

Questions from Kaiapoi residential red zone workshop

8 February 2012, Kaiapoi Working Men's Club

Answers provided by Waimakariri District Council

Waimakariri District Council

1. Where can you buy sections for what vendor has been offered, and what are the projected cost of sections?

A large number of sections are either on the market or under development for sale close to or part of Kaiapoi, Rangiora, Woodend and Pegasus. The Council is monitoring supply closely and is working with developers to do what it can to hasten supply. Every couple of months the Council publishes an update feature on this in the local papers. A copy of the latest update as at February 2012 is on the www.newfoundations.org.nz website.

Each developer is marketing sections across a range of prices and sizes and people are best to talk directly with them. There are frequent media items from developers on what's available and how to contact them.

2. Have you any land availability for sections?

- a. *When will we see sections available to us?*
- b. *Will smaller sections be available in Kaiapoi?*
- c. *Will there be both smaller and larger sections available?*
- d. *Are there sections bigger than 600sqm in the subdivisions?*

As above – a large number of sections are being marketed and developed now in Pegasus, Rangiora and Kaiapoi and in the rural areas. Some are immediately available while for others earthworks are underway with the expectation that sections will be available during the next 12 to 18 months.

There is a range of sections from larger to smaller across developments and some developments such as Pegasus and Silverstream offer quite a range within those developments.

3. What happens to the vendor while waiting for section availability?

As above - some sections are available now or in coming months while others will take some time to be ready for building. Talk to developers about what arrangements suit you and what they are prepared to agree to.

4. Is it possible to match the supply of sections and houses with those which people are losing?

Section development is market driven as each developer responds as their financial circumstances permit. Over a period of time and across the District and beyond there is likely to be a general alignment between supply and demand. Certainly there is a lot of potential supply possible if demand is sufficient to see it released to the market.

5. Can Kaiapoi vendors get first option in sections? Should locals have first option on land?

- a. *Will vendors have a section available to them to build on if they wish?*
- b. *Is the council doing their best to keep vendors in Kaiapoi?*

There is no means of ensuring that Kaiapoi sections are retained for Kaiapoi people. There are no controls on who buys a particular section.

The Council and CERA have hastened the processing of development applications so that sections are available as quickly as possible. There is a certain amount of time required

after consent approval is obtained to prepare the land and build infrastructure ready for sale and building to begin.

The Earthquake Recovery Minister has used his powers to expedite approvals. By quickly processing applications the Council is also trying to have as much land as possible available in Kaiapoi so that vendors have an opportunity to stay.

6. Land covenants – why do we have to build such large homes?

Covenants are a means a developer has to maintain a particular standard or amenity for their development. Covenants are between the developer and purchaser and involve private property rights that are outside the control of agencies such as the Council.

7. Are there sections for relocatable homes and what can the council do to encourage that?

- a. *Is there any land allocated for relocatable homes in Kaiapoi? Where are they?*
- b. *What steps would you take to encourage relocatable homes?*

The Council's district plan does not impede developments from taking relocatable homes.

- a. Currently there is no specific development planned solely for relocated homes in Kaiapoi. Some parties have expressed an interest in developing land for this purpose but to date no further work has occurred.
- b. Developers can be encouraged to have less restrictive covenants, but ultimately that choice remains with developers.

8. How many sections do you expect to be on the market by 2013 when the CERA offer expires?

Broad estimates show that by the end of 2013, over 2000 sections may have been brought to the market since 2010/11.

9. Why are there such tight covenants on new subdivisions?

Covenants are a means a private developer has to maintain a particular standard or amenity for their development. A covenant is an agreement between a willing seller and purchaser.

10. Can the vendor subdivide larger sections if they wish? Can the council do more to encourage owners of large properties to subdivide?

The district plan has set standards for subdivision. Subdivision to a smaller size may be possible through resource consent, we suggest potential purchasers discuss any proposal with the Council.

11. Can we put multiple houses on a section, e.g. town houses?

The district plan usually requires a standard of one house plus (if someone chooses) one separate dwelling of less than 75sqm for each site. If people have plans to develop more intensively, you would need resource consent. Talk to the Council about this.

12. Is there any thought towards the older people of Kaiapoi for accommodation e.g. pensioner flats?

Some developers are seeing an opportunity to build this type of accommodation. The Council has yet to receive an offer from CERA and so still to resolve where and when any replacement for its red zoned pensioner housing will take place.

13. Is the Waimakariri Council looking at attracting the city folks out our way?

A lot of the population growth in the District for many years before, and some even after the quakes is from city folk moving to the District.

14. Will Silverstream Sections be affordable for the public?

a. Is Silverstream safe from flooding?

The Silverstream development has been rezoned and as part of that the flood hazard was assessed. A range of section sizes in the development mean there is a range of prices. Silverstream house ground levels are to be designed to accommodate the 1:200 year flood event. Floor levels will be above this.

15. Will new subdivisions be released with TC1 land?

Some new developments are established on land that meets TC1 requirements. Other developments may still be developed where TC2 is a closer match.

16. Why is land so expensive to buy?

a. Are the red zone properties going to get enough money to rebuild?

There is always a cost to convert rural land and build roads and infrastructure to support housing and help fund community facilities. Developers make profit but if they didn't there would not be much development. Increasing supply through more opportunity for developments to occur acts as a brake on prices. Developers are aware that many red zone property owners have a more modest amount of money to spend and some are increasing the size and price range within their developments in response.

17. Why is the city land overpriced compared to Waimakariri District sections?

There is no simple answer to this question. There are developments in the city that are comparably priced and a lot more sections are being prepared for sale in newer developments.

18. Does Ngai Tahu have rights to red zone land once we (the vendor) are gone?

No decisions have been made about the long-term use of the land in the residential red zone.

19. Can anything be done about the timing mismatch? There are a lot of new developments but they are 18 months away and we have to make decisions now.

Unfortunately land development, from bare paddock to finished section, is not instant and can take many months or even years depending on the complexity of development.

20. Why are the sections so big – a lot of us don't need a four bedroom home?

Some recent developments, such as Silverstream in Kaiapoi and Pegasus offer a range of section sizes that are smaller than the usual 600sqm developments.

21. Why are some subdivisions requiring large houses to be built? (covenants) - is it the builders who are determining larger house sizes? If not, who is determining those decisions?

Covenants are a tool a developer uses to set a standard for the development. This may include a minimum house size below which a plan will not be approved by the developer. The Council has no ability to set those covenants.