated sites and open space excluded.

Assumptions for site amalgamation

- Adjoining development sites in single ownership
- Adjoining vacant sites.

Assumptions for infill development

- Sites with 12m min road frontage and 200m2 contiguous vacant area.

Comprehensive Development	Infill Development
Terraced housing - duplex  Height 2 stories on sites below 450sqm Height 3 stories on sites above 450sqm 50% site cover (Aprox 50sqm per dwelling making up a total 50% site coverage) Eg: on a 200sqm site we could accomdate 2 dwellings.	Where medium density **is not feasible** (sites with land values less than 1,000sqm) One **Standalone dwelling** per 200sqm  Height: 2 stories 50% site cover (This allows for 20% landscaping requirement + 30% circulation)

Areas excluded from the model

- All zones where the MDRS does not apply
- Areas with a high degree of resilience or poor ground conditions including
- High Flood Risk
- Tsunami Inundation
- Extreme Liquifaction Management Zone
- Slope Hazard/Land Instability
- Port Influence
- Noise Boundaries
- Community Facilities
- Airport Protection
- Heritage and Character Sites
- Areas of Ecological Significance
- Natural Landscapes
- Protected Vegetation
- Red Zone

Summary of the Permitted Built Form Standards from Chapter 14 Residential of the Christchurch District Plan (Operative 19 December 2017) and MDRS (Enabling Housing Supply and other Matters Bill)

Residential Zone	Site Density	Tree and garden planting (landscaped area coverage)	Maximum building height	Maximum site coverage (building coverage)	Outdoor living space per unit	Daylight recession planes (height to boundary)	Minimum building setbacks	Minimum setback for balconies	Minimum road boundary building setback
MDRS: **Enabling Housing Supply and other Matters Bill** **Schedule 1** **New Schedule 3A**	No minimum lot size, shape size, or other size-related requirements if subdivision does not increase the degree of non-compliance with the density standards No more than 3 units per site	Minimum 20% of a developed site	11m, except that 50% of a building's roof in elevation, measured vertically from the junction between wall and roof, may exceed this height by 1m, where the entire roof slopes 15° or more (see diagram 1) **New Schedule 3B** **Tier 1 – in metropolitan centre zones and within a walkable catchment of rapid transit and edge of city centre and metropolitan centre zones.** At least 6 storeys (SG-17m?)	must not exceed 50% of the net site area.	1. Ground floor: at least 20m2 a. where located at ground level, has no dimension less than 3m; and b. where provided in the form of a balcony, patio, or roof terrace, is at least 8m2 and has a minimum dimension of 1.8m; and 2. above ground floor level a. is at least 8m2 and has a minimum dimension of 1.8 metres	60° recession plane measured from a point 4m vertically above ground level along all boundaries. Where the boundary forms part of a legal right of way, entrance strip, access site, or pedestrian access way, the height in relation to boundary applies from the farthest boundary of that legal right of way, entrance strip, access site, or pedestrian access way (see diagram 2)	Front: 1.5m Side: 1m Rear: 1m (excluded on corner sites) Does not apply to site boundaries where there is an existing common wall between 2 buildings on adjacent sites or where a common wall is proposed. **Outlook space – habitable** from habitable room windows (see diagram 3) a. a principal living room: 4m in depth and 4m in width; **Windows to street** minimum of 20% of the street-facing façade in glazing (windows or doors)		Front: 1.5m
Residential Suburban Zone *Note: Excludes area-specific Built Form Standards*	One residential unit per site with a 450m2 minimum net site area No minimum net site area for multi-unit residential complexes, social housing complexes, and older person's housing units	Minimum of 20% of the site shall be landscaping for multi-unit residential complexes and social housing complexes only	8m	35% net site area covered by buildings 40% net site area for multi-unit residential complexes, social housing complexes, and groups of older person's housing units where all the buildings are single storey	Minimum area: 90m2 Minimum dimension: 6m Multi-unit residential complexes, social housing complexes, and groups of older person's housing units: Minimum area: 30m2 and minimum dimension: 4m	2.3m above ground level plus recession plane angle according to Appendix 14.16.2 Diagram A and Diagram B *Note: Excludes sites in the Flood Management Area.*	1m from internal boundaries 4m from rail corridor boundary	4m	4.5m
Residential Suburban Density Transition Zone Note: Excludes area-specific Built Form Standards	One residential unit per site with a 330m2 minimum net site area No minimum net site area applies for multi-unit residential complexes, social housing complexes, and older person's housing units	Minimum of 20% of the site shall be landscaping for multi-unit residential complexes and social housing complexes only	8m	40% net site area covered by buildings 40% net site area for multi-unit residential complexes, social housing complexes, and groups of older person's housing units where all the buildings are single storey	Minimum area: 50m2 Minimum dimension: 4m Multi-unit residential complexes, social housing complexes, and groups of older person's housing units: Minimum area: 30m2 and minimum dimension: 4m	2.3m above ground level plus recession plane angle according to Appendix 14.16.2 Diagram A and Diagram B *Note: Excludes sites in the Flood Management Area.*	1m from internal boundaries 4m from rail corridor boundary	4m	4.5m

Residential Zone	Site Density	Tree and garden planting (landscaped area coverage)	Maximum building height	Maximum site coverage (building coverage)	Outdoor living space per unit	Daylight recession planes (height to boundary)	Minimum building setbacks	Minimum setback for balconies	Minimum road boundary building setback
Residential Medium Density Zone *Note: Excludes area-specific Built Form Standards*	No site density applies Minimum residential unit size: Studio 35m2 1 Bedroom 45m2 2 Bedrooms 60m2 3 or more Bedrooms 90m2.	Minimum of 20% of the site shall be landscaping	11m provided there is a maximum of 3 storeys, unless site is subject to an overlay *Note: Excludes sites and areas subject to Residential Medium Density overlays*	50% net site area covered by buildings	For one bedroom / studio: Minimum area: 16m2 Minimum for balcony: 1.5m dimension and 6m2 area For two plus bedrooms: Minimum area: 30m2 Minimum dimension at ground level: 4m Minimum dimension for balcony: 1.5m	2.3m above ground level plus recession plane angle according to Appendix 14.16.2 Diagram C *Note: Excludes sites and areas subject to Residential Medium Density overlays and sites in the Flood Management Area.*	1m from internal boundaries 4m from rail corridor boundary	4m	2m
Residential Central City Zone	One residential unit for every complete 200m2 of site area Minimum residential unit size: Studio 35m2 1 Bedroom 45m2 2 Bedroom 70m2 3 or more Bedrooms 90m2.	Minimum of 20% of the site shall be landscaping	As shown on the Central City Maximum Building Height planning map	N/A	Minimum area: 24m2 Minimum dimension at ground level: 4m Minimum dimension for balcony: 1.5m	2.3m above ground level plus recession plane angle according to Appendix 14.16.2C *Note: Excludes sites in the Flood Management Area.*	1.8m from internal boundary 1m where the site adjoins an access lot, access strip, or access to a rear site 4m from rail corridor boundaries	4m for parts of a balcony or any window of a living area at first floor level or above	2m For sites Type equation here. fronting Bealey Avenue: 6m In the locations indicated as Central City Building Setbacks, on the Central City Active Frontages and Verandas and Building Setback planning map: 4.5m
Residential Hills Zone *Note: Excludes area-specific Built Form Standards*	One residential unit per site with a 650m2 minimum net site area *Note: Excludes sites and areas subject to overlays* No minimum net site area for multi-unit residential complexes, social housing complexes, and older person's housing units	N/A	8m	35% net site area covered by buildings 40% net site area for multi-unit residential complexes, social housing complexes, and groups of older person's housing units where all the buildings are single storey *Note: Excludes sites and areas subject to overlays*	N/A	2.3m above ground level plus recession plane angle according to Appendix 14.16.2 Diagram B *Note: Excludes sites in the Flood Management Area.*	1.8m from internal boundary 1m where the site adjoins an access	4m for parts of a balcony or any window of a living area at first floor level or above	4m
Residential Banks Peninsula Zone *Note: Excludes area-specific Built Form Standards*	One residential unit per site with a 400m2 minimum net site area *Note: Excludes sites and areas subject to overlays*	N/A	7m	35% net site area covered by buildings	N/A	2.0m above ground level plus 45-degree recession plane angle on an adjoining site boundary, that is not a road boundary. *Note: Excludes sites in the Flood Management Area.*	2m from rear internal boundary One of 1.5m from side internal boundary and one of 2m 4m from rail corridor boundary	N/A	3m

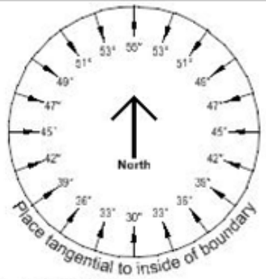
Residential Zone	Site Density	Tree and garden planting (landscaped area coverage)	Maximum building height	Maximum site coverage (building coverage)	Outdoor living space per unit	Daylight recession planes (height to boundary)	Minimum building setbacks	Minimum setback for balconies	Minimum road boundary building setback
Residential Large Lot Zone	One residential unit per site with a 1500m2 minimum net site area *Note: Excludes sites and areas subject to overlays*	N/A *Note: Excludes the Worsleys Road area*	8m	40% net site area or 300m2 covered by buildings, whichever is the lesser *Note: Excludes sites and areas subject to overlays*	N/A	2.3m above ground level plus recession plane angle according to Appendix 14.16.2 Diagram F *Note: Excludes sites in the Flood Management Area.*	3m from internal boundary 1m where the site adjoins an access *Note: Excludes sites and areas subject to overlays*	N/A	Building with garage door facing the road: 5.5m Building without garage door facing the road: 5m *Note: Excludes sites and areas subject to overlays*
Residential Small Settlement Zone	One residential unit per site with a 1000m2 minimum net site area *Note: Excludes sites and areas subject to overlays*	N/A	8m *Note: Excludes sites and areas subject to overlays*	25% net site area or 250m2 covered by buildings, whichever is the lesser *Note: Excludes sites and areas subject to overlays*	N/A	2.0m above ground level plus 45-degree recession plane angle on an adjoining site boundary, that is not a road boundary. *Note: Excludes sites in the Flood Management Area.*	3m from side and rear internal boundaries *Note: Excludes sites and areas subject to overlays*	N/A	Building with garage door facing the road: 5m Building without garage door facing the road: 4.5m *Note: Excludes sites and areas subject to overlays*
Residential Guest Accommodation Zone *Note: Refer to Appendix 14.16.11*	Development shall not result in any new building with a GFA greater than 500m2	N/A	Group A sites: 9 to 15m Group B sites: 11m Group C sites: As shown on the Central City Maximum Building Height planning map	Group A and B sites: 45% net site area covered by buildings Group C sites: 55% net site area covered by buildings	N/A	2.3m above ground level plus recession plane angle according to: Group A sites: Appendix 14.16.2 Diagram A Group B sites: Appendix 14.16.2 Diagram C Group C sites: Appendix 14.16.2C	Group A sites: 6m from a residential or open space zone boundary and 3m from all other zone boundaries. Group B and C sites: 3m from any zone boundaries.	N/A	Development shall not result in any new building with a building length greater than 15m which is located within 30m of a site boundary. Group A and B sites: 4.5m Group C sites: 2 to 4.5m
Residential New Neighbourhood (North Halswell) Zone	Minimum residential unit size: Studio 35m2 1 Bedroom 45m2 2 Bedrooms 60m2 3 or more Bedrooms 90m2.	N/A	8m *Note: Excludes sites and areas subject to outline development plans*	40% net site area for sites over 300m2 45% net site area for sites under 300m2 45-50% net site area for comprehensive residential development *Note: Excludes sites and areas subject to outline development plans*	Minimum area for one bedroom / studio: 16m2 Minimum area for two bedrooms or more: 30m2 Minimum dimension at ground level: 4m Minimum dimension for balcony: 1.5m	2.3m above ground level plus recession plane angle according to Appendix 14.16.2 Diagram C *Note: Excludes sites in the Flood Management Area.*	1m from internal boundaries 4m from rail corridor boundary	3m for any window of a living area 4m for a balcony or any window of a living area above ground level	4m *Note: Excludes sites and areas subject to outline development plans*

Appendix 14.16.2 - Recession Planes

Note: North is true north

A Applicable to all buildings:

- in the Residential Suburban Zone
- on sites in other non residential zones that adjoin the Residential Suburban Zone
- in the Residential Small Settlement Zone Kainga Overlay Areas 1 and 2 and Spencerville Overlay Area

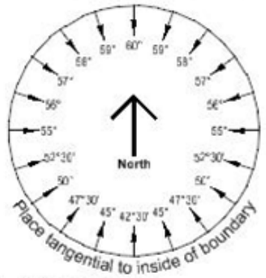


B Applicable to all buildings:

- in the Residential Suburban Density Transition Zone
- on sites in other non residential zones that adjoin the Residential Suburban Density Transition Zone
- in the Residential Hills Zone **and on Māori land within the Papakāinga / Kāinga Nohoanga zone (Proposed Plan Change 8)**

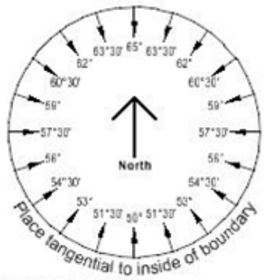
C Applicable to all buildings.

- in the Residential Medium Density Zone
- on sites in other non residential zones that adjoin the Residential Medium Density Zone
- in the Residential New Neighbourhood Zone



D Applicable to all buildings.

- in the medium density higher height limit zones
- on sites in other non residential zones that adjoin the medium density higher height limit zones
- in the medium density higher height limit zones (except those buildings over 11 metres in height)
- on sites in other non residential zones that adjoin the medium density (except those buildings over 11 metres in height)

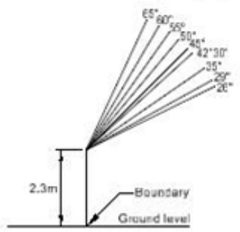


E Applicable to all buildings.

- over 11 metres in height in the medium density higher height limit zones
- over 11 metres in height on sites in other non residential zones that adjoin the medium density higher height limit zones
- in the Residential ~~Guest~~ **Visitor** Accommodation Zone and the Residential Central City Zone **(Proposed Plan Change 4)**

F Applicable to all buildings.

- in the Residential Large Lot Zones

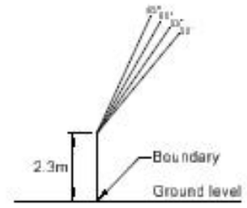


Appendix 14.16.2C

Note: North is true north

Applicable to all buildings.

- in or adjoining the Residential Guest Accommodation Zone or the Residential Central City Zone



Enabling Housing Supply and other Matters Bill diagrams

Diagram 1: Building height

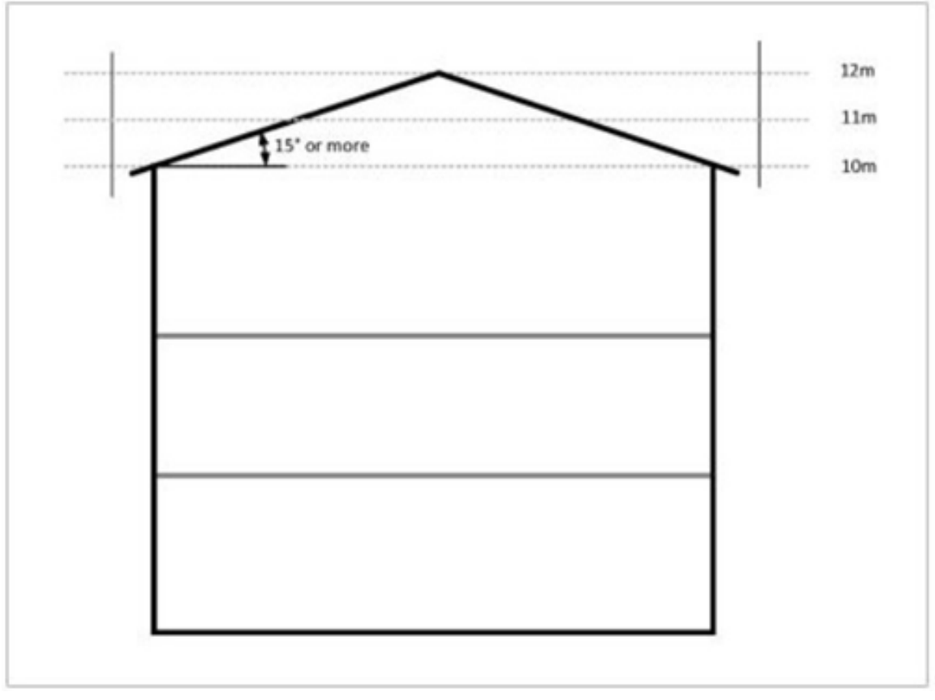


Diagram 2: Height in relation to boundary

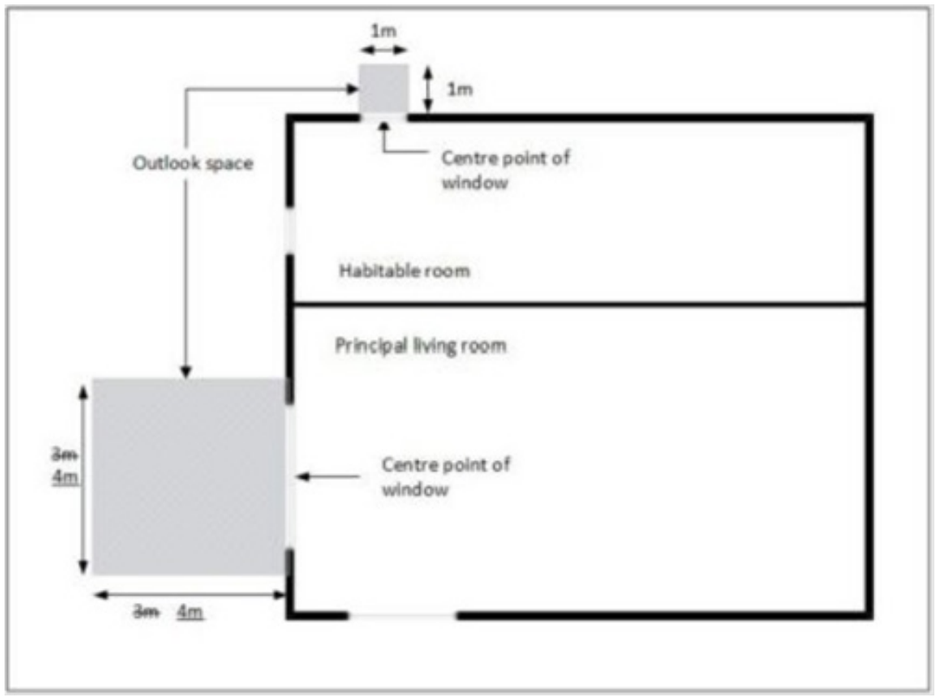
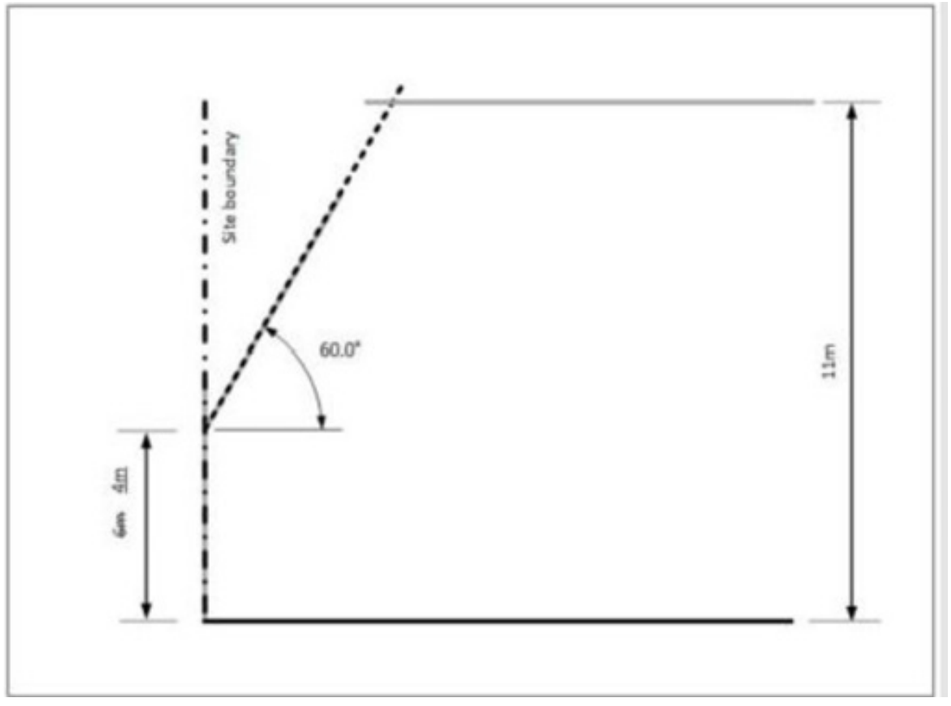


Diagram 3: Outlook space per unit)



Development feasibility Analysis assumptions

- The developments are permitted under the planning framework and therefore Resource Consent is not s significant development cost
- No additional site excavation/remediation is required to account for flooding risk or any other ground conditions.
- Other key assumptions relating to development costs can be found in the Market Assessment.

162 Clarence Street, Riccarton

Option	Option 1 - 3 standalone dwelling	Option 2 - Two duplexes
Residential dwellings	**3**	**4**
Net Dwelling GFA	519 m2	626 m2
Garaging GFA (per dwg)	78 m2	98 m2
Total GBA	**597 m2**	**724 m2**
Estimated project duration	1.5 years	2 years
Gross realisation (sales in $m)	$4.78	$5.33
Net proceeds ($m)	$4.03	$4.49
Total construction costs ($m)	$1.78	$2.14
Total development costs ($m)	$2.58	$3.07
Residual Property Value	**$1,451,038**	**$1,423,424**
Property Purchase Price	$1,200,000	$1,200,000
Developers Profit	**6.6%**	**18.6%**

Key Assumptions

- Property Purchase Price of $1,200,000 including GST, and an underlying land value of $2,000/sqm.
- Subdivision under both options, along with unit title development of each site under Option 2
- Development contributions at a rate of $9,210 per additional HUE
- Construction costs of $2,800/sqm plus GST for standalone dwellings under Option 1 and $2,600/sqm plus GST for duplexes under Option 2.

165 Kendal Avenue, Burnside

Option	Option 1 - 3 Standalone Dwellings	Option 2 - 7 attached units
Residential dwellings	**3**	**7**
Net Dwelling GFA	720 m2	330 m2
Garaging GFA	108 m2	0 m2
Total GBA	**828 m2**	**330 m2**
Sensitivity analysis	Market	Market
Estimated project duration	1.5 years	2 years
Gross realisation (sales in $m)	$4.80	$3.11
Net proceeds ($m)	$4.05	$2.62
Total construction costs ($m)	$2.47	$1.51
Total development costs ($m)	**$3.51**	**$2.40**
Residual Property Value	**$544,000**	**$220,000**
Property Purchase Price	$900,000	$900,000
Developers Profit	**-8.1%**	**-75.6%**

Key Assumptions

- Property Purchase Price of $900,000 including GST, and an underlying land value of $1,000/sqm.
- Subdivision under Option 1, and unit title development under Option 2.
- Development contributions at a rate of $9,890 per additional HUE.
- Construction costs of $2,800/sqm plus GST for the standalone dwellings under Option 1 and $3,500/sqm plus GST for the Mutli-unit development under Option 2.