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Residential



**WANGANUI DISTRICT COUNCIL
DISTRICT PLAN REVIEW**

Phase 2: Residential

**Residential Growth Discussion
Paper**

DISCUSSION PAPER 2D

21 February 2012

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Introduction

The purpose of the Residential Discussion Paper is to provide a starting point for discussion about how residential development in Wanganui should progress to enable efficient and effective Council asset management.

Residential development that is directed into appropriate areas of the district, will provide increased opportunities for developers and businesses, and increase certainty for Council asset management planning.

The history of, and a projected low rate of, residential development, coupled with an abundance of land available for residential development, has led to sporadic development. With no clear pattern of development, Council is unable to plan or charge development contributions for infrastructure. This means that currently some infrastructure costs are carried by ratepayers, when they should be a cost to the developer.

With identified key development areas, Council asset management becomes proactive rather than reactive, and therefore more efficient and effective.

This Residential Discussion Paper identifies key areas for future residential development. Changes to the District Plan will encourage planned development that will enable Council to undertake asset management in an efficient and effective manner. Certainty for developers and industry, and costs being paid by the developer rather than the ratepayer, are also anticipated outcomes from the District Plan review.

1.1 Existing Situation

1.1.1 Residential Development in Wanganui

For many years Wanganui was a relatively compact city, with pre-1950s development being located in central Wanganui. In the 1960s and 1970s Springvale, parts of Wanganui East, and Aramoho were developed.

Wanganui Suburb Map



Wanganui Map from maps.google.co.nz

The development of these areas occurred with relatively few constraints. A market driven approach to development resulted in sporadic development, with no clear forward planning to guide where residential development should occur. This approach has created a number of challenges for managing residential development in Wanganui.

1.1.2 The Importance of Residential Development

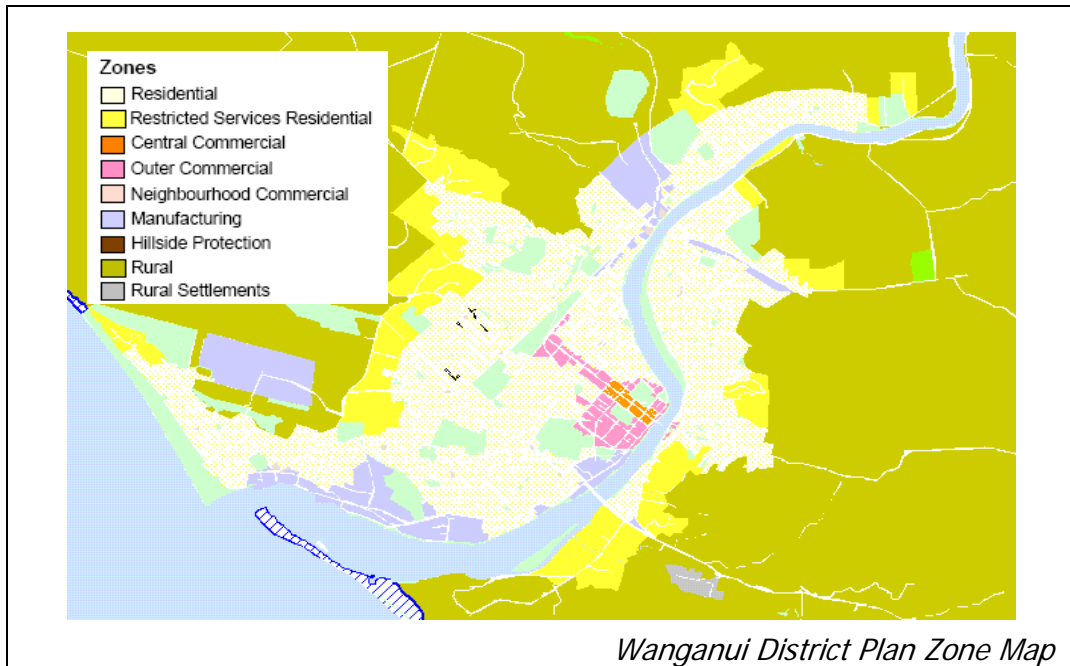
Growth in population, dwellings and land parcels, imposes demands on resources. Residential development may occur as infill that is within the existing urban area, or greenfield development, through the addition of dwellings and subdivision of undeveloped land, often on the edge of the urban area. While the legal process of land subdivision does not in itself generate obvious effects, the activities that follow can have important resource management implications. Subdivision of land can lead to the construction of dwellings, which in turn create a demand for services in the form of connections to roads, water supply, stormwater, wastewater, electricity and gas. Such development can bring changing traffic patterns, increased flow of stormwater and wastewater in pipes, and increased pressure on existing infrastructure. Development that is not planned or managed results in Council having to upgrade existing infrastructure to

accommodate the increased demand, and because Council was not able to plan these upgrades they are not able to pass the costs on and they are more expensive than planned upgrades.

1.1.3 Current Planning Requirements for Residential Development

The primary planning document controlling development in Wanganui is the Wanganui District Plan, which remains largely unchanged since 1998. The District Plan details zones for the Wanganui District as well as rules and standards for these zones. While many other District Plans have been reviewed and updated to move away from a market led approach to proactively deal with the demands of development, the Wanganui District Plan has not.

Under the existing provisions of the District Plan residential development may occur within the Residential zone, Restricted Services Residential zone and Rural zone as a permitted activity.



The current planning requirements provide little limitation on subdivision development. In the Rural zone land can be subdivided to create lots of a minimum of 1.0 hectare, while both the Residential and Restricted Services Residential zones have no specified minimum lot size. The Restricted Services Residential zone allows for residential development at a scale that does not require reticulated services. In the past, requiring stormwater and wastewater to be disposed of on-site meant that lot sizes in the Restricted Services Residential zone were relatively large. Advances in on-site disposal techniques have resulted in allotments being developed at a higher density than initially intended. The result of this increased density in some areas zoned restricted services residential has been that the infrastructure such as

roading, are now or soon will be insufficient to service the changing residential environment. While this is an unidentified consequence of the Restricted Services zone, it was intended that a structure plan be imposed to manage development in the Springvale restricted services residential area. A change to the District Plan to achieve this was initiated but was subsequently abandoned. Development in the restricted services areas is putting Council at risk of having to provide infrastructure that is neither effective nor efficient.

In addition to this, some land in the Wanganui District is inappropriately zoned, with parts of the Residential or Restricted Services Residential zones being unsuitable for residential development, due to topography and ground conditions. Other parts of the existing Residential zone are at capacity for services and therefore are unable to be further developed, although the rules permit development.

1.2 Implications

Poorly planned development can result in a number of negative effects on the community, which may be social, cultural, environmental and economic in nature.

1.2.1 Implications of Poorly Planned Residential Development

Wanganui is now experiencing some of the negative effects of uncontrolled, piecemeal residential development, with servicing issues at the forefront of these negative effects. Infill development and increasing density in the restricted services residential areas have created problems with stormwater management as well as the need for the upgrade of other existing services to a residential standard. The cost of providing these services is largely being paid by Council and therefore ultimately by the community as ratepayers. Planning for future development will allow infrastructure development to be proactive, rather than reactive, ensuring development contributions are recovered for development costs.

The increasing density currently being experienced by some of the restricted services residential areas in Wanganui also creates conflicting perceptions of character in these areas. In the past these areas have been utilised as rural/residential areas with larger lot sizes and an acceptance of a lower level of servicing. With no minimum lot size in the restricted services residential zone and advances in on-site disposal techniques resulting in allotments being developed at a higher density than initially intended, these once rural/residential areas are becoming increasingly residential in character. This not only destroys the rural/residential character of the areas, which may have been the very reason they were developed in the first place, but also creates a pressure to retrofit to an urban standard.



Lifestyle or rural/residential standard



Residential standard

If residential density development continues to be permitted in all of the restricted services residential areas then rural/residential areas such as Dickens Lane (above left) will be required to be upgraded to residential standard (example above right). This will result in a loss of lifestyle amenity, and will cost the ratepayer, not the developer.

Careful planning for future residential development is required to ensure that pressure is not placed on Council to service areas in a reactive and inefficient manner. Removal of the restricted services residential zone and identification of lifestyle or rural/residential areas, and residential areas, with minimum lot sizes, will ensure that development is efficient and there is certainty for retention of rural/residential character.

1.2.2 Future Residential Development in Wanganui

The projected population of Wanganui and the average number of people living in a dwelling (occupancy rate) is projected to decrease. Although Council will take steps to reverse this trend, it is prudent to plan for the projected rate of growth, and respond to a change if it occurs. The

relationship between these figures is such that, in the case of Wanganui, a declining population will not result in a decline in residential development, it will in fact result in a projected 70-80 additional dwellings per year. With this relatively low growth rate careful planning is required to ensure that development occurs in areas that allow for efficient and effective Council asset management. The temptation is, as has occurred in the past, that low growth means it will not cause an issue so there is no need to manage it. The costs now being encountered, and the risk of increasing costs in the future, suggests that growth management is necessary. This provides certainty for developers and means service costs are not carried by the community.

Statistics show that over the last 5 years 68% of residential development in Wanganui has occurred within the urban area. Of this total, 30% has been greenfield development. It is projected that 60% of future residential development will be within the urban area, with 40% being greenfield development. Therefore future greenfield residential development will account for between 13-19 new residential dwellings each year. Over a 30 year period this equates to between 390 and 570 dwellings.

There is currently an abundance of land available where residential development is permitted in Wanganui. The relatively small amount of residential growth coupled with large amounts of available land, means it is difficult to predict the location of future residential growth. This in turn creates an uncertainty for Council when planning infrastructure. In order to efficiently plan infrastructure and create value through design, development needs to be encouraged in identified residential growth areas.

The implications of these issues are that Council now needs to identify areas for future residential growth, so that development can be planned and the costs of servicing development are paid by the developer, rather than the ratepayer. A plan for residential development in Wanganui will also take into account the character of different areas and help Council to ensure that other services are available to the community, such as access to recreational and social services.

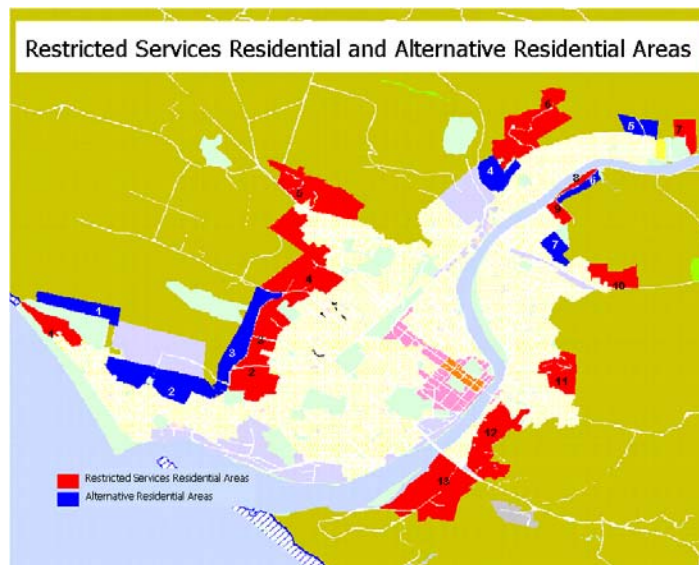
1.3 Residential Assessment Process

1.3.1 Assessing Existing Restricted Services Residential and Alternative Residential Areas

In order to determine the most appropriate areas for future Greenfield residential development to occur, an assessment of the existing residential zones and possible alternative residential areas was completed. The alternative residential areas were determined by identifying blocks of land on the urban periphery that might be better residential areas than the existing restricted services residential areas.

Existing Restricted Services Residential		Available Lots	Alternative Residential Areas		Available Lots
1	Longbeach	136	1	Waitai	218
2	Fitzherbert Ave Extension	572	2	Manuka Street	321
3	Springvale South	658	3	Clarkson Ave	256
4	Montgomery	284	4	Hylton Park	112
5	Mannington	314	5	Delhi Ave	113
6	Roberts Ave	323	6	Pauls Road East	130
7	Flemington Road	216	7	Wembley Park	208
8	Riverbank Road	38			
9	Pauls Road West	117			
10	No.3 Line	118			
11	Shakespeare/Georgetti Road	104			
12	Putiki	172			
13	Wikitoria	780			
LOTS AVAILABLE		3832	LOTS AVAILABLE		1358

This chart shows that collectively the restricted services and alternative residential areas presently have capacity for over 5000 lots. The existing restricted services residential areas can provide for between 201-294 years at the projected rate of 13-19 dwellings per year.



The topography of these areas, their ability to be developed, and other constraints were considered to establish an estimated average lot size for future development in these areas. Average lot sizes ranged between 500m² and 10,000m² and the cost of servicing these areas was calculated based on these lot sizes. Cost of servicing formed one of the assessment criteria for the residential assessments.

The residential assessment also considered a number of social, environmental, cultural and economic criteria. Although the primary purpose of the Growth Strategy is to identify areas for future residential growth to provide for efficient and effective Council asset management, it was necessary for the assessment criteria to be wider than simply infrastructure.

The assessment recognises that residential areas for future development must be desirable in order for development to occur. Therefore the following criteria were included:

- impact on natural and cultural resources;
- impact on landscape integrity;
- accessibility to community activities and transport routes;
- retention of rural land diversity;
- supporting a range of housing needs;
- logical development sequence;
- ability to provide efficient and effective infrastructure; and
- market demand.

These criteria were allocated weights to ensure that the assessment would give consideration to the varying importance of the criteria.

Given that the primary purpose of the Growth Strategy is efficient and effective asset management, the ability to provide efficient and effective infrastructure was identified as an important assessment criteria. The cost of servicing was calculated for each area individually, with the NZTA subsidy for roading being included in these calculations to give a true cost of the work for Council.

A summary of the residential assessment results are as follows:

Combined Residential Areas		Results (%)	Number of Lots
1	Springvale South	94.20	<u>658</u>
2	Fitzherbert Ave Extension	87.80	
3	Waitai	76.74	
4	Wikitoria	75.60	
5	Delhi Ave	75.58	
6	Wembley Park	73.26	
7	Longbeach Drive	72.70	
8	Montgomery	72.70	
9	Manuka Street	71.51	
10	Mannington/Pickwick Road	70.90	
11	Clarkson Ave	64.53	
12	Pauls Road West	64.00	
13	No 3 Line	59.30	
14	Hylton Park	54.65	
15	Putiki North	53.50	
16	Riverbank Road	52.30	
17	Roberts Ave	51.70	
18	Pauls Road East	51.16	
19	Flemington Road	44.80	
20	Shakespeare/Georgetti Road	44.80	

The table above identifies the areas that would best cater for future residential growth in Wanganui. The highest rated area is Springvale South, with Shakespeare/Georgetti Road rating the lowest out of the areas assessed.

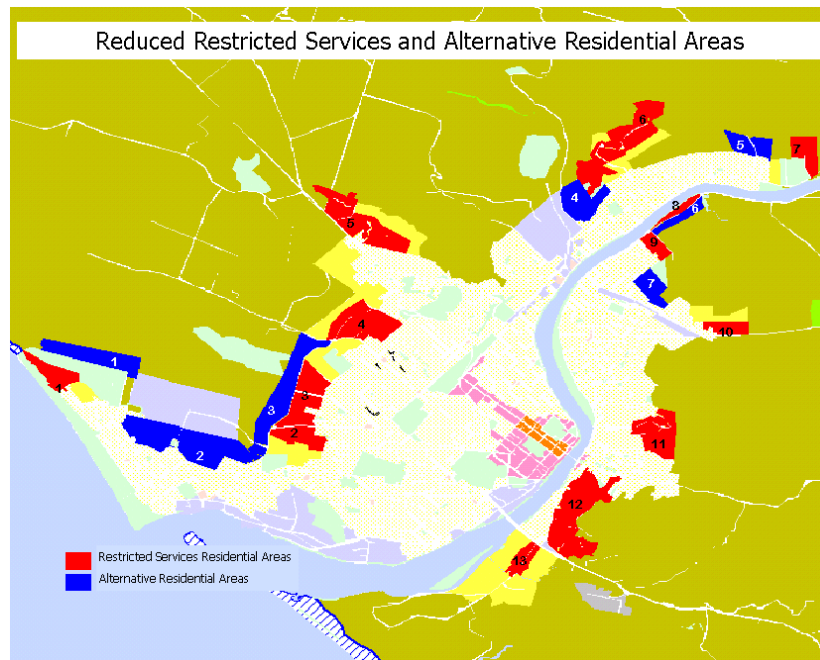
Given the small amount of projected residential growth for Wanganui, all of the growth for the next 30 years could be accommodated within the Springvale South area alone. Allowing only one area to accommodate residential growth is considered to be too restrictive and therefore a further assessment of the top residential areas for development was conducted.

1.3.2 Re-assessing the Top Residential Areas

In an attempt to maintain a selection of residential areas, for future development, the top ten ranking residential areas were reassessed.

Top ranking Residential Areas	Results	Number of Lots
Springvale South	94.20	658
Fitzherbert Ave Extension	87.80	572
Waitai	76.74	218
Wikitoria	75.60	780
Delhi Ave	75.58	113
Wembley Park	73.26	208
Longbeach Drive	72.70	136
Montgomery	72.70	284
Manuka Street	71.51	321
Mannington/Pickwick Road	70.90	314
		3604
		TOTAL LOTS AVAILABLE

The area of land available in each of the remaining residential assessment areas was reduced and development costs recalculated, taking into account the existing dwellings in the area. Existing dwellings were taken out of the cost for servicing to ensure that actual recoverable costs for development contribution costs were calculated. The top areas - with the exception of Longbeach - were reduced in area to allow for development selection, while reducing the risk to Council of providing infrastructure to too large an area. In addition to the assessment criteria Manuka Street was excluded because a rural zoning provides a buffer between the existing urban area and the Westbourne industrial area. Wembley was excluded because it presently provides a well used active recreation reserve, and Waitai was excluded because Clifftops and Longbeach will provide for more than enough urban coastal land. Wikitoria was excluded due to uncertainty relating to flood management in the area. The reduced areas are illustrated below.

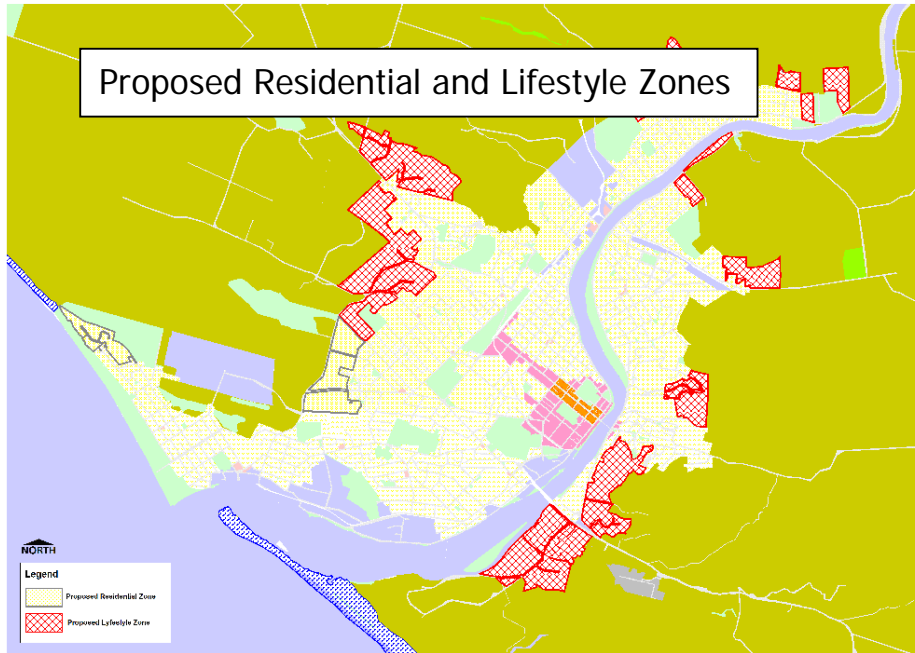


Reduced Top ranking Residential Areas	Number of Lots
Springvale South	399
Fitzherbert Ave Extension	220
Delhi Ave	113
Longbeach Drive	39
Montgomery	135
Mannington/Pickwick Road	160
LOTS AVAILABLE	1066

Based on the projected growth rate for greenfield residential development the areas identified still provide far more land than is required over the period of this study. The areas identified for future residential development are Springvale South, Fitzherbert Ave Extension, and Longbeach. These areas were selected because they collectively provided the area of land projected to be required, ranked highly against the assessment criteria, and provided some choice on locality. If or when the projected growth increases, Council can consider zoning the next ranked areas.

1.4 Outcome

There are a number of areas that are recommended for rezoning as a result of the residential growth assessment. The areas best suited to cater for future residential development in Wanganui are proposed to be rezoned as shown on the following map.



The proposed zone changes provide more residential zoned land than presently zoned residential for development. The number of lifestyle lots were calculated on a lot size of 5000m².

Reduced Top ranking Residential Areas	Number of Lots
Springvale South	399
Fitzherbert Ave Extension	220
Mannington/Pickwick Road	62
Longbeach Drive	39
Wikitoria	78
Delhi Ave	18
Montgomery	52
No 3 Line	14
Residential Lots Available	658
Lifestyle Lots Available	224
Other Lifestyle areas	264

In addition to rezoning new residential areas the identified existing restricted services residential areas and parts of the rural zones should be rezoned lifestyle residential zone to allow for lifestyle blocks that are less than the rural lot size, and are not serviced. Some existing residential zoned land that is unsuitable for residential development will be assessed in conjunction with the District Plan review. The demand for coastal lifestyle land should also be considered, with the potential that lifestyle development, with on-site waste and stormwater disposal, established in the Peat Avenue area of Mowhanau. The area available to accommodate 100 lots, providing a distinctive cliff top residential area at the extreme end of Longbeach Drive, approved by Council but presently under appeal, has been included as a residential development area.

Details of the rules and standards for the residential, lifestyle and rural zones will be developed in conjunction with the District Plan review commencing in 2009. In addition, existing redeveloped residential zones will allow for greater density in the central areas through infill development, with these and the newly zoned residential areas being developed in conjunction with urban design principles and encourage mixed density.

3. Conclusions

This strategy document has identified where future residential development in Wanganui should occur, to enable effective and efficient Council asset management. Although effective and efficient Council asset management is the primary driver for the consideration of future Wanganui development, unless development areas also provide for the social, cultural, environmental, and economic needs of the community, they will not be successful. Having considered the identified criteria the prospective areas were ranked.

Springvale South, Fitzherbert Avenue Extension, and Longbeach Drive, were all identified as residential development areas that would be efficient and effective to service, and could provide for the social, economic and cultural needs of the community.

The existing restricted services residential land that did not rate highly enough to warrant identification as residential development areas should be rezoned to be either a new lifestyle zone, with rules that will maintain identified amenity values, or, zoned rural.

The majority of the recommended zone changes will be undertaken in conjunction with the upcoming District Plan review, with some changes being undertaken separately through the plan change process.

This Discussion Paper has been developed with limited consultation, and as such, comprehensive consultation, with all sectors of the community, is required to ensure that the strategy ultimately adopted, has buy-in from, and meets the needs of, the community.