

Timaru District Plan Review

Bruce Pipe
383 Gleniti Road
4 Rd
Timaru

Please find attached our submission regarding the rural residential zone.

As our address indicates we live in Hadlow which has a history of rural residential development. We have read the Ryder report commissioned by the Council as well as Council's subsequent growth options.

Our submission has been prepared in two parts. One to review and comment on the Ryder report and the second part to comment on the growth options.

Ryder report

We have attached our review of the Ryder report and wish to draw the Council's attention to the deficiencies of this report. In particular it is of concern that the report significantly understates the forecast demand for rural residential lots under 2ha.

Of particular concern is the proposed density for future rural residential lots. This has been presented in the Ryder report as 2 dwellings per hectare. At this level a subdivision becomes simply a residential development with large sections. This contrasts to the Selwyn District Council's definition of rural residential with a density of 1 dwelling per hectare.

A combination of high density and a shortfall in the forecast demand results in the growth options that are presented not providing sufficient land for rural residential purposes.

Growth Options

The growth options presented by Council will provide an additional 123 dwellings in the three areas named Elloughton, Kellands Height and Gleniti North. It should be noted that the first of these options is part of an economic farm and as such is contrary to the aims of the RMA.

Furthermore Elloughton would be the natural area to expand the urban Timaru in the long term. It is understood that Council is required to ensure long term urban development is protected.

The scoring system used to select these three areas has errors and these together with the highly subjective nature of the assessment criteria has meant that the obvious area for future rural residential being Hadlow has been excluded.

Irrespective of the issues with Elloughton and the errors that been made in the assessment the additional 123 dwellings contrasts with the 30 lots that are required to meet the annual demand.

The community wants life style choices but the growth strategy fails in its current form to provide the necessary land area. It is essential that Hadlow and Oakwood Road are included although this will only add a further 30 to 40 dwellings.

We ask that the Council review the forecast demand for rural residential lots and ensure sufficient land is zoned to match demand.

A handwritten signature in blue ink, appearing to be 'Steve P.' with a stylized flourish at the end.

Review of Ryder Consulting Analysis : Rural Residential

1. Existing Supply of rural residential land

The availability of rural residential lots has been largely controlled by the current District Plan requiring rural lots to be a minimum of 40 ha with the provision for smaller lots where rural titles are pre 27th August 1988.

This has resulted in random developments along most rural roads radiating out from urban areas. In Timaru's case examples of this can be seen along Spur Road, Claremont Road and Rosebrook Road extending 15km or more from the Timaru urban.

While limited subdivision has occurred as a discretionary activity this option ceased in 2014 following the Environment Court decision that the Council must follow its own District Plan when approving rural subdivisions.

A combination of Rural zone performance standards, Rule 6.3.12 and the Council's response to the Environment Court decision has led to the following:

- Subdivision as a controlled activity is occurring at increasing distance from urban boundaries.
- People seeking a rural lifestyle being forced to purchase larger sized lots (10ha or more) as the only option.
- Alternatively people simply opting not to purchase at all because of the large lot size and distance from their business or employment.

The Ryder report has used current building consent and sales statistics to forecast future demand for rural residential lots under 2ha. The statistics however understate the demand for such lots. For the reasons above people are currently forced to make alternative decision ie. their first preference for a small rural residential lot close to a urban area is simply not available.

2. Forecast Demand

The Ryder report uses building consents issued for rural dwellings issued between 2005 and 2015 as a basis to determine future demand patterns for rural residential lots.

The report takes the average number of building consents issued per annum for dwellings on lots less than 2ha as their base line. This approach understates the actual demand pattern due to :

- As noted in Section 1. the limited availability of smaller lots has resulted in people purchasing larger lots (greater than 2ha) to develop or simply not purchasing a lot at all. Therefore all dwelling consents for lots under 4ha should also be included in the analysis. It is suggested that the cut off figure should actually be 10ha but unfortunately the report does not separate out consents for lots under 10ha.
- The availability of additional smaller sized lots following the 2014 Environment Court decision referred to in Section 1. has been significantly reduced. The impact of this is highlighted in Table 3.1 of the Ryder report with consents for dwellings on lots below 2ha

dropping to 58% of the average for the previous three years (14 against a previous three year average of 24).

The actual demand pattern shown Table 3.1 is 25 consents pa (ten year average for lots less than 4ha). This is 20% higher than the Ryder report. Furthermore if the pattern of consents recorded over 2012 – 2014 had continued (ie. no Environment Court intervention) the figure would be in the order of 32 pa.

In summary the demand pattern based on consents for dwellings as per Table 3.1 of the Ryder report indicates a range of 25 to 32 consents pa. The sales trends highlighted in Table 3.4 of the report further confirms the growing demand for lots under 2 ha with a 100% increase in sales over the 5 years to 2014.

3. Quantum of land required

The Ryder report in Table 3.2 takes a very simplistic approach to calculating the land area required to meet the ongoing demand for rural residential lots ie all lots will be 5,000 sq m in size.

Logically a more accurate approach would be to establish an acceptable density for dwellings within a rural residential zone. In the Selwyn District a density of 1 dwelling per hectare is considered an acceptable minimum density for a rural residential zone. At this density a mix of 5,000 sq m lots to 2ha lots is possible with flexibility to allow for driveway options and varying topography.

It should be noted that the Brookfield Road single property subdivision (refer page 79 of the Ryder Report) has a significantly greater density and would be considered a residential subdivision if it was in the Selwyn District.

To achieve an acceptable rural lifestyle a density of 1 dwelling per hectare is consider the minimum for a rural residential subdivision. At this density the quantum of land required is in the range 25 to 32 hectares per annum.

4. Key Demographics Driving Demand

The Ryder report quotes a study that indicated that semi-retired farmers and families with urban employment are the two key demand drivers. In contrast an analysis of 39 rural owners in the Hadlow area indicates the following:

Business owners		38.5%
Professional		23%
Retired	-farmers	2.6%
	-other	25.6%
Other (employees)		10.3%

Furthermore the Ryder report suggests that an aging population will lead to reducing demand (estimated at 1 lot pa over the next 30 years) as will the reduction in the number of families (estimated at 1.5 lots pa over the next 30 years). However not recognised in the report is the effect

of people working longer due to the later retirement age, increasing life expectancy, increasing number of people working from home and a greater emphasis on a work / life balance. The reducing demand forecast in the report will be more than offset by these factors.

There is no creditable evidence to indicate that demand for rural lifestyle lots will diminish in the future. The probability of increasing demand is more likely for the reasons above. Accordingly the quantum of land required is forecast as being not less than 25ha to 32ha per annum over the next 30 years.

5. Timaru Land Quantum Allocation

The Ryder report states that urban Timaru has 75% of the Timaru District population. Logically it would therefore be reasonable to assume that 75% of the demand for rural residential lots would be adjacent to the Timaru urban area. However the Ryder report has split the rural residential as 60% urban Timaru vs 40% other urban areas within the Timaru District. The Ryder report does not give any reason for it's 60 : 40 split.

The 60 : 40 split understates the actual demand pattern when the following is considered :

- In the Hadlow survey 61.5% of those living in the existing rural residential adjacent to Timaru relied on professional employment / own businesses within Timaru. A further 10.3% were employed in Timaru.
- Living close to Timaru's hospital / medical facilities has a strong attraction to the aging population (retirees).
- Schooling options, particularly secondary are greater in Timaru for families
- Sporting opportunities for all ages are greater within Timaru

Clearly when the above factors are considered the split between urban Timaru and other urban areas as used in the Ryder report (60 : 40) understates the actual situation with a figure 75 : 25 being a more realistic split.

Based on the following assumptions :

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|--------------------------------------|---------------------------------------|
| • <i>Density of dwellings</i> | <i>1 per ha</i> |
| • <i>Demand pattern</i> | <i>25 to 32 lots pa</i> |
| • <i>Growth over 30 years</i> | <i>static growth</i> |
| • <i>Percentage split</i> | <i>75% allocated to Timaru</i> |

The land quantum for rural residential adjacent to Timaru's urban area is calculated to be 22.5ha per annum (30 lots @ 1 dwelling per ha) or over a 30 year period 675 ha. This is considered a conservative forecast.

6. Conclusions in the Ryder report

The Ryder report seriously understates the demand for rural residential lots concluding that only 330 dwellings will be required adjacent to Timaru for the period to 2045. In contrast using the conservative assumptions shown in 5. above the actual demand is forecast to be 900 dwellings.

Growth Strategy Options

As determined by our review of the Ryder report there will be a need to provide sufficient land zoned for rural residential purposed to accommodate 900 dwellings. From comments made by local real estate agents and valuers this is considered a relatively conservative forecast.

Options for Rural residential Growth

We support the aim of consolidating the rural residential growth closer to the Timaru urban area. On this basis of options presented by in the Growth Strategy we suggest the following areas merit further consideration:

Hadlow (extending north into the valley serviced by Oakwood Drive)

Kellands Heights

Elloughton

Gleniti North

The Growth Strategy in recommending three of the above four areas has based its analysis on a scoring system in which Ellington achieves the highest score (note error in the scoring). This type of analysis relies greatly on subjective views of the person undertaking the study. The weakness of this methodology can be seen when comparing Hadlow with Elloughton using Table 5.

	Hadlow	Elloughton
Infrastructure	36 points	36 points(note error of 6 points)
	Elloughton has an error of 6 points which bring the total score back to 36 points. Elloughton was scored 6 points for accessibility while Hadlow had no score. There is little difference between both locations although it should be noted that Hadlow has a major advantage in that it has an existing road network Elloughton has no road network.	
National Environment	15 points	10 points
Hazards	27 points	27 points

Cultural

9 points

12 points

Hadlow has scored lower on heritage (three points less) despite here are no heritage buildings or sites in the area!

Other

11 points

30 points

Community Facilities / Services : Distance to hospital is similar, distance to the CBD favours Elloughton by 3km. The two extra points to Elloughton is hard to justify.

Recreational / Open space : Both sites are close to recreational / open space areas. Hadlow is closer to Centennial Park yet is scored 2 point less.

Size of area: Hadlow score 3 points less yet the rationale suggests that this relates to accessing the area as suitable for accommodating rural residential development. Clearly Hadlow should score higher with the area well developed both with good infrastructure and landscaping. The points should therefore be reversed.

Consolidation: Hadlow scores nothing yet Elloughton gets 6 points. However this fails to acknowledge that Hadlow is already a significant rural residential area already and offers capacity to avoid further subdivision of productive farm land such as Elloughton. Again the scoring should favour Hadlow.

Adjacent land use: Hadlow is already rural residential while Elloughton is part of an economic farm. The scoring should favour Hadlow yet both are treated the same.

Proximately to employment : While Hadlow has 2 less points it is closer to the Redruth industrial area and the hospital. While Elloughton is closer to Washdyke and CBD. On balance both should be scored the same.

Land ownership: The rationale states it is less of a concern for rural residential growth yet Elloughton is scored 4 points and Hadlow nil.

In summary the scoring system contains simple error and poor assessment of the criteria. The results cannot be relied upon. Key criteria such as the affect on neighbouring communities, cost of subdivision, ease of subdivision, timeframe and integration into the existing roading / services network have been ignored. On each of these Hadlow would outscore Elloughton.

On balance Hadlow matches or exceeds both Elloughton and Kellands Height.

Availability of sufficient Rural Residential Land

The Growth Strategy provides the following assessment of the land available for future rural residential land.

Elloughton	33 ha	Timeframe	5 to 15 years
Kellands Height	58 ha	Timeframe	5 to 15 years
Gleniti North	32 ha	Timeframe	5 to 15 years

The above three recommended area have a combined area of 123 ha. However this is assuming a density of 2 dwellings per hectare which is twice the density that is considered acceptable in Selwyn for rural residential subdivisions. Furthermore it is impossible to achieve the density of 2 dwellings per hectare given the topography of the three areas.

Based on the density of one dwelling per hectare the three recommended areas will provide a total of 123 dwellings at some point in the future. This compares to a forecast demand of 25 to 30 dwellings pa.

To put it simply the Growth Strategy is proposing to provide an extra 123 dwellings for a 30 year forecast that requires 30 pa. Hadlow could provide 30 to 40 additional dwellings with a time frame of 1 to 5 years at minimal impact to the greater community or Council infrastructure.

The community want lifestyle choices which will not be provided by the growth strategy in it's current form.