



Housing and Future Development Plan

Palmerston North

SMALL CITY BENEFITS, BIG CITY AMBITION

2018/21

Te Kaunihera o Papaioea
Palmerston North City Council





To fulfil the vision of small city benefits, big city ambition the Council has adopted five goals.

The City Development Strategy was developed to achieve **Goal 1: An innovative and growing city**, and this plan shows how the Council will contribute to achieving this goal. The Plan will be implemented in accordance with the National Policy Statement – Urban Development Capacity.

Palmerston North is expanding and the Council wants to accelerate the city's growth and prosperity. It needs to adopt sustainable development practices and align the city's growth with Council's other goals for a creative and exciting city, a connected and safe community, and an eco-city. There needs to be a clear planning framework to promote growth and urban development by providing certainty for public and private investment.

Having a ready supply of land with infrastructure to support the city's growth will ensure Council can harness new development opportunities and increase Palmerston North's competitiveness. Council will provide infrastructure in a timely way while managing the financial risks of duplicating or providing too much infrastructure in multiple locations. In developing a planning framework for growth, the city must build on its historical strengths, including its compactness, strong city centre, transport network, supply of productive land and accessible freight and logistics hubs. Integrating land use planning and infrastructure can be a powerful economic development tool. The Government has provided strong direction about this, particularly for housing, in its National Policy Statement for Urban Development Capacity (2016).

The planning framework needs to provide investors with certainty and choice, while also directing new development to the most appropriate location. It also needs to ensure development is consistent with Council's broader objectives, especially for the city centre and urban design. Successful and high-quality development will contribute towards Council's strategic priorities.

The Council will work more closely with the development community, to build its confidence to invest in new ways and achieve development that contributes towards the city's vision and goals. In the past, Council has focused on setting the planning framework, providing the infrastructure and enabling the private sector to invest. Despite considerable new house building activity, the types of housing being provided will not meet changing demographics and needs. Council needs to be much more responsive in how it provides land for housing and supports a greater choice of housing choice. Collaborating with Rangitāne o Manawatū on its strategic property interests post-settlement is also a priority.



The purpose of the Housing and Future Development Plan is to *create and enable opportunities for employment and growth* (Priority 1, City Development Strategy).



Where we are now:

- Greenfield housing development is occurring predominately at Kelvin Grove and Aokautere.
- Whakarongo is zoned for greenfield housing development.
- City West is identified for greenfield housing development in the medium to long term.
- Council has started working with landowners at Aokautere, Napier Road, Flyers Line and Te Wanaka Road to initiate planning processes to enable further land for housing to come to market.
- The District Plan enables infill housing, multi-unit housing development, minor dwellings and apartments.
- There is little innovation in the types of new houses being built to meet changing demographics and needs.
- There is strong demand for housing and new residential sections.
- There are limited development options at Ashhurst.
- There is a small number of major developers.
- Housing is more affordable than in most other cities, but is becoming less affordable.
- There is capacity for approximately 1,900 greenfield residential sections.
- There is significant capacity for new lifestyle blocks, which are directed away from high class soils.
- New office and retailing activities are directed to the city centre or one of the established business zones.
- Large format retailing is directed to land to the north of the city centre and Rangitikei Line, but large land holdings remain vacant.
- The north-east is zoned for large format freight, distribution and logistics activities and has recently been extended.
- Longburn is best suited to wet or processing industries, but contains private infrastructure.
- Land has been rezoned for dairy related industrial activity at Longburn.
- There is significant capacity for new commercial and industrial development.
- Engaging with Te Tihi Whanau Ora Alliance Network on the Pathways to Housing project.
- Council engages with Rangitāne o Manawatū early and substantively as regards future sites or zones of development that are being considered for the city and encourages developers to engage directly with iwi interests.



Where we want to be:

- Housing development continues at Aokautere, but is guided by a structure plan.
- Housing development is initiated at Whakarongo.
- Housing development at City West begins with the rezoning of the Racecourse land.
- Residential land supply exceeds demand by 20%. This means there is a constant supply of at least 1,800 greenfield residential sections.
- Zoning adjustments provide additional housing choice, e.g. Napier Road and Flyers Line.
- Developers deliver new forms of housing, in particular brownfield developments.
- Increased mixed-use development incorporating new forms of housing.
- Developers are connected with opportunities for major housing projects to support new investment, e.g. Singapore defence training.
- Council and Government land is used for affordable housing.
- Council is proactive in promoting affordable housing.
- New housing development opportunities are confirmed at Ashhurst.
- There is a greater number of property developers, at all levels of the market.
- The strategic property interests of Rangitāne o Manawatū are supported and grow.
- Housing remains more affordable than most cities.
- Improving the quality of rental stock and supply.
- The best use of vacant large format retailing land has been determined.
- The capacity for commercial and industrial development is monitored.
- The development community understands the city planning framework.



How we're going to get there

Day to day / ongoing actions to achieve the purpose

- Efficiently process planning and building consents.
- Rezone land and review of District Plan provisions to ensure land supply continues to exceed demand by 20%, including a structure plan at Aokautere.
- Review and update the District Plan in a proactive manner.
- Monitor supply and demand of urban development.

New ongoing actions to achieve the purpose

- Collaborate with the development community to deliver new housing developments and new forms of housing.
- Implement the NPS on Urban Development Capacity, including Housing and Business Needs Assessments, monitoring affordability indicators and a new detailed Future Development Strategy.
- Identify Council and Government land to be used for affordable housing.
- Develop an Illustrative District Plan User Guide.
- Host regular strategy-led developer forums.

Specific programmes to achieve the purpose (with timeframe)

- Progress a Council-led housing development at Whakarongo (2018/19 onwards).



Actions contributing to Council's strategic themes

a) Smart city practices

- Timely provision of infrastructure.
- City development dashboard.



b) Sustainable practices

- Urban intensification and brownfield redevelopment.
- Centres based office and retail.
- Intermodal freight distribution and logistics.
- Retention of high class soils.
- Applying the principles of good urban design.

c) Iwi partnerships

- Work with iwi on property development opportunities to assist them to achieve the potential of their Treaty settlements.
- Engage with Rangitāne o Manawatū on major city development.
- Engage with Rangitāne o Manawatū on the Mana Whakahono a Rohe imperatives under the Resource Management Act (agreed process for engagement on planning matters).

d) Strategic partnerships

- Development community, Rangitāne o Manawatū, Te Tihi Whānau Ora Alliance, and social and community housing providers.

Measures of success

- More property developers
- Increase in home ownership rates

Related policies

- District Plan
- National Policy Statement on Urban Development Capacity
- Reserve and walkway naming policy
- Street naming and numbering policy
- Development contributions policy
- Local Area Traffic Management policy
- Stormwater Drainage Bylaw
- Water Supply Bylaw
- Wastewater Bylaw
- Speed Limits Bylaw



Long-term Plan levels of service

Council rezones land and reviews the District Plan provisions to ensure land supply continues to exceed demand.

Council processes planning and building consents to support growth.

Ratio of lower quartile home price to median household income (This measures whether a household that is renting can feasibly afford to buy a home. It is part of the MBIE set of indicators and will allow comparisons with other Councils. It is a new measure so there is no target set yet.)

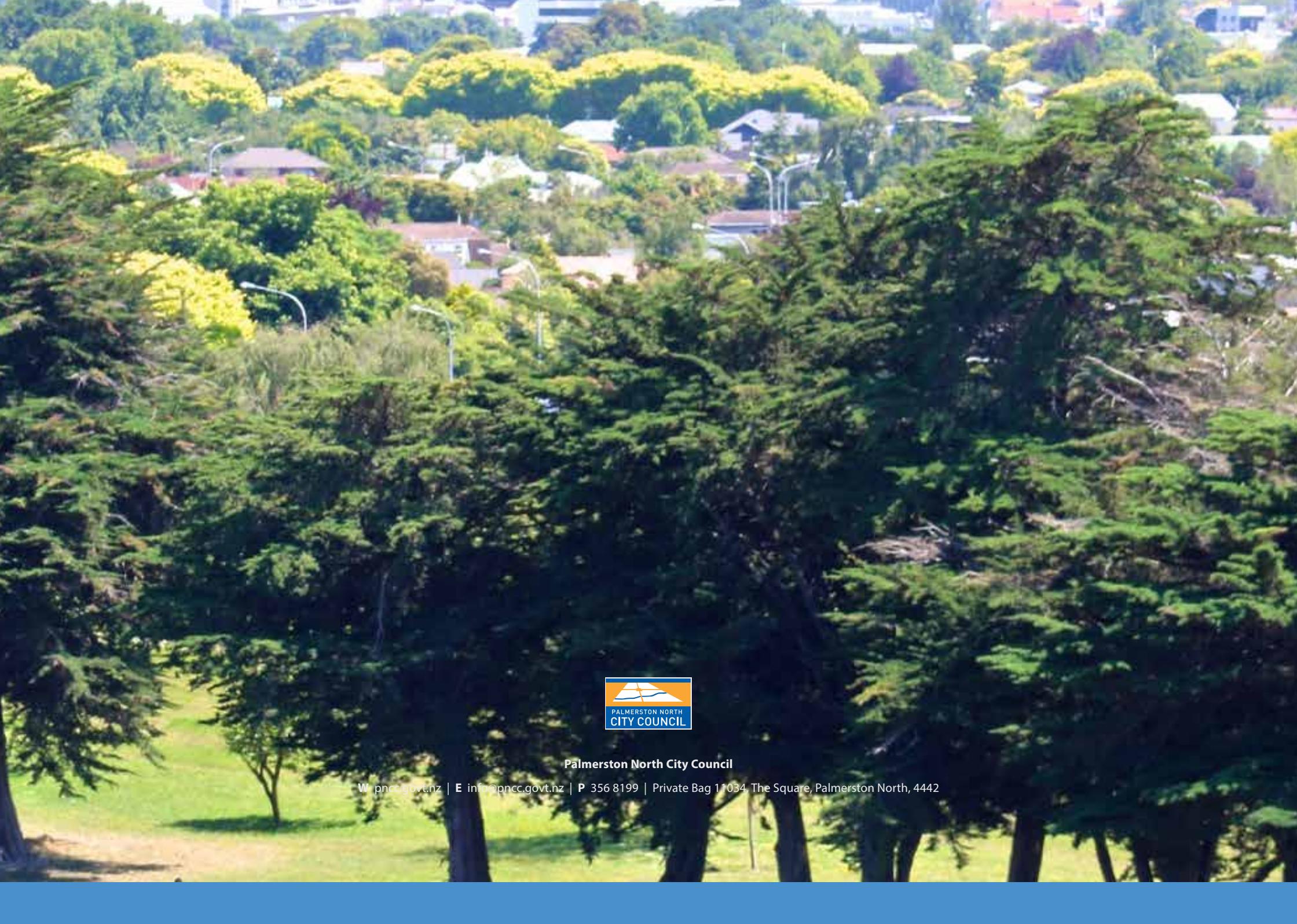
Long-term Plan KPIs

There is a continual supply of land for at least 1,900 greenfield residential sections.

At least 95% of resource consent applications are processed within statutory timeframes.

At least 95% of building consent applications are processed within statutory timeframes.

Council keeps its status as an accredited building consent authority.



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