

# Appendix 6: Residential Intensification Concept Designs and Testing



## Residential Intensification Concept Designs and Proposed Plan Change Testing

**Tauranga City Council**

January 2020

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## Executive Summary

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### BACKGROUND

Tauranga City and the Western Bay of Plenty sub-region is growing and continues to grow at a rapid rate. The provision of development capacity for housing to meet growth demands is a priority strategic issue. As part of a wider sub-regional response Tauranga City Council (TCC) is increasing its focus on enabling opportunities for intensification in existing urban areas through changes to planning provisions. The UFTI Foundation Report (2019) states that “Intensification done well maximises the use of existing infrastructure, community facilities and spaces and helps ensure future generation are not burdened with the consequences of poor decision making”. It is critical to get the framework for decision making correct at all spatial levels from sub-regional to site. This report tests the market feasibility of the proposed planning framework at a site and immediate surrounds level.

TCC is one of the local authorities defined as a “high growth council” under the National Policy Statement on Urban Development Capacity 2016 (NPS-UDC). The NPS facilitates responsive planning to enable growth and development, with two overarching principles:

- Actively enabling growth development; and
- Understanding property markets and enabling markets to provide for community needs.

### PURPOSE AND PROCESS

The purpose of the report is to review, and test plan change provisions proposed by TCC for residential intensification, including duplex units, low-rise terraced housing and apartments and medium rise apartments.

Veros and DesignGroup Stapleton Elliot undertook an integrated assessment including market feasibility analysis on the draft provisions and architectural concept analysis of the proposed plan changes. The feasibilities were based on a representative site and were designed for optimal intensity and configuration. Conclusions are provided on the ability of the provisions to enable development intensification and quality urban outcomes.

This involved preparation of conceptual level architectural plans that provided optimised, good quality density. These conceptual developments were tested against the proposed policy framework and City Plan to inform whether the planning provisions need to change to enable this type of product and ultimately viable developments.

Tauranga City Council has embarked on a number of processes to enable more compact urban form. The draft Plan Changes and the Te Papa project are the current projects in this journey. A key aspect of changing urban form is engaging with the community to understand the critical issues that will need to be addressed to gain support for a changing city. This evidence base on the viability of delivering

these housing forms will support an informed discussion with the community, as part of the Resource Management Act (RMA) Schedule 1 Plan Change process.

## CONCLUSION

In summary, our independent review and testing concludes:

- Delivering housing intensification to meet demand of housing (typologies and location) is financially challenging with and without the proposed planning provisions.
- Land suitable for potential infill housing development is limited across Tauranga. The ability to provide infill housing in Tauranga has been impacted and restricted, particularly by land fragmentation.
- Higher density development entails higher levels of risk and complexity in all respects including funding, design, marketing, sales and delivery.
- For greater take up of infill housing typologies it needs to be easier for the market to deliver. An unencumbered development process (with certainty in cost and programme timing) would allow a wider range of participants to enter and deliver product to market, creating competitive tension.
- Planning restrictions make infill residential development more financially challenging due to design restrictions and requirements. Design requirements such as bulk and location and provision of car parking remain as constraints within the proposed plan change provisions, that will affect viability of new projects.
- Opportunities will exist outside of the feasibility testing model, across a range of suburbs, albeit to a limited degree. To increase viability the market needs to be encouraged to provide quality redevelopment that increases the efficiency of established areas with minimal investment in infrastructure.
- Social housing forms are likely to see greater uptake due to their operation being outside and influenced by different market parameters to that of the private development sector. The local market needs to be encouraged to evolve into delivering a range of housing forms, that in turn will enable a broader range of participants to create momentum of alternative product supply.



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## 1.0 Purpose and Scope

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### 1.1 THE PURPOSE OF THIS REPORT

This report provides an independent analysis on whether the draft provisions enable development intensification.

Tauranga City Council (TCC) is preparing plan changes for residential intensification. Previously this has occurred without critical reference to the viability of development under the proposed rules. Through this process TCC is proactively considering the commercial viability of development within the proposed provisions. TCC have requested a high-level review of development feasibility within existing urban areas, based on standardised concepts designed within the proposed plan provisions. The report also makes recommendations regarding any suggested changes to the planning provisions to increase viability or to achieve better urban form outcomes.

### 1.2 VEROS PROPERTY SERVICES

Veros Property Services are an independent property advisory, urban growth and development firm. We provide planning, development management, property advisory, project management and asset management services, for all sectors of the property market. We are based in the Bay of Plenty and Waikato and work across New Zealand. Our staff have experience across all sectors of property, including private and public.

We have practical understanding of the development market, land ownership, community interests, resource consent, construction and finance. We are currently the development managers for subdivision, townhouse and apartment developments within Tauranga.

We are therefore well qualified, in order to complete this review, to;

- assess development viability on a property by property basis
- analyse consent statistics and typography, and
- engage directly with landowners/developers.

The review also provides insights into the development capacity within the existing urban areas.

### 1.3 DESIGNGROUP STAPLETON ELLIOT

DesignGroup Stapleton Elliot are an Architecture & Interior Design company. Architecture lies at the heart of our practice. From the smallest house alteration to the largest institutional facility, we approach every project with the same energy and rigour. Our services range widely from advising on all aspects of the design and building process, assisting with RMA issues through to comprehensive project management.

Our focuses are not just on dwellings but on the social fabric that holds the neighbourhood together. Successful sustainable communities, whether they are new-build or renewal projects, provide safe places for people to live in and feel part of. Our urban design projects create comfortable environments, with a strong focus on accessibility and environmental sustainability.

## 1.4 THE SCOPE OF THIS REPORT

This report summarises the review and testing of proposed plan change provisions and provides an independent analysis on whether the draft provisions enable viable development intensification and quality urban outcomes.

The scope for the testing was to;

1. Develop architectural concepts for each of the typologies using the proposed plan provisions.
2. Then undertake economic feasibility assessments of each representative development, looking at;
  - the viability of each of the topologies,
  - whether standards and controls within the proposed plan changes enable or constrain urban growth, and
  - comment on the standards and controls that have the biggest impact on viability.

The scope includes reviewing the Draft Tauranga Medium Density Housing – Residential Outcomes Framework.

## 2.0 Background

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### 2.1 OVERVIEW

The provision of development capacity for housing to meet growth demands is a priority strategic issue for TCC. As well as continuing to work towards delivering new capacity across the sub-region TCC is advancing planning tools for intensification in existing urban areas.

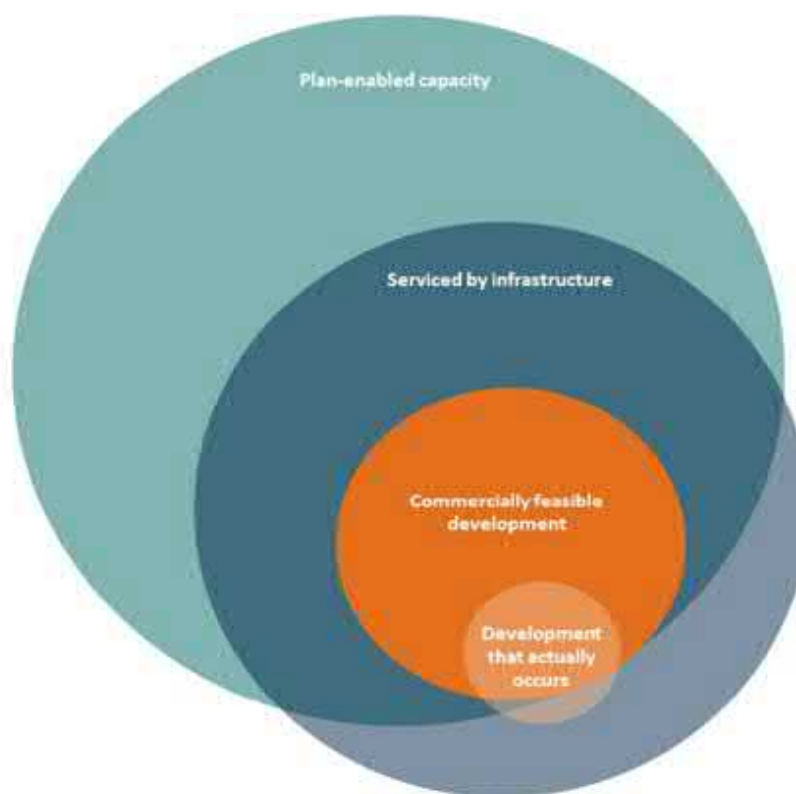
The New Zealand Housing market is strongly influenced by supply and demand. Current developments are not meeting the needs for many New Zealand cities. TCC is one of the local authorities defined as a “high growth council” under the National Policy Statement on Urban Development Capacity 2016 (NPS-UDC). The NPS facilitates responsive planning to enable growth and development, with two overarching principles:

- Actively enabling growth development; and
- Understanding property markets and enabling markets to provide for community needs.

To do this councils are required to monitor their markets for housing and business land and assess development capacity against projected demand. Where there is insufficient development capacity, they are required to respond in their plans to enable more capacity to grow. This development can

take two forms, go “up” by intensifying existing urban areas, and “out” by releasing land in greenfield areas.

The relationship between plan-enabled capacity (intensification provisions within District Plans), infrastructure, commercial feasibility and take-up is illustrated in the Diagram below.



**Diagram 1** Dimensions of Development Capacity – Source MBIE and MfE (NPS-UDC Development Feasibility Tool)

This diagram illustrates the restricted capacity for development. It reinforces the concept that the relationship between the planning framework, infrastructure delivery and the market require proactive consideration and management to maximise development. The bottom curve of the ‘development’ circle that is located outside the ‘commercially feasible’ circle, represents development such as social housing and family supported ‘granny flats’ that still need to be feasible but often proceed on limited or no market development margins.

Social, not-for-profit or state supported housing forms, operate outside different market parameters to the private sector housing. Often the developed housing is held for tenants, and therefore sales, sales costs, market demand, pre-sales and funding requirements are all excluded from development costs and process. Tax and GST provisions are also more favourable. Construction costs, product and material specification, and the potential scale of delivery all vary from most participants in the private sector, again which are more favourable.

The NPS-UDC has provisions for an integrated approach between planning, transport and infrastructure. To ensure the most efficient land use, intensification needs to provide a meaningful



increase in supply, including mixed housing choices. Redevelopment needs to cater to a diverse range of households, families, students, single person households, first home buyers and retirees.

The Tauranga market has changed over the last 10 years. With supply constraints, infrastructure costs, affordability issues, and changing home demographics, the market has naturally delivered smaller sections and smaller housing to ensure it is more affordable and to manage a reducing source of greenfield opportunities.

In Greenfield locations the 'larger' 450-600m<sup>2</sup> sections are now scaled to 380-450m<sup>2</sup>, while 'smaller' 350m<sup>2</sup> sites are now released at 200m<sup>2</sup>.

While duplexes and low-rise complexes are becoming part of the housing stock, market demand is still for single storey conventional buildings. Notwithstanding this, local house building companies in Tauranga generally remain uncertain towards smaller dwellings and smaller sections.

Supply shortages need to be resolved through opportunities for both greenfield developments and urban intensification. Housing across Tauranga residential suburbs is not reflecting the range of typologies, or locations that consumers (buyers and renters) need at present and that changing demographics will require in the future.

A research report on Housing Demand and Need in Tauranga and Western Bay of Plenty, prepared for SmartGrowth Bay of Plenty Partnership in November 2017<sup>1</sup> identified key trends including:

- A falling home ownership rate.
- A significant increase in projected rental occupiers of people aged 65 years and older.
- Home prices increasing by double the rate of household incomes since 1991.
- Over 100% projected growth in couple only and one person renter households by 2047.

The report assessed the implications of the demographic and tenure trends on the demand for dwellings by typology and concluded that the demand for standalone dwellings is mainly for three or more bedrooms, with less bedrooms for multi-unit developments. Renters have a greater interest in multi-unit developments, reflecting the household size and income.

Currently, the rules (or framework) in place for residential zoned land don't support the type of compact urban form required to meet the housing and lifestyle needs of communities. As a result, there is limited choice of dwelling types available, such as apartments or duplexes. TCC have reviewed current provisions and propose to make changes to the Suburban Residential and City Living zones

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<sup>1</sup> Research Report was undertaken by Livingston and Associates Ltd and Community Housing Solutions Ltd

within the City Plan to enable better utilisation of existing urban land, through intensification and providing for different dwelling types to be built (illustrated in Diagram 1 below).

Intensification Plan Changes are intended to;

- Help address residential development capacity constraints (shortage of developable land).
- Enable viable intensification and sustainable use of land, providing for comprehensively planned residential development such as apartments in appropriate locations.
- Enable more housing choice through a variety of housing types and site sizes and provide policy guidance and controls for higher density development.
- Reduce pressure on urban expansion and the associated infrastructure costs by enabling more intensification of existing urban areas.
- Align strategic commitments to deliver a compact city as outlined in the draft Future Development Strategy and draft Tauranga Urban Strategy.
- Deliver quality urban outcomes that are sensitive to existing neighbourhoods, in line with section 7(c) “the maintenance and enhancement of amenity values” in Part 2 of the RMA, providing greater direction on design and ensuring buildings and areas of outdoor space are well positioned on sites.



**Diagram 2** - Suburban Housing to City Centre Residential Development Continuum – source TCC

## 2.2 METHODOLOGY

The following methodology was used to undertake this review and assessment;

- Reviewing proposed Plan Change rules for Duplex Developments, Comprehensive Low and Medium Rise Developments and City Living Zone controls;
- Analysing the data provided by Council, relating to the suburb areas and setting site selection criteria to inform representative site dimensions for testing;

- Reviewing Hamilton City, Auckland City and Wellington City's Residential Intensification controls in respect to equivalent Suburban Residential zones (including meeting with Hamilton CC staff);
- Identifying examples of good urban intensification, and undertaking a range of site visits;
- Development of architectural bulk and location concept designs by DesignGroup Stapleton Elliot, within site selection criteria and proposed City Plan Changes across Duplex, Low-Rise, Medium-Rise and City Living controls;
- Viability overview of concept designs to inform development feasibility;
- Market assessment and review to inform current urban intensification, current trends in housing typology and development realisation, including a review of the Tauranga market in the context of the wider residential market in Auckland and Hamilton;
- Feasibility analysis, considering market conditions, tenure, construction methods/constraint and concept plans; and
- Review and comment on the Draft Tauranga Medium Density Housing – Residential Outcomes Framework, with specific consideration to its consistency with the proposed rules and the Frameworks function as a guide for development to achieve site optimisation, different typology and quality intensification.

The package of architectural concepts is attached to this report as **Appendix 3**.

## 2.3 KEY ASSUMPTIONS

The following assumptions were applied in the review and testing;

1. Site concept designs, and draft provision testing were not produced for delivery but for the purpose of testing and commentary on the draft provisions from a quality design and feasibility perspective.
2. Infrastructure and natural hazards layers have not been considered in either the concept design or feasibility analysis.
3. Critical market factors (that can alter the feasibility of a development) have been considered in the initial site concept design and testings, such as:
  - Supply / demand
  - Construction cost / escalation
  - Development project cost
  - Land acquisition value
  - Unit / dwelling values
  - Funding costs

4. All design concepts and costings have taken account industry building design requirements and elements including stud heights, service requirements, and sound building practices (such as roof designs).
5. Feasibility assumptions:
  - A number of key inputs have been assumed as fixed across the selected suburbs. Feasibility analysis is static and the analysis is not reflective of changes in response to adjustments in urban planning policies (i.e. rezoning land may cause its price to increase) or changes in the supply of dwellings (i.e. prices for new dwellings may fall if many are built at once).
  - Developers are assumed to be 'price-takers' - that is, they must accept market prices for land, finished dwellings, and construction inputs, rather than being able to influence these prices by exerting their market power.
  - Developers are assumed to require a fixed rate of gross profit for all types of development, rather than requiring higher profit in response to perceived riskiness of development, scale of development, or development timeframes. However, the timing of costs and revenues is considered explicitly in the model, which means that financing costs for development can vary.
  - Feasibility analysis does not account for the take-up of feasible development, which will depend upon a variety of other factors, including the willingness of landowners to supply their land for development, future changes in costs and revenues, consenting outcomes, etc.

## 2.4 SITE SELECTION

The site selection methodology adopted is to inform the basis for design options and market feasibility outcomes. A general approach has been undertaken to inform in a broader sense rather than applying draft provisions to specific development sites.

A detailed review of the existing Tauranga residential land stock was undertaken in order to establish a 'representative site' to inform design options and market feasibility analysis. This was then transferred across selected suburbs.

We have outlined below the process undertaken to establish the 'representative site', including key assumptions that were applied in the review, testing and conclusions;

1. An initial test set of Tauranga suburbs was established:

- Tauranga South
- Mount North
- Brookfield
- Otumoetai / Cherrywood/Bureta
- Greerton / Gate Pa

- Matua
  - Bethlehem
  - Welcome Bay
2. These suburbs were reviewed (in conjunction with Tauranga City Council's GIS team) in detail to inform and understand the basis of the "representative site". Key search criteria were adopted to further refine final section outcomes:
- Section areas greater than 700 sqm
  - Capital value of less than \$900,000 – any value in excess deemed to indicated significant capital improvement and therefore unlikely to be removed for an intensive development outcome
  - Regular shape
  - Freehold v other tenure
  - Level typography
3. A significant number of cross lease sites were identified during the suburb review. These were widely dispersed across residential areas throughout the City. The presence of multi-owned land parcels throughout the City is a significant barrier to redevelopment. The issue is that multiple ownership can create significant barriers to residential intensification (e.g. negotiating sales with multiple parties, and the additional costs of purchasing a parent site with more than one dwelling), despite any enabled density planned in the City Plan.
4. Following review of this suburb set, typical section dimensions were established that would enable for initial testing. The typical section dimensions, and therefore the most transferable sat in the following ranges:
- Frontages from 18 – 22 metres.
  - Depths from 34 – 46 metres.

In consideration of the above, for the purposes of a base dimension that can then be transferrable across suburbs the 'representative site' of 18m frontage x 40m depth, being 720m<sup>2</sup> site area has been universally applied. We have undertaken this development viability testing on the basis of the "representative site". This captures a workable building footprint and opportunity for a variable development envelope on sites of this size, or with a larger frontage and/or depth.

We do reiterate that the suburb and site selection analysis did identify restrictions as noted above, particularly frontage widths, and challenges with land fragmentation (such as cross lease sites). Developments that have occurred (such as at the Mount and early Avenues) have unique size frontages and greater site depths.



## 2.5 CITYWIDE TRANSFERABILITY

We have also undertaken modelling on various areas across Tauranga to understand how transferable and sensitive the viability is on a citywide basis. We have analysed the following areas:

- Cherrywood /Bureta
- Matua
- Mount North
- Greerton
- Bellevue / Brookfield
- Tauranga South

The final suburb set was reduced and did not include Welcome Bay and Bethlehem. These suburbs contained a higher proportion of irregular shaped sections and were found to have private covenants that constrained intensification. They were therefore excluded from final design and feasibility testing. The representative site was found to be far more applicable to the more traditional suburbs of Tauranga.

To allow some meaningful understanding of the comparative viability between these suburbs, we have only varied two of the key elements within the static feasibility modelling being:

1. Acquisition value of land. This is based on our knowledge of the market, market analysis and recent sales transactions of sections, and review by real estate agency active in these markets in Tauranga.
2. Sales value of sections / units. Again, this is based on our knowledge of the market, market analysis and recent sales transactions of similar residential typologies, along with review by real estate agency active in these markets in Tauranga. We do note however that given we are considering residential densities much higher than what is currently permitted in some of these areas, that actual market data and transactions to verify the sales amounts is limited.

In practice however, a range of elements would vary including but not limited to the following:

- Ground conditions and foundation costs.
- Design in response to natural hazards.
- Design specification and architectural style.
- Unit mix (1,2,3, 3+ beds), parking, room sizing.
- Price point, sales costs, marketing budget.

We have assessed the median acquisition values for each suburb, including both market acquisition value and on a excluding GST basis.

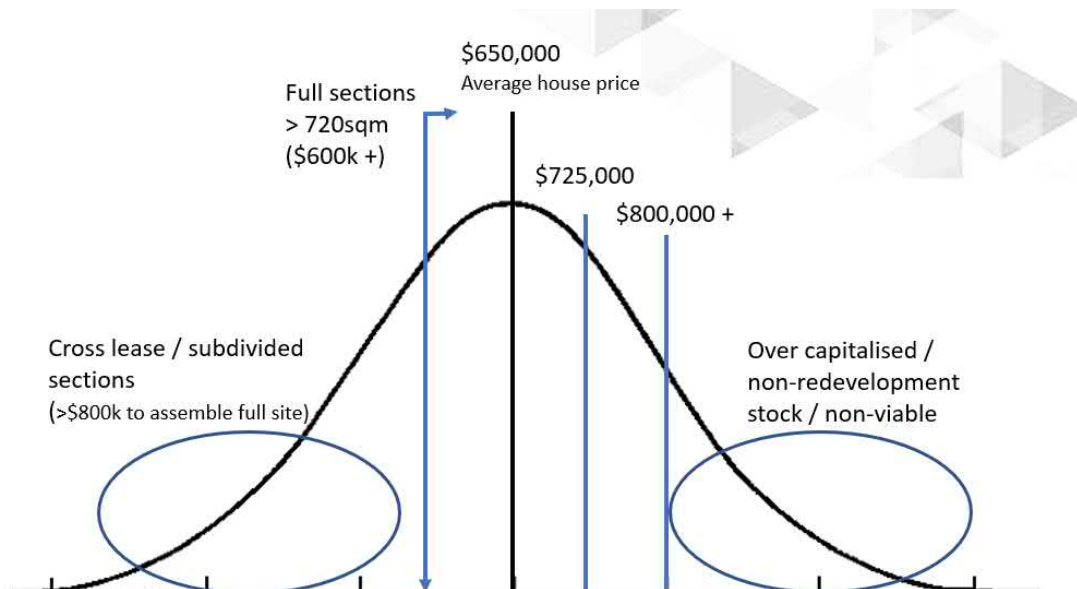
Suburb	Acquisition Sales Value (GST Incl.)	Acquisition Sales Value (GST Excl.)
Representative Site	\$750,000	\$652,174
Tauranga South	\$700,000	\$608,696
Mount North	\$800,000	\$695,652
Brookfield	\$650,000	\$565,217
Otumoetai / Cherrywood / Bureta	\$750,000	\$652,174
Greerton / Gate Pa	\$650,000	\$565,217
Matua	\$850,000	\$739,130

The sales or realisation values vary across each bedroom and carpark mix and the different development typologies.

Suburb	2 Bedroom 100sqm Duplex Unit with single garage	3 Bedroom 120sqm Terrace Home with single garage	2 Bedroom 82sqm Unit in Apartment with single basement car park
Representative Site (Citywide)	\$550,000	\$700,000	\$650,000
Cherrywood /Bureta	\$550,000	\$700,000	\$650,000
Matua	\$650,000	\$800,000	\$650,000
Mount North	\$625,000	\$775,000	\$650,000
Greerton	\$475,000	\$625,000	\$550,000
Bellevue / Brookfield	\$500,000	\$650,000	\$550,000
Tauranga South	\$525,000	\$675,000	\$650,000

Generally speaking, the sales realisation values will be greater in those parts of Tauranga that support higher residential property values above the median representative site. In these case study areas this includes Matua and Mount North, while Bellevue / Brookfield and Greerton have lower realisation values.

The key insight into this modelling across Tauranga city, is that development is likely to be more viable in those areas with higher residential property values, and therefore higher sales values. Land acquisition costs are a relatively small part of the development costs when the developments start to get into the more intensive typologies including terraced homes and apartments. And therefore, the sales values are critically important to support viability of these projects.



**Diagram 3 – An Example of Attrition / Reduced Uptake**

Based on our analysis, we believe it will be challenging to deliver larger units (2+ bedrooms) and larger projects (2-3 storey terraced housing and apartments) in areas of the Tauranga market such as Greerton and Bellevue / Brookfield, as these area are not able to achieve sales values that are high enough to support the development. Feasibility modelling is based on suburb median purchase and sales values. Where value can be found on properties that have particular characteristics that support higher sales values, being water outlook, reserve frontage, or other value proposition, then there will be examples where properties in these suburbs are in fact viable and market uptake for housing intensification is likely to be seen.

*Suburbs such as Greerton and Bellevue will find it difficult to support high density housing forms due to sales values not being high enough to support development costs.*

A detailed summary of the development feasibility testing is attached as **Appendix 4**.

### 3.0 Case Studies

We have undertaken three case studies to better understand the potential take up of infill, medium density housing in Tauranga. These case studies do not indicate feasible options but seek to illustrate that only a portion of some suburbs would be considered 'typical' developable sites, given location, size and indicative acquisition value.

We selected three areas that have proximity to a commercial centre, to public transport, to community facilities and education; and have generally level topography and a traditional subdivision pattern. These areas are:

- Greerton. Block bound by Hynds Rd, Chadwick Rd, Cameron Road laneway.
- Cherrywood. Block bound by Ngahere St, Short St, Freyberg St.
- Merivale. Block bound by Merivale Rd, Fraser St, Wembury Grove.

For each of these areas, we applied the development feasibility methodology to each property within the case study area. This included consideration of a range of variables that affect cost and viability of development (such as acquisition cost, site slope, orientation, size, shape and frontage). The areas are identified on the figures below, with the green sites identifying properties that we expect would support a viable development under the revised planning framework. The properties in red are those where development is likely to be unviable. For these properties that are reasonably level in topography and uniform in their orientation and shape, the primary factors impacting on viability for development are land fragmentation and acquisition costs.

As the areas have been specifically selected close to amenities and containing traditional sites with no noticeable constraints, the viability in these case study areas would generally be higher than other areas.

# **TAURANGA CITY COUNCIL** **RESIDENTIAL VIABILITY – CASE STUDY** **GREERTON, TAURANGA**



- Representative site – Typically **viable** for redevelopment
- Representative site – Typically **unviable** for development

Testing for intensification scenarios under proposed residential planning framework. Development variables including: slope, orientation, size, acquisition costs, shape and frontage.  
 Development sites assessed as 12 of 57 lots (17%)



## TAURANGA CITY COUNCIL RESIDENTIAL VIABILITY – CASE STUDY CHERRYWOOD, TAURANGA



- Representative site – Typically **viable** for redevelopment
- Representative site – Typically **unviable** for development

Testing for intensification scenarios under proposed residential planning framework. Development variables including: slope, orientation, size, acquisition costs, shape and frontage.  
Development sites assessed as 9 of 63 lots (14%)

## TAURANGA CITY COUNCIL RESIDENTIAL VIABILITY – CASE STUDY MERIVALE, TAURANGA



- Representative site – Typically **viable** for redevelopment
- Representative site – Typically **unviable** for development

Testing for intensification scenarios under proposed residential planning framework. Development variables including: slope, orientation, size, acquisition costs, shape and frontage.  
Development sites assessed as 6 of 42 lots (14%)



For each of the case study areas, we assess the viable take up as:

- Greerton: 12 of the 57 lots, being 17%.
- Cherrywood: 9 of the 63 lots, being 14%.
- Merivale: 6 of the 42 lots, being 14%.

As noted earlier in this report, there are many non-monetary factors and circumstantial factors that impact on decision making outside of financial viability. Being assessed as financially viable, does not necessarily mean that a particular property will undergo redevelopment.

## 4.0 Market Overview

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### 4.1 CONSTRUCTION MARKET

The Construction market locally and nationally is starting to see the emergence of a two-tier sector consisting of experienced operators that have a robust business model and practices and more fragile business that operate off low margins and inexperienced operators. The latter of these two is highly vulnerable to sensitivities and constraints of the sector.

Forecast workload is indicating a downward trend. Growth is forecast but at reduced levels compared to more recent years. This will lead to companies having and being able to hold and retain key staff. This also critically will have a noticeable impact on wage demand pressure.

Margins are still considered to be too low to be sustainable. Levels vary between residential and commercial, with residential considered to be slightly better due to perception of risk and scale of works.

Construction costs are high and make up the bulk of development costs. Over the past 2 years there has been significant escalation in construction and labour costs. Also, the local contractor market is pricing in risk and uncertainty, given the infancy of denser residential typology in Tauranga. As a result, construction costs in Tauranga are higher than other centres and are a significant component of overall costs.

In response to a changing environment the construction industry in New Zealand is however adapting and looking to more innovative trends that are seeking to disrupt the industry internationally and now in New Zealand. Prefabrication and mass production of housing modules are increasing productivity and reducing construction and development costs. Reducing carparks and floor area are other trends that can reduce costs. Incorporating these trends will improve project viability.

Prefabrication and mass production reduce construction time onsite and costs. Prefabrication can reduce construction time onsite by 60% through offsite construction. Reducing time onsite and at height reduces health and safety incidents. Prefabrication delivery can mean a saving of up to 15% in total construction costs. Prefabrication and mass production are viable options that improve construction productivity.

Car sales are declining worldwide. Behaviour changes and market disrupters such as Uber and Lyft are driving these changes. Decreased car sales will reduce carparking demand and minimise the carparking provision requirements. This will in turn decrease cost and free up more land for development or living space.

The “Tiny House” movement is gaining traction in New Zealand. We are seeing an increased market demand for smaller floor area homes. Smaller floor areas reduce construction costs. The changes we are seeing in the construction sector are positively impacting project viability by reducing costs and increasing development efficiencies.

## 4.2 RESIDENTIAL MARKET – GENERAL

As development moves away from traditional residential housing, it moves towards a commercial construction model. Bank funding and presales are needed, and purchasers are required to buy off the plans. This brings a range of commercial complexities and costs (such as high selling costs and marketing). The greater the density and the more compact the housing typologies, the higher the capital requirements, expertise time and risk.

Developers have incentives to build in Greenfields where land is cheaper, there is no existing capital required, and infrastructure capacity and land conditions are generally known.

## 4.3 RESIDENTIAL MARKET - TAURANGA

The supply of new housing in Tauranga has been outstripped by demand over recent years resulting in above average increases in values. Recent new stock predominantly consists of conventional standalone housing on low-medium density sections already prevalent throughout Tauranga and the Western Bay of Plenty.

Sporadic brownfields redevelopment of older stock is occurring, though not at a rate that’s making a meaningful dent in the broader affordability and supply issue. Existing planning controls limit complying development in providing more innovative medium and high-density development relative to more mature markets where this style of housing is established. With Tauranga’s forecast supply constraints identified, it’s important that more land efficient development, than that which is currently occurring, is enabled.

The Tauranga development community<sup>2</sup> is of the opinion that development capacity is not available to meet projected growth, estimating only 18 months of greenfield subdivision capacity remains for Tauranga. The Councils’ timeframes for delivering significant new development capacity in a zoned and serviced state in new growth areas of Te Tumu, Tauriko West and Omokoroa is at least five years away.

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<sup>2</sup> Scott Adams (Carrus Properties), Nathan York (Bluehaven Group) and Peter Cooney (Classic Group) presented in March at Tauranga City Council’s Urban Form & Transport Development Committee meeting

Therefore, provision of development capacity in the short-medium term is solely reliant on the current supply and availability of delivering subdivisions and dwellings.

In respect to the market, residential property in Tauranga has softened from the highs of mid-2016. This followed the introduction of changes to the Loan to Value Ratio (LVR's) that were imposed by the Reserve Bank, along with a general tightening of lending from the major banks. In particular, the changes to the LVR's and tightening of the banks' lending policies has resulted in a significant decline of investors from the market today. While first home buyers remain the largest buyer group and have been further encouraged by low interest rates, affordability is a critical issue and the effect on the market has become apparent.

Residential building companies have confirmed that the market for properties over \$700,000 has slowed down and thinned out. However, they emphasised that the sub-\$700,000 market remained strong, with particularly strong demand from local buyers in the \$550,000 - \$650,000 value range.

Since 2015, house prices were also noted as increasing on average by \$8-12,000 per annum for a typical 160-200m<sup>2</sup> building in response to escalating construction costs and section prices increased approximately \$25-35,000 per annum for a typical 200-500m<sup>2</sup> site.

In response, the land supply and house build market has transitioned from larger 450-500m<sup>2</sup> sections with 180-225m<sup>2</sup> houses down to 380-450m<sup>2</sup> sections with 140-160m<sup>2</sup> houses. This supply response seeks to address the affordability issue and better align to market demand.

In summary, we anticipate the market to remain stable through to mid-2020 albeit with limited capital growth. High national and regional immigration, low cost of funding and latent demand has continued to maintain values since the LVR changes. Immigration will remain a positive influence on new housing demand through 2019/2020, and therefore we do not foresee any significant changes in Tauranga and wider Western Bay of Plenty section and housing market for the next 12 - 15 months. However, the issue of affordability will continue to see the demand predominately centre on the sub-\$650,000 market.

#### 4.4 RESIDENTIAL MARKET – INTENSIFICATION

While diverse housing types are evident internationally, across metropolitan New Zealand, and in the centres of Auckland and more recently Hamilton, Tauranga is a very traditional housing market made up of predominantly traditional residential housing and larger lot residential housing.

There is generally a lack of buyer demand for alternative housing typologies in the market. Historically the demand has been for the standard, freehold section, free standing family home.

The current market for supply of multi-unit developments (3+ Units) in Tauranga has shown limited capacity and anticipated large brownfield and greenfield multi-units is expected to be muted over the next 3 years.

Developers have indicated that they will not be delivering multi-units within the greenfield space until the market for this product matured and other infrastructure was in place to support the increased density. Timing was indicated to be the end of the 10-year forecast period.

This market position by Developers is not surprising, given the general lack of compact housing forms being delivered in the current market. While the reasons for this are complex and many, the main observation is that, across the board, these forms of developments perform at a marginal level or are unviable to develop.

*In Tauranga the value of existing buildings (that get demolished for intensification) is high relative to the land values when compared with other regions in NZ.*

For infill developments the purchase price of land (and existing house) is high. The land value compared to the existing building values are still low. To purchase sites still requires a big spend on the existing buildings which are then getting demolished. Initial market analysis indicates that the purchase price of land (and existing house) in Tauranga is higher than other regions.

Also, post development market sales are not high enough to produce enough revenue and development margins to undertake these forms of development. Although there has been significant uplift in the past few years, this has been offset

by the construction cost increase and the respective uplift in the underlying land and existing building purchase.

## 4.5 SUBURBAN RESIDENTIAL SALES

Further to the above, in understanding the values of dwellings within each suburb, Veros have had regard to a number of sales that have transacted over the last 12-18 months for each of the suburbs within the suburb set. Much of the supporting information for specific suburbs relates to existing stock. Very little activity has occurred within each suburb that is representative of modern infill (transacted in last 24 months) housing to provide a comprehensive data set.

This data set confirms a lack of buyer sophistication and demand for alternative housing typologies in the Tauranga market. Historically the demand in Tauranga has been for the standard, freehold section, free standing family home, with the main exception to this being high density apartment complexes primarily in the Tauranga city centre and Mt Maunganui.

Tauranga is generally delivering housing products at each end of the density spectrum, however, there seems to be a barrier to overcome to deliver housing product that falls between these two outcomes and start to deliver medium density housing typologies.

Where applicable we have reviewed sales of modern infill housing to provide context to the sales of existing built product, and we acknowledge that premiums will be obtained for modern new build property.

We have adopted an indicative median sales prices for the applicable units/dwellings. We acknowledge although variance in value has been adopted between suburbs there will also be a range of values obtained within each suburb due to normal market influences -

- Location
- Size

- Position
- Orientations
- Outlook
- Amenities

Given the above, certain opportunities will be more viable within some suburbs than others, by virtue of the above market considerations. This is important to consider in respect to our further feasibility testing outlined later in this report.

## 5.0 Development Options and Assessment

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We have undertaken feasibility analysis and a range of design concepts of residential typologies in Brownfield locations. These include:

### One into Two Lot Subdivision

- Retain existing dwelling sale of rear vacant lot
- Retain existing dwelling sale 3-bedroom freestanding home
- Retain existing dwelling sale 2-bedroom duplex

### Duplex Typologies

- 4 x 1 Bedroom units
- 4 x 2 Bedroom units
- 4 x 3 Bedroom units

### Low Rise Townhouses (720m<sup>2</sup> site area)

- 5 x 1 Bedroom units
- 7 x 2 Bedroom units
- 5 x 3 Bedroom units

### Medium Rise (1,440 m<sup>2</sup> amalgamated site area)

- 11 x 3 Bedroom units
- Medium Rise – 19 Unit Complex (On grade car parking)
- Medium Rise – 21 Unit Complex (Half basement car parking)
- Medium Rise – 21 Unit Complex (Full basement car parking)

### City Living High Rise (2,500m<sup>2</sup> site area)

- 4 Storey – Full Basement – 38 Units

The intensification design test models for each of the above typologies is included in **Appendix 3**. These conceptual level development plans prepared by DGSE tested the architectural practicality to deliver the proposed duplex, low-rise and medium-rise typologies within the proposed planning provisions,



considering critical market factors. Plan provisions delivering impervious surface and service, storage and waste management space were not specifically addressed in the concept designs as they were assessed as being able to be designed for compliance into the developments.

The feasibility assessment for each typology across the selected suburb is included in **Appendix 4** of the report. For architectural compliance the scale of impact was determined based on the number and degree of non-compliance. For the economic feasibility the scale of impact was determined based on the transferability of the typology across the six selected suburbs and the margin of feasibility.

## 6.0 Financial Modelling

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The NPS-UDC defines feasible as meaning *“that development is commercially viable, taking into account the current likely costs, revenue and yield of developing”*

Feasibility takes into consideration the market’s desire for the housing type and density, its viability in the location and whether it will compete with the rest of the market.

A feasibility model should be used as a tool to help guide decision making and should not be solely relied on. As with any model, it attempts to summarise a complex situation into a concise solution. Feasibilities that are produced at a conceptual level, should be used as a “broad brush” or screening approach to assessing potential developments.

Veros have prepared several feasibility models in order to understand and provide a broad understanding of market outcomes based on previously outlined conceptual design outcomes and in conjunction with draft planning considerations provided. These generally fit within the following residential typologies and within hypothetical brownfield developments, and include:

- Duplexes
- Low Rise Suburban Housing
- Medium Rise Housing
- High Rise Housing

All models are on a static basis with key assumptions adopted and common across all suburbs with underlying land value and unit sales being reflective of each suburb.

All the design schemes have been optimised to achieve as best they can a functional housing typology, suited for the Tauranga market that delivers a saleable price point. Notwithstanding that, the typologies are not currently considered conventional housing for the Tauranga market. As such the price point would be considered at the upper end of the ideal value range to highly incentivise the local demand to transition from conventional housing into medium density housing.

Feasibility model scenarios included:

- Baseline development feasibility model and land value assessment.

- Development feasibility models for the aforementioned scenarios tailored to represent an investment case structure and illustrate the forecast return.
- Sensitivity testing of design models to handle changes in market conditions, i.e. upfront servicing costs, staging, cost escalation.

Ideally for broad acceptance of medium density housing in the current market the relative price differential between existing stock and new high-density stock would be larger. However, as the market matures, in terms of buyer preferences relating to convenience and proximity to work and schools, retail and transportation, high density housing typology that is well located will find greater market acceptance. Notwithstanding, if the current development market could deliver high density product under \$450,000 to \$500,000 within 8 kms of the city centre, close or near retail centres, schools and transportation they would sell well, purely on the basis of affordability with buyers having no other options for new housing in this price range.

## 6.1 KEY ASSUMPTIONS

When developing land or buildings, the costs and revenues of different development scenarios are considered. Topography/groundworks, ownership, value of land, as well as existing land uses can all influence the relative cost and feasibility of different locations. The underlying land value will vary across the different suburbs. These variations have been considered as part of the feasibility assessments.

The following cost assumptions are included in the development feasibility assessments:

1. Land acquisition (the price paid for land - e.g. the price for bare land for land developers, or the price of sections for building developers). For the purposes of this viability assessment it is reasonable to assume that any developer purchasing land would only do so at a level and on terms which delivered an acceptable level of risk and return. The adopted range and applicable suburb values has been outlined in the previous section.
2. Removal of existing dwelling, with no re-sale value of unknowns accounted for i.e. asbestos, ground conditions etc.
3. Other costs associated with development, such as infrastructure charges, professional service fees, construction costs, and interest charges. / Development Managers fees.
4. The minimum gross profit required for a development to be considered feasible. The minimum rate of profit that is required to compensate developers for the investment required and the risk associated with development. Development Sector – margins / financial outlay. The level of return reflects assumptions made in respect to acquisition/holding cost and development costs, the feasibility modelling therefore assumes a gross margin of:
  - 5%-10% when developed by owner investors
  - 10% – 15% for small building company; and
  - 20% + margin for larger developer lead projects.

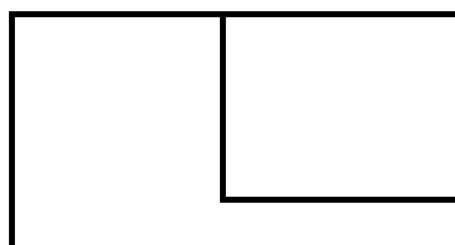
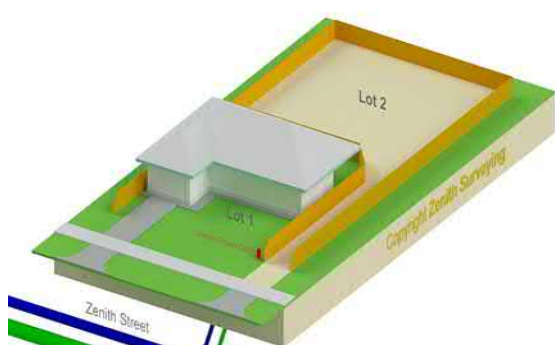
5. The revenues that they expect to obtain from buyers - e.g. the price that homebuyers are willing to pay for finished dwellings, or the price that building developers are willing to pay for residential sections (NB: Prices are determined exogenously to this model). Revenue assumptions are based on recent sales of residential properties in the selected suburbs, as well as views and assumptions adopted by developers.
6. We reviewed each of the design typologies and high-level discussions with Developers, Group Builders and Consultants to establish a base rate. We acknowledge that the established base rate is very much a high-level position and reflective of the design work undertaken to date. Bulk and Location drawings have been undertaken and to refine this further we would recommend that a detailed scope of works / outlined brief is prepared to ensure a more rigorous pricing process. This can then be directly tested with Builders and Construction Companies.
7. We have adopted a common rate across all assessed suburbs to provide some commonality to our findings but acknowledge that specification and final product would vary considerably depending on market requirements in different locations.

## 6.2 FEASIBILITY ANALYSIS

For each of the typologies (listed in Section 4, above), costs of the development are applied consistently across all suburbs reflecting the “representative site”. There is likely to be variance between products to the market in different suburbs (i.e. quality of chattels expected by the market in Matua may be different in Bellevue/Brookfield). This would adjust the degree of impact. The % column in the more detailed summary table in **Appendix 4**, reflects the degree of representative impact and therefore the variance in opportunity for movement.

A summary of the feasibility analysis, risks and challenges for each of the typologies is included below:

### 6.2.1 One into Two Lot Subdivision



The feasibility analysis is based on the acquisition of a full-sized 720m<sup>2</sup> residential lot, retaining the existing dwelling and creation of a new section & dwellings to the rear.

An overview of our key assumptions relating to this typology is as follows -

Criteria	Key Assumptions		
	Vacant Site	3 Brm Standalone	2 Brm Duplex
Construction costs (excl GST)	\$150/m <sup>2</sup> (land Area) - C. \$50k	\$2,200/m <sup>2</sup>	\$2,200/m <sup>2</sup>
Consultant Fees (Not included in above)	2.0%	2.0%	2.0%
Legal Fees	\$7,000 (\$3,500 per section)	\$7,000 (\$3,500 per section /unit)	\$7,000 (\$2,500 per unit)
Consent Fees	3.0%	3.0%	3.0%
Marketing	\$5,000 (\$2,500 per section)	\$5,000 (\$2,500 per section)	\$5,000 (\$2,500 per section)
Contingency	5.0%	5.0%	5.0%
Sales Agency Fee %	3.0%	3.0%	3.0%

#### Feasibility Assessment

	Feasibility Assessment – Representative Site		
	Vacant Site	3Brm Standalone	2 Bdrm Duplex
	Feasibility Expected	Feasibility Expected	Feasibility Expected
Market Participant	"Mum & Dad"	"Mum & Dad" & Group Builder	"Mum & Dad" & Group Builder
Development Cost	\$765k	\$1.15m	\$1.3m
Target Development Margin	(0%) - \$85k	5.0%	5.0%
Acquisition Value of Land (excl GST)	\$652k (\$750k incl)	\$652k (\$750k incl)	\$652k (\$750k incl)
Unit Value (incl GST)	\$657k (dwelling) \$325k (vacant lot)	\$650k (existing) \$750k (new)	\$600k \$525k – per unit
Indicative Gross Profit	\$85k	\$90k	\$110k
Market Viability Assessment	Viable	Viable	Viable

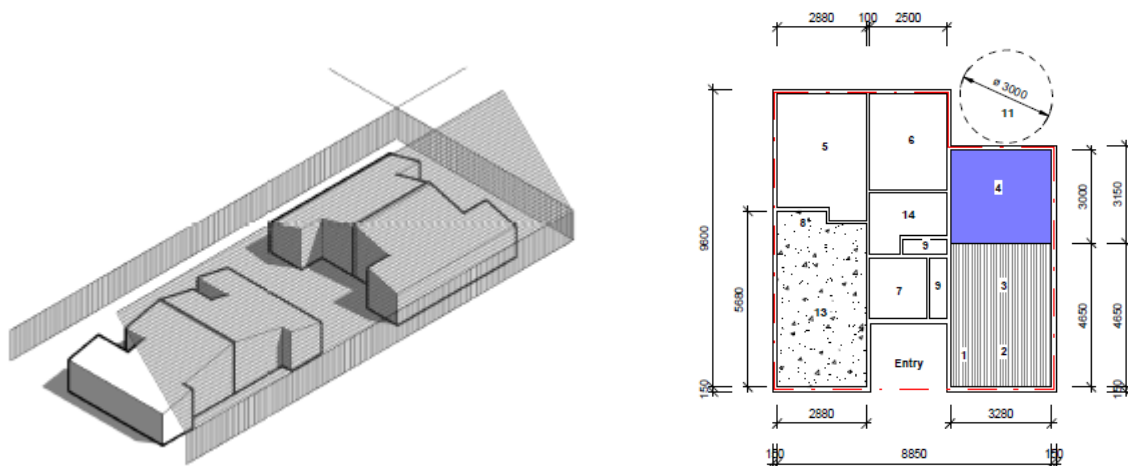
### Risks and Challenges:

Limited risk and challenges associated with these scenarios. It is a simple outcome that can be undertaken by all participants in the market.

- Limited capital outlay requirements – limited or no bank funding requirements
- No presale requirements
- Limited number of sales
- Good market acceptance
- Short programme to complete

A development of this nature is reasonably simple. It can be undertaken by “Mum & Dad” investor with little exposure to risk, particularly if they already hold the underlying title. It gives them certainty to outcome whilst being able to retain the original dwelling. Generally, this would be looked at based on a dollar value return as opposed to a targeted development margin.

### 6.2.2 Duplex Typologies



The feasibility analysis is based on the acquisition of a full-sized 720m<sup>2</sup> residential lot, removing the existing dwelling and construction of two separate duplex dwellings (4 units). The new dwellings will be 62m<sup>2</sup>, 99m<sup>2</sup>, 129m<sup>2</sup>, being 1, 2, 3-bedroom units. Each will accommodate a single car garage.

An overview of our key assumptions relating to this typology is as follows –

Criteria	Key Assumptions		
	4 x 1 Bedroom Unit	4 x 2 Bedroom Unit	4 x 3 Bedroom Unit
Construction costs (excl GST)	\$2,200/m <sup>2</sup>	\$2,200/m <sup>2</sup>	\$2,200/m <sup>2</sup>
Consultant Fees (Not included in above)	2.0%	2.0%	2.0%
Legal Fees	\$10,000 (\$2,500 per unit)	\$10,000 (\$2,500 per unit)	\$10,000 (\$2,500 per unit)
Consent Fees	2.0%	2.0%	2.0%
Marketing	\$6,000 (\$1,500 per unit)	\$6,000 (\$1,500 per unit)	\$6,000 (\$1,500 per unit)
Contingency	5.0%	5.0%	5.0%
Sales Agency Fee %	3.0%	3.0%	3.0%

### Feasibility Assessment

	Feasibility Assessment		
	4 x 1 Bedroom Unit	4 x 2 Bedroom Unit	4 x 3 Bedroom Unit
	Feasibility Expected	Feasibility Expected	Feasibility Expected
Market Participant	Group Builder / Developer	Group Builder / Developer	Group Builder / Developer
Development Cost	\$1.5m	\$1.95m	\$2.35m
Target Development Margin	10% -15%	10% -15%	10% - 15%
Acquisition Value of Land (excl GST)	\$652k (\$750k incl)	\$652k (\$750k incl)	\$652k (\$750k incl)
Unit Value (incl GST)	\$425k (per unit)	\$550k (per unit)	\$650k (per unit)
Indicative Gross Profit	\$75k (5.38%)	\$125k (7.04%)	\$114k (5.31%)
Market Viability Assessment	Not Viable	Not Viable	Not Viable

### Sensitivity Analysis:

We have undertaken additionally analysis on the likely point where market take up would consider these options as viable. A key component of the feasibility analysis and driver for a viable outcome is obtaining unit/dwelling values that are supportive of development costs. Under the above scenarios we would expect that an 8-10% shift in sales value of units would be required to unlock the viability. This level of growth is not significant and is generally aligned general housing value uplift we have seen in recent years.

However, we reiterate that our feasibility testing is based on a static model. There are several market influences in addition to unit/ dwelling values that should be consider i.e.

- Market supply & demand
- Acquisition value
- Construction costs
- Development Costs
- Funding costs

Changes to any or all the above will have significant impact on feasibility and market uptake of new housing typologies.

### Risks and Challenges:

Regardless of the above, the following risks and challenges have been identified in preparing this feasibility analysis:

- Limited volume of suitable infill sites available.
- Uncertainty in respect to ground conditions and infrastructure provision.
- Sales values of units not enough to make development viable
- Pre-sale requirements
- Greater level of capital requirements to fund project
- Development returns are below market requirements for bank funding

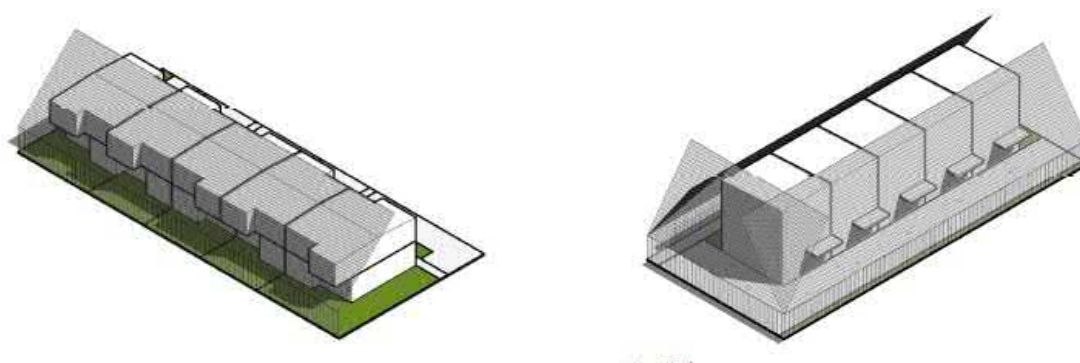
Market participation is likely to be undertaken by group builders and to a lesser extent developer investor given the scale of works, capital requirements and pre-sale requirements for funding.

For a development of this complexity, a developer/builder would expect a margin of 15%. However, builders can develop these housing typologies at a reduced margin, approximately 10%. This is due to builders requiring less capital, the development poses less risk and their margin being blended between the land development margin and build margin.

The residual land value is not aligned to the acquisition value of the site. This creates an amended development margin (accounting for variance in value) of c. 5-8%. This is below market expectations (10-15%) for a development of this nature.

As noted under 4.2.3 above this assessment is based on a “representative site” being the median across all suburbs, it is therefore a static feasibility test. Suburbs will vary as will costs, as such this typology would be viable in some suburbs, although detail feasibility testing will be required to reflect variation of costs outside of acquisition and unit value – i.e construction costs (specification etc) will vary pending market that product is being delivered.

### 6.2.3 Low Rise Townhouses 720m<sup>2</sup> site area



The feasibility analysis is based on the acquisition of a full-sized 720m<sup>2</sup> residential lot, removing the existing dwelling and construction of Adjoining Townhouse units (5-7 units). The new units will be 62m<sup>2</sup>, 102m<sup>2</sup>, 120m<sup>2</sup>, being 1, 2, 3-bedroom units. Each will accommodate a single car garage.

An overview of our key assumptions relating to this typology is as follows -

Criteria	Key Assumptions		
	5 x 1 Bedroom Unit	7 x 2 Bedroom Unit	5 x 3 Bedroom Unit
Construction costs (excl GST)	\$2,200/m <sup>2</sup>	\$2,200/m <sup>2</sup>	\$2,300/m <sup>2</sup>
Consultant Fees (Not included in above)	7.0%	7.0%	7.0%
Legal Fees	\$12,500 (\$2,500 per unit)	\$17,500 (\$2,500 per unit)	\$12,500 (\$2,500 per unit)
Consent Fees	2.0%	2.0%	2.0%
Marketing	\$7,500 (\$1,500 per unit)	\$10,500 (\$1,500 per unit)	\$7,500 (\$1,500 per unit)
Contingency	5.0%	5.0%	5.0%
Sales Agency Fee %	3.0%	3.0%	3.0%



## Feasibility Assessment

	Feasibility Assessment		
	5 x 1 Bedroom Unit	7 x 2 Bedroom Unit	5 x 3 Bedroom Unit
	Feasibility Expected	Feasibility Expected	Feasibility Expected
Market Participant	Group Builder / Developer	Group Builder / Developer	Group Builder / Developer
Development Cost	\$1.7m	\$3.05m	\$2.35m
Development Margin	10% -15%	10% -15%	10% - 15%
Market Value of Land (excl GST)	\$652k (\$750k incl)	\$652k (\$750k incl)	\$652k (\$750k incl)
Unit Value (incl GST)	\$425k (per unit)	\$550k (per unit)	\$650k (per unit)
Indicative Gross Profit	\$180k (10.88%)	\$296k (9.73%)	\$215k (7.15%)
Market Viability Assessment	Viable	Not Viable	Not Viable

## Sensitivity Analysis:

We have undertaken additional analysis on the likely point where market uptake would consider these options as viable. A key component of the feasibility analysis and driver for a viable outcome is obtaining unit/dwelling values that are supportive of development costs. Under the above scenarios we would expect that an 10-15% shift in sales value of units would be required to unlock the viability. This level of growth is not significant and is generally aligned to average percentage uplift we have seen in recent years, although double digit growth would be reflected over a period of 2-3 years.

## Risks and Challenges:

Regardless of the above, the following risks and challenges have been identified in preparing this feasibility analysis:

- Limited volume of suitable infill sites available.
- Uncertainty in respect to ground conditions and infrastructure provisions.
- Sales values of units not enough to make development viable
- Pre-sale requirements to be obtained
- Greater level of capital requirements to fund project

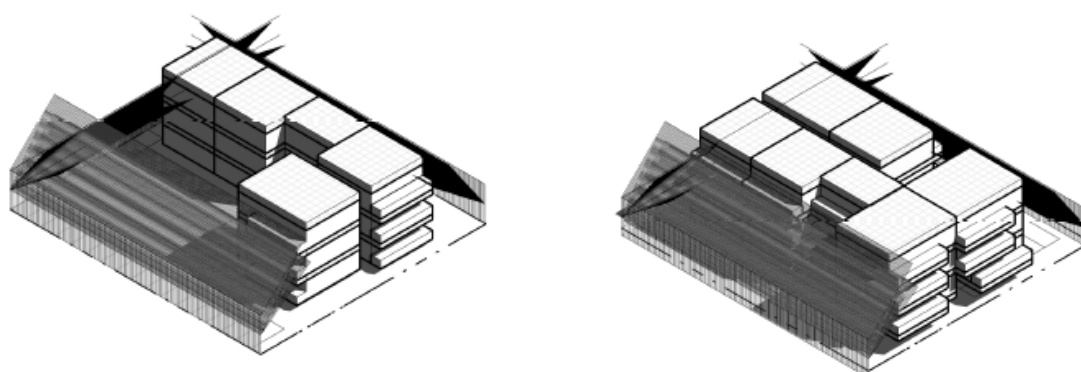
- Development returns are below market requirements for bank funding

For a development of this complexity, a developer would expect a margin of 15%. However, builders are able to develop these housing typologies at a reduced margin, approximately 10%. This is due to builders requiring less capital, the development poses less risk and their margin being blended between the land development margin and build margin.

The residual land value is not aligned to the market value of the site. This creates an amended development margin (accounting for variance in value) of c. 8-10%. This is below market expectations for a development of this nature.

As noted under 4.2.3 above this assessment is based on a “representative site” being the median across all suburbs, it is therefore a static feasibility test. Suburbs will vary as will costs, as such this typology would be viable in some suburbs, although detail feasibility testing will be required to reflect variation of costs outside of acquisition and unit value – i.e construction costs (specification etc) will vary pending market that product is being delivered.

#### 6.2.4 Medium Rise 1,440m<sup>2</sup> amalgamated site area



The feasibility analysis is based on the acquisition of amalgamation of two adjoining sites totalling 1,440m<sup>2</sup>, removing the existing dwelling and construction of Adjoining Townhouse units (19-21 units). The new units will be accommodating 1,2 & 3 bedrooms, being 60m<sup>2</sup>-104m<sup>2</sup> being 1, 2, 3-bedroom units. Onsite carparking is provided by on-grade, half basement and full basement options.

An overview of our key assumptions relating to this typology is as follows -

Criteria	Key Assumptions – Medium Rise		
	19 Units / On grade Parking	21 Units / Half Basement	21 Units / Full Basement
Construction costs (excl GST)	Building -\$2,800/m <sup>2</sup> Parking -\$400/m <sup>2</sup>	Building -\$2,800/m <sup>2</sup> Parking -\$800/m <sup>2</sup>	Building - \$2,800/m <sup>2</sup> Parking - \$1,000/m <sup>2</sup>
Construction Contingency	7.5%	7.5%	7.5%

Consultant Fees (Not included in above)	5.0%	5.0%	5.0%
Legal Fees	\$2,800 per unit	\$2,800 per unit	\$2,800 per unit
Consent Fees	2.0%	2.0%	2.0%
Development Management	5.0%	5.0%	5.0%
Marketing	\$5,000 per unit	\$5,000 per unit	\$5,000 per unit
Contingency	5.0%	5.0%	5.0%
Sales Agency Fee %	2.5%	2.5%	2.5%

### Feasibility Assessment

	Feasibility Assessment		
	19 Units / On grade Parking	21 Units / Half Basement	21 Units / Full Basement
	Feasibility Expected	Feasibility Expected	Feasibility Expected
Market Participant	Developer	Developer	Developer
Development Cost	\$8.6m	\$10.2m	\$10.8m
Development Margin	25%	25%	25%
Market Value of Land (excl GST)	\$1,391,304 (\$1.6 mil incl)	\$1,391,304 (\$1.6 mil incl)	\$1,391,304 (\$1.6 mil incl)
Unit Value (incl GST)	\$475k (per unit) \$550k (per unit) \$700k (per unit)	\$475k (per unit) \$550k (per unit) \$700k (per unit)	\$475k (per unit) \$550k (per unit) \$700k (per unit)
Indicative Gross Profit	\$1.07 mil (12.4%)	\$1.17 mil (11.5%)	\$825k (7.6%)
Market Viability Assessment	Not Viable	Not Viable	Not Viable

### Sensitivity Analysis:

We have undertaken additional analysis on the likely point where market uptake would consider these options as viable. A key component of the feasibility analysis and driver for a viable outcome is obtaining unit/dwelling values that are supportive of development costs. Under the above scenarios we would expect that an 20-30% shift in sales value of units would be required to unlock the viability.

This level of growth is significant and would represent a number of year on year value growth. This level of growth is high and not expected in short to medium term.

#### Risks and Challenges:

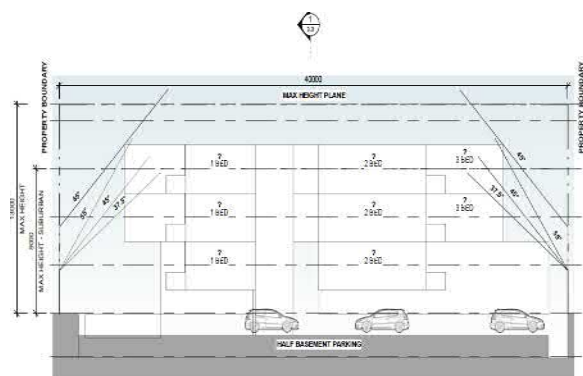
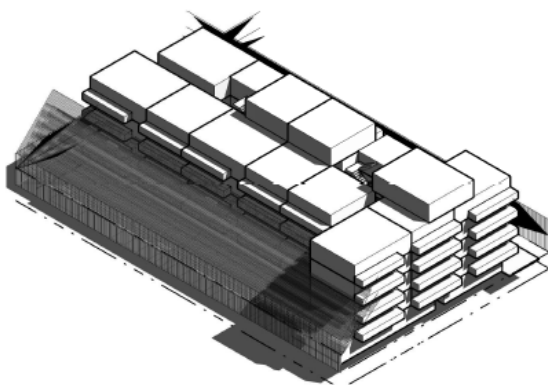
Regardless of the above, the following risks and challenges have been identified in preparing this feasibility analysis:

- Acquisition of 2 full-sized adjoining lots.
- Uncertainty in respect to ground conditions and infrastructure provision.
- High level of capital requirements to fund development.
- Volume of dwellings to be constructed will limit builders capable of delivering scale of development.
- A degree of uncertainty remains in respect to market uptake for a product that is not well known locally.
- High number of presales required to obtain bank funding.

For a development of this complexity, a developer would expect a margin of over 25%. However, a developer may express an interest at 20%.

The residual land value is not aligned to the market value of the site. This creates an amended development margin (accounting for variance in value) of c. 8-12%. This is below market expectations for a development of this nature.

#### 6.2.5 City Living High Rise 2,500m<sup>2</sup>



The feasibility analysis is based on the acquisition of amalgamation of two adjoining sites totalling 1,440m<sup>2</sup>, removing the existing dwelling and construction of Adjoining Townhouse units (19-21 units). The new units will be accommodating 1,2 & 3 bedrooms, being 60m<sup>2</sup>-104m<sup>2</sup> being 1, 2, 3-bedroom units. Onsite carparking is provided by on-grade, half basement and full basement options.

An overview of our key assumptions relating to this typology is as follows -

Criteria	Key Assumptions
	38 Unit / Basement Parking
Construction costs (excl GST)	Building - \$2,800/m <sup>2</sup> Parking - \$1,000/m <sup>2</sup>
Construction Contingency	7.5%
Consultant Fees (Not included in above)	5.0%
Legal Fees	(\$2,800 per unit)
Consent Fees	2.0%
Development Management	5.0%
Marketing	\$5,000 per unit
Contingency	5.0%
Sales Agency Fee %	2.5%

#### Feasibility Assessment

	Feasibility Assessment
	38 Unit / Basement Parking
	Development Feasibility
Market Participant	Developer
Development Cost	\$10.8m
Development Margin	25%
Market Value of Land (excl. GST)	\$1,391,304 (\$1.6m incl)
Unit Value (incl. GST)	\$475k (per unit) \$550k (per unit) \$700k (per unit)
Indicative Gross Profit	\$782k (4.05%)
Market Viability assessment	Not Viable

#### Sensitivity Analysis:

We have undertaken additionally analysis on the likely point where market uptake would consider these options as viable. A key component of the feasibility analysis and driver for a viable outcome is obtaining unit/dwelling values that are supportive of development costs. Under the above scenarios we would expect that a 30+% shift in sales value of units would be required to unlock the viability. This



level of growth is significant and would represent a number of year on year value growth. This level of growth is high and not expected in short to medium term.

#### Risks and Challenges:

Regardless of the above, the following risks and challenges have been identified in preparing this feasibility analysis:

- Acquisition of 2 full-sized adjoining lots.
- Uncertainty in respect to ground conditions and infrastructure provision.
- Planning restrictions.
- Capital requirements to fund development.
- Volume of dwellings to be constructed will limit the builders capable of delivering scale of development.
- A degree of uncertainty remains in respect to market uptake for a product that is not well known locally.
- The required amount of pre-sales.

For a development of this complexity, a developer would expect a margin of 25% +. However, a developer may express an interest at 20%.

The residual land value is not aligned to the market value of the site. This creates an amended development margin (accounting for variance in value) of c. 4%. This is well below market expectations for a development of this nature.

### 6.3 SENSITIVITY ANALYSIS

We have undertaken high level sensitivity testing on a selection of housing typologies and suburbs to provide an indicative level of unit/dwelling values required to create viable developments under some of the scenarios tested.

We have compared market value against the value required to reach project viability. This covers a range of suburbs and aligns with earlier discussions around indicative percentage uplift.

Sample Sensitivity Analysis (Private Development Scenario for Viable Development)						
Representative Site	Duplex (2 bedroom)		Terrace House (2 Bedroom)		Medium Rise (Half Basement)	
	Market Sales Value of Unit	Required Unit Value (Viable)	Market Sales Value of Unit	Required Unit Value (Viable)	Market Sales Value of Unit	Required Unit Value (Viable)
	\$550,000	\$595,000 - \$625,000	\$525,000	\$595,000- \$625,000	\$475,000 (1brm) \$550,000 (2brm)	\$575,000-\$600,000 (1brm) \$700,000-\$725,000 (2brm)

					\$700,000 (3brm)	\$800,000-\$82,5000 (3brm)
Cherrywood /Bureta	\$550,000	\$595,000 - \$625,000	\$525,000	\$595,000-\$625,000	\$475,000 (1brm)	\$575,000-\$600,000 (1brm)
					\$550,000 (2brm)	\$700,000-\$725,000 (2brm)
					\$700,000 (3brm)	\$800,000-\$82,5000 (3brm)
Greerton	\$475,000	\$550,000-\$585,000	\$475,000	\$575,000-\$600,000	\$400,000 (1brm)	\$550,000-\$575,000 (1brm)
					\$500,000 (2brm)	\$675,000-\$700,000 (2brm)
					\$625,000 (3brm)	\$775,000-\$800,000 (3brm)
Bellevue/ Brookfield	\$475,000	\$550,000-\$585,000	\$475,000	\$575,000-\$600,000	\$400,000 (1brm)	\$550,000-\$575,000 (1brm)
					\$500,000 (2brm)	\$675,000-\$700,000 (2brm)
					\$625,000 (3brm)	\$775,000-\$800,000 (3brm)

From the above both Duplex and Low-Rise Terrace Housing indicate values that could potentially be achieved by market growth in the short to medium term (c. 10-15% uplift). However, Medium Rise requires a greater shift in value to obtain a viable project.

We reiterate that our feasibility testing is based on a static model. There are several market influences in addition to unit/ dwelling values that require due consideration, for example:

- Market supply & demand
- Acquisition land value
- Construction costs
- Development Costs
- Funding costs
- Density

Changes to any or all the above will have significant impact on feasibility and market uptake of new housing typologies and given the unit value growth timeframes above we would expect these to have a significant impact on our feasibility analysis.

## 6.4 INSIGHTS

- Simple two lot subdivisions are the simplest development outcome considering risk and capital outlay requirements. They are achievable for all participants in the market. Returns on this scenario meets expectations of Mum & Dad investors, who primarily own the underlying land.

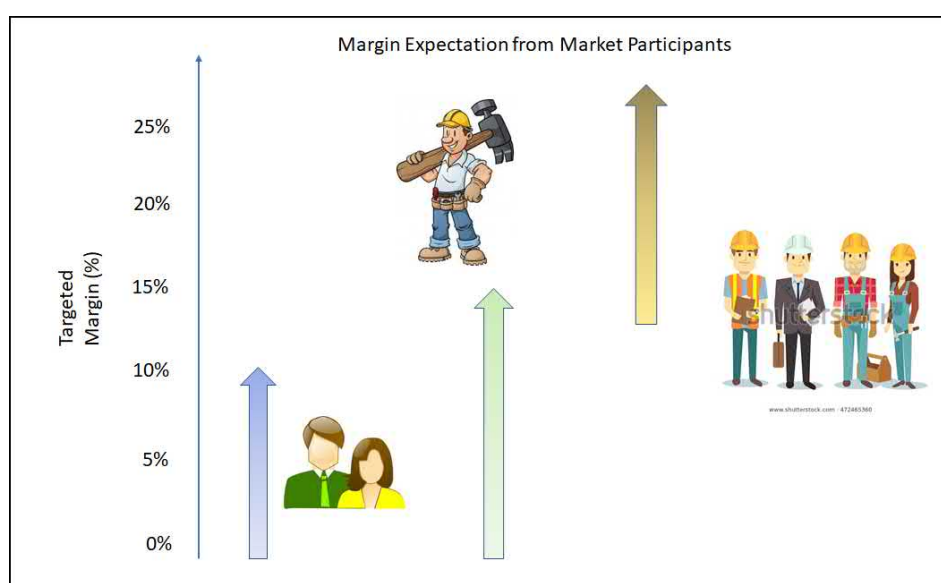
- Duplex options indicate a below market development margin, primarily due to the small scale of development uplift given the larger up-front costs in removing existing improvements on land. However, group builders in certain scenarios may forego market development margin considering they will also obtain margin within the build of the dwellings. Lower returns may also be considered to ensure workstream /pipeline for Group Builders.
- 2-bedroom duplex are slightly more favourable. This is largely due to market demand creating better unit value versus the cost for 2-bedroom product.
- Testing of a development scenario to construct a single duplex alongside an existing dwelling was also challenging and concluded to be unfeasible. Site constraints, particularly the location of existing dwellings and the balance of land to provide a compliant duplex impacted on the viability of this as a transferable development option.
- Low rise housing indicates returns below market development margins, though as per above this could still be attractive to group builders under some circumstances, viable at the right scale (such as where development delivers smaller units at optimised density and with some adjustments being made to development sensitivities. Though bank funding could prove difficult and below market returns.
- As highlighted in this report these scenarios are static and sensitive to adjustments in key assumptions. Many options under the low-rise housing typology become viable if an adjustment of c. 10-15% is made to construction costs and sale prices of units.
- There will be scenarios of uptake from the market whereby opportunities sit outside of the representative site testing. i.e. market will identify opportunities within:
  - Underlying land characteristics (shape, contour, etc.)
  - Consenting pathways
  - Density
  - Specification and product delivery (Modular housing)
  - Social housing market

*Two lot subdivisions remain the simplest development outcome and are achievable for all participants in the market*

*More intensive and complex housing typologies are well below target market development margins*

This will likely enable delivery of unit/dwelling value that is supportive of project development costs. We acknowledge however that under this scenario opportunities will be limited under Medium Rise housing typology based on the representative site being below market development margins.

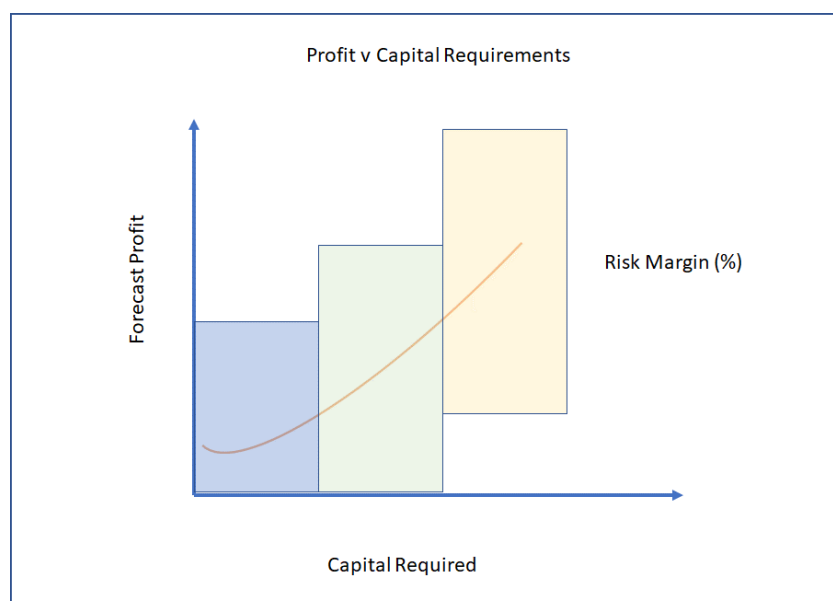
- Some suburb locations appear favourable under our feasibility testing, but this is attributed to static development costs. Actual market outcomes will need to reflect more viable costing specific to these areas i.e. level of specification, size of units, carparking etc.
- City Living zone scenario is not viable. Indicative returns are well below market development margins. This is largely due to high overall costs and insufficient yield obtained from unit sale values.
- As each project gets riskier, and capital requirements increase, market participants are equally seeking greater returns. This is highlighted below and shows where market participants sit relative to margins.



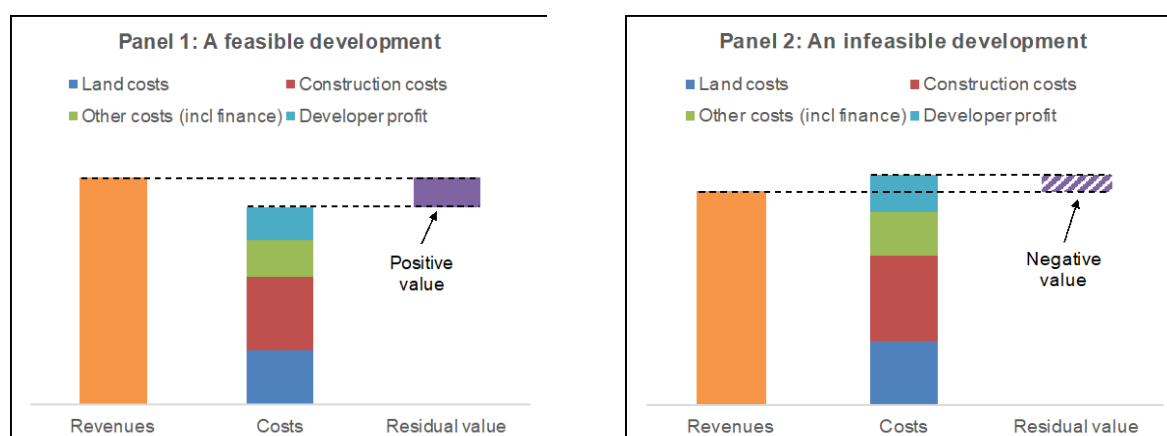
- Current underlying land values are high. Any regulatory change will likely increase land / house acquisition costs to reflect facilitation of development. This will negatively impact on viability.
- Feasibilities have been undertaken on a static basis with key assumptions common across all suburbs. Only the land value and unit sales are adjusted for each suburb. This static approach provides for a representative site, being the median across all suburbs. Even if the median scenario is not viable, opportunities will arise within a percentage of the market that will enable viable take up. Suburbs will vary as will costs (i.e. levels of development specification to match a market).
- Feasibility testing has been undertaken on the selected suburbs to highlight variation in viability between areas. Land value and sale value have been considered but all other cost assumptions have remained static. We note that locational market attributes will vary between suburbs that will impact on final viability i.e. level of specification, min number of bedrooms, size of dwelling etc.

*Opportunities will exist and uptake by the market will occur outside of the feasibility testing undertaken albeit at reduced levels*

- As development outcomes become more complex these often require an increase level of capital. The development sector requires an equal profit to reflect this.



- Construction costs are high. These are forecast to remain as such and will continue to be prohibitive to large areas of land development. Construction costs account for a larger proportion of overall development costs. This is highlighted by the diagrams below.



**Diagram 4:** How development feasibility calculations work – source Ministry of Business, Innovation & Employment (MBIE) and Ministry for the Environment (MFE) (NPS-UDC development feasibility tool) viability sensitivities.

## 7.0 Planning Framework

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### 7.1 TAURANGA CITY PLAN

The Tauranga City Plan was operative from 2013. It reflects a past planning framework. TCC's City Plan is the oldest 'operative' plan in NZ (Auckland in part 2016, Hamilton 2017). The Plan has a general focus in the suburban residential zone for stand-alone dwellings, with objectives and policies seeking principally to retain the existing character and amenity. The City Plan does include exclusions from notification, though principally in the Residential zones as a process tool to enable exclusions from a resource consent process.

Within existing urban areas, the current planning provisions do not facilitate intensified housing, notwithstanding minimum density provisions of 325m<sup>2</sup>. The current Plan has no emphasis on housing supply or promotion of housing diversity and housing types at different pricing points.

In the City Centre, City Living and Commercial zones, despite the permissive density provisions, and strong population growth, the market is still seeing supply of Greenfields as an easier development typology over city and commercial apartment developments.

### 7.2 PLANNING PROVISIONS TO ENABLE INTENSIFICATION

Enabling development is a key contributor to bring housing intensification to the market. It is our experience that having a planning framework that clearly defines the outcomes sought and respective rule framework is essential. Developers will try and avoid the resource consent process for uncertainty of who may need to be involved (i.e. the time and costs of specialist inputs, potentially affected parties and consultation) and the uncertainty of process that impacts on project viability. The City Plan needs to balance the need to recognise Tauranga's market challenges to support intensification while developing liveable communities.

City Plan provisions need to;

- Provide for good urban form and site conditions.
- Enable and support development potential.
- Provide flexibility.
- Reduce the consenting risk associated with submitters and third-party appeals.

In respect to RMA tools, when assessing effects of a development a council can apply the permitted activity baseline, where a permitted framework has been established. A permitted baseline provides a council, community, neighbours and developer certainty that a development is anticipated. Where resource consent is required, over and above that permitted, it enables developments to be considered based on the future state of a permitted environment (including character and amenity of an area).



For a restricted discretionary activity the council must disregard any adverse effects that don't relate to the matters of restriction, though it does not establish a permitted baseline to support the assessment.

Where resource consent is required, non-notification generally provides greater certainty for developers particularly with more likely timeframes, costs and approval process. Exclusions from notification are used across other District Plans as a tool, to achieve clear strategic outcomes. Such as exclusions used to encourage housing supply and housing intensification.

## 8.0 Hamilton Planning and Market Overview

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### 8.1 HAMILTON DISTRICT PLAN

Hamilton City's District Plan was operative in 2017. It was formulated to enable residential density.

In particular, it included a doubling of density with duplex developments provided for a density of one dwelling per 200m<sup>2</sup> across Hamilton's general residential zones. The market has responded with a strong uptake in developments progressed under the new provisions. The density has provided a favourable alternative to the 400m<sup>2</sup> site area per dwelling and the land value is at a level that provides a feasible return on investment. The rule framework is not complicated and provides certainty of process with the use of Restricted Discretionary Activities and provisions excluding notification. The Plan provisions also signal land-uses that are not encouraged with the use of the Non-Complying Activity status.

Hamilton have retained height, height in relation to boundary and yard controls reflective of suburban environments and existing built form. Permeable controls and outdoor space provisions provide for on-site amenity and well-being through the provision of open space. The rules generally align with traditional residential development, along with the provision of communal areas. Car park requirements are activity based across all but the central city, where like Tauranga there is a strong enabling approach to car parking, with no requirements for the provision of on-site car parking.

Hamilton's District Plan contains a 'district plan administration' chapter which consolidates assessment matters and design guidelines that relate across the plan. Chapters and Rules reference back to the relevant assessment matters. The Plan has less development controls, with an outcome focus and reliance on Restricted Discretionary matters of assessment, which are focused on provision of housing supply, to meet the sub-regional growth strategy, not just maintaining existing amenity.

Similarly, objectives and policies are consolidated in the District Plan with residential wide objectives and policies. They are drafted to enabling with statements on outcomes sought as opposed to preservation of existing character and current status. The Plan has a centres hierarchy, reflected in the enabling provisions for residential development in the CBD.

## 8.2 HAMILTON MARKET

Veros completed several interviews with Group Builders in Hamilton. Those group builders involved in residential developments in Hamilton consider that good design outcomes can be delivered by focussing attention on the streetscape and limiting costs associated with roof and façade design i.e. encouraging a mixture of hip and gable roof treatments to facilitate greater variation between adjoining houses.

In respect to onsite car parking there was a consistent message that an inability to provide for double garages reduces the market demand. Nonetheless, singles garages are accepted alongside smaller house typologies and pricing, albeit reluctantly. Group Builders were also observing market interest in areas with quality schooling and public amenities.

Building companies have observed the Hamilton residential market slowing down in response to the high price point, and instead have begun to focus on more affordable locations in neighbouring towns where the section price and resulting price point is more aligned to market demand. Ideally, group builders would prefer to deliver house and land packages within the \$550,000 to \$695,000 price range.

High price points and the high cost to build resulting from restrictive design requirements are limiting some building companies' interest in smaller housing developments, estimating that the overall house build cost increases between \$40,000 to \$80,000 as a result of design requirements.

That said, latest consenting figures from Hamilton point to a significant proportion of consents being made up of medium density dwellings. Though this is trending upwards the apportionment between infill and greenfield development is a 50/50 split to year end March 2019.

Hamilton has provided good examples where Development and Build companies have undertaken several multi-unit developments successfully. We have seen the likes of Pragma Homes and Assured Property Investment active in this market and producing a steady flow of product. Development of this nature has been locational specific and matched against favourable market positioning.

Critically, these companies have operated in this space for several years and understand their product and their delivery model (integrated delivery model) well. Some key fundamentals that are attributed to output and uptake from the Hamilton relative this product are as follows -

- Different pre-sales market – heavily investor driven
- Greater investor product supported by high student rental demand
- Favourable rental market / affordability profile compared to Tauranga
- Unique sites that are not typical of a standard residential section
- Land purchased at level below market median
- Overall specification matched to buyer / demand profile
- Location aligned with key amenities (University, Hospital etc)
- Internalised sales / marketing process. Investor database model
- Capital levels that circumnavigates pre-sale requirements

Examples of typology below -



## 9.0 Assessment and Findings

### 9.1 TAURANGA CITY COUNCIL FRAMEWORK

#### 9.1.1 Proposed Plan Changes

The proposed plan changes (refer **Appendix 1**) have been drafted with the intention to enable residential intensification, to promote housing diversity and increase supply, while acknowledging and respecting existing urban form.

Proposed plan changes include:

- Permitted Activity – Duplex Dwellings – Suburban Residential Zone. Subject to compliance with Permitted Activity Standards. The resulting activity status, for non-compliance with the Permitted Activity Standards, is yet to be confirmed. Of note is that ‘Duplex Dwelling’ is defined as two attached independent dwelling units, with a proposed maximum density of two Duplex Dwellings, each with a nett site area of 325m<sup>2</sup>.
- Restricted Discretionary Activity – Low Rise Comprehensively Designed Developments in the Suburban Residential Zone. Non-notification of resource consent subject to compliance with Restricted Discretionary Activities Standards. The environmental assessment is required to include a design report, an integrated transport assessment, noise and light emissions assessment and a landscape concept plan.
- Restricted Discretionary Activity – Medium Rise Comprehensively Designed Development. These provisions are awaiting the outcome of the Te Papa Plan and where Medium Rise will be zoned to occur. As drafted the current intent is to include a non-notification provision, subject to compliance with the Restricted Discretionary Activities Standards. As a Comprehensively Designed Development the environmental assessment is required to include a design report, an integrated transport assessment, noise and light emissions assessment and a landscape concept plan.
- Restricted Discretionary Activity – City Living Zone.
- Restricted Discretionary Activity – Comprehensively Designed Development in the Commercial Zone.

### 9.1.2 Scope of Rule Provisions

TCC have emphasised the following relevant matters in both the drafting of the proposed plan changes and intended outcomes:

- Within the Suburban Residential Zone TCC has a strong desire to retain neighbourhood character and identified retention of existing Suburban Residential amenity rules for building height, streetscape, setbacks and overshadowing.
- Provision for impervious surface coverage of no more than 70% of a site area is also considered by TCC to be essential. Consideration is made below to the proposed definition of ‘Impervious Surface’.
- While flexible on the specific requirements of some provisions, TCC is seeking to retain proposed rules defining outdoor living areas; size of independent dwelling units; building length; visual outlook; service, storage and waste management space; public and private interface; and fences and walls.
- Feedback has been sought on:
  - i. Whether a minimum density should be applied for low-rise residential developments;

- ii. Appropriate height, overshadowing and streetscape provisions for Medium Rise;
  - iii. Proposed onsite amenity rules for the size of independent dwelling units, visual outlook and residential buildings separation and privacy;
  - iv. Proposed offsite amenity rules for building/roofline lengths and setbacks, fencing, and public and private interface.
- The proposed Intensification Plan Changes are intended to be informed and refined in line with the Te Papa Plan (a 30-year plan for future growth of the Te Papa peninsular, currently in the early stages of community engagement). Specifically considered is the location of Medium Rise Comprehensively Designed Developments within the Suburban Residential Zone and related plan provisions.

## 9.2 DRAFT PLAN PROVISIONS ASSESSMENT

The intensification site test models of each of the above typologies tested the architectural practicality to deliver the proposed duplex, low-rise and medium-rise typologies within the proposed planning provisions. These along with the planning frameworks to enable intensification, were considered in the following observations and recommendations:

### Policy Overview

- The purpose of the plan changes is to provide for intensity, a range of options, and good urban outcomes recognising existing character and amenity. This does not mean protecting or retaining existing character. Within the objectives and policies there is opportunity to recognise the benefits offered by intensification and change in design, including advancement in construction and build designs and methods (building in resilience). By example, Auckland's Unitary Plan anticipates change over time with objectives and policies for the residential zones having a focus on development being consistent and in character with the amenity the zone is intending to achieve over time.
- Including purpose statements are a means to align the outcomes sought from the development activities (duplex, low rise and medium rise developments), which in turn are reflected in the purpose of the rules and resulting matters of discretion and assessment criteria. To incentivise good development it is important to avoid unnecessary resource consent requirements and ensure rules respond to objectives.
- Removing the need for a resource consent through a permitted activity status, as is the case for Duplex Dwellings, can support development viability, particularly where the permitted rules are clear, not onerous and enable choice in design. As discussed in section 5.2 of this report, a permitted activity provides the opportunity for developments that don't meet rules to, at Council's discretion, apply a permitted baseline test, and consideration of the rule framework within assessment of the environment.

- Under the Resource Management Act, unlike section 104 assessment for the substantive decision, there are currently no provisions in the RMA to consider positive effects of a proposal at notification stage (under section 95 of the RMA). Awareness of the positive attributes therefore needs to be considered in the policy framework (i.e. location of site to reserves, facilities, alternative transport networks, schools, etc) and opportunity provided in the rule framework for these matters to be recognised as strong contributors to supporting nearby residential intensification. An example would be looking at locational aspects such as an acceptable reduction in private outdoor living space where sites adjoin a reserve and are appropriately designed with other areas for storage/waste/clothes drying facilities (including communal areas). Supporting flexibility in how spaces can be designed would support opportunities for better utilisation of developable land, and ultimately more residential capacity. As currently drafted non-compliance with the standards and terms (even if achieving a positive outcome) removes the dispensation from notification or service of affected persons, and in turn discourages design changes and/or application.

#### Subdivision

- Notwithstanding the intent for comprehensive land use development to precede subdivision, consistency between the density and subdivision controls is an important enabler to ensure strategic alignment. Subdivision into freehold titles provides a more feasible product to the market.

#### Density

- The ability to provide infill housing in Tauranga has been impacted and restricted, particularly through land fragmentation. To encourage intensification and control further fragmentation of residential land, minimum density provisions should be considered for low-rise residential developments.

#### Height and Overshadowing

- While acknowledging TCC's intent to retain current building height controls for Duplex and Low-Rise developments (to protect suburban character), flexibility in planning height provisions for Medium-Rise developments to enable more design outcomes, greater density and optimisation of sites is supported. Hamilton provides a 10m height control for General Residential and 10 - 16m height control for their Residential Intensification zone. While Auckland Council provides a 9m height limit (that includes a 1m roof form allowance), the Unitary Plan provides up to 12m (including the roof allowance) in a Mixed Housing Urban zone and 16m for sites zoned for Terraced Housing.
- Both the architectural and feasibility testings conclude that liberating height for medium-rise developments is recommended to enable intensification, optimal site utilisation, and feasible development. Greatest intensification comes from apartment developments, which are only viable when they are designed on larger sites. In most cases this would require site amalgamation. The challenge to amalgamate sites has been evident in the limited uptake of intensification in the City Living zones. Amalgamation is particularly challenging in suburbs with a high price range, and sites that have multiple owner tenures (such as cross lease and unit titles). The Te Papa Plan



provides opportunity to explore site locations that are amenable to vertical development and site utilisation, to support greater density.

#### Impervious Services

- The architectural concepts have been designed with consideration that impervious surfaces are able to be provided for using green space, landscaping and materials such as Gobi-blocks on paths, patios and parking/accessways etc. The definition needs to be clear on the appropriate surfaces required for stormwater management.

#### On site Amenity

- The design and layout of the site, buildings and spaces to comply with recession planes, outdoor living, visual outlook and setbacks, was found to be delivering overlapping amenity outcomes. The combination of all the rules does constrict development design (particularly when applied to the representative site). In turn this impacts on feasibility (particularly with the need to design and cost in specific design requirements and the consenting process).
- Design provisions to meet the visual outlook rule is an example, where flexibility in the controls was able to provide alternative design responses and more optimal use of space. The proposed visual outlook provisions are relatively complex. They reflect Auckland City Council's provision with windows in habitable rooms required to be positioned for specific areas of on-site outlook. The design work illustrated that the intended onsite amenity would reasonably be achieved through other amenity provisions without the need for this rule. Hamilton City's Plan does not have a like rule and instead relies on daylight controls for the provision of sunlight levels.
- The rule for residential building separation and privacy is another provision that is intended to contribute to onsite amenity. Like the provision for visual outlook, onsite amenity is already reasonably provided for through building bulk and location and outdoor area provisions. Privacy and outlook can also be achieved in more ways than open space, such as via planting, built design and internal features (i.e. curtains/shutters/tinted glass).
- The provisions setting minimum sizes for independent dwellings is reasonably consistent with other District Plans. Auckland City Council's R6 Residential Design Element (Version 1, April 2018) recommends similar floor areas as proposed but includes in the calculation's small balconies. Hamilton City Council have recently considered options to slight adjustments reducing minimum area provisions for studios and adjusting the 2+ bedroom units, with the alternative being to remove the provision and instead rely on other provisions to ensure adequate living amenity for occupants. As noted in section 3 of this report, the Tiny House movement is gaining traction in New Zealand, with an increased market demand for homes with smaller floor areas, reducing construction costs and enabling infill development in smaller site areas.

#### Off site Amenity

- The provision setting maximum building lengths and elevation setbacks for proposed building/rooflines is reasonably consistent with other District Plans. While the length and setback vary the intent of providing visual interest to the built form from the street frontage is aligned. In Tauranga, typical section dimensions, as assessed in Section 2.4 of this report, illustrate small

frontages of 18 – 22 metres in width. With side yard setbacks and driveways, built form would already be designed with visual spaces. On larger and amalgamated sites with building lengths greater than 20 metres, visual interest can be achieved with stepped design of either roof or walls and balconies. Visual interest can also be achieved with architectural elements and use of materials and planting.

- The rule proposed for the interface between public and private is looking to manage the space between residential units and public areas, often existing because of setback provisions. This space serves multiple purposes providing public amenity and residential character while also ensuring ownership, amenity and safety for the private uses of the area. Numerous design responses can address these elements and accordingly should be addressed for Low Rise and Medium Rise developments through assessment criteria, as opposed to rule provisions. In respect to Duplex development the proposed design element for 20% glazing will have little material impact on outlook and street surveillance, given the frontage setback, landscaping and appropriate desire for on-site amenity and privacy.
- Lower fences and walls fronting public spaces does provide passive surveillance and reduced visual dominance. However, like dense landscaping, some fences and walls provide visual amenity to a streetscape and on-site privacy. Other District Plans have provisions limiting the height of fences and walls along frontages, as do many private covenants in residential Greenfield developments in Tauranga. To balance both amenity, outlook and privacy, consideration could be given to alternative options from a maximum 1.2m height, similar to Auckland City Council's provisions of 1.4 metre height or 1.8 metre height with 50% permeable.

#### Car parking

- Car parking is a loss-leader and a fiscal drag on the cost of housing. The cost of car parking in a development is generally not recovered in the sales price.
- The design testing and concepts undertaken for this report, are largely shaped around providing car access, manoeuvring, and parking for private motor vehicles on sites. The proposed car parking requirements, of 1 - 1.8 car parks per unit (plus visitor parking at 0.2 per unit) reflects a minimal shift from the current City Plan provisions which generally require 2 cars parking per unit plus visitor parking.
- The market is generally still seeking 2 private car parks per dwelling (1 for studio and 1 bedroom units).
- An adjustment to lower the minimum car parking requirement would provide opportunity for reducing costs, increase development flexibility, design, and GFA across projects. This aligns with the NPS which is signalling national led change in this area, removing residential car parking provisions as they currently stand.
- We note that the basis of the residential concept testing, has been undertaken with a minimum of 1.8 car parks per dwelling, which is market led and does not reflect the proposed minimums of the draft City Plan provisions.

## 10.0 Draft Residential Outcomes Framework

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The Draft Tauranga Medium Density Housing – Residential Outcomes Framework, is intended as a guide for development to achieve different typology and quality intensification, to be useful for Council staff and developers in pre application meetings and when assessing applications. The aim is to provide a strong link between the assessment criteria in the Intensification Plan Changes and what is considered through the Framework.

The Framework is still in draft, covering broadly the matters to be included but it doesn't yet go into all the detail required. As part of the feasibility assessment of the representative developments the Framework was tested. Specific consideration was given to the Framework's consistency with the proposed plan provisions and its function as a guide for development to achieve intensification, housing variety and quality urban outcomes.

In summary, the framework:

- Overall, the Framework provides guidance to support understanding and consistency of the specific outcomes sought through the proposed plan provisions around quality-built form, landscape and urban environments.
- Medium density development is recognised to increase housing supply through intensification. The Framework provides an opportunity to encourage increased density through good design outcomes, with additional messages and recognition for housing choice and intergenerational sure of buildings and sites.
- The Framework is drafted with a focus on medium density housing, acknowledging the Building Research Association of New Zealand's definition, being multi-unit dwellings up to 6 storeys. The categorisation covers duplex, low-rise and medium-rise developments, and as such the Frameworks responds to the breadth of medium density typologies. In applying the Desired Outcomes Applicability in Section 5 there are several attributes that are not as relevant to duplex and lo-rise developments. To encourage tangible use of the Framework, a more focused outcomes assessment specially targeted at duplex and low-rise developments (with reference to the plan provisions), could assist.
- There is further scope with the Framework to encourage and enable developers/designers to advance market trends and quality design. This has been acknowledged in the introduction, within section 1.5 and reference to the Framework as a 'living document'.
- As well as providing guidance on quality physical outcomes, the Framework could provide commentary in consideration of social, economic and safety impacts of a proposal, such as promoting the functional and aesthetic performance of concentrated housing. An example is expanding on the function and positive outcomes for well-designed shared spaces within low and medium rise developments. As well as providing opportunity for greater utilisation of the land shared spaces can support the social sustainability of developments particularly when designed to meet the needs of children as well as adults.

- Linkage to wider transport strategies is recommended to encourage parking alternatives, and support alignment between Council's transport investments and development opportunities.
- There is some further opportunity to promote sustainable designs, and warm/dry and efficient buildings. Encouraging aspects such as functionality and north facing spaces being more important for useable spaces than size.
- Inclusion of alternative design opportunities, such as cultural elements is encouraged.

## 11.0 Summary of Findings

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In summary and noting that this review and assessment is based at a conceptual level, residential intensification for a representative site are not likely to be feasible in the current market. This is not surprising, given the general lack of compact housing forms being delivered in the current market. While the reasons for this are complex and many, the main observation is that across the board, these forms of developments perform at a marginal level or are unviable to develop, with and without planning provisions. The risk appetite and alternative permitted low-density forms of development with accompanying low risk are also impacting on the markets appetite to deliver higher density forms of housing.

*To enable change of typology and intensification, consideration needs to be given to balancing aspirations to retain existing amenity with opportunities for design innovation.*

Overall, however, with sensitivity analysis and a level of testing, ease of consenting, refining and innovation in design, several of the development feasibility models do produce developments that are close to, workable. The design innovation includes consideration of car parking requirements, reduced visual outlook provisions, reduced outdoor living (particularly for low-rise typology) and

opportunity through design to reduce setbacks. While these may not be ideal outcomes, consideration needs to be given to balancing existing amenity aspirations to enabling change of typology, intensification and viable developments.

## 12.0 Trends and Opportunities

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### 12.1 DESIGN AND MARKET EXPECTATIONS

Current market and environmental trends are changing the way we live, and consequently influencing a number of building design elements, development choices and expectations. Some examples of these for consideration in the Residential Outcomes Framework are:

- Leveraging build programmes to lower construction and development costs:

- i. Scaled-up procurement practices
  - ii. Supplier panels using pre-fabrication
  - iii. Standardised designs
  - iv. Innovation and new construction methods (i.e. offsite manufacturing, use of cross-laminated timber)
- Homestar buildings – Housing NZ all new buildings (except apartments) required since 1 July this year to have minimum Homestar 6 certification. Apartments are intended to be Homestar certified from 1 January 2021.
- Sustainable assets and sustainable living:
  - i. Reduce car reliance
  - ii. Reduce emissions during construction and construction waste through practises, design and materials
  - iii. Encourage through design and use of materials a reduction in household waste and energy use and maintenance costs
  - iv. ‘Lifemark’ accreditation
- Secondary units, providing more affordable rent options, shared housing initiatives within existing stock, and a mix of housing models, such as:
  - i. Granny flat or secondary units for seasonal workers (as provided for in Queenstown).
  - ii. Conversion of existing dwellings into two units. Encouraging smaller homes in existing urban areas, without full redevelopment or change to the built form.
- Tiny house movements
- Dual key developments
- Multi-use spaces (open indoor/outdoor designs)
- Intelligent buildings, offering real time adjustment of building materials, with opportunities to manage privacy and health living environments.
- Uber eat initiatives providing opportunities to design for less kitchen space
- Shared facilities (drying rooms, car booking)

## 12.2 DEVELOPMENT INCENTIVES

As illustrated in **Figure 1** of this report, notwithstanding permissive plan controls, there is a significantly smaller percentage of development that actually occurs. This report has addressed a number of factors that influence this feasibility and uptake. In order to support and encourage housing development delivering residential intensification we encourage Council to also consider incentives such as following:

- Reduced, waived or a moratorium on development contributions for targeted development types / or locations. While this is a small percentage of development cost, it could play an importance role in both the marketing and signalling of political support for these forms of

housing; Incentivise intensification and housing typology – change Devolvement Contributions for intensive housing complexes. i.e. exemptions for apartments / medium rise developments in the City Living and Commercial areas around the fringe of the city (with a focus supporting centres hierarchy).

- A contribution to increasing amenity in areas where additional infill medium density is sought – including enhancements to open space, increased street tree planting, vehicle calming, enhanced local walking and cycling connectivity and lifestyle choices, etc.

## 12.3 DEVELOPMENT SECTOR & CHANGE

As a result of the predominance of traditional, lower cost, lower risk, stand-alone housing in Tauranga there has been limited experience in the local development and construction sector in delivering more intense housing typologies. This is changing as some of the local firms are now operating outside of Tauranga in this market.

Higher density development entails higher levels of risk and complexity in all respects including funding, design, marketing, sales and delivery.

So, for more of the local market to evolve into delivering a range of housing forms, education, understanding and change are required across:

- The purchasing market (existing community and new movers to Tauranga);
- The development community;
- Design and consultancy community;
- The banking and legal community;
- The sales and marketing community; and
- The construction sectors.

Underpinning this is the need for it to be easier for the market to deliver more intense housing typologies, this would increase confidence in the sector to engage in development. This would allow for the conceptual feasibility model to work across a greater number of properties and development opportunities, and a wider spectrum of developers to participate in the market in bringing about these housing forms.

In time, the successful supply of these alternative housing forms will lead to greater market acceptance by buyers, better design and delivery understanding, and streamlining and economies of scale for the development and construction community. Success or proof of market will give rise to more take up and acceptance of these housing forms.

These are also real opportunities in the construction market that in time are likely to deliver new and lower cost models for housing construction. These include the use of new materials, prefabrication of housing, increased productivity and delivery models, and generally supply chain or delivery models that increase productivity and reduce cost and time.

## 12.3 MARKET CHANGES & TRENDS

This report is based on the current market at the time of writing this report. However, we would expect that over time key market variables will change and potentially unlock infill housing opportunities.

We are likely to see some or of the follow areas influence change over the short to medium term that will enable greater uptake of infill housing development opportunities –

- Housing market and change in acquisition and dwelling values
- Supply and demand profile of suburbs
- Changes in buyer / occupier profiles (i.e. Investor and emergence of student rental market)
- Suburban centre upgrades / additional amenity
- Infrastructure upgrades
- Change in buyer trends i.e. introduction of alternative transport availability
- Development market maturing and better understanding of delivery of suitable product
- Increasing age of existing housing product and reducing capital value of improvement relative to land value.

A combination of the above will create a shift in market parameters that will increase market uptake and viability above existing levels currently being undertaken within the market.

## 13.0 Conclusion

Within the Tauranga residential market, we have historically seen and continue to see the majority of new residential development as single lot “traditional” residential housing. Despite the City Plan encouraging other increased density residential forms, these continue to be only a small proportion of the housing typology that is being delivered in the market.

*Being able to provide infill housing in Tauranga is impacted and restricted, particularly by land fragmentation.*

Our analysis of the different typologies for residential intensification from low to medium density type housing, shows that delivery of these forms of housing in the Tauranga market continues to be challenging. This is reflected by the type of housing currently being delivered locally. However, a shift in a range of factors including growth, traffic, market, amenity, reducing section sizes and dwelling sizes, and price point factors are creating a local market dynamic that is more encouraging for these density housing forms.



The ability to provide infill housing in Tauranga has been impacted and restricted, particularly by land fragmentation. In addition, the local building market is geared towards single level housing and is not currently equipped to deliver a range of housing forms at scale. The contractor market is likely to price in risk and uncertainty, given the infancy of denser residential typology in Tauranga. As a result, construction costs are expected to be high and are significant component of overall costs. There are also challenges in market sale values not being high enough to produce sufficient revenue and development margins to undertake these forms of development.

*Construction costs remain high and are forecast to trend upwards. These costs are a significant component of overall development costs.*

Project viability is also being impacted by planning rules including the design and layout of the site, buildings and spaces to comply with height, recession planes, outdoor living, visual outlook and setbacks. These provisions often delivered overlapping amenity outcomes. Further, the design concepts have been impacted by the provision of parking that is considered a loss-leader and a fiscal drag on the cost of housing. Notwithstanding it has been acknowledged that currently the Tauranga market does still require provision of some onsite parking.

The proposed permitted activities and land use consents where objection from neighbours or third parties is avoided, provides significantly greater certainty of outcome and timing, enhancing the ability

*Creating certainty and consistency of outcome to the development process is critical to enabling delivery of housing product.*

to construct duplex and low-rise infill development in the Suburban Residential areas of the City.

However, the combination of all the rules does restrict development design and could impact on feasibility (particularly with the need to design and cost in specific requirements for the consenting process, including specialist inputs, programme timing and uncertainty where all standards are not being met). There is potential to consider the rule framework, particularly in respect to bulk and location controls where innovative design, supported by

the Residential Framework would encourage alternative architectural outcomes with greater site utilisation and development return.

The Framework was considered to provide guidance to support understanding and consistency of the specific outcomes sought through the proposed plan provisions, particularly around quality-built form, landscape and urban environments. There were some further opportunities recognised to encourage quality design, promote sustainable and efficient developments while encouraging site utilisation and residential intensification.

In addressing housing intensification, the focus should be threefold;

- Encourage quality medium and high-density Brownfields redevelopment that increases the efficiency of established areas with minimal investment in infrastructure.
- Create certainty for all forms of development by incorporating less restrictive planning controls.

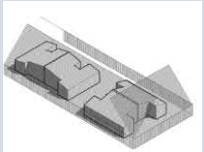
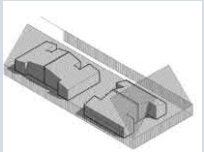
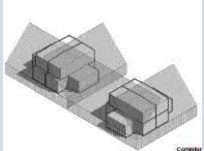

- Encourage the local market to evolve into delivering a range of housing forms, that in turn will enable a market that provides for a broader range of participants that will allow momentum of product supply



The intent of the Plan Change is to increase housing supply through enabling intensification and doing so in a way that is sympathetic to existing urban environments and onsite amenity. Given the clear need for housing supply, there is further potential with the proposed plan changes to encourage increased density, good design outcomes but with a trade-off from maintaining existing suburban amenity. There may be opportunity following the Te Papa Plan project to explore further the value of individual suburbs to better define existing amenity in respective neighbourhoods, and consequently the values and opportunities for trade-offs.

## Appendices

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### Appendix 1 – Draft Policy Framework

TYPOLOGY	PLANING ASSESSMENT	PLANNING IMPACT	FEASIBILITY ASSESSEMENT	FEASIBILITY IMPACT
4 x Duplex - 1 Bedroom Units 	<u>Non-compliance:</u> <ul style="list-style-type: none"> <li>Parking</li> <li>Outdoor Living</li> <li>Visual Outlook</li> </ul>	Medium	<u>Overview</u> <ul style="list-style-type: none"> <li>Shortfall between market land value and assessed developable land value</li> <li>Sale price of units not enough to make development viable.</li> <li>Builder Margin (c. 5%) more viable than developer margin (c. 10%)</li> <li>Uncertainty around levels of demand for this housing product</li> <li>Single bedroom dwellings to not enable required viability</li> </ul>	Medium
4 x Duplex - 2 Bedroom Units 	Non-compliance: <ul style="list-style-type: none"> <li>Parking</li> <li>Visual Outlook</li> </ul>	Medium	<u>Overview</u> <ul style="list-style-type: none"> <li>Shortfall between market land value and assessed developable land value</li> <li>Sale price of units not enough to make development viable.</li> <li>Dwelling area significant on outcome. Smaller units yield a greater number of bedrooms provide better viability. Small dwelling incurs considerably less cost.</li> <li>Builder Margin (c. 5%) more viable than developer margin (c. 10%)</li> <li>Uncertainty around levels of demand for this housing product</li> </ul>	Medium
4 x Duplex - 3 Bedroom Units 	Non-compliance: <ul style="list-style-type: none"> <li>Outdoor Living</li> <li>Overshadowing</li> </ul>	Medium	<u>Overview</u> <ul style="list-style-type: none"> <li>Shortfall between market land value and assessed developable land value</li> <li>– though within c. 5% of residual.</li> <li>Development sale value close to market sales prices</li> <li>Uncertainty around levels of demand for this housing product</li> </ul>	Medium
<b>LOW-RISE</b> Townhouse 5 x 1 Bedroom Units 	Non-compliance <ul style="list-style-type: none"> <li>Parking</li> <li>Outdoor Living</li> <li>Visual Outlook</li> </ul>	Medium	<u>Overview</u> <ul style="list-style-type: none"> <li>Shortfall between market land value and assessed developable land value – within c. 10%</li> <li>Sale price of units not sufficient to make development viable.</li> <li>Dwelling area significant on outcome. Smaller units yield a greater number of bedrooms provide better viability. Small dwelling incurs considerably less cost.</li> <li>Smaller market for group builders to undertake, more aligned to developer project. Developer margin 15%</li> <li>Uncertainty around levels of demand for this housing product typology of housing is considered complex and requires experienced developers and builders to implement.</li> <li>Capital funding requirements</li> </ul>	Medium

TYPOLOGY	PLANING ASSESSMENT	PLANNING IMPACT	FEASIBILTIIY ASSESSEMENT	FEASIBILI TY IMPACT
			<ul style="list-style-type: none"> <li>Required amount of pre-sales before project is viable and enables funding</li> </ul>	
<b>LOW-RISE</b> Townhouse 5 x 3 Bedroom Units (smaller units, 2 storey) 	Non-compliance <ul style="list-style-type: none"> <li>Parking</li> <li>Visual Outlook</li> <li>Outdoor living</li> <li>Overshadowing</li> </ul>	High	<u>Overview</u> <ul style="list-style-type: none"> <li>Shortfall between market land value and assessed developable land value – within c. 10%</li> <li>Sale price of units not sufficient to make development viable.</li> <li>Dwelling area significant on outcome. Smaller units yield a greater number of bedrooms provide better viability. Small dwelling incurs considerably less cost.</li> <li>Smaller market for group builders to undertake, more aligned to developer project. Developer margin 15%</li> <li>Uncertainty around levels of demand for this housing product typology of housing is considered complex and requires experienced developers and builders to implement.</li> <li>Capital funding requirements</li> <li>Requires amount of pre-sales before project is viable and enables funding</li> <li>Greater complexity to the project requiring experienced Developers to undertake</li> </ul>	Medium
<b>LOW-RISE</b> Townhouse 7 x 2 Bedroom Units 	Non-compliance <ul style="list-style-type: none"> <li>Parking</li> </ul>	Low	<u>Overview</u> <ul style="list-style-type: none"> <li>Shortfall between market land value and assessed developable land value – within c. 10%</li> <li>Sale price of units not sufficient to make development viable.</li> <li>Dwelling area significant on outcome. Smaller units yield a greater number of bedrooms provide better viability. Small dwelling incurs considerably less cost.</li> <li>Smaller market for group builders to undertake, more aligned to developer project. Developer margin 15%</li> <li>Uncertainty around levels of demand for this housing product typology.</li> <li>Capital funding requirements</li> <li>Requires amount of pre-sales before project is viable and enables funding</li> <li>Greater complexity to the project requiring experienced Developers to undertake</li> </ul>	High
<b>MEDIUM-RISE</b> 19 unit Apartment Parking at grade 1440m <sup>2</sup> Sites	Non-compliance <ul style="list-style-type: none"> <li>Parking</li> <li>9m Height area</li> <li>Overshadowing</li> </ul>	High	<u>Overview</u> <ul style="list-style-type: none"> <li>Amalgamation requirement of underlying land</li> <li>Premium payable to acquire and amalgamate</li> <li>Assumes two adjoining sites readily available to develop</li> <li>Sale price of units not sufficient to make development viable.</li> <li>Dwelling area significant on outcome. Smaller units yield a greater number of bedrooms provide better viability. Small dwelling incurs considerably less cost.</li> </ul>	High

TYPOLOGY	PLANING ASSESSMENT	PLANNING IMPACT	FEASIBILTiy ASSESSEMENT	FEASIBILI TY IMPACT
			<ul style="list-style-type: none"> <li>Developer led projects requiring high margin returns – mc. 20%+</li> <li>Uncertainty around levels of demand for this housing product typology of housing is considered complex and requires experienced developers and builders to implement.</li> <li>Capital funding requirements</li> <li>Requires amount of pre-sales before project is viable and enables funding</li> </ul>	
<b>MEDIUM-RISE</b> 21 Unit Apartment Parking ½ basement 1440m² Sites	Non-compliance <ul style="list-style-type: none"> <li>Parking</li> <li>9m Height area</li> <li>Overshadowing</li> </ul>	High	<u>Overview</u> <ul style="list-style-type: none"> <li>Not a viable option based on standard residential lot</li> <li>Amalgamation requirement of underlying land (two standard lots)</li> <li>Premium payable to acquire and amalgamate</li> <li>Assumes two adjoining sites readily available to develop</li> <li>Sale price of units not sufficient to make development viable.</li> <li>Dwelling area significant on outcome. Smaller units yield a greater number of bedrooms provide better viability. Small dwelling incurs considerably less cost.</li> <li>Below ground building requirements to provide higher level of carparking – high cost outcome</li> <li>Developer led projects requiring high margin returns – mc. 20%+</li> <li>Uncertainty around levels of demand for this housing product typology of housing is considered complex and requires experienced developers and builders to implement.</li> <li>Capital funding requirements</li> </ul> Requires amount of pre-sales before project is viable and enables funding	High
<b>MEDIUM-RISE</b> 21 unit Apartment Parking Basement 1440m² Sites	Non-compliance <ul style="list-style-type: none"> <li>Parking</li> <li>9m Height area</li> <li>Overshadowing</li> </ul>	High	<u>Overview</u> <ul style="list-style-type: none"> <li>Not a viable option based on standard residential lot</li> <li>Amalgamation requirement of underlying land (two standard lots)</li> <li>Premium payable to acquire and amalgamate</li> <li>Assumes two adjoining sites readily available to develop</li> <li>Sale price of units not sufficient to make development viable.</li> <li>Dwelling area significant on outcome. Smaller units yield a greater number of bedrooms provide better viability. Small dwelling incurs considerably less cost.</li> <li>Below ground building requirements to provide higher level of carparking – high cost outcome</li> <li>Developer led projects requiring high margin returns – mc. 20%+</li> </ul>	High

TYPOLOGY	PLANING ASSESSMENT	PLANNING IMPACT	FEASIBILTiy ASSESSEMENT	FEASIBILIty IMPACT
			<ul style="list-style-type: none"> <li>▪ Uncertainty around levels of demand for this housing product typology of housing is considered complex and requires experienced developers and builders to implement.</li> <li>▪ Capital funding requirements</li> </ul> <p>Requires amount of pre-sales before project is viable and enables funding</p>	
<b>CITY LIVING</b> 38 Unit Apartment (13m height limit) Parking ½ basement 3 Levels 2500m <sup>2</sup> Sites	Non-compliance <ul style="list-style-type: none"> <li>▪ Parking</li> <li>▪ Overshadowing</li> </ul>	High	<u>Overview</u> <ul style="list-style-type: none"> <li>▪ Not a viable option based on standard residential lot</li> <li>▪ Amalgamation requirement of underlying land (two standard lots)</li> <li>▪ Premium payable to acquire and amalgamate</li> <li>▪ Assumes two adjoining sites readily available to develop</li> <li>▪ Sale price of units not sufficient to make development viable.</li> <li>▪ Dwelling area significant on outcome. Smaller units yield a greater number of bedrooms provide better viability. Small dwelling incurs considerably less cost.</li> <li>▪ Below ground building requirements to provide higher level of carparking – high cost outcome</li> <li>▪ Developer led projects requiring high margin returns – mc. 20%+</li> <li>▪ Uncertainty around levels of demand for this housing product typology of housing is considered complex and requires experienced developers and builders to implement.</li> <li>▪ Capital funding requirements</li> </ul> <p>Requires amount of pre-sales before project is viable and enables funding</p>	High



## Appendix 2 – Area Plans identifying Representative Development Sites

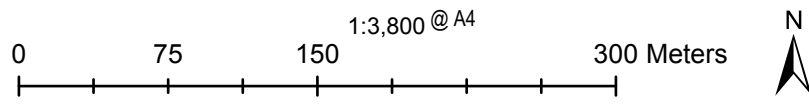


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Produced by GIS - Tauranga City Council © 2019



Cross Lease Parcels  
Parcel  $\geq 800\text{m}^2$  Land Area AND Parcel  $\leq \$800,000$  Capital Value

# 12th Ave Tauranga Suburbs Map



Information shown on this plan is indicative only. The Council accepts no liability for its accuracy and it is your responsibility to ensure that the data contained herein is appropriate and applicable to the end use intended.



Aerial Photography flown in 2017 with some areas flown in 2018, 2019  
Cadastral Information sourced from LINZ. Crown Copyright Reserved

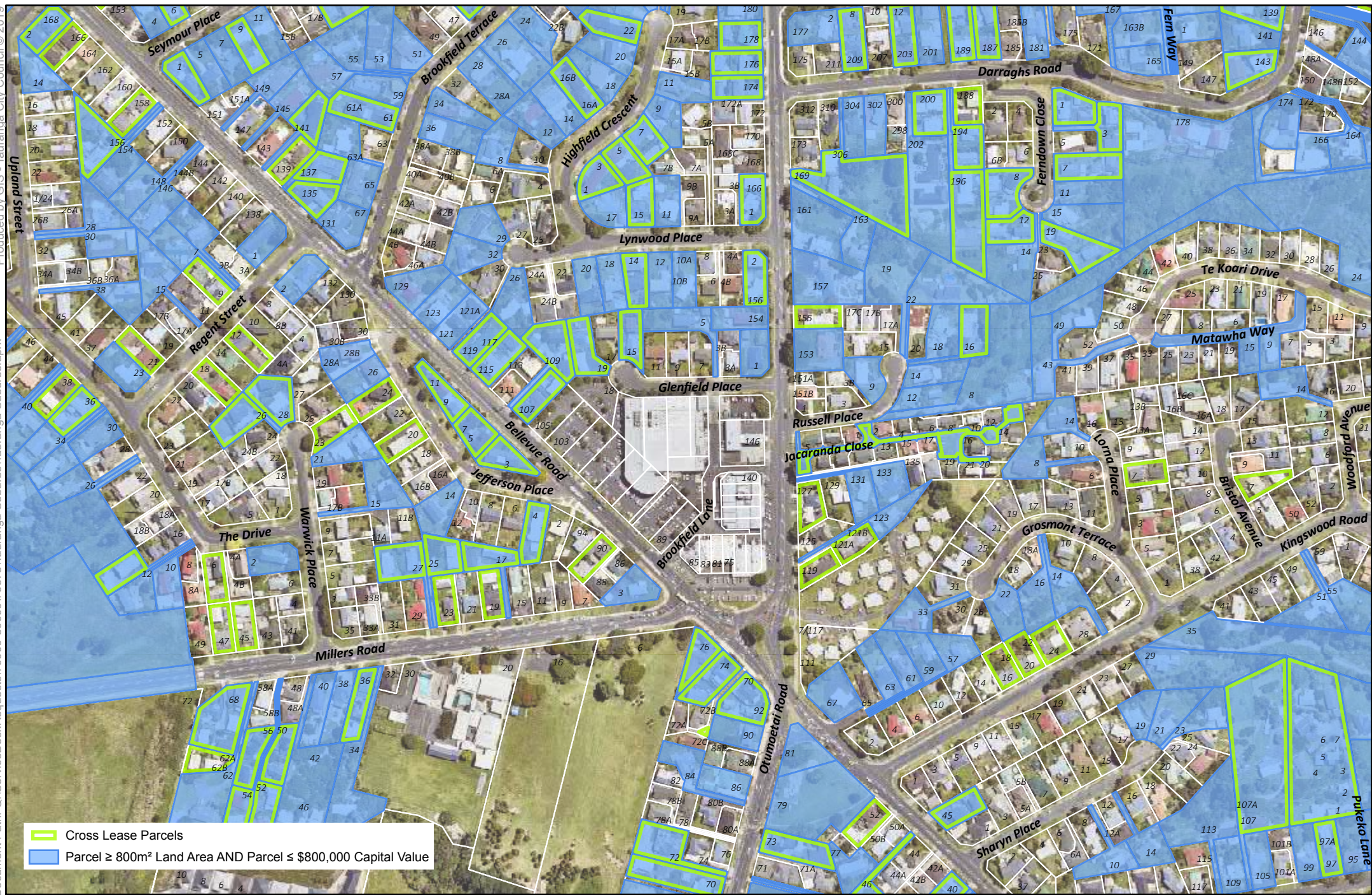




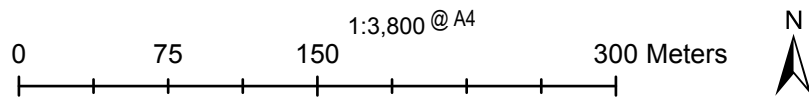
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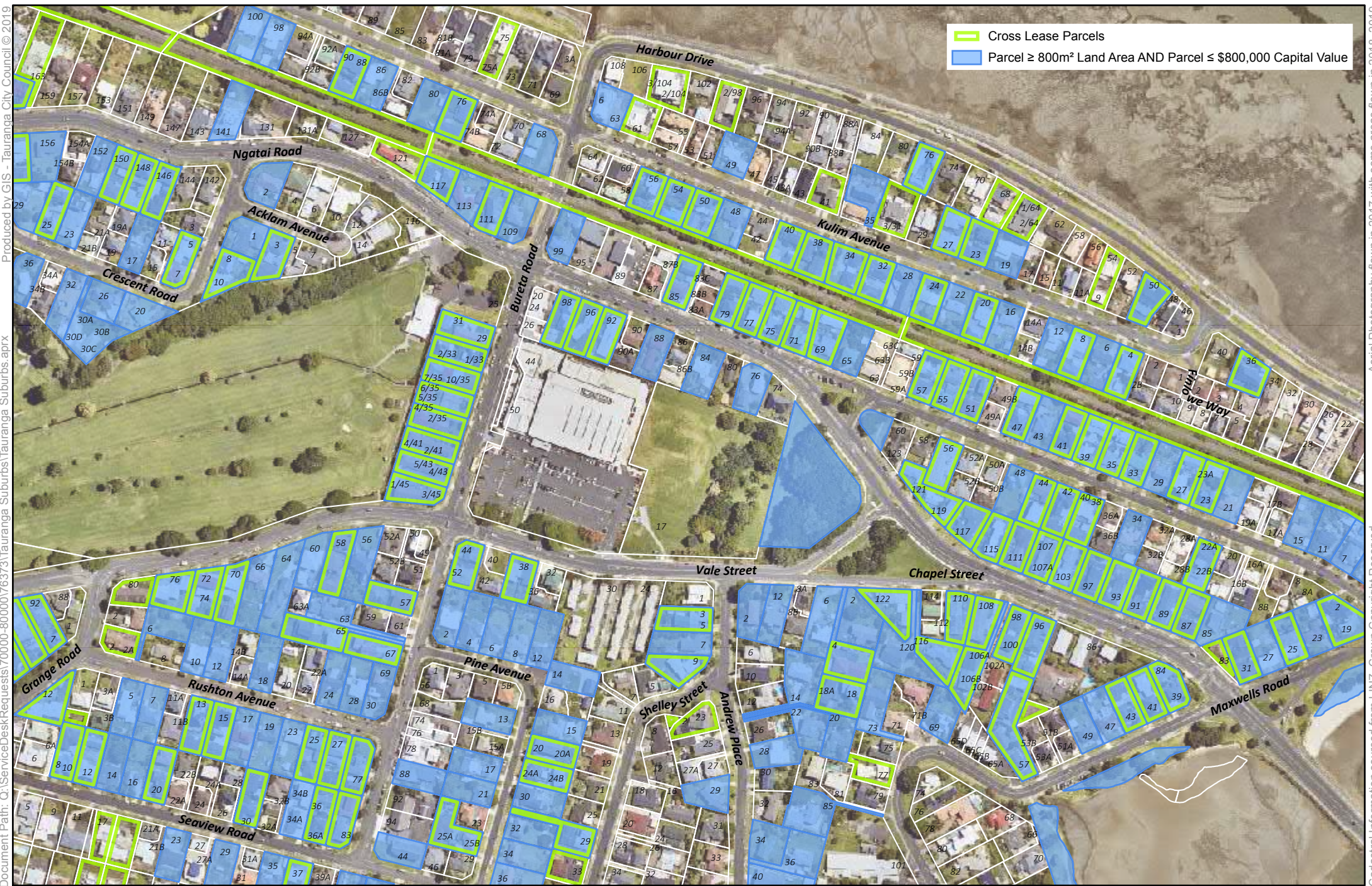
# Brookfield Tauranga Suburbs Map



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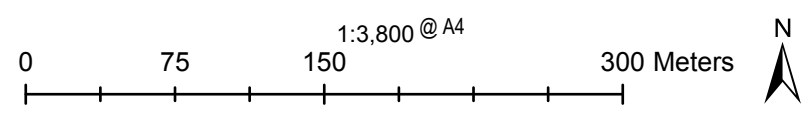






Cross Lease Parcels  
 Parcel  $\geq 800\text{m}^2$  Land Area AND Parcel  $\leq \$800,000$  Capital Value

# Bureta Tauranga Suburbs Map



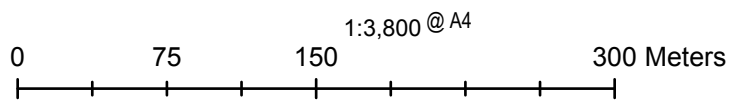
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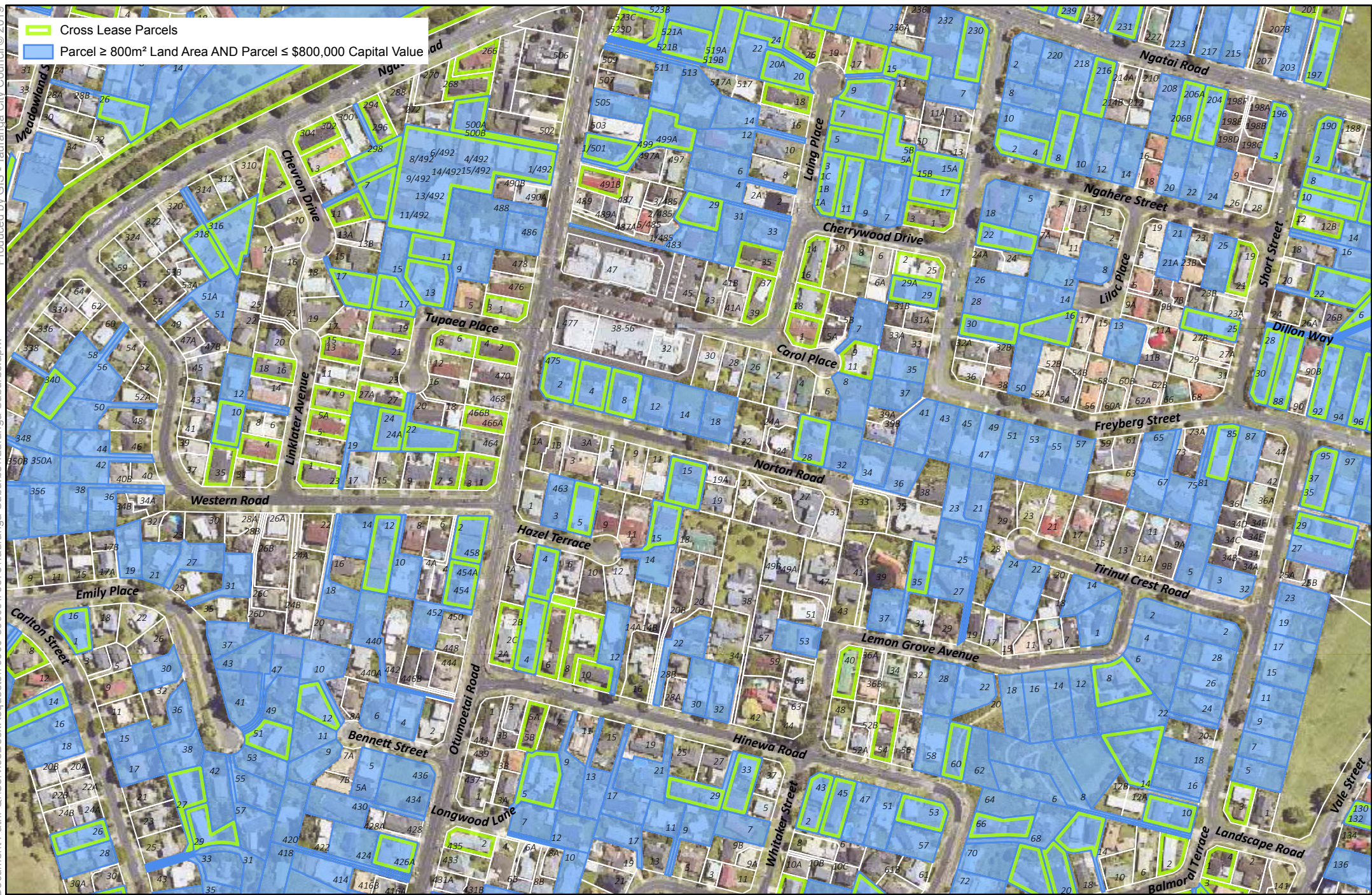
# **CBD North Tauranga Suburbs Map**



Information shown on this plan is indicative only. The Council accepts no liability for its accuracy and it is your responsibility to ensure that the data contained herein is appropriate and applicable to the end use intended.

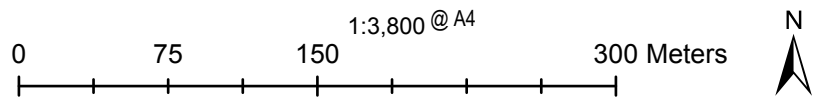






- Cross Lease Parcels
- Parcel  $\geq 800m^2$  Land Area AND Parcel  $\leq \$800,000$  Capital Value

# Cherrywood Tauranga Suburbs Map



Information shown on this plan is indicative only. The Council accepts no liability for its accuracy and it is your responsibility to ensure that the data contained herein is appropriate and applicable to the end use intended.

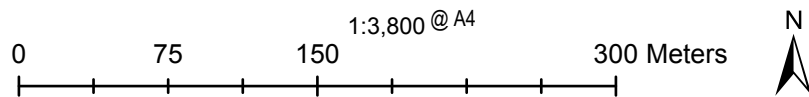






- Cross Lease Parcels
- Parcel  $\geq 800\text{m}^2$  Land Area AND Parcel  $\leq \$800,000$  Capital Value

# Greerton Tauranga Suburbs Map



Information shown on this plan is indicative only. The Council accepts no liability for its accuracy and it is your responsibility to ensure that the data contained herein is appropriate and applicable to the end use intended.

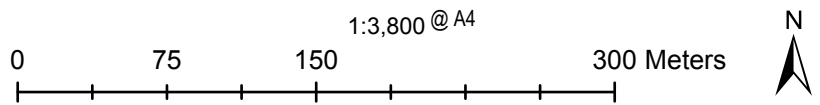






- Cross Lease Parcels
- Parcel ≥ 800m² Land Area AND Parcel ≤ \$800,000 Capital Value

# Mount North Tauranga Suburbs Map



Information shown on this plan is indicative only. The Council accepts no liability for its accuracy and it is your responsibility to ensure that the data contained herein is appropriate and applicable to the end use intended.







- Cross Lease Parcels
- Parcel  $\geq 800\text{m}^2$  Land Area AND Parcel  $\leq \$800,000$  Capital Value



## Appendix 3 – Residential Intensification Architectural Concept Plans

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STEPPED FACADE TO PROVIDE PRIVACY

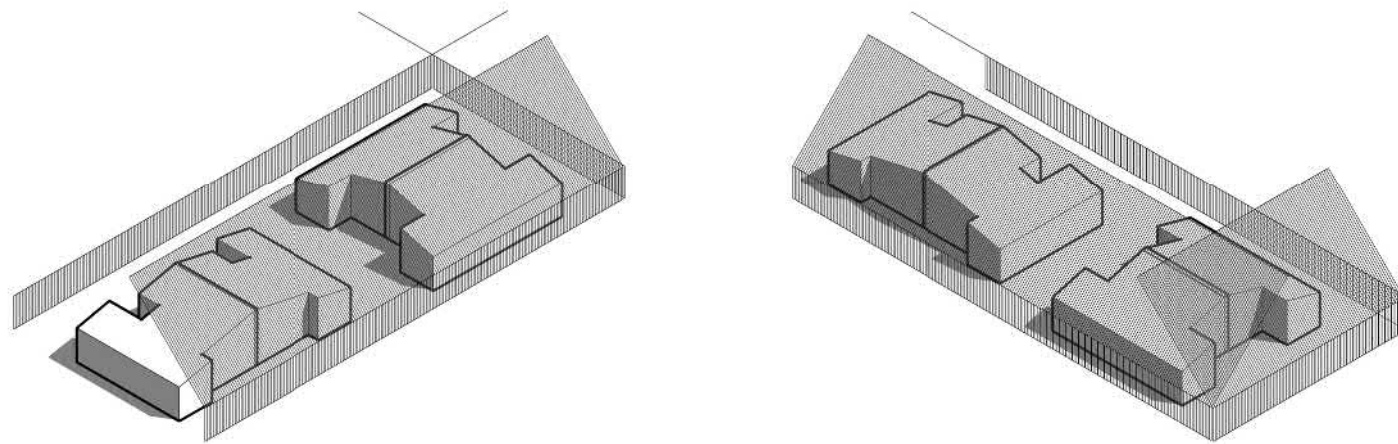


GARAGE AND BUILDING INLINE

DATE. 2019-09-18

TAURANGA

PROJECT No. T618



DATE. 2019-09-18

TAURANGA

PROJECT No. T618

PROJECT No. T618



SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE





DUPLEX – ACCESSWAY SITE:										
					Council Framework Compliance category:					
Unit Type	No. Carparks	No. Units	Level	Parking – Market Rates (Rate 1.8 per unit – includes visitor at 0.2)	Parking Average	Height	Recession Planes (i)	Outdoor Living:	Visual Outlook	Setbacks
					1 per 1 Bed 1.3 per 2 Bed 1.8 per 3 Bed 0.2 visitor	9m	2.7m up, 55° (North) 2.7m up, 45° (East/West/South)	Ground Floor: Min Area 30m², Min 3m. Upper Levels: Min area 12m², min 1.5m	Living: 6m deep, 4m wide. Bedroom: 3m deep, 3m wide.	Street: 3m Rear: 1.5m Side: 1.5m
1 bed units	4	4	1	×	×	✓	✓	×	×	✓
2 bed units	4	4	1 2	×	×	✓ ✓	✓ ✓	✓	×	✓



NO FRONT ENTRY OFF STREET



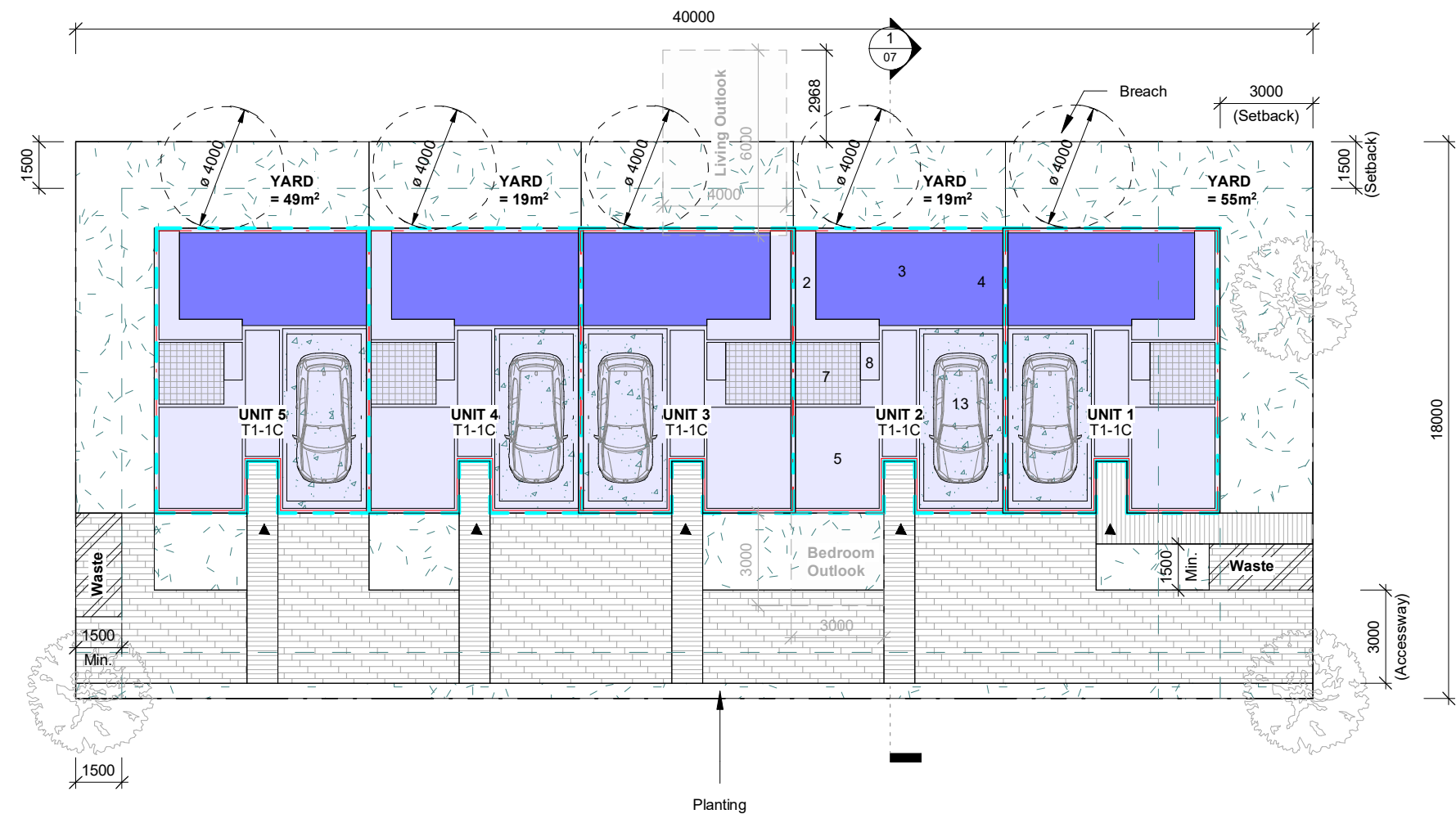
BREAK IN MATERIALS TO CREATE A VISUAL BREAK

# LOW RISE COMPREHENSIVE - 1 BED TOWNHOUSES

DATE: 2019-09-18

TCC  
INTENSIFICATION SITE TESTING  
TAURANGA

03  
PROJECT No. T618



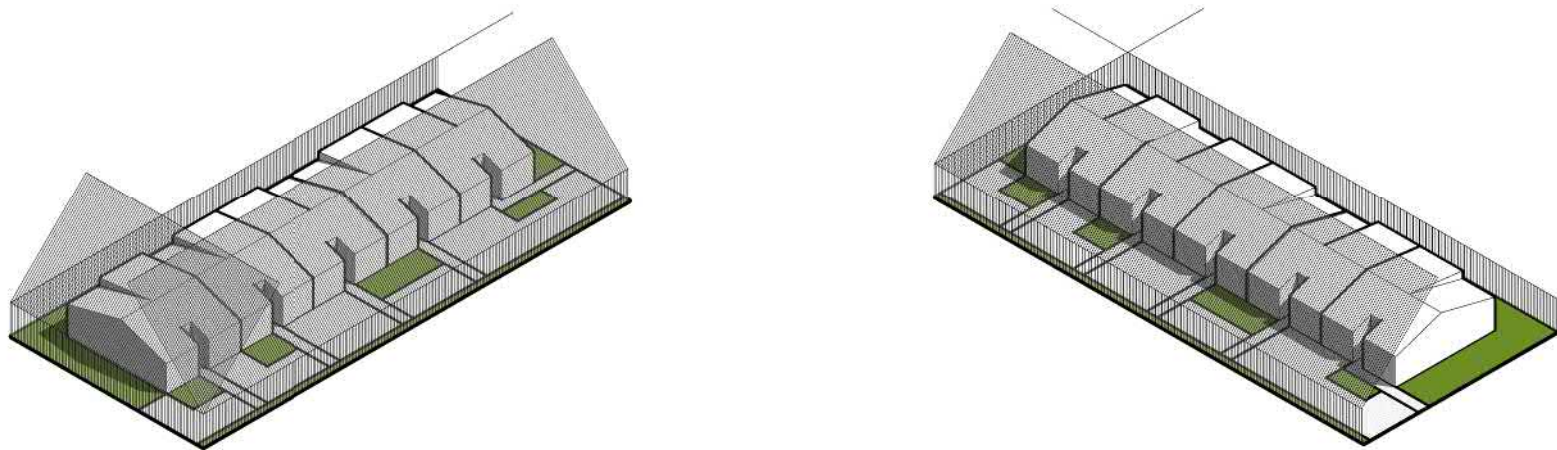
- TYPES KEY**
- 1. Entrance
  - 2. Kitchen
  - 3. Dining
  - 4. Living
  - 5. Bedroom 1
  - 6. Bedroom 2
  - 7. Bathroom
  - 8. Laundry
  - 9. Store
  - 10. Built-in Wardrobe
  - 11. Private Outdoor
  - 12. Vertical Circulation
  - 13. Garage
  - 14. Hallway
  - 15. Bedroom 3
  - 16. Powder Room
  - 17. Ensuite
  - 18. Balcony

- Non-Compliance**
- Waste

## TYPE T1-1B AREAS

UNIT	TYPE	No.	FOOTPRINT	GFA (m²) INCL
			(m²)	GARAGE
2	T1-1C	1	61 m²	61 m²
4	T1-1C	1	61 m²	61 m²
5	T1-1C	1	61 m²	61 m²
1	T1-1C	1	61 m²	61 m²
3	T1-1C	1	61 m²	61 m²
TOT: 5			305 m²	305 m²

1  
05 Level 1\_T1c  
SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE



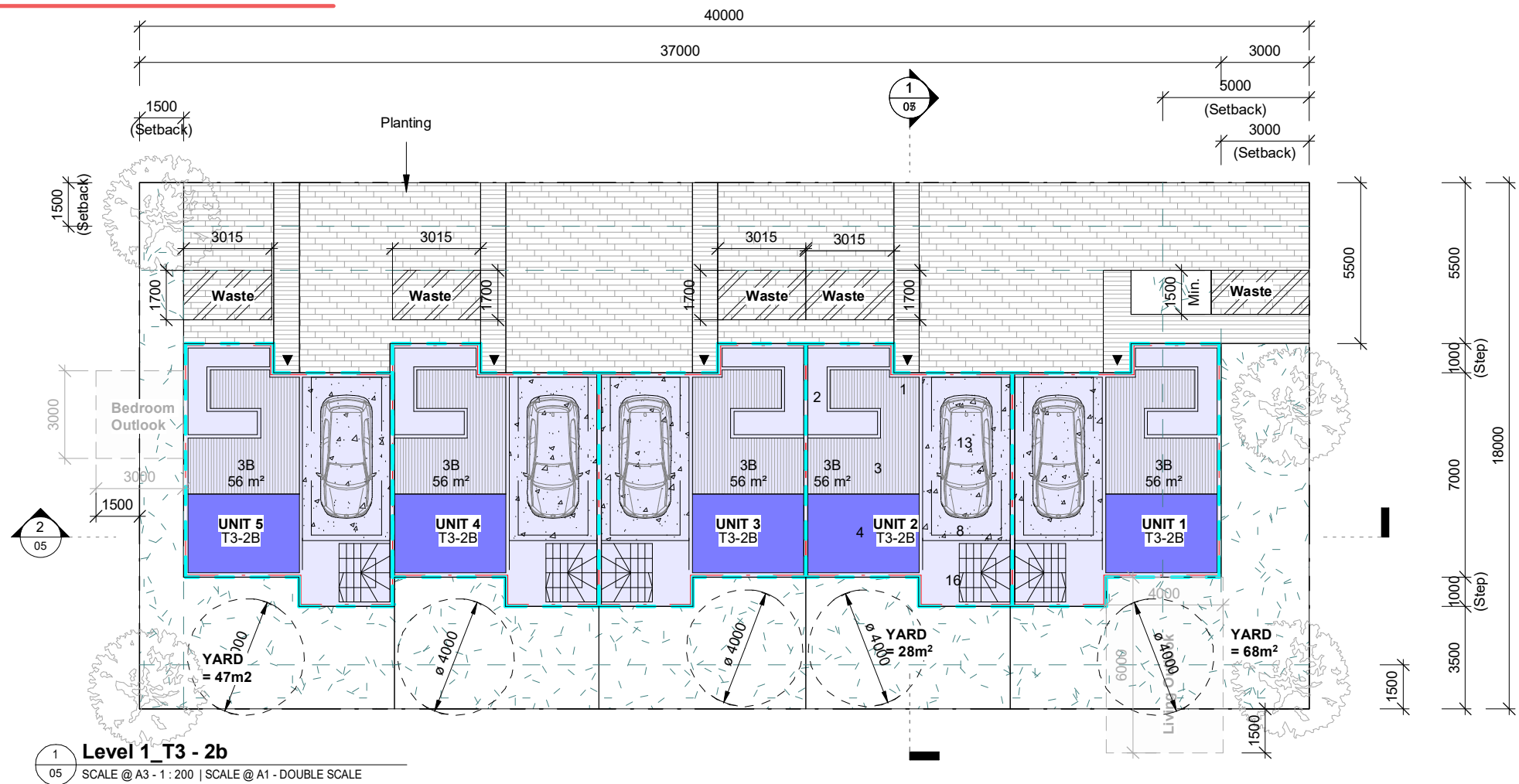


# LOW RISE COMPREHENSIVE - 3 BED TOWNHOUSES\_PLANS

DATE: 2019-09-18

TCC  
INTENSIFICATION SITE TESTING  
TAURANGA

04  
PROJECT No. T618



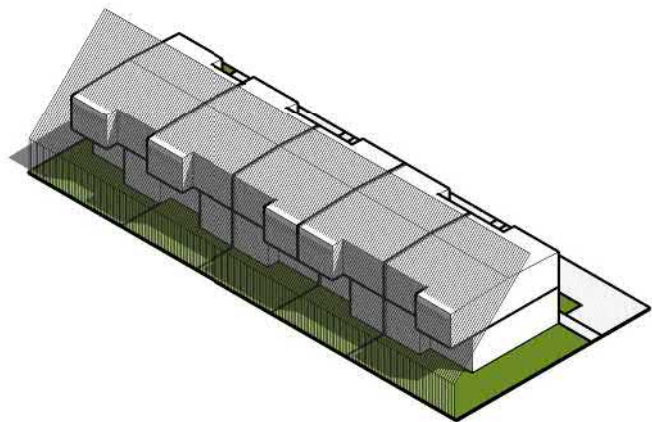
GFA - 120m<sup>2</sup>

## TYPES KEY

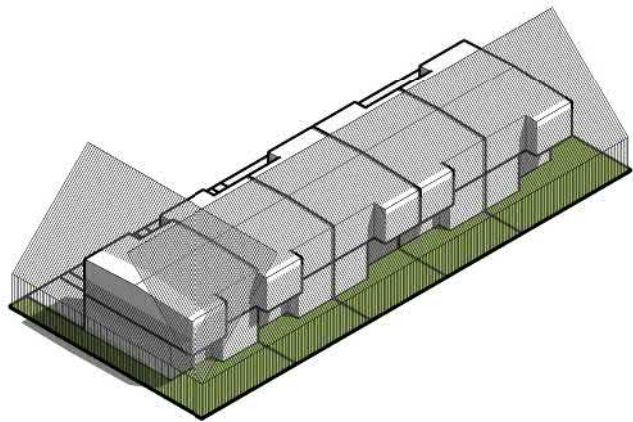
1. Entrance
2. Kitchen
3. Dining
4. Living
5. Bedroom 1
6. Bedroom 2
7. Bathroom
8. Laundry
9. Store
10. Built-in Wardrobe
11. Private Outdoor
12. Vertical Circulation
13. Garage
14. Hallway
15. Bedroom 3
16. Powder Room
17. Ensuite
18. Balcony

## TYPE T3-3B AREAS

UNIT	TYPE	No.	FOOTPRINT	GFA (m <sup>2</sup> ) INCL
			(m <sup>2</sup> )	GARAGE
1	T3-2B	1	56 m <sup>2</sup>	120 m <sup>2</sup>
2	T3-2B	1	56 m <sup>2</sup>	120 m <sup>2</sup>
4	T3-2B	1	56 m <sup>2</sup>	120 m <sup>2</sup>
3	T3-2B	1	56 m <sup>2</sup>	120 m <sup>2</sup>
5	T3-2B	1	56 m <sup>2</sup>	120 m <sup>2</sup>
TOT: 5			280 m <sup>2</sup>	600 m <sup>2</sup>



Non-Compliance  
• Height Plane Breach



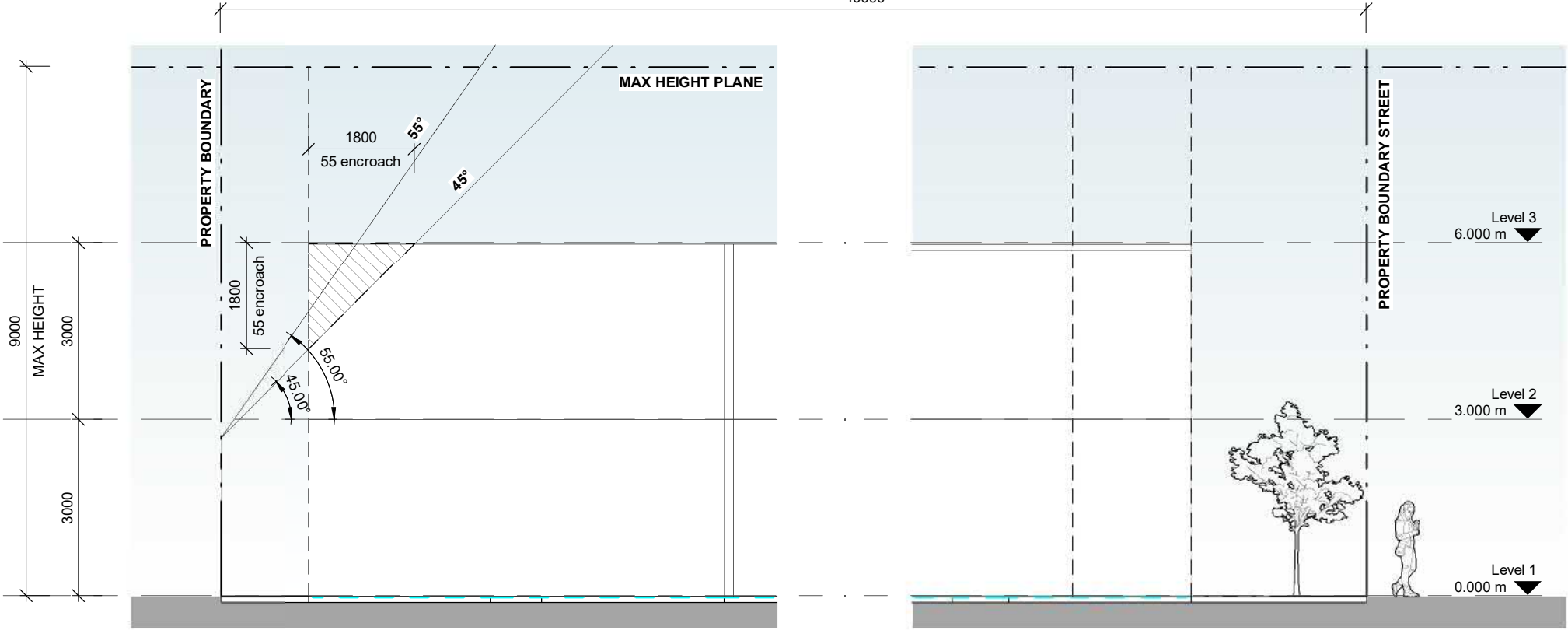
designgroup

stapleton elliott

# LOW RISE COMPREHENSIVE - 3 BED TOWNHOUSES\_SECTIONS

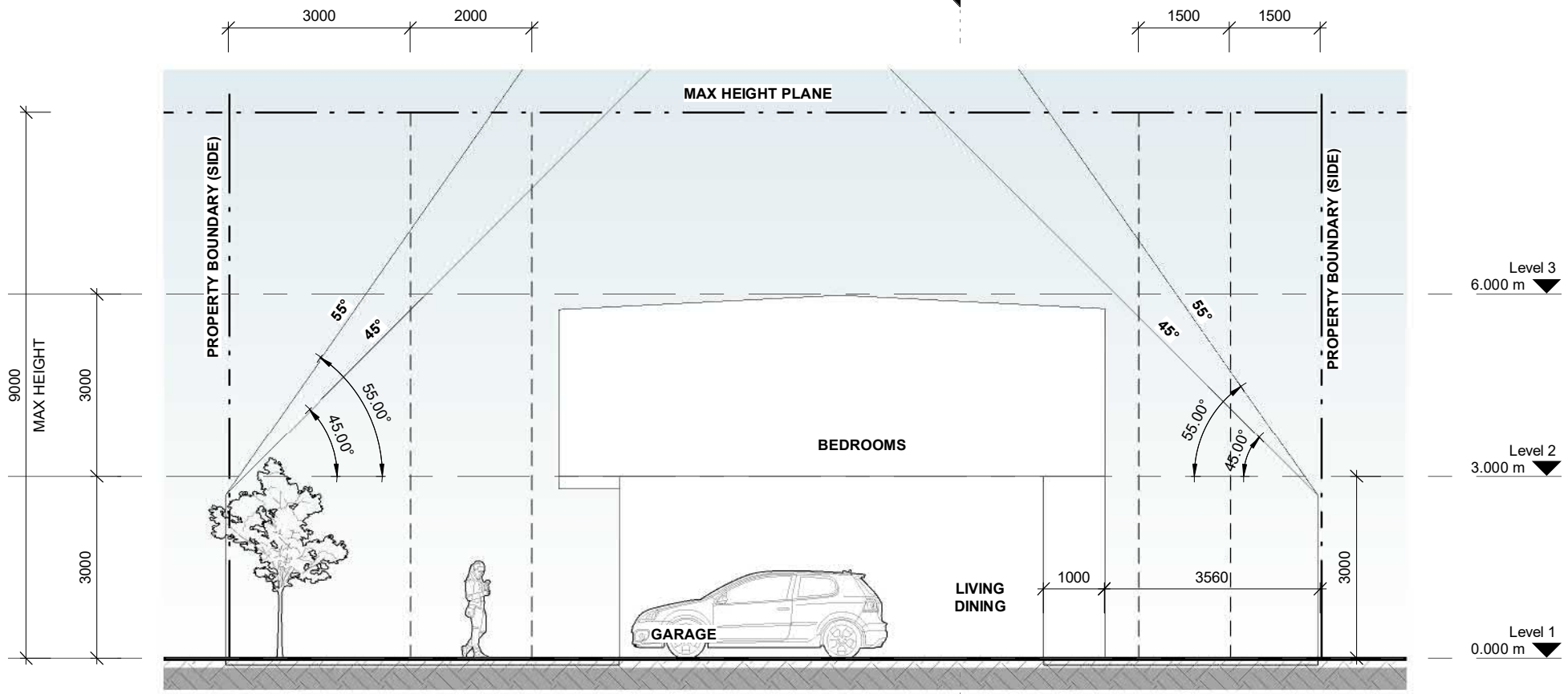
DATE: 2019-09-18

TCC  
INTENSIFICATION SITE TESTING  
TAURANGA



2  
04 **T3 - 2b Section B**  
SCALE @ A3 - 1 : 100 | SCALE @ A1 - DOUBLE SCALE

2  
05



1  
04 **T3 - 2b Section A**  
SCALE @ A3 - 1 : 100 | SCALE @ A1 - DOUBLE SCALE



LOW RISE COMPREHENSIVE:										
					Council Framework Compliance category:					
Unit Type	No. Carparks	No. Units	Level	Parking – Market Rates (Rate 1.8 per unit – includes visitor at 0.2)	Parking Average	Height	Recession Planes (i)	Outdoor Living:	Visual Outlook	Setbacks
					1 per 1 Bed 1.3 per 2 Bed 1.8 per 3 Bed 0.2 visitor	9m	2.7m up, 55° (North) 2.7m up, 45° (East/West/South)	Ground Floor: Min Area 30m², Min 4m. Upper Levels: Min area 12m², min 1.5m	Living: 6m deep, 4m wide. Bedroom: 3m deep, 3m wide.	Street: 3m Rear: 1.5m Side: 1.5m
1 bed units	5	5	1	✗	✗	✓	✓	✗	✗	✓
3 bed units	5	5	1 2	✓	✓	✓ ✓	✓ ✗	✗	✓*	✓

\* 6m depth of visual outlook includes 1.5m setback on adjacent site.





COMMUNITY VISUAL AMENITY



BUILDING ENCAMPMENT



TYPE 1 - RECTANGLE TRANSVERSE - PARKING AT GRADE\_FIRST FLOOR PLAN

DATE: 2019-09-18

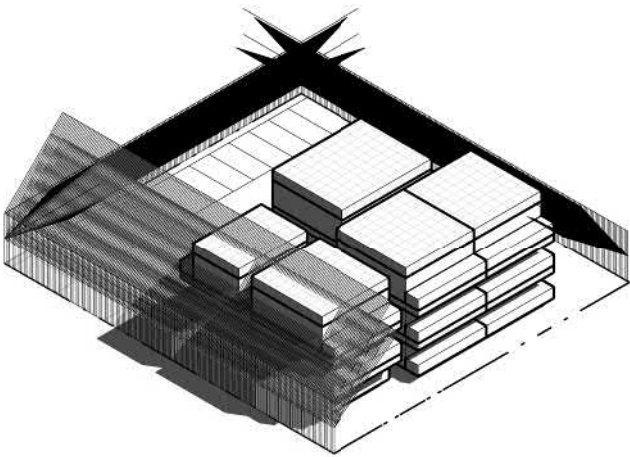


TCC  
INTENSIFICATION SITE TESTING  
TAURANGA

T1.GP-01  
PROJECT No. T3.GP-02



1 APARTMENT - OPTION 1  
T1.GP-02 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE



APT - OPTION 1  
SCALE @ A3 - | SCALE @ A1 - DOUBLE SCALE

OP1 BUILDING AREAS

TYPE	No.	GFA (m²)	DECK Area
Level 1			
1 BD	1	48 m²	12 m²
2 BD	3	209 m²	37 m²
4		257 m²	49 m²
Level 2			
1 BD	1	48 m²	12 m²
2 BD	3	209 m²	37 m²
3 BD	1	92 m²	12 m²
5		348 m²	61 m²
Level 3			
1 BD	1	48 m²	12 m²
2 BD	3	209 m²	37 m²
3 BD	1	92 m²	12 m²
5		348 m²	61 m²
TOT: 14		953 m²	171 m²

PARKING REQUIREMENTS

2 LEVELS - 12 UNITS  
22 RESIDENT PARKING  
3 LEVELS - 16 UNITS  
29 RESIDENT PARKING  
PARKS ON SITE  
31

APARTMENT BUILDING GFA OP 1

Name	GFA
GROUND FLOOR	424 m²
FIRST FLOOR	591 m²
SECOND FLOOR	591 m²
3	1607 m²

SERVICE AREA REQUIREMENTS

2 LEVELS - 12 UNITS  
60m²  
3 LEVELS - 16 UNITS  
80m²  
AREA ON SITE  
45m²

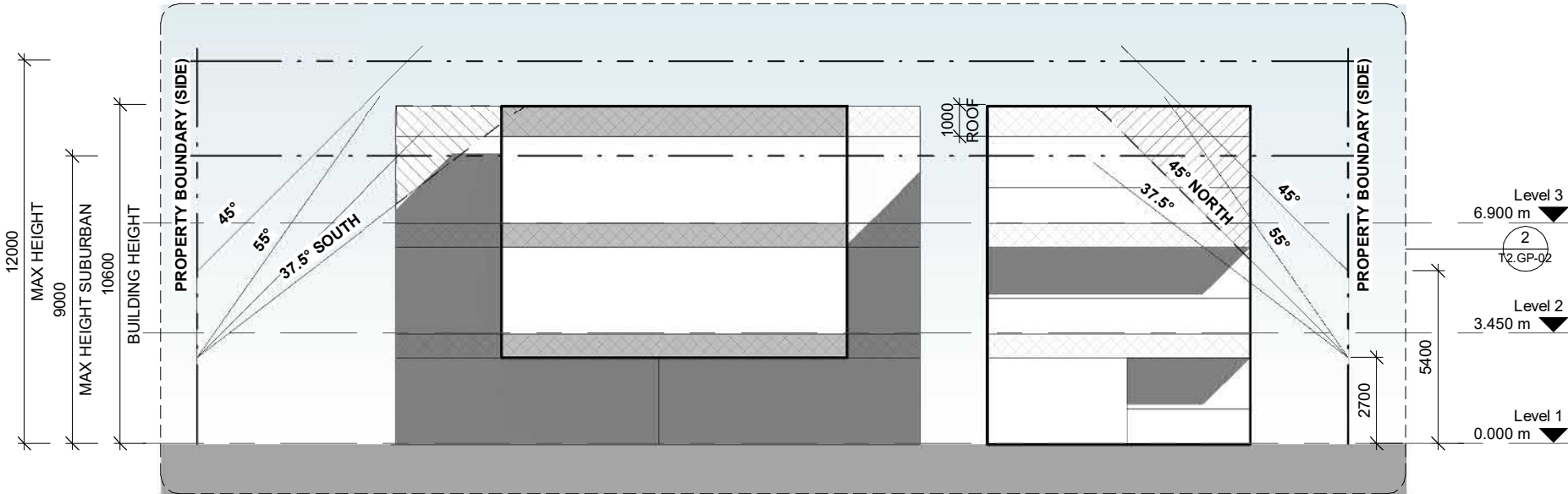


# TYPE 1 - RECTANGLE TRANSVERSE - PARKING AT GRADE\_SECTIONS

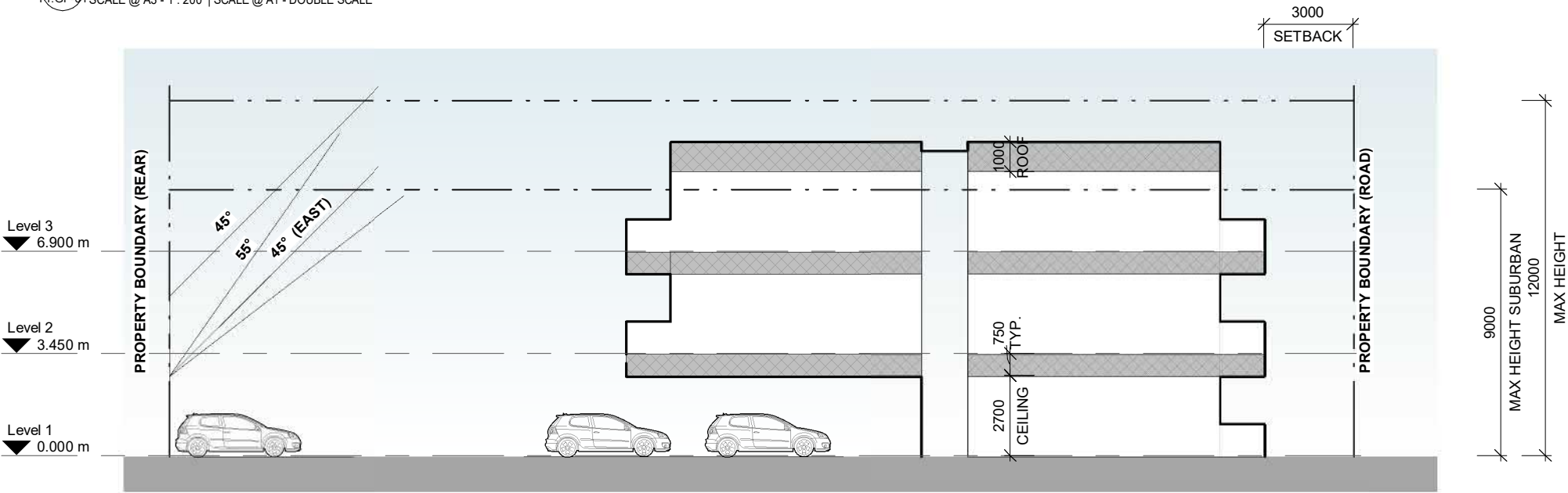
DATE: 2019-09-18

TCC  
INTENSIFICATION SITE TESTING  
TAURANGA

T1.GP-02  
PROJECT No. T3.GP-02



1 NS SECTION - OP 1  
T1.GP-01 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE



2 EW SECTION - OP1  
T1.GP-01 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE

TYPE 1 - RECTANGLE TRANSVERSE - FULL BASEMENT\_FIRST FLOOR PLAN

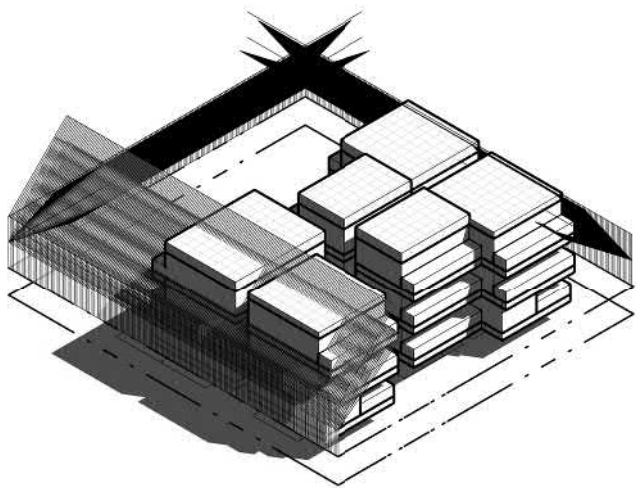
DATE: 2019-09-18



TCC  
INTENSIFICATION SITE TESTING  
TAURANGA

T1.FB-01

PROJECT No. T618



RECTANGLE - 1BD APT - OPTION 2 - VIEW 2

SCALE @ A3 - | SCALE @ A1 - DOUBLE SCALE

RECTANGLE CL-AP1\_OP1 BUILDING  
AREAS

UNIT	TYPE	No.	GFA (m²)	Deck Area
Level 1				
3	BED	1	92 m²	12 m²
1	BED	1	48 m²	12 m²
1	BED	1	70 m²	12 m²
1	BED	1	48 m²	12 m²
3	2 BED	1	70 m²	12 m²
6		1	70 m²	12 m²
6			396 m²	73 m²
Level 2				
1	BED	1	48 m²	12 m²
2	BED	1	70 m²	12 m²
2	BED	1	70 m²	12 m²
3	BED	1	92 m²	12 m²
1	BED	1	48 m²	12 m²
2	BED	1	70 m²	12 m²
6			396 m²	73 m²
Level 3				
1	BED	1	48 m²	12 m²
2	BED	1	70 m²	12 m²
2	BED	1	70 m²	12 m²
3	BED	1	92 m²	12 m²
1	BED	1	48 m²	12 m²
2	BED	1	70 m²	12 m²
6			396 m²	73 m²
TOT: 18			1188 m²	219 m²

RECTANGLE APARTMENT BUILDING  
GFA

Name	GFA
BASEMENT	693 m²
GROUND FLOOR	571 m²
FIRST FLOOR	571 m²
SECOND FLOOR	571 m²
4	2408 m²

PARKING REQUIREMENTS

2 LEVELS - 12 UNITS  
22 RESIDENT PARKING

3 LEVELS - 18 UNITS  
33 RESIDENT PARKING

PARKS ON SITE:

HALF BASEMENT AREA LIMITED TO  
BUILDING ENVELOPE ABOVE:  
20 PARKS

HALF BASEMENT EXTENDED TO ACHIEVE  
STACKED CARPARKS:  
33 PARKS

SERVICE AREA REQUIREMENTS

2 LEVELS - 12 UNITS  
60m²

3 LEVELS - 18 UNITS  
90m²



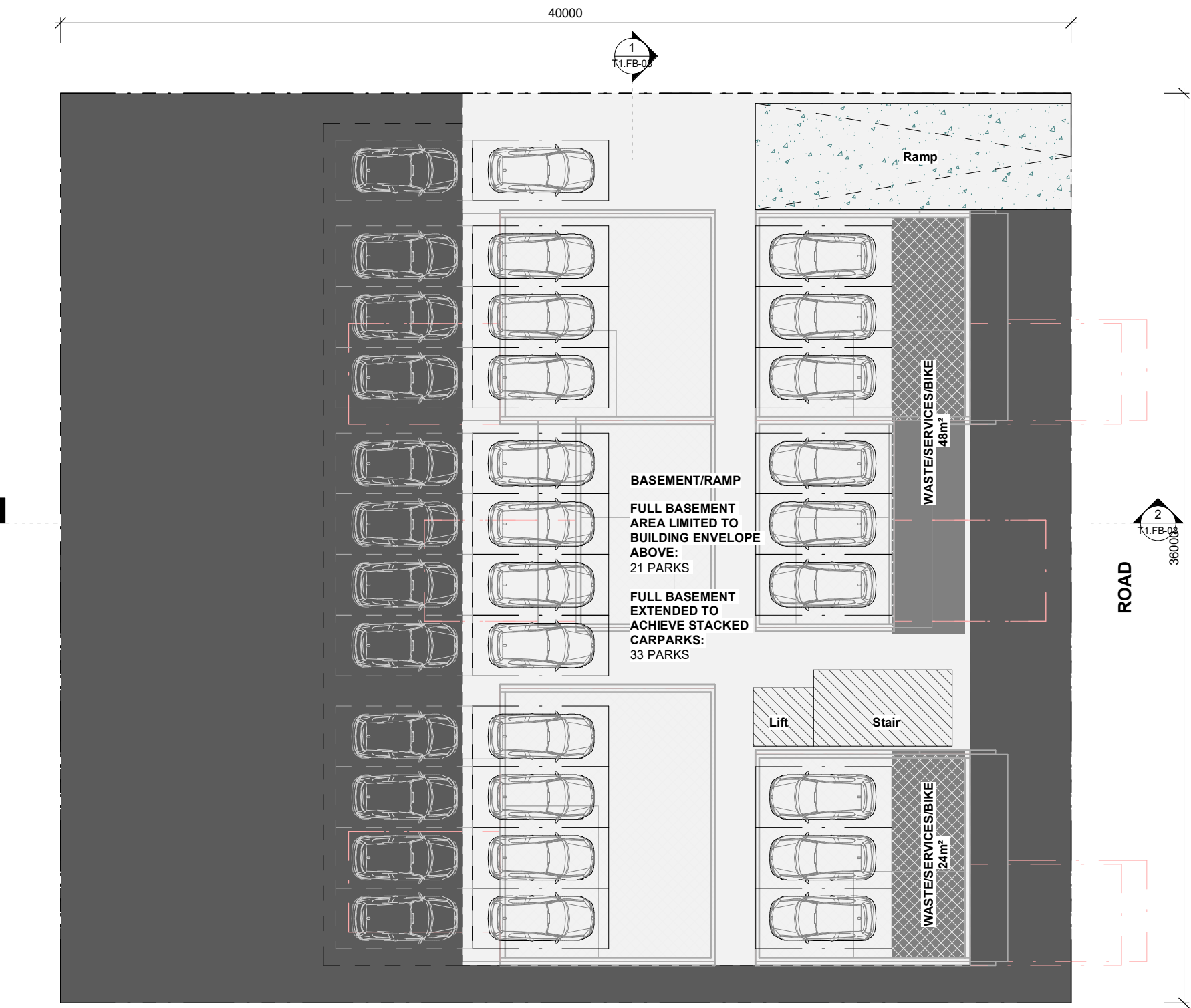


TYPE 1 - RECTANGLE TRANSVERSE - FULL BASEMENT\_BASEMENT PLAN

DATE: 2019-09-18

TCC  
INTENSIFICATION SITE TESTING  
TAURANGA

T1.FB-02  
PROJECT No. T618



1 PLAN\_A\_R\_Basement  
T1.FB-02 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE

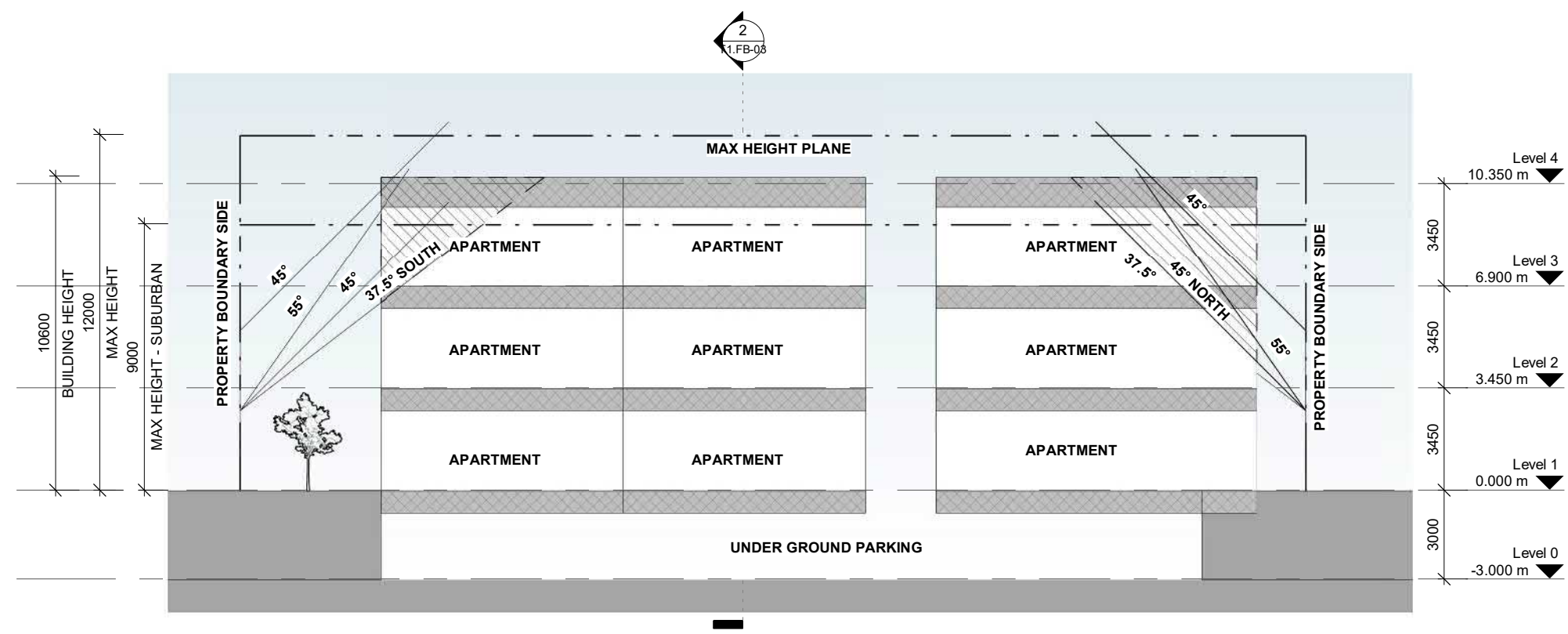


# TYPE 1 - RECTANGLE TRANSVERSE - FULL BASEMENT\_SECTIONS

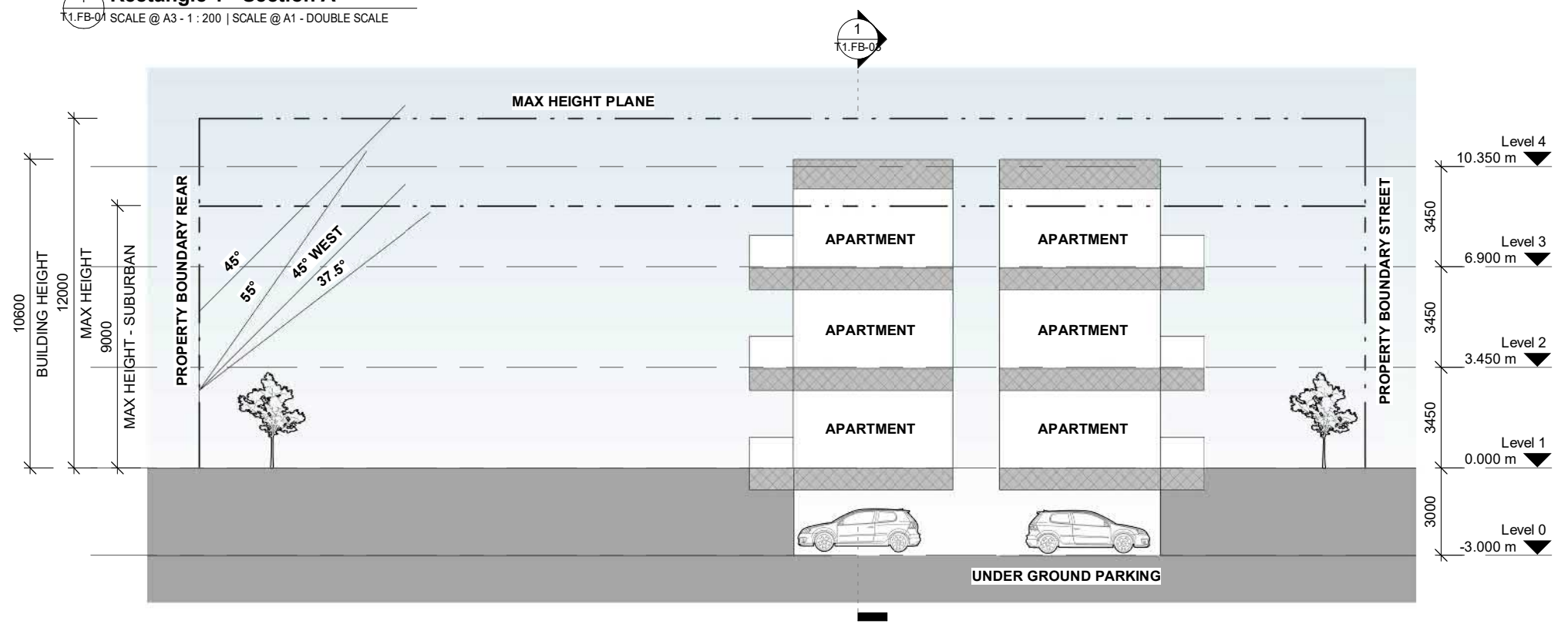
DATE: 2019-09-18

TCC  
INTENSIFICATION SITE TESTING  
TAURANGA

T1.FB-03  
PROJECT No. T618



1 **Rectangle 1 - Section A**  
T1.FB-01 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE



2 **Rectangle 1 - Section B**  
T1.FB-01 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE

TYPE 1 - RECTANGULAR TRANSVERSE - HALF BASEMENT\_ FIRST FLOOR PLAN

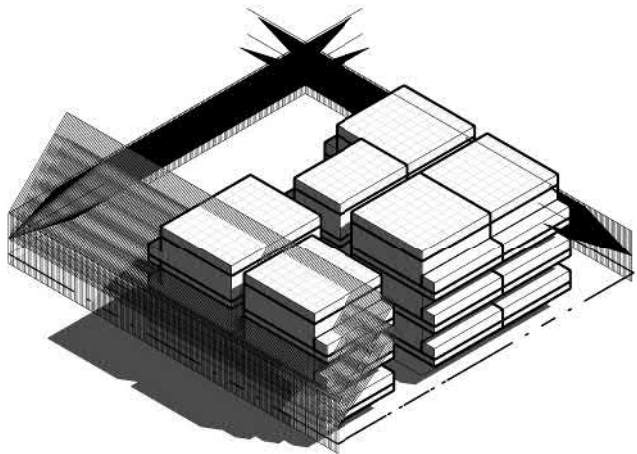
DATE: 2019-09-18



TCC  
INTENSIFICATION SITE TESTING  
TAURANGA

T1.HB-01

PROJECT No. T618



APT - R OPT1

SCALE @ A3 - | SCALE @ A1 - DOUBLE SCALE

HB\_RECTANGLE OPT 1 BUILDING  
AREAS

UNIT	TYPE	No.	GFA (m²)	Deck Area
Level 1				
1	3	1	92 m²	12 m²
		1	70 m²	12 m²
		1	70 m²	12 m²
		1	48 m²	12 m²
		1	70 m²	12 m²
		1	70 m²	12 m²
6			418 m²	73 m²
Level 2				
6	Level 3	1	48 m²	12 m²
		1	70 m²	12 m²
		1	70 m²	12 m²
		1	70 m²	12 m²
		1	92 m²	12 m²
		1	70 m²	12 m²
6			418 m²	73 m²
TOT: 18			1254 m²	220 m²

APARTMENT BUILDING  
GFA\_RECTANGLE OPT 1

Name	GFA
BASEMENT	650 m²
GROUND FLOOR	589 m²
FIRST FLOOR	589 m²
SECOND FLOOR	589 m²
4	2416 m²

PARKING REQUIREMENTS

2 LEVELS - 12 UNITS  
22 RESIDENT PARKING

3 LEVELS - 18 UNITS  
33 RESIDENT PARKING

PARKS ON SITE:

HALF BASEMENT AREA LIMITED TO  
BUILDING ENVELOPE ABOVE:  
20 PARKS

HALF BASEMENT EXTENDED TO ACHIEVE  
STACKED CARPARKS:  
31 PARKS

SERVICE AREA REQUIREMENTS

2 LEVELS - 12 UNITS  
60m²

3 LEVELS - 18 UNITS  
90m²

AREA ON SITE  
120m²

1 PLAN\_HB\_RS - FF - Opt 1  
T1.HB.03 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE

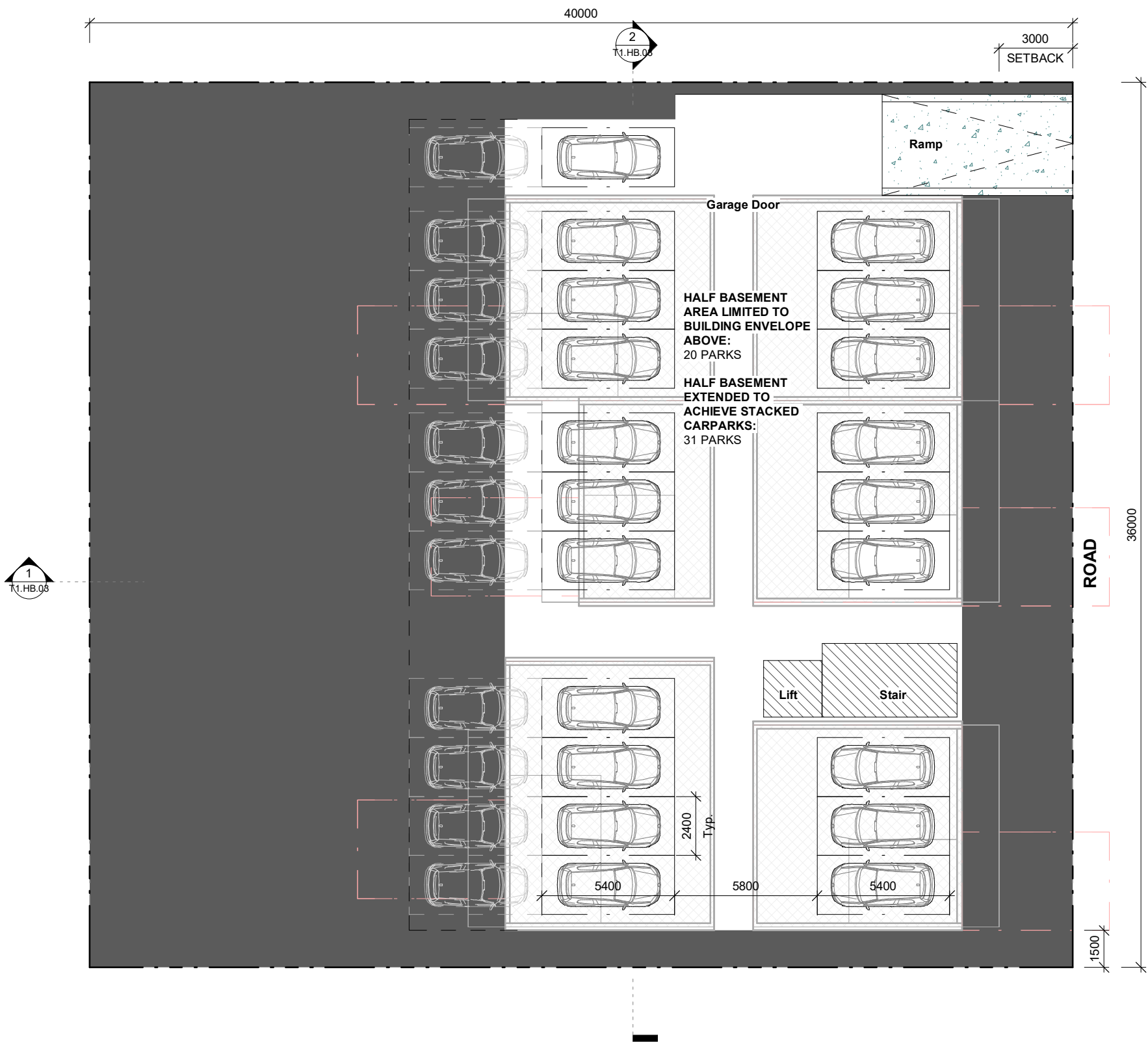


# TYPE 1 - RECTANGULAR TRANSVERSE - HALF BASEMENT\_ BASEMENT PLAN

DATE: 2019-09-18

TCC  
INTENSIFICATION SITE TESTING  
TAURANGA

T1.HB-02  
PROJECT No. T618



1 PLAN\_HB\_RS - B - Opt 1  
T1.HB.03 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE

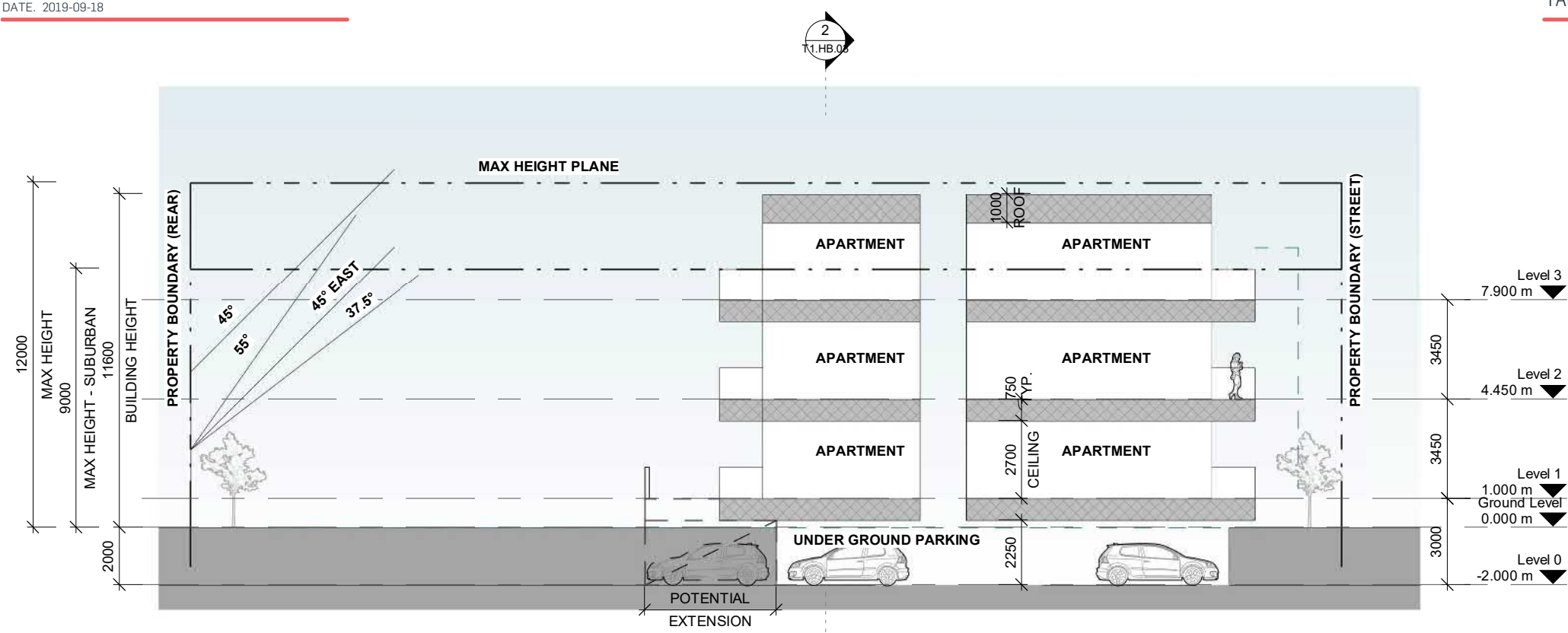


# TYPE 1 - RECTANGULAR TRANSVERSE - HALF BASEMENT\_ SECTIONS

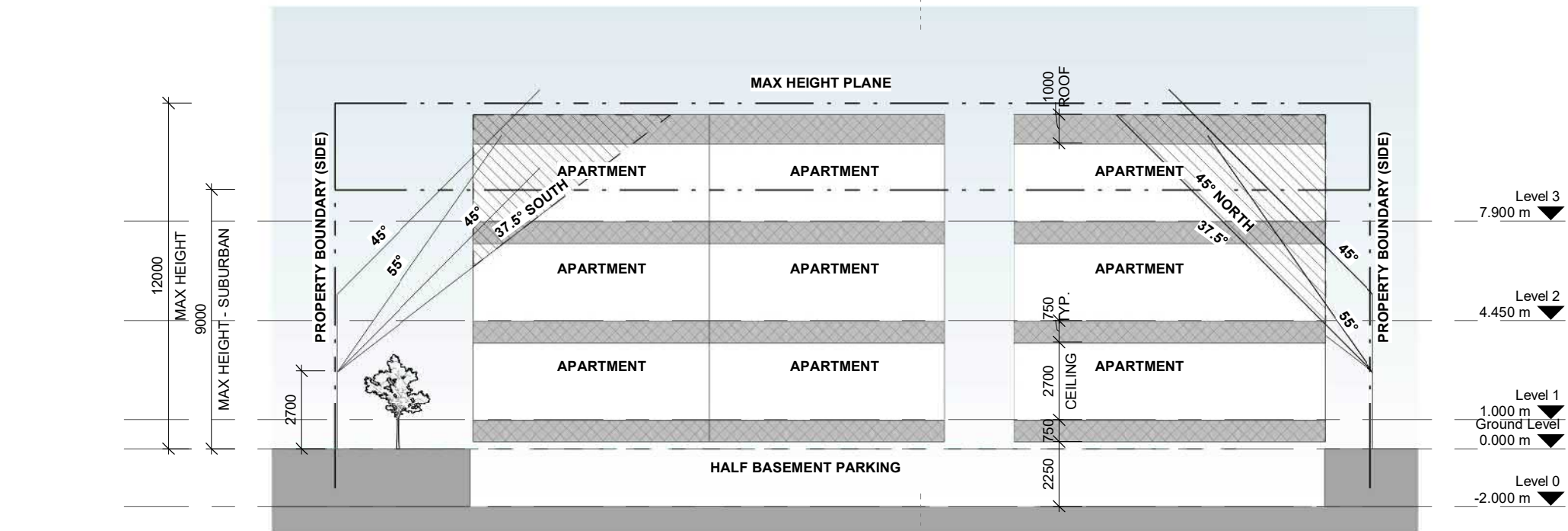
DATE: 2019-09-18

TCC  
INTENSIFICATION SITE TESTING  
TAURANGA

T1.HB.03  
PROJECT No. T618



1 AP-HB-RS1\_Section 1  
T1.HB-01 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE



2 AP-HB-RS1\_Section 2  
T1.HB-01 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE

MEDIUM RISE COMPREHENSIVE: TYPE 1: RECTANGLE TRANSVERSE													
					Council Framework Compliance category:								
Parking Type	No. Carparks	No. Units	Level	Parking – Market Rates (Rate 1.8 per unit – includes visitor at 0.2)	Parking Average 1 per 1 Bed 1.3 per 2 Bed 1.5 per 3 Bed 0.2 visitor	Height 9m (Max within 10m of boundary to suburban) 12m (Max Height)		Recession Planes (i) South: 2.7m up, 37.5° Other side/rear: 2.7m up, 45°		Recession Planes (ii) All side and rear boundaries: 5.4m up, 45°	Outdoor Living: Ground Floor: Min Area 30m <sup>2</sup> , Min 4m. Upper Levels: Min area 12m <sup>2</sup> , min 1.5m	Visual Outlook Living: 6m deep, 4m wide. Bedroom: 3m deep, 3m wide.	Setbacks Street: 3m Rear: 3m Side: 1.5m
At Grade	31	14	1	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
			2	✓	✓	✓	✓	✓	✗	✓			
			3	✓	✓	✗	✓	✗	✗	✗			
Half Basement	31	18	1	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
			2	✓	✓	✓	✓	✗	✗	✗			
			3	✗	✓	✗	✓	✗	✗	✗			
Full Basement	33	18	1	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
			2	✓	✓	✓	✓	✗	✗	✓			
			3	✓	✓	✗	✓	✗	✗	✗			

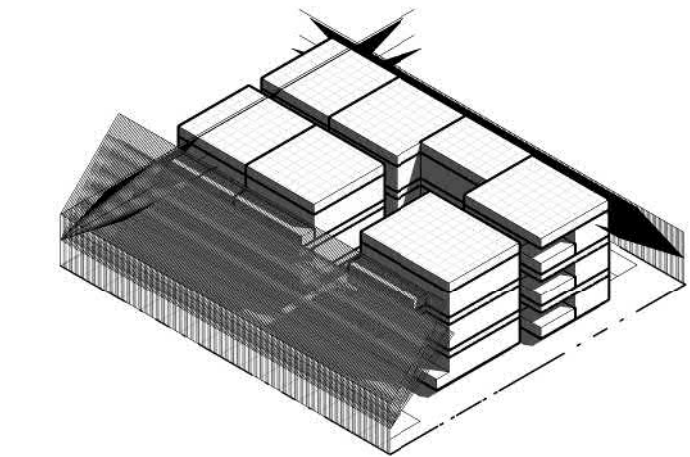
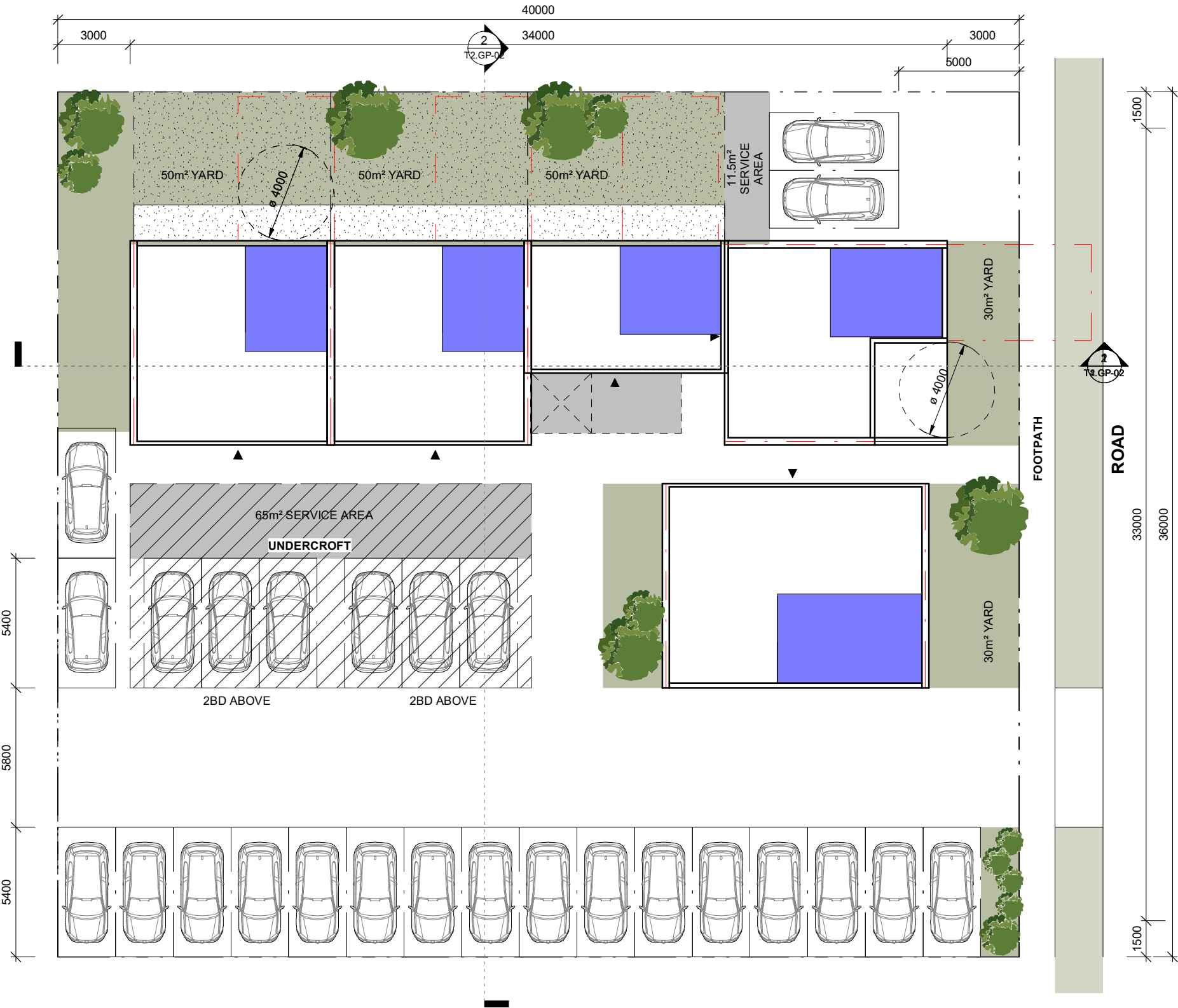
TYPE 2 - RECTANGLE LONGITUDONAL - PARKING AT GRADE\_FIRST FLOOR PLAN

DATE: 2019-09-18



TCC  
INTENSIFICATION SITE TESTING  
TAURANGA

T2.GP-01  
PROJECT No. T3.GP-02



APT - OPTION 3

SCALE @ A3 - | SCALE @ A1 - DOUBLE SCALE

OP3 BUILDING AREAS

TYPE	No.	GFA (m²)	DECK AREA
Level 1			
1 BD	1	48 m²	12 m²
2 BD	3	209 m²	37 m²
3 BD	1	92 m²	12 m²
5		348 m²	61 m²
Level 2			
1 BD	1	48 m²	12 m²
2 BD	5	349 m²	62 m²
3 BD	1	92 m²	12 m²
7		488 m²	86 m²
Level 3			
1 BD	1	48 m²	12 m²
2 BD	5	349 m²	62 m²
3 BD	1	92 m²	12 m²
7		488 m²	86 m²
TOT: 19		1324 m²	232 m²

APARTMENT BUILDING GFA OP 3

Name	GFA
GROUND FLOOR	467 m²
FIRST FLOOR	707 m²
SECOND FLOOR	707 m²
3	1882 m²

PARKING REQUIREMENTS

2 LEVELS - 14 UNITS  
25 RESIDENT PARKING

3 LEVELS - 19 UNITS  
34 RESIDENT PARKING

PARKS ON SITE  
25

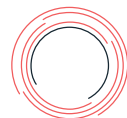
SERVICE AREA REQUIREMENTS

2 LEVELS - 14 UNITS  
70m²

3 LEVELS - 19 UNITS  
95m²

AREA ON SITE  
77m²

Veros PROPERTY SERVICES



designgroup  
stapleton elliott

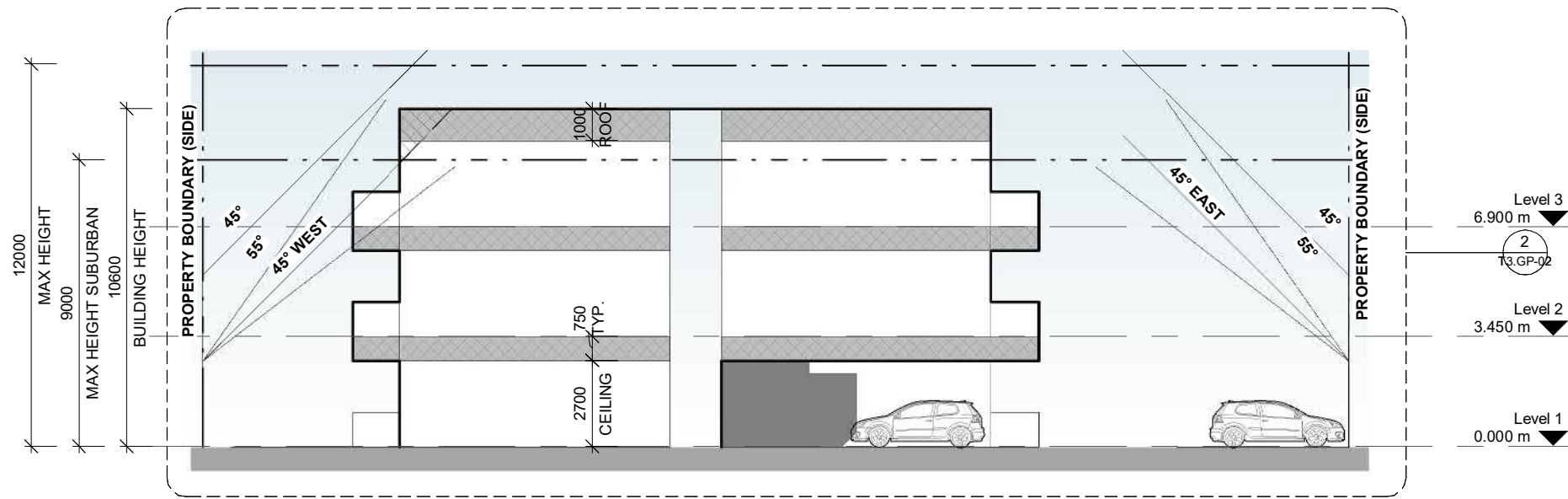


TYPE 2 - RECTANGLE LONGITUDONAL - PARKING AT GRADE\_SECTIONS

DATE: 2019-09-18

TCC  
INTENSIFICATION SITE TESTING  
TAURANGA

T2.GP-02  
PROJECT No. T3.GP-02



2 NS SECTION - OP 3  
T3.GP-02 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE



1 EW SECTION - OP3  
T3.GP-02 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE



TYPE 2 - RECTANGLE LONGITUDONAL - FULL BASEMENT\_FIRST FLOOR PLAN

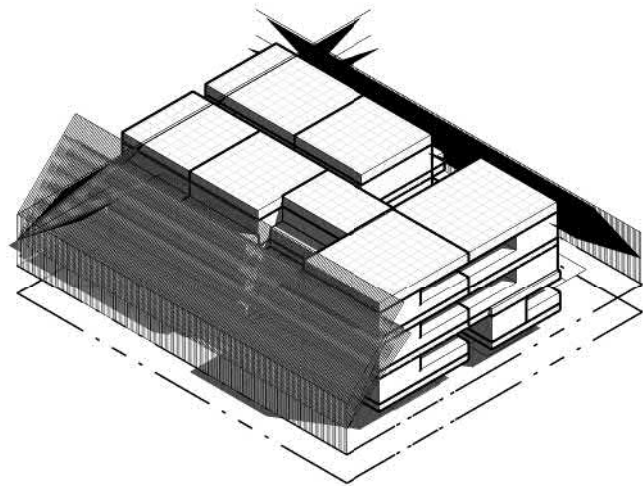
DATE: 2019-09-18



TCC  
INTENSIFICATION SITE TESTING  
TAURANGA

T2.FB-01

PROJECT No. T618



T SHAPE - 1BD APT - OPTION 2 - VIEW 2  
SCALE @ A3 - | SCALE @ A1 - DOUBLE SCALE

T SHAPE CL-AP1\_OP1 BUILDING AREAS

UNIT	TYPE	No.	GFA (m²)	Deck Area
Level 1				
2 BED	1	70 m²	12 m²	
2 BED	1	70 m²	12 m²	
	1	92 m²	12 m²	
3 BED	1	92 m²	12 m²	
1 BED	1	48 m²	12 m²	
2 BED	1	70 m²	12 m²	
	1	92 m²	12 m²	
7			510 m²	85 m²
Level 2				
2 BED	1	70 m²	12 m²	
2 BED	1	70 m²	12 m²	
	1	92 m²	12 m²	
3 BED	1	92 m²	12 m²	
1 BED	1	48 m²	12 m²	
2 BED	1	70 m²	12 m²	
	1	92 m²	12 m²	
7			532 m²	85 m²
Level 3				
2 BED	1	70 m²	12 m²	
2 BED	1	70 m²	12 m²	
	1	92 m²	12 m²	
3 BED	1	92 m²	12 m²	
1 BED	1	48 m²	12 m²	
2 BED	1	70 m²	12 m²	
	1	92 m²	12 m²	
7			532 m²	85 m²
TOT: 21			1574 m²	255 m²

T SHAPE APARTMENT BUILDING GFA

Name	GFA
BASEMENT	758 m²
GROUND FLOOR	706 m²
FIRST FLOOR	706 m²
SECOND FLOOR	706 m²
4	2877 m²

PARKING REQUIREMENTS

2 LEVELS - 14 UNITS  
26 RESIDENT PARKING

3 LEVELS - 21 UNITS  
38 RESIDENT PARKING

PARKS ON SITE:

FULL BASEMENT AREA LIMITED TO  
BUILDING ENVELOPE ABOVE:  
20 PARKS

FULL BASEMENT EXTENDED TO ACHIEVE  
STACKED CARPARKS:  
33 PARKS

SERVICE AREA REQUIREMENTS

2 LEVELS - 14 UNITS  
70m²

3 LEVELS - 21 UNITS  
105m²

1 PLAN\_A\_R Op 2\_Level 1  
T2.FB-01 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE

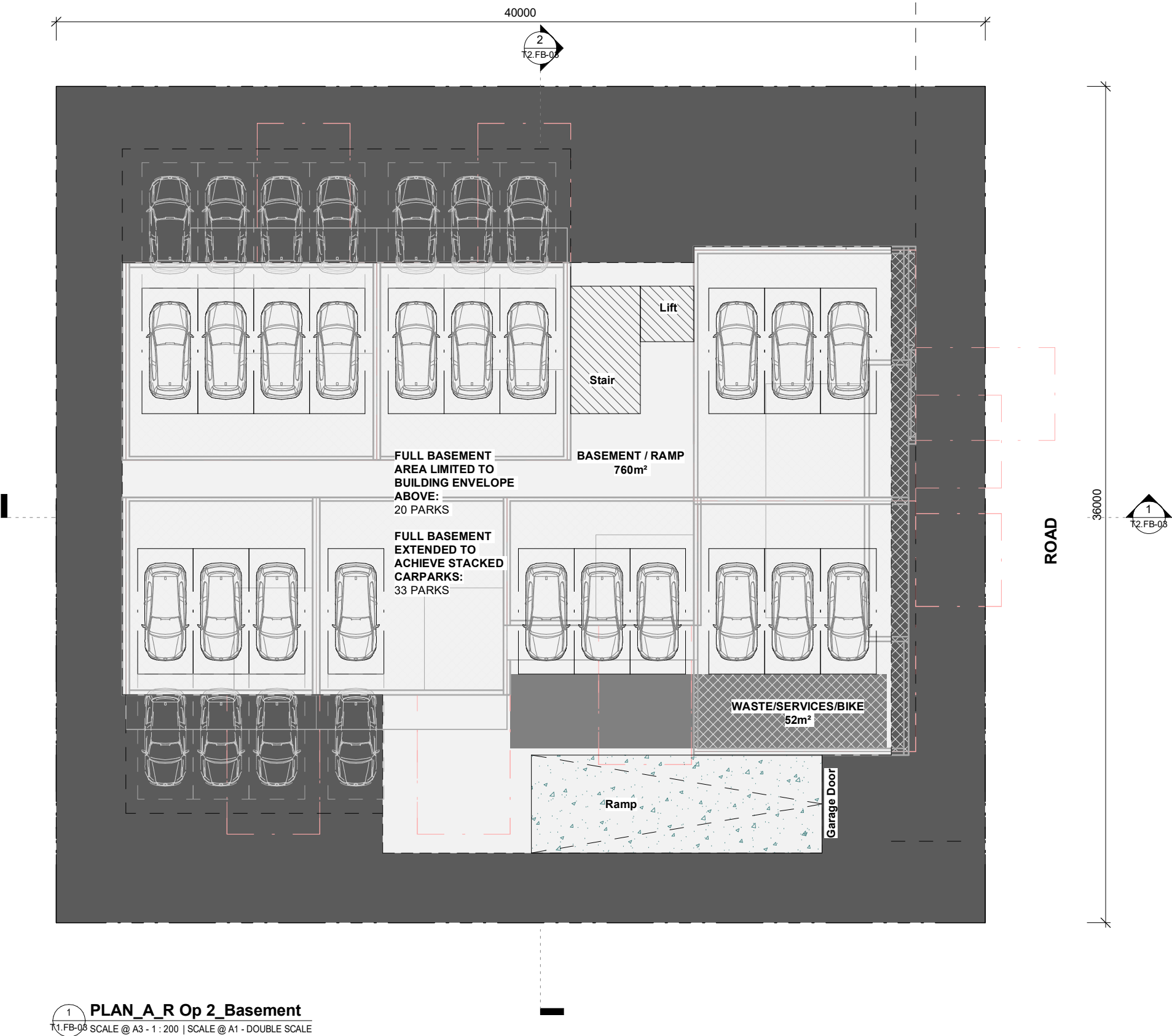


TYPE 2 - RECTANGLE LONGITUDONAL - FULL BASEMENT\_BASEMENT PLAN

DATE: 2019-09-18

TCC  
INTENSIFICATION SITE TESTING  
TAURANGA

T2.FB-02  
PROJECT No. T618



1 PLAN\_A\_R Op 2\_Basement  
T2.FB-02 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE



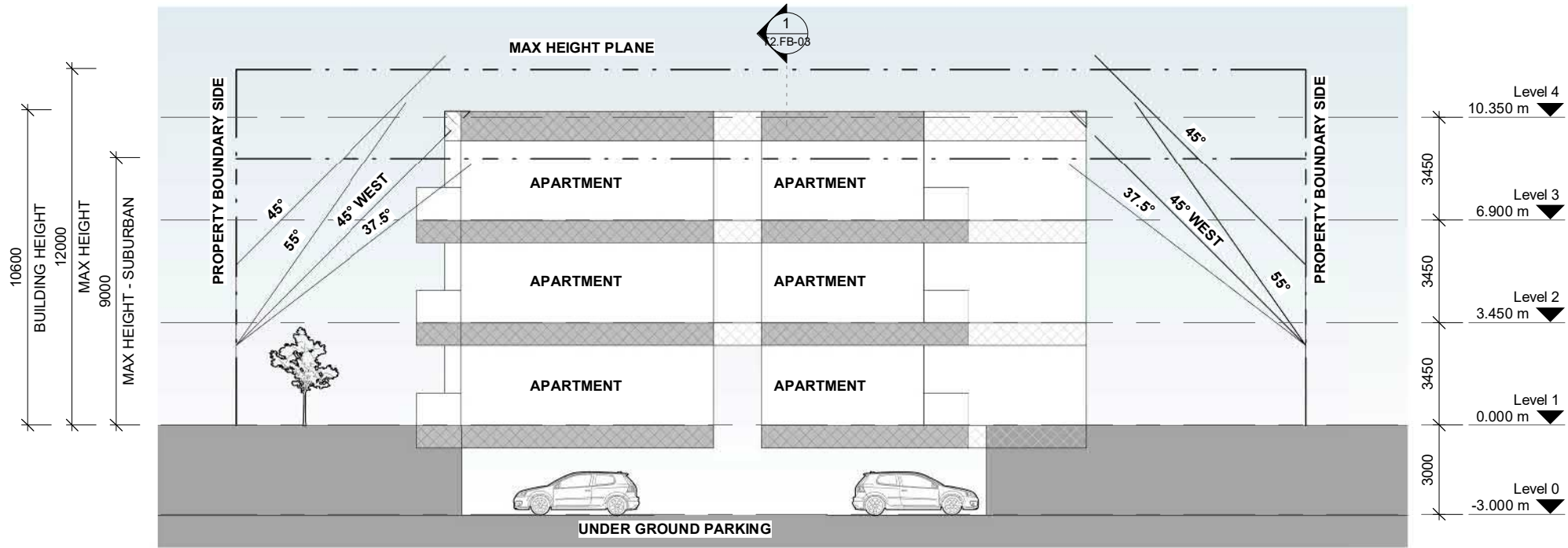


TYPE 2 - RECTANGLE LONGITUDONAL - FULL BASEMENT\_SECTIONS

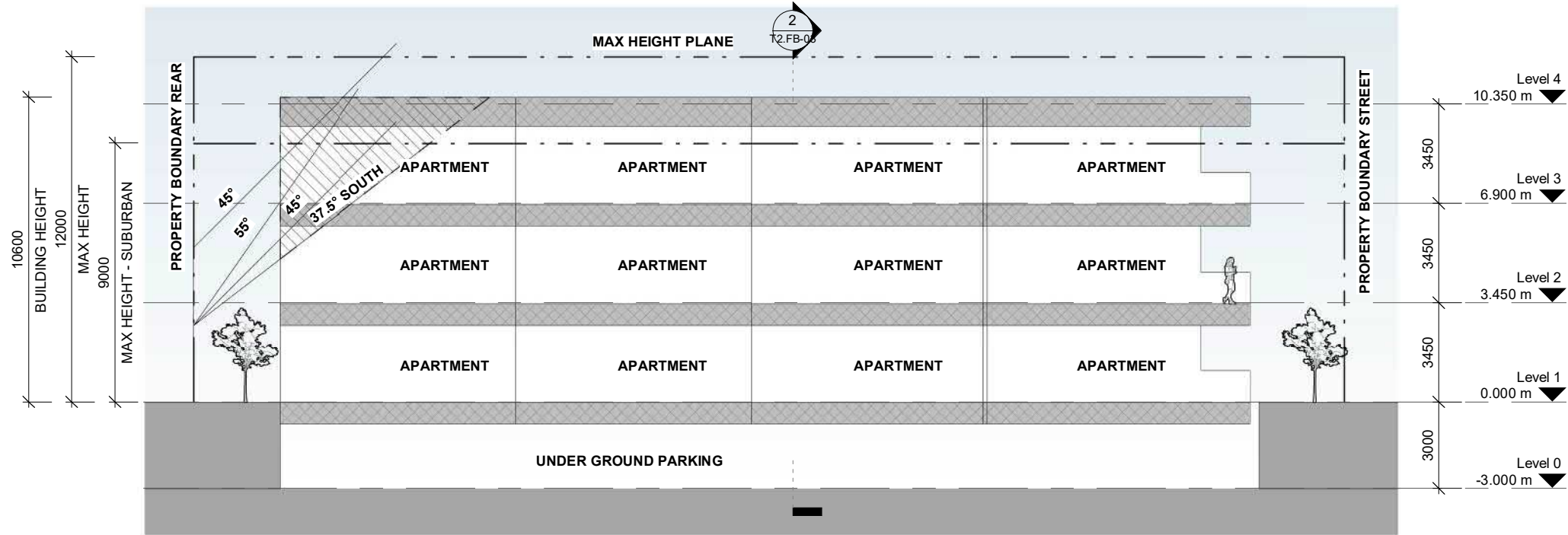
DATE: 2019-09-18

TCC  
INTENSIFICATION SITE TESTING  
TAURANGA

T2.FB-03  
PROJECT No. T618



2 Rectangle Opt2 - Section A  
T2.FB-01 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE



1 Rectangle Opt2 - Section B  
T2.FB-01 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE

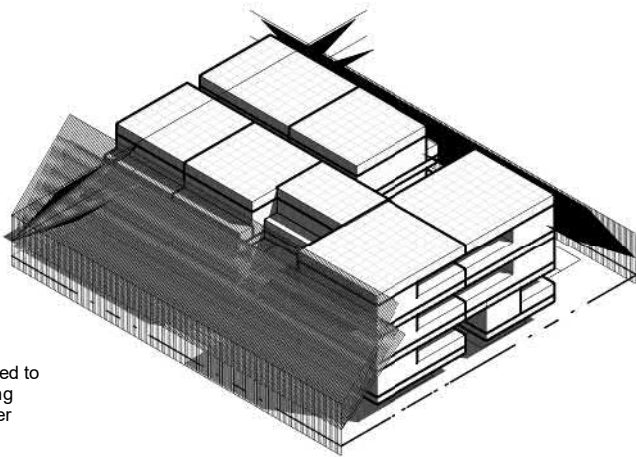
TYPE 2 - RECTANGULAR LONGITUDONAL - HALF BASEMENT\_ FIRST FLOOR PLAN

DATE: 2019-09-18



TCC  
INTENSIFICATION SITE TESTING  
TAURANGA

T2.HB-01  
PROJECT No. T618



Units to be configured to provide outdoor living behind setback, refer hatch.

2 APT - R OPT2  
SCALE @ A3 - | SCALE @ A1 - DOUBLE SCALE

HB\_RECTANGLE OPT 2 BUILDING AREAS

UNIT	TYPE	No.	GFA (m²)	Deck Area
Level 1		1	70 m²	12 m²
		1	70 m²	12 m²
		1	70 m²	12 m²
		1	92 m²	12 m²
		1	48 m²	12 m²
		1	70 m²	12 m²
		1	92 m²	85 m²
Level 2		1	70 m²	12 m²
		1	70 m²	12 m²
		1	92 m²	12 m²
		1	92 m²	12 m²
		1	48 m²	12 m²
		1	70 m²	12 m²
		1	92 m²	12 m²
Level 3		1	70 m²	12 m²
		1	70 m²	12 m²
		1	92 m²	12 m²
		1	92 m²	12 m²
		1	48 m²	12 m²
		1	70 m²	12 m²
		1	92 m²	12 m²
7			532 m²	85 m²
TOT: 21			1574 m²	255 m²

APARTMENT BUILDING GFA_RECTANGLE OPT 2	
Name	GFA
BASEMENT	741 m² (excl stacked car area).
GROUND FLOOR	706 m²
FIRST FLOOR	705 m²
SECOND FLOOR	705 m²
4	2856 m²
PARKING REQUIREMENTS	
2 LEVELS - 14 UNITS 25 RESIDENT PARKING	
3 LEVELS - 21 UNITS 38 RESIDENT PARKING	
PARKS ON SITE:	
HALF BASEMENT AREA LIMITED TO BUILDING ENVELOPE ABOVE: 20 PARKS + 2 AT GROUND = 22	
HALF BASEMENT EXTENDED TO ACHIEVE STACKED CARPARKS: 34 PARKS + 2 AT GROUND = 36	
SERVICE AREA REQUIREMENTS	
2 LEVELS - 14 UNITS 70m²	
3 LEVELS - 16 UNITS 105m²	
AREA ON SITE 106m²	

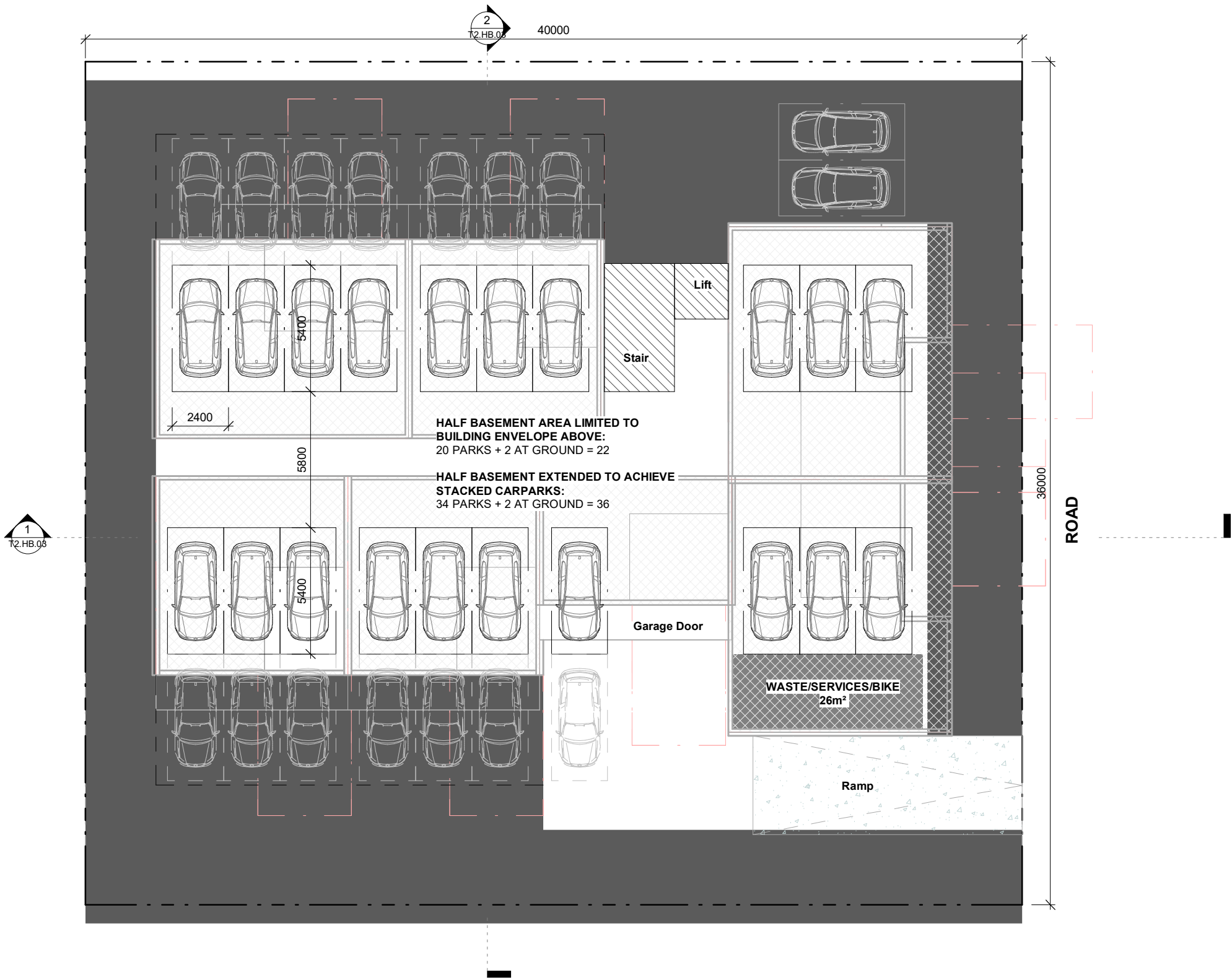
1 PLAN\_HB\_RS - FF - Opt 2  
T1.HB.08 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE

TYPE 2 - RECTANGULAR LONGITUDONAL - HALF BASEMENT\_ BASEMENT PLAN

DATE: 2019-09-18

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INTENSIFICATION SITE TESTING  
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T2.HB.02  
PROJECT No. T618



1 PLAN\_HB\_RS - B - Opt 2  
T2.HB.03 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE



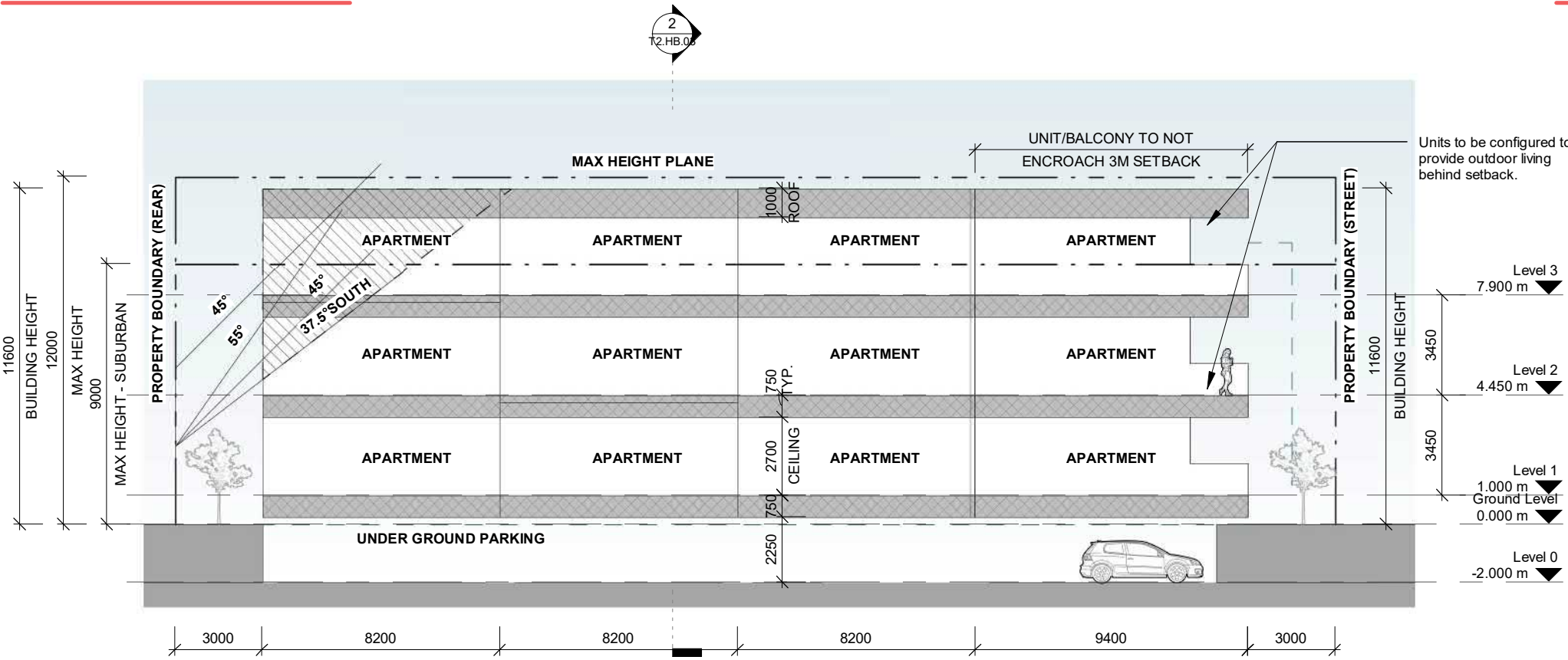


# TYPE 2 - RECTANGULAR LONGITUDONAL - HALF BASEMENT\_SECTIONS

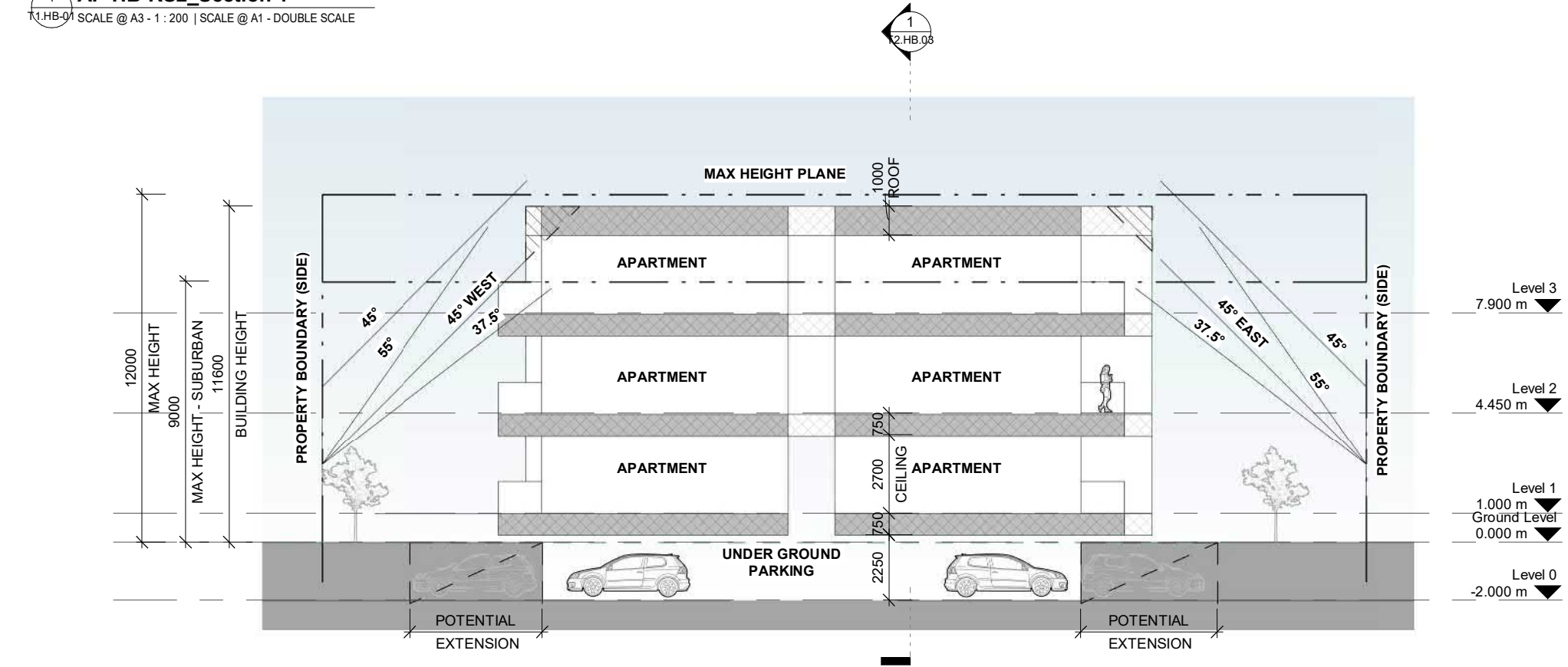
DATE: 2019-09-18

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TAURANGA

T2.HB.03  
PROJECT No. T618



1 AP-HB-RS2\_Section 1  
T1.HB-01 SCALE @ A3 - 1:200 | SCALE @ A1 - DOUBLE SCALE



2 AP-HB-RS2\_Section 2  
T1.HB-01 SCALE @ A3 - 1:200 | SCALE @ A1 - DOUBLE SCALE

MEDIUM RISE COMPREHENSIVE: TYPE 2: RECTANGLE LONGITUDINAL													
					Council Framework Compliance category:								
Parking Type	No. Carparks	No. Units	Level	Parking – Market Rates (Rate 1.8 per unit – includes visitor at 0.2)	Parking Average 1 per 1 Bed 1.3 per 2 Bed 1.5 per 3 Bed 0.2 visitor	Height 9m (Max within 10m of boundary to suburban) 12m (Max Height)		Recession Planes (i) South: 2.7m up, 37.5° Other side/rear: 2.7m up, 45°		Recession Planes (ii) All side and rear boundaries: 5.4m up, 45°	Outdoor Living: Ground Floor: Min Area 30m², Min 4m. Upper Levels: Min area 12m², min 1.5m	Visual Outlook Living: 6m deep, 4m wide. Bedroom: 3m deep, 3m wide.	Setbacks Street: 3m Rear: 3m Side: 1.5m
At Grade	25	19	1	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
			2	✓	✓	✓	✓	✗	✓	✓			
			3	✗	✗	✗	✓	✗	✗	✗			
Half Basement	36	21	1	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
			2	✓	✓	✓	✓	✗	✓	✓			
			3	✗	✓	✗	✓	✗	✗	✗			
Full Basement	33	21	1	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
			2	✓	✓	✓	✓	✗	✓	✓			
			3	✗	✓	✗	✓	✗	✗	✗			

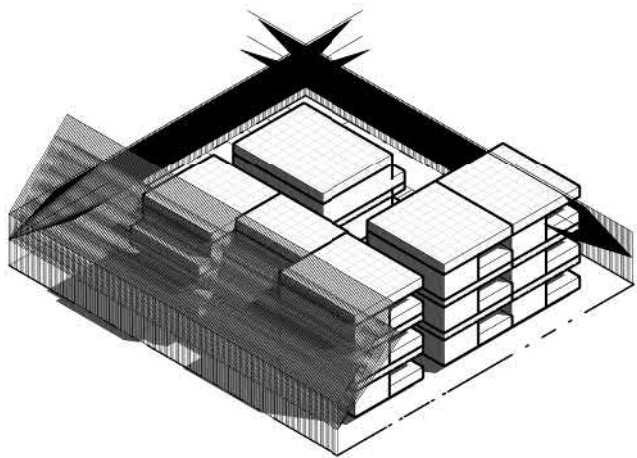
TYPE 3 - L SHAPE - PARKING AT GRADE\_FIRST FLOOR PLAN

DATE: 2019-09-18



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INTENSIFICATION SITE TESTING  
TAURANGA

T3.GP-01  
PROJECT No. T3.GP-02



APT - OPTION 4

SCALE @ A3 - | SCALE @ A1 - DOUBLE SCALE

OP4 BUILDING AREAS

TYPE	No.	GFA (m²)	Deck Area
Level 1			
1 BD	1	48 m²	12 m²
2 BD	3	209 m²	37 m²
4		257 m²	49 m²
Level 2			
1 BD	1	48 m²	12 m²
2 BD	4	279 m²	49 m²
3 BD	1	92 m²	12 m²
6		418 m²	73 m²
Level 3			
1 BD	1	48 m²	12 m²
2 BD	4	279 m²	49 m²
3 BD	1	92 m²	12 m²
6		418 m²	73 m²
TOT: 16		1093 m²	195 m²

APARTMENT BUILDING GFA OP 4

Name	GFA
GROUND FLOOR	406 m²
FIRST FLOOR	616 m²
SECOND FLOOR	616 m²
3	1639 m²

PARKING REQUIREMENTS

2 LEVELS - 12 UNITS  
22 RESIDENT PARKING

3 LEVELS - 16 UNITS  
29 RESIDENT PARKING

PARKS ON SITE  
28

SERVICE AREA REQUIREMENTS

2 LEVELS - 12 UNITS  
60m²

3 LEVELS - 16 UNITS  
80m²

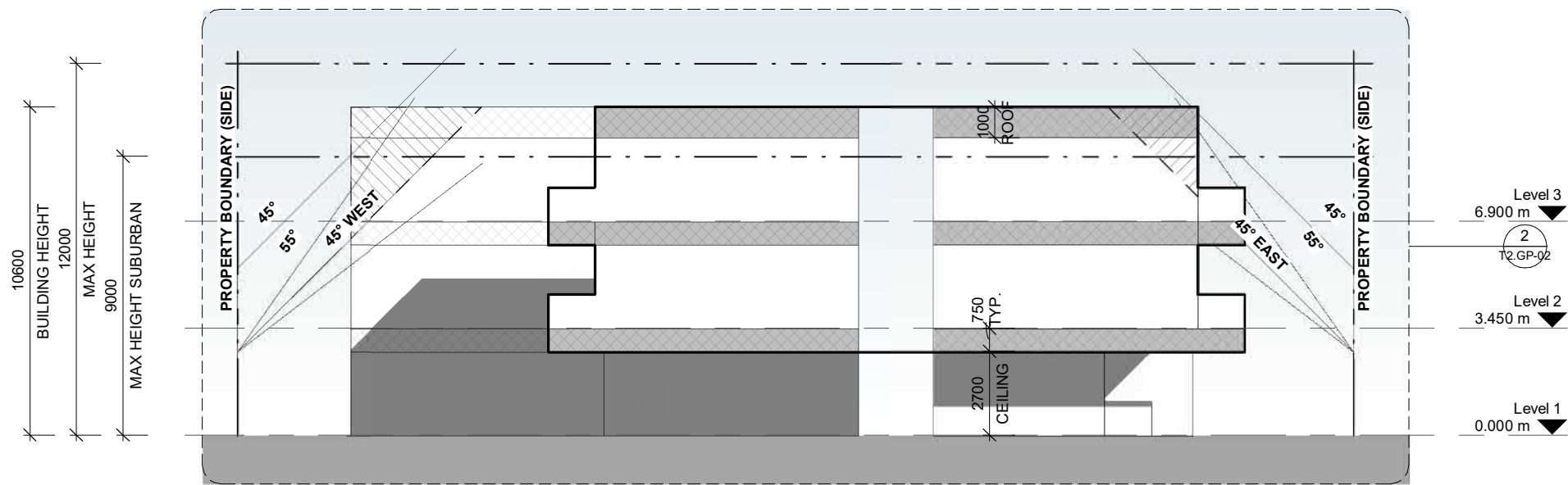
AREA ON SITE  
77m²

APARTMENT - OPTION 4

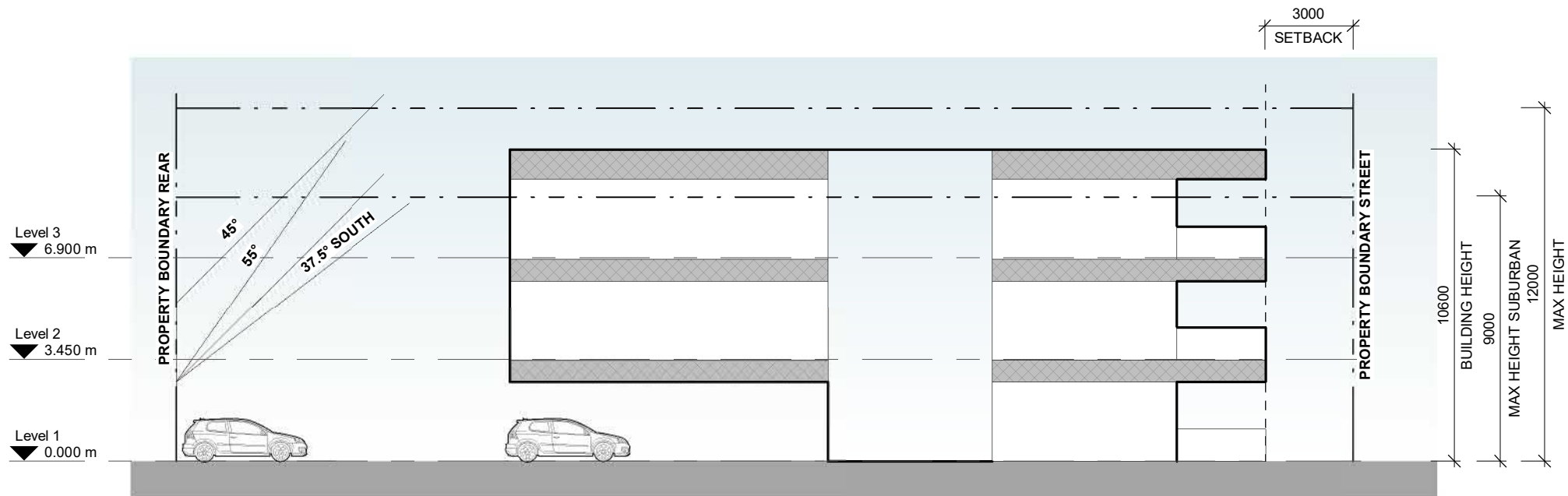
SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE







2 NS SECTION - OP 4  
T3.GP-01 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE



1 EW SECTION - OP4  
T3.GP-01 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE

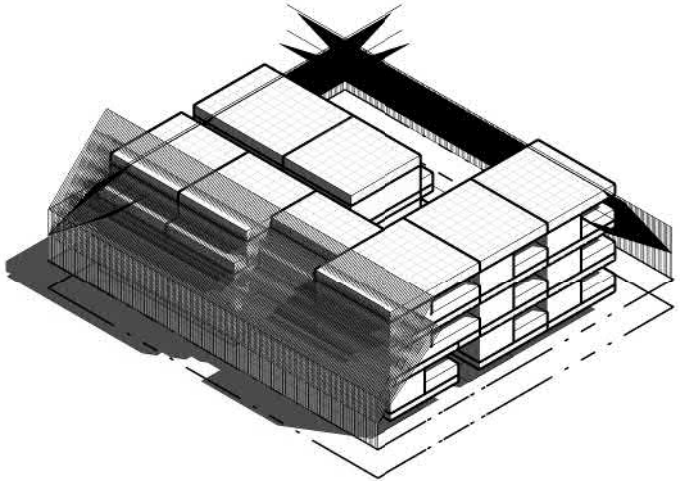
TYPE 3 - L SHAPE - FULL BASEMENT\_FIRST FLOOR PLAN

DATE: 2019-09-18



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TAURANGA

T3.FB-01  
PROJECT No. T618



L SHAPE - 1BD APT - OPTION 2 - VIEW 2  
SCALE @ A3 - | SCALE @ A1 - DOUBLE SCALE

L SHAPE CL-AP1\_OP1 BUILDING AREAS

UNIT	TYPE	No.	GFA (m²)	Deck Area
Level 1				
3 BED		1	70 m²	12 m²
		1	92 m²	12 m²
		1	70 m²	12 m²
		1	70 m²	12 m²
1 BED		1	48 m²	12 m²
		1	70 m²	12 m²
		1	70 m²	12 m²
		1	70 m²	12 m²
2 BED		1	70 m²	12 m²
		1	70 m²	12 m²
8			558 m²	98 m²
Level 2				
3 BED		1	70 m²	12 m²
		1	92 m²	12 m²
		1	92 m²	12 m²
		1	70 m²	12 m²
1 BED		1	48 m²	12 m²
		1	70 m²	12 m²
		1	70 m²	12 m²
		1	70 m²	12 m²
2 BED		1	70 m²	12 m²
		1	70 m²	12 m²
8			580 m²	98 m²
Level 3				
3 BED		1	70 m²	12 m²
		1	92 m²	12 m²
		1	92 m²	12 m²
		1	70 m²	12 m²
1 BED		1	48 m²	12 m²
		1	70 m²	12 m²
		1	70 m²	12 m²
		1	70 m²	12 m²
2 BED		1	70 m²	12 m²
		1	70 m²	12 m²
8			580 m²	98 m²
TOT: 24			1717 m²	293 m²

L SHAPE APARTMENT BUILDING GFA

Name	GFA
BASEMENT	934 m²
GROUND FLOOR	775 m²
SECOND FLOOR	775 m²
FIRST FLOOR	775 m²
4	3260 m²

PARKING REQUIREMENTS

2 LEVELS - 16 UNITS  
29 RESIDENT PARKING

3 LEVELS - 24 UNITS  
44 RESIDENT PARKING

PARKS ON SITE:

FULL BASEMENT AREA LIMITED TO  
BUILDING ENVELOPE ABOVE:  
28 PARKS

FULL BASEMENT EXTENDED TO ACHIEVE  
STACKED CARPARKS:  
33 PARKS

SERVICE AREA REQUIREMENTS

2 LEVELS - 16 UNITS  
80m²

3 LEVELS - 24 UNITS  
120m²

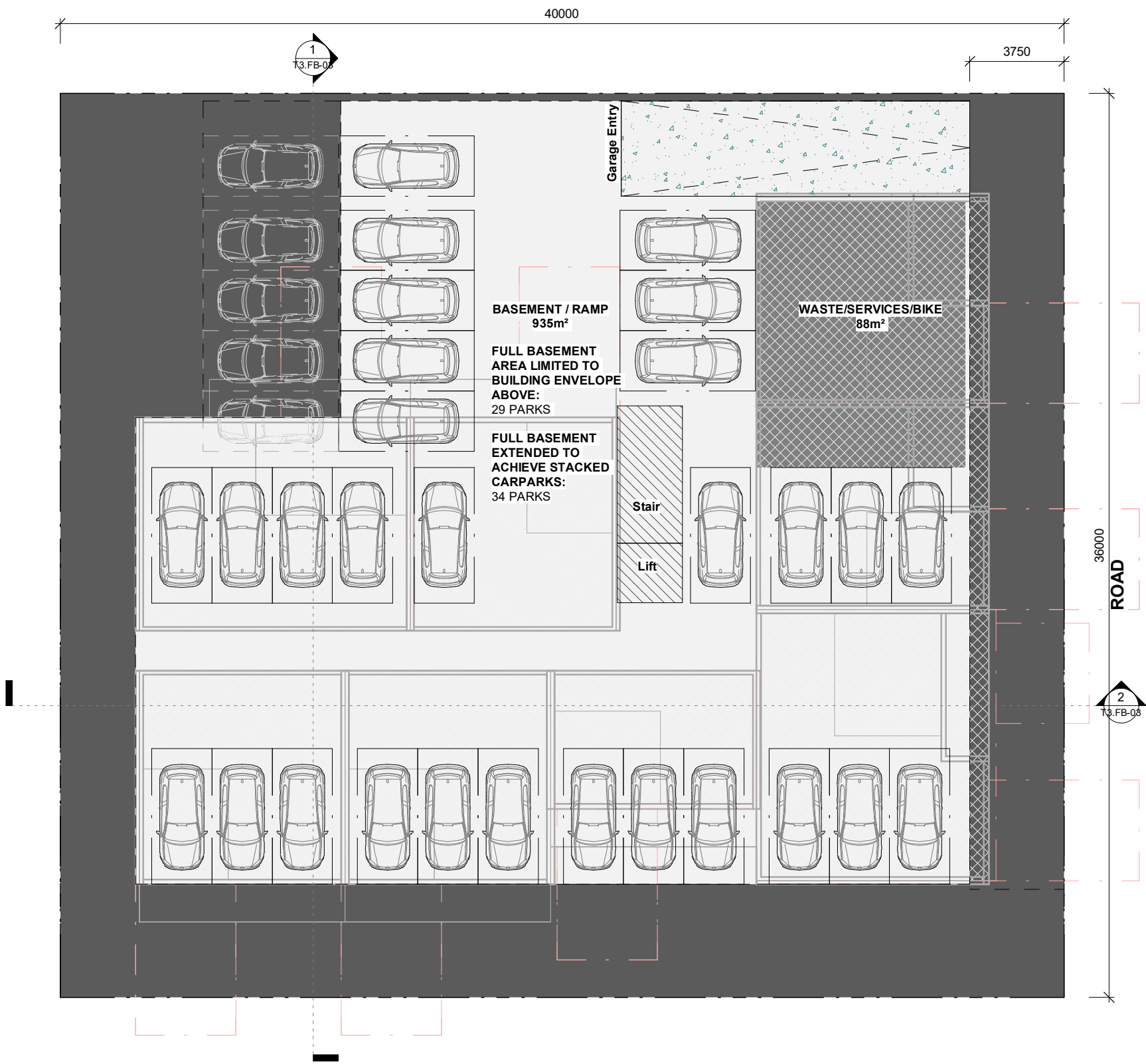
AREA ON SITE  
120m²

TYPE 3 - L SHAPE - FULL BASEMENT\_BASEMENT PLAN

DATE: 2019-09-18

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INTENSIFICATION SITE TESTING  
TAURANGA

T3.FB-02  
PROJECT No. T618



1 PLAN\_A\_L\_Basement  
T3.FB-02 SCALE @ A3 - 1:200 | SCALE @ A1 - DOUBLE SCALE



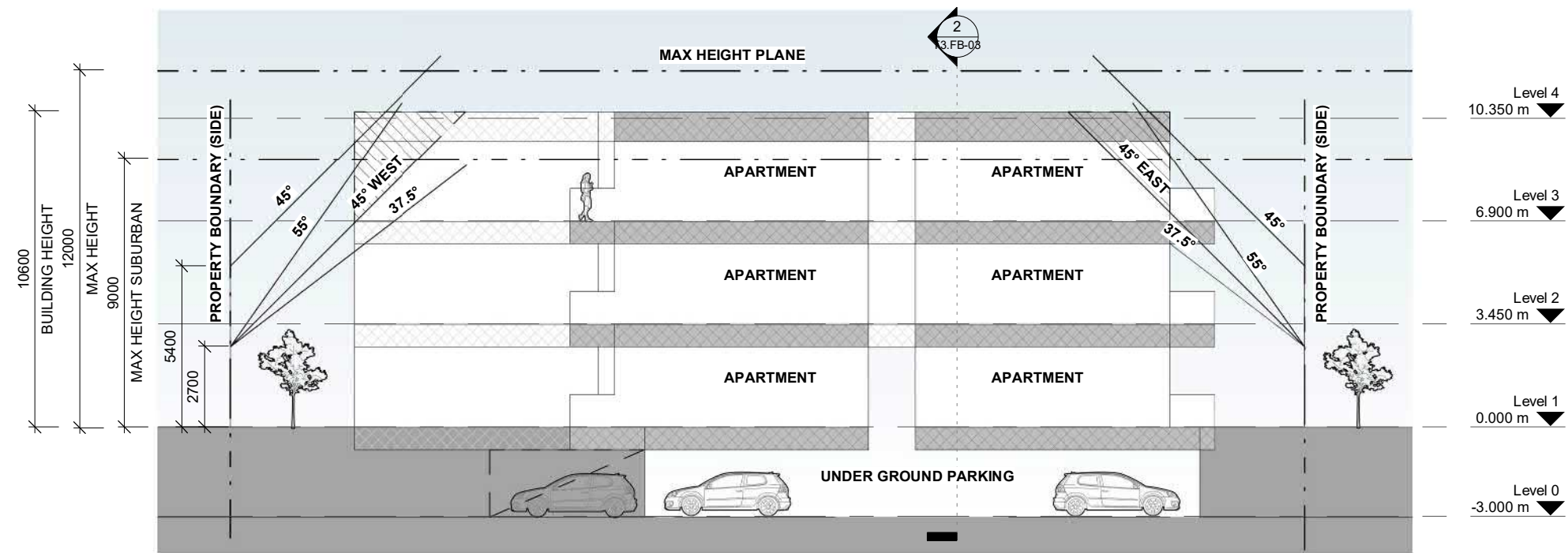


TYPE 3 - L SHAPE - FULL BASEMENT\_SECTIONS

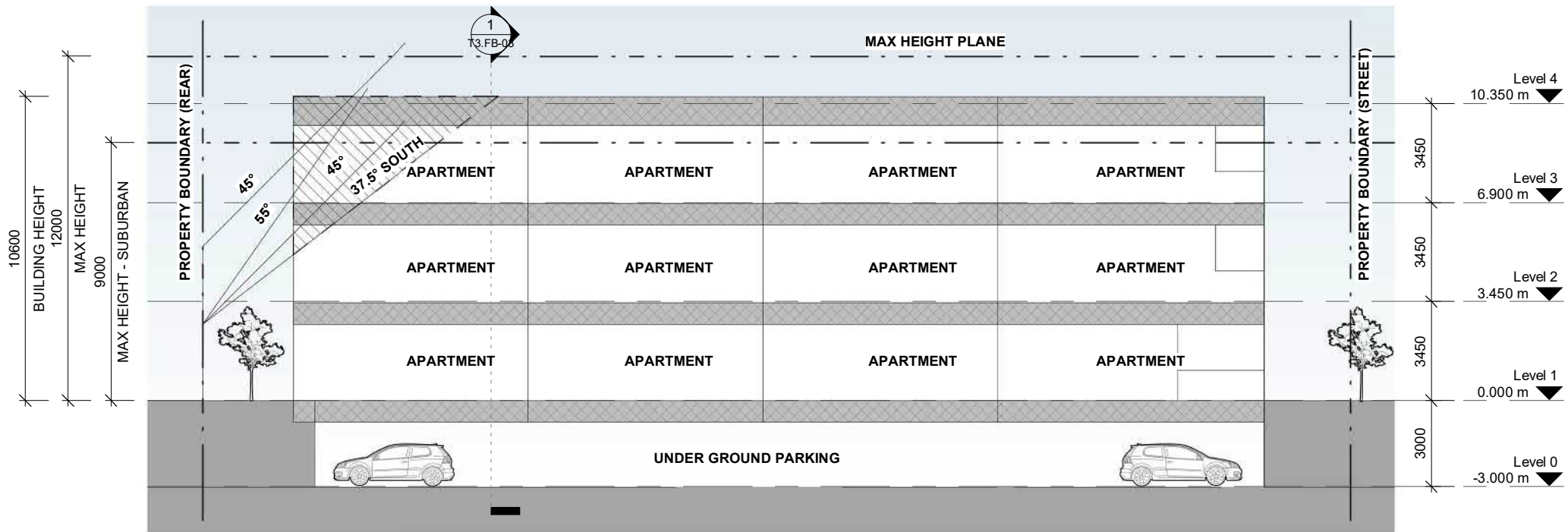
DATE: 2019-09-18

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INTENSIFICATION SITE TESTING  
TAURANGA

T3.FB-03  
PROJECT No. T618



1 L Shape - Section A  
T3.FB-01 SCALE @ A3 - 1:200 | SCALE @ A1 - DOUBLE SCALE



2 L Shape - Section B  
T3.FB-02 SCALE @ A3 - 1:200 | SCALE @ A1 - DOUBLE SCALE



TYPE 3 - L SHAPE - HALF BASEMENT\_ FIRST FLOOR PLAN

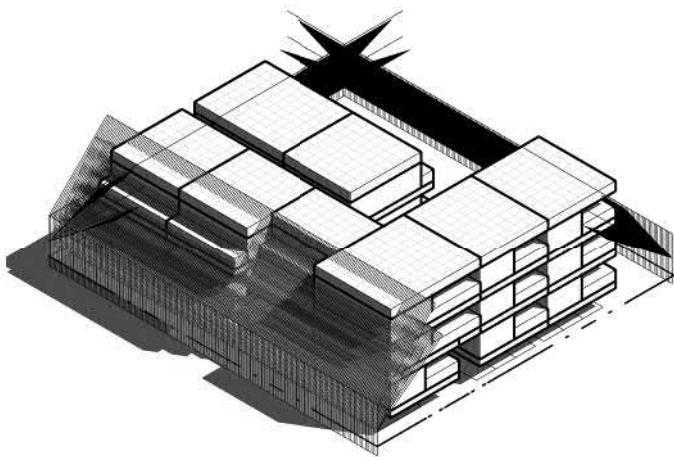
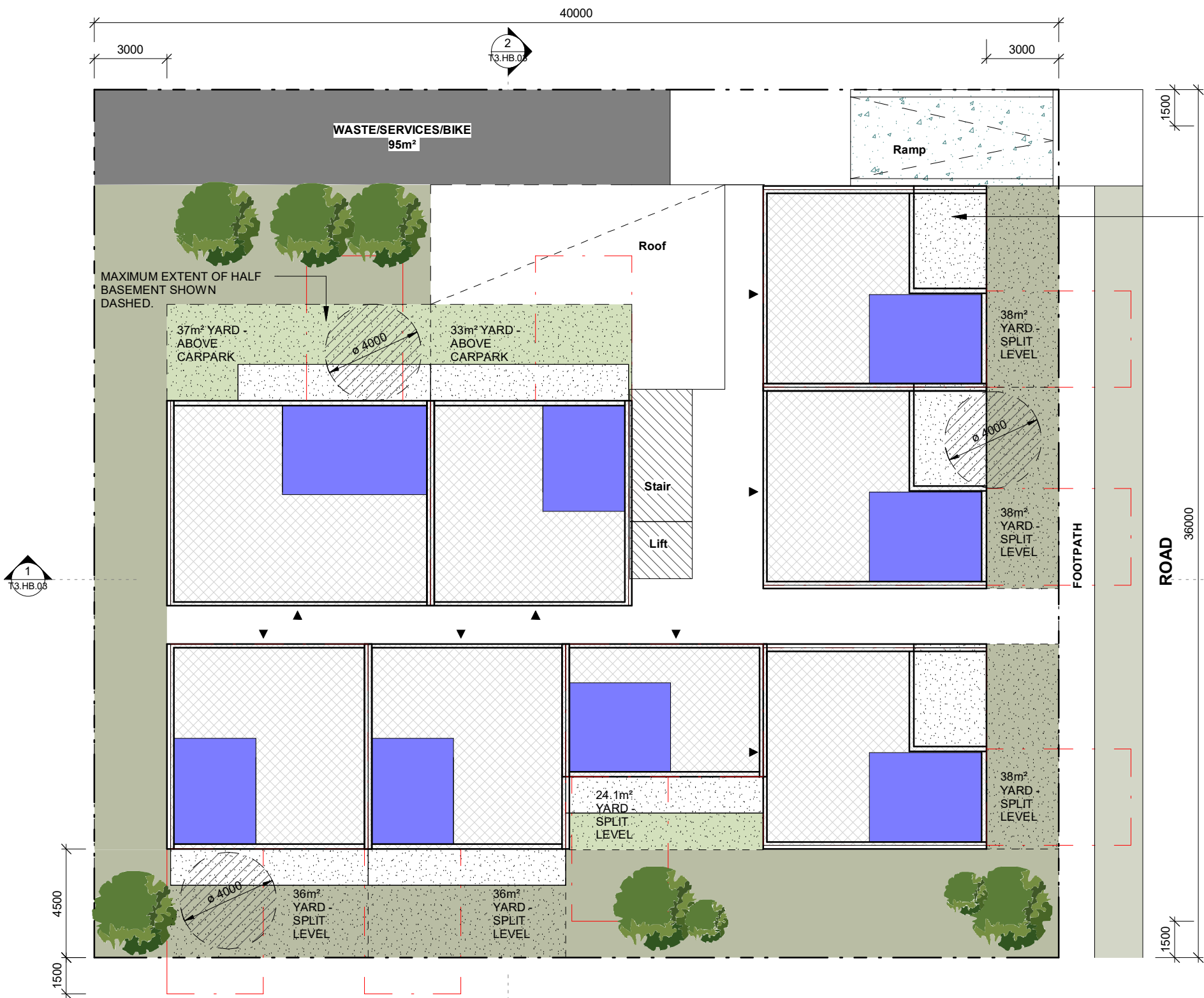
DATE: 2019-09-18



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INTENSIFICATION SITE TESTING  
TAURANGA

T3.HB-01

PROJECT No. T618



Units to be configured to provide outdoor living behind setback, refer hatch.

2

APT - L

SCALE @ A3 -

SCALE @ A1 - DOUBLE SCALE

HB\_L SHAPE BUILDING AREAS

UNIT	TYPE	No.	GFA (m²)	Deck Area
Level 1				
1	70 m²	1	70 m²	12 m²
1	92 m²	1	92 m²	12 m²
1	70 m²	1	70 m²	12 m²
1	70 m²	1	70 m²	12 m²
1	48 m²	1	48 m²	12 m²
1	70 m²	1	70 m²	12 m²
1	70 m²	1	70 m²	12 m²
1	70 m²	1	70 m²	12 m²
8			558 m²	98 m²
Level 2				
1	70 m²	1	70 m²	12 m²
1	92 m²	1	92 m²	12 m²
1	92 m²	1	92 m²	12 m²
1	70 m²	1	70 m²	12 m²
1	48 m²	1	48 m²	12 m²
1	70 m²	1	70 m²	12 m²
1	70 m²	1	70 m²	12 m²
1	70 m²	1	70 m²	12 m²
8			580 m²	98 m²
Level 3				
1	70 m²	1	70 m²	12 m²
1	92 m²	1	92 m²	12 m²
1	92 m²	1	92 m²	12 m²
1	70 m²	1	70 m²	12 m²
1	48 m²	1	48 m²	12 m²
1	70 m²	1	70 m²	12 m²
1	70 m²	1	70 m²	12 m²
1	70 m²	1	70 m²	12 m²
8			580 m²	98 m²
TOT: 24			1717 m²	293 m²

APARTMENT BUILDING GFA\_L SHAPE

Name	GFA
BASEMENT	825 m²
GROUND FLOOR	769 m²
FIRST FLOOR	769 m²
SECOND FLOOR	769 m²
4	3132 m²
PARKING REQUIREMENTS	
2 LEVELS - 16 UNITS	29 RESIDENT PARKING
3 LEVELS - 24 UNITS	43 RESIDENT PARKING
PARKS ON SITE:	
HALF BASEMENT AREA LIMITED TO BUILDING ENVELOPE ABOVE:	
28 PARKS	
HALF BASEMENT EXTENDED TO ACHIEVE STACKED CARPARKS:	
35 PARKS	
SERVICE AREA REQUIREMENTS	
2 LEVELS - 16 UNITS	80m²
3 LEVELS - 24 UNITS	120m²
AREA ON SITE	110m²

1 PLAN\_HB\_LS - GF

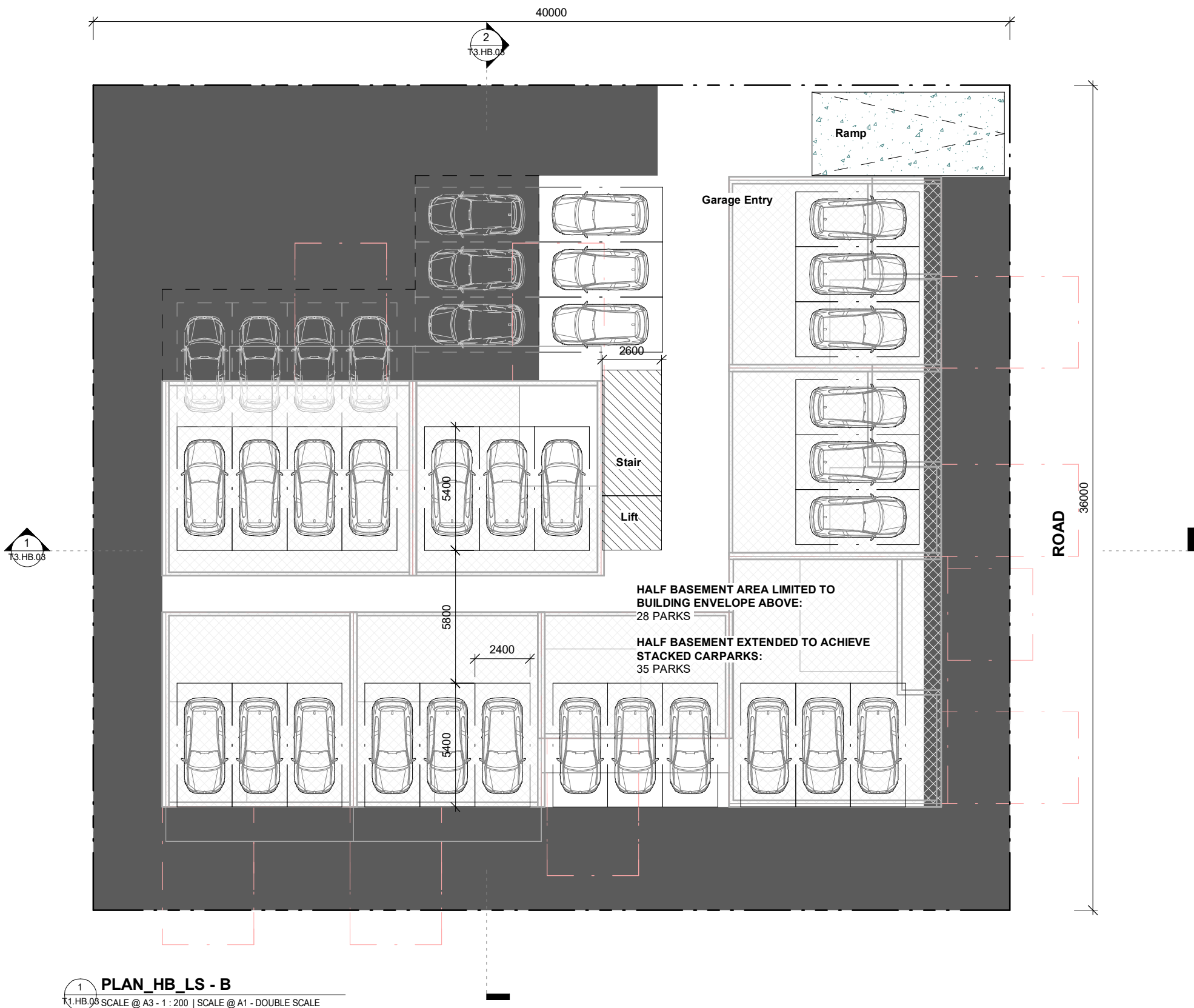
T3.HB.08 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE

TYPE 3 - L SHAPE - HALF BASEMENT\_ BASEMENT PLAN

DATE: 2019-09-18

TCC  
INTENSIFICATION SITE TESTING  
TAURANGA

T3.HB.02  
PROJECT No. T618



1 PLAN\_HB\_LS - B  
T3.HB.02 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE

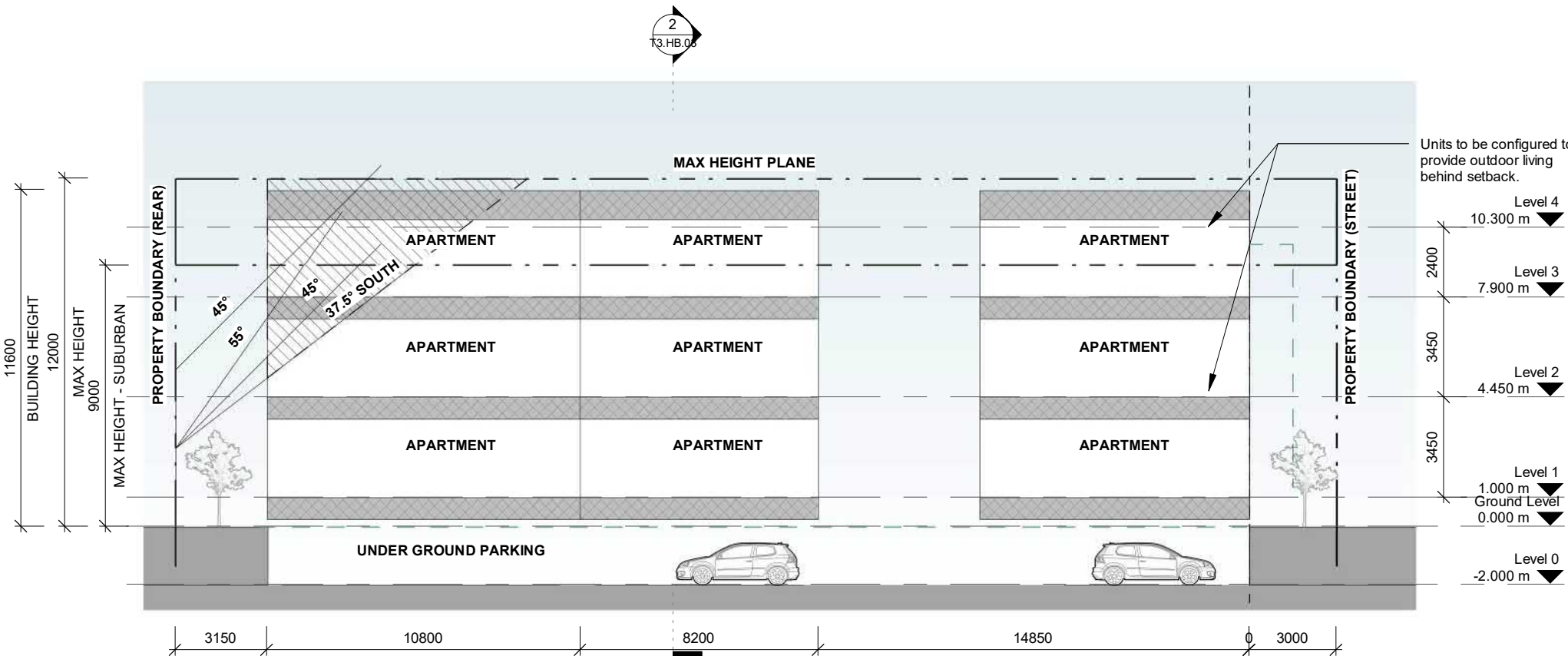


TYPE 3 - L SHAPE - HALF BASEMENT\_SECTIONS

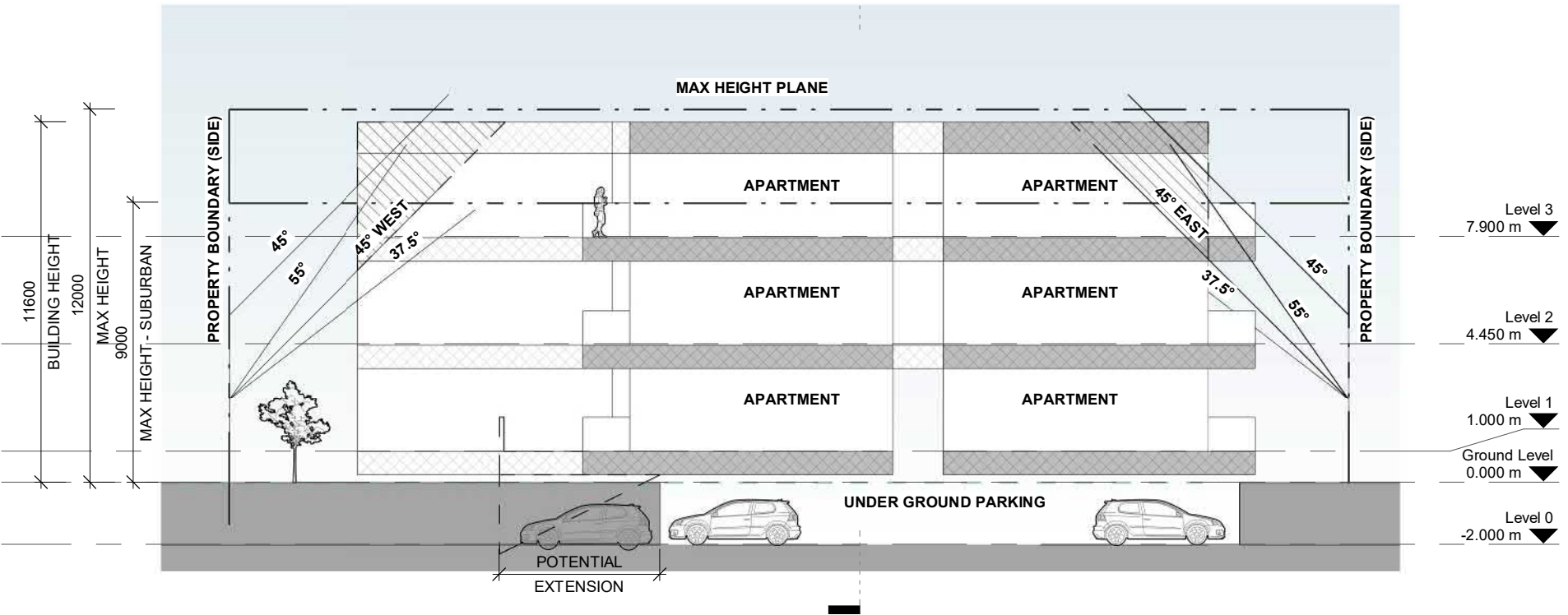
DATE: 2019-09-18

TCC  
INTENSIFICATION SITE TESTING  
TAURANGA

T3.HB.03  
PROJECT No. T618



1 AP-HB-LS\_Section 1  
T3.HB-01 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE



2 AP-HB-LS\_Section 2  
T3.HB-01 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE

MEDIUM RISE COMPREHENSIVE: TYPE 3: L SHAPE													
					Council Framework Compliance category:								
Parking Type	No. Carparks	No. Units	Level	Parking – Market Rates (Rate 1.8 per unit – includes visitor at 0.2)	Parking Average 1 per 1 Bed 1.3 per 2 Bed 1.5 per 3 Bed 0.2 visitor	Height 9m (Max within 10m of boundary to suburban) 12m (Max Height)		Recession Planes (i) South: 2.7m up, 37.5° Other side/rear: 2.7m up, 45°		Recession Planes (ii) All side and rear boundaries: 5.4m up, 45°	Outdoor Living: Ground Floor: Min Area 30m², Min 4m. Upper Levels: Min area 12m², min 1.5m	Visual Outlook Living: 6m deep, 4m wide. Bedroom: 3m deep, 3m wide.	Setbacks Street: 3m Rear: 3m Side: 1.5m
At Grade	28	16	1	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
			2	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
			3	✗	✗	✗	✓	✓	✗	✗			
Half Basement	35	24	1	✓	✓	✓	✓	✓	✓	✓	✓	✓*	✓
			2	✓	✓	✓	✓	✗	✗	✓	✓	✓*	✓
			3	✗	✓	✗	✓	✗	✗	✗			
Full Basement	33	24	1	✓	✓	✓	✓	✓	✓	✓	✓	✓*	✓
			2	✓	✓	✓	✓	✗	✓	✓	✓	✓*	✓
			3	✗	✓	✗	✓	✗	✗	✗			





STEP IN BUILDING TO ALL FOR RECESSION PLANES



CL TYPE 1 - 3 STOREY - HALF BASEMENT - BASEMENT PLAN

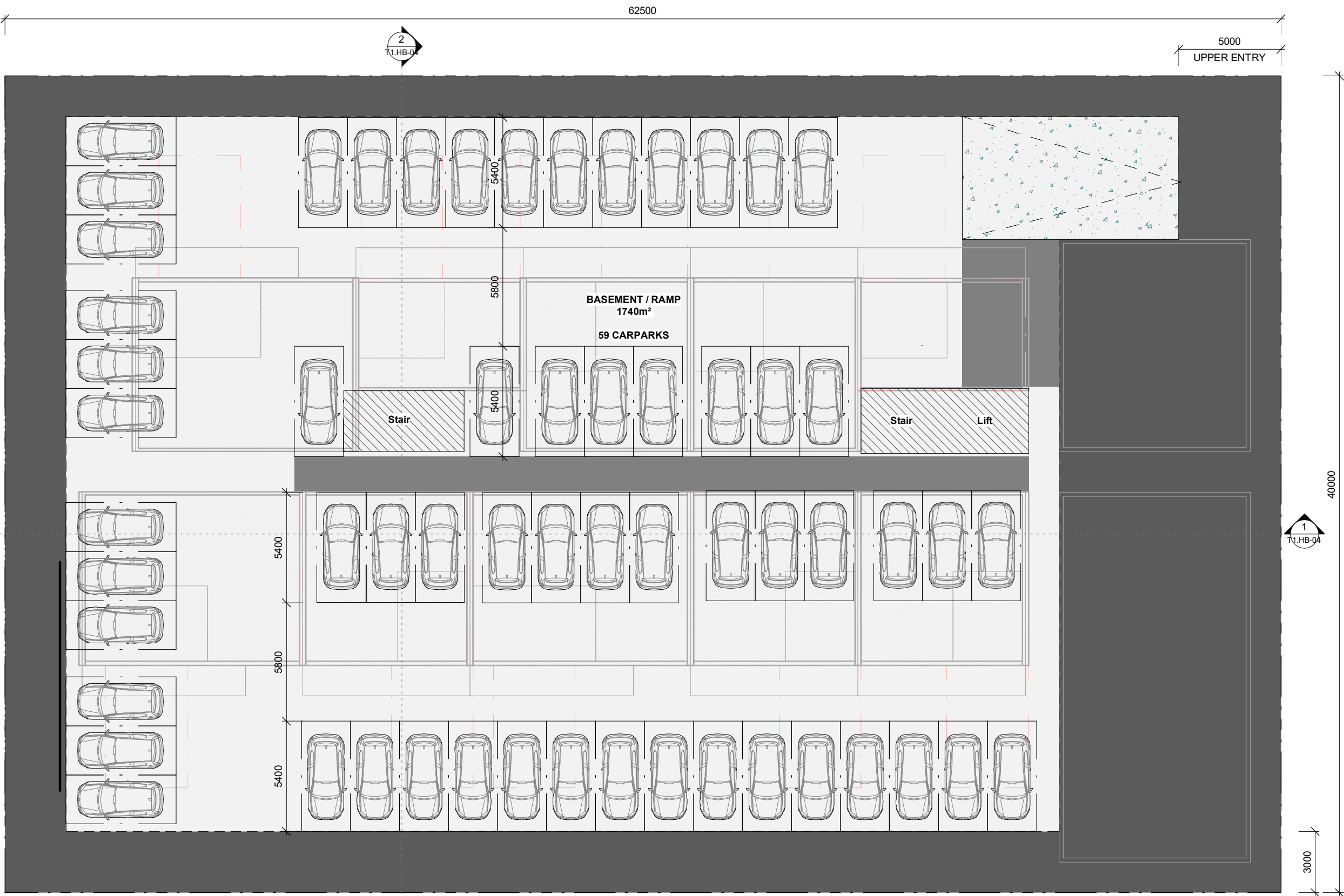
DATE: 2019-09-18



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TAURANGA

T1.HB-01

PROJECT No. T618



L SHAPE - HALFBASEMENT  
BUILDING AREAS

UNIT	TYPE	No.	GFA (m²)	Deck Area
Level 1				
3 BED	1	92 m²	12 m²	
2 BED	1	70 m²	12 m²	
3 BED	1	92 m²	12 m²	
1 BED	1	48 m²	12 m²	
2 BED	1	70 m²	12 m²	
3 BED	1	92 m²	12 m²	
2 BED	1	70 m²	12 m²	
2 BED	1	70 m²	12 m²	
1 BED	1	45 m²	12 m²	
RETAIL	1	100 m²		
RETAIL	1	130 m²		
12			947 m²	122 m²
Level 3				
2 BED	1	70 m²	12 m²	
3 BED	1	92 m²	12 m²	
2 BED	1	70 m²	12 m²	
3 BED	1	92 m²	12 m²	
3 BED	1	92 m²	12 m²	
1 BED	1	48 m²	12 m²	
2 BED	1	70 m²	12 m²	
3 BED	1	92 m²	12 m²	
2 BED	1	70 m²	12 m²	
2 BED	1	70 m²	12 m²	
2 BED	1	70 m²	12 m²	
1 BED	1	48 m²	12 m²	
3 BED	1	92 m²	12 m²	
13			972 m²	158 m²
Level 4				
2 BED	1	70 m²	12 m²	
3 BED	1	92 m²	12 m²	
2 BED	1	70 m²	12 m²	
3 BED	1	92 m²	12 m²	
3 BED	1	92 m²	12 m²	
1 BED	1	48 m²	12 m²	
2 BED	1	70 m²	12 m²	
3 BED	1	92 m²	12 m²	
2 BED	1	70 m²	12 m²	
2 BED	1	70 m²	12 m²	
2 BED	1	70 m²	12 m²	
1 BED	1	48 m²	12 m²	
3 BED	1	92 m²	12 m²	
13			972 m²	158 m²
TOT: 38			2891 m²	437 m²

L SHAPE - HALFBASEMENT APARTMENT  
BUILDING GFA

Name	GFA
BASEMENT	1678 m²
GROUND FLOOR	1169 m²
FIRST FLOOR	1156 m²
SECOND FLOOR	1167 m²
4	5169 m²

PARKING BASEMENT

57 PARKS

# CL TYPE 1 - 3 STOREY - HALF BASEMENT - GROUND FLOOR PLAN

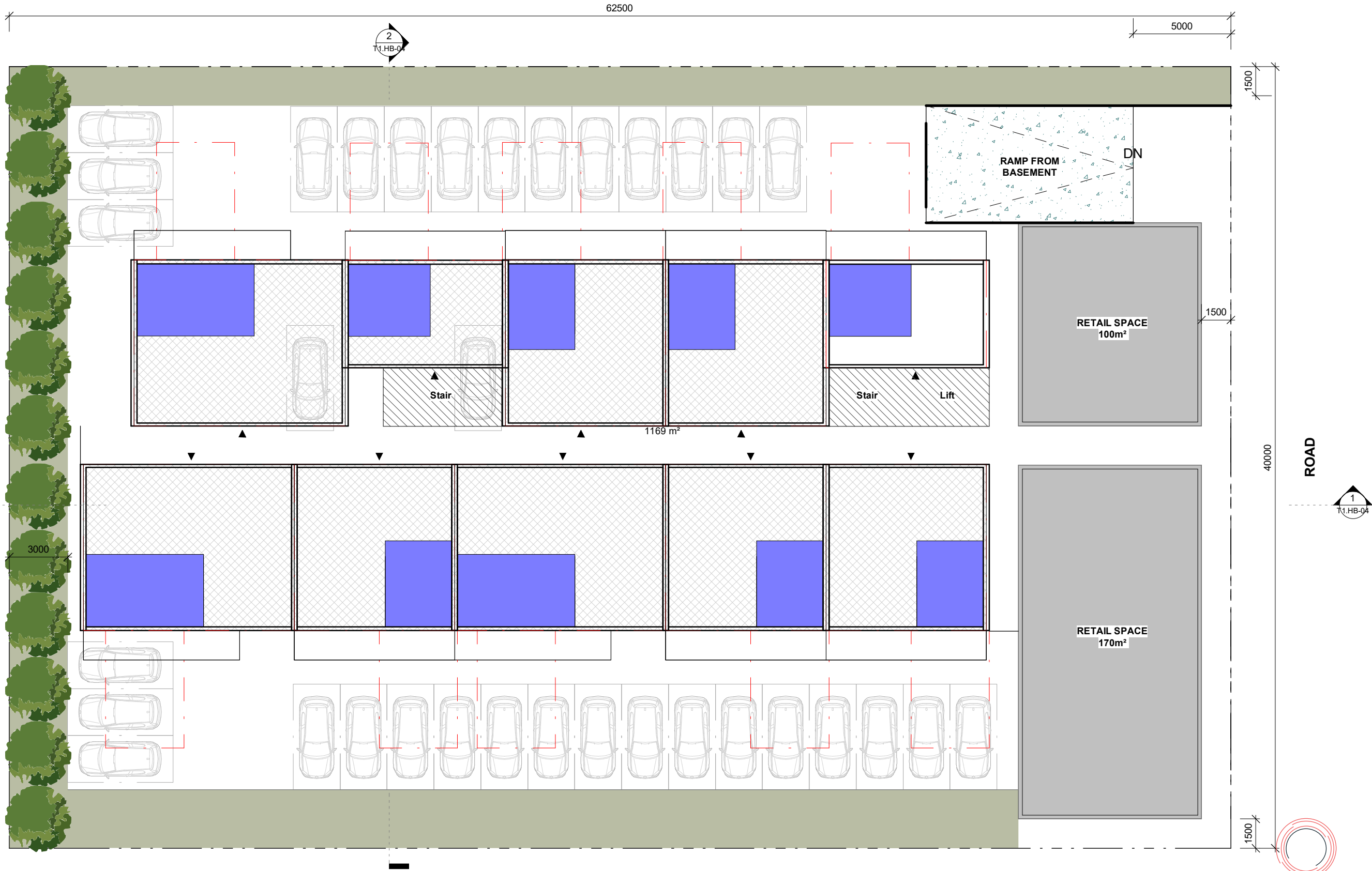
DATE: 2019-09-18



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TAURANGA

# T1.HB-02

PROJECT No. T618

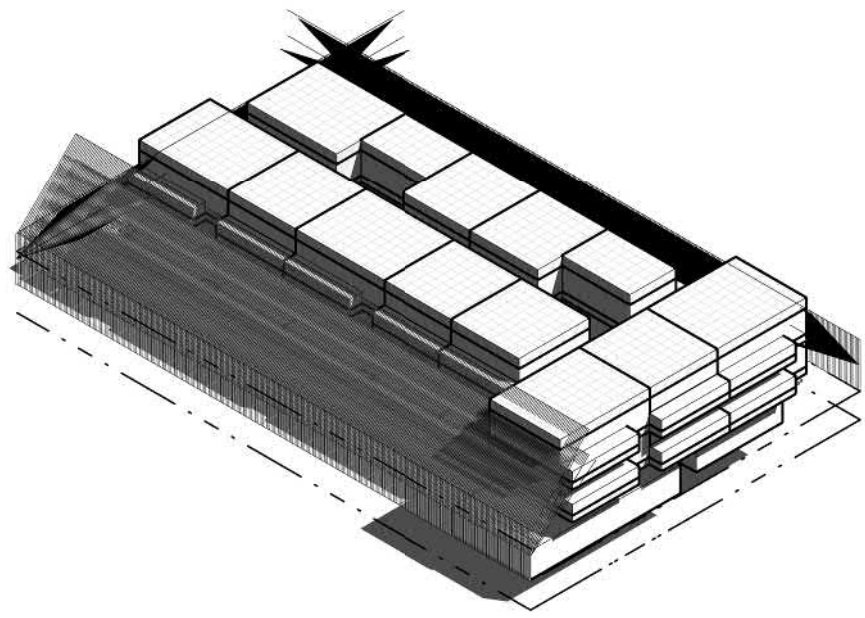
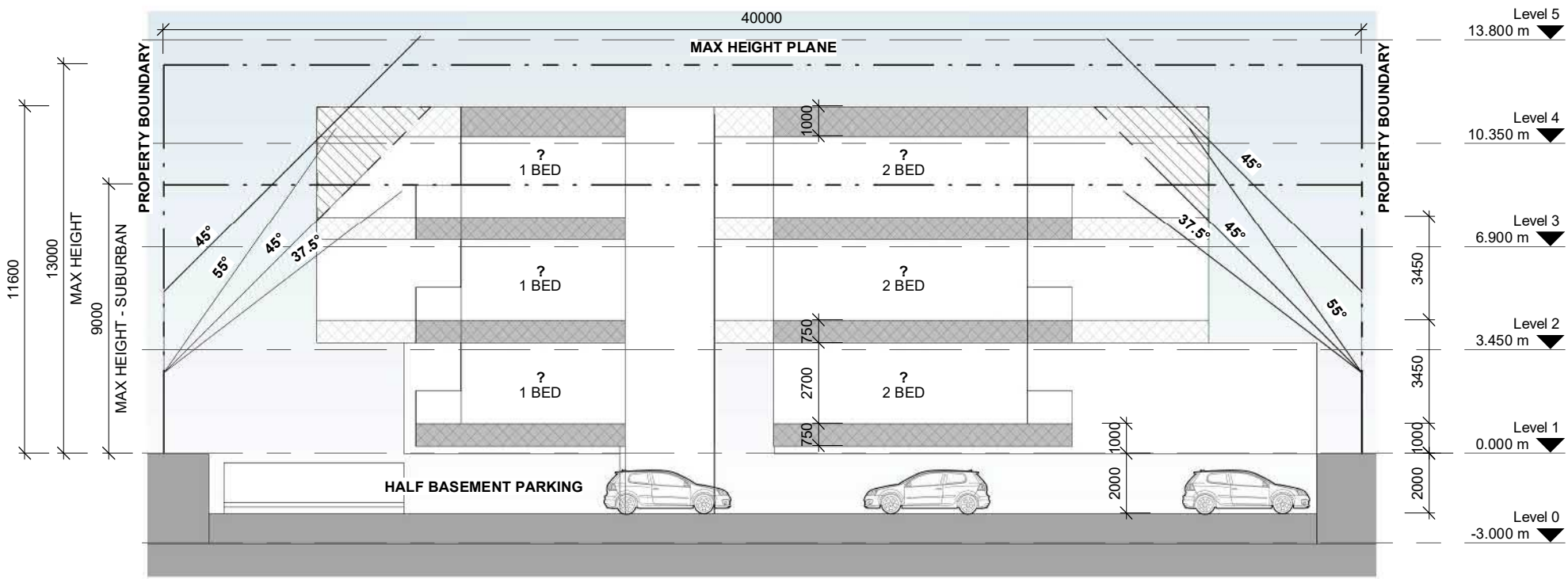


CL TYPE 1 - 3 STOREY - HALF BASEMENT - SECTION

DATE: 2019-09-18

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INTENSIFICATION SITE TESTING  
TAURANGA

T1.HB-04  
PROJECT No. T618



2 L-shaped - Halfbasement Option 1 - Section A  
T1.HB-01 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE

3 3C - L SHAPE - HALF BASEMENT  
SCALE @ A3 - | SCALE @ A1 - DOUBLE SCALE



1 L-shaped - Halfbasement Option 1 - Section B  
T1.HB-01 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE



# CL TYPE 2 - 4 STOREY - FULL BASEMENT - BASEMENT PLAN

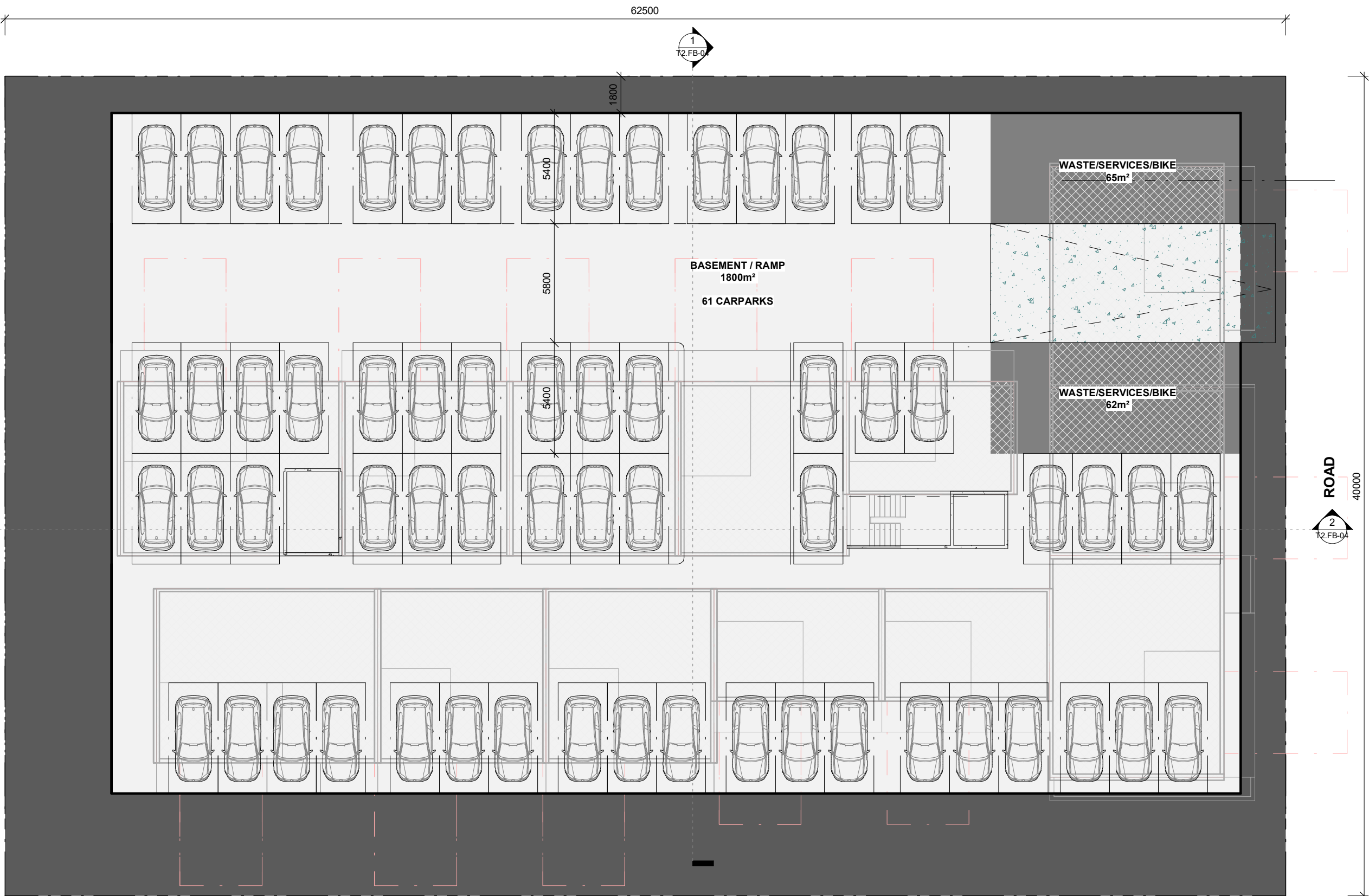
DATE: 2019-09-18



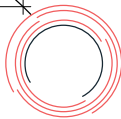
TCC  
INTENSIFICATION SITE TESTING  
TAURANGA

# T2.FB-01

PROJECT No. T618



1 PLAN\_A\_L\_Basement - Option 2  
T1.HB-04 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE



CL TYPE 2 - 4 STOREY - FULL BASEMENT - GROUND FLOOR PLAN

DATE: 2019-09-18



TCC  
INTENSIFICATION SITE TESTING  
TAURANGA

T2.FB-02

PROJECT No. T618



L SHAPE CL-AP1\_OP1 BUILDING AREAS

UNIT	TYPE	No.	GFA (m²)	Deck Area
Level 1				
1 BED	1	48 m²	12 m²	
2 BED	1	70 m²	12 m²	
2 BED	1	79 m²	12 m²	
2 BED	1	70 m²	12 m²	
2 BED	1	70 m²	12 m²	
2 BED	1	70 m²	12 m²	
2 BED	1	70 m²	12 m²	
3 BED	1	92 m²	12 m²	
1 BED	1	48 m²	12 m²	
RETAIL	1	203 m²		
10			817 m²	110 m²
Level 2				
2 BED	1	70 m²	12 m²	
2 BED	1	70 m²	12 m²	
2 BED	1	79 m²	12 m²	
2 BED	1	70 m²	12 m²	
2 BED	1	70 m²	12 m²	
2 BED	1	70 m²	12 m²	
2 BED	1	70 m²	12 m²	
3 BED	1	92 m²	12 m²	
3 BED	1	92 m²	12 m²	
3 BED	1	92 m²	12 m²	
1 BED	1	48 m²	12 m²	
1 BED	1	48 m²	12 m²	
1 BED	1	48 m²	12 m²	
13			915 m²	158 m²
Level 3				
2 BED	1	70 m²	12 m²	
2 BED	1	70 m²	12 m²	
2 BED	1	79 m²	12 m²	
2 BED	1	70 m²	12 m²	
2 BED	1	70 m²	12 m²	
2 BED	1	70 m²	12 m²	
2 BED	1	70 m²	12 m²	
3 BED	1	92 m²	12 m²	
3 BED	1	92 m²	12 m²	
3 BED	1	92 m²	12 m²	
1 BED	1	48 m²	12 m²	
1 BED	1	48 m²	12 m²	
1 BED	1	48 m²	12 m²	
13			915 m²	158 m²
Level 4				
2 BED	1	70 m²	12 m²	
2 BED	1	70 m²	12 m²	
2 BED	1	70 m²	12 m²	
2 BED	1	70 m²	12 m²	
2 BED	1	70 m²	12 m²	
1 BED	1	48 m²	12 m²	
1 BED	1	48 m²	12 m²	
1 BED	1	48 m²	12 m²	
8			491 m²	98 m²
TOT: 44			3139 m²	523 m²

1 PLAN\_A\_L\_Level 1  
T1.HB-04 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE

L SHAPE APARTMENT BUILDING GFA

Name	GFA
BASEMENT	1809 m²
GROUND FLOOR	1083 m²
SECOND FLOOR	1015 m²
FIRST FLOOR	1015 m²
FOURTH FLOOR	557 m²
5	5478 m²

CL TYPE2 - 4 STOREY - FULL BASEMENT - UPPER LEVEL PLAN

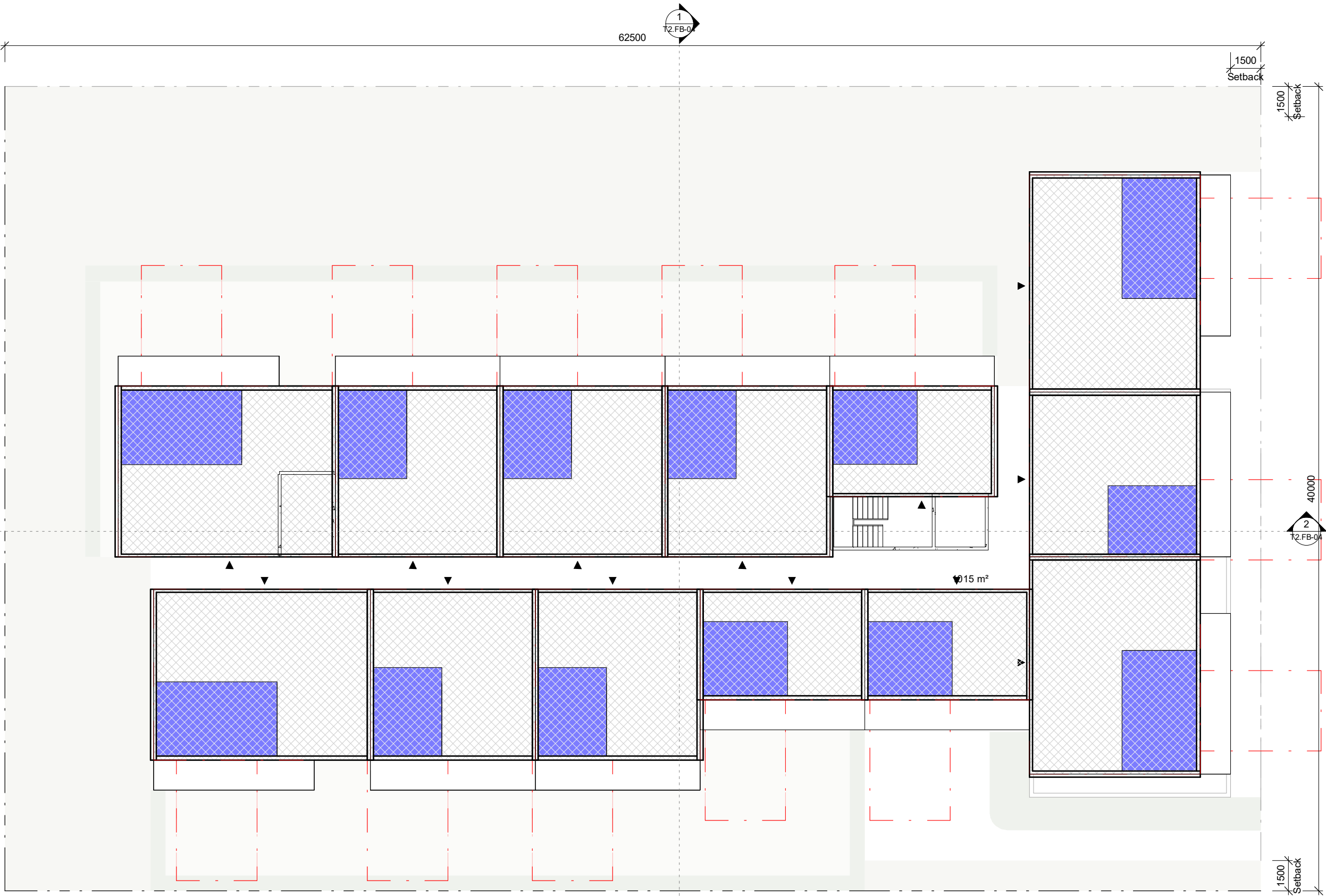
DATE: 2019-09-18



TCC  
INTENSIFICATION SITE TESTING  
TAURANGA

T2.FB-03

PROJECT No. T618



1 PLAN\_A\_L\_Level 2 and 3  
T1.HB-04 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE



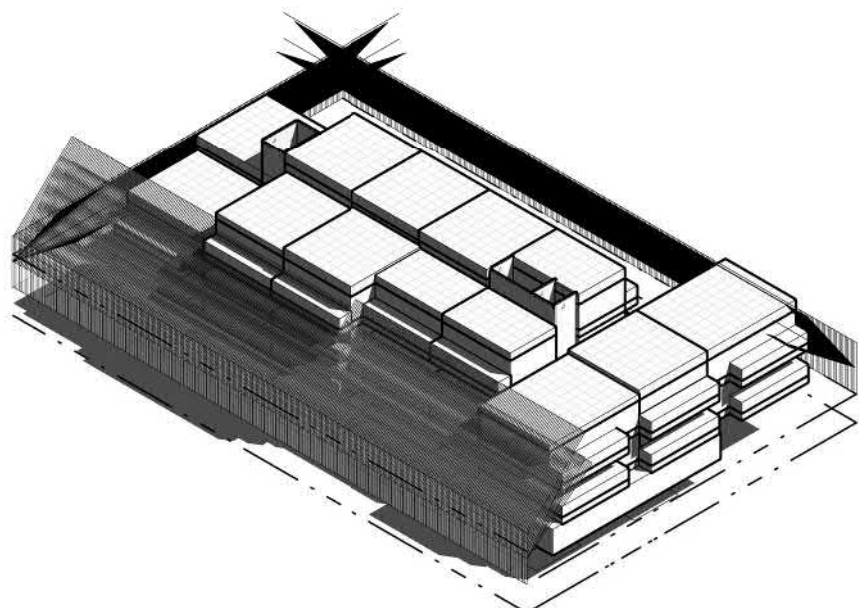
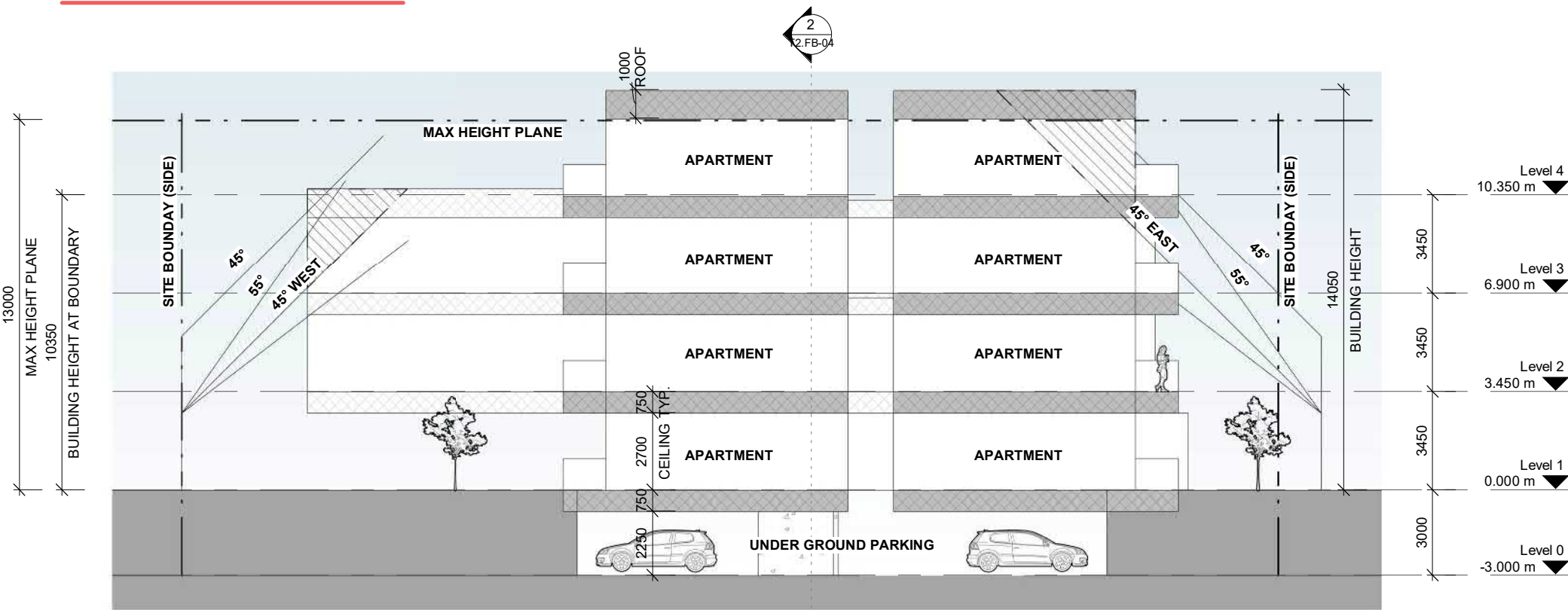


CL TYPE 2 - 4 STOREY - FULL BASEMENT - SECTIONS

DATE: 2019-09-18

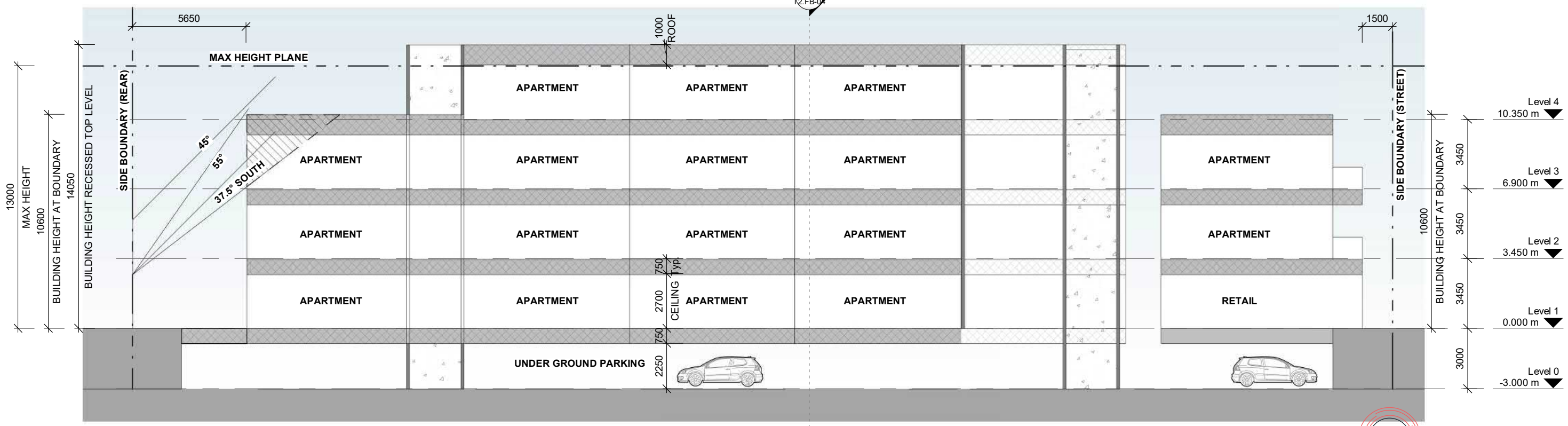
TCC  
INTENSIFICATION SITE TESTING  
TAURANGA

T2.FB-04  
PROJECT No. T618



1 L Shape - Section A  
T1.HB-01 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE

3 3C - L SHAPE - 1BD APT - OPTION 2 - VIEW 2  
SCALE @ A3 - | SCALE @ A1 - DOUBLE SCALE



2 L Shape - Section B  
T1.HB-01 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE

# CL TYPE 3 - 5 STOREY - FULL BASEMENT - BASEMENT PLAN

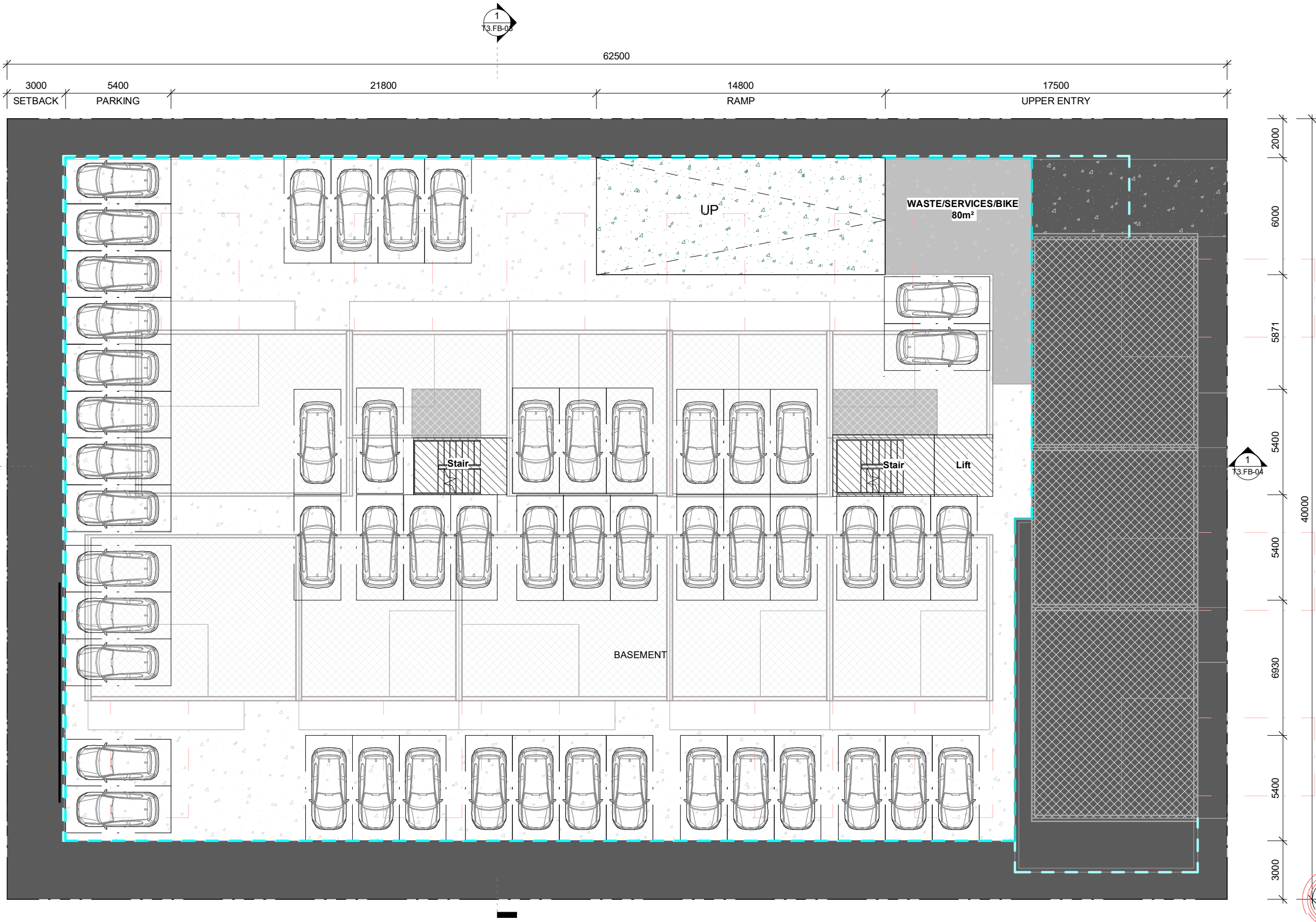
DATE: 2019-09-18



TCC  
INTENSIFICATION SITE TESTING  
TAURANGA

# T3.FB-01

PROJECT No. T618



## PARKING BASEMENT

54 PARKS



CL TYPE 3 - 5 STOREY - FULL BASEMENT - GROUND FLOOR PLAN

DATE: 2019-09-18



TCC  
INTENSIFICATION SITE TESTING  
TAURANGA

T3.FB-02  
PROJECT No. T618

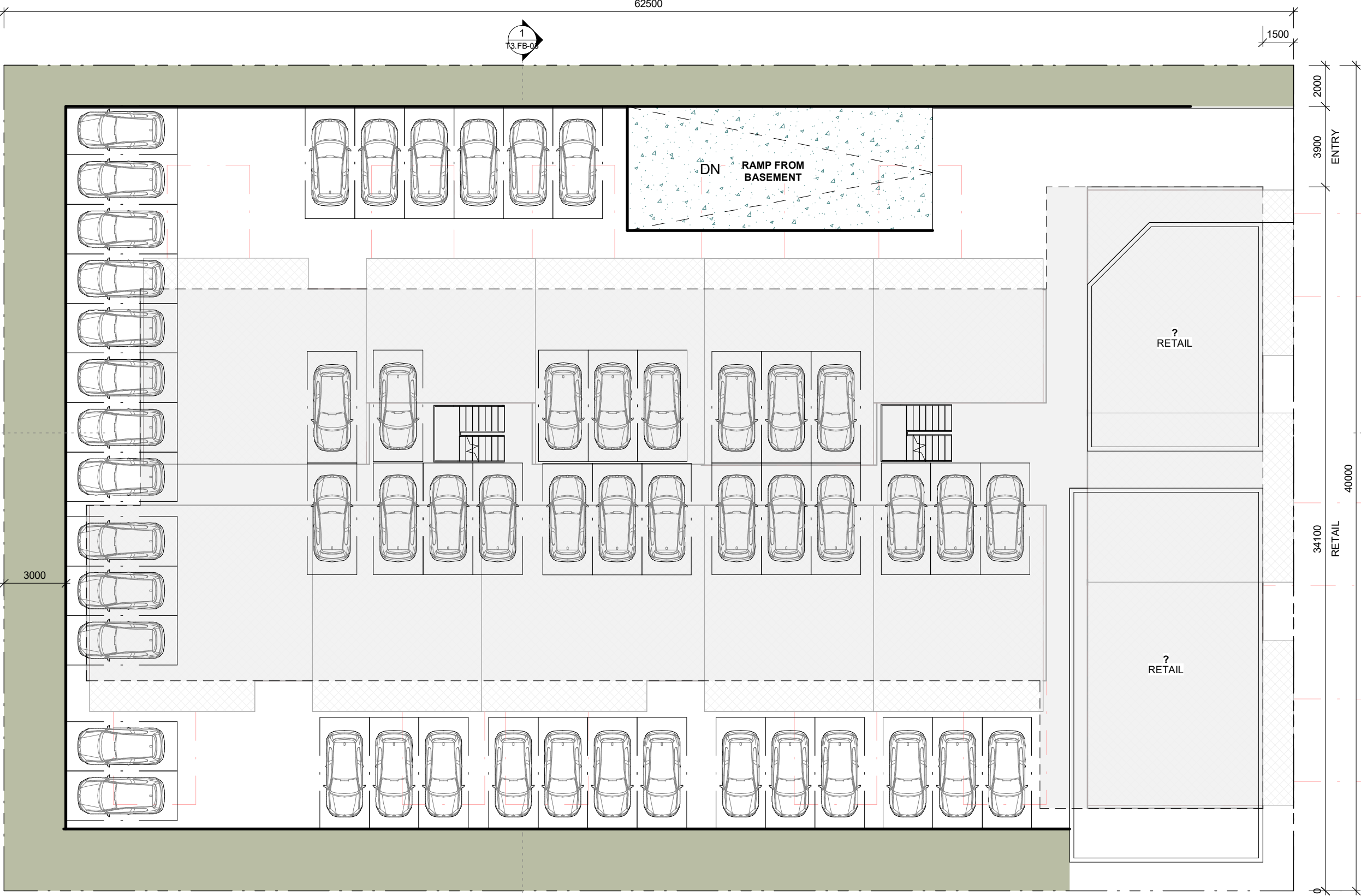
62500



1500

**PARKING FIRST FLOOR**

54 PARKS



ROAD





DATE. 2019-09-18

**TCC**

## INTENSIFICATION SITE TESTING

TAURANGA

PROJECT No. T618

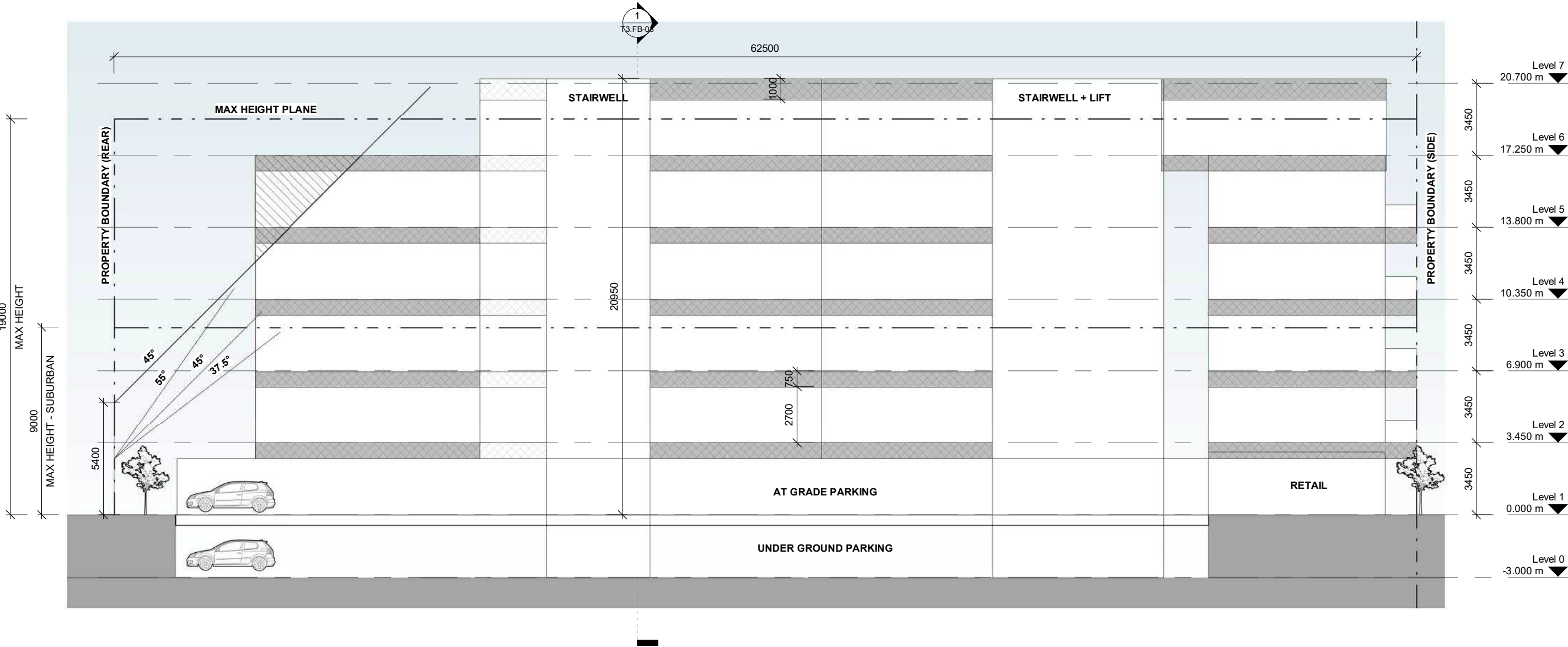


CL TYPE 3 - 5 STOREY - FULL BASEMENT - SECTION

DATE: 2019-09-18

TCC  
INTENSIFICATION SITE TESTING  
TAURANGA

T3.FB-04  
PROJECT No. T618



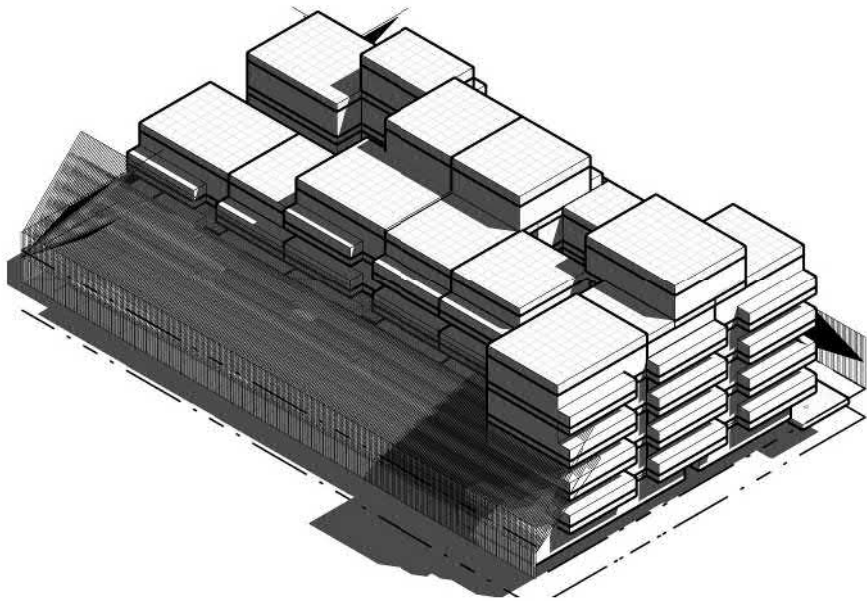
1 L-shaped - Option 1 - Section B  
T1.HB-04 SCALE @ A3 - 1 : 200 | SCALE @ A1 - DOUBLE SCALE

CL TYPE 3 - 5 STOREY - FULL BASEMENT - SITE INFORMATION

DATE: 2019-09-18

TCC  
INTENSIFICATION SITE TESTING  
TAURANGA

T3.FB-05  
PROJECT No. T618



3A - L SHAPE - 1BD APT - OPTION 1 - VIEW 2

SCALE @ A3 - | SCALE @ A1 - DOUBLE SCALE

PARKING BASEMENT

54 PARKS

PARKING GROUND FLOOR

54 PARKS

TOTAL

108 PARKS - 99 REQUIRED @  
1.8 PER UNIT.

RECTANGLE CL-AP1\_OP1  
BUILDING AREAS

UNIT	TYPE	No.	GFA (m²)	Deck Area
Level 1				
RETAIL	1	130 m²		
RETAIL	1	130 m²		
2		260 m²	0 m²	
Level 2				
2 BED	1	70 m²	12 m²	
3 BED	1	92 m²	12 m²	
2 BED	1	70 m²	12 m²	
2 BED	1	70 m²	12 m²	
3 BED	1	92 m²	12 m²	
3 BED	1	92 m²	12 m²	
3 BED	1	92 m²	12 m²	
3 BED	1	92 m²	12 m²	
1 BED	1	48 m²	12 m²	
2 BED	1	70 m²	12 m²	
3 BED	1	92 m²	12 m²	
2 BED	1	70 m²	12 m²	
2 BED	1	70 m²	12 m²	
1 BED	1	48 m²	12 m²	
13		972 m²	158 m²	
Level 3				
2 BED	1	70 m²	12 m²	
3 BED	1	92 m²	12 m²	
2 BED	1	70 m²	12 m²	
2 BED	1	70 m²	12 m²	
3 BED	1	92 m²	12 m²	
3 BED	1	92 m²	12 m²	
3 BED	1	92 m²	12 m²	
1 BED	1	48 m²	12 m²	
2 BED	1	70 m²	12 m²	
3 BED	1	92 m²	12 m²	
2 BED	1	70 m²	12 m²	
2 BED	1	70 m²	12 m²	

RECTANGLE CL-AP1\_OP1  
BUILDING AREAS

UNIT	TYPE	No.	GFA (m²)	Deck Area
1 BED	1	48 m²	12 m²	
13		972 m²	158 m²	
Level 4				
2 BED	1	70 m²	12 m²	
3 BED	1	92 m²	12 m²	
2 BED	1	70 m²	12 m²	
3 BED	1	92 m²	12 m²	
3 BED	1	92 m²	12 m²	
3 BED	1	92 m²	12 m²	
1 BED	1	48 m²	12 m²	
2 BED	1	70 m²	12 m²	
3 BED	1	92 m²	12 m²	
2 BED	1	70 m²	12 m²	
1 BED	1	48 m²	12 m²	
13		972 m²	158 m²	
Level 5				
2 BED	1	70 m²	12 m²	
2 BED	1	70 m²	12 m²	
3 BED	1	92 m²	12 m²	
3 BED	1	92 m²	12 m²	
3 BED	1	92 m²	12 m²	
1 BED	1	48 m²	12 m²	
2 BED	1	70 m²	12 m²	
2 BED	1	70 m²	12 m²	
1 BED	1	48 m²	12 m²	
3 BED	1	92 m²	12 m²	
11		811 m²	134 m²	
Level 6				
2 BED	1	70 m²	12 m²	
2 BED	1	70 m²	12 m²	
3 BED	1	92 m²	12 m²	
1 BED	1	48 m²	12 m²	
4		279 m²	49 m²	
TOT: 56		4266 m²	656 m²	

RECTANGLE APARTMENT BUILDING GFA

Name	GFA
BASEMENT	1718 m²
GROUND FLOOR	2034 m²
FIRST FLOOR	1169 m²
SECOND FLOOR	1169 m²
THIRD FLOOR	1175 m²
FIFTH FLOOR	342 m²
	7608 m²





CITY LIVING ZONE													
					Council Framework Compliance category:								
Development	No. Carparks	No. Units	Level	Parking – Market Rates (Rate 1.8 per unit – includes visitor at 0.2)	Parking Average 1 per 1 Bed 1.3 per 2 Bed 1.5 per 3 Bed 0.2 visitor	Height 13m (Max Height) 19m (Max Height)		Recession Planes (i) South: 2.7m up, 37.5° Other side/rear: 2.7m up, 45°		Recession Planes (ii) All side and rear boundaries: 5.4m up, 45°	Outdoor Living: Ground Floor: Min Area 30m², Min 4m. Upper Levels: Min area 12m², min 1.5m	Visual Outlook Living: 6m deep, 4m wide. Bedroom: 3m deep, 3m wide.	Setbacks Street: 1.5m Rear: 3m Side: 1.5m
3 Storey – Half Basement Parking	57	38	1	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
			2	✓	✓	✓	✓	✗	✓	✓			
			3	✗	✓	✓	✓	✗	✗	✗			
4 Storey – Full Basement	61	44	1	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
			2	✓	✓	✓	✓	✓	✓	✓			
			3	✗	✓	✓	✓	✗	✗	✓			
			4	✗	✗	✗	✓	✗	✗	✗			
5 Storey - Full Basement	108	56	1	✓	✓	✓	✓	✓	✓	✓	✓	✓ *	✗
			2	✓	✓	✓	✓	✓	✓	✓			
			3	✓	✓	✓	✓	✗	✗	✓			
			4	✓	✓	✗	✓	✗	✗	✗			
			5	✓	✓	✗	✗	✗	✗	✗			

## Appendix 4 – Development Feasibility Analysis

Initial Feasibility Analysis		2 Lot - Retain.Vacant	
Development Type	retain existing and vacant rear site		
Existing Improvements	1 Dwellings	Retain	Existing Dwelling
Gross Site Area	720 m²		
Development Intensity (Gross)	1 : 360 m²		
Indicated Number of Units	2 units		
Average Unit Size	1 units	EXISTING DWELLING	145 sqm
	0 units	2 Bed Shared Parking @	80 sqm
	0 units	2 Bed Single Garage @	100 sqm
	0 units	3 Bed Single Garage @	125 sqm
	1 units	Vacant Section	325 sqm
Complying/ Non Complying	2 units		
Development GFA	325 m²		

Builders are able to develop these housing typ  
less risk and the development margin is blend

Development Costs			750000	Residual / Market Value
Land Purchase	720 m² @	\$906 /m²	\$652,174	\$737,866
Site Clearance	0 Dwellings @	\$20,000 per dwelling	\$0	\$0
Consenting	@	3.0%	\$0	\$0
Construction - Design Build Turnkey Contract	325 m² @	\$0 /m²	\$0	\$0
Construction - Civil Turnkey Contract	325 m² @	\$150 /m²	\$48,750	\$48,750
Construction Contingency	@	3.0%	\$1,463	\$1,463
Other Consultant Fees	@	2.0%	\$0	\$0
Subdivision, Legal & Accountancy	2 Units @	\$3,500 per unit	\$7,000	\$7,000
Development Management	@	0.0%	\$0	\$0
Council Cost - Consents	@	0.0%	\$2,500	\$2,500
Development Contributions	1 Units @	\$8,000 per unit	\$8,000	\$8,000
Financial Contributions	1 Units @	\$3,000 per unit	\$3,000	\$3,000
Marketing	2 Units @	\$2,500 per unit	\$5,000	\$5,000
Project Contingency - Excl. Construction	@	5.0%	\$1,275	\$1,275
Development Costs (GFA) - Excluding Land Purchase	325 m² @	\$236.88 /m²	\$76,988	\$76,988
Development Costs (per/unit) - Excluding Land Purchase	2 Dwellings	\$38,494 per dwelling	\$76,988	\$153,975
Development Costs - Including Land Purchase	325 m² @	\$2,244 /m²	\$729,161	\$814,853
Plus Holding & Selling Costs				
Agency	@	3.0%	\$26,253	\$30,000
Funding ( based on 9 months funding )	80.0%	6.0%	\$9,625	\$24,712
Total Selling Costs			\$35,878	\$54,712
Total Development Costs - Before Margin & GST	325 m² @	\$2,354 /m²	\$765,039	\$869,565
Developer's Margin	@	0.0%	\$0	\$0
Total Project Value - Before GST	325 m² @	\$2,354 /m²	\$765,039	\$869,565
GST	@	15%	\$114,755.87	\$130,435
Total Project Value - After GST	325 m² @	\$2,707 /m²	\$879,795	\$1,000,000
Average Sale Price Per Dwelling				\$675,000
Average Sale Price Per Section			\$129,795	\$325,000
Average Sale Price /m² GFA			\$112,865	-

\$1,025 /m²

6  
months

The market price is dependant on locality and immediate surrounds an requires an assessment for each property case



Initial Feasibility Analysis			2 Lot - Retain and Single	
Existing Improvements	1 Dwellings	Retain	Existing Dwelling	less risk and the developn
Gross Site Area	720 m²			
Development Intensity (Gross)	1 : 360 m²			
Indicated Number of Units	2 units			
Average Unit Size	1 units	EXISTING DWELLING	0 sqm	
	0 units	2 Bed Shared Parking @	80 sqm	
	0 units	2 Bed Single Garage @	100 sqm	
	0 units	3 Bed Single Garage @	125 sqm	
	1 units	3 Bed Double Garage @	145 sqm	
Complying/ Non Complying	2 units			8.53%
Development GFA	145 m²			\$92,562
Development Costs			750000	Residual / Market Value
Land Purchase	720 m² @	\$906 /m²	\$652,174	\$744,736
Site Clearance	0 Dwellings @	\$20,000 per dwelling	\$0	\$0
Consenting	@	3.0%	\$9,570	\$9,570
Construction - Design Build Turnkey Contract	145 m² @	\$2,200 /m²	\$319,000	\$319,000
Construction - Civil Turnkey Contract	360 m² @	\$0 /m²	\$0	\$0
Construction Contingency	@	3.0%	\$9,570	\$9,570
Other Consultant Fees	@	2.0%	\$6,380	\$6,380
Subdivision, Legal & Accountancy	2 Units @	\$3,500 per unit	\$7,000	\$7,000
Development Management	@	0.0%	\$0	\$0
Council Cost - Consents	@	2.0%	\$6,380	\$6,380
Development Contributions	1 Units @	\$8,000 per unit	\$8,000	\$8,000
Financial Contributions	1 Units @	\$3,000 per unit	\$3,000	\$3,000
Marketing	2 Units @	\$2,500 per unit	\$5,000	\$5,000
Project Contingency - Excl. Construction	@	5.0%	\$1,788	\$1,788
Development Costs (GFA) - Excluding Land Purchase	145 m² @	\$2,591 /m²	\$375,688	\$375,688
Development Costs (per/unit) - Excluding Land Purchase	2 Dwellings	\$187,844 per dwelling	\$375,688	\$751,376
Development Costs - Including Land Purchase	145 m² @	\$7,089 /m²	\$1,027,862	\$1,120,424
Plus Holding & Selling Costs				
Agency	@	3.0%	\$37,248	\$41,250
Funding ( based on 9 months funding )	80.0%	6.0%	\$20,352	\$33,979
Total Selling Costs			\$57,600	\$75,229
Total Development Costs - Before Margin & GST	145 m² @	\$7,486 /m²	\$1,085,462	\$1,195,652
Developer's Margin	@	0.0%	\$0	\$0
Total Project Value - Before GST	145 m² @	\$7,486 /m²	\$1,085,462	\$1,195,652
GST	@	15%	\$162,819	\$179,348
Total Project Value - After GST	145 m² @	\$8,609 /m²	\$1,248,281	\$1,375,000
Average Sale Price Per Existing Dwelling			\$624,141	\$650,000
Average Sale Price Per New Dwelling				\$725,000
Average Sale Price /m² GFA			\$8,609	\$8,276
Dwelling Values			Calculated	Market
	EXISTING DWELLING		\$572,129	\$550,000
	2 Bed Shared Parking @		\$572,129	\$490,000
	2 Bed Single Garage @		\$561,727	\$540,000
	3 Bed Single Garage @		\$561,727	\$595,000
	3 Bed Double Garage @		\$676,152.28	\$650,000
	Average Rate /m² GFA		\$8,609	\$8,276
Required Land Price	720 m² @	\$906 /m²	\$652,174	

Initial Feasibility Analysis			2 Lot - Retain.Duplex (2)	
Existing Improvements	1 Dwellings	Retain	Existing Dwelling	less risk and the developn
Gross Site Area	720 m²			
Development Intensity (Gross)	1 : 266 m²			
Indicated Number of Units	3 units			
Average Unit Size	1 units	EXISTING DWELLING	0 sqm	
	0 units	2 Bed Shared Parking @	80 sqm	
	2 units	2 Bed Single Garage @	99 sqm	
	0 units	3 Bed Single Garage @	125 sqm	
	0 units	3 Bed Double Garage @	145 sqm	
Complying/ Non Complying	3 units			7.89%
Development GFA	198 m²			\$109,841
Development Costs			750000	Residual / Market Value
Land Purchase	720 m² @	\$906 /m²	\$652,174	\$762,015
Site Clearance	0 Dwellings @	\$20,000 per dwelling	\$0	\$0
Consenting	@	3.0%	\$13,068	\$13,068
Construction - Design Build Turnkey Contract	198 m² @	\$2,200 /m²	\$435,600	\$435,600
Construction - Civil Turnkey Contract	198 m² @	\$0 /m²	\$0	\$0
Construction Contingency	@	3.0%	\$13,068	\$13,068
Other Consultant Fees	@	2.0%	\$8,712	\$8,712
Subdivision, Legal & Accountancy	3 Units @	\$2,500 per unit	\$7,500	\$7,500
Development Management	@	5.0%	\$21,780	\$21,780
Council Cost - Consents	@	2.0%	\$8,712	\$8,712
Development Contributions	2 Units @	\$8,000 per unit	\$16,000	\$16,000
Financial Contributions	2 Units @	\$3,000 per unit	\$6,000	\$6,000
Marketing	3 Units @	\$2,500 per unit	\$7,500	\$7,500
Project Contingency - Excl. Construction	@	5.0%	\$3,810	\$3,810
Development Costs (GFA) - Excluding Land Purchase	198 m² @	\$2,736 /m²	\$541,750	\$541,750
Development Costs (per/unit) - Excluding Land Purchase	3 Dwellings	180583.4001	\$541,750	\$1,083,500
Development Costs - Including Land Purchase	198 m² @	\$6,030 /m²	\$1,193,924	\$1,303,766
Plus Holding & Selling Costs				
Agency	@	3.0%	\$43,266	\$48,000
Funding ( based on 9 months funding )	80.0%	6.0%	\$23,640	\$39,539
Total Selling Costs			\$66,906	\$87,539
Total Development Costs - Before Margin & GST	198 m² @	\$6,368 /m²	\$1,260,830	\$1,391,304
Developer's Margin	@	0.0%	\$0	\$0
Total Project Value - Before GST	198 m² @	\$6,368 /m²	\$1,260,830	\$1,391,304
GST	@	15%	\$189,124	\$208,696
Total Project Value - After GST	198 m² @	\$7,323 /m²	\$1,449,954	\$1,600,000
Average Sale Price Per Existing Dwelling			\$483,318	\$600,000
Average Sale Price Per New Dwelling				\$500,000
Average Sale Price /m² GFA			\$7,323	\$8,232
Dwelling Values			Calculated	Market
EXISTING DWELLING			\$489,248	\$550,000
2 Bed Shared Parking @			\$489,248	\$490,000
2 Bed Single Garage @			\$480,353	\$540,000
3 Bed Single Garage @			\$480,353	\$595,000
3 Bed Double Garage @			\$578,202.69	\$650,000
Average Rate /m² GFA			\$7,323	\$8,232
Required Land Price	720 m² @	\$906 /m²	\$652,174	

Initial Feasibility Analysis		4 x 1 Bedroom Duplex	
Existing Improvements	1 Dwellings	Remove	Existing Dwelling
Gross Site Area	720 m²		
Development Intensity (Gross)	1 : 180 m²		
Indicated Number of Units	4 units		
Average Unit Size	0 units	EXISTING DWELLING	0 sqm
	4 units	1 Bed; Single Garage	62 sqm
Complying/ Non Complying	4 units		
Development GFA	248 m²		

Land Purchaser Price

5.38%  
\$75,386

<b>Development Costs</b>			<b>\$750,000</b>	Residual / Market Value
Land Purchase - (Excl GST)	720 m² @	\$906 /m²	\$652,174	\$587,558
Site Clearance	1 Dwellings @	\$20,000 per dwelling	\$20,000	\$20,000
Consenting	@	3.0%	\$16,968	\$16,968
Construction - Design Build Turnkey Contract	248 m² @	\$2,200 /m²	\$545,600	\$545,600
Construction - Civil Turnkey Contract	248 m² @	\$0 /m²	\$0	\$0
Construction Contingency	@	3.0%	\$16,368	\$16,368
Other Consultant Fees	@	2.0%	\$10,912	\$10,912
Subdivision, Legal & Accountancy	4 Units @	\$2,500 per unit	\$10,000	\$10,000
Development Management	@	0.0%	\$0	\$0
Council Cost - Consents	@	2.0%	\$10,912	\$10,912
Development Contributions - City Wide	3 Units @	\$8,000 per unit	\$24,000	\$24,000
Development Contributions - Local	3 Units @	\$3,000 per unit	\$9,000	\$9,000
Marketing	4 Units @	\$1,500 per unit	\$6,000	\$6,000
Project Contingency - Excl. Construction	@	5.0%	\$3,541	\$3,541
<b>Development Costs (GFA) - Excluding Land Purchase</b>	<b>248 m² @</b>	<b>\$2,715 /m²</b>	<b>\$673,301</b>	<b>\$673,301</b>
<b>Development Costs (per/unit) - Excluding Land Purchase</b>	<b>4 Dwellings</b>	<b>\$168,325 per dwelling</b>	<b>\$673,301</b>	<b>\$673,301</b>
<b>Development Costs - Including Land Purchase</b>	<b>248 m² @</b>	<b>\$5,345 /m²</b>	<b>\$1,325,475</b>	<b>\$1,260,860</b>
<i>Plus Holding &amp; Selling Costs</i>				
Agency	@	3.0%	\$52,666	\$51,000
Funding ( based on 9 months funding )	80.0%	5.0%	\$21,870	\$32,014
<b>Total Selling Costs</b>			<b>\$74,536</b>	<b>\$83,014</b>
<b>Total Development Costs - Before Margin &amp; GST</b>	<b>248 m² @</b>	<b>\$5,645 /m²</b>	<b>\$1,400,011</b>	<b>\$1,343,874</b>
Developer's Margin	@	10.0%	\$140,001	\$134,387
<b>Total Project Value - Before GST</b>	<b>248 m² @</b>	<b>\$6,210 /m²</b>	<b>\$1,540,012</b>	<b>\$1,478,261</b>
<b>GST</b>	<b>@</b>	<b>15%</b>	<b>\$231,002</b>	<b>\$221,739</b>
<b>Total Project Value - After GST</b>	<b>248 m² @</b>	<b>\$7,141 /m²</b>	<b>\$1,771,014</b>	<b>\$1,700,000</b>
<b>Average Sale Price Per Dwelling</b>		<b>\$442,754 per unit</b>	<b>\$442,754</b>	<b>\$425,000</b>
<b>Average Sale Price /m² GFA</b>		<b>\$7,141 per unit</b>	<b>\$7,141</b>	<b>\$6,855</b>

5.19%	9.78%	7.27%	4.74%	4.74%	7.70%
\$69,772	\$146,962	\$103,484	\$60,005	\$60,005	\$103,484
Tauranga Suburbs					
Cherrywood/Bureta	Matua	Arataki	Greerton	Bellevue / Brookfield	Tauranga South
\$652,174	\$739,130	\$695,652	\$565,217	\$565,217	\$608,696
\$0	\$86,957	\$43,478	-\$86,957	-\$86,957	-\$43,478
\$442,754 per unit	\$529,710 per unit	\$486,232 per unit	\$355,797 per unit	\$355,797 per unit	\$399,275 per unit
\$7,141.19	\$8,543.71	\$7,842.45	\$5,738.66	\$5,738.66	\$6,439.92

Residual / Market Value	Residual / Market Value	Residual / Market Value	Residual / Market Value	Residual / Market Value	Residual / Market Value
\$587,558	\$735,895	\$656,843	\$498,741	\$498,741	\$577,792
\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
\$16,968	\$16,968	\$16,968	\$16,968	\$16,968	\$16,968
\$545,600	\$545,600	\$545,600	\$545,600	\$545,600	\$545,600
\$0	\$0	\$0	\$0	\$0	\$0
\$16,368	\$16,368	\$16,368	\$16,368	\$16,368	\$16,368
\$10,912	\$10,912	\$10,912	\$10,912	\$10,912	\$10,912
\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
\$0	\$0	\$0	\$0	\$0	\$0
\$10,912	\$10,912	\$10,912	\$10,912	\$10,912	\$10,912
\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000
\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000
\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
\$3,541	\$3,541	\$3,541	\$3,541	\$3,541	\$3,541
\$673,301	\$673,301	\$673,301	\$673,301	\$673,301	\$673,301
\$673,301	\$673,301	\$673,301	\$673,301	\$673,301	\$673,301
\$1,260,860	\$1,409,196	\$1,330,145	\$1,172,042	\$1,172,042	\$1,251,093
\$51,000	\$57,000	\$54,000	\$48,000	\$48,000	\$51,000
\$32,014	\$35,780	\$33,897	\$30,131	\$30,131	\$32,014
\$83,014	\$92,780	\$92,780	\$92,780	\$92,780	\$92,780
\$1,343,874	\$1,501,976	\$1,422,925	\$1,264,822	\$1,264,822	\$1,343,874
\$134,387	\$150,198	\$142,292	\$126,482	\$126,482	\$134,387
\$1,478,261	\$1,652,174	\$1,565,217	\$1,391,304	\$1,391,304	\$1,478,261
\$221,739	\$247,826	\$234,783	\$208,696	\$208,696	\$221,739
\$1,700,000	\$1,900,000	\$1,800,000	\$1,600,000	\$1,600,000	\$1,700,000
\$425,000	\$475,000	\$450,000	\$400,000	\$400,000	\$425,000
\$6,855	\$7,661	\$7,258	\$6,452	\$6,452	\$6,855



Initial Feasibility Analysis		4 x 2 Bedroom Duplex	
Existing Improvements	1 Dwellings	Remove	Existing Dwelling
Gross Site Area	720 m²		
Development Intensity (Gross)	1 : 180 m²		
Indicated Number of Units	4 units		
Average Unit Size	0 units	EXISTING DWELLING	0 sqm
	4 units	2 Bed; Single Garage	99 sqm
Complying/ Non Complying	4 units		
Development GFA	396 m²		

less risk and the development margin is blended between land development and dwelling build margin.

4 x 2 Bedroom Duplex

Land Purchaser Price

7.04%  
\$125,314

Development Costs			\$ 750,000.00	Residual / Market Value
Land Purchase - (Excl GST)	720 m² @	\$906 /m²	\$652,174	\$599,588
Site Clearance	1 Dwellings @	\$20,000 per dwelling	\$20,000	\$20,000
Consenting	@	3.0%	\$26,736	\$26,736
Construction - Design Build Turnkey Contract	396 m² @	\$2,200 /m²	\$871,200	\$871,200
Construction - Civil Turnkey Contract	396 m² @	\$0 /m²	\$0	\$0
Construction Contingency	@	3.0%	\$26,136	\$26,136
Other Consultant Fees	@	2.0%	\$17,424	\$17,424
Subdivision, Legal & Accountancy	4 Units @	\$2,500 per unit	\$10,000	\$10,000
Development Management	@	0.0%	\$0	\$0
Council Cost - Consents	@	2.0%	\$17,424	\$17,424
Development Contributions - City Wide	3 Units @	\$8,000 per unit	\$24,000	\$24,000
Development Contributions - Local	3 Units @	\$3,000 per unit	\$9,000	\$9,000
Marketing	4 Units @	\$1,500 per unit	\$6,000	\$6,000
Project Contingency - Excl. Construction	@	5.0%	\$4,192	\$4,192
Development Costs (GFA) - Excluding Land Purchase	396 m² @	\$2,606 /m²	\$1,032,112	\$1,032,112
Development Costs (per/unit) - Excluding Land Purchase	4 Dwellings	\$258,028 per dwelling	\$1,032,112	\$1,032,112
Development Costs - Including Land Purchase	396 m² @	\$4,253 /m²	\$1,684,286	\$1,631,701
Plus Holding & Selling Costs				
Agency	@	3.0%	\$66,923	\$66,000
Funding ( based on 9 months funding )	80.0%	5.0%	\$27,791	\$41,430
Total Selling Costs			\$94,713	\$107,430
Total Development Costs - Before Margin & GST	396 m² @	\$4,492 /m²	\$1,779,000	\$1,739,130
Developer's Margin	@	10.0%	\$177,900	\$173,913
Total Project Value - Before GST	396 m² @	\$4,942 /m²	\$1,956,900	\$1,913,043
GST	@	15%	\$293,535	\$286,957
Total Project Value - After GST	396 m² @	\$5,683 /m²	\$2,250,434	\$2,200,000
Average Sale Price Per Dwelling		\$562,609 per unit	\$562,609	\$550,000
Average Sale Price /m² GFA		\$5,683 per unit	\$5,683	\$5,556

6.98%	14.20%	12.50%	-4.48%	-4.48%	-1.50%
\$121,327	\$280,591	\$237,113	-\$67,235	-\$67,235	-\$23,757
Tauranga Suburbs					
Cherrywood/Bureta	Matua	Arataki	Greerton	Bellevue / Brookfield	Tauranga South
\$652,174	\$739,130	\$695,652	\$565,217	\$565,217	\$608,696
\$0	\$86,957	\$43,478	-\$86,957	-\$86,957	-\$43,478
\$562,609 per unit	\$649,565 per unit	\$606,087 per unit	\$475,652 per unit	\$475,652 per unit	\$519,130 per unit
\$5,682.92	\$6,561.26	\$6,122.09	\$4,804.57	\$4,804.57	\$5,243.74

Residual / Market Value	Residual / Market Value	Residual / Market Value	Residual / Market Value	Residual / Market Value	Residual / Market Value
\$599,588	\$822,093	\$743,041	\$347,784	\$347,784	\$426,836
\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
\$26,736	\$26,736	\$26,736	\$26,736	\$26,736	\$26,736
\$871,200	\$871,200	\$871,200	\$871,200	\$871,200	\$871,200
\$0	\$0	\$0	\$0	\$0	\$0
\$26,136	\$26,136	\$26,136	\$26,136	\$26,136	\$26,136
\$17,424	\$17,424	\$17,424	\$17,424	\$17,424	\$17,424
\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
\$0	\$0	\$0	\$0	\$0	\$0
\$17,424	\$17,424	\$17,424	\$17,424	\$17,424	\$17,424
\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000
\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000
\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
\$4,192	\$4,192	\$4,192	\$4,192	\$4,192	\$4,192
\$1,032,112	\$1,032,112	\$1,032,112	\$1,032,112	\$1,032,112	\$1,032,112
\$1,032,112	\$1,032,112	\$1,032,112	\$1,032,112	\$1,032,112	\$1,032,112
\$1,631,701	\$1,854,205	\$1,775,154	\$1,379,897	\$1,379,897	\$1,458,948
\$66,000	\$75,000	\$72,000	\$57,000	\$57,000	\$60,000
\$41,430	\$47,079	\$45,196	\$35,780	\$35,780	\$37,664
\$107,430	\$122,079	\$122,079	\$122,079	\$122,079	\$122,079
\$1,739,130	\$1,976,285	\$1,897,233	\$1,501,976	\$1,501,976	\$1,581,028
\$173,913	\$197,628	\$189,723	\$150,198	\$150,198	\$158,103
\$1,913,043	\$2,173,913	\$2,086,957	\$1,652,174	\$1,652,174	\$1,739,130
\$286,957	\$326,087	\$313,043	\$247,826	\$247,826	\$260,870
\$2,200,000	\$2,500,000	\$2,400,000	\$1,900,000	\$1,900,000	\$2,000,000
\$550,000	\$625,000	\$600,000	\$475,000	\$475,000	\$500,000
\$5,556	\$6,313	\$6,061	\$4,798	\$4,798	\$5,051

Initial Feasibility Analysis			4 x 3 Bedroom Duplex
Existing Improvements	1 Dwellings	Remove	Existing Dwelling
Gross Site Area	720 m²		
Development Intensity (Gross)	1 : 180 m²		
Indicated Number of Units	4 units		
	4 units	3 Bed Single Garage @	129 sqm
Complying/ Non Complying	4 units		
Development GFA	516 m²		

less risk and the development margin is blended between land development and dwelling build margin.

4.93%	14.45%	13.05%	-0.27%	-0.27%	1.94%
\$101,424	\$342,761	\$299,283	-\$5,065	-\$5,065	\$38,413
Tauranga Suburbs					
Cherrywood/Bureta	Matua	Arataki	Greerton	Bellevue / Brookfield	Tauranga South
\$652,174	\$739,130	\$695,652	\$565,217	\$565,217	\$608,696
\$0	\$86,957	\$43,478	-\$86,957	-\$86,957	-\$43,478
\$678,918 per unit	\$765,875 per unit	\$722,396 per unit	\$591,962 per unit	\$591,962 per unit	\$635,440 per unit
\$5,261.30	\$5,935.17	\$5,598.24	\$4,587.43	\$4,587.43	\$4,924.36

Development Costs				Residual / Market Value
Land Purchase	720 m² @	\$906 /m²	\$652,174	\$548,064
Site Clearance	1 Dwellings @	\$20,000 per dwelling	\$20,000	\$20,000
Consenting	@	3.0%	\$36,215	\$36,215
Construction - Design Build Turnkey Contract	516 m² @	\$2,300 /m²	\$1,187,168	\$1,187,168
Construction - Civil Turnkey Contract	0 m² @	\$150 /m²	\$0	\$0
Construction Contingency	@	3.0%	\$35,615	\$35,615
Other Consultant Fees	@	2.0%	\$23,743	\$23,743
Subdivision, Legal & Accountancy	4 Units @	\$2,500 per unit	\$10,000	\$10,000
Development Management	@	0.0%	\$0	\$0
Council Cost - Consents	@	2.0%	\$23,743	\$23,743
Development Contributions - City Wide	3 Units @	\$8,000 per unit	\$24,000	\$24,000
Development Contributions - Local	3 Units @	\$3,000 per unit	\$9,000	\$9,000
Marketing	4 Units @	\$1,500 per unit	\$6,000	\$6,000
Project Contingency - Excl. Construction	@	5.0%	\$4,824	\$4,824
Development Costs (GFA) - Excluding Land Purchase	516 m² @	\$2,674 /m²	\$1,380,309	\$1,380,309
Development Costs (per/unit) - Excluding Land Purchase	4 Dwellings	\$345,077 per dwelling	\$1,380,309	\$2,740,618
Development Costs - Including Land Purchase	516 m² @	\$3,938 /m²	\$2,032,483	\$1,928,373
Plus Holding & Selling Costs				
Agency	@	3.0%	\$80,758	\$78,000
Funding ( based on 9 months funding )	80.0%	5.0%	\$33,536	\$48,963
Total Selling Costs			\$114,294	\$126,963
Total Development Costs - Before Margin & GST	516 m² @	\$4,159 /m²	\$2,146,777	\$2,055,336
Developer's Margin	@	10.0%	\$214,678	\$205,534
Total Project Value - Before GST	516 m² @	\$4,575 /m²	\$2,361,454	\$2,260,870
GST	@	15%	\$354,218	\$339,130
Total Project Value - After GST	516 m² @	\$5,261 /m²	\$2,715,672	\$2,600,000
Average Sale Price Per Dwelling		\$678,918 per unit	\$678,918	\$650,000
Average Sale Price /m² GFA			\$5,261	\$5,037

Residual / Market Value	Residual / Market Value	Residual / Market Value	Residual / Market Value	Residual / Market Value	Residual / Market Value
\$548,064	\$844,737	\$765,686	\$370,429	\$370,429	\$449,480
\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
\$36,215	\$36,215	\$36,215	\$36,215	\$36,215	\$36,215
\$1,187,168	\$1,187,168	\$1,187,168	\$1,187,168	\$1,187,168	\$1,187,168
\$0	\$0	\$0	\$0	\$0	\$0
\$35,615	\$35,615	\$35,615	\$35,615	\$35,615	\$35,615
\$23,743	\$23,743	\$23,743	\$23,743	\$23,743	\$23,743
\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
\$0	\$0	\$0	\$0	\$0	\$0
\$23,743	\$23,743	\$23,743	\$23,743	\$23,743	\$23,743
\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000
\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000
\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
\$4,824	\$4,824	\$4,824	\$4,824	\$4,824	\$4,824
\$1,380,309	\$1,380,309	\$1,380,309	\$1,380,309	\$1,380,309	\$1,380,309
\$1,380,309	\$1,380,309	\$1,380,309	\$1,380,309	\$1,380,309	\$1,380,309
\$1,928,373	\$2,225,046	\$2,145,995	\$1,750,738	\$1,750,738	\$1,829,789
\$78,000	\$90,000	\$87,000	\$72,000	\$72,000	\$75,000
\$48,963	\$56,495	\$54,612	\$45,196	\$45,196	\$47,079
\$126,963	\$146,495	\$146,495	\$146,495	\$146,495	\$146,495
\$2,055,336	\$2,371,542	\$2,292,490	\$1,897,233	\$1,897,233	\$1,976,285
\$205,534	\$237,154	\$229,249	\$189,723	\$189,723	\$197,628
\$2,260,870	\$2,608,696	\$2,521,739	\$2,086,957	\$2,086,957	\$2,173,913
\$339,130	\$391,304	\$378,261	\$313,043	\$313,043	\$326,087
\$2,600,000	\$3,000,000	\$2,900,000	\$2,400,000	\$2,400,000	\$2,500,000
\$650,000	\$750,000	\$725,000	\$600,000	\$600,000	\$625,000
\$5,037	\$5,812	\$5,618	\$4,650	\$4,650	\$4,843

Initial Feasibility Analysis		5 x 1 Bedroom Terrace	
Existing Improvements	1 Dwellings	Remove	Existing Dwelling
Gross Site Area	720 m²		
Development Intensity (Gross)	1 : 144 m²		
Indicated Number of Units	5 units		
Average Unit Size	0 units	EXISTING DWELLING	0 sqm
	5 units	1 Bed Single Garage @	61 sqm
Complying/ Non Complying	5 units		
Development GFA	305 m²		

less risk and the development margin is blended between land development and dwelling build margin.

10.71%	16.13%	13.20%	9.10%	9.10%	12.62%
\$172,146	\$289,738	\$224,521	\$137,564	\$137,564	\$202,781
Tauranga Suburbs					
Cherrywood/Bureta	Matua	Arataki	Greerton	Bellevue / Brookfield	Tauranga South
\$652,174	\$739,130	\$695,652	\$565,217	\$565,217	\$608,696
\$0	\$86,957	\$43,478	-\$86,957	-\$86,957	-\$43,478
\$441,698 per unit	\$528,654 per unit	\$485,176 per unit	\$354,741 per unit	\$354,741 per unit	\$398,219 per unit
\$7,240.94	\$8,666.46	\$7,953.70	\$5,815.43	\$5,815.43	\$6,528.19

Development Costs			\$750,000	Residual / Market Value
Land Purchase	720 m² @	\$906 /m²	\$652,174	\$583,300
Site Clearance	0 Dwellings @	\$20,000 per dwelling	\$0	\$0
Consenting	@	3.0%	\$20,130	\$20,130
Construction - Design Build Turnkey Contract	305 m² @	\$2,200 /m²	\$671,000	\$671,000
Extra Ordinary Cost		1.0%	\$6,710	
Construction Contingency	@	7.5%	\$50,325	\$50,325
Other Consultant Fees	@	7.0%	\$46,970	\$46,970
Subdivision, Legal & Accountancy	5 Units @	\$2,500 per unit	\$12,500	\$12,500
Development Management	@	5.0%	\$33,550	\$33,550
Council Cost - Consents	@	3.0%	\$20,130	\$20,130
Development Contributions - City Wide	4 Units @	\$8,000 per unit	\$32,000	\$32,000
Development Contributions - Local	4 Units @	\$3,000 per unit	\$12,000	\$12,000
Marketing	5 Units @	\$1,500 per unit	\$7,500	\$7,500
Project Contingency - Excl. Construction	@	5.0%	\$8,233	\$8,233
Development Costs (GFA) - Excluding Land Purchase	305 m² @	\$3,020 /m²	\$921,048	\$914,338
Development Costs (per/unit) - Excluding Land Purchase	5 Dwellings	\$184,210 per dwelling	\$921,048	\$914,338
Development Costs - Including Land Purchase	305 m² @	\$5,158 /m²	\$1,573,221	\$1,497,637
Plus Holding & Selling Costs				
Agency	@	3.0%	\$65,563	\$63,750
Funding ( based on 9 months funding )	80.0%	6.0%	\$31,150	\$45,418
Total Selling Costs			\$96,713	\$109,168
Total Development Costs - Before Margin & GST	305 m² @	\$5,475 /m²	\$1,669,934	\$1,606,805
Developer's Margin	@	15.0%	\$250,490	\$241,021
Total Project Value - Before GST	305 m² @	\$6,296 /m²	\$1,920,424	\$1,847,826
GST	@	15%	\$288,063.65	\$277,174
Total Project Value - After GST	305 m² @	\$7,241 /m²	\$2,208,488	\$2,125,000
Average Sale Price Per Dwelling		\$441,698 per unit	\$441,698	\$425,000
Average Sale Price /m² GFA			\$7,241	\$6,967

Residual / Market Value	Residual / Market Value	Residual / Market Value	Residual / Market Value	Residual / Market Value	Residual / Market Value
\$583,300	\$759,492	\$664,974	\$475,938	\$475,938	\$570,456
\$0	\$0	\$0	\$0	\$0	\$0
\$20,130	\$20,130	\$20,130	\$20,130	\$20,130	\$20,130
\$671,000	\$671,000	\$671,000	\$671,000	\$671,000	\$671,000
\$0	\$0	\$0	\$0	\$0	\$0
\$50,325	\$50,325	\$50,325	\$50,325	\$50,325	\$50,325
\$46,970	\$46,970	\$46,970	\$46,970	\$46,970	\$46,970
\$12,500	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500
\$33,550	\$33,550	\$33,550	\$33,550	\$33,550	\$33,550
\$20,130	\$20,130	\$20,130	\$20,130	\$20,130	\$20,130
\$32,000	\$32,000	\$32,000	\$32,000	\$32,000	\$32,000
\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000
\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500
\$8,233	\$8,233	\$8,233	\$8,233	\$8,233	\$8,233
\$914,338	\$914,338	\$914,338	\$914,338	\$914,338	\$914,338
\$914,338	\$914,338	\$914,338	\$914,338	\$914,338	\$914,338
\$1,497,637	\$1,673,830	\$1,579,312	\$1,390,276	\$1,390,276	\$1,484,794
\$63,750	\$71,250	\$67,500	\$60,000	\$60,000	\$63,750
\$45,418	\$50,762	\$48,090	\$42,747	\$42,747	\$45,418
\$109,168	\$122,012	\$122,012	\$122,012	\$122,012	\$122,012
\$1,606,805	\$1,795,841	\$1,701,323	\$1,512,287	\$1,512,287	\$1,606,805
\$241,021	\$269,376	\$255,198	\$226,843	\$226,843	\$241,021
\$1,847,826	\$2,065,217	\$1,956,522	\$1,739,130	\$1,739,130	\$1,847,826
\$277,174	\$309,783	\$293,478	\$260,870	\$260,870	\$277,174
\$2,125,000	\$2,375,000	\$2,250,000	\$2,000,000	\$2,000,000	\$2,125,000
\$425,000	\$475,000	\$450,000	\$400,000	\$400,000	\$425,000
\$6,967	\$7,787	\$7,377	\$6,557	\$6,557	\$6,967

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Initial Feasibility Analysis		7 x 2 bedroom Terrace (07)	
Existing Improvements	1 Dwellings	Remove	Existing Dwelling
Gross Site Area	720 m²		
Development Intensity (Gross)	1 : 265 m²		
Indicated Number of Units	7 units		
	<u>7 units</u>	2 Bed Single Garage @	102 sqm
Complying/ Non Complying	7 units		
Development GFA	714 m²		

less risk and the development margin is blended between land development and dwelling build margin.

				14.58%
				\$444,933.91
Development Costs		\$	750,000.00	Residual / Market Value
Land Purchase	720 m² @	\$906 /m²	\$652,174	\$639,500
Site Clearance	0 Dwellings @	\$20,000 per dwelling	\$0	\$0
Consenting	@	3.0%	\$53,550	\$53,550
Construction - Design Build Turnkey Contract	714 m² @	\$2,500 /m²	\$1,785,000	\$1,785,000
Extra Ordinary Cost		1.0%	\$17,850	\$17,850
Construction Contingency	@	7.0%	\$126,200	\$126,200
Other Consultant Fees	@	3.0%	\$53,550	\$53,550
Subdivision, Legal & Accountancy	7 Units @	\$2,500 per unit	\$17,500	\$17,500
Development Management	@	2.5%	\$44,625	\$44,625
Council Cost - Consents	@	2.0%	\$35,700	\$35,700
Development Contributions - City Wide	6 Units @	\$8,000 per unit	\$48,000	\$48,000
Development Contributions - Local	6 Units @	\$3,000 per unit	\$18,000	\$18,000
Marketing	7 Units @	\$1,500 per unit	\$10,500	\$10,500
Project Contingency - Excl. Construction	@	5.0%	\$11,394	\$11,394
Development Costs (GFA) - Excluding Land Purchase	714 m² @	\$3,112 /m²	\$2,221,868	\$2,221,868
Development Costs (per/unit) - Excluding Land Purchase	7 Dwellings	\$317,410 per dwelling	\$2,221,868	\$4,443,737
Development Costs - Including Land Purchase	714 m² @	\$4,025 /m²	\$2,874,042	\$2,861,368
Plus Holding & Selling Costs				
Agency	@	3.0%	\$119,774	\$121,800
Funding ( based on 9 months funding )	80.0%	6.0%	\$56,906	\$86,776
Total Selling Costs			\$176,680	\$208,576
Total Development Costs - Before Margin & GST	714 m² @	\$4,273 /m²	\$3,050,722	\$3,069,943
Developer's Margin	@	15.0%	\$457,608	\$460,491
Total Project Value - Before GST	714 m² @	\$4,914 /m²	\$3,508,330	\$3,530,435
GST	@	15%	\$526,250	\$529,565
Total Project Value - After GST	714 m² @	\$5,651 /m²	\$4,034,580	\$4,060,000
Average Sale Price Per Dwelling		\$576,369 per unit	\$576,369	\$580,000
Average Sale Price /m² GFA			\$5,651	

4.78%	18.70%	16.06%	6.61%	-4.79%	5.05%
\$132,813	\$618,591	\$509,895	\$183,808	-\$120,539	\$140,330
Tauranga Suburbs					
Cherrywood/Bureta	Matua	Arataki	Greerton	Bellevue / Brookfield	Tauranga South
\$652,174	\$739,130	\$695,652	\$565,217	\$565,217	\$608,696
\$0	\$86,957	\$43,478	-\$86,957	-\$86,957	-\$43,478
\$576,369 per unit	\$663,325 per unit	\$619,847 per unit	\$489,412 per unit	\$489,412 per unit	\$532,890 per unit
\$5,650.67	\$6,503.19	\$6,076.93	\$4,798.16	\$4,798.16	\$5,224.41
Residual / Market Value	Residual / Market Value	Residual / Market Value	Residual / Market Value	Residual / Market Value	Residual / Market Value
\$368,163	\$861,502	\$729,177	\$332,202	\$67,551	\$332,202
\$0	\$0	\$0	\$0	\$0	\$0
\$53,550	\$53,550	\$53,550	\$53,550	\$53,550	\$53,550
\$1,785,000	\$1,785,000	\$1,785,000	\$1,785,000	\$1,785,000	\$1,785,000
\$17,850	\$17,850	\$17,850	\$17,850	\$17,850	\$17,850
\$126,200	\$126,200	\$126,200	\$126,200	\$126,200	\$126,200
\$53,550	\$53,550	\$53,550	\$53,550	\$53,550	\$53,550
\$17,500	\$17,500	\$17,500	\$17,500	\$17,500	\$17,500
\$44,625	\$44,625	\$44,625	\$44,625	\$44,625	\$44,625
\$35,700	\$35,700	\$35,700	\$35,700	\$35,700	\$35,700
\$48,000	\$48,000	\$48,000	\$48,000	\$48,000	\$48,000
\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000
\$10,500	\$10,500	\$10,500	\$10,500	\$10,500	\$10,500
\$11,394	\$11,394	\$11,394	\$11,394	\$11,394	\$11,394
\$2,221,868	\$2,221,868	\$2,221,868	\$2,221,868	\$2,221,868	\$2,221,868
\$2,221,868	\$2,221,868	\$2,221,868	\$2,221,868	\$2,221,868	\$2,221,868
\$2,590,031	\$3,083,370	\$2,951,045	\$2,554,070	\$2,289,420	\$2,554,070
\$110,250	\$131,250	\$126,000	\$110,250	\$99,750	\$110,250
\$78,547	\$93,508	\$89,768	\$78,547	\$71,066	\$78,547
\$188,797	\$224,758	\$224,758	\$224,758	\$224,758	\$224,758
\$2,778,828	\$3,308,129	\$3,175,803	\$2,778,828	\$2,514,178	\$2,778,828
\$416,824	\$496,219	\$476,371	\$416,824	\$377,127	\$416,824
\$3,195,652	\$3,804,348	\$3,652,174	\$3,195,652	\$2,891,304	\$3,195,652
\$479,348	\$570,652	\$547,826	\$479,348	\$433,696	\$479,348
\$3,675,000	\$4,375,000	\$4,200,000	\$3,675,000	\$3,325,000	\$3,675,000
\$525,000	\$625,000	\$600,000	\$525,000	\$475,000	\$525,000
\$5,147	\$6,127	\$5,882	\$5,147	\$4,657	\$5,147

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Initial Feasibility Analysis		5 x 3 Bedroom Terrace (05)	
Existing Improvements	1 Dwellings	Remove	Existing Dwelling
Gross Site Area	720 m²		
Development Intensity (Gross)	1 : 265 m²		
Indicated Number of Units	5 units	2 Level, 3 Bedroom Single Garage	120 sqm
Complying/ Non Complying	5 units		
Development GFA	600 m²		

less risk and the development margin is blended between land development and dwelling build margin.

7.77%	20.92%	19.27%	5.07%	9.47%	11.76%
\$191,045	\$593,334	\$528,117	\$115,073	\$223,769	\$288,986
Tauranga Suburbs					
Cherrywood/Bureta	Matua	Arataki	Greerton	Bellevue / Brookfield	Tauranga South
\$652,174	\$739,130	\$695,652	\$565,217	\$565,217	\$608,696
\$0	\$86,957	\$43,478	-\$86,957	-\$86,957	-\$43,478
\$692,938 per unit	\$779,894 per unit	\$736,416 per unit	\$605,981 per unit	\$605,981 per unit	\$649,460 per unit
\$5,774.48	\$6,499.12	\$6,136.80	\$5,049.84	\$5,049.84	\$5,412.16

			7.15%	\$215,395.21
Development Costs		\$	750,000.00	Residual / Market Value
Land Purchase	720 m² @	\$906 /m²	\$652,174	\$474,599
Site Clearance	1 Dwellings @	\$20,000 per dwelling	\$20,000	\$20,000
Consenting	@	3.0%	\$42,000	\$42,000
Construction - Design Build Turnkey Contract	600 m² @	\$2,300 /m²	\$1,380,000	\$1,380,000
Extra Ordinary Cost		1.0%	\$13,800	\$13,800
Construction Contingency	@	7.5%	\$104,535	\$104,535
Other Consultant Fees	@	5.0%	\$69,000	\$69,000
Subdivision, Legal & Accountancy	5 Units @	\$2,500 per unit	\$12,500	\$12,500
Development Management	@	5.0%	\$69,000	\$69,000
Council Cost - Consents	@	3.0%	\$41,400	\$41,400
Development Contributions - City Wide	4 Units @	\$8,000 per unit	\$32,000	\$32,000
Development Contributions - Local	4 Units @	\$3,000 per unit	\$12,000	\$12,000
Marketing	5 Units @	\$1,500 per unit	\$7,500	\$7,500
Project Contingency - Excl. Construction	@	5.0%	\$12,170	\$12,170
Development Costs (GFA) - Excluding Land Purchase	600 m² @	\$3,027 /m²	\$1,815,905	\$1,815,905
Development Costs (per/unit) - Excluding Land Purchase	5 Dwellings	\$363,181 per dwelling	\$1,815,905	\$1,815,905
Development Costs - Including Land Purchase	600 m² @	\$4,113 /m²	\$2,468,079	\$2,290,504
Plus Holding & Selling Costs				
Agency	@	3.0%	\$102,856	\$97,500
Funding ( based on 9 months funding )	80.0%	6.0%	\$48,868	\$69,463
Total Selling Costs			\$151,724	\$166,963
Total Development Costs - Before Margin & GST	600 m² @	\$4,366 /m²	\$2,619,803	\$2,457,467
Developer's Margin	@	15.0%	\$392,970	\$368,620
Total Project Value - Before GST	600 m² @	\$5,021 /m²	\$3,012,773	\$2,826,087
GST	@	15%	\$451,915.94	\$423,913
Total Project Value - After GST	600 m² @	\$5,774 /m²	\$3,464,689	\$3,250,000
Average Sale Price Per Dwelling		\$692,938	\$692,938	\$650,000
Average Sale Price /m² GFA			\$5,774	\$5,417

Residual / Market Value	Residual / Market Value	Residual / Market Value	Residual / Market Value	Residual / Market Value	Residual / Market Value
\$474,599	\$907,134	\$812,616	\$340,026	\$434,544	\$529,062
\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000
\$1,380,000	\$1,380,000	\$1,380,000	\$1,380,000	\$1,380,000	\$1,380,000
\$13,800	\$13,800	\$13,800	\$13,800	\$13,800	\$13,800
\$104,535	\$104,535	\$104,535	\$104,535	\$104,535	\$104,535
\$69,000	\$69,000	\$69,000	\$69,000	\$69,000	\$69,000
\$12,500	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500
\$69,000	\$69,000	\$69,000	\$69,000	\$69,000	\$69,000
\$41,400	\$41,400	\$41,400	\$41,400	\$41,400	\$41,400
\$32,000	\$32,000	\$32,000	\$32,000	\$32,000	\$32,000
\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000
\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500
\$12,170	\$12,170	\$12,170	\$12,170	\$12,170	\$12,170
\$1,815,905	\$1,815,905	\$1,815,905	\$1,815,905	\$1,815,905	\$1,815,905
\$1,815,905	\$1,815,905	\$1,815,905	\$1,815,905	\$1,815,905	\$1,815,905
\$2,290,504	\$2,723,039	\$2,628,521	\$2,155,931	\$2,250,449	\$2,344,967
\$97,500	\$112,500	\$108,750	\$90,000	\$93,750	\$97,500
\$69,463	\$0	\$0	\$0	\$0	\$0
\$166,963	\$112,500	\$112,500	\$112,500	\$112,500	\$112,500
\$2,457,467	\$2,835,539	\$2,741,021	\$2,268,431	\$2,362,949	\$2,457,467
\$368,620	\$425,331	\$411,153	\$340,265	\$354,442	\$368,620
\$2,826,087	\$3,260,870	\$3,152,174	\$2,608,696	\$2,717,391	\$2,826,087
\$423,913	\$489,130	\$472,826	\$391,304	\$407,609	\$423,913
\$3,250,000	\$3,750,000	\$3,625,000	\$3,000,000	\$3,125,000	\$3,250,000
\$650,000	\$750,000	\$725,000	\$600,000	\$625,000	\$650,000
\$5,417	\$6,250	\$6,042	\$5,000	\$5,208	\$5,417

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Initial Feasibility Analysis		Medium Rise On GRD (T2)	
Development Type	Single Level Small lot Detached/Duplex Housing		
Existing Improvements	2 Dwellings	Remove	Existing Dwelling
Gross Site Area	1,440 m <sup>2</sup>		
Development Intensity (Gross)	1 : 76 m <sup>2</sup>		
Indicated Number of Units	19 units		
	3 units	1 Bedroom	60 sqm
	13 units	2 Bedroom	82 sqm
	3 units	3 Bedroom	104 sqm
	0 units	ongrade parking	650 sqm
Complying/ Non Complying	19 units		
Development GFA	1,715 m <sup>2</sup>		

Builders are able to develop these housing typologies at a reduced development margin as they require less capital, less risk and the development margin is blended between land development and dwelling build margin.

			11.12%	\$964,883.46
Development Costs			\$1,600,000.00	Residual / Market Value
Land Purchase	1,440 m² @	\$966 /m²	\$1,391,304	\$187,845
Site Clearance	2 Dwellings @	\$30,000 per dwelling	\$60,000	\$60,000
Consenting	@	3.0%	\$145,863	\$145,863
Construction - On grade Car parking	650 m² @	\$400 /m²	\$260,000	\$260,000
Construction - Design Build Turnkey Apartments	1,715 m² @	\$2,800 /m²	\$4,802,112	\$4,802,112
Extra Ordinary Costs	@	1.0%	\$50,621	\$50,621
Construction Contingency	@	7.5%	\$379,658	\$379,658
Other Consultant Fees	@	5.0%	\$240,106	\$240,106
Subdivision, Legal & Accountancy	19 Units @	\$2,800 per unit	\$53,200	\$53,200
Development Management	@	5.0%	\$240,106	\$240,106
Council Cost - Consents	@	2.0%	\$96,042	\$96,042
Development Contributions - City Wide	17 Units @	\$8,000 per unit	\$136,000	\$136,000
Development Contributions - Local	17 Units @	\$3,000 per unit	\$51,000	\$51,000
Marketing	19 Units @	\$5,000 per unit	\$95,000	\$95,000
Project Contingency - Excl. Construction	@	5.0%	\$45,573	\$45,573
Development Costs (GFA) - Excluding Land Purchase	1,715 m² @	\$3,881 /m²	\$6,655,281	\$6,655,281
Development Costs (per/unit) - Excluding Land Purchase	19 Dwellings	\$350,278 per dwelling	\$6,655,281	\$13,250,562
Development Costs - Including Land Purchase	1,715 m² @	\$4,692 /m²	\$8,046,585	\$6,843,126
Plus Holding & Selling Costs				
Agency	@	2.5%	\$308,141	\$266,875
Funding ( based on 12 months )	80.0%	6.0%	\$318,645	\$316,086
Total Selling Costs			\$626,786	\$582,961
Total Development Costs - Before Margin & GST	1,715 m² @	\$5,057 /m²	\$8,673,371	\$7,426,087
Developer's Margin	@	25.0%	\$2,168,343	\$1,856,522
Total Project Value - Before GST	1,715 m² @	\$6,322 /m²	\$10,841,714	\$9,282,609
GST	@	15%	\$1,626,257	\$1,392,391
Total Project Value - After GST	1,715 m² @	\$7,270 /m²	\$12,467,971	\$10,675,000
Average Sale Price Per Dwelling			\$656,209	\$561,842.11
Average Sale Price /m² GFA			\$7,270	\$6,224

Dwelling Values			Market
1 Bedroom			\$1,425,000
2 Bedroom			\$475,000
3 Bedroom			\$550,000
ongrade parking			\$700,000
Average Rate /m² GFA			\$0
			\$10,675,000
			\$561,842

9.41%	22.00%	19.24%	-0.36%	0.55%	6.43%
\$698,635	\$1,889,772	\$1,589,625	-\$23,903	\$37,219	\$459,609
Tauranga Suburbs					
Cherrywood/Bureta	Matua	Mount North	Greerton	Bellevue / Brookfield	Tauranga South
\$1,391,304	\$1,565,217	\$1,478,261	\$1,217,391	\$1,217,391	\$1,304,348
\$0	\$173,913	\$86,957	-\$173,913	-\$173,913	-\$86,957
\$656,209 per unit	\$830,122 per unit	\$743,166 per unit	\$482,296 per unit	\$482,296 per unit	\$569,252 per unit
\$10,936.82	\$13,835.37	\$12,386.09	\$8,038.27	\$8,038.27	\$9,487.54

Residual / Market Value	Residual / Market Value	Residual / Market Value	Residual / Market Value	Residual / Market Value	Residual / Market Value
\$233,418	\$1,307,163	\$1,002,668	-\$471,729	-\$423,651	-\$22,999
\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000
\$145,863	\$145,863	\$145,863	\$145,863	\$145,863	\$145,863
\$260,000	\$260,000	\$260,000	\$260,000	\$260,000	\$260,000
\$4,802,112	\$4,802,112	\$4,802,112	\$4,802,112	\$4,802,112	\$4,802,112
\$50,621	\$50,621	\$50,621	\$50,621	\$50,621	\$50,621
\$379,658	\$379,658	\$379,658	\$379,658	\$379,658	\$379,658
\$240,106	\$240,106	\$240,106	\$240,106	\$240,106	\$240,106
\$53,200	\$53,200	\$53,200	\$53,200	\$53,200	\$53,200
\$240,106	\$240,106	\$240,106	\$240,106	\$240,106	\$240,106
\$96,042	\$96,042	\$96,042	\$96,042	\$96,042	\$96,042
\$136,000	\$136,000	\$136,000	\$136,000	\$136,000	\$136,000
\$51,000	\$51,000	\$51,000	\$51,000	\$51,000	\$51,000
\$95,000	\$95,000	\$95,000	\$95,000	\$95,000	\$95,000
\$45,573	\$45,573	\$45,573	\$45,573	\$45,573	\$45,573
\$6,609,708	\$6,609,708	\$6,609,708	\$6,609,708	\$6,609,708	\$6,609,708
\$6,609,708	\$6,609,708	\$6,609,708	\$6,609,708	\$6,609,708	\$6,609,708
\$6,843,126	\$7,916,872	\$7,612,377	\$6,137,980	\$6,186,058	\$6,586,709
\$266,875	\$308,750	\$296,875	\$239,375	\$241,250	\$256,875
\$316,086	\$365,683	\$351,618	\$283,515	\$285,736	\$304,242
\$582,961	\$674,433	\$648,493	\$522,890	\$526,986	\$561,117
\$7,426,087	\$8,591,304	\$8,260,870	\$6,660,870	\$6,713,043	\$7,147,826
\$1,856,522	\$2,147,826	\$2,065,217	\$1,665,217	\$1,678,261	\$1,786,957
\$9,282,609	\$10,739,130	\$10,326,087	\$8,326,087	\$8,391,304	\$8,934,783
\$1,392,391	\$1,610,870	\$1,548,913	\$1,248,913	\$1,258,696	\$1,340,217
\$10,675,000	\$12,350,000	\$11,875,000	\$9,575,000	\$9,650,000	\$10,275,000
\$561,842	\$650,000	\$625,000	\$503,947	\$507,895	\$540,789
\$9,364	\$10,833	\$10,417	\$8,399	\$8,465	\$9,013

Market	Market	Market	Market	Market	Market
\$475,000	\$550,000	\$525,000	\$400,000	\$400,000	\$450,000
\$550,000	\$650,000	\$625,000	\$500,000	\$500,000	\$525,000
\$700,000	\$750,000	\$725,000	\$625,000	\$650,000	\$700,000
\$0	\$0	\$0	\$0	\$0	\$0
\$1,425,000	\$1,650,000	\$1,575,000	\$1,200,000	\$1,200,000	\$1,350,000
\$7,150,000	\$8,450,000	\$8,125,000	\$6,500,000	\$6,500,000	\$6,825,000
\$2,100,000	\$2,250,000	\$2,175,000	\$1,875,000	\$1,950,000	\$2,100,000



Initial Feasibility Analysis		Medium Rise HBSMT (T2)	
Development Type	Single Level Small lot Detached/Duplex Housing		
Existing Improvements	2 Dwellings	Remove	Existing Dwelling
Gross Site Area	1,440 m <sup>2</sup>		
Development Intensity (Gross)	1 : 69 m <sup>2</sup>		
Indicated Number of Units	21 units		
	3 units	1 Bedroom	60 sqm
	10 units	2 Bedroom	82 sqm
	8 units	3 Bedroom	104 sqm
	0 units	Half Basement Parking	853 sqm
Complying/ Non Complying	21 units		
Development GFA	2,003 m <sup>2</sup>		

Builders are able to develop these housing typologies at a reduced development margin as they require less capital, less risk and the development margin is blended between land development and dwelling build margin.

				10.27%
				\$1,056,200.15
Development Costs				Residual / Market Value
Land Purchase	1,440 m² @	\$966 /m²	\$1,391,304	-\$124,614
Site Clearance	2 Dwellings @	\$30,000 per dwelling	\$60,000	\$60,000
Consenting	@	3.0%	\$170,052	\$170,052
Construction - Half Basement Parking	853 m² @	\$800 /m²	\$682,400	\$682,400
Construction - Design Build Turnkey Apartments	2,003 m² @	\$2,800 /m²	\$5,608,400	\$5,608,400
Extra Ordinary Costs	@	1.0%	\$62,908	\$62,908
Construction Contingency	@	7.5%	\$471,810	\$471,810
Other Consultant Fees	@	5.0%	\$280,420	\$280,420
Subdivision, Legal & Accountancy	21 Units @	\$2,800 per unit	\$58,800	\$58,800
Development Management	@	5.0%	\$280,420	\$280,420
Council Cost - Consents	@	2.0%	\$112,168	\$112,168
Development Contributions - City Wide	19 Units @	\$8,000 per unit	\$152,000	\$152,000
Development Contributions - Local	19 Units @	\$3,000 per unit	\$57,000	\$57,000
Marketing	21 Units @	\$5,000 per unit	\$105,000	\$105,000
Project Contingency - Excl. Construction	@	5.0%	\$52,290	\$52,290
Development Costs (GFA) - Excluding Land Purchase	2,003 m² @	\$4,071 /m²	\$8,153,668	\$8,153,668
Development Costs (per/unit) - Excluding Land Purchase	21 Dwellings	\$388,270 per dwelling	\$8,153,668	\$16,247,337
Development Costs - Including Land Purchase	2,003 m² @	\$4,765 /m²	\$9,544,973	\$8,029,054
Plus Holding & Selling Costs				
Agency	@	2.5%	\$365,521	\$313,125
Funding ( based on 12 months )	80.0%	6.0%	\$377,981	\$370,864
Total Selling Costs			\$743,502	\$683,989
Total Development Costs - Before Margin & GST	2,003 m² @	\$5,137 /m²	\$10,288,475	\$8,713,043
Developer's Margin	@	25.0%	\$2,572,119	\$2,178,261
Total Project Value - Before GST	2,003 m² @	\$6,421 /m²	\$12,860,594	\$10,891,304
GST	@	15%	\$1,929,089	\$1,633,696
Total Project Value - After GST	2,003 m² @	\$7,384 /m²	\$14,789,683	\$12,525,000
Average Sale Price Per Dwelling			\$704,271	\$596,428.57
Average Sale Price /m² GFA			\$7,384	\$6,253

Dwelling Values		Market
1 Bedroom	\$1,425,000	\$475,000
2 Bedroom	\$5,500,000	\$550,000
3 Bedroom	\$5,600,000	\$700,000
Half Basement Parking	\$0.00	\$0
Average Rate /m² GFA	\$12,525,000	

7.85%	18.95%	16.08%	-2.45%	-2.45%	6.32%
\$682,034	\$1,865,022	\$1,524,127	-\$191,270	-\$191,270	\$536,729
Tauranga Suburbs					
Cherrywood/Bureta	Matua	Mount North	Greerton	Belevue / Brookfield	Tauranga South
\$1,391,304	\$1,565,217	\$1,478,261	\$1,217,391	\$1,217,391	\$1,304,348
\$0	\$173,913	\$86,957	-\$173,913	-\$173,913	-\$86,957
\$704,271 per unit	\$878,184 per unit	\$791,227 per unit	\$530,358 per unit	\$530,358 per unit	\$617,314 per unit
\$11,737.84	\$14,636.39	\$13,187.12	\$8,839.29	\$8,839.29	\$10,288.57

Residual / Market Value	Residual / Market Value	Residual / Market Value	Residual / Market Value	Residual / Market Value	Residual / Market Value
-\$97,966	\$969,370	\$632,823	-\$921,705	-\$921,705	-\$280,663
\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000
\$170,052	\$170,052	\$170,052	\$170,052	\$170,052	\$170,052
\$682,400	\$682,400	\$682,400	\$682,400	\$682,400	\$682,400
\$5,608,400	\$5,608,400	\$5,608,400	\$5,608,400	\$5,608,400	\$5,608,400
\$62,908	\$62,908	\$62,908	\$62,908	\$62,908	\$62,908
\$471,810	\$471,810	\$471,810	\$471,810	\$471,810	\$471,810
\$280,420	\$280,420	\$280,420	\$280,420	\$280,420	\$280,420
\$58,800	\$58,800	\$58,800	\$58,800	\$58,800	\$58,800
\$280,420	\$280,420	\$280,420	\$280,420	\$280,420	\$280,420
\$112,168	\$112,168	\$112,168	\$112,168	\$112,168	\$112,168
\$152,000	\$152,000	\$152,000	\$152,000	\$152,000	\$152,000
\$57,000	\$57,000	\$57,000	\$57,000	\$57,000	\$57,000
\$105,000	\$105,000	\$105,000	\$105,000	\$105,000	\$105,000
\$52,290	\$52,290	\$52,290	\$52,290	\$52,290	\$52,290
\$8,101,378	\$8,101,378	\$8,101,378	\$8,101,378	\$8,101,378	\$8,101,378
\$8,101,378	\$8,101,378	\$8,101,378	\$8,101,378	\$8,101,378	\$8,101,378
\$8,003,412	\$9,070,748	\$8,734,201	\$7,179,673	\$7,179,673	\$7,820,715
\$312,125	\$353,750	\$340,625	\$280,000	\$280,000	\$305,000
\$369,680	\$418,980	\$403,435	\$331,631	\$331,631	\$361,241
\$681,805	\$772,730	\$744,060	\$611,631	\$611,631	\$666,241
\$8,685,217	\$9,843,478	\$9,478,261	\$7,791,304	\$7,791,304	\$8,486,957
\$2,171,304	\$2,460,870	\$2,369,565	\$1,947,826	\$1,947,826	\$2,121,739
\$10,856,522	\$12,304,348	\$11,847,826	\$9,739,130	\$9,739,130	\$10,608,696
\$1,628,478	\$1,845,652	\$1,777,174	\$1,460,870	\$1,460,870	\$1,591,304
\$12,485,000	\$14,150,000	\$13,625,000	\$11,200,000	\$11,200,000	\$12,200,000
\$594,524	\$673,810	\$648,810	\$533,333	\$533,333	\$580,952
\$9,909	\$11,230	\$10,813	\$8,889	\$8,889	\$9,683

Market	Market	Market	Market	Market	Market
\$475,000	\$550,000	\$525,000	\$400,000	\$400,000	\$450,000
\$550,000	\$650,000	\$625,000	\$500,000	\$500,000	\$525,000
\$695,000	\$750,000	\$725,000	\$625,000	\$625,000	\$700,000
\$0	\$0	\$0	\$0	\$0	\$0
\$1,425,000	\$1,650,000	\$1,575,000	\$1,200,000	\$1,200,000	\$1,350,000
\$5,500,000	\$6,500,000	\$6,250,000	\$5,000,000	\$5,000,000	\$5,250,000
\$5,560,000	\$6,000,000	\$5,800,000	\$5,000,000	\$5,000,000	\$5,600,000

Initial Feasibility Analysis		Medium Rise BSMT (T2)	
Development Type	Single Level Small lot Detached/Duplex Housing		
Existing Improvements	2 Dwellings	Remove	Existing Dwelling
Gross Site Area	1,440 m²		
Development Intensity (Gross)	1 : 69 m²		
Indicated Number of Units	21 units		
	3 units	1 Bedroom	60 sqm
	10 units	2 Bedroom	82 sqm
	8 units	3 Bedroom	104 sqm
	0 units	Basement Parking	758 sqm
Complying/ Non Complying	21 units		
Development GFA	2,119 m²		

Builders are able to develop these housing typologies at a reduced development margin as they require less capital, less risk and the development margin is blended between land development and dwelling build margin.

Development Costs				Residual / Market Value
Land Purchase	1,440 m² @	\$966 /m²	\$1,391,304	-\$609,717
Site Clearance	2 Dwellings @	\$30,000 per dwelling	\$60,000	\$60,000
Consenting	@	3.0%	\$179,796	\$179,796
Construction - Basement Parking	758 m² @	\$1,000 /m²	\$758,000	\$758,000
Construction - Design Build Turnkey Apartments	2,119 m² @	\$2,800 /m²	\$5,933,200	\$5,933,200
Extra Ordinary Costs	@	1.0%	\$66,912	\$66,912
Construction Contingency	@	7.5%	\$501,840	\$501,840
Other Consultant Fees	@	5.0%	\$296,660	\$296,660
Subdivision, Legal & Accountancy	21 Units @	\$2,800 per unit	\$58,800	\$58,800
Development Management	@	5.0%	\$296,660	\$296,660
Council Cost - Consents	@	2.0%	\$118,664	\$118,664
Development Contributions - City Wide	19 Units @	\$8,000 per unit	\$152,000	\$152,000
Development Contributions - Local	19 Units @	\$3,000 per unit	\$57,000	\$57,000
Marketing	21 Units @	\$5,000 per unit	\$105,000	\$105,000
Project Contingency - Excl. Construction	@	5.0%	\$54,239	\$54,239
Development Costs (GFA) - Excluding Land Purchase	2,119 m² @	\$4,077 /m²	\$8,638,771	\$8,638,771
Development Costs (per/unit) - Excluding Land Purchase	21 Dwellings	\$411,370 per dwelling	\$8,638,771	\$17,217,542
Development Costs - Including Land Purchase	2,119 m² @	\$4,733 /m²	\$10,030,076	\$8,029,054
Plus Holding & Selling Costs				
Agency	@	2.5%	\$384,098	\$313,125
Funding ( based on 12 months )	80.0%	6.0%	\$397,191	\$370,864
Total Selling Costs			\$781,289	\$683,989
Total Development Costs - Before Margin & GST	2,119 m² @	\$5,102 /m²	\$10,811,365	\$8,713,043
Developer's Margin	@	25.0%	\$2,702,841	\$2,178,261
Total Project Value - Before GST	2,119 m² @	\$6,378 /m²	\$13,514,206	\$10,891,304
GST	@	15%	\$2,027,131	\$1,633,696
Total Project Value - After GST	2,119 m² @	\$7,334 /m²	\$15,541,337	\$12,525,000
Average Sale Price Per Dwelling			\$740,064	\$596,428.57
Average Sale Price /m² GFA			\$7,334	\$5,911

Dwelling Values			Market
1 Bedroom		\$1,425,000	\$475,000
2 Bedroom		\$5,500,000	\$550,000
3 Bedroom		\$5,600,000	\$700,000
Basement Parking		\$0.00	\$0
Average Rate /m² GFA		\$12,525,000	

2.29%	14.04%	10.98%	-8.66%	-6.45%	0.63%
\$198,880	\$1,381,868	\$1,040,973	-\$674,424	-\$511,433	\$53,575
Tauranga Suburbs					
Cherrywood/Bureta	Matua	Mount North	Greerton	Bellevue / Brookfield	Tauranga South
\$1,391,304	\$1,565,217	\$1,478,261	\$1,217,391	\$1,217,391	\$1,304,348
\$0	\$173,913	\$86,957	-\$173,913	-\$173,913	-\$86,957
\$740,064 per unit	\$913,977 per unit	\$827,020 per unit	\$566,151 per unit	\$566,151 per unit	\$653,107 per unit
\$12,334.39	\$15,232.94	\$13,783.67	\$9,435.84	\$9,435.84	\$10,885.12

Residual / Market Value	Residual / Market Value	Residual / Market Value	Residual / Market Value	Residual / Market Value	Residual / Market Value
-\$581,120	\$486,216	\$149,669	-\$1,404,859	-\$1,276,650	-\$763,817
\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000
\$179,796	\$179,796	\$179,796	\$179,796	\$179,796	\$179,796
\$758,000	\$758,000	\$758,000	\$758,000	\$758,000	\$758,000
\$5,933,200	\$5,933,200	\$5,933,200	\$5,933,200	\$5,933,200	\$5,933,200
\$66,912	\$66,912	\$66,912	\$66,912	\$66,912	\$66,912
\$501,840	\$501,840	\$501,840	\$501,840	\$501,840	\$501,840
\$296,660	\$296,660	\$296,660	\$296,660	\$296,660	\$296,660
\$58,800	\$58,800	\$58,800	\$58,800	\$58,800	\$58,800
\$296,660	\$296,660	\$296,660	\$296,660	\$296,660	\$296,660
\$118,664	\$118,664	\$118,664	\$118,664	\$118,664	\$118,664
\$152,000	\$152,000	\$152,000	\$152,000	\$152,000	\$152,000
\$57,000	\$57,000	\$57,000	\$57,000	\$57,000	\$57,000
\$105,000	\$105,000	\$105,000	\$105,000	\$105,000	\$105,000
\$54,239	\$54,239	\$54,239	\$54,239	\$54,239	\$54,239
\$8,584,532	\$8,584,532	\$8,584,532	\$8,584,532	\$8,584,532	\$8,584,532
\$8,584,532	\$8,584,532	\$8,584,532	\$8,584,532	\$8,584,532	\$8,584,532
\$8,003,412	\$9,070,748	\$8,734,201	\$7,179,673	\$7,307,882	\$7,820,715
\$312,125	\$353,750	\$340,625	\$280,000	\$285,000	\$305,000
\$369,680	\$418,980	\$403,435	\$331,631	\$337,553	\$361,241
\$681,805	\$772,730	\$744,060	\$611,631	\$622,553	\$666,241
\$8,685,217	\$9,843,478	\$9,478,261	\$7,791,304	\$7,930,435	\$8,486,957
\$2,171,304	\$2,460,870	\$2,369,565	\$1,947,826	\$1,982,609	\$2,121,739
\$10,856,522	\$12,304,348	\$11,847,826	\$9,739,130	\$9,913,043	\$10,608,696
\$1,628,478	\$1,845,652	\$1,777,174	\$1,460,870	\$1,486,957	\$1,591,304
\$12,485,000	\$14,150,000	\$13,625,000	\$11,200,000	\$11,400,000	\$12,200,000
\$594,524	\$673,810	\$648,810	\$533,333	\$542,857	\$580,952
\$9,909	\$11,230	\$10,813	\$8,889	\$9,048	\$9,683

Market	Market	Market	Market	Market	Market
\$475,000	\$550,000	\$525,000	\$400,000	\$400,000	\$450,000
\$550,000	\$650,000	\$625,000	\$500,000	\$500,000	\$525,000
\$695,000	\$750,000	\$725,000	\$625,000	\$650,000	\$700,000
\$0	\$0	\$0	\$0	\$0	\$0
\$1,425,000	\$1,650,000	\$1,575,000	\$1,200,000	\$1,200,000	\$1,350,000
\$5,500,000	\$6,500,000	\$6,250,000	\$5,000,000	\$5,000,000	\$5,250,000
\$5,560,000	\$6,000,000	\$5,800,000	\$5,000,000	\$5,200,000	\$5,600,000

Initial Feasibility Analysis		City Living Zone	
Development Type	Single Level Small lot Detached/Duplex Housing		
Existing Improvements	2 Dwellings	Remove	Existing Improvements
Gross Site Area	2,500 m <sup>2</sup>		
Development Intensity (Gross)	1 : 66 m <sup>2</sup>		
Indicated Number of Units	38 units		
	6 units	1 Bedroom	60 sqm
	17 units	2 Bedroom	82 sqm
	13 units	3 Bedroom	104 sqm
	2 units	Retail Units	230 sqm
	0 units	Basement Parking	1,678 sqm
Complying/ Non Complying	38 units		
Development GFA	3,491 m <sup>2</sup>		

Builders are able to develop these housing typologies at a reduced development margin as they require less capital, less risk and the development margin is blended between land development and dwelling build margin.

			\$11,970,300	
			0.782440217	
			2.97%	
			\$572,392.62	
Development Costs			\$3,000,000	Residual / Market Value
Land Purchase	2,500 m² @	\$1,043 /m²	\$2,608,696	-\$1,644,477
Site Clearance	0 Dwellings @	\$100,000 per dwelling	\$100,000	\$100,000
Consenting	@	3.0%	\$296,244	\$296,244
Construction - Half Basement Parking	1,678 m² @	\$1,000 /m²	\$1,678,000	\$1,678,000
Construction - Design Build Turnkey Apartments	3,491 m² @	\$2,800 /m²	\$9,774,800	\$9,774,800
Construction - Design Build Turnkey Apartments	230 m² @	\$2,250 /m²	\$517,500	\$517,500
Extra Ordinary Costs	@	1.0%	\$114,528	\$114,528
Construction Contingency	@	7.5%	\$858,960	\$858,960
Other Consultant Fees	@	5.0%	\$488,740	\$488,740
Subdivision, Legal & Accountancy	38 Units @	\$2,800 per unit	\$106,400	\$106,400
Development Management	@	5.0%	\$488,740	\$488,740
Council Cost - Consents	@	2.0%	\$195,496	\$195,496
Development Contributions - City Wide	36 Units @	\$8,000 per unit	\$288,000	\$288,000
Development Contributions - Local	36 Units @	\$3,000 per unit	\$108,000	\$108,000
Marketing	38 Units @	\$5,000 per unit	\$190,000	\$190,000
Project Contingency - Excl. Construction	@	5.0%	\$93,269	\$93,269
Development Costs (GFA) - Excluding Land Purchase	3,491 m² @	\$4,382 /m²	\$15,298,677	\$15,298,677
Development Costs (per/unit) - Excluding Land Purchase	38 Dwellings	\$402,597 per dwelling	\$15,298,677	\$30,497,354
Development Costs - Including Land Purchase	3,491 m² @	\$5,130 /m²	\$17,907,372	\$13,654,200
Plus Holding & Selling Costs				
Agency	@	2.5%	\$685,756	\$532,500
Funding ( based on 12 months )	80.0%	6.0%	\$709,132	\$630,691
Total Selling Costs			\$1,394,888	\$1,163,191
Total Development Costs - Before Margin & GST	3,491 m² @	\$5,529 /m²	\$19,302,261	\$14,817,391
Developer's Margin	@	25.0%	\$4,825,565	\$3,704,348
Total Project Value - Before GST	3,491 m² @	\$6,911 /m²	\$24,127,826	\$18,521,739
GST	@	15%	\$3,619,174	\$2,778,261
Total Project Value - After GST	3,491 m² @	\$7,948 /m²	\$27,747,000	\$21,300,000
Average Sale Price Per Dwelling			\$730,184	\$560,526.32
Average Sale Price /m² GFA			\$7,948	\$6,101

Dwelling Values		Market
1 Bedroom	\$2,850,000	\$475,000
2 Bedroom	\$9,350,000	\$550,000
3 Bedroom	\$9,100,000	\$700,000
Basement Parking	\$0.00	\$0
Average Rate /m² GFA	\$21,300,000	

Tauranga Suburbs					
Cherrywood/Bureta	Matua	Mount North	Greerton	Bellevue / Brookfield	Tauranga South
\$1,391,304	\$1,565,217	\$1,565,217	\$1,217,391	\$1,217,391	\$1,391,304
-\$10,578,996	\$1,565,217	\$1,565,217	\$1,217,391	\$1,217,391	\$1,391,304
-\$10,578,996 per unit	\$1,565,217 per unit	\$1,565,217 per unit	\$1,217,391 per unit	\$1,217,391 per unit	\$1,391,304 per unit
-\$176,316.59	\$26,086.96	\$26,086.96	\$20,289.86	\$20,289.86	\$23,188.41
Residual / Market Value	Residual / Market Value	Residual / Market Value	Residual / Market Value	Residual / Market Value	Residual / Market Value
-\$1,551,208	\$243,710	-\$333,228	-\$3,009,579	-\$2,801,241	-\$1,919,807
\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
\$296,244	\$296,244	\$296,244	\$296,244	\$296,244	\$296,244
\$1,678,000	\$1,678,000	\$1,678,000	\$1,678,000	\$1,678,000	\$1,678,000
\$9,774,800	\$9,774,800	\$9,774,800	\$9,774,800	\$9,774,800	\$9,774,800
\$517,500	\$517,500	\$517,500	\$517,500	\$517,500	\$517,500
\$114,528	\$114,528	\$114,528	\$114,528	\$114,528	\$114,528
\$858,960	\$858,960	\$858,960	\$858,960	\$858,960	\$858,960
\$488,740	\$488,740	\$488,740	\$488,740	\$488,740	\$488,740
\$106,400	\$106,400	\$106,400	\$106,400	\$106,400	\$106,400
\$488,740	\$488,740	\$488,740	\$488,740	\$488,740	\$488,740
\$195,496	\$195,496	\$195,496	\$195,496	\$195,496	\$195,496
\$288,000	\$288,000	\$288,000	\$288,000	\$288,000	\$288,000
\$108,000	\$108,000	\$108,000	\$108,000	\$108,000	\$108,000
\$190,000	\$190,000	\$190,000	\$190,000	\$190,000	\$190,000
\$93,269	\$93,269	\$93,269	\$93,269	\$93,269	\$93,269
\$15,205,408	\$15,205,408	\$15,205,408	\$15,205,408	\$15,205,408	\$15,205,408
\$15,205,408	\$15,205,408	\$15,205,408	\$15,205,408	\$15,205,408	\$15,205,408
\$13,654,200	\$15,449,118	\$14,872,180	\$12,195,829	\$12,404,167	\$13,285,601
\$532,500	\$602,500	\$580,000	\$475,625	\$483,750	\$518,125
\$630,691	\$713,599	\$686,950	\$563,329	\$572,952	\$613,666
\$1,163,191	\$1,316,099	\$1,266,950	\$1,038,954	\$1,056,702	\$1,131,791
\$14,817,391	\$16,765,217	\$16,139,130	\$13,234,783	\$13,460,870	\$14,417,391
\$3,704,348	\$4,191,304	\$4,034,783	\$3,308,696	\$3,365,217	\$3,604,348
\$18,521,739	\$20,956,522	\$20,173,913	\$16,543,478	\$16,826,087	\$18,021,739
\$2,778,261	\$3,143,478	\$3,026,087	\$2,481,522	\$2,523,913	\$2,703,261
\$21,300,000	\$24,100,000	\$23,200,000	\$19,025,000	\$19,350,000	\$20,725,000
\$560,526	\$634,211	\$610,526	\$500,658	\$509,211	\$545,395
\$9,342	\$10,570	\$10,175	\$8,344	\$8,487	\$9,090

Market	Market	Market	Market	Market	Market
\$475,000	\$550,000	\$525,000	\$400,000	\$400,000	\$450,000
\$550,000	\$650,000	\$625,000	\$500,000	\$500,000	\$525,000
\$700,000	\$750,000	\$725,000	\$625,000	\$650,000	\$700,000
\$0	\$0	\$0	\$0	\$0	\$0
\$2,850,000	\$3,300,000	\$3,150,000	\$2,400,000	\$2,400,000	\$2,700,000
\$9,350,000	\$11,050,000	\$10,625,000	\$8,500,000	\$8,925,000	\$9,925,000
\$9,100,000	\$9,750,000	\$9,425,000	\$8,125,000	\$8,450,000	\$9,100,000



## Appendix 5 – Development Feasibility Analysis Summary

Design Option	Design Typology	Gross Site Land Area (18m² x 40m²)	Dwelling / Unit Gross Floor Area	Development Gross Floor Area	Development Costs/unit (excl. land)	Indicative Development Margin	Suburb	Development Sale Value (per unit)	Market Sale Value (per unit)	Acquisition Land Value (Excl GST)	Development (Residual) Land Value (Excl GST)	% Variance Acquisition v Developable (Residual) Land Value	Indicative Gross Profit (Residual adjusted)	
Representative Site													(\$)	(%)
Single Section / Dwellings	2 Lot - Retain.Vacant	720	n/a	n/a	\$76,988	n/a	Representative Site	\$ 442,754	\$ 425,000	\$ 652,174	\$ 737,866	13.14%	\$85,692	11.20%
	2 Lot - Retain and Single	720	145	n/a	\$375,688	n/a	Representative Site	\$ 624,141	\$ 687,500	\$ 652,174	\$ 744,736	14.19%	\$92,562	8.53%
	2 Lot - Retain and Single	720	198	n/a	\$541,750	n/a	Representative Site	\$ 483,318	\$ 533,333	\$ 652,174	\$ 762,015	16.84%	\$109,841	7.89%
Duplex Design Options	4 x 1 Bedroom Duplex	720	62	248	\$168,325	10.00%	Representative Site	\$ 442,754	\$425,000	\$ 652,174	\$ 587,558	-9.91%	\$75,386	5.38%
							Cherrywood/Bureta	\$ 442,754	\$425,000	\$ 652,174	\$ 587,558	-9.91%	\$69,772	5.19%
							Matua	\$ 529,710	\$475,000	\$ 739,130	\$ 735,895	-0.44%	\$146,962	9.78%
							Arataki	\$ 486,232	\$450,000	\$ 695,652	\$ 656,843	-5.58%	\$103,484	7.27%
							Greerton	\$ 355,797	\$400,000	\$ 565,217	\$ 498,741	-11.76%	\$60,005	4.74%
							Bellevue / Brookfield	\$ 355,797	\$400,000	\$ 565,217	\$ 498,741	-11.76%	\$60,005	4.74%
							Tauranga South	\$ 399,275	\$425,000	\$ 608,696	\$ 577,792	-5.08%	\$103,484	7.70%
	4 x 2 Bedroom Duplex	720	99	396	\$258,028	10.00%	Representative Site	\$ 562,609	\$550,000	\$ 652,174	\$ 599,588	-8.06%	\$125,314	7.04%
							Cherrywood/Bureta	\$ 562,609	\$550,000	\$ 652,174	\$ 599,588	-8.06%	\$121,327	6.98%
							Matua	\$ 649,565	\$625,000	\$ 739,130	\$ 822,093	11.22%	\$280,591	14.20%
							Arataki	\$ 606,087	\$600,000	\$ 695,652	\$ 743,041	6.81%	\$237,113	12.50%
							Greerton	\$ 475,652	\$475,000	\$ 565,217	\$ 347,784	-38.47%	-\$67,235	-4.48%
							Bellevue / Brookfield	\$ 475,652	\$475,000	\$ 565,217	\$ 347,784	-38.47%	-\$67,235	-4.48%
							Tauranga South	\$ 519,130	\$500,000	\$ 608,696	\$ 426,836	-29.88%	-\$23,757	-1.50%

	4 x 3 Bedroom Duplex	720	129.04	516.16	\$345,077	10.00%	Representative Site	\$	678,918	\$650,000	\$	652,174	\$	548,064	-15.96%	\$110,568	5.15%
							Cherrywood/Bureta	\$	678,918	\$650,000	\$	652,174	\$	548,064	-15.96%	\$101,424	4.93%
							Matua	\$	765,875	\$750,000	\$	739,130	\$	844,737	14.29%	\$342,761	14.45%
							Arataki	\$	722,396	\$725,000	\$	695,652	\$	765,686	10.07%	\$299,283	13.05%
							Greerton	\$	591,962	\$600,000	\$	565,217	\$	370,429	-34.46%	-\$5,065	-0.27%
							Bellevue / Brookfield	\$	591,962	\$600,000	\$	565,217	\$	370,429	-34.46%	-\$5,065	-0.27%
							Tauranga South	\$	635,440	\$625,000	\$	608,696	\$	449,480	-26.16%	\$38,413	1.94%
Low Rise Housing	5 x 1 Bedroom Terrace	720	61	305	\$184,210	15.00%	Representative Site	\$	441,698	\$425,000	\$	652,174	\$	583,300	-10.56%	\$181,616	10.88%
							Cherrywood/Bureta	\$	441,698	\$425,000	\$	652,174	\$	583,300	-10.56%	\$172,146	10.71%
							Matua	\$	528,654	\$475,000	\$	739,130	\$	759,492	2.75%	\$289,738	16.13%
							Arataki	\$	485,176	\$450,000	\$	695,652	\$	664,974	-4.41%	\$224,521	13.20%
							Greerton	\$	354,741	\$400,000	\$	565,217	\$	475,938	-15.80%	\$137,564	9.10%
							Bellevue / Brookfield	\$	354,741	\$400,000	\$	565,217	\$	475,938	-15.80%	\$137,564	9.10%
							Tauranga South	\$	398,219	\$425,000	\$	608,696	\$	570,456	-6.28%	\$202,781	12.62%
	7 x 2 bedroom Terrace (07)	720	102	714	\$317,410	15.00%	Representative Site	\$	576,369	\$580,000	\$	652,174	\$	639,500	-1.94%	\$444,934	14.58%
							Cherrywood/Bureta	\$	576,369	\$525,000	\$	652,174	\$	368,163	-43.55%	\$132,813	4.78%
							Matua	\$	663,325	\$625,000	\$	739,130	\$	861,502	16.56%	\$618,591	18.70%
							Arataki	\$	619,847	\$600,000	\$	695,652	\$	729,177	4.82%	\$509,895	16.06%
							Greerton	\$	489,412	\$575,000	\$	565,217	\$	596,852	5.60%	\$488,156	16.04%
							Bellevue / Brookfield	\$	489,412	\$475,000	\$	565,217	\$	67,551	-88.05%	-\$120,539	-4.79%
							Tauranga South	\$	532,890	\$525,000	\$	608,696	\$	332,202	-45.42%	\$140,330	5.05%
	5 x 3 Bedroom Terrace (05)	720	120	600	\$363,181	15.00%	Representative Site	\$	692,938	\$650,000	\$	652,174	\$	474,599	-27.23%	\$215,395	7.15%
							Cherrywood/Bureta	\$	692,938	\$650,000	\$	652,174	\$	474,599	-27.23%	\$191,045	7.77%
							Matua	\$	779,894	\$750,000	\$	739,130	\$	907,134	22.73%	\$593,334	20.92%
							Arataki	\$	736,416	\$725,000	\$	695,652	\$	812,616	16.81%	\$528,117	19.27%
							Greerton	\$	605,981	\$600,000	\$	565,217	\$	340,026	-39.84%	\$115,073	5.07%
							Bellevue / Brookfield	\$	605,981	\$625,000	\$	565,217	\$	434,544	-23.12%	\$223,769	9.47%
							Tauranga South	\$	649,460	\$650,000	\$	608,696	\$	529,062	-13.08%	\$288,986	11.76%
Medium Rise Housing	Medium Rise On GRD (T2)	1440	Various	1715.04	\$350,278	25.00%	Representative Site	\$	656,209	\$656,209	\$	1,391,304	\$	187,845	-86.50%	\$964,883	11.12%
							Cherrywood/Bureta	\$	656,209	\$656,209	\$	1,391,304	\$	233,418	-83.22%	\$698,635	9.41%
							Matua	\$	830,122	\$650,000	\$	1,565,217	\$	1,307,163	-16.49%	\$1,889,772	22.00%
							Arataki	\$	743,166	\$625,000	\$	1,478,261	\$	1,002,668	-32.17%	\$1,589,625	19.24%
							Greerton	\$	482,296	\$503,947	\$	1,217,391	\$	(471,729)	-138.75%	-\$23,903	-0.36%
							Bellevue / Brookfield	\$	482,296	\$507,895	\$	1,217,391	\$	(423,651)	-134.80%	\$37,219	0.55%
							Tauranga South	\$	569,252	\$540,789	\$	1,304,348	\$	(22,999)	-101.76%	\$459,609	6.43%
	Medium Rise HBSMT (T2)	1440	Various	2003	\$388,270	25.00%	Representative Site	\$	704,271	\$596,429	\$	1,391,304	\$	(124,614)	-108.96%	\$1,056,200	10.27%
							Cherrywood/Bureta	\$	704,271	\$594,524	\$	1,391,304	\$	(97,966)	-107.04%	\$682,034	7.85%
							Matua	\$	830,122	\$673,810	\$	1,565,217	\$	969,370	-38.07%	\$1,865,022	18.95%
							Arataki	\$	791,227	\$648,810	\$	1,478,261	\$	632,823	-57.19%	\$1,589,625	16.08%
							Greerton	\$	530,358	\$533,333	\$	1,217,391	\$	(921,705)	-175.71%	-\$191,270	-2.45%
							Bellevue / Brookfield	\$	530,358	\$533,333	\$	1,217,391	\$	(1,276,650)	-204.87%	-\$191,270	-2.45%
							Tauranga South	\$	617,314	\$580,952	\$	1,304,348	\$	(280,663)	-121.52%	\$536,729	6.32%





# Appendix 7: Location and Extent of the Te Papa Housing Overlay

## 1. Overview

With the gazettal of the NPS-UD on 23 July 2020, clear objectives and policies have been set in regard to the location and heights where high density housing should be applied. A full assessment of PPC26 against the NPS-UD can be found in Appendix 2a.

This section seeks to provide an overview of how two key policies which relate specifically to the proposed Te Papa Housing Overlay have been considered. These policies are:

**Policy 3:** *In relation to tier 1 urban environments, regional policy statements and district plans enable:*

- a) *in city centre zones, building heights and density of urban form to realise as much development capacity as possible, to maximise benefits of intensification; and*
- b) *in metropolitan centre zones, building heights and density of urban form to reflect demand for housing and business use in those locations, and in all cases*
- c) *building heights of at least six-storeys; and building heights of least six-storeys within at least a walkable catchment of the following:*
  - (i) *existing and planned rapid transit stops;*
  - (ii) *the edge of city centre zones;*
  - (iii) *the edge of metropolitan centre zones; and*
- d) *in all other locations in the tier 1 urban environment, building heights and density of urban form commensurate with the greater of:*
  - (i) *the level of accessibility by existing or planned active or public transport to a range of commercial activities and community services; or*
  - (ii) *relative demand for housing and business use in that location*

**Policy 4:** *Regional policy statements and district plans applying to tier 1 urban environments modify the relevant building height or density requirements under Policy 3 only to the extent necessary (as specified in subpart 6) to accommodate a qualifying matter in that area.*

Tauranga is identified in the NPS- UD as a Tier 1 urban environment. Therefore, TCC are required to enable Policy 3 through its Tauranga City Plan. It is considered that the provisions proposed through PPC26 (Te Papa Housing Overlay) generally meets the requirements as set out in Policy 3(a) to (d). Where the Te Papa Housing Overlay has not been able to specifically meet the requirements as set out in Policy 3(c), Policy 4 and accommodating qualifying matters have been applied and assessed, with an appropriate height limit applied. The qualifying matters that have been considered are:

- a) Significant heritage sites of value to the city;
- b) Viewshafts to Mauao identified in chapter 6 of the City Plan;
- c) Topography that limits walkability and development potential;
- d) Natural Hazards which are required to give effect to the RPS.

An assessment of the relevant policies is set out below.

<b>Assessment of Te Papa Housing Overlay against NPS – UD – Policy 3</b>	
<b>Policy 3:</b> <i>In relation to tier 1 urban environments, regional policy statements and district plans enable:</i>	
<b>Policy</b>	<b>Response</b>
a) <i>in city centre zones, building heights and density of urban form to realise as much development capacity as possible, to maximise benefits of intensification; and</i>	The Te Papa Housing Overlay does not incorporate the City Centre Zone. However, it is noted that significant development capacity is already provided for in the city centre zone which allows for height limits up to 49m.
b) <i>in metropolitan centre zones, building heights and density of urban form to reflect demand for housing and business use in those locations, and in all cases</i>	Policy 3 b) is not applicable to the Te Papa Housing Overlay as the metropolitan centre zone does not exist in the City Plan.
c) <i>building heights of at least six-storeys; and building heights of least six-storeys within at least a walkable catchment of the following:</i> (i) <i>existing and planned rapid transit stops</i> (ii) <i>the edge of city centre zones</i> (iii) <i>the edge of metropolitan centre zones; and</i>	The Te Papa Housing Overlay and associated rules proposed through PPC26 seeks to enable building heights of six-storeys within a walkable catchment of 800m of the applicable (c)(i) and (ii). In regard to (c)(i) planned rapid transit stops and proposed building heights are shown in Figure 1 on the following page. The location of the stops has been determined based on planning and engagement with project partners throughout the Te Papa Indicative Business Case, including Waka Kotahi and Regional Council. The Te Papa Housing Overlay also addresses (c)(ii) as it enables six storey height 800m from the edge of the City Centre Zone. Any exceptions pursuant to Policy 4 are described in section 2.
d) <i>in all other locations in the tier 1 urban environment, building heights and density of urban form commensurate with the greater of:</i> (i) <i>the level of accessibility by existing or planned active or public transport to a range of commercial activities and community services; or</i> (ii) <i>relative demand for housing and business use in that location</i>	PPC26 gives effect to this policy by: a) removing minimum densities and increasing height limits for multi-unit residential development in those areas considered suitable along the Te Papa Peninsula, as determined through the Te Papa Spatial Plan and related assessments, as described in section 4; and b) removing minimum density in all other areas of the Suburban Residential Zone, including provision for duplexes and terraces/town house style development.



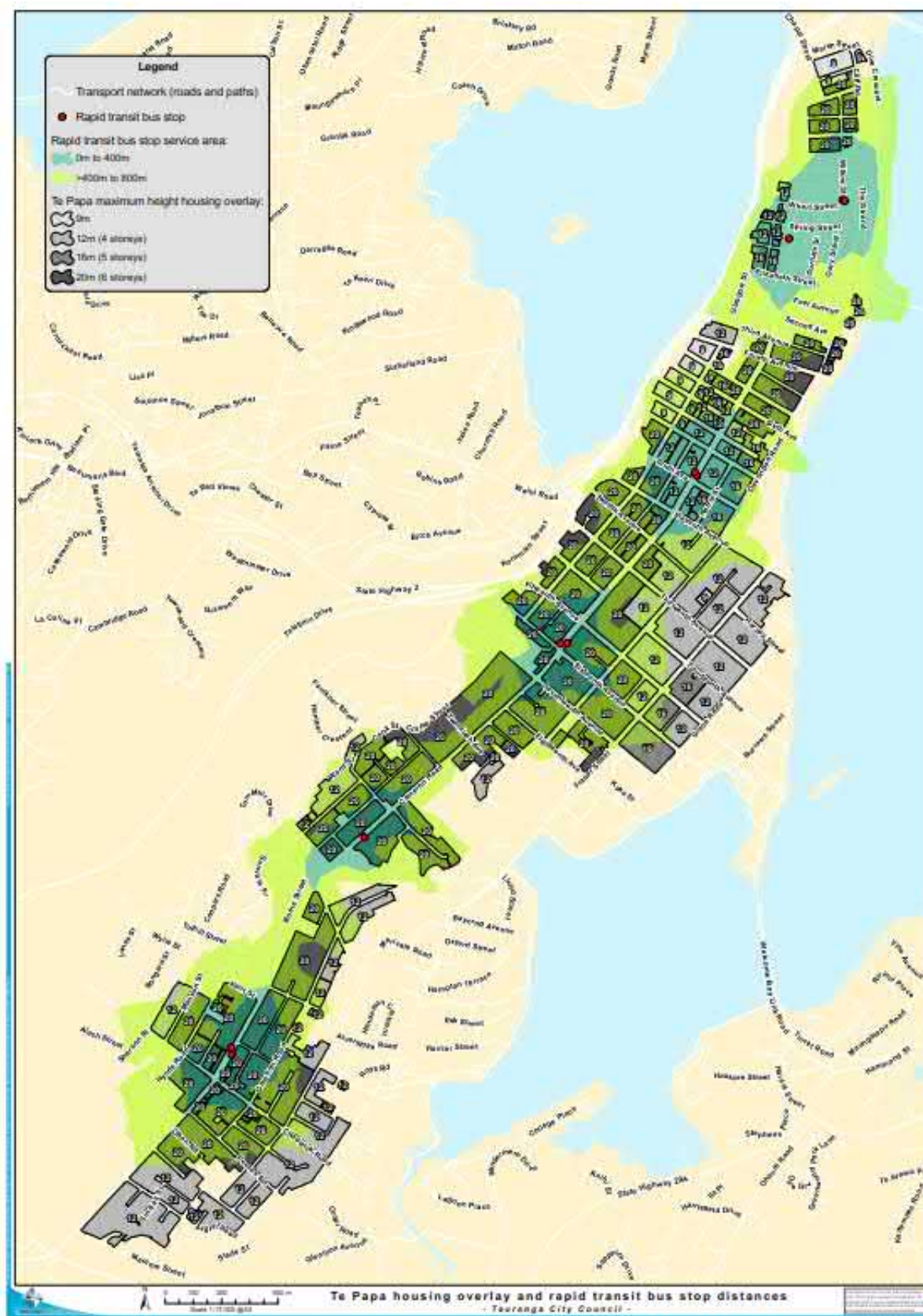


Figure 1 - Te Papa Housing Overlay and Rapid Transit Stop Distances

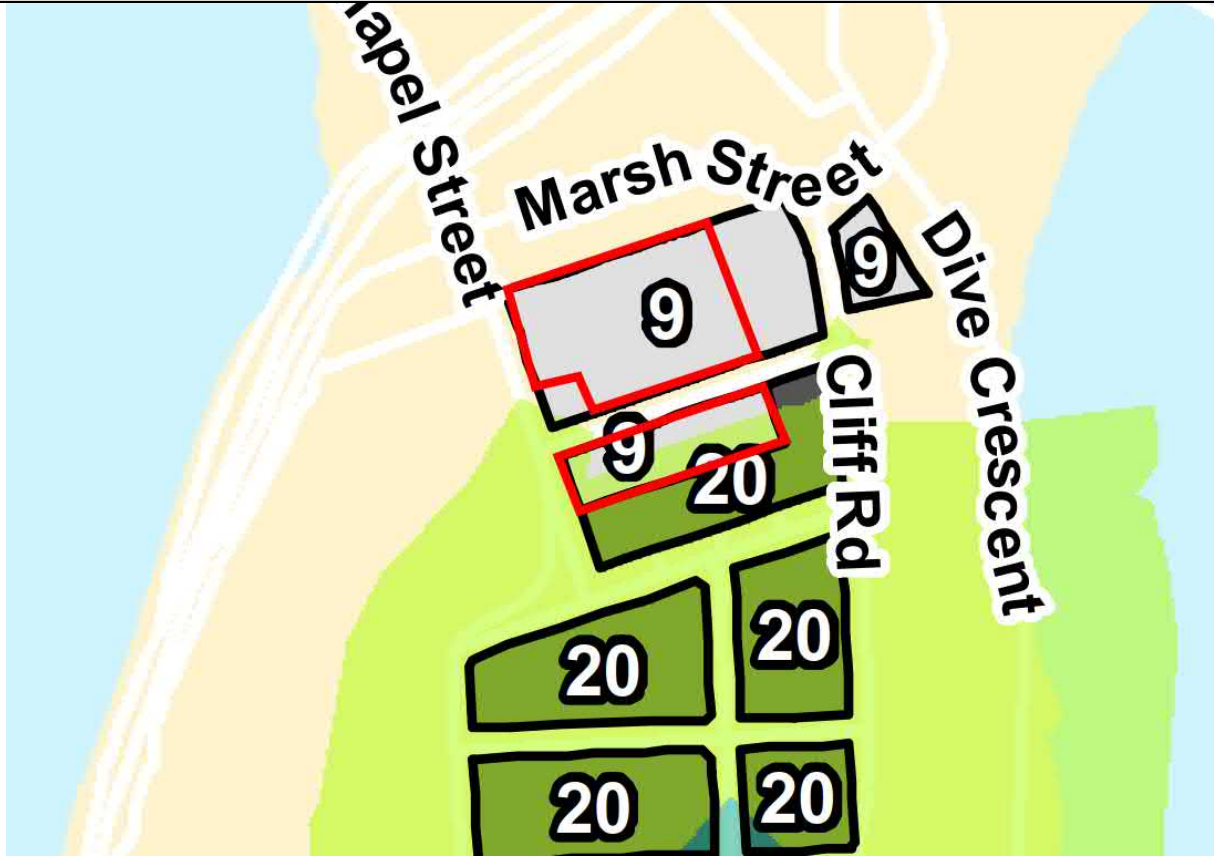
Assessment of Te Papa Housing Overlay against NPS – UD – Policy 4	
<b>Policy 4:</b> <i>Regional policy statements and district plans applying to tier 1 urban environments modify the relevant building height or density requirements under Policy 3 only to the extent necessary (as specified in subpart 6) to accommodate a qualifying matter in that area.</i>	Within the Te Papa Housing Overlay, there are a number of locations which have qualifying matters that apply, with particular regard to natural hazards, topography constraints, open space, viewshafts, existing land uses and accessibility. An assessment for the relevant areas can be found in the maps on the following pages. This assessment seeks to respond to the requirement of the NPS – UD <i>Subpart 6) Intensification in tier 1 urban environments</i> and Clauses 3.31, 3.32 and 3.33, which set out the information requirements for applying the NPS – UD.

## 2. Consideration of exceptions pursuant to Policy 4 within Te Papa

This section provides an assessment of the qualifying matters which are applied through Policy 4 for specific areas and provides an appropriate response. Following the assessment of qualifying matters, where TCC has identified areas where clause 3.32(1)(h) applies as any other matter that makes high density development as directed by Policy 3 inappropriate in an area, a Clause 3.33 evaluation of why this clause is appropriate can be found in the tables for Map 1, 6, 7 and 8 where this applies.

In preparing the Te Papa Housing Overlay, all open space zones have been excluded from the Overlay. These areas are exempt from the height requirements as a qualifying matter under clause 3.321(d) of the NPS – UD being an open space provided for public use. .

Map 1 – Qualifying Matters Summary Subpart 6 NPS - UD

	<p><b>Location Applied (Red Outline)</b></p> <p>Mission Street</p> <p><b>Qualifying Matter</b></p> <ul style="list-style-type: none"> <li>(e) an area subject to a designation or heritage order, but only in relation to the land that is subject to the designation or heritage order; and</li> <li>(h) any other matter that makes high density development as directed by Policy 3 inappropriate in an area, but only if the requirements of clause 3.33(3) are met.</li> </ul> <p><b>Alternate Height Proposed</b></p> <p>Remain existing - 9m – (up to 3 Storeys) to recognise the historic value of the Elms site.</p>
<p><b>Impact of limiting development capacity</b></p> <p>No impact will occur on development capacity on the north side of Mission Street as the site is covered by the Elms Missions Station, House, Library, Kitchen and Dairy. The site is of significant importance as a place of early contact between Māori and Pākehā, this historic site remains at the centre of Tauranga's history and identity today. Maintaining the existing built form of Mission Street, particularly opposite Elm Street, is seen as important to retaining the integrity of the significant heritage site. It is considered that there is still development potential on the south side of Mission Street through removing density requirements but retaining the existing building envelope. The block has also been divided in the middle to ensure that there is an appropriate transition area. This approach is considered to be at a scale which is commensurate with the significance of the Elms site and surrounding area. Taking into consideration that this reduction of height applies to 17 properties, it is anticipated to have a negligible impact upon the wider development capacity that is created through the PPC26. Engagement has been undertaken with the Manager of the Elms site who supports this approach.</p>	



<b>Costs and broader impacts on proposed height limit</b>		
No negative costs or broader impacts have been identified with not including the identified site in a six-storey height limit as any built form to this level opposite a heritage site is inappropriate. Within the surrounding area, a small portion of land is retained within the 9m height limit, it is considered that this would have some minor economic impacts but will retain a commensurate level of development that respects the heritage significance of the area having a positive social benefit.		
<b>Clause 3.33 Assessment</b>		
<b>Specific Characteristics</b>		
The 9m height limit areas are primarily located in close proximity to the significant heritage site located on Mission Street. It is considered that maintaining a 9m height limit will allow for a commensurate scale of development that is sympathetic to the importance of the heritage area. Greater density will still be provided in PPC26 through the duplex and CDD rules in the Suburban residential Zone.		
<b>Options assessment</b>		
9m (Current)	12m (Four Storey)	20m (Six Storey)
<b>Preferred</b> – It is considered appropriate to maintain the current 9m height limit which will provide for a development opportunity which is commensurate to the heritage significance of the surrounding area.	Not Preferred – It is considered that heights above the existing 9m height limit would have a negative impact on the heritage importance of the area, that would result in outcomes which aren't sympathetic to the significance of the Elms site. While this scale may be able to be accommodated through upper level setbacks, it is not preferred.	Not Preferred – It is considered that heights of 20m would have a negative impact on the heritage importance of the area, that would result in outcomes which aren't sympathetic to the significance of the site, and its current built form.

Map 2 – Qualifying Matters Summary Subpart 6 NPS - UD



**Location Applied (Red Outline)**

Selwyn Street

**Qualifying Matter**

(a) matter of national importance that decision-makers are required to recognise and provide for under section 6 of the Act.

RMA 1991 S6 (e) the relationship of Maori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga.

**Alternate Height Proposed**

In order to respect existing cultural viewshafts to Mauao, it is proposed to provide height limits at 12m (4 storeys) and 16m (5 storeys). in this area without intruding into the identified viewshafts.

**Impact of limiting development capacity**

It is considered that the impact of the proposed alternative height limit, will have moderate impact on development capacity given its central location and access to amenities. The proposed height limit sets an appropriate preferred height limit that will not intrude into existing viewshafts, while still providing development opportunity. If additional height is sought, then this can be addressed through a site-specific resource consent application to ensure any adverse effects on the viewshaft intrusion are avoided or mitigated.

**Costs and broader impacts on proposed height limit**

Recommending height limits below 6-storeys may result in potential economic costs and influence feasibility of development. However, there would be wider amenity, social and cultural effects by intruding into the existing viewshafts. The costs of cultural significance of these viewshafts is considered to outweigh the need to extend heights to six-storeys. Importantly it is recognised that there is still a resource consenting pathway which may enable greater heights where appropriate in these areas where potential effects on this viewshaft are considered to be appropriate.

Map 3 – Qualifying Matters Summary Subpart 6 NPS - UD



**Location Applied (Red Outline)**

Edgecumbe Road, Cameron Road, Devonport Road, Fifth Avenue, Sixth Avenue, Seventh Avenue, Eight Avenue, Ninth Avenue and Tenth Avenue

**Qualifying Matter**

(a) matter of national importance that decision-makers are required to recognise and provide for under section 6 of the Act.

RMA 1991 S6 (e) the relationship of Maori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga.

**Alternate Height Proposed**

In order not to intrude into existing cultural viewshafts to Mauao, and taking into account topography, maximum height limits have been proposed at 9m, 12m (4 storeys) and 16m (5 storey).

**Impact of limiting development capacity**

It is considered that the impact of the proposed alternative height limit, will have moderate impact on development capacity given its central location and access to amenities. The proposed height limit sets an appropriate preferred height limit that will not intrude into existing viewshafts, while still providing development opportunity. If additional height is sought, then this can be addressed through a site-specific resource consent application to ensure any adverse effects on the viewshaft intrusion are avoided or mitigated.

**Costs and broader impacts on proposed height limit**

Recommending height limits below 6-storeys may result in potential economic costs and influence feasibility of development. However, there would be wider amenity, social and cultural effects by intruding into the existing viewshafts. The costs of cultural significance of these viewshafts is considered to outweigh the need to extend heights to six-storeys. Importantly it is recognised that there is still a resource consent pathway which may enable greater heights where appropriate in these areas where potential effects on this viewshaft are considered to be appropriate.



Map 4 – Qualifying Matters Summary Subpart 6 NPS - UD



**Location Applied (Red Outline)**

Devonport Road, Cameron Road, Eleventh Avenue, Twelfth Avenue, Thirteenth Avenue, Briarley Street, MacMillan Street, Fraser Street, Harvey Street.

**Qualifying Matter**

(a) matter of national importance that decision-makers are required to recognise and provide for under section 6 of the Act.

RMA 1991 S6 (e) the relationship of Maori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga.

**Alternate Height Proposed**

In order not to intrude into existing cultural viewshafts to Mauao, and taking into account topography, maximum height limits have been proposed at 9m, 12m (4 storeys) and 16m (5 storey).


**Impact of limiting development capacity**

It is considered that the impact of the proposed alternative height limit, will have moderate impact on development capacity given its central location and access to amenities. The proposed height limit sets an appropriate preferred height limit that will not intrude into existing viewshafts, while still providing development opportunity. If additional height is sought, then this can be addressed through a site-specific resource consent application to ensure any adverse effects on the viewshaft intrusion are avoided or mitigated.

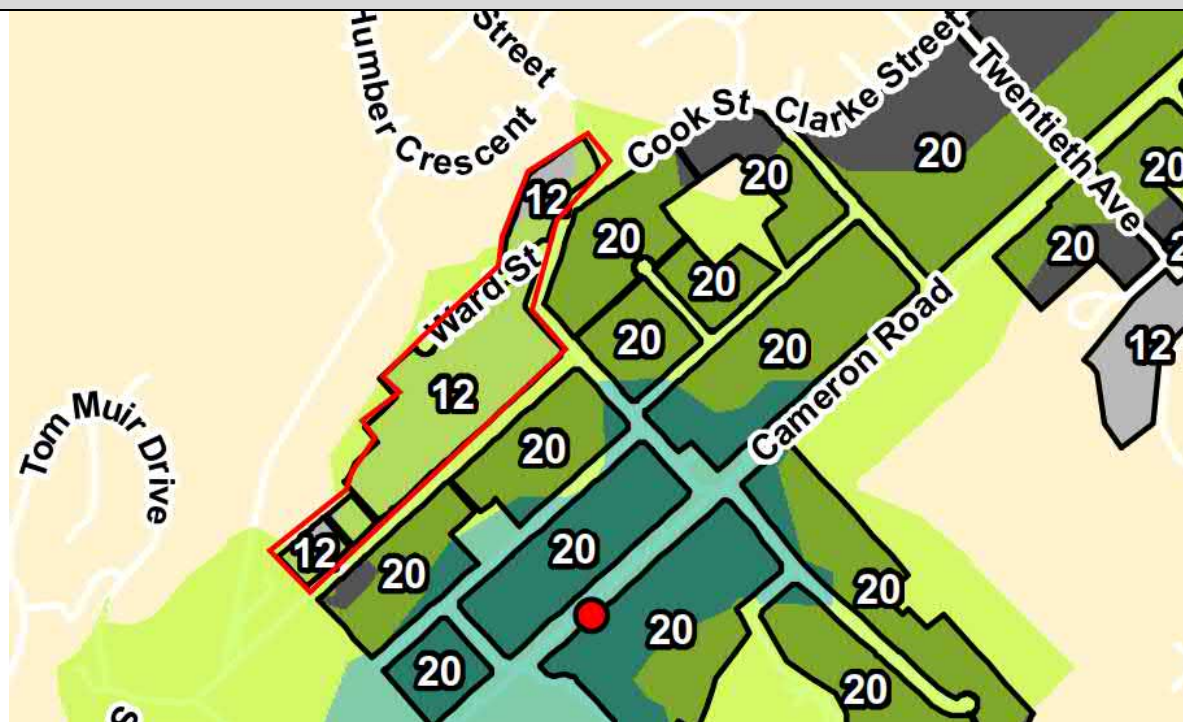
**Costs and broader impacts on proposed height limit**

Recommending height limits below 6-storeys may result in potential economic costs and influence feasibility of development. However, there would be wider amenity, social and cultural effects by intruding into the existing viewshafts. The costs of cultural significance of these viewshafts is considered to outweigh the need to extend heights to six-storeys. Importantly it is recognised that there is still a resource consenting pathway which may enable greater heights where appropriate in these areas where potential effects on this viewshaft are considered to be appropriate.

Map 5 – Qualifying Matters Summary Subpart 6 NPS - UD

		<p><b>Location Applied (Red Outline)</b></p> <p>Fourteenth Avenue, Fraser Street, Grace Road, Fifteenth Avenue, Sixteenth Avenue, Seventeenth Avenue.</p>
		<p><b>Qualifying Matter</b></p> <p>(a) matter of national importance that decision-makers are required to recognise and provide for under section 6 of the Act.</p> <p>RMA 1991 S6 (e) the relationship of Maori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga.</p>
		<p><b>Alternate Height Proposed</b></p> <p>In order not to intrude into existing cultural viewshafts to Mauao, and taking into account topography, maximum height limits have been proposed at 12m (4 storeys) and 16m (5 storey).</p>
<p><b>Impact of limiting development capacity</b></p> <p>It is considered that the impact of the proposed alternative height limit, will have moderate impact on development capacity given its central location and access to amenities. The proposed height limit sets an appropriate preferred height limit that will not intrude into existing viewshafts, while still providing development opportunity. If additional height is sought, then this can be addressed through a site-specific resource consent application to ensure any adverse effects on the viewshaft intrusion are avoided or mitigated.</p>		<p><b>Costs and broader impacts on proposed height limit</b></p> <p>Recommending height limits below 6-storeys may result in potential economic costs and influence feasibility of development. However, there would be wider amenity, social and cultural effects by intruding into the existing viewshafts. The costs of cultural significance of these viewshafts is considered to outweigh the need to extend heights to six-storeys. Importantly it is recognised that there is still a resource consent pathway which may enable greater heights where appropriate in these areas where potential effects on this viewshaft are considered to be appropriate.</p>

Map 6 – Qualifying Matters Summary Subpart 6 NPS - UD



**Location Applied (Red Outline)**

Ward Street, Cook Street, Watling Street

**Qualifying Matter**

(h) any other matter that makes high density development as directed by Policy 3 inappropriate in an area, but only if the requirements of clause 3.33(3) are met.

**Alternate Height Proposed**

12m (4 storey) taking into account topography and transition areas.

**Impact of limiting development capacity**

Given existing urban form, site sizes, road layout and topography of Watling and Ward Street, it is considered that four storeys (as highlighted in red) will provide an appropriate transition between the proposed six storey and existing 9m height limit in the suburban residential areas. This will not have a significant impact on development capacity due to the number of small sites within the affected area, it is unlikely these areas will be able to achieve a six-storey built form outcome due to existing site sizes and topography therefore resulting in minimal limitations to development capacity.

**Costs and broader impacts on proposed height limit**

It is considered there will be limited economic costs as a result of limiting development capacity within the area by two storeys. It is not considered to have any impacts on significant cultural elements in the area. It would be considered to have beneficial social impacts, creating a transition from a high density to more suburban environment and protecting existing amenity of the area. The proposed amendments provide for communities' social, and cultural wellbeing and gives effect to Section 7(c) of the RMA - the maintenance and enhancement of amenity values.



### Clause 3.33 Assessment

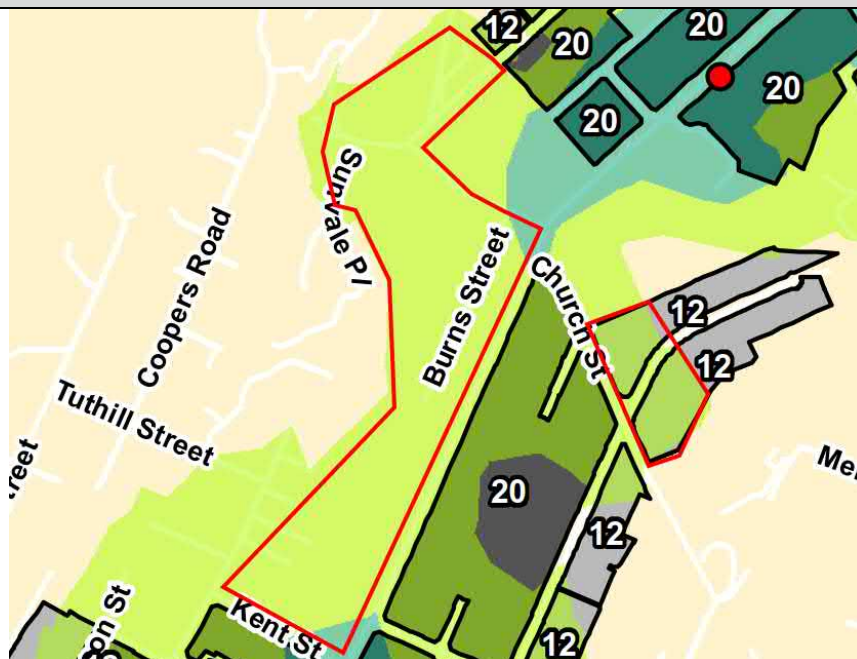
#### Specific Characteristics

The area proposed for four-storey is primarily located in close proximity to the top of an escarpment which slopes down towards the Kopurererua Valley. The area has been assessed as being appropriate for higher density development and is on the outer area of the walkable catchment. It is considered appropriate to enable a four-storey preferred height limit reflective of the above conditions.

#### Options assessment

9m (Current)	12m Four Storey	20m Six Storey
Not preferred – It is considered that a 9m height would not align with the requirements of the NPS-UD and could limit development capacity.	<b>Preferred</b> – It is considered that a four-storey outcome will provide enough development opportunity that is commensurate to the surrounding area, while being within a walkable catchment of future rapid transit.	Not Preferred – It is considered that a six-storey outcome was not appropriate due to existing urban form, site sizes, road layout and topography and being located on the edge of the walkable catchment. A lesser height is preferred.

**Map 7 – Qualifying Matters Summary Subpart 6 NPS - UD**



**Location Applied (Red Outline)**

Church Street, Greerton Road, Cameron Road, Burn Street, Watling Street, Sunvale Place, Tom Muire Drive.

**Qualifying Matter**

- (h) any other matter that makes high density development as directed by Policy 3 inappropriate in an area, but only if the requirements of clause 3.33(3) are met.

**Alternate Height Proposed**

9m – Burns Street and surrounds  
12m – (4 Storey) East of Church Street

**Impact of limiting development capacity**

It is considered that providing for four storey transitional areas on the periphery of the walkable catchment will have little impact on development capacity due to the number of small sites within the proposed four storey area, it is unlikely these areas will be able to achieve a six storey built form outcome due to the significant topography constraints and also being able to meet other applicable development standards, including overshadowing and setback resulting in minimal limitations to development capacity. It is also noted that the existing cul-de-sac road layout and gullies are not conducive to good urban form outcomes and accessibility. It is also considered that maintaining the 9m built form on the northern side of the road, between Church and Kent Street, is appropriate due to the topography constraints in that area.

**Costs and broader impacts on proposed height limit**

It is considered there will be limited economic costs due to the low development capacity within the area proposed for the 9m and 12m four-storey built form as opposed to a six storey, which would be unlikely to achieve this height due to site sizes and topography constraints. It is not considered to have any impacts on significant cultural elements in the area. It would be considered to have beneficial social impacts, creating a transition from a high density built form to more suburban environment and associated amenity values.

**Clause 3.33 Assessment**

**Specific Criteria**

The 9m height area is primarily located in close proximity to the top of an escarpment which slopes down steep gullies which connect to the Kopurererua Valley (Shown in Figure 2 below). PPC26 allows for higher densities within this area, but it is considered a 9m height limit would deliver a more appropriate urban form outcome. The area

east of Church Street has been assessed as being appropriate for increased density development up to four storeys as it is located on the outer area of the walkable catchment and has topography constraints.		
<b>Options assessment</b>		
9m (Current)	12m Four Storey	20m Six Storey
<b>Preferred</b> – It is considered that the topography and urban form would suit a 9m height and associated built form outcomes, with enhanced densities through the proposed provisions in the suburban residential zone. It was considered that this is the most appropriate height outcome.	<b>Preferred</b> (East of Church Street Only) – Whilst within the walkable catchment of a rapid transit stop, it was considered that a four-storey built form outcome was not an appropriate outcome due to topography and existing urban form constraints.	<b>Not Preferred</b> – It is considered that topography and existing urban form constraints would result in poor urban form outcomes for a six-storey development in this location due to topography and existing urban form constraints.



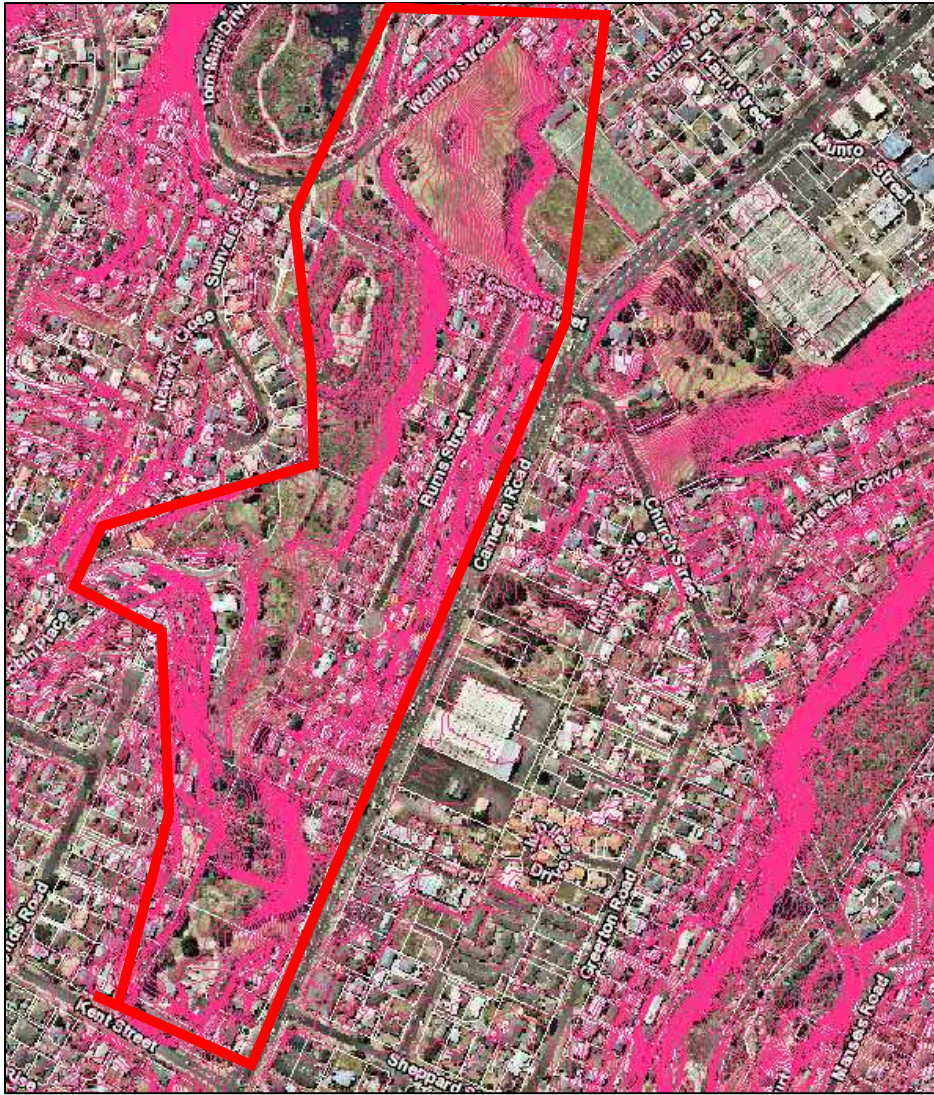


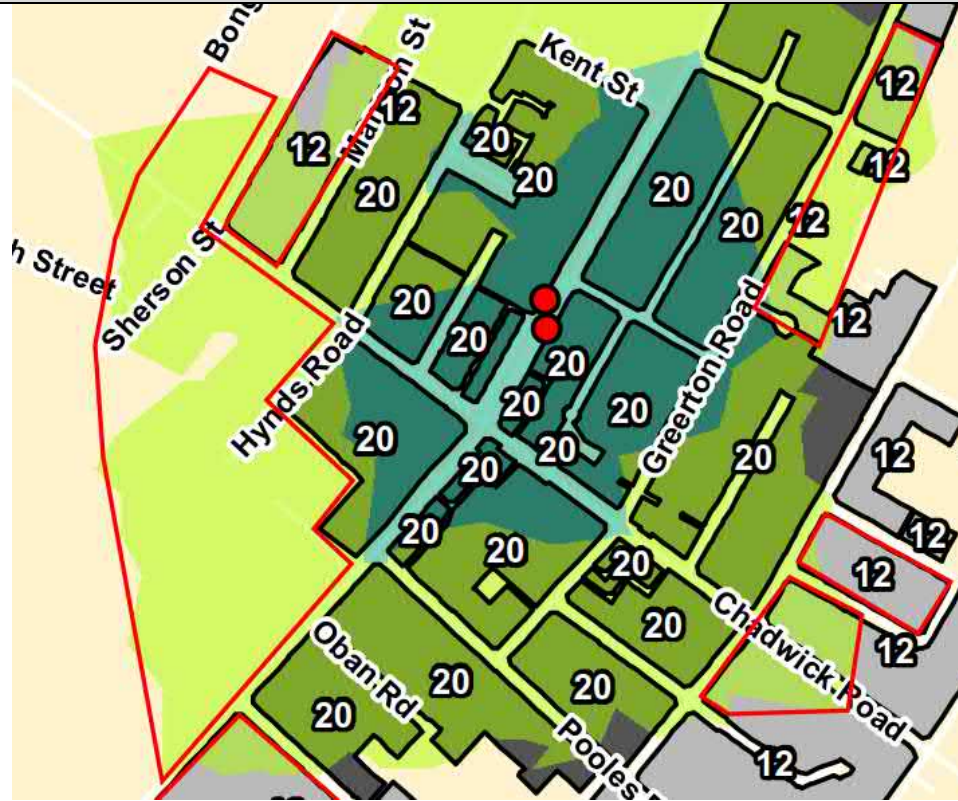
Figure 2 – Contour Map for Cameron Road



Figure 3 – George Street & Burns Street



Map 8 – Qualifying Matters Summary Subpart 6 NPS – UD



**Location Applied (Red Outline)**

Sherson Street, Manson Road, Oban Road, Chadwick Road, Cameron Road, Maintland Street, Greerton Road.

**Qualifying Matter**

- (h) any other matter that makes high density development as directed by Policy 3 inappropriate in an area, but only if the requirements of clause 3.33(3) are met.

**Alternate Height Proposed**

12m (Four storey)

Recreation and Industrial (No change)

**Impact of limiting development capacity**

It is considered that providing for four storey transitional areas on the periphery of the walkable catchment will have little impact on development capacity due to the number of small sites within the proposed four storey area, it is unlikely these areas will be able to achieve a six storey built form outcome resulting in minimal limitations to development capacity. In not applying the increased height limit to industrial and reserve land, this is considered to have no impact on development capacity as residential uses and not envisaged within these zones.

**Costs and broader impacts on proposed height limit**

It is considered there will be limited economic costs due to the low development capacity within the area proposed for a four-storey built form. It would be considered to have beneficial social impacts, creating a transition from a high density to more suburban environment. With no changes proposed to the reserves and industrial zones, it is not considered to have any impact to the existing situation.

### Clause 3.33 Assessment

#### Specific Characteristics

The Manson Street four storey area is located in close proximity to the top of an escarpment which slopes down towards the Kopurererua Valley, while Greerton Road has a gully which slopes down to the Waimapu estuary. The Chadwick Road and Cameron Road areas are on the outer extent of the walkable catchment, these areas have been assessed as being more appropriate for higher density development. It is considered appropriate to enable a four-storey preferred height limit reflective of the above conditions.

The purpose of the existing industrial land is not to provide residential uses, therefore it is considered inappropriate to rezone this area for additional height as it may result in reverse sensitivity effects on adjoining residential uses. As such no changes to controls are proposed.

#### Options assessment

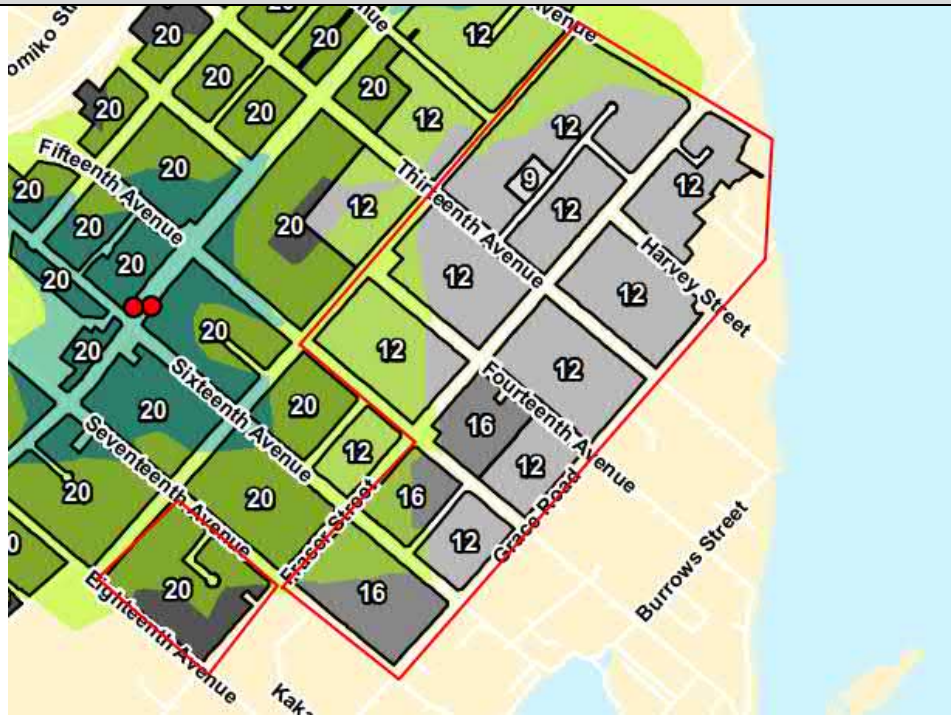
9m (Current)	12m Four Storey	20m Six Storey
Not preferred – It was considered that this height would not support the city in meeting its development capacity in an area which is suitable for increased height.	<b>Preferred</b> – A four storey outcome is preferred in this area as it is within the walkable catchment. However, it is located on the extremities of this walkable catchment and a four-storey outcome would allow for transition areas to the suburban areas.	Not Preferred – It was considered that while this area is within the walkable catchment of future rapid transit, it is inappropriate for a six-storey built form due to lower levels of access to amenities generally.

### **3. Policy 3(d) – application within Te Papa**

This section provides a summary of areas within the Te Papa peninsula which have been assessed for urban form commensurate with the criteria set out by Policy 3 (d) of the NPS – UD, that have been included within the Te Papa Housing Overlay. These areas have been informed by assessments across the Te Papa peninsula that have assisted to identify which areas are suitable for higher density development. For further information refer to section 5 of this report.



**Map 1 – Policy 3(d) – Fraser Street and surrounds**



**Sites (Red Outline)**

Eleventh Avenue, Kotare Crescent, Briarley Street, MacMillan Street, Fraser Street, Harvey Street, Thirteenth Avenue, Fourteenth Avenue, Fifteenth Avenue, Sixteenth Avenue, Grace Road, Devonport Road.

**Commensurate Development Characteristics**

Proximity to City Centre;  
Accessibility to commercial areas;  
Proximity to public transport.

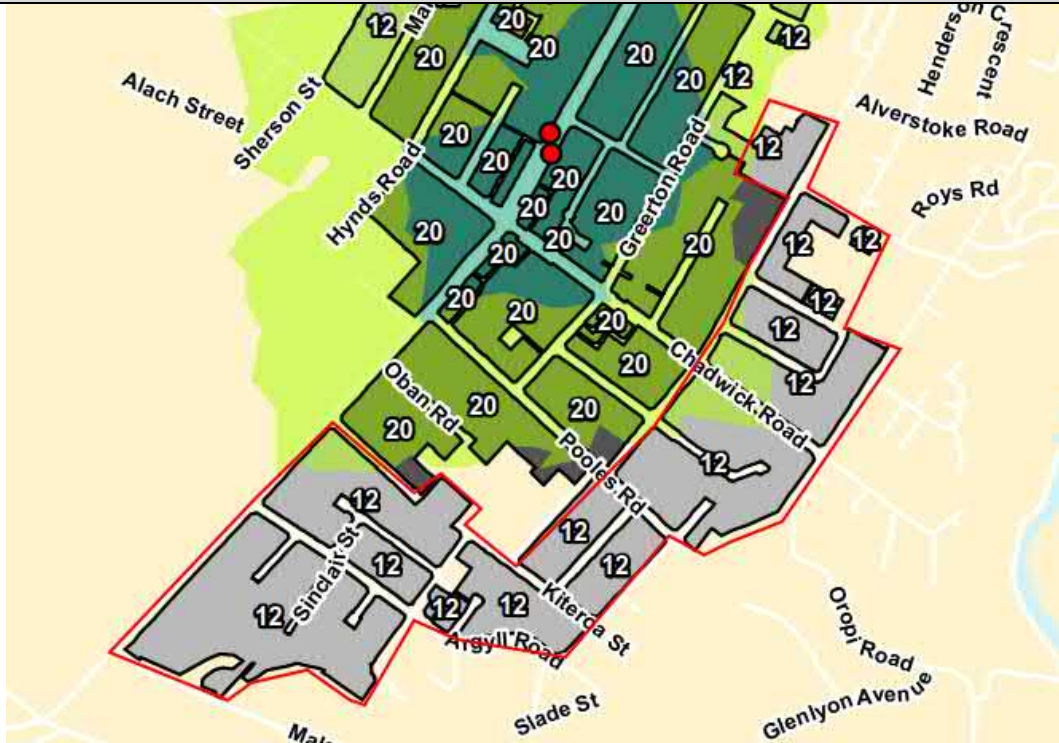
**Alternate Height Proposed**

12m (Four storey)  
16m (Five storey)

**Assessment**

The Fraser Street and surrounding area above which outlined in red has been included for increased heights and densities as part of the Te Papa Housing Overlay. While they are not considered appropriate for six-storeys, It is considered the areas are appropriate for higher density (Four and Five Storeys) scale of development due to the commensurate criteria and alignment with viewshafts. The area is in close proximity to the city centre, has good access to commercial areas (see figure 4 below) and public transport facilities (see figure 5 below). Therefore, it is considered to be appropriate for these areas to be included as part of the Te Papa Housing Overlay for increased densities and heights. These areas were also identified through the Te Papa Spatial Plan and supporting IBC for future community facilities and multi-modal improvements to further support increased densities.

Map 2 – Policy 3(d) – Greerton surrounds



**Sites**

Mansels Road, Yatton Street, Pemberton Crescent, Fraser Street, Chadwick Road, Emmett Street, Pooles Road, Rawhiti Street, Lisbon Street, Devon Street, Kiteroa Street, Argyll Road, Galway Grove, Tyrone Street, Carlisle Street, Sinclair Street, Lumsden Street, Cameron Road, Seaforth Grove, Greenpark way.

**Commensurate Development Characteristics**

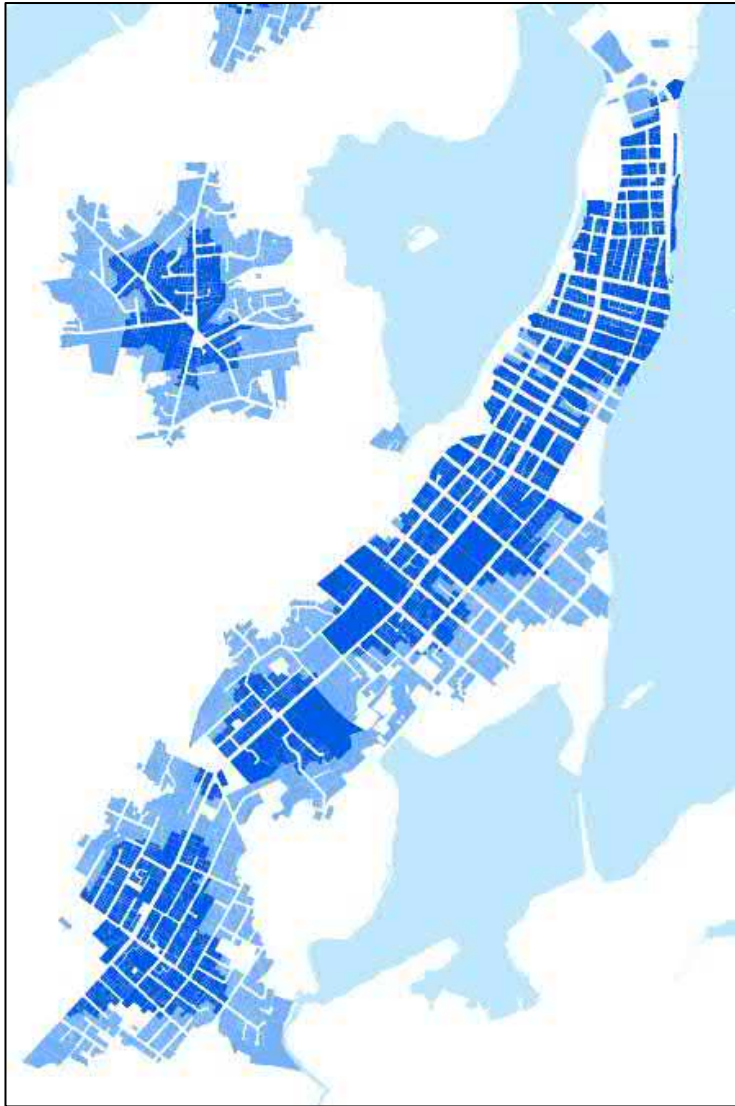
Accessibility to commercial areas;  
Proximity to public transport.

**Alternate Height Proposed**

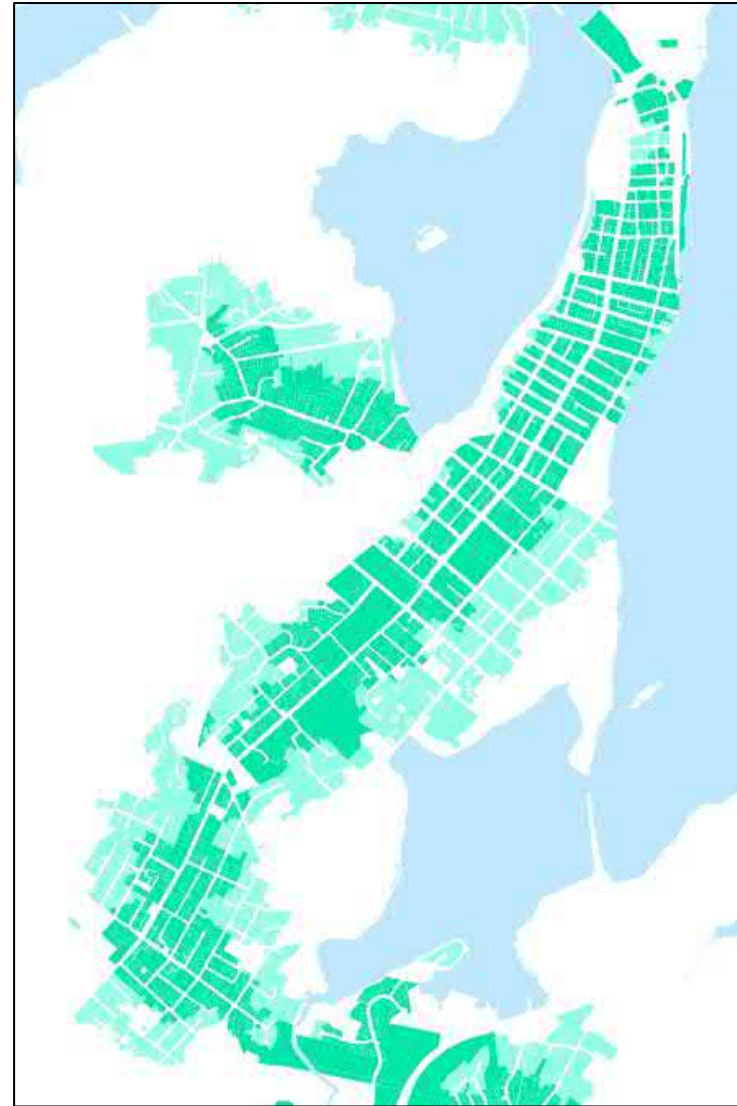
12m (Four storey)

**Assessment**

The Greerton surrounding area above which is outlined in red has been included for increased heights and densities as part of the Te Papa Housing Overlay. It is considered the area is appropriate for this scale of development due to the commensurate criteria. The area has good access to commercial areas (see figure 4 below) and public transport facilities (see figure 5 below). It is considered to be appropriate for these matters and has been identified through the Te Papa Spatial Plan and supporting Indicative Business Case for future community facilities and multi-modal improvements. Refer to section 6 of this appendix for further detail.



*Figure 2 Proximity to Commercial Centres*



*Figure 3 Proximity to Public Transport (Not High Frequency)*

### **3.1 Remaining residential properties Te Papa housing area**

In addition to the areas identified above, it is important to note that the remaining areas within the Suburban Residential Zone will be subject PPC26 which seeks to enable greater housing choice in this zone through duplex dwellings and comprehensively designed development at increased densities of up to three storeys (excluding areas subject to natural hazards).

Intensification of existing urban areas promotes the use of alternative transport modes and infrastructure efficiency, which will further assist the Te Papa peninsula in providing housing choice opportunities and in supporting the growth of Tauranga.

### **3.2 Conclusion - Te Papa Housing Overlay and the requirements of National Policy Statement**

In regard to the above matters, TCC has prepared a height plan for the Te Papa Housing Overlay. This responds to the NPS-UD and specifically Policy 3 and 4 and the criteria set out in Subpart 6 – Intensification in tier 1 urban environments.

In particular, Policy 3 requires building heights of 6 storeys within at least a walkable catchment of existing and planned rapid transit stops. The guidance document released by the Ministry for the Environment provides further direction to local authorities on understanding and implementing the NPS-UD provisions, in particular what is considered to be an appropriate walkable catchment. In the Tauranga context, there are no existing rapid transit services or stops. The Te Papa Spatial Plan, UFTI and Tauranga City Council Transport System Plan identifies Cameron Road as a high priority public transport and multi-modal route. The intention is that this corridor will provide an efficient, frequent and reliable public transport service. An Indicative Business Case for Stage 1 of the project has been completed and endorsed by Waka Kotahi NZTA with the intention that the works will commence in 2021. A business case for Stage 2 is also scheduled to commence in 2021. In the meantime, assumptions have been made that “rapid transit stops” will be located in the centres along the Cameron Road corridor, in close proximity to amenities and connections with other movement networks.

In preparing our assessment we have taken into consideration that, based on relevant studies, people take around five minutes to walk 400m and 10 minutes to walk 800m. A five-minute walk to convenience shops, bus stops and other daily facilities is considered reasonable<sup>1</sup>, while facilities such as healthcare, primary schools and large shopping amenities should be accessible within 10 minutes. In applying this, the approach of determining a walkable catchment of 400-800m is considered to be appropriate for Tauranga in giving effect to the NPS-UD. We have used the 800m walkable catchment as a starting point for this assessment. However, in some areas 400m has been considered more appropriate where we have applied the qualifying matters and exemptions.

## **4. Te Papa Spatial Plan and Indicative Business Case – Overview and Background**

The Te Papa Spatial Plan and Indicative Business Case (IBC) for the Transport network have been prepared to create a 30-year programme between the project partners to support growth. This IBC for the Te Papa peninsula provides decision-makers with a clear indication of the preferred way forward for an integrated land use transport programme of initiatives, intended to support a connected and liveable city, both locally and sub-regionally. The project focuses

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<sup>1</sup> People, Places, Spaces: A design guide for urban New Zealand, Ministry for the Environment, 2001



on a staged approach to investments which support growth within the Te Papa peninsula as part of the Western Bay of Plenty sub-region, over the next 30 years. The transport investments are a sub-set of the overall integrated land use transport strategy prepared as part of the project.

As a long-term integrated land use transport strategy covering over 1,070 hectares of the city, the IBC proposes an indicative programme of works commensurate to its scale and timeframe. Waka Kotahi NZ Transport Agency and New Zealand Treasury IBC guidance has informed the level of detail in relation to the endorsements sought.

The Te Papa peninsula is recognised as having a key role to play in supporting Tauranga City and the wider Western Bay of Plenty growth needs. It is a central element of the wider urban system, building on the outcomes and direction of the sub-region's SmartGrowth, and current Urban Form and Transport Initiative (UFTI). The IBC responds to Central Government guidance and direction. The Urban Growth Agenda, Government Policy Statement on Land Transport, and NPS-UD out expectations for integrated land use and transport in pursuit of wellbeing and sustainability outcomes; this is further supported by the strategic direction outlined within Waka Kotahi's Arataki, providing a 10-year view of the step changes needed to deliver on the government's current priorities and long-term objectives for the land transport system and integrated land use.

Developed through assessment of a range of integrated land use transport strategy options, the IBC sets out a full programme of investment to be delivered by the programme partners (TCC, BoPRC, Waka Kotahi and other government agencies). Investments are across urban development, provision of green networks, community facilities, walking, cycling, micro-mobility, public transport, three waters, and essential in supporting social infrastructure improvements. Initiatives include encouragement of behaviour change, and demand management through use of pricing tools.

The recommended programme will result in significant changes to the way people will move around in the future, reducing reliance on motor vehicles sub-regionally and locally, and with on-flow benefits for safety and environmental outcomes. Moreover, the combined approach is critical to maximise efficiency of the transport system, drawing more people into the city centre to work, live and visit, and increasing modal share opportunities.

In November 2019, a Design Sprint was held for the purpose of preparing an integrated land use and transport spatial framework for the Te Papa peninsula. This Design Sprint workshop was attended by representatives of TCC, Waka Kotahi, Bay of Plenty Regional Council, Kāinga Ora, Accessible Properties Limited, Ministry of Housing and Urban Development, Mana whenua, and other supporting technical experts.

The purpose of the design sprint was to prepare a series of integrated land use transport scenarios and supporting interventions, underpinned by a comprehensive analysis of evidence that formed part of pre-workshop briefings. Subsequent to the design sprint, a further detailed MCA process was undertaken to confirm the preferred way forward, as outlined in the process diagram below.

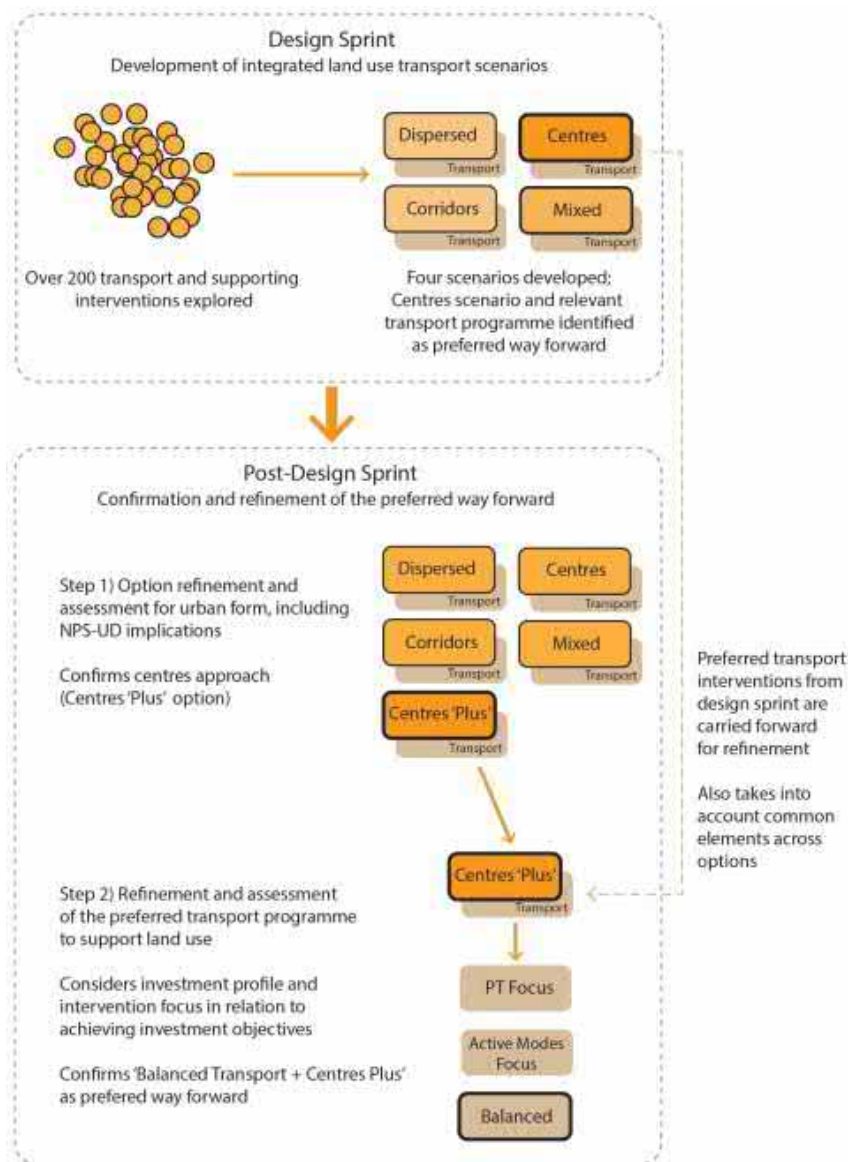


Figure 4 Design Sprint and Post-Design Sprint option development and assessment process

To ensure that a series of comparable and relevant options were developed, the design sprint process set out four spatial options for consideration as the starting point for development – centres based; corridors based; dispersed; and mixed. The scenarios were 'peer-assessed' over the four days by the entire sprint team, using a high level multi criteria assessment process. This provided opportunity to refine the scenarios as the Design Sprint progressed. The process effectively replicated the long listing to short listing process of an Indicative Business Case through an iterative, real-time, and collaborative approach.

## 4.1 Design Sprint Outputs

For each of the scenarios developed, there were a series of key integrated land use and transport outputs developed:

- a land use approach that built on the key theme of the option;
- a transport programme that was developed in conjunction with the land use approach;
- supporting social infrastructure and other interventions to support the integrated land use transport outcome.

Determining how the transport system would function was a key requirement of each scenario team during the design sprint. A wide range of intervention options were explored over the course of four days (200+ interventions were identified), all of which considered how transport and land use would work together.

## **4.2 Design Sprint Assessment**

The Design Sprint workshop culminated with a multi-criteria assessment (MCA) which all attendees participated in using a digital rating system. This brought together the spatial and service concepts underpinning each option, and enabled testing against the Investment Objectives and Critical Success Factors. Each scenario was tested using the agreed criteria. These urban form options and accompanying interventions provided the foundation for a post-Design Sprint process of subsequent short list option development and testing.

The Design Sprint, with 25 subject matter experts in the room over four days, undertaking an iterative, collaborative approach to option development, provided the confidence that the transport components of each scenario supported the land use for each scenario

Further, the extensive amount of commonality across the four scenarios, (whereby irrespective of the constraints applied, certain transport interventions were part of every scenario), provided further confidence of the required transport interventions at the end of the design sprint. Almost unanimously the design sprint teams agreed on some form of multi-modal transport down the Cameron Road spine, supported by parallel walking and cycling routes and associated interventions.

Notably, the corridors approach and the no constraints approach, despite not being constrained to a centres approach at all, both had a strong focus on the centres. As such, there was widespread agreement at the end of the Design Sprint that a centres-based approach to integrated land use transport investment was the preferred direction in order to ensure higher densities around transport would be achieved to support the transport network.

## **4.3 Post Design Sprint – Next Steps**

In December 2019 the Design Sprint outputs were then collated, including summary reports on each option, which were reviewed by the Design Sprint participants in January 2020. The outcomes of the Te Papa analysis, community ‘values’ engagement, Investment Logic Mapping and design sprint were used to inform the preparation of options for the urban form and supporting transport assessment that followed, undertaken through a two-part process:

### **4.3.1 Step 1: Urban form (land use) option refinement and assessment:**

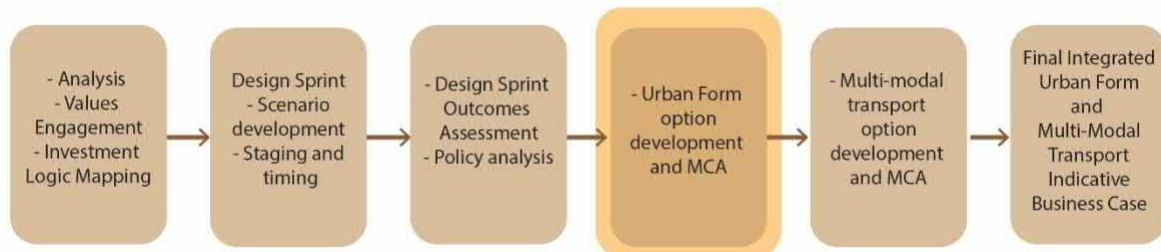
Further assessment work undertaken examined whether the direction of the NPS- UD was likely to be able to be met by each scenario. A ‘Centre Plus’ option (recognising the commonalities of the Design Sprint Options and the at the time NPS-UD discussion document) was added to the four scenario options from the Design Sprint, and these five options were taken forward through the urban form options assessment as part of this business case.

### **4.3.2 Step 2: Transport option refinement and assessment:**

The preferred land use transport programme (as derived from the design sprint and brought forward as part of Step 1) was then further refined through an MCA to consider how the proposed transport interventions would best support the preferred land use scenario. This included consideration of different investment profiles and intervention focus (modal priority) against the investment objectives, resulting in consideration of the do minimum, a public transport focused option, an active modes focused option and a balanced option.

The option assessment for each step was undertaken through a series of workshops (option development; option assessment; assessment review) including relevant technical experts from TCC, Bay of Plenty Regional Council and Waka Kotahi.

#### 4.4 Urban Form Multi-Criteria Assessment



Subsequently the Design Sprint outputs were further interrogated, tested for evidence, effectiveness, costs and benefits, and overall performance against the Investment Objectives and Critical Success Factors. Undertaken by a Project Partner multi-disciplinary technical working group, skill sets included technical and domain specialists across land use integration, infrastructure, community, social, cultural and economy.

Considerations included the statutory considerations, previously sourced community values and perspectives data, and trade-offs inherent within and between Te Papa peninsula options, and how these would integrate with wider Tauranga city, sub-regional and national issues.

The post-Design Sprint thinking was also informed by direction emerging from the consultation on the NPS - UD discussion document, as well as national best practice guidance such as the NZ Transport Agency's guidance on integration of land use and transport.



## 4.5 Commonalities Between Urban Form Options Tested

Scenario Commonalities (Overlaid)



- This heat mapping approach shows areas of consistency, including focus around centres, Greerton and racecourse, City centre, hospital and Gate Pa / Pukehinahina.
- Some focus around Merivale / Fraser Cove area to a lesser extent.
- Good alignment with either centres based suitability assessment or amenities based (slightly closer).

Evaluation of the Design Sprint results identified a high degree of commonality in the multi-modal transport and land use interventions considered essential for liveable, accessible, sustainable future urban form. Common elements mappings show where potential exists to integrate between the scenarios. The commonalities span:

- Common views as to the essential importance of 'green networks', open space and public facilities to achieve liveable, attractive urban environments based on future densities.
- Consistency in identification of the location and extent of a public transport spine (Cameron Road). This is driven by the geography of Te Papa and its effect on walking distances and accessibility to public transport route choices.
- High alignment over the core movement network needs, with Cameron Road consistently identified as the only viable transport spine due to the peninsula's geography and the access it provides not only to resident's but for wider sub-regional travel needs.
- Consistency in choice of network configuration to enable active modes (walking and cycling) and micro-mobility.
- The adjacent map shows in summary form the high levels of commonality emerging between the Design Sprint teams, irrespective of the different development propositions they were responding to.

## 4.6 'Centres Plus' Option

As part of post-Design Sprint evaluation by the Project Partner technical working group, an additional hybrid urban form option was concluded to be necessary. This was:

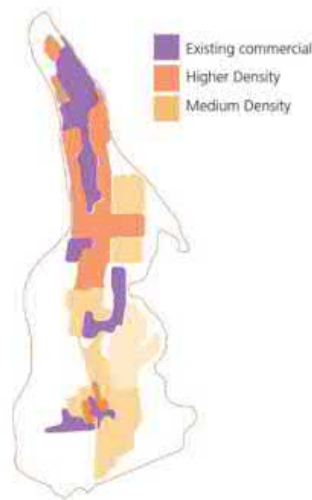
- a) Informed by the extent of commonalities identified with opportunities for an 'optimised' option;
- b) Driven by examination of relative performance of Design Sprint options against emerging NPS – Urban Development criteria; and
- c) Taking into consideration statutory process needs under the Resource Management Act and Local Government Act provisions.

The features of the new 'Centres – Plus' option are:

#### 'Centres +' Option

In relation to the 30 year urban form, the 'Centres +' option is based on the following:

1. A refined medium density residential land use pattern that responds to:
  - A heat mapping approach to identify those areas of the four design sprint scenarios identified as appropriate for medium density residential, recognising the 'broad brush' approach to line on maps used at the design sprint
  - The draft National Policy Statement for Urban Development, which identifies the need for greater densities in proximity to centres, corridors (public transport) and amenities
  - Consideration of the above matters in light of associated suitability mapping, including walking distances from centres, corridors and other amenities.
2. Having regard to the above, the hybrid option provides:
  - Higher densities in close proximity of city centre, Gate Pa / Hospital and Greerton and with good access to a range of amenities, up to 150 dw/ha net
  - Medium density within areas walking distance to centres and other amenities: 90 dw/ha net



3. Recognition is given to the centres based approach that was put forward in three out of four of the design sprint scenarios, whereby investment is focused around the city centre, hospital, Gate Pa, Merivale and Greerton.

4. Other common interventions across the scenarios are considered to be standard for the hybrid option also, e.g.:
  - Cameron road multi-modal corridor
  - Multi modal transport interchange
  - Active transport network
  - 15th avenue detuning
  - Transport hubs
  - Passenger rail and ferry services
5. For clarity, and for the purposes of the 30 year land use MCA, investment timing is not included within consideration of the hybrid or any other option.
  - Meets NPS-UD: Yes
  - Likely increase in housing numbers across peninsula: High

At the time of preparing the centres + option, the NPS – UD discussion document provided indicative direction in relation to the urban form (as it relates to distances from centres, public transport and other amenities), along with the consistent outcomes in relation to providing multi-modal transport down the Cameron Road spine, the urban form option refinement and assessment was considered the appropriate first step towards establishing the integrated land use transport approach. The urban form assessment was carried out with the Project Partner technical and domain specialists to test the conclusions of the Design Sprint work, and to enable integration with additional assessment and evaluations arising based on further information and guidance. In addition to the four Design Sprint urban form options, the Centres Plus option was also tested.

Technical and domain experts were assigned to criteria aligned to their specialist skills. Initial ratings and the justification for these were prepared in advance of a workshop where a presentation was made to the wider Te Papa peninsula core technical team. Discussion and testing of ratings were followed by a separate moderation session to ensure consistency in approach and philosophy applied, and to reconcile any queries or clarifications emerging during the session.

## 4.7 Urban Form Recommendation – Centres Plus

The Centres Plus option emerges as the strongest following the evaluation. Further sensitivity testing to apply different weightings to the initial settings does not suggest other Options would easily or logically supersede the performance of Centres Plus.

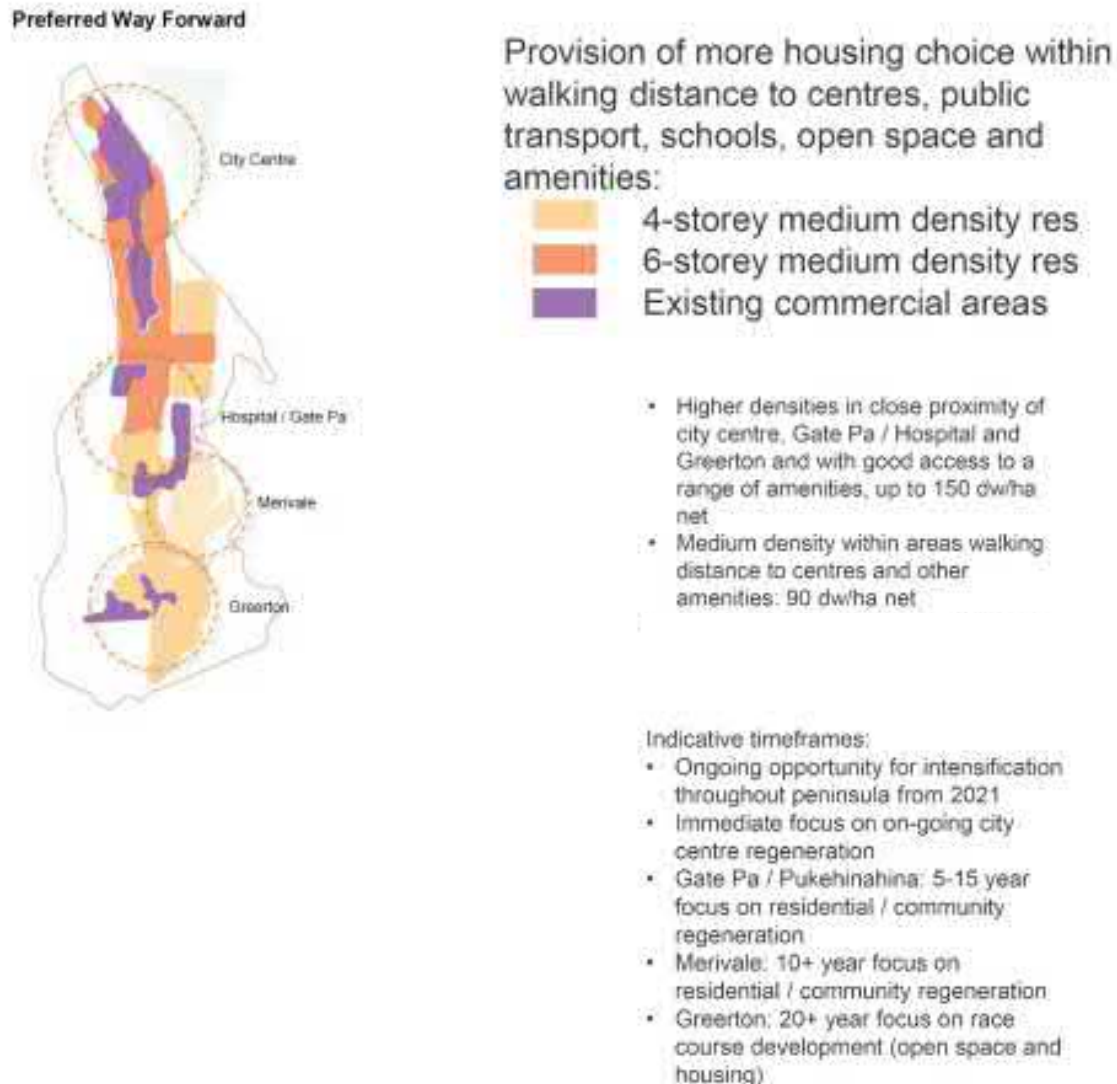


Figure 5 – Preferred Land Use for Te Papa Peninsula

## 4.8 Proposed Plan Change 26 Te Papa Housing Overlay

The Te Papa Spatial Plan provides the strategic direction for the future land use through the preferred centres plus option, that is to be supported by an improved integrated transport network. In order to appropriately apply the heights which are required to give effect to the NPS – UD and the Te Papa Spatial Plan preferred way forward as show in figure 7, the development of an overlay was required.

In applying this strategic direction, a more detailed assessment and approach was required to apply appropriate heights while considering the existing planning framework and strategic direction of the NPS – UD in particular Policy 3 and whether Policy 4 needed to be applied.

In order to determine this, several factors were considered, which include:

- Assessment of access to public transport and commercial centres, along with other amenities;
- Topography
- Natural Hazards that give effect to the RPS;
- Viewshafts as set out in Chapter 6 of the City Plan to protect views to Mauao;
- Heritage as set out in Chapter 7 of the City Plan.

An explanation of each of these is provided below.

## 4.9 Assessment of access to public transport and commercial centres, along with other amenities

In order to determine areas where increased density living would be appropriate, an assessment of access to public transport and commercial centres, along with other amenities, was undertaken to identify areas within suburban Tauranga City that are likely to be suitable for higher density living.

Generally, people will take around five minutes to walk 400m and 10 minutes to walk 800m. A five minute walk to convenience shops, bus stops and other daily facilities is considered reasonable<sup>2</sup>, while facilities such as healthcare, primary schools and large shopping amenities should be accessible within 10 minutes<sup>3</sup>. Pedshed analysis, which maps the walking distances and time from a location (such as a proposed residential development) to nearby amenities is an established tool for analysing a site's surrounding area. Key elements to consider in higher density apartment type living include public transport, local amenities and facilities and open space. Notwithstanding, it remains important is to consider any physical barriers that may impede movement, such as motorways, rivers, railway lines, large industrial areas or other inaccessible land uses.<sup>4</sup>

Having regard to the above, the following matters have been mapped and considered in determining those areas best suited to support higher density development:

Criteria	Description	Distance
<b>Primary Considerations – core to supporting higher densities</b>		
Centres	Centres offering convenience retail, local amenities and employment within walking distance of residents. Must include convenience retail and may also include amenities such as dining, takeaways, libraries, doctor's surgeries, medical centres and childcare. May include supermarkets and offices; does not include area that are large format retail and primarily vehicle oriented.	400m and 800m <i>Refer Figure 4 above</i>
Public transport	Access to bus stops along high frequency public transport corridors within a five to ten minute walking distance of residents.	400m and 800m <i>Refer Figure 5 above</i>
<b>Secondary Considerations – support higher densities generally,</b>		

<sup>2</sup> People, Places, Spaces: A design guide for urban New Zealand, Ministry for the Environment, 2001

<sup>3</sup> Urban Design Compendium, English partnerships, 2000

<sup>4</sup> Good Solutions Guide for Apartments, North Shore City Council, 2007



Criteria	Description	Distance
Open Space	Local active and passive reserves and open space (including playgrounds) that provide functional, useable open space within walking distance of residents.	400m and 800m
Education	Primary, intermediate and secondary schools, and tertiary education, within walking distance of residents. Provides for both education and amenity. Includes proposed schools.	400m and 800m
Industrial activities	Activities that may otherwise result in adverse amenity and health effects for residents, relating to noise, visual amenity, pollution and safety.	100m buffer distance

## 4.10 Topography

The topography of the Te Papa Peninsula creates some significant challenges for accessibility. One of the key challenges is the range of gullies which separate and divide smaller peninsulas. This has a significant impact on the “walkable” catchment of the area, which while the proximity to key areas such as centres and public transport may be within this area, the actual walkability is severely compromised and creates distinct accessibility issues.

## 4.11 Natural Hazards

Natural Hazards have been investigated in accordance with RPS requirements. Provisions in PPC26 have been applied through the outcomes of the risk assessment, to meet the requirements of the Natural Hazards policies of the RPS.

Risk assessments have been undertaken to identify where susceptibility is located, where it is not and what risk levels apply. Excluding areas of land from PPC26 that are subject to high risk from natural hazards is proposed. See Appendix 1: Natural Hazards.

## 4.12 Viewshafts

Within Chapter 6 of the operative City Plan there are viewshafts which specifically relate to views to Mauao from Marae around Tauranga Moana. In order to understand the relationship between the proposed heights and these viewshafts a review was undertaken to determine how these interact.

This analysis had a strong consideration of the existing viewshafts to Mauao and retaining these. The appropriate height provisions were considered and applied on a block by block basis to ensure these were treated equally in terms of effects and development rights. Where topography would create significant intrusions into the existing viewshafts, appropriate heights were set.

Importantly. No changes are proposed to the existing objectives, policies, rules and mapping for viewshafts within the operative Tauranga City Plan. The Te papa Housing Overlay reflect the existing viewshafts. It is important to note, that if a development was to encroach upon the existing viewshafts, it requires a resource consent to determine whether the application would have significant effects on the viewshafts, under the operative Tauranga City Plan.

#### **4.13 Heritage**

The Te Papa peninsula is the cultural heart of Tauranga and has significant cultural and heritage sites. In applying the Te Papa Housing Overlay, identified heritage sites were mapped and considered. Additional height was not pursued in some areas to ensure that sympathetic outcomes can be achieved.

#### **4.14 Summary**

In considering the above factors, the Te Papa Housing overlay sought to appropriately apply where higher density housing provisions of four to six stories should be applied. The height plan included as figure 1 and Appendix 14 – Te Papa Housing Overlay within the draft provisions for PPC26 demonstrates where appropriate heights have been determined. In taking into account the above matters, it provides an appropriate response which allows for higher density housing areas that will be sympathetic to the surrounding area and provide appropriate development scale.

# Appendix 8: Plan mechanism to enable intensification in Te Papa

## 1. Introduction

In terms of residential land use, Te Papa peninsula currently has the following zones:

- Suburban Residential Zone
- City Living Zone – Residential (9m height limit or 13m height limit)
- City Living Zone – Mixed Use (13m height limit or 19m height limit)
- Commercial Zone

Additional intensification areas in the Te Papa peninsula required suitability mapping to identify their location, beyond the extent of the existing City Living Zone. The extent of the intensification areas is set out in Appendix 7. It is anticipated that within the Te Papa Housing Overlay (including City Living Zone) there will be areas that enable up to 4 storeys to 6 stories in height. The remainder of the residential area in Te Papa, not identified for residential intensification, will continue to be Suburban Residential Zone with a 9m height limit. The Suburban Residential Zone will provide opportunities for intensification through new provisions for duplexes and comprehensively designed development provisions (terraced houses) within the existing Suburban Residential building envelope.

It is noted that this refers to the residential component only. In regard to increasing heights in the Commercial Zone to give effect to the NPS-UD, this is considered to be a simple process and therefore not considered any further in this report.

## 2. Issue

Consideration needs to be given to the most appropriate planning mechanism to implement residential intensification in Te Papa, bearing in mind the National Planning Standards, existing City Living Zone and the desire to limit the scope of the plan change to residential activities.

The same built form outcome is sought across all areas identified for residential intensification in Te Papa.

## 3. Options

**Amend and extend City Living Zone.** Amend the residential provisions contained in the existing City Living Zone and extend the City Living Zone to include all areas identified through the Te Papa Spatial Plan for residential intensification.

**New Zone.** Create a new zone such as a Medium Density Residential Zone or High Density Residential Zone (as per the National Planning Standard zone descriptions)<sup>1</sup> and apply to all areas identified through the Te Papa Spatial Plan for residential intensification and the existing City Living Zone.

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<sup>1</sup> The National Planning Standards describe Medium Density Residential Development as: Areas used predominantly for residential activities with moderate concentration and bulk of buildings, such as detached, semi-detached and terraced housing, low-rise apartments, and other compatible activities. High Density Residential Zone: Areas used predominantly for residential activities with high concentration and bulk of buildings, such as apartments, and other compatible activities.

City Living Zone and new zone. Amend the residential provisions contained in the existing City Living Zone and retain the current extent. Create a new zone (as per the National Planning Standard zone descriptions) that applies to additional areas identified through the Te Papa Spatial Plan for residential intensification.

City Living Zone and overlay. Update residential provisions in the City Living Zone and retain the current extent. For other areas of Te Papa identified for residential intensification introduce an overlay. The overlay could introduce provisions to enable intensification in specified areas and also restrict other residential activities that are considered contrary to achieving density outcomes. The City Living Zone and the overlay would be aligned to achieve the same built form outcomes.



## 4. Option analysis

Option	Benefits	Costs
Amend and extend City Living Zone	<ul style="list-style-type: none"> <li>• Uses an existing Zone as a base, do not need to reinvent the wheel.</li> <li>• National Planning Standards can be implemented through the City Plan Review.</li> </ul>	<ul style="list-style-type: none"> <li>• Unless a complete review is done of the whole City Living Zone (including non-residential provisions), some existing issues with the provisions will be applied across a larger area. These are unnecessarily restrictive for the Te Papa peninsula.</li> <li>• Will open up the scope of the PPC26 to non-residential activities. Therefore, provisions relating to offices, schools etc. would be subject to submissions and potentially result in amendment.</li> <li>• Does not reflect the direction in the National Planning Standards, acknowledging that these do not need to be implemented until April 2024 and the City Plan Review will address in an integrated way for the whole Plan.</li> </ul>
New Zone	<ul style="list-style-type: none"> <li>• Could adopt terminology from National Planning Standards (although not required to be implemented until 2024)</li> <li>• Reflects where we are heading through the City Plan review</li> </ul>	<ul style="list-style-type: none"> <li>• Introducing a new zone would open up the scope of the plan change to all zone provisions, not just the residential provisions. Therefore, provisions relating to offices, schools etc. would be subject to submissions and potentially result in amendment.</li> </ul>
City Living and New Zone	<ul style="list-style-type: none"> <li>• For the City Living Zone, scope would be limited to the residential provisions.</li> <li>• Could adopt terminology from National Planning standards (although not required until 2024)</li> </ul>	<ul style="list-style-type: none"> <li>• Introducing a new zone would open up the scope of the plan change to all zone provisions, not just the residential provisions. Therefore, provisions relating to offices, schools etc. would be subject to submissions and potentially amendment provides difficulties for the Commercial Zone.</li> </ul>
City Living Zone and Overlay	<ul style="list-style-type: none"> <li>• Scope of Plan Change limited to the residential components of the City Living Zone and the provisions introduced/ amended through the overlay.</li> <li>• National Planning Standards can be implemented through the City Plan Review.</li> <li>• Overlay can apply to heights in the Commercial Zoned land along the Te Papa peninsula.</li> </ul>	<ul style="list-style-type: none"> <li>• Provide a pathway for residential intensification along the Te Papa peninsula prior to the City Plan review but will result in another mechanism within the City Plan and some complexity if not clearly set out.</li> <li>• Does not reflect the direction in the National Planning Standards, acknowledging that these do not need to be implemented until 2024 and the City Plan review will address in an integrated way for the whole Plan.</li> </ul>

## 5. Recommendation

Option 4 – City Living Zone and Overlay is the recommended approach. This is because:

- The combination of mechanisms will jointly implement the land use component of the Te Papa Spatial Plan.
- It provides an interim approach without expanding the scope to matters/activities outside of the purpose of the plan change.
- Tauranga City Council has until 2024 to implement the National Planning Standards. It is considered that these are more appropriately addressed in an integrated and comprehensive manner through the City Plan Review, which is to be notified in April 2024.