

To: Hon. Gerry Brownlee
Minister for Canterbury Earthquake
Recovery



In Confidence

Update on supply of land for housing

Date	13 February	Priority	Medium
Report No	M/12/0232	File Reference	M/12/0232

Action Sought

		Deadline
Hon Gerry Brownlee <i>Minister for Canterbury Earthquake Recovery</i>	Note update on ongoing work on the supply of land for housing Note CERA media release on land supply proposed after 16 February council meeting	13 February 2012

Contact for Telephone Discussion (if required)

Name	Position	Telephone	1st Contact
Diane Turner	General Manager Strategy Planning and Policy	Withheld under section 9(2)(a)	
Caroline Hart	Manager Strategy and Planning		<input checked="" type="checkbox"/>

Minister's office comments

- Noted
- Seen
- Approved
- Needs change
- Withdrawn
- Not seen by Minister
- Overtaken by events
- Referred to

Comments

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

Update on supply of land for housing

Purpose

- 1 The purpose of this paper is to update you on the work being undertaken by CERA in conjunction with UDS partners (councils and NZFA) to ensure an adequate and timely supply of land for housing, and to inform you about a Christchurch City Council (CCC) media release about the supply of land for housing proposed to be released after the 16 February council meeting.

Executive summary

- 2 To date you have used your s27 CER Act powers to expedite the supply of land for housing by allowing rezoning and making changes to the Regional Policy Statement (RPS) urban limits. There is now a significant amount of residential land capacity in the Greater Christchurch area (approximately 26,000 sections), of which approximately 6,600 greenfield sections alone are anticipated to be released to the market within the next two years. This estimate exceeds current anticipated demand.
- 3 **Withheld under section 9(2)(g)(i)**
- 4 Whilst there is significant residential zoned land, the availability of this land to the market for housing is affected by a number of issues. CERA, in conjunction with UDS partners, is currently undertaking further work to better understand the issues affecting land supply and demand and to address any constraints, which will be the subject of a further briefing to you.

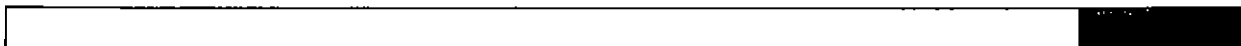
Consultation

- 5 DBH has been consulted on the development of this paper and the UDS partners have been liaised with.

Recommendations

- 6 It is recommended that you:

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982



- 1 **Note** this work on land supply for housing feeds into the Built Environment Recovery Programme 'Strategic Directions' currently being finalised and which will be the subject of a further briefing note to you; and
- 2 **Note** further advice will be provided to you in a separate briefing including:
 - (i) results of the over 125 responses to the CERA Request for Information (RFI) by the end of February; and
 - (ii) further analysis of demand and supply of land for housing, including constraints around bringing residential land for housing to the market and possible solutions and interventions in March; and



Diane Turner
 General Manager – Strategy Planning
 & Policy

Hon Gerry Brownlee
 Minister for Canterbury Earthquake Recovery

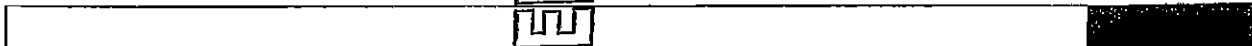
Date: / / 2012

NOTED / APPROVED / NOT APPROVED

Attachment A

"Not relevant to your request"

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982



Background

- 7 The timely and adequate supply of land for housing within the Greater Christchurch area was identified from the outset as critical to assist with earthquake recovery. To date you have exercised your section 27 CER Act powers to expedite the availability of land for housing by:
 - 7.1 Amending the RPS to incorporate Chapters 12A and 22 to provide more certainty about areas available for urban development and the standards expected (this includes allowing for residential development in Kalapoi under the Airport noise contour);
 - 7.2 Amending relevant district plans to rezone land for residential purposes where the proposed development was in the final stages of approval (broadly recommended by commissioners and adopted by the local authority) to avoid delays associated with potential appeals.
- 8 Shortly after the establishment of CERA last year a regular liaison group between CERA and the UDS partners was established for planning related matters, particularly to progress land and housing availability issues.

Comment / Discussion

Amount of Residential Zoned Land

- 9 Within Christchurch City, greenfield land has been re-zoned for 7,815 households since the earthquakes began. Residential zoned land which existed pre-earthquake is also being actively developed with the capacity for 2,073 households, and there is a considerable amount of residential zoned land not yet being actively developed.
- 10 In addition, there is capacity for a further 13,065 households within the City in greenfield areas provided for by the RPS. Of that number 3400 are subject to lodged plan changes, including 1,300 sections in Belfast due to be rezoned shortly in a final decision from the Environment Court, and another 2,100 sections in a recently lodged Highfield Park plan change (Highfield PC67). Proposals for another 3,772 households are currently subject to pre-lodgement discussions (Sparks Road PC68 and Upper Styx (CN3)).
- 11 Within the wider UDS Greater Christchurch area, greenfield land has been re-zoned for 20,838 households since the earthquakes began. This is in addition to the existing residential zoned land available in Greater Christchurch before the earthquakes of approximately 5,227 households. These wider Greater Christchurch figures are inclusive of the Christchurch City figures outlined in paragraph 8 above.
- 12 A table of residential land capacity and corresponding maps are attached as Attachment A.

Release of sections to the market

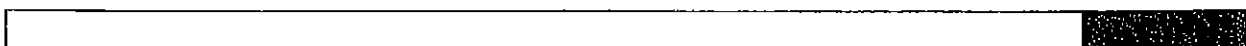
- 13 Whilst there is significant overall residential land capacity as detailed above, there are a range of issues that affect the release of sections to the market including infrastructure constraints (e.g. timely roll out), consenting timeframes (resource and building), owners releasing land (e.g. developer willingness and financial ability to deliver in a timely manner), market demand, insurance issues relating to ability to secure cover for investment by developer, and finance.

- 14 From the preliminary work completed to date it is estimated a total of approximately 6,660 greenfield sections will be released to the market in Greater Christchurch in the next two years. Of this total, approximately 3,234 will be within the Christchurch City area. In addition, brownfield developments and intensification of existing urban sites are expected to increase the number of sections/households available.
- 15 These estimates of land available to the market are of course subject to change. CERA and councils can facilitate the provision of land and housing to the market through the rezoning of land and the provision of infrastructure for example, however, ultimately it is the development community who decides how much land is actually released depending on a range of factors. Ongoing work is currently being undertaken by the CERA/UDS liaison group to better understand housing demand and supply, constraints and solutions.
- 16 This further work includes assessing the results of the over 125 responses to the CERA Request for Information and a briefing will be provided to you on this at the end of February. You have already received a separate briefing on short-term demand and supply considerations associated with the expected acceleration in rebuild activity entitled 'Christchurch Rebuild – Emerging Housing Market Trends' (reference M/12/0229). A further paper on the demand, supply and constraints will be provided to you in March.

The need for using CER Act powers for further rezoning at this time

- 17 To date your use of s27 CER Act powers has related to the rezoning of land that had already advanced through the resource consent process and has followed a decision by the relevant council that the rezoning be granted. Intervention at this point avoids any potential lengthy appeal period but also ensures the application has been subject to rigorous assessment before the council prior to intervention. At this stage, the intervention to date has resulted in enough residential zoned land based on the information we have.
- 18 Regulatory issues are being considered through the Regulatory Housing and Consenting Group.

RECEIVED
SECTION 27
OF THE
RESOURCE
CONSENT
ACT 1982
REQUEST FOR
INFORMATION



RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

"Not relevant to your request"



memo



To: Hon Gerry Brownlee, Minister for Canterbury Earthquake Recovery

From: Diane Turner, General Manager Strategy Planning and Policy

Date: 22 March 2012

Security Level: In confidence

Report Number: M/12/0298

Planning and consenting guidance and framework for worker accommodation

Action	Advise CERA of your decision on recommendation below	Date required by Friday 23 March 2012
---------------	--	--

- 1 You will shortly receive a briefing on the housing implications of the expected acceleration in rebuild activity. Our analysis suggests there will be a need for additional accommodation for incoming workers during the earthquake rebuild.
- 2 Christchurch City Council has recently received three proposals for temporary worker accommodation ranging in size from 12 to 125 bedrooms with two proposed to be located in residential zones and one in the industrial zone. All three proposals are at the pre-application stage. Further proposals are likely and we envisage this could include a range of approaches such as building new facilities, re-locating existing buildings, and adapting existing structures.
- 3 Current planning and consenting frameworks do not provide well for decision-making on such applications, the need for which could not reasonably have been foreseen when those frameworks were developed. The Canterbury Earthquake (Resource Management Act Permitted Activities) Order 2011 provides for temporary accommodation for persons or businesses displaced by the earthquakes and not for temporary worker accommodation. Changes to existing planning documents to introduce provisions for considering these types of proposals using the usual RMA processes would be lengthy and open to appeal processes.
- 4 We consider specific guidelines are needed to support decision-makers and enable rapid processing of consent applications for multi-unit worker accommodation for the earthquake rebuild. Scoping of these requirements by CERA for the whole of greater Christchurch is consistent with CERA's coordination role in recovery activities.

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

- 5 We propose that CERA leads work to:
 - o Define the outcomes sought from the planning and consenting process in relation to worker accommodation for the earthquake rebuild
 - o Identify aspects of planning and consenting processes on which specific guidance or a revised policy and regulatory framework is needed
 - o Identify areas where changes to current RMA documents or regulations are desirable to remove barriers and enable achievement of the outcomes sought.

- 6 In carrying out this work CERA will consult with the Christchurch City Council, Waimakariri District Council, Selwyn District Council and Environment Canterbury, and relevant government agencies including the Police and the Department of Building and Housing.

- 7 The output will be guidance for decision makers, underpinned by an appropriate policy and regulatory framework, on matters such as
 - o Type of accommodation
 - o Siting
 - o Scale
 - o Infrastructure requirements
 - o Amenities
 - o Affected party involvement
 - o Exit plan or legacy once worker demand reduces.

Recommendations

- 1 It is recommended that you:
 - 1 **Agree** that CERA leads the development of guidelines to support decision-makers and enable rapid processing of consent applications for multi-unit worker accommodation facilities for the earthquake rebuild. YES / NO

 - 2 **Note** that, subject to your agreement, draft planning and consenting guidelines and advice on any areas where changes to the policy or regulatory framework are recommended will be available for your consideration by 30 April 2012. YES / NO



Diane Turner
General Manager, Strategy, Planning and Policy

NOTED / APPROVED / NOT APPROVED
Date: / / 2012

Lion Gerry Brownlee
Minister for Canterbury Earthquake Recovery

To: Minister for Canterbury Earthquake Recovery



RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

In Confidence

Relocation of Crown-acquired Dwellings for Temporary Accommodation

Date	28 March 2012	Priority	Urgent
Report No	M/12/0309	File Reference	

Action Sought

		Deadline
<i>Minister for Canterbury Earthquake Recovery</i>	Consider the contents of this report and provide feedback to officials	26 March

Contact for Telephone Discussion (if required)

Name	Position	Telephone	1st Contact
Warwick Isaacs	General Manager Operations	Withheld under section 9(2)(a)	
Baden Ewart	Manager Residential Operations		<input checked="" type="checkbox"/>

Minister's office comments

- Noted
- Seen
- Approved
- Needs change
- Withdrawn
- Not seen by Minister
- Overtaken by events
- Referred to

Comments

Relocation of Crown acquired Dwellings for Temporary Accommodation

Purpose

1. To provide an update for you on relocation proposals of Crown-acquired dwellings for use as temporary (and potentially permanent accommodation), to enable you to respond to media questions about what the government is doing to ensure there is an adequate supply of housing available.

Executive summary

2. Whilst there has been some interest from IRPOs (Insured Residential Property Owners) to relocate their homes; the current signals are that this demand is quite small;

Withheld under section 9(2)(g)(i)

3. Withheld under section 9(2)(i)

4. Withheld under section 9(2)(g)(i)

Discussion

5. Relocation options fall into three broad categories:
6. IRPO choice – homeowners choose to relocate their dwelling as part of the settlement process with either the Crown or their insurer.
7. Commercial purchase – property developers purchase dwellings and relocate them to available land and on-sell them to purchasers.
8. Crown projects – the Crown engages with third parties to relocate dwellings to suitable land for use as temporary accommodation.
9. All relocation options are limited by land availability (with reticulated services), industry capacity, and the time/cost of getting properties to market.

IRPO Choice

10. You have approved a policy paper that enables IRPOs to choose relocation as part of their settlement agreement with the Crown or insurers [M/12/0197 refers]. In broad terms this agreement will operate to enable an IRPO to agree with CERA to relocate their existing home after settlement.
11. The IRPO is expected to make the arrangements necessary to move their dwelling to a consented site using a commercial operator. All expenses including the cost of land, transport, and obtaining the required consents will be met by the IRPO. There has been limited interest in this option (about 12 to date of which one IRPO has entered into an

agreement with CERA). Insurers have advised us of a number of relocations; three have been completed and a further 10 have been notified in settlement agreements.

Consultation

Commercial Purchases

12. A number of commercial operators have responded to our recent industry survey indicating they perceive a substantial portion (up to 2,000) of red zone dwellings may be suitable for relocation.

Withheld under section 9(2)(j) Withheld under section 9(2)(g)(i)

13. Respondents indicate that they could remove buildings from the red zone at about two per day; this would result in about 500 relocatable houses becoming available per year from each operator. This rate could be increased by increasing the number or capacity of commercial operators. At best this approach might deliver 1000 homes to the market over the next 12 months.

14. Whilst we have not observed significant demand from potential purchasers of relocated dwellings, we propose to now invite tenders from commercial operators to relocate suitable dwellings. Commercial operators will be required to assure CERA that they have consented end-use sites on which to position these buildings (i.e. not interim storage sites).

15. We propose to operate a competitive tendering process which will establish the market value of suitable buildings. We are confident that calling for relocation tenders will elicit a positive response from the market, and that a target of 1000 homes relocated over 12 months is achievable subject to land availability. In assessing tenders we contemplate allowing commercial operators up to 12 months from the date of settlement to clear each building from its site, during which time the operator will be responsible for securing the building and any other expenses which may arise

16. Withheld under section 9(2)(j)

17. Our intention is to qualify suitable commercial operators through an accreditation process similar to the one we have followed for demolition contractors. Commercial operators will be required to demonstrate their experience and meet industry standards in order to qualify as accredited providers. All suitable buildings will be offered to the accredited providers via a tendering process which will include both price and non-price attributes. This process will ensure compliance with Crown procurement rules and meet the value-for-money requirement. The accreditation step will be completed within a month, with the first tenders being called for in early May 2012.

Potential Crown Housing Stock Projects

18. Withheld under section 9(2)(j) Withheld under section 9(2)(j)

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

Withheld under section 9(2)(g)(i)

Withheld under section 9(2)(j)

19.

Withheld under section 9(2)(i)

Withheld under section 9(2)(g)(i)

20.

Withheld under section 9(2)(j)

21.

Withheld under section 9(2)(i)

Withheld under section 9(2)(g)(i)

22.

Withheld under section 9(2)(i)

Withheld under section 9(2)(g)(i)

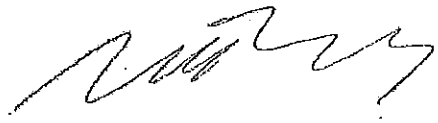
23.

Withheld under section 9(2)(i)

Withheld under section 9(2)(g)(i)

Recommendations

- 1 It is recommended that you:
 - 1 Note the contents of this report



Warwick Isaacs
General Manager, Operations

29/3/12

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

NOTED / APPROVED / NOT APPROVED
John Perry Brownlee Minister for Canterbury Earthquake Recovery
Date: / / 2012

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982