

Heretaunga Plains Urban Development Study

Update (Res) Intensification Capacity

1.1 Background

The Hastings District Council, Napier City Council, and Hawke's Bay Regional Council jointly adopted the Heretaunga Plains Urban Development Strategy (HPUDS) in August 2010. HPUDS is a strategy for the integrated management of urban development on the Heretaunga Plains for the years 2015 to 2045. It takes a long term integrated view of land use and infrastructure through a preferred settlement pattern that seeks to move towards a more compact approach to development that:

- Promotes a major shift in approach to ensure long term sustainability for the Heretaunga Plains versatile soils by controlling the outward expansion of existing urban areas and new greenfields development.
- Advocates for a clear recognition by all sectors of the community that the versatile soils are a valued natural resource.
- Provides for housing choice but recognises that densities need to be higher to accommodate growth whilst ensuring the protection of versatile soils.

A key component of this future development vision is the achievement of identified residential density targets in order to achieve a more compact growth pattern. HPUDS allocates a growth target for intensification within existing urban boundaries of 4,048 households across the Heretaunga Plains (through infill, site redevelopment and brownfields¹). Achieving these targets will require some intensification of housing within the existing urban areas of Hastings and Napier.

Hastings

Hastings District Council have determined that to achieve the HPUDS density targets in a manner that ensures appropriate residential amenity, medium density housing development should be encouraged within identified areas of Hastings District, through multi-site redevelopment of older housing stock.

The Hastings Urban Issues project was initiated in August 2009 in order to generate new approaches to urbanism that more closely reflect the shifting priorities and challenges associated with achieving more sustainable urban growth. The aim of the project was to outline an urban design framework for Hastings that can coordinate future streams of work within HDC as they respond to current and future urban issues. Relevant to this project, the Urban Design Framework (UDF) provided a number of further specific recommendations:

- Reduce expansion into versatile soils.
- Enable residential intensification of the CBD, and large parts of Heretaunga St East and Mahora.
- Provide for intensification in pockets of Raureka and Parkvale (around Windsor Park).
- Support medium density residential in parts of Flaxmere and Havelock North.
- Assess development economics and market conditions of residential intensification.

¹ The term "Brownfield" typically refers to land or premises which has previously been used or developed for urban purposes. Brownfield land is not fully in use, although it may be partially occupied or used. It may also be vacant, derelict or contaminated.

- Assess infrastructure in intensification areas.

Subsequent to the UDF Hastings developed the Hastings Medium Density Housing Strategy (although it has not yet been formally adopted by Council) whose purpose is to articulate a comprehensive and coherent approach to the intensification (through medium density housing development) of a number of identified “host neighbourhoods” identified through the UDF. Namely parts of the following areas as per Figure 1 below:

- Heretaunga Street East;
- Raureka;
- Havelock North;
- Parkvale; and
- Mahora.

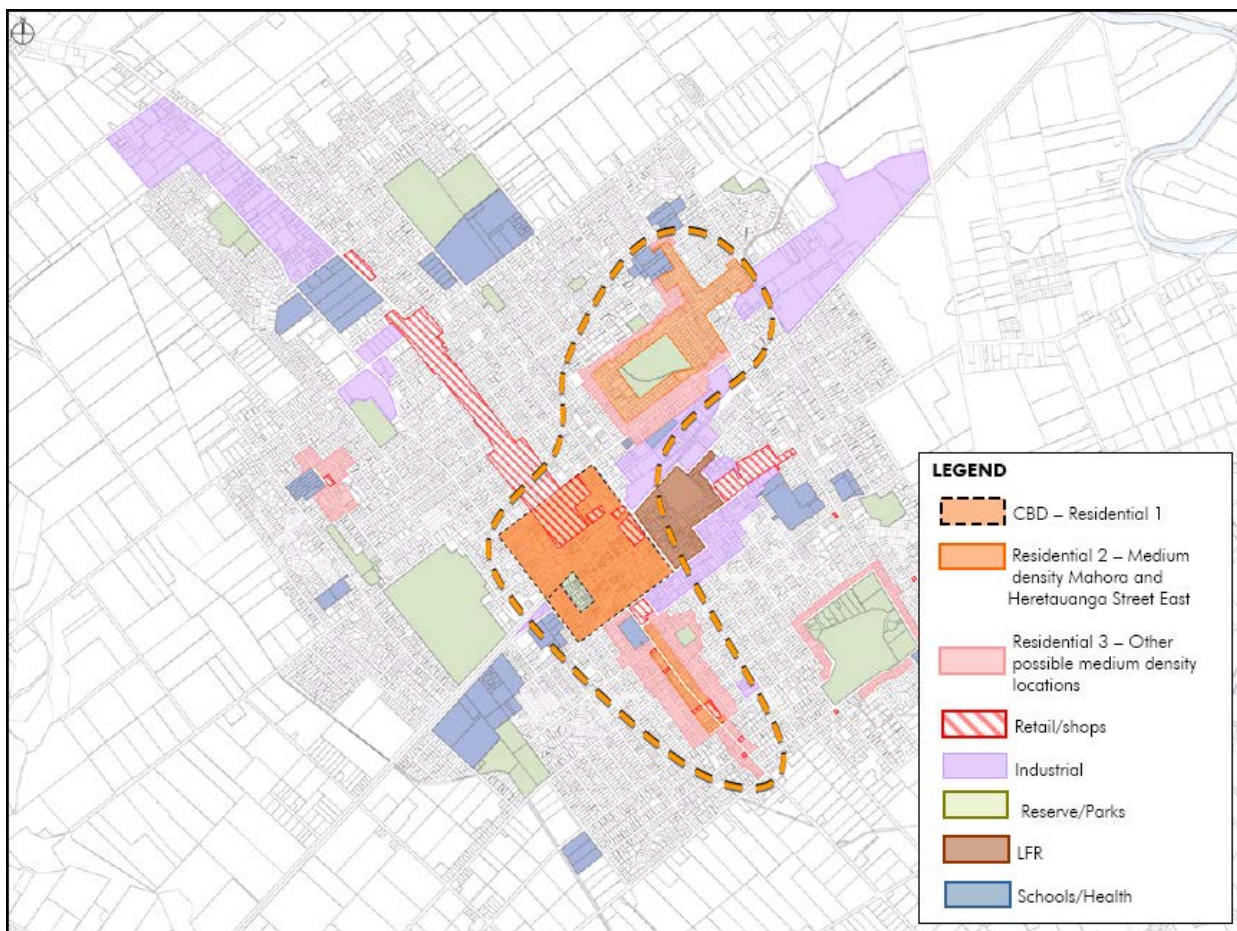


Figure -1 Map Urban Design Framework Recommended Intensification Areas

The Medium Density Strategy provides guidance to the community, developers and other agencies about how to achieve the intensification targets of HPUDS as well as ensuring that developments are designed to maximise privacy, access to sunlight, and efficiency of open space. The strategy will also be utilised to inform future district plans, long term plans and asset management plans reviews. The strategy does not focus on residential intensification in the CBD’s as these are covered by other comprehensive planning approaches.

The medium density strategy project was advanced in two stages. Stage 1 was designed to establish whether the HPUDS targets were capable of being met with or without Council intervention or proactive encouragement. The key findings of the Hastings Medium Density Strategy – Stage 1 are:

- The intensification targets set out by HPUDS can be met via a mixture of infill and comprehensive site redevelopment; but
- The conditions do not currently exist to warrant the market (unaffected) to facilitate the composition and location by which medium density housing is achieved. The market for medium density housing is currently constrained by differential land values that favours fringe or greenfields locations which are **perceived** to exhibit higher amenity, create greater efficiencies and have a higher degree of desirability.
- Intervention of the residential housing market will be required to achieve the intensification targets set out by HPUDS. Intervention will need to focus on restricting land supply in the short to medium term to improve the relative value of developing and living in identified urban locations, thereby forcing the market to use existing residential land in a more efficient way.
- An appropriate activity status for medium density residential development (including comprehensive and master planned residential development) and associated development standards and assessment criteria needs to be included into the District Plan Review.

Stage 2 of the strategy looks to build upon this and provide the basis for an “implementation toolkit” to ensure that the HPUDS intensification targets can be achieved.

The regulatory component of the strategy has been implemented through the district plan review process. The Proposed Hastings District Plan as Amended by Decisions of Submissions (September 2015) identifies a ‘City Living Zone’ located near to the Mahora Shops and in the Heretaunga Street East / Queens Square area. The plan provisions seek to promote medium density housing development in these areas. The Proposed Plan also identifies other land deemed suitable for ‘Comprehensive Residential Development’ (Appendix 27) and includes land in the General Residential Zone (in Raureka, Windsor Park, Pakowhai Road, Karamu Road, Railway Road); Character Residential Zone (Cornwall Park), and the Havelock North General Residential Zone near to the village centre.

Within these areas, infill residential development is generally a Non-Complying Activity in order to discourage the type of development that is unlikely to achieve the target densities nor the desired level of amenity. Comprehensive residential developments (defined in summary as, three or more residential dwellings designed in an integrated manner with exclusive use areas ranging between 200m² and 450m² on large sites) are given more permissive activity status for resource consent purposes e.g. Controlled Activities in General Residential Zones and City Living Zones and Restricted Discretionary Activities in Character Zones. It is anticipated that encouraging development of this type would achieve the density targets required by HPUDS and achieve higher levels of amenity than traditional infill development.

Napier

Specific but discrete areas of Napier (particularly Heritage Character Zones and the Napier Hill Character Zone) have been identified as not suitable for large scale intensification due to heritage and/or infrastructural limitations and as a result have minimum lot sizes for subdivision that would prevent the intended outcomes of HPUDS being met in these specific locations. At this point in time there is no intention to revisit the assumptions that these areas are unsuitable for promoting residential intensification, albeit recognising however, that any proposal can still be considered through the consenting process on a case by case basis (particularly in relation to the Napier Hill Character Zone).

In most other defined urban areas however, (particularly the Main Residential Zone) Napier has no minimum lot size within the District Plan and with a suite of supporting policy encouraging appropriate intensification the District Plan allows for higher density developments to take place, limited only by market forces and the requirement for proposed dwellings to meet minimum performance standards. This policy has for the past 10 years seen residential infill as a prominent form of development in Napier and this is expected to continue.

This approach lets the market determine where intensification should occur and the density that it will support. In addition, Napier City's natural assets (including the coast, the wharf, views from Napier Hill and Pandora Pond) have meant that people are willing to live in denser environments such as apartments and townhouses, to have access to these assets. As a result, Napier City has achieved much higher densities in these areas than the 20 – 30 dwellings per hectare intensification target sought by HPUDS. The experience to date is that the areas developed for residential intensification have been relatively dispersed throughout Napier and have not created an unsustainable burden on either the amenity of an area or its supporting infrastructure. The market has to date been able to deliver appropriate and accepted residential intensification.

A key part in planning and maintaining good infrastructure requires understanding and meeting the impact of growth through demand management and infrastructure investment. The default position in terms of infrastructure within Napier is that it can fundamentally deal with infill intensification to the level anticipated by the District Plan, and HPUDS although there will always be upgrades required to increase capacity within the network. These are typically itemised in the relevant infrastructure Asset Management Plans and funded through the Ten Year Capital Plan as demand presents itself.

The District Plan requires all new subdivision areas to be provided with suitable infrastructure. This is detailed in the 'Code of Practice for Subdivision and Land Development' which is part of the District Plan. It includes mandatory requirements for resource management and minimum levels of engineering performance and standard, comprising both technical specifications and general methods. Local reticulations for all forms of infrastructure within the zones suitable for intensification are expected to be able to supply the consumption requirements of residential infill and this has generally been the case since the District Plan was notified in 2000.

Summary and Conclusion

To summarise NCC is confident that there is sufficient capacity to accommodate the targeted intensification under the current planning framework and incremental upgrades and renewals of existing infrastructure as the market determines is necessary. It considers past and likely future market demand will likely meet the HPUDS intensification targets without significant Council interventions as infill has been and continues to be a significant proportion of new housing development supported by strong suburban shopping centres resulting from a somewhat linear urban form due to the landform. This has been augmented by periods of significant apartment development around estuarine and coastal views.

Infill development is expected to continue in Taradale and Greenmeadows and, if and when economic capacity is reached (property values and redevelopment costs), this is likely to shift more to Marewa and redevelopment of inner city suburbs where the age of the housing stock and tourism enhanced CBD lifestyle offering is conducive to denser living.

As a comparatively younger more compact urban form on a flat plain, without natural water assets or a strong CBD tourism economy, Hastings has determined that a more active approach is necessary to provide the conditions conducive to higher rates of intensification than in the past. It seeks to do this by concentrating intensification away from dispersed infill to a few areas with appropriate levels of amenity. These areas are, or will be, supported by density ready infrastructure and amenity improvements and a design lead regulatory framework. By doing so the service capacity improvements needed can remain manageable and funded through upsizing during planned renewals and reprioritisation of design capacity upgrades away from areas which may as a result, experience less traditional infill development.

Some urban feasibility modelling has been done as part of the medium density housing strategy to validate this approach, which suggests that this approach is financially viable as the housing stock ages in the selected areas, supplemented by some traditional infill capacity across the wider suburban environment.

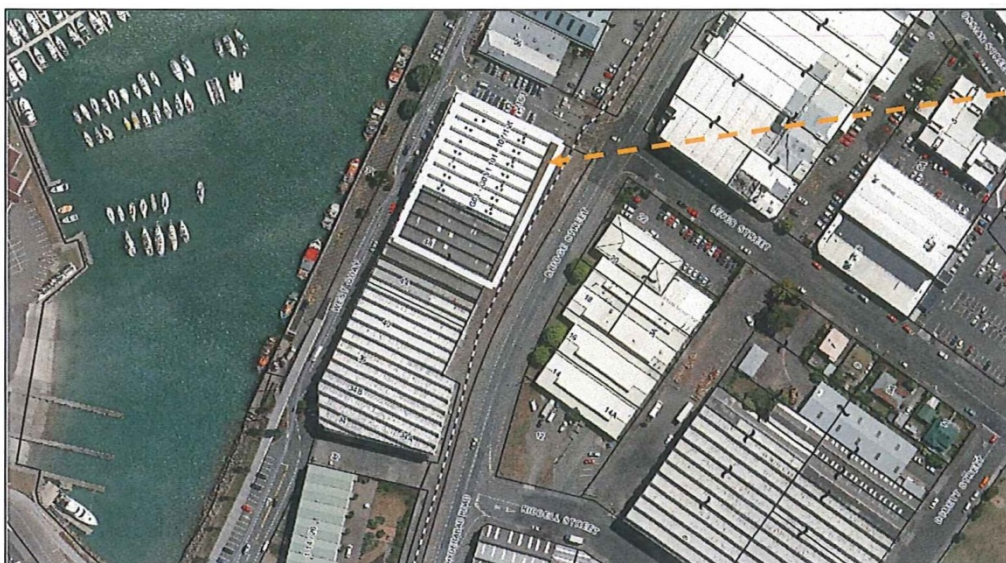
On the information available it is concluded that sufficient physical and economic (in terms of financially viable infill and intensification) exists in both cities to meet the HPUDS targets over time, however this should be monitored on a regular basis.

Examples of what has recently been achieved in Napier:

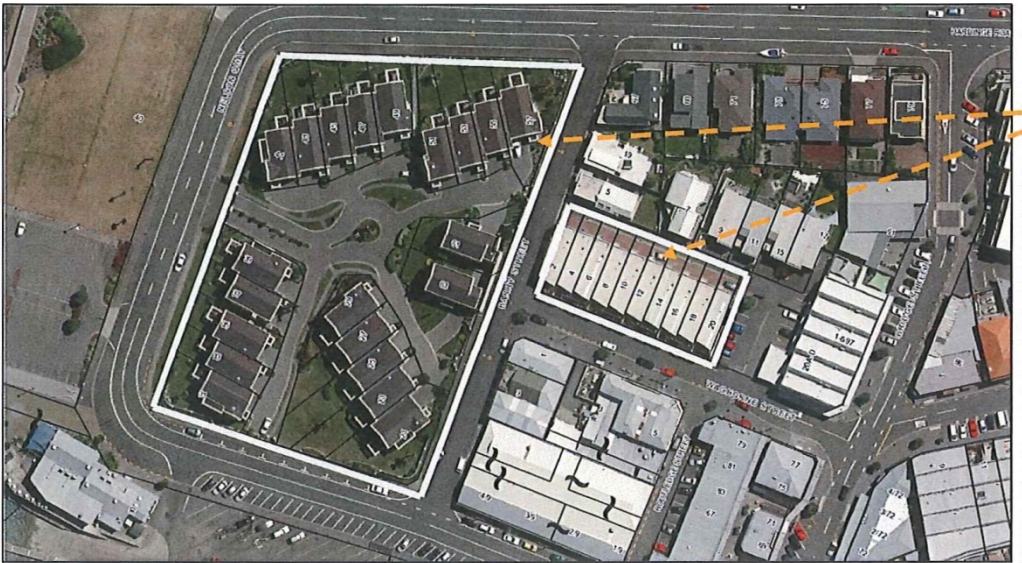
West Quay Apartments: Dwelling yield of 105.4 units / ha (109 units)



Shed 5 Apartments: Dwelling yield of 115 units / ha (25 units)



Nelson Quay/Waghorne St Apartments: Dwelling yield of 38.22 units / ha (31 units)



Humber Street Apartments/Townhouses; Dwelling yield of 87 units / ha (99 units)

