

Auckland in the next 30 years

Quality Compact City

Or

Urban Sprawl ??

by Patrick Fontein, 22nd November 2013

Background to Presentation

- 1. Auckland Council engaged Studio D4 and Jasmax in 2011 to review the development capacity of urban Auckland, using a “Fine Grained Analysis”. How and where could a further 240-280,000 intensified dwellings fit within urban Auckland***
- 2. SD4 consultancy on Unitary Plan at Local Board Level – Late 2012 to Aug 2013, SD4 working with Tattico to provide property consultancy and development growth advice to Auckland Council and Local Boards.***
- 3. SD4 consultancy for MBIE (mid 2013), in association with AC Auckland Greenfield and Brownfield Housing Development Land; The Opportunities and Barriers to Unlocking its Potential***
- 4. As the Unitary Plan is released:
Will we get a Quality Compact City or Urban Sprawl?***

70:40 or 50:50 or 40:60 or 25:75 ??

1. Housing Cost: *what it costs to buy a 3 bedroom detached house in a Precinct / neighbourhood*

2. Amenity:

- *Proximity to the coast, beaches, parks, reserves*
- *Topography of an area*
- *Urban amenity and urban built form quality*
- *Perceived safety and security issues*

3. Accessibility

- *Proximity to rail stations and services.*
- *Proximity to bus services and likely travel times to likely destinations.*
- *Proximity to key roading infrastructure*

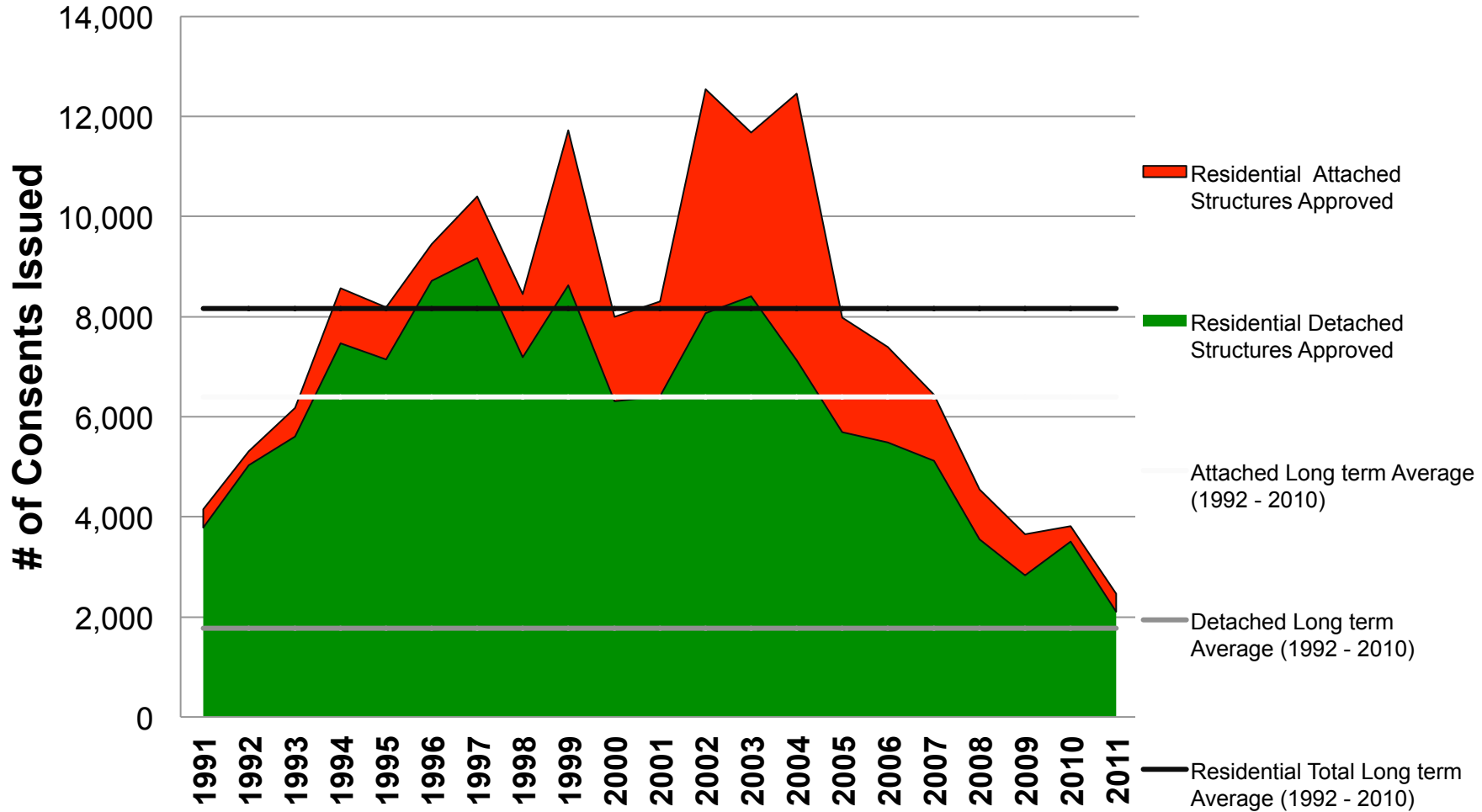
4. Intensification Opportunity

5. Resistance to Intensification

- *NIMBY's, NIMFYE's, NIABY's, BANANA's, CAVEmen, NIMEY's*

6. Infrastructure Issues within Precincts

Auckland Region, Residential Building Consents, by Type, 1991-2011



Factors influencing the re-development likelihood of a site:

1. Improvement value v. Capital value is the biggest factor, maths $= (1 - IV/CV)$
2. Parcel size is important: the bigger the site area, the easier to develop to scale
3. The number of existing dwellings or units on a site is also important
4. The increase of value when re-developed, relative to the current improvements

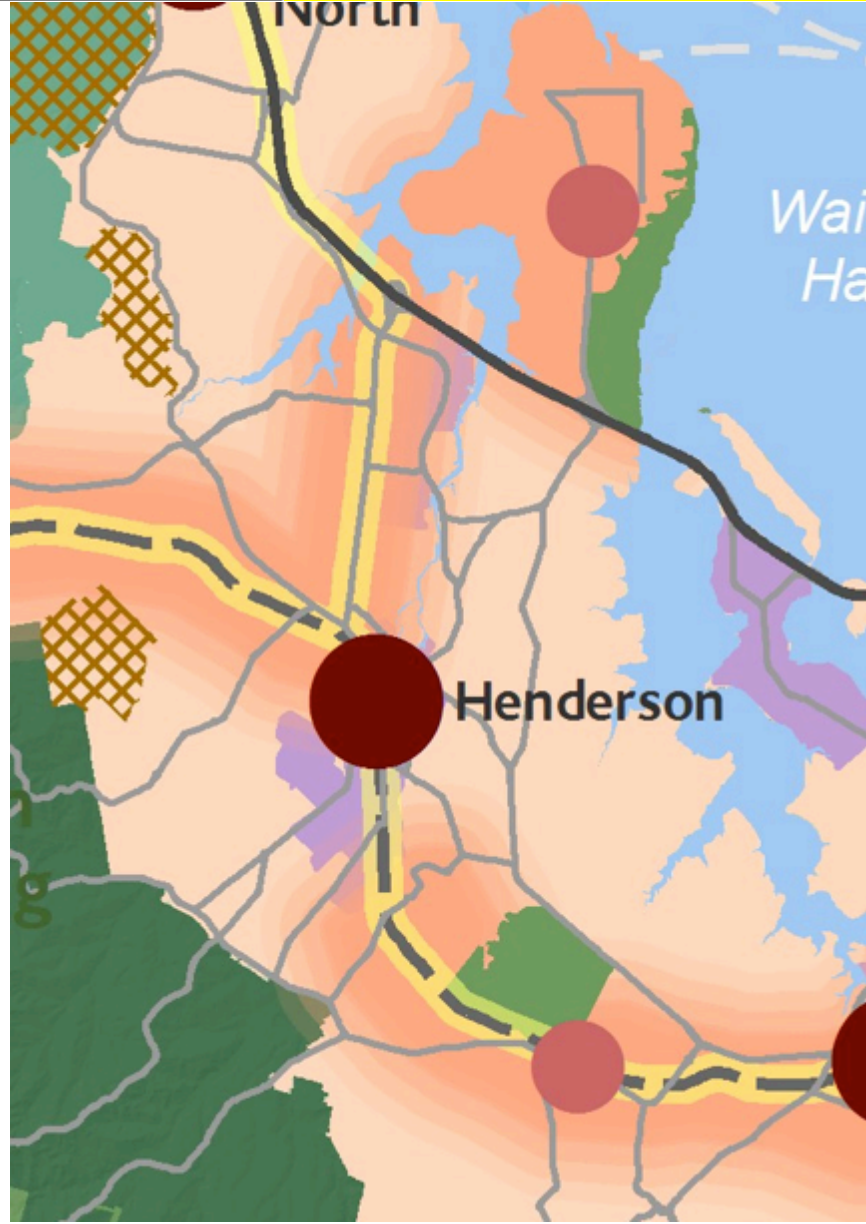
If a site is to be re-developed:

1. The maximum extra dwellings able to be developed on each site
2. The likely capacity utilisation of property owners who chose to redevelop (excl refurbishments)
3. The development chance of properties within each meshblock over the next 30 years

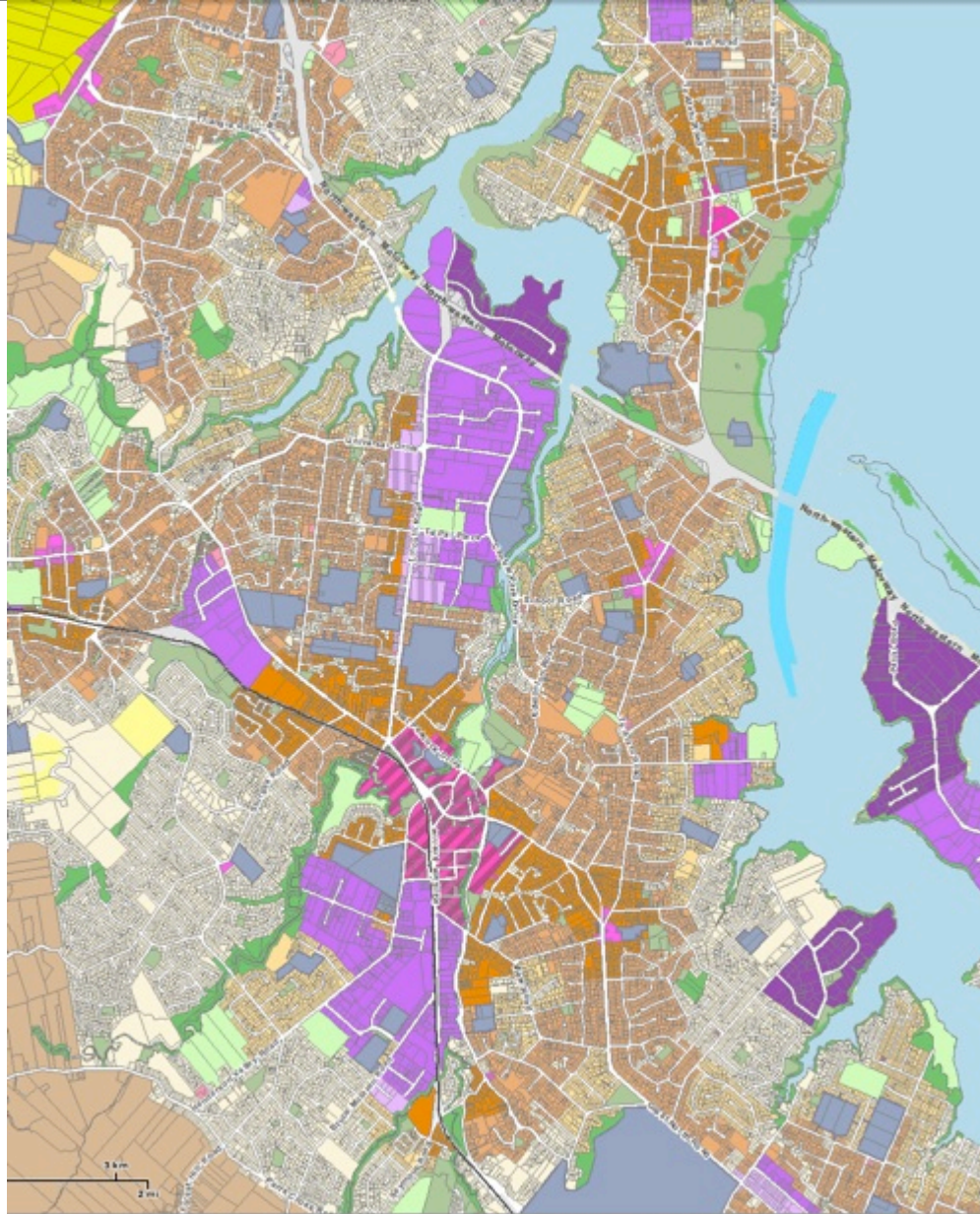
The above constraints mean only 20-50% of technically capable intensification potential will actually be developed, Council would theoretically need to up-zone for 250-300% of the actual dwelling unit numbers desired

Unfortunately Council uses theoretical dwelling capacity numbers and takes no or minimal account of development market reality, and often does not up-zone enough

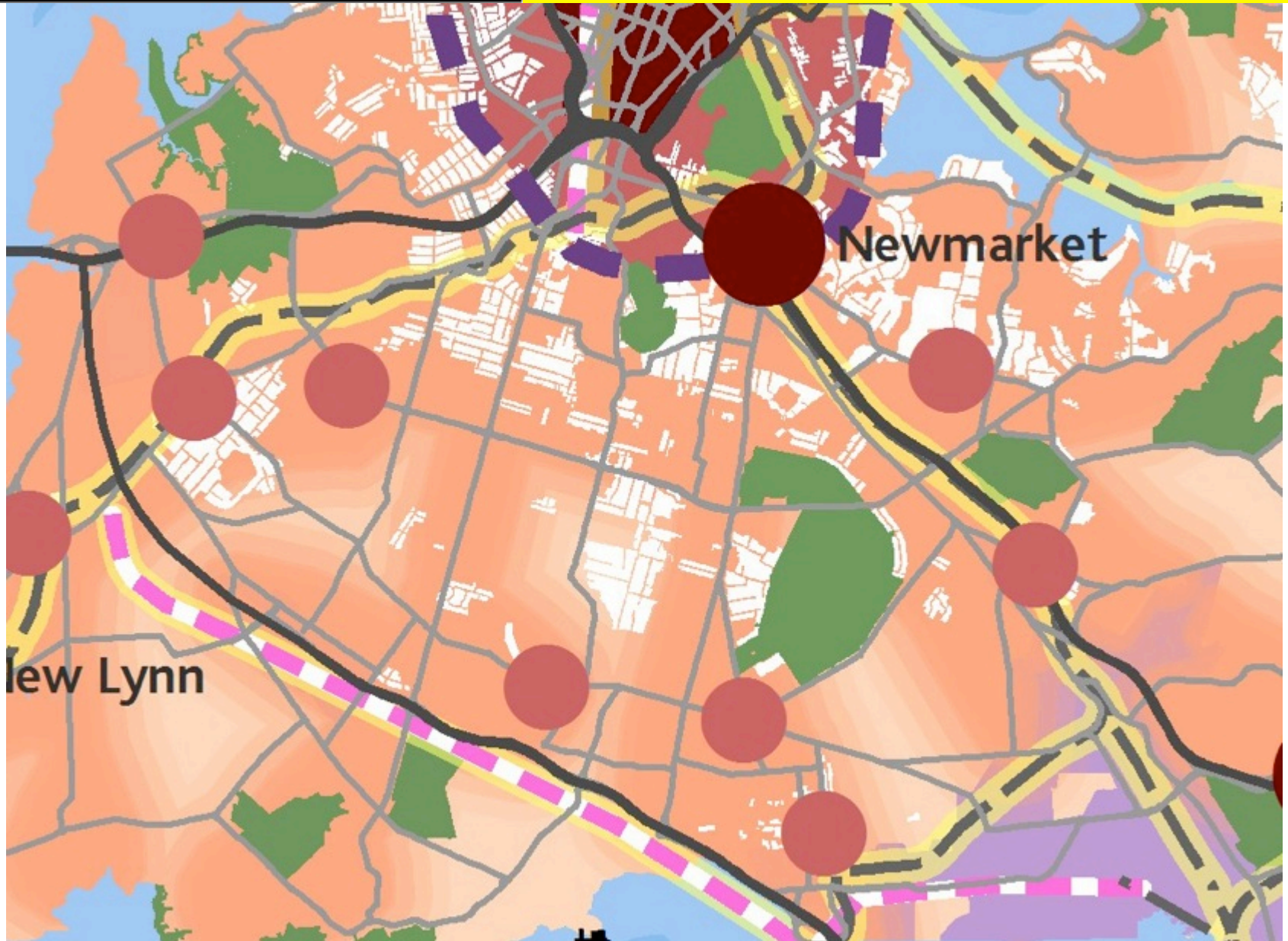
The Auckland Plan (March 2012) proposed Intensification Map – West Auckland



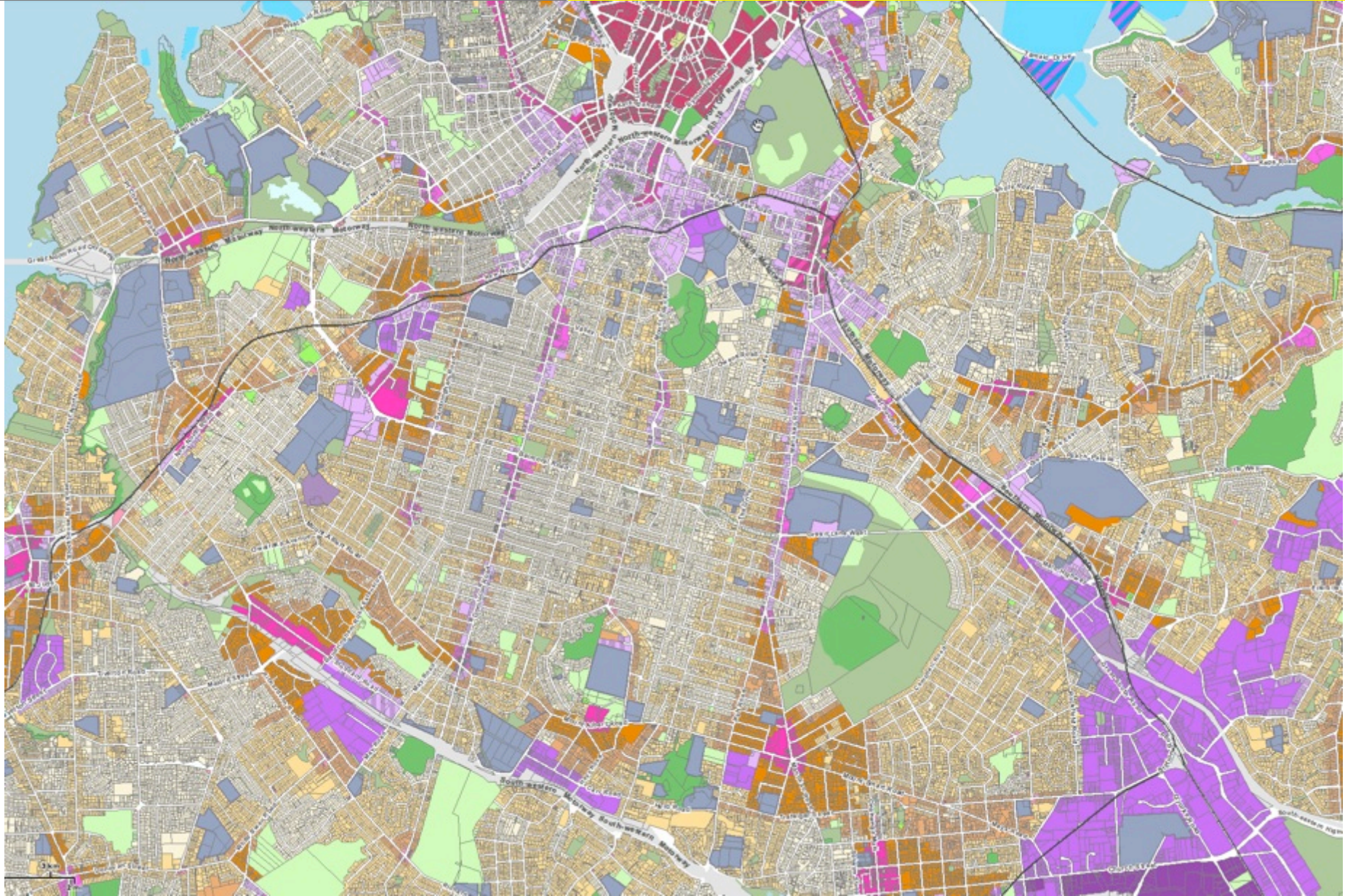
The Unitary Plan (Sept 2013) notified Intensification Map – West Auckland



The Auckland Plan (March 2012) proposed Intensification Map – Auckland Central



The Unitary Plan (Sept 2013) notified Intensification Map – Auckland Central



1. *All residential intensification should be urban design led* **Score: 9/10**
2. *Council needs to overhaul the planning approval process* **8/10**
3. *Continue the town centre intensification approach* **7/10**
4. *Major up-zoning within 400-800 metres of town centres* **5/10**
5. *Major up-zoning to allow further quality intensification within neighbourhoods* **2/10**
6. *Intensification zoning needs to be bold* **1/10**
7. *A broad community PR campaign on the benefits of quality intensification, that drives politicians to favour intensification;*
North: 1/10 West: 9/10 Central: 2/10 South: 6/10
8. *Political resilience and backbone to support quality intensification, especially when facing substantial NIMBY resistance (NIMEY?)* **1/10**
9. *Auckland will need further Greenfield land, outside the MUL: the main emphasis should be on high quality, well designed development.*
10. *75:25 not feasible: move to 60:40 or 70:40; ie 240-280,000 intensified*

Additional Dwelling Numbers, per Residential Category

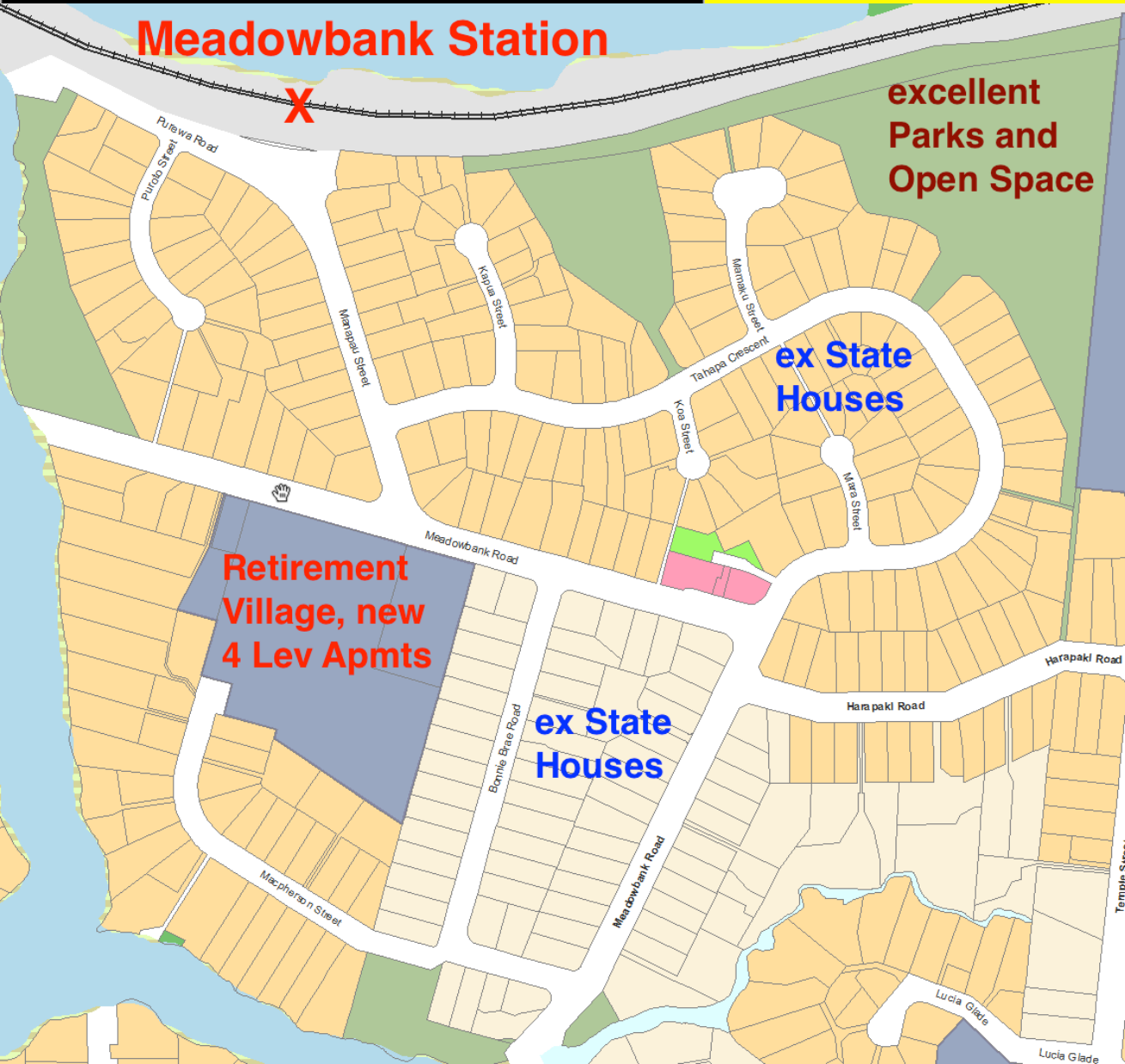
Categories		Dec 2011		March 2013		Oct 2013	
		Auckland Plan		UP - SD4 No.		UP - SD4 No.	
1	City Centre - City Fringe	43,000	11%	35,000	9%	35,000	9%
2	Metropolitan Centres	48,000	12%	25,000	6%	20,000	5%
3	Town and Local Centres	94,000	24%	40,000	10%	25,000	6%
4	THAB / Attached Housing	64,000	16%	50,000	13%	55,000	14%
5	Suburban Infill	19,000	5%	30,000	8%	15,000	4%
6	Greenfields	132,000	33%	220,000	55%	250,000	63%
Total		400,000		400,000		400,000	

Intensification Dwellings	268,000	180,000	150,000
Intensification %	67%	45%	37%
Intensification Shortfall	-12,000	-100,000	-130,000

Why are we now **130,000** short?
Missed opportunities: Meadowbank Station

Meadowbank Station





Meadowbank Station

The Opportunity

- 2 train stops from Britomart
- Approx 30 Hect of land within 800m from Rail station
- Very low Improvement Values
- Should all be THAB zoned
- R80-100 yield 2,000+ dwellings

What does UP provide?

- MH Suburban; min site size
- Keep large site State Houses
- No momentum for any change
- State Houses will “renovate”
- Maybe add 2nd house on a site
- Yield maybe 100-200 dwellings

Why are we now **130,000** short? Theoretical Capacity in the wrong places

Unitary Plan 3D modelling videos by AklCouncil

8/19



Auckland Council Manurewa 30 year growth projections

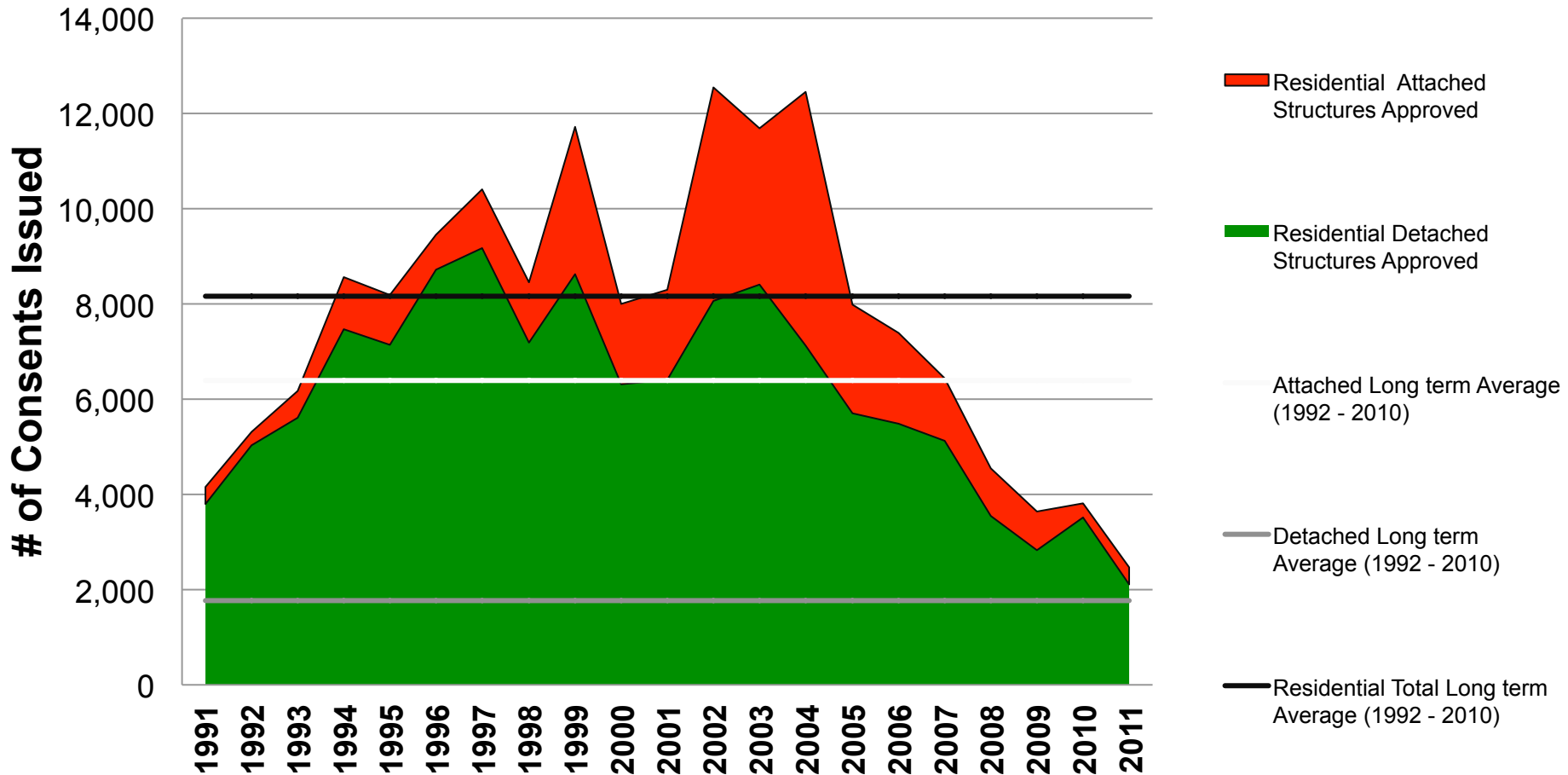
possible growth scenario
30+ years

Auckland Council are
“predicting” upto 60
apartment buildings in
Manurewa, 8 storeys high

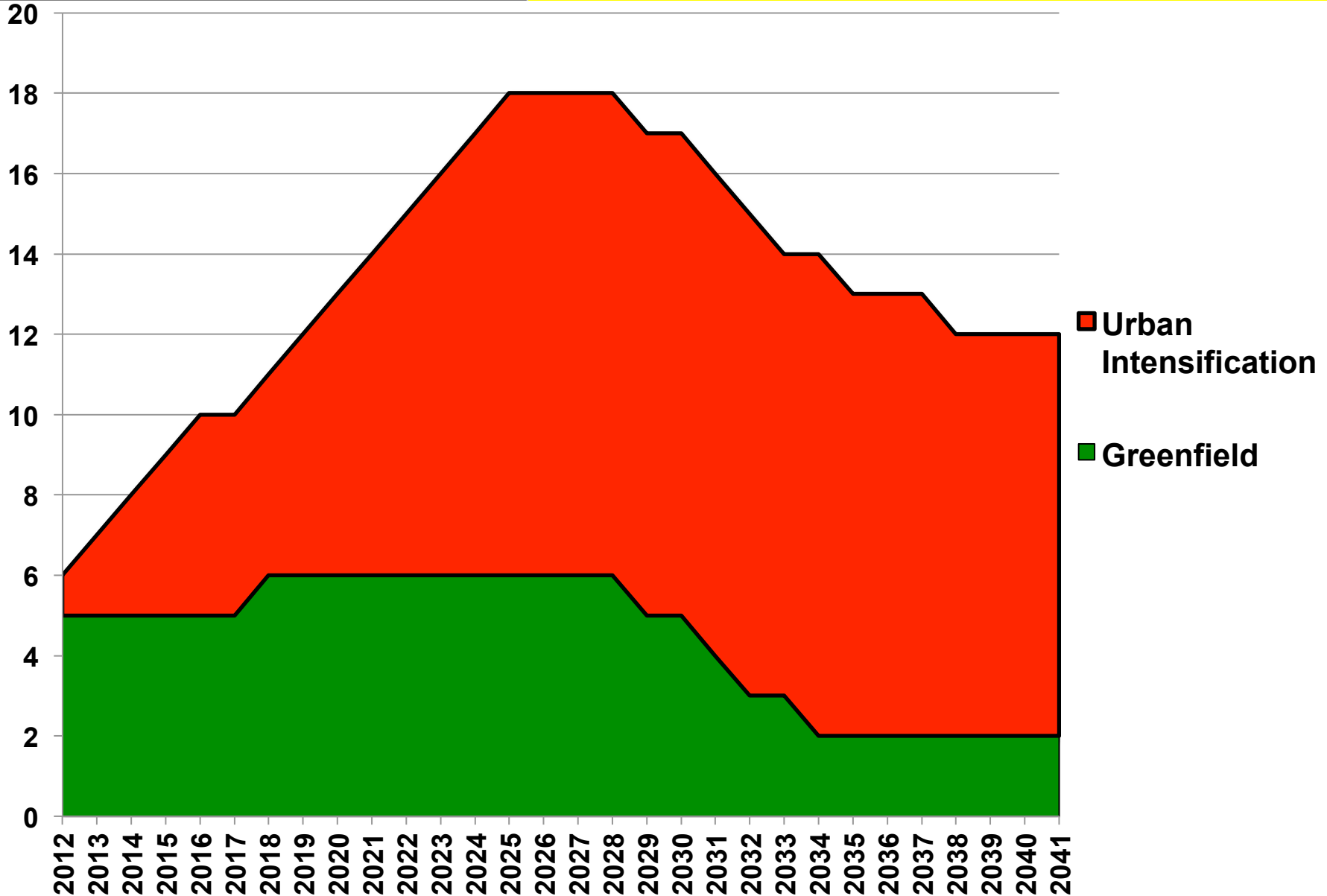
Why are we now **130,000** Intensification dwellings short?

1. City Centre-City Fringe: AP 43,000, SD4 Sept 2013 35,000 = -8,000
 - *Very ambitious early target, not sufficient up-zoning in city fringe*
2. Metropolitan Centres: AP 48,000, SD4 Sept 2013 20,000 = -28,000
 - *Ambitious No. Many Metro planning height reduced, down to 18 storey*
 - *June-Sept; many Metro Centres height and dev potential reduced further*
3. Town and Local Centres: AP 94,000, SD4 Sept 2013 25,000 = -69,000
 - *Fundamental lack of Council development economics understanding*
 - *Areas of up-zoning all in the wrong areas, where apartments not viable*
 - *Height required in market attractive areas; minimal provided, then cut*
4. THAB/Attached Housing: AP 64,000, SD4 Sept 2013 55,000 = -9,000
 - *Will be a major area of intensification, substantial change anticipated*
 - *Mar '13 UP missed opportunities, Sep '13 cut further (North & Central)*
5. Suburban Infill: AP 19,000, SD4 Sept 2013 15,000 = -4,000
 - *Mixed Housing zone promised substantial low rise terrace opportunities*
 - *Density restrictions in MH suburban will have huge impact on numbers and restrict opportunities for developers to provide affordable housing*

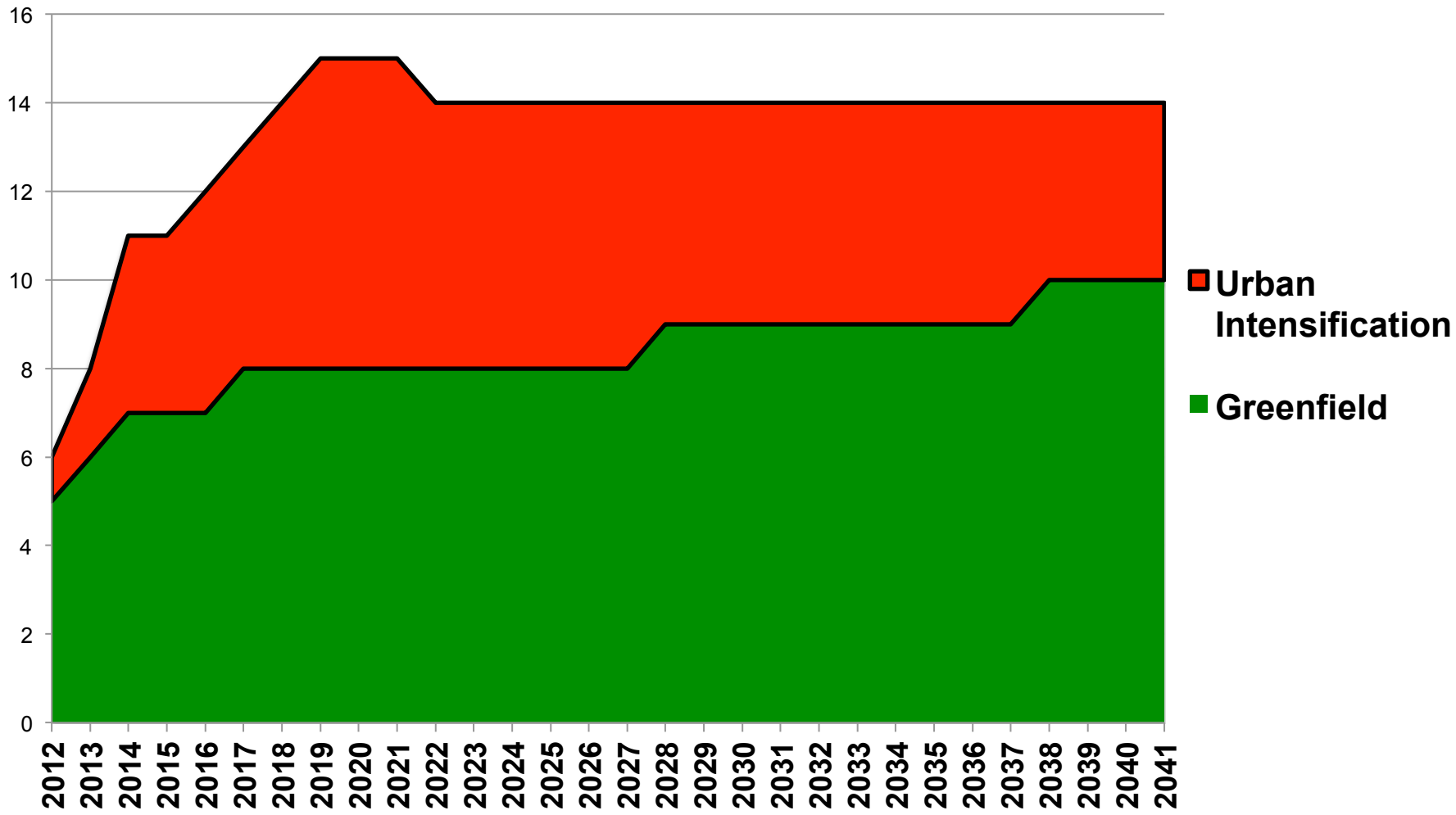
Auckland Region, Residential Building Consents, by Type, 1991-2011



These are the Greenfield:Urban splits the Auckland Plan envisaged



**This is the Greenfield:Urban splits
SD4 believes the Unitary Plan has provided**



Which areas of Auckland will see the most Intensification change?

- 1. City Centre-City Fringe: AP 43,000, SD4 Sept 2013 35,000 = -8,000**
 - *Substantial further development in next 10-30 years*
- 2. Metropolitan Centres: AP 48,000, SD4 Sept 2013 20,000 = -28,000**
 - *Takapuna **most market attractive**; Newmarket height limit constrained*
 - *Albany, Botany, Manukau, Sylvia Park, New Lynn: ok but under-deliver*
 - *Papakura, Henderson, Westgate-Massey: high-rise economics hard*
- 3. Town and Local Centres: AP 94,000, SD4 Sept 2013 25,000 = -69,000**
 - *Main street development hard with low height, existing improvements*
 - *Some opportunity in back streets: in safe, secure, high amenity areas.*
 - *Reduction in heights has knocked the stuffing out of most opportunities*
- 4. THAB/Attached Housing: AP 64,000, SD4 Sept 2013 55,000 = -9,000**
 - *Biggest area of change of zoning = new immediate opportunities*
 - *Quality will be main determiner for community acceptance of quantity*
- 5. Suburban Infill: AP 19,000, SD4 Sept 2013 15,000 = -4,000**
 - *Most easy infill / subdivide opportunities have already been taken*
 - *Some intensification in comprehensive developments across Auckland*

1. Auckland's Population Growth has un-stoppable huge Momentum
2. Insufficient Urban (brown-field) or Greenfield development land has a major impact on affordability.
3. If Central and Local Govt want to match Supply with Demand, (to manage affordability), it's either **Brown-field** or **Greenfield**. Whatever brown-field supply is not provided, will have to go to Green-field.
4. To move to 50:50 Intensification, or 60:40 will require a:
2nd round of major up-zoning. *(Major as the insufficient up-zoning of 2013 will have caused many development site opportunities to have been under-developed).*
5. Without a 2nd round of major up-zoning, green-field development will dominate dwelling consent numbers for the next 30 years.

- 1. Tidy-up Errors / Omissions in Unitary Plan (*Minor issue for 2013-2016*)**
 - With a fine tooth-comb, Council Planners look for all areas of missed opportunity, have a mind-set of looking for intensification opportunity
 - Properly classify Heritage buildings; Allow re-development if not proper Heritage
- 2. Up-Zone Auckland's City Fringe and Central Isthmus areas.**
 - Upzone substantially around the new City Rail Loop Stations
 - Review all areas within 3-5km of CBD, turn to Mixed Use, greater height
 - Upzone extensively in Central Isthmus area (as Auckland Plan intended)
- 3. Increase Heights in Centres.**
 - Why stop Metro at 18 levels? Why not allow 30 levels as Takapuna did?
 - Review Town Centre Development Economics: Increase height to 8-12 levels
 - Look for Ridge line development opportunities: (Rem Rd already has 15 levels)
- 4. Land near Transport Nodes or Corridors intensified much more.**
 - Vancouver has nice 4-8 lev buildings on transport corridors, so should Auckland
- 5. High visual amenity land changed from Single House to Med Density**
 - Change zoning of high amenity Single House sites, close to transport.
 - Intensification with strong urban design will raise land values for incumbants