

**SUBMISSION ON *DRAFT OUR SPACE 2018-2048* - GREATER CHRISTCHURCH SETTLEMENT
PATTERN UPDATE**

TO: Our Space Consultation
Greater Christchurch Partnership
PO Box 73012
Christchurch 8154

Via email: ourspace@greaterchristchurch.org.nz

SUBMISSION ON: Our Space 2018-2048: Greater Christchurch Settlement Pattern Update – Draft for consultation

SUBMISSION BY: Infinity Investment Group Holdings Limited

SUBMITTER ADDRESS:

HEARINGS: We do not wish to be heard at the hearings.

1. INTRODUCTION

- 1.1. This submission is made by Infinity Investment Group Holdings Limited (Infinity Group).
- 1.2. This submission provides feedback on the *draft* Our Space 2018-2048: Greater Christchurch Settlement Pattern Update ('Draft Strategy').

2. STATEMENT OF INTEREST

Background

- 2.1. Infinity Group is a property investment and development group based in Wanaka in the South Island of New Zealand. Founded in 1999 by Bob and Jen Robertson, the Group has grown into a well-respected New Zealand property developer.
- 2.2. The core business of the group is the master planning and development of residential community subdivisions and fully master planned towns.
- 2.3. Infinity Group has concentrated on high-end and affordable residential developments and master-planned towns. The key point of difference is the focus not just on selling sections, but on selling lifestyles - creating attractive and well-presented developments that protect and rejuvenate their natural environments and that provide residents with an array of lifestyle amenities.
- 2.4. Infinity Group takes a very long-term view of both its developments and its customer relationships. Part of the vision and culture of the Group is the desire to consistently meet customer expectations and deliver a product that creates not just satisfaction but delight. Key strengths are the company's innovative marketing and sales initiatives and a talented and dedicated team of people who foster a culture of excellence and continuous improvement.

Infinity Group Land Interests in Greater Christchurch

2.5. Infinity Group is currently undertaking two master-planned residential/commercial developments within Greater Christchurch, being the Yaldhurst Park development within Christchurch City and Ravenswood in the Waimakariri District.

2.6. Both developments are described below.

Yaldhurst Park, Christchurch

2.7. Located within established suburbs on over 28 hectares of land, Yaldhurst Park is a master-planned residential and commercial development with 254 freehold residential sections ranging in size from 100m² to 700m².

2.8. The development includes a 5-hectare retail/commercial precinct located within walking distance of all houses which will offer a range of cafes, restaurants, convenience outlets, and services such as multipurpose medical and childcare centres. The scale of the retail and commercial zone is made possible by Yaldhurst Park's proximity to the major arterial roads that service expanded retail catchments.

2.9. The neighbourhood zone offers the opportunity to plan and develop a mixed-density and mixed-use residential neighbourhood in an integrated and comprehensive way, allowing a flexible response to the treatment of the urban/rural interface.

2.10. Yaldhurst Park is conveniently located a short five-minute drive from Christchurch Airport, 15 minutes from Riccarton Mall, and is close to New Zealand's largest secondary school Burnside High. Connecting directly to Christchurch's new motorway system and arterial roads, you can be in any part of the city in a matter of minutes, or a world away in the country.

Ravenswood, North Canterbury

2.11. Located in the Waimakariri district, Ravenswood is approximately 25kms north of Christchurch, just north of Woodend and west of State Highway 1. Ravenswood is a new master-planned community, designed to offer family living at an affordable price with all the benefits of a thriving community.

2.12. Experience a semi-rural lifestyle - fresh country air, open spaces, green areas, neighbouring walkways and nearby golf course and beaches - with the convenience of a commercial centre offering a New World supermarket, BP service station and Wild Bean Cafe, McDonald's restaurant, and a wide range of other retailers within the development.

2.13. Ravenswood is a fully master-planned community with a total land area of 150ha. This includes 1,350 residential sections ranging in size from 310m² to 700+m² and plans for approximately 13 hectares of commercial land that includes a mix of retail and light industrial sites and a retail precinct.

2.14. This submission primarily focuses on the Ravenswood development in North Canterbury.

3. SUBMISSION

3.1. Infinity Group has reviewed the Draft Strategy and identified the following areas of concern.

Demand Based on Population Projection

3.2. We understand that the Draft Strategy is required to demonstrate that sufficient, feasible development capacity is available to support future housing and business growth.

3.3. This requirement is understood to originate from the National Policy Statement on Urban Development Capacity (NPS-UDC) which requires high growth councils to produce a 'future

development strategy' that shows there will be sufficient, feasible development capacity to support projected growth needs and demand.

- 3.4. Utilising Statistics NZ's medium population and household projection for Christchurch City and the medium-high projections for both Selwyn and Waimakariri, page 10 of the Draft Strategy details the projected demand for housing over the next 30 years.
- 3.5. Factoring in buffers required under UDS-NPS policies, the projected number of additional houses required to service the population of Greater Christchurch by 2048 is just under 87,000. Table 1 illustrates that the Waimakariri District will require up to 16,000 of these houses to accommodate Statistics NZ's growth projections. This consists of up to 6,300 houses in the medium term (2018-2028) and an additional 9,700 in the long term (2028-2048). Based on these figures, the Waimakariri District's share of the growth in Greater Christchurch is approximately 19.5% in the medium term and 18% in the long term.
- 3.6. In contrast, Page 19 of the Draft Strategy sets out the 'preferred' settlement pattern for Greater Christchurch made by the Greater Christchurch Partners. In this section of the Draft Strategy the population projections have been modified to provide more long-term growth for Christchurch City, while at the same time reducing the long-term growth for the Waimakariri District from 18% to 13%.
- 3.7. This equates to a significant under-supply of the projected number of houses required to support Statistic NZ's growth projections.
- 3.8. Based on our experience of building communities, we consider that if people want to live in a certain area, allocation of the housing supply should follow. It is clear from the projections that this is not being provided for under the 'preferred' approach. This has the potential to undermine current and future investment in both residential and business development across the Waimakariri District.
- 3.9. For these reasons, we request that the Strategy is altered to enable a more responsive, demand-based allocation of housing stock, at the very least, in accordance with the medium and long-term projections of Statistics NZ.
- 3.10. Additional implications of this are discussed in the following section.

Growth Issues for Greater Christchurch

- 3.11. Pages 15 and 16 of the Draft Strategy set out the key growth issues for Greater Christchurch.
- 3.12. Of particular relevance to our interests are:
 - Meeting the current housing needs and preferences of for current and future residents;
 - Recognising post-earthquake trends;
 - Integrating land use and transport planning; and
 - Fostering equitable approach to planning across communities.
- 3.13. Ravenswood is a new residential development, designed to offer family living at an affordable price with all the benefits of a thriving community.
- 3.14. Over the last six months we have seen a significant increase in demand for sections. Stage 1a at Ravenswood which consists of 93 sections is now fully sold and we only have 16 sections remaining for sale in Stage 1b out of 104 available sections. At the beginning of November 2018, we launched Stage 2 which consists of 139 sections and we already have 35 under contract.
- 3.15. Likewise, we have recently launched the first stage of Yaldhurst consisting of 45 sections and we already have 26 under contract.

- 3.16. The demand appears to be coming from first home buyers and people looking to downsize. Sections that are sized between 350-500m² seems to be the most popular section size. I believe this is mainly driven by affordability.
- 3.17. Further, our analysis and sales to date indicate that there is a strong demand for housing in close proximity to places of employment and lifestyle.

4. CLOSING COMMENTS

- 4.1. Overall, we are concerned that the preferred approach doesn't reflect the market reality.
- 4.2. People will always want to move to areas that they determine provide the best outcome for them and their families therefore there needs to be greater flexibility to allow the market to determine where people want to live.
- 4.3. On a personal note I believe Canterbury will experience a significant increase in demand for sections over the next 3-5 years. This will be driven by people relocating from North Island cities and the Central Lakes region where people will see that Canterbury provides a much better choice and lifestyle for their families. The main driver for this will be affordability as Canterbury has not had the significant price escalation that the rest of New Zealand has experienced due to the over-supply caused by the earthquakes. If you add to this a new CBD and roading infrastructure that will be completed over the same period, the demand for sections in the future may surprise everybody.
- 4.4. Land allocation should follow where demand exists and where people want to live.