

In Confidence

Office of the Minister of Housing

Chair, Cabinet Legislation Committee

Establishing Special Housing Areas in the Queenstown-Lakes District and Tauranga City

Proposal

- 1 I seek Cabinet authorisation to submit two amendment orders made under sections 15 to 17 of the Housing Accords and Special Housing Areas Act 2013 (the Act) to the Executive Council:
 - i. The Housing Accords and Special Housing Areas (Queenstown-Lakes) Amendment Order (No.2) 2019; and
 - ii. The Housing Accords and Special Housing Areas (Tauranga) Amendment Order 2019.

Executive Summary

- 2 This paper seeks authorisation to submit the two attached Orders in Council to the Executive Council.
- 3 The Orders will establish two special housing areas (SHAs):
 - i. the Coneburn Valley SHA in the Queenstown-Lakes District; and
 - ii. the Emerald Shores SHA in Tauranga City.
- 4 The Queenstown-Lakes District Council and Tauranga City Council have recommended the establishment of the respective SHAs and I am advised that they meet the statutory requirements of the Act.

Background

- 5 Population growth is putting increasing pressure on housing supply in Queenstown and Tauranga. Rising housing demand is pushing up rent and sale prices, therefore, development of houses with a range of sizes and price mix is essential to meet this demand.

Proposed SHA in the Queenstown-Lakes District

- 6 I propose that the attached Housing Accords and Special Housing Areas (Queenstown-Lakes) Amendment Order (No.2) 2019 be authorised for submission to the Executive Council. The Order will establish the Coneburn Valley SHA, as recommended by Queenstown-Lakes District Council.
- 7 The current Queenstown-Lakes District Housing Accord was signed in July 2017. The Accord targets for the 2017, 2018 and 2019 calendar years are in the order of 1200, 1300 and 1400 dwellings and sections to be consented across the entire district. The

Queenstown Lakes District Council has recommended to me the establishment of a SHA at Coneburn Valley which would contribute at least 450 dwellings to the 2019 target.

- 8 The proposed Coneburn Valley SHA site is located approximately four kilometres south of Frankton, between the Frankton and Hanley Downs/Jacks Point areas. The site covers approximately 48 hectares and has an expected yield of a minimum of 450 dwellings of mixed typologies. The site includes a small commercial centre and two hectares of open space reserve. Ten per cent of the developed area, comprising a minimum of 45 residential lots, will be gifted to the Queenstown Lakes Community Housing Trust to be used for affordable homes programmes.
- 9 The key parameters of the site are summarised in Table 1 below

Table 1: Proposed special housing area in Coneburn Valley (Queenstown)

SHA name	Type	Developer	Approx size (ha.)	Indicative yield (units)	Minimum dwelling number per qualifying development	Height limit (m)	Date recommended
Coneburn Valley	Greenfield	Highlander Trusts Limited	48	450 (minimum) 600 (maximum)	450	8	26 April 2019

Proposed SHA in the Tauranga District

- 10 I propose that the attached Housing Accords and Special Housing Areas (Tauranga) Amendment Order 2019 be authorised for submission to the Executive Council. The Order will establish the Emerald Shores (Tauranga) SHA, as recommended by Tauranga City Council.
- 11 The Tauranga Housing Accord was signed in August 2014. The Accord targets for the 2017, 2018 and 2019 calendar years are in the order of 1700-1800, 1750-1850 and 1800-1900 new dwellings; and 1500-1600, 1550-1650 and 1600-1700 residential sections to be consented. The Tauranga City Council has recommended to me the establishment of a SHA at Emerald Shores Drive which would contribute at least 77 dwellings to the 2019 target.
- 12 The proposed SHA site is in Papamoa East on Emerald Shores Drive and is zoned suburban residential under the Operative Tauranga City Plan. The SHA has an expected yield of 77 residential dwellings. The proposed development has an average density of one dwelling per 220 square metres gross site area, which is denser than permitted under the Tauranga City Plan. However, the Council has advised that the Emerald Shores Drive site is suitable for a higher density suburban residential development, consistent with the Council's long-term strategy of creating a more compact urban form in Papamoa East.
- 13 The Council has a Private Development Agreement (PDA) with the developer, which has outlined further criteria for the developer to meet, including extending a neighbouring public reserve by 523 square metres.

14 The key parameters of the site are summarised in Table 2 below:

Table 2: Proposed special housing area in Emerald Shores (Tauranga)

SHA name	Type	Developer	Approx. size (ha.)	Indicative yield (units)	Minimum dwelling number per qualifying development	Height Limit (m)	Date recommended
Emerald Shores	Brownfield	Bluehaven Holdings Limited	2.42	77	30	9	24 April 2019

Criteria for establishing SHAs and qualifying developments

- 15 The general process for establishing SHAs is outlined in Annex One of this paper. All recommended SHAs, and qualifying developments permitted within the SHAs, must meet certain requirements of the Act. The criteria and the process for considering them are outlined in Annex Two. My assessment is that the proposed SHAs meet the requirements. My assessment for each of the proposed SHAs against each criterion are set out in Annex Two.
- 16 Section 16(2) of the Act requires me to have regard to existing geographic boundaries, the relevant district plans and any relevant proposed district plans to ensure that the boundaries of any proposed SHA are clearly defined in its Order in Council and are easily identifiable in practice.
- 17 The boundary descriptions of the proposed SHAs, supplied by each council, have been reviewed by my officials and by a Crown Property service provider accredited by Land Information New Zealand. Officials have advised me that the descriptions are clearly defined and easily identifiable.
- 18 Section 17(2) of the Act provides for the responsible territorial authorities to recommend prescribed criteria for qualifying developments within SHAs, related to the minimum number of homes, maximum number of storeys and maximum calculated height. As required by section 15(7) of the Act, I recommend the inclusion of the criteria provided by the territorial authorities, outlined in the table on the following page, be included in the respective proposed Orders in Council.

Table 3: Development criteria for inclusion in Orders in Council

SHA name	Minimum number of homes in a qualifying development	Maximum number of storeys	Maximum calculated height (metres)
Coneburn Valley	450	N/A	N/A
Emerald Shores	30	N/A	9

Other considerations

- 19 The Act only requires me to assess SHA recommendations against the criteria listed above and in Annex One. However, other points of note in relation to the recommended SHAs are affordability and size of the developments, and any potential negative effects on landscapes of special significance in the area.

Coneburn Valley: Housing Affordability

- 20 In the case of the Coneburn Valley SHA, the deed signed between the developer and the council contains affordability provisions. Specifically, 10 per cent of the development (a minimum of 45 finished and titled sections) will be gifted to the Queenstown-Lakes Community Housing Trust. These gifted sections will be provided to the Trust at the same time as, or before, 50 per cent of the remaining development lots. The Trust will hold these sections in perpetuity for the supply of affordable housing.
- 21 In addition, the developer has indicated that the majority of dwelling prices within the development will be below \$650,000 inclusive of GST, specifically to target first home buyers. These price points will be well below the average house price in the wider Queenstown-Wakatipu ward, which reached a median price of \$880,000 in 2018. These lower price points will allow first home buyers to access KiwiSaver savings and be eligible for up to \$20,000 through a HomeStart grant.

Coneburn Valley: Effect on Rural Landscape

- 22 While the Council recognises there will be some loss of rural landscape aspects and some compromised views across the development, the Coneburn Valley SHA is within the Urban Growth Boundary Area for the Queenstown-Lakes proposed District Plan. The Council's view is that the trade-off can be justified given the benefits of a compact and integrated urban form for the Queenstown-Lakes District.

Emerald Shores: Housing Affordability

- 23 The Council has not recommended any affordability criteria to be included in the SHA's Order in Council. Affordability will be achieved through a requirement in the development agreement of at least 60 per cent of the development to provide two bedroom or smaller dwellings. Each of these dwellings will be no more than \$300,000 plus GST until 31 December 2019. After this date, the maximum price for the initial sale of each house will be able to increase by no more than 5 per cent per annum.

Risks of the Coneburn Valley SHA

- 24 I note that the Queenstown-Lakes District Council has sought public feedback on the proposed SHA, despite this not being a requirement under the Act, which helps to mitigate the risks below.
- 25 The Coneburn Valley SHA has faced some local opposition from the public around the expected increase in traffic along State Highway 6 (SH6), a loss of the unique rural landscape views, and concerns over whether SHAs in Queenstown-Lakes are providing more affordable housing or largely benefiting developers. Concerns were also separately raised by Aukaha on behalf of Kāti Huirapa Rūnaka ki Puketeraki and Te Rūnanga o Otākou, particularly around increased development resulting in a loss of rural and landscape amenity and productive soils.
- 26 Should Cabinet agree to the establishment of the SHA, there is a risk of further opposition from the local community or Aukaha, potentially leading to a judicial review of the decision. I have sought advice from Ministry of Housing and Urban Development officials regarding the main objections of the opposing groups.

- 27 Officials' assessment, based on information provided by the Council, including a Council-commissioned assessment and feedback from New Zealand Transport Agency (NZTA), is that the roading infrastructure proposed will meet the requirements for this development (Annex Seven). Further, the site has *not* been assessed as being an Outstanding Natural Landscape. Further, it falls within the Queenstown-Lakes District Urban Growth Boundary and it is consistent with the Queenstown-Lakes District Housing Accord.
- 28 Overall, the Council has informed me that the proposed Coneburn Valley development meets the criteria under the Act and is in keeping with the Act's objectives, and that any risks can be adequately managed.

Risks of the Emerald Shores SHA

- 29 The Emerald Shores SHA may impact on the local schooling network, where the schools are already operating at, or near, capacity. However, a relevant consideration is that the demand for suburban-style compact dwellings in Papamoa East is primarily from individuals and couples without children, who would not require education services.

Timing and the 28-day rule

- 30 I seek a waiver of the 28-day rule so that the Orders creating the SHAs come into force the day after they are gazetted. This waiver is sought to ensure timely effectiveness of the Orders. The declarations affect only three local districts and early commencement is necessary due to sections 16 and 17 of the Act repealing on 16 September 2019.

Compliance

- 31 The Order in Council will comply with:
- a. the principles of the Treaty of Waitangi;
 - b. the rights and freedoms contained in the New Zealand Bill of Rights Act 1990 or the Human Rights Act 1993;
 - c. the principles and guidelines set out in the Privacy Act 1993;
 - d. the relevant international standards and obligations; and
 - e. the Legislation Advisory Committee's Guidelines on Process and Content of Legislation.

Regulations Review Committee

- 32 I do not consider there are grounds under Standing Order 319(2) (2014) for the Regulations Review Committee to draw the Order to the attention of the House.

Certification by Parliamentary Counsel Office

- 33 The proposed Orders in Council were certified by Parliamentary Counsel Office as being in order for submission to Cabinet.

Regulatory Impact Analysis

- 34 The Regulatory Quality Team at the Treasury has determined that:

The regulatory decisions relating to the establishment of SHAs are partially exempt from the requirement to provide a Regulatory Impact Assessment as the government has limited statutory decision-making discretion or responsibility for the content of proposed delegated legislation. This exemption is subject to the condition that information on the specific impacts (costs, benefits and risks) of the proposed Coneburn Valley and Emerald Shores SHAs are attached to this paper (refer Annex Two).

Consultation

- 35 The Ministry of Housing and Urban Development was involved in preparing the Amendment Orders. The Ministry of Education, the New Zealand Transport Agency, The Treasury and the Department of the Prime Minister and Cabinet have been consulted on the contents of this Cabinet paper.
- 36 The Act does not require territorial authorities to offer consultation opportunities to local communities or the wider public prior to recommending the establishment of a SHA.

Coneburn Valley

- 37 The Queenstown-Lakes District Council undertook a four-week public consultation process (in May-June 2018). Aukaha were also consulted by the Council.
- 38 As discussed above in paragraphs 21-26, there is some opposition to the development from the community, but it is felt that those concerns have been adequately addressed.

Emerald Shores

- 39 Tauranga City Council produced a public consultation document, with an overview of the proposed SHA to surrounding owners and occupiers.
- 40 In August 2018, the Council had received written feedback from 88 parties. Of these, 11 provided support, seven conditional support, one a technical response, and 69 opposed the proposed SHA. Two of the responses in opposition included 38 and 77 signatories respectively, many of whom also made separate submissions of their own.
- 41 Members of the Emerald Shores community have shown their concerns in written ministerial correspondence to you. The main concerns were infrastructure provision, increased traffic flows and the high number of dwellings proposed for this site. These concerns are addressed in Annex Two.
- 42 Tapuika Iwi Authority, Nga Potiki ki Tamapohere Trust and Waitaha-a-hei have a specific interest in the Papamoa East, which is within their rohe (region). Council have provided information to each of the iwi and hapū on the proposed development of the subject site and have received no opposition.
- 43 A summary of the comments received was provided to elected members when they considered the SHA proposal.

Publicity

- 44 The declaration of the SHAs will be published in the Gazette and on the relevant Council websites.

Recommendations

I recommend that the Committee:

- 1 **note** that the Housing Accords and Special Housing Areas Act 2013 (the Act) enables the establishment of special housing areas by Order in Council to facilitate an increase in land and housing supply in regions and districts identified as having housing affordability and supply issues;
- 2 **note** that Cabinet agreed the delegated authority will remain with the Minister responsible for special housing areas to instruct the Parliamentary Counsel Office to draft Orders in Council declaring SHAs without first seeking Cabinet's agreement (CAB-18-MIN-0071 refers);
- 3 **note** that Queenstown-Lakes District Council has recommended to me, the responsible Minister, the establishment of the Coneburn Valley special housing area;
- 4 **note** that the Housing Accords and Special Housing Areas (Queenstown-Lakes) Amendment Order (No.2) 2019 was drafted in accordance with Cabinet's authorisation in recommendation two, and will give effect to recommendation three;
- 5 **note** that Tauranga City Council has recommended to me, the responsible Minister, the establishment of the Emerald Shores special housing area;
- 6 **note** that the Housing Accords and Special Housing Areas (Tauranga) Amendment Order 2019 was drafted in accordance with Cabinet's authorisation in recommendation two, and will give effect to recommendation five;
- 7 **note** that I have assessed the proposed special housing areas against the criteria specified in the Act and on the basis of advice from my officials I am satisfied all requirements have been met;
- 8 **note** that section 15(7) of the Act requires the responsible Minister to recommend the criteria for qualifying developments recommended by the relevant accord territorial authority under section 17(2) of the Act;
- 9 **note** that a waiver of the 28-day rule is sought:
 - a. so that the special housing areas can be declared as soon as possible;
 - b. on the grounds that the declaration affects only a particular local district and early commencement is necessary due to sections 16 and 17 of the Act repealing on 16 September 2019;
- 10 **agree** to waive the 28-day rule so that the Housing Accords and Special Housing Areas (Queenstown-Lakes) Amendment Order (No.2) 2019 can come into force the day after the Order is gazetted;
- 11 **agree** to waive the 28-day rule so that the Housing Accords and Special Housing Areas (Tauranga) Amendment Order 2019 can come into force the day after the Order is gazetted;
- 12 **note** that I recommend, under the Act, the making of the attached Orders in Council declaring the Coneburn Valley and Emerald Shores special housing areas;

- 13 **authorise** the submission to the Executive Council of the Housing Accords and Special Housing Areas (Queenstown-Lakes) Amendment Order (No.2) 2019;
- 14 **authorise** the submission to the Executive Council of the Housing Accords and Special Housing Areas (Tauranga) Amendment Order 2019;

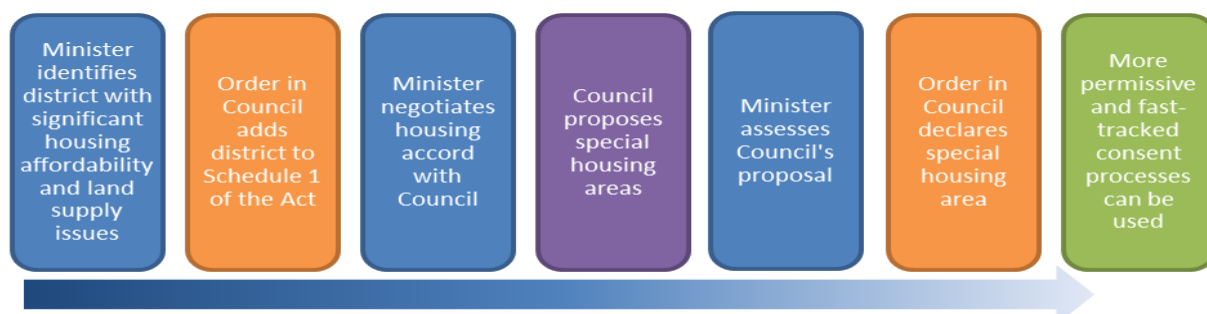
Authorised for lodgement

Hon Dr Woods

Minister of Housing

Annex One: Special housing areas

The Act allows SHAs to be established by Orders in Council in districts listed in Schedule 1 of the Act, which have significant housing supply and affordability issues. The Queenstown-Lakes and Tauranga districts are included in Schedule 1 of the Act. The process for establishing SHAs is illustrated in the diagram below.



SHAs enable fast-tracked consenting processes for the construction of housing by allowing resource consents to be processed under the Act rather than the Resource Management Act 1991 (RMA). The SHA process reduces the opportunities for appeal, which can add substantial costs and delays to developments.

Under the Act, a territorial authority party to a housing accord can recommend the establishment of SHAs to me as the Minister of Housing with delegated responsibility for SHAs. There are signed Housing Accords with the Queenstown-Lakes District Council and Tauranga City Council, and with Nelson City Council.

On 2 March 2019 Cabinet confirmed that the delegated authority would remain for the Minister responsible for SHAs to instruct the Parliamentary Counsel Office to draft Orders in Council declaring SHAs without first seeking Cabinet's agreement [Cab-18-MIN-0071 refers].

Cabinet has also decided not to extend the SHA regime beyond 16 September 2019, in accordance with the sunset clause in the Act. Resource consents applied for by this date can be progressed until 16 September 2021, and development already approved within SHAs will be able to process, even though the SHAs will be disestablished.

Annex Two: Legislative criteria to establish special housing areas and my assessment under each criterion

The Housing Accords and Special Housing Areas Act requires me to be satisfied that the following criteria, outlined in s16(3) of the Act, are met:

1. Adequate infrastructure to service qualifying developments in the proposed SHA exists or is likely to exist, having regard to relevant information
2. There is evidence of demand to create qualifying developments in specific areas of the scheduled region or district
3. There will be demand for residential housing in the proposed district

My assessment of the criteria is as follows:

Criterion 1: adequate infrastructure to service qualifying developments in the proposed SHA either exists or is likely to exist, having regard to local planning documents, strategies, and policies, and any other relevant information.

On the basis of advice from my officials, I am satisfied that Criterion 1 has been met and that there exists, or is likely to exist, adequate infrastructure to support the Coneburn Valley and Emerald Shores SHAs.

Three Waters: Coneburn Valley

There is an existing water main running through the Coneburn Valley SHA site, however this is largely committed to the neighbouring Hanley's Farms and Jack's Point developments. The Council is investigating a preferred option to construct a new reservoir nearby from the existing bulk water supply, with a falling main to supply Coneburn Valley. Modelling for this option is ongoing.

The Council's preferred wastewater option is a dedicated pump station and rising main at the SHA, discharging to a receiving manhole in Frankton, and likely requiring a new Kawerau River crossing. This would provide good flexibility for future development in the wider area. Alternatively, modelling would be required to determine the feasibility of upgrading the nearby Hanley's Farm pump station and/or rising main to service Hanley's Farm, Jack's Point and Coneburn Valley together. Dependent on the results of Hanley's Farm modelling, either option could be pursued.

The Council-commissioned three waters peer review considers that the proposed network of flood corridors through the site would provide acceptable flood protection. Ongoing design development will improve this solution further. Diversion mounds and discharge structures to Woolshed Creek are planned, along with two stormwater treatment ponds and controlled discharge outlets to Woolshed Creek. These are considered suitable treatment options for the development.

Three Waters: Emerald Shores

The Council is satisfied that capacity exists within the potable water supply on Emerald Shores Drive to service the potential demand of the SHA. The PDA provides that the development will be serviced by a standard reticulation system to provide an adequate standard of potable water and satisfy fire protection requirements.

Waste water will be disposed of through Council's reticulated sewerage system. There are no known capacity issues and it is anticipated that the network has adequate capacity to service the anticipated demand of the proposed development.

Stormwater infrastructure can be accommodated in the development's design, so there are no capacity constraints. Stormwater disposal will be established at the time of building each site and will be addressed as part of the engineering design approval. All residential lots will be elevated to ensure they meet the requirements of the operative City Plan and any other relevant stormwater consents held by the council.

Transport: Coneburn Valley

NZTA have peer-reviewed the developer's transport assessment and find the internal roading layout of the development acceptable, as well as the proposed construction of a four-way roundabout on SH6 to provide access to the development. The roundabout is to be constructed by the developer and would integrate the development with the facing Coneburn Industrial Zone. The roundabout will potentially replace the Woolshed Road/SH6 intersection which does not currently meet recommended safety requirements.

Overall, NZTA support the proposal in principle, and have made some recommendations which could further improve the proposal, including suggestions for an enhanced roading layout supporting bus stops, walking and cycling.

Transport: Emerald Shores

NZTA have peer reviewed the developer's transport assessment and find the internal roading layout of the development acceptable, as well as the proposed construction of Emerald Shores Drive over the Wairakei Stream, which they will apply to vest in the Council by 31 December 2019.

The developer will also complete a road connection from the stream crossing to The Boulevard by 31 December 2020. The developer will prepare a Traffic Assessment Report to assess the impact on the wider transport network and the timing of the completion of this road connection. Council will also construct the road connection to Stevenson Drive from Te Okuroa Drive by 31 December 2019, prior to the occupation of the proposed SHA. These connections will redirect a significant percentage of the trips generated by the proposed development away from Papamoa Beach Road and ensure the transport network has capacity for the proposed number of dwellings.

Education: Coneburn Valley

The Ministry of Education (MoE) advises that the Coneburn Valley SHA currently lies within the Remarkables Primary School catchment but that they have recently acquired land within the Hanley Farm development for a new primary school, and this would ultimately service the Coneburn Valley SHA. MoE are aware they would need to plan for an additional projected 180 primary students and advise they will be actively monitoring the housing capacity in the area's new developments. They have voiced no objections.

Education: Emerald Shores

MoE has raised concerns that the proposed SHA could impact on the school network as the schools in Papamoa East are currently operating at or near capacity. However, a relevant consideration is

that the primary demand for suburban-style compact dwellings in Papamoa East is from individuals and couples without children.

Further, MoE advises that they are investing in the Papamoa East school network by adding capacity at existing schools and a new school, which is proposed to open in 2021 at the earliest.

Criterion 2: there is evidence of demand to create qualifying developments in specific areas of the scheduled region or district.

On the basis of advice from my officials, I am satisfied that Criterion 2 has been met and there is demand to create qualifying developments in the proposed SHAs. Each developer submitted an Expression of Interest to develop the SHA in response to the respective Council's request for proposals. A stakeholder deed between the Council and developer has been signed for all three SHAs, through which the developer has committed to commence preparation of a resource consent application for the total yield of the SHA. The Councils are satisfied that there is demand for qualifying developments.

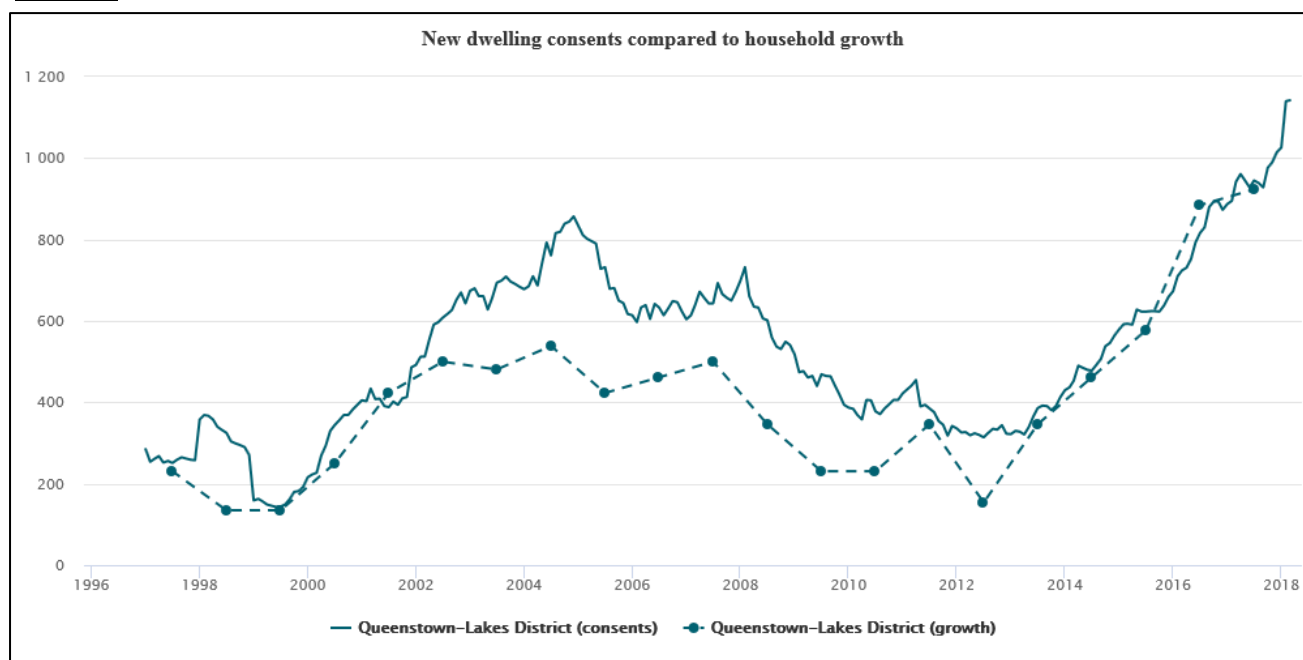
Criterion 3: there will be demand for residential housing in the proposed SHA

On the basis of advice from my officials, I am satisfied Criterion 3 for the proposed SHAs has been met. There is clear demand for residential housing in the proposed SHAs due to the current and projected population growth putting pressure on the housing market in the regions.

Population growth is putting pressure on the Queenstown property market

The Queenstown-Lakes District's population is projected to nearly double between 2019 to 2058, increasing from 38,000 to just under 75,000 residents. The rate of growth is expected to be highest in the next 10 to 15 years. Figure 1 below shows the current rate of building consents issued by the Queenstown-Lakes District Council compared to demand.

Figure 1: Queenstown-Lakes District new dwellings consents compared to household growth



Source: MBIE/MfE Urban Development Capacity Dashboard, March 2019

Although supply has increased in pace with demand, the Council has noted that the Queenstown-Lakes market is complex. A significant proportion of the real estate is owned by absentee owners (both New Zealand residents and overseas investors) who utilise their dwellings as personal holiday homes or 'second' homes. Some of these holiday homes are also used to provide rental accommodation for the District's resident population, and/or for short-term (mainly holiday) visitors (listed on platforms such as Airbnb and BookaBach). Buying a property is now well beyond the means of many of the District's residents.

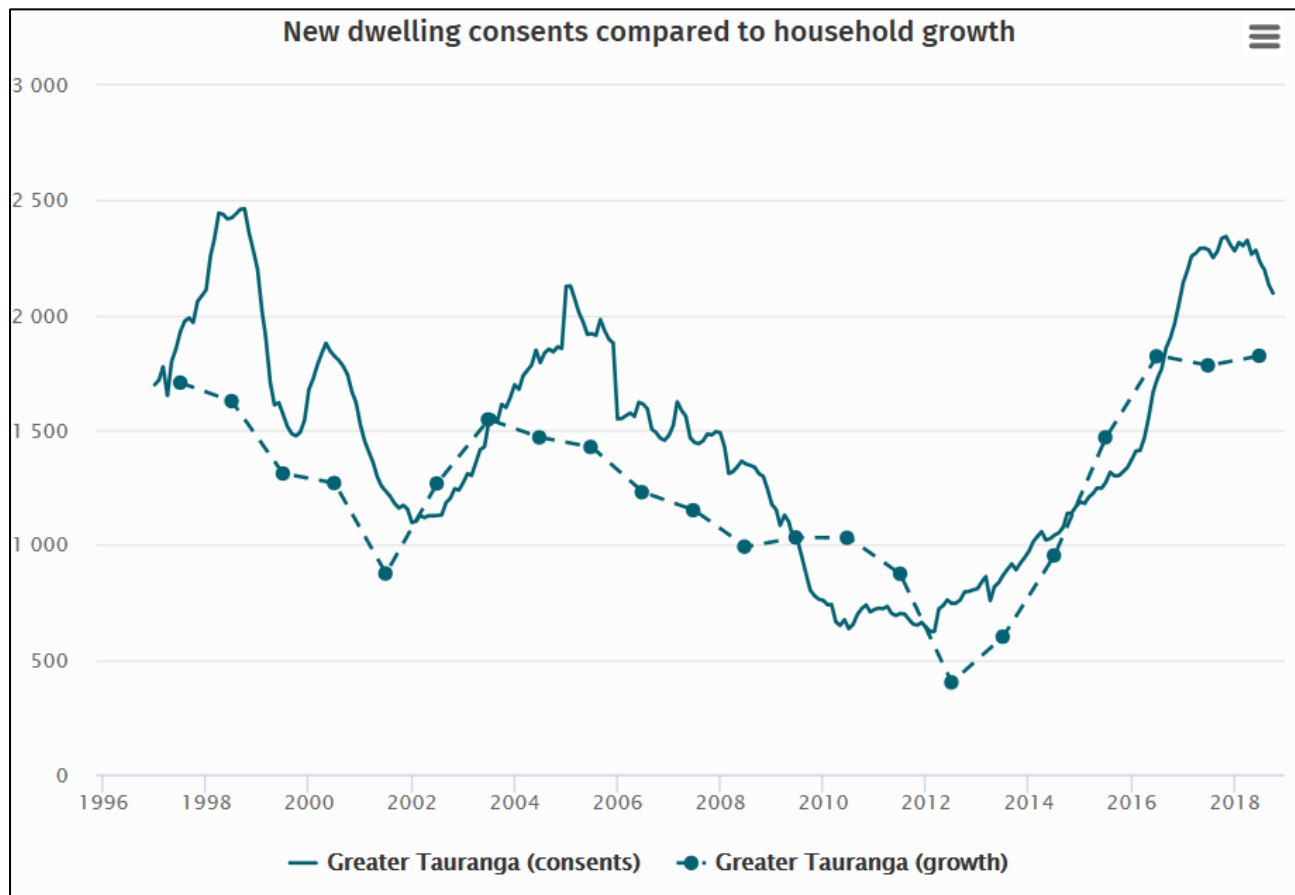
On the basis of advice from my officials, I am satisfied Criterion 3 for the proposed SHA in Coneburn Valley has been met. There is clear demand for residential housing in the proposed SHA due to the current and projected population growth putting pressure on the housing market in the region.

Population growth is putting pressure on the Tauranga property market

According to the Tauranga Statistical Information Report (TSIR), Tauranga's population as of 30 June 2017 was 131,500. By 2033, the council estimates that the population will reach 164,084 people, rising to 198,374 people by 2063.

Papamoa East is the fastest growing Urban Growth Area within Tauranga City, based on the last inter-census results.

Figure 2: Greater Tauranga new dwelling consents compared to household growth



Source: MBIE/MfE Urban Development Capacity Dashboard, March 2019

Annex Three: Criteria for qualifying developments within each SHA

Legislative provision

Under the Act, a qualifying development in a SHA is a development:

- a. that will be predominantly residential;
- b. in which the dwellings and other buildings will not be higher than:
 - i. six storeys (or any lesser number prescribed)
 - ii. a maximum calculated height of 27 metres (or any lower maximum calculated height prescribed);
- c. that will contain not fewer than the prescribed minimum number of homes per development to be built; and
- d. that will contain no less than the prescribed percentage (if any) of affordable homes according to criteria set in the Order for the SHA.

Proposed criteria

The Queenstown-Lakes District Council and Tauranga City Councils have recommended the following criteria for the minimum number of homes in a qualifying development, the maximum number of storeys, and the calculated height for the proposed SHAs as follows:

Table 4: Criteria for qualifying developments in Queenstown-Lakes District and Tauranga City

SHA name	Minimum number of homes in a qualifying development	Maximum number of storeys	Maximum calculated height (metres)	Affordability criteria
Coneburn Valley SHA	450	N/A	N/A	<p>Ten per cent of total finished and titled sections will be gifted to the Queenstown Community Housing Trust to use for affordable housing in perpetuity. Trust sections will be made available before or at the same time as 50 per cent of the remaining sections.</p> <p>The majority of completed house and land packages within the SHA would fall under the KiwiBuild price cap in the Queenstown Lakes area of \$650,000 inclusive of GST.</p> <p>(Achieved via contracts between the Council and Developer)</p>
Emerald Shores SHA	30	N/A	9	<p>Sixty per cent of the development will be affordable dwellings (under \$300,000 (capital cost only))</p> <p>(Achieved via contracts between the Council and Developer)</p>

Annex Four: Process for establishing SHAs and impacts of the proposed SHAs in the Queenstown-Lakes and Tauranga City

SHAs may originate from:

- the Councils identifying, considering and recommending areas to the Minister on their own initiatives
- EOIs from landowners and developers for SHAs that the Councils consider meet the criteria listed in the Act.

The Councils consider each proposed SHA on its merits. In addition to the degree of consistency with the Councils' SHA lead policy, other factors (such as planning and Resource Management Act 1991 matters) may be relevant to the Councils' exercise of discretion to recommend the proposed SHA to the Minister. The Councils have full discretion whether or not to recommend a SHA to the Minister.

The proposed SHAs will affect nearby existing residents, businesses and landowners. The Councils have consulted publicly on the proposals and feedback has been taken into account.

Figure A1: Aerial photograph (note: does not show exact site boundaries). Described as part of Lot 1 and 2 DP 475609 being part of the land held within Record of Title 655559. (Source: QLDC)



Figure A2: QLDC Proposed District Plan map depicting Urban Growth Boundary in red (Inset: Coneburn Valley location circled). **(Source: QLDC)**

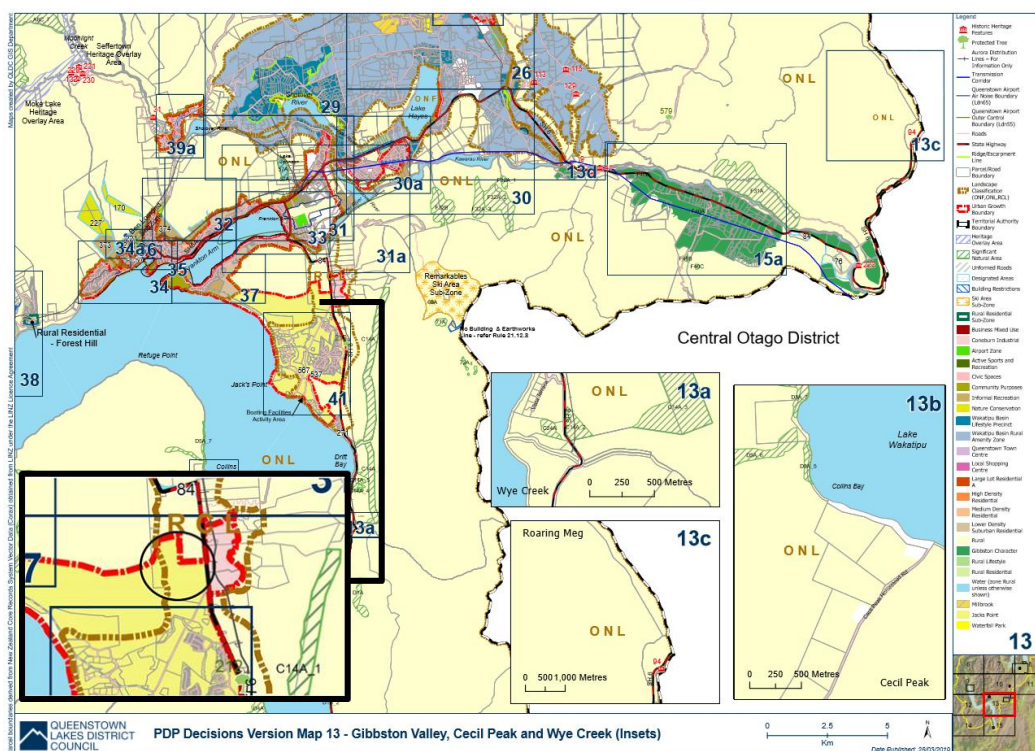
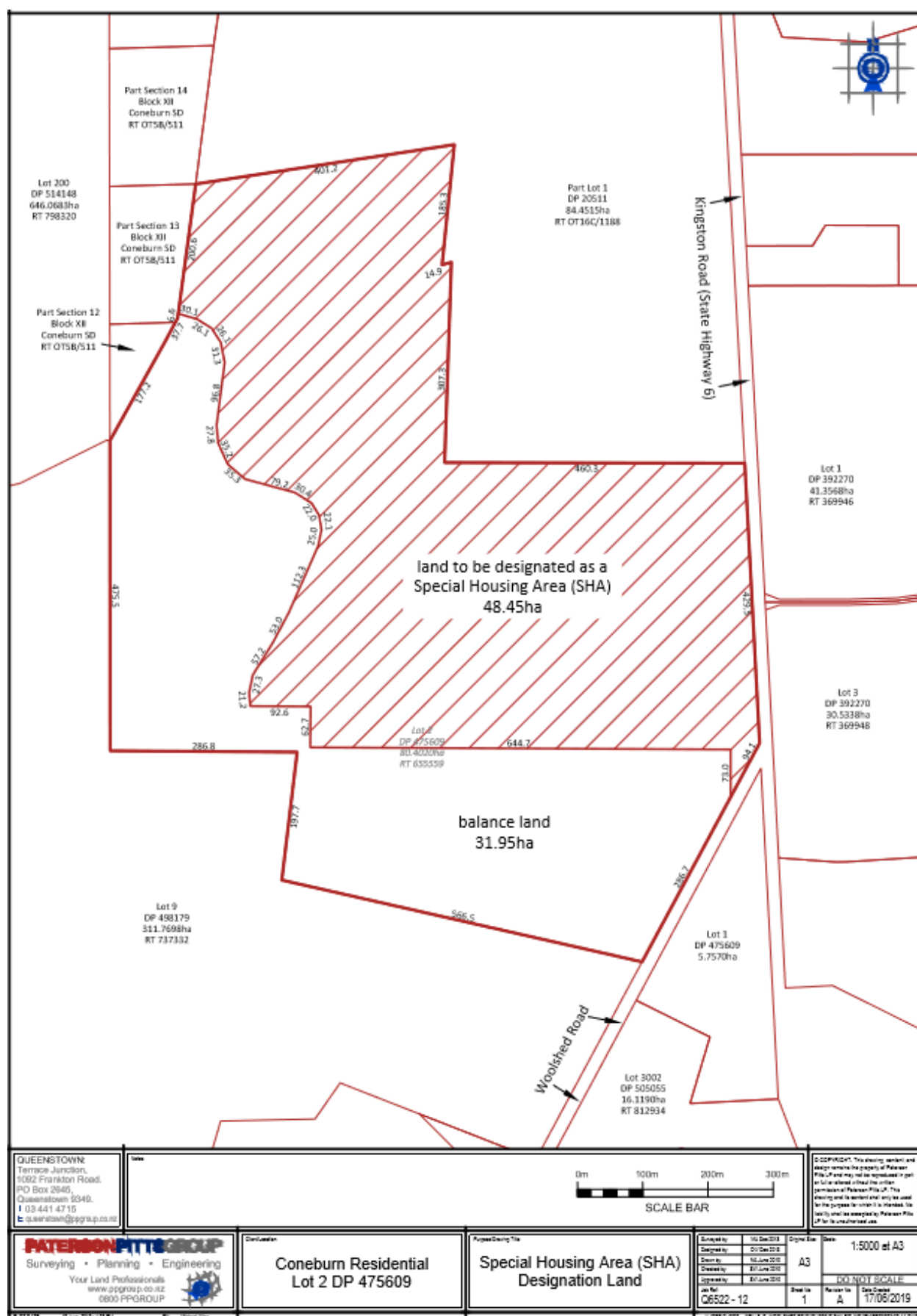


Figure A3: Coneburn Valley SHA Site Plan. (Source: Paterson Pitts Group)



Annex Six: Emerald Shores SHA maps

Figure B1: Location of Emerald Shores Drive SHA. (Source: Tauranga City Council)



Figure B2: Proposed Development Layout for Emerald Shores. (Source: TCC)



Annex Seven: Coneburn Valley SHA – NZTA assessment of roading infrastructure requirements



04 April 2019

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Dear Ian

Coneburn Valley – Proposed Special Housing Area - Comments

Thank you for providing details of the above proposal to the NZ Transport Agency (Transport Agency) for comment. We understand that the proposal relates to a 48 hectare development as follows:

- Approximately 800 residential lots;
- A 2-3 hectare community park and associated earthworks, access, landscaping and infrastructure; and
- The provision of a roundabout on SH6.

The development will be located at 436 Kingston Road, adjacent to Jacks Point and Hanley Downs, opposite the Coneburn Industrial Zone. Access to the site will be from a new 4-way roundabout on SH6 provided by the developer.

The Transport Agency supports the provision of the following elements of the proposed development:

- Being located within the Urban Growth Boundary;
- The development constitutes consolidation of existing urban form, rather than urban sprawl;
- A layout that will provide strong street and trail connections
- Integration with Jacks Point and Hanley Downs with both vehicle and trail connections
- Integration with Coneburn Industrial Zone with a 4-way roundabout
- An internal roading layout that provides for future connections through adjoining properties;

The Expression of Interest signals that important trails and road connections will be made to Hanley Farms and that this should be achievable without using the State highway. The Transport Agency supports this arrangement. However, the Expression of Interest advises that in the short term Woolshed Road will be used. The Transport Agency advises that the sight distance visibility from the Woolshed Road/SH6 intersection does not meet our recommended requirements. This is reflected in the provisions of both the Operative and Proposed District Plans which restrict the use of this intersection until it is upgraded. Given the proposed roundabout is close to this intersection the Transport Agency suggests the proposed Coneburn roundabout should replace the Woolshed Road/SH6 intersection. Consequently, the Transport Agency suggests that the internal roading network form and function should be designed and constructed to a standard that can safely and efficiently accommodate traffic from this development and some of the neighbouring Jacks Point and Hanley Farms traffic that will access the State highway via this new intersection.

Ultimately mitigation of the transport issues will require a wider and more integrated approach which is best managed through a spatial plan. This would provide an opportunity to provide an infrastructure funding toolkit and prioritise development in Queenstown.

The Transport Agency is supportive in principle of SHA's within urban growth boundaries and on the basis of the information currently available to us suggests, if Council are of a mind to accept this Expression of Interest as a Special Housing Area, that the following should also be included as part of the proposed development:

- A roading layout that supports alternative transport modes, i.e. bus stops, walking and cycling;
- The roading layout shall be of sufficient width to safely and efficiently accommodate bus routes through the development and to accommodate significant volumes of vehicular traffic generated from neighbouring developments.
- Integration with Coneburn Industrial Zone with a 4-way roundabout with potential cycling and pedestrian infrastructure incorporated into the roundabout design.
- The arterial connection from the development to Woolshed Road shall be constructed at the same time as the State highway roundabout to facilitate the closure of the SH6/Woolshed Road intersection.
- The arterial road shall connect to Woolshed Road an adequate distance from the current SH6/Woolshed Road intersection to allow a bund or similar structure to be constructed to prevent headlight glare and other distraction effects on State highway motorists.

Please do not hesitate to contact me if you have any further queries or require further information.

Yours sincerely



Steve Higgs
Lead Strategic Planner