

Nelson Housing Accord Monitoring Report 1

June 2015 to December 2015

Based on:

- Building consent data to month ended December 2015
- New section data to month ended December 2015



Nelson City Council
te kaunihera o whakatū



**MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT**
HIKINA WHAKATUTUKI



Executive Summary

The Nelson Housing Accord was signed on 11 June 2015. The Accord is a tool used to increase the supply of housing in Nelson. The Accord sets targets for establishing new residential lots and dwellings in Nelson over three years. This first monitoring report concentrates on the establishment of the Nelson Housing Accord. It reports on building consents granted for new dwellings the yield of serviced residential lots from residential zoned land, for the six-month period since the Housing Accord was signed.

Consenting Numbers

- Halfway through the first year of the Nelson Housing Accord, **89 new dwellings** have been consented and **49 new sections** approved by resource consent.
- At this rate, the first year target of 240 dwellings is not likely to be achieved, with a **projected final Year 1 number of 178**, a shortfall of 62. The first year target of 100 serviced residential lots is likely to be achieved, with a **projected final Year 1 number of 100**. If the projected 278 dwellings and sections were approved, this would keep pace with population growth as outlined in the Accord.
- Subdivision consent rates have been inconsistent over the six months of the Accord. Between 0 and 19 lots have been consented per month.
- Building consent rates show more consistency on a monthly basis, resulting in between 10 and 23 consents for dwellings issued per month.

Special Housing Area

- Nine Special Housing Areas (SHAs) have been established to date following their nomination by the Council in December 2015. As expected, consenting activity in the Special Housing Area has not yet commenced as the SHAs were only recently established by Order in Council.
- The nine SHAs created to date have significant capacity for residential growth. They are expected to yield approximately 417 sections and dwellings over the period of the Accord targets.

Land capacity for residential development

- Beyond this, Nelson City Council has calculated that it has capacity for residential growth across greenfield development (20+ years), and infill development within existing residential areas (5+ years), leaving the district well placed to meet expected growth. Note: the term Greenfield used in this report refers to existing residentially zoned land that has not yet been developed. The term brownfield applies to redevelopment of existing developed residential, suburban commercial or cite centre zoned land.

Housing Accord Implementation

Since the Housing Accord was agreed by the Council and the Minister of Housing, three greenfield and six brownfield SHAs have been created across Nelson.

The Council ran an expression of interest process. Eleven applications were received, with nine of these recommended to Council on 17 December 2015 as suitable, and one (Saxton) recommended as suitable subject to conditions. The Saxton SHA, is subject to the landowners entering into an agreement with Council to create a master plan to ensure infrastructure and open space connectivity prior to it being recommended to the Minister as suitable for a SHA.

At their meeting on 3 March 2016, Council resolved to recommend a further one SHA to the Minister of Building and Housing. This is being considered by Cabinet in April 2016.

Council initiatives supporting residential development

To support the implementation of the Housing Accord, the Council has a range of incentives to encourage development:

- Development Advisory Group
- Major Projects Team
- Creation of new staff position of Development Projects Planner

Nelson Housing Accord Targets

Paragraph 17

Housing Supply	Baselines			Aspirational Targets		
	2012	2013	2014	Year 1	Year 2	Year 3
Yield of serviced residential lots (titled) from residential zoned land	89	124	107	100	100	100
Total dwellings	285	256	215	240	240	240

Dwellings

Dwellings are measured at the point of building consent.

Sections

Serviced residential lots are measured at the point of title issued.

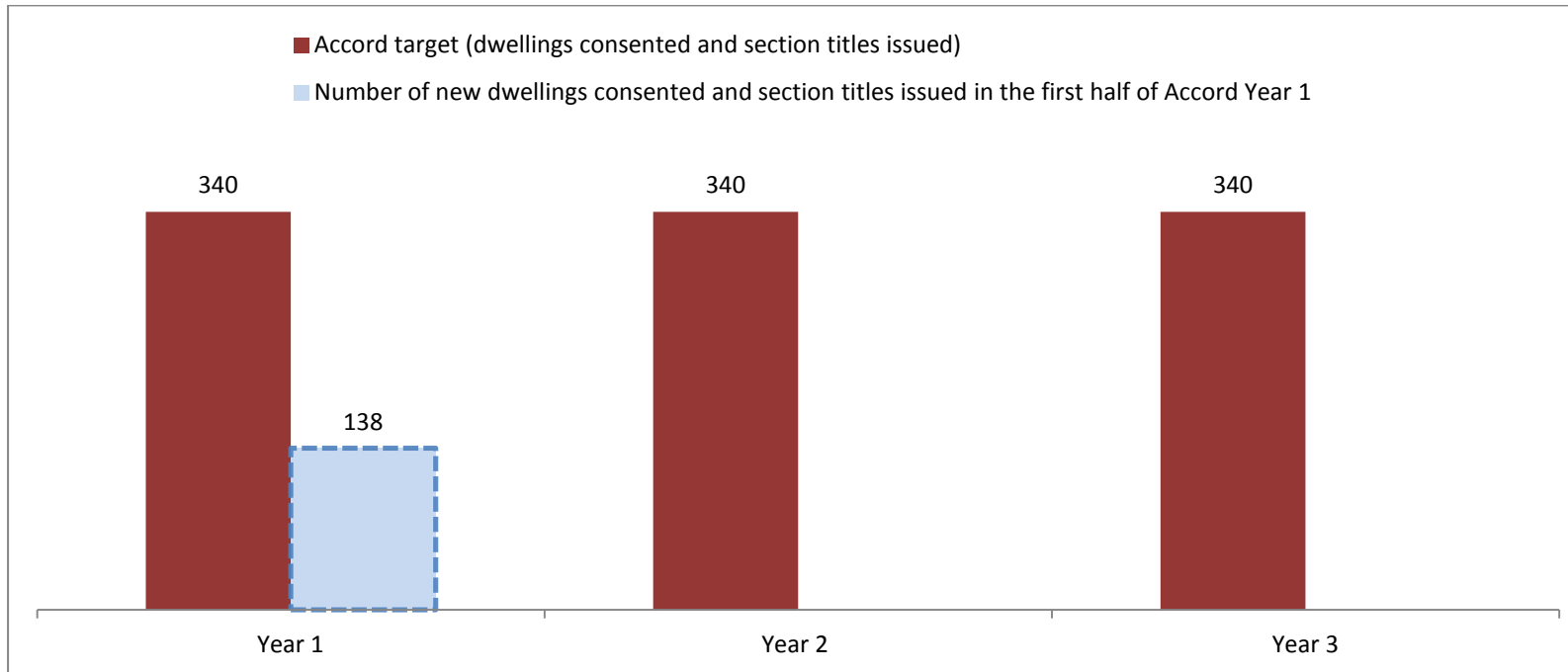


Overview

Halfway through Year 1, the number of new sections (49) and dwellings consented (89) is 37% of the Year 1 target

New dwellings consented and sections created

Nelson City Council; June 2015 – December 2015



New dwellings and sections

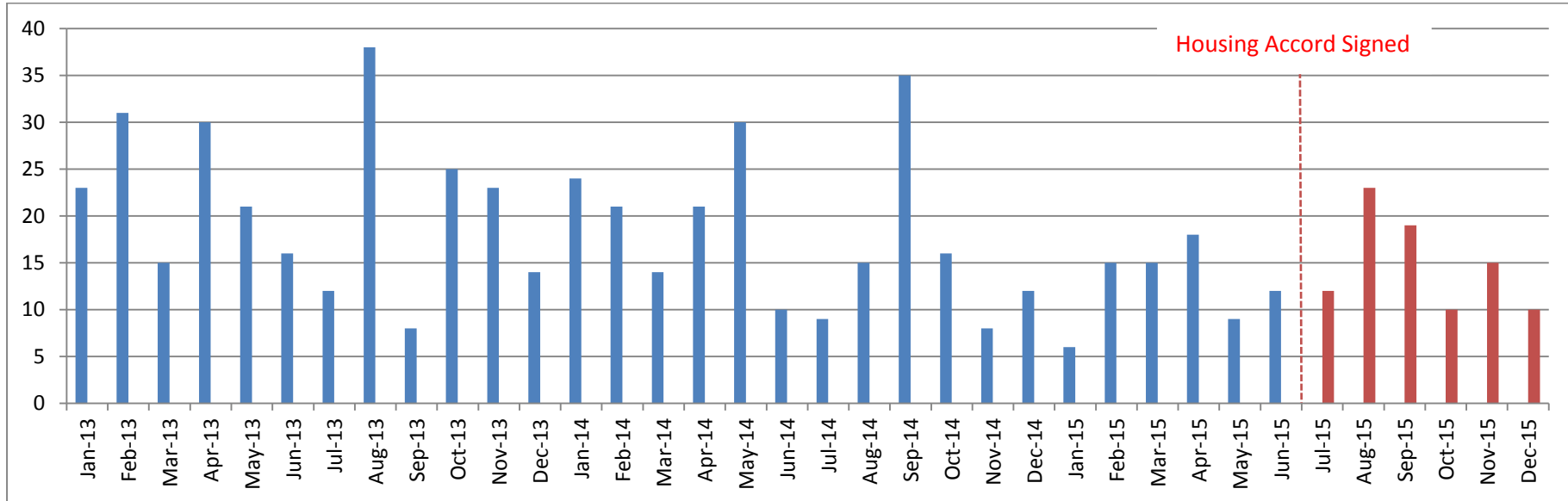
At the current rate of growth, almost 180 new dwellings are likely to be consented in the first year of the Accord, and about 100 new sections will have had titles issued, for a total of 280.

Consented dwellings – monthly

The number of dwellings consented on a monthly basis shows a high level of variability but with a marginal decrease over the 2015 calendar year.

Number of new dwellings that received building consent

Nelson City Council; monthly total; Statistics New Zealand

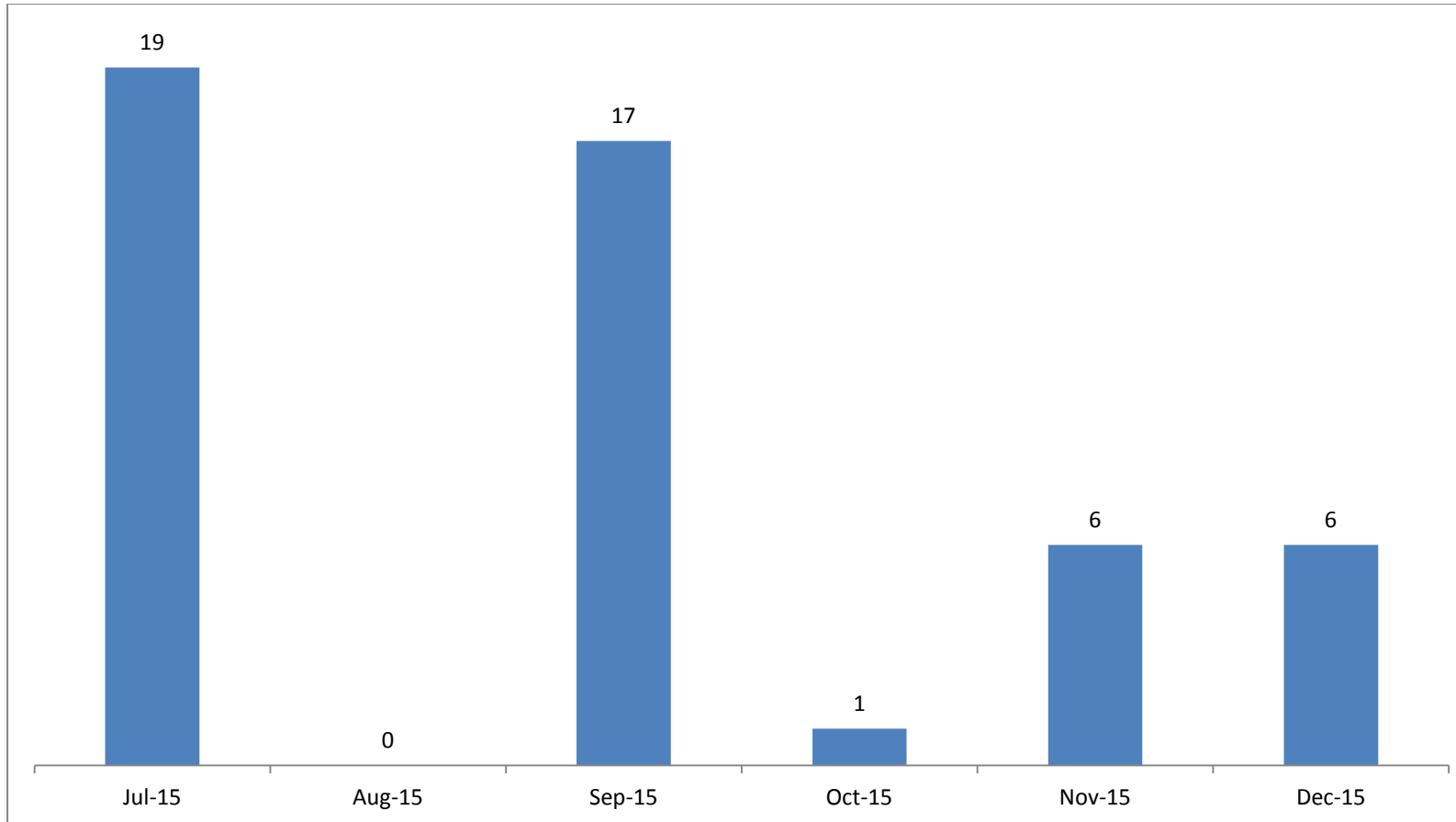


New sections – monthly

The average number of new titles issued for sections over the first six months of the Accord is 8 per month.

Number of new residential sections issued title

Nelson City Council; monthly from July 2014



Location of new residential sections consented: July 2015 – December 2015

