

PROPERTY **E**ECONOMICS



CHRISTCHURCH CITY PC13

HERITAGE AREAS AND SITES

COST-BENEFIT ANALYSIS

Client: Christchurch City Council

Project No: 52193

Date: December 2022



SCHEDULE

Code	Date	Information / Comments	Project Leader
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1. INTRODUCTION

Property Economics has been engaged by Christchurch City Council (**Council**) to undertake an economic assessment in the form of an economic cost benefit analysis (**CBA**) of proposed Heritage Sites and Heritage Area provisions for the district as part of proposed Plan Change 13 (**PC13**).

This assessment is motivated by the introduction of the Enabling Housing Act (2021) that requires Tier 1 councils to implement Medium Density Residential Standards (**MDRS**) as a baseline residential zoning across their existing residential environments to enable and encourage residential intensification. The MDRS are subject to qualifying matters, (**QFMs**) such as the protection of Heritage Sites and Areas that council can implement to protect the existing heritage character of a site or area from inappropriate development.

While PC13 includes several alterations to the existing environment with reference to Heritage, both Heritage Sites and Heritage Areas have been identified by Council as QFMs. Council wishes to preserve the heritage character of the 11 identified locations as “Heritage Areas” as well as additional specific sites within Christchurch City.

The purpose of this report is to provide a high-level degree of costs benefit analysis for both the sites and areas while considering their impact on capacity under the MDRS.



The proposed Heritage Areas are new to the District Plan¹ and are intended to protect neighbourhoods that are significant to the city's (and country's) heritage, as a whole. While specific buildings are not targeted as Heritage Areas, small blocks with heritage characteristics would be exempt from the same level of blanket residential intensification enablement as the rest of the city under the MDRS.

Additionally, the Council has introduced a 'buffer' adjacent to these areas that seeks to limit the impact sites immediately adjacent to Heritage Areas could have.

In terms of heritage Christchurch City is a unique environment given the 2011 earthquakes, with 204 of the identified 588 protected buildings being lost.

1.1. OBJECTIVES

Key objectives in this assessment are:

- Identify the proposed Heritage Areas and site locations, and delineate them geospatially from non-Heritage Areas
- Identify the key Heritage Area provisions likely to have economic impacts and determine the direction and scale of those impacts.
- Identify the primary economic costs and benefits of PC13's Heritage Areas and sites.

1.2. DATA SOURCES

Data sources used in this report are from the following sources:

- Christchurch District Plan – Christchurch City Council
- Plan Change 13 Provisions – Christchurch City Council
- Christchurch City Housing and Business Assessment – Christchurch City Council
- Satellite Imagery – Bing
- Daft PC 13 Provisions – Christchurch City Council

¹ With the exception of Akoroa, which is not currently proposed to be updated to fall inline with the new heritage area rule regime.



2. APPROACH

In assessing the potential economic impacts of the Heritage Areas (identified as a QFM) it is important to understand several factors including:

- The extent of the issue the Heritage Areas seek to address
- The potential impact on development potential
- The impact on development distribution
- The costs of implementation
- The impact on development costs
- The extent of the Heritage Areas themselves
- The parties affected and the distribution of impacts
- The potential timeframe impacted

In assessing the economic effects of the Heritage Areas, it is important to understand what the counterfactual position may be without the proposed Areas. In relation to this it is Property Economics understanding that, with the exception of Akoroa (where it is not proposed to that the rules suggested here apply), there are no other Heritage Areas under the current Operative District Plan. As such the counterfactual position represents the current unconstrained (by heritage) zones.

While there are a number of generalise economic costs and benefits associated with Heritage protection that are outlined in this report, it is considered appropriate that the identification and extent of each Heritage Area should be self-sufficient with the potential loss of development and / or economic activity identified by each area and weighed against those economic and non-economic benefits.



3. HERITAGE ECONOMIC VALUE

There has been a significant increase, more recently in recognition of the economic value and contribution to community well-being relating to the safeguarding of heritage values. While generally facing development restrictions heritage buildings, and areas, contribute a variety of economic benefits that flow beyond those attributable to the buildings themselves. In fact, recent studies have shown that as little as 7% of spend related to heritage tourism is actually spent 'on-site'. Heritage provision and management contributes to:

- Increased property values
- Increased tourism employment
- Increased tourism spend
- Higher levels of maintenance spend
- Improved visitor profile
- Improved sustainability of construction and reuse
- Existence, bequest value

Each of these benefits are valid in the Christchurch context and although no information is available specific to any given site there are general averages that can identify the potential scale of the values².

The following assessment outlines the potential relativity of economic costs and benefits relating, to specifically, Heritage Areas, however there is also value in understanding the general level of economic benefits associated with the identification and management of the heritage assessment within the community.

While there are few quantitative assessments of the economic value of heritage in Christchurch City, there are more general studies that can be applied to give a measure of extent to these benefits.

While there is limited information pertaining to the level of tourism generated through heritage provision in Christchurch, total visitor spend has been approximately \$750m per annum for the city over the past decade. This contributes significantly to the overall Christchurch economy. Even considering only a small proportion of this being facilitated through heritage sites and areas would result in a significant, on-going, contribution to the

² It is important to note that these values are based on the appropriate recognition of heritage values and do not represent a method by which simply identifying a larger number of properties as 'heritage' will result in proportionately greater economic benefits.



general Christchurch economy. A survey undertaken by Christchurch City council in 2017³ found that 44% of respondents considered tourism as a valuable component of heritage.

Further research⁴ found that 'heritage tourists' can spend, on average, 30% more than other visitors. Additionally, the same report found that less than 7% of heritage tourism dollars are spent on the sites that attract them, with over 90% of spending finding its way into the wider economy.

In terms of property values, there are differing value expectations. While research has shown that heritage properties exhibit greater values over and above comparable non-heritage properties, there is an impact resulting from the potential for decreased development opportunities.

Research undertaken for Auckland Council heritage buildings can achieve a 6.6% premium over similar properties. However, the same research found that, on average, a heritage building within an area with development opportunity sold for approximately 10% less (as a result of the perceived development opportunity loss). Over the 10-year period assessed in the modelling the impact was found to decrease with the potential property value differential tending towards zero.

The same research also found that, again on average, heritage buildings created an 'aura' effect increasing the value of properties adjacent at a diminishing rate. For example, those within 50m increased 1.7%, while those within 200m increased only 0.5%. Based on the approximately 1,550 sites identified in Figures 1 and 2, there is likely to be approximately 700 additional sites materially impacted⁵ by the aura impact. ***The total value attributable to this effect therefore is estimated at approximately \$17m (as total capital value). It is important to note that this does not include the increased value to the protected properties themselves.***

The wider public good value associated with heritage buildings and areas is somewhat more difficult to assess. While there is a number of international assessments undertaken to provide context, the most fitting for this environment relates to a contingent valuation assessment in Australia which asked how much residents would be 'willing to pay' to maintain protection over heritage buildings. The assessment⁶ found that participants would be willing to pay \$5.33 per annum for each 1,000 heritage buildings protected. Given the potential variance in value and community preference for heritage protection, it is considered appropriate to assess a lower

³ Valuing Non-Regulatory Methods of Protecting Privately Owned Heritage in Christchurch, Figure 5, Page 63

⁴ Heritage Conservation and the Economic Benefits to Auckland.

⁵ Within 50m

⁶ Valuing the Priceless: The Value of Historic Heritage in Australia. Allen Consulting group, 2005.



value associated with the protection. *In the case of the, approximately 1,550, properties assessed through PC13 (both sites and areas) and considering a population of 280,000 (over 18's) in Christchurch City, the estimated annual value of these properties in terms of public good would be in the order of \$1.16m per annum or a total of \$13.3m over a 15-year period.*

Before considering the potential relative costs for specific areas themselves it is pertinent to consider the potential economic costs associated with the protection of historic heritage. These typically fall into two categories. The first relates to compliance costs associated with complying with the Council rules when considering development. The second as outlined in the following section is the reduction in development opportunity within the identified areas.

4. HERITAGE AREAS

The following figure shows the geospatial location of proposed Heritage Areas as indicated in PC13 across Christchurch City.

There is one area in Burnside, one in Cashmere, four areas in Central Christchurch, one Hornby, the total of the urban township of Lyttleton, one in Merivale, one in Riccarton, one in St Albans and one in Sydenham. Detailed, suburb level areas are provided in Appendix 1.

The areas do not make up a substantial amount of land, with the whole of Lyttleton⁷ township being the largest of the areas making up around 81ha or around 55% of the total land area of the Heritage Areas. The balance of the heritage areas, within the main urban area of Christchurch City are made up of small pockets of heritage dwellings built from mid-19th Century to mid-20th Century.

Not all dwellings in these areas are heritage dwellings, some are modern and built as recently as within the last couple of years.

⁷ The indicated area of Lyttleton's Heritage Area was not provided directly from Council and was adjusted to match updated indicative planning maps for the Lyttleton Heritage Area. This may mean the indicated estimated area differs from the true area.

FIGURE 1: PC13 HERITAGE AREAS – CHRISTCHURCH CITY



Source: Bing, Christchurch City Council.



Heritage Area Rules

At a high level the proposed rules (found in Table 1 below) for Heritage Areas restrict the construction of new buildings and alterations of existing building exteriors and restrict demolition of defining buildings or contributory buildings. Other provisions make minor alterations to existing baseline land use. Additionally, these rules do not automatically apply to the Lyttleton Heritage Area.

The restriction to construction is intended to ensure that new building meet minimum design standards to blend in or match the existing heritage area environment. This is likely to have the effect of restricting high density dwellings such as walk ups or apartment buildings, and may even restrict some terraced housing designs, contrary to the intentions of the MDRS.

The restriction of construction of new buildings does not apply to rear sites.

The restriction of demolition of existing defining buildings and contributing buildings is intended to add additional protection to some existing, identified heritage assets and to protect the Heritage Area environment from losing its heritage feel. This will likely slow the intensification / modernisation of the area and may divert subdivision of properties away from Heritage Areas.

Heritage Areas do not restrict intensification outside the borders of the Heritage Area. This means that the MDRS will, otherwise, be fully implemented outside of Heritage Areas and other QFMs.

4. HERITAGE SITES

There are also a number (approximately 49) of additional historic heritage sites identified in PC13. These sites are geographically identified in Figure 2 below. Table 1 identifies the individual sites that represent residential opportunities under the PDP, this sites are identified with their relevant size and value to give context to the potential for property 'value' gain through heritage protection.

FIGURE 2: PC13 HERITAGE SITES – CHRISTCHURCH CITY



Source: Bing, Christchurch City Council.

TABLE 1: RELEVANT ADDITIONAL HERIATGE SITES

Address	Land Area	Total Rateable Value
9 Ford Road	1,417	\$490,000
159 Hereford Street	754	\$1,340,000
34 Taylors Mistake Bay		
48 Taylors Mistake Bay	1,027	\$1,130,000
51 Taylors Mistake Bay	3,508	\$990,000
52 Taylors Mistake Bay		
53 Taylors Mistake Bay	3,753	\$995,000
58 Taylors Mistake Bay		
60 Taylors Mistake Bay	1,096	\$1,520,000
69 Taylors Mistake Bay		
70 Taylors Mistake Bay	1,382	\$640,000
159 Manchester Street	352	\$7,000,000
129 High Street	181	\$790,000
158 High Street	277	\$1,000,000
14 Wise Street	1349	\$3,470,000
Taylors Mistake Bach 46	630	\$860,000
Taylors Mistake Bach 45	2,380	\$1,140,000
Taylors Mistake Bach 44	647	\$925,000
Taylors Mistake Bach 43	1,069	\$560,000
Taylors Mistake Bach 42	650	\$1,550,000
Taylors Mistake Bach 41	1,551	\$870,000
Taylors Mistake Bach 40	665	\$1,450,000
Taylors Mistake Bach 39	1,133	\$610,000
Taylors Mistake Bach 38		
Taylors Mistake Bach 37		
Taylors Mistake Bach 36		
Taylors Mistake Bach 35		
Taylors Mistake Bay Bach 9	3,673	\$72,000
Taylors Mistake Bay Bach 8		
Taylors Mistake Bay Bach 7	806	\$17,000
Taylors Mistake Bay Bach 5		
524 Pound Road	1,577	\$420,000
146 Seaview Road	16,700	\$950,000
35 Rata Street	911	\$1,320,000
205 Manchester Street	511	\$830,000
167 Hereford Street		
319 St Asaph Street	1,227	\$2,340,000

Source: RPNZ, Christchurch City Council.

5. RESIDENTIAL CAPACITY

At the time of writing this report a detailed assessment of the impact on residential capacity (under the MDRS) of Heritage Areas is underway with results pending. As such this assessment cannot provide the specific capacity impacts resulting from the identification and protection of the 11 Heritage Areas identified as QFMs by Council.

In January 2022 a report⁸ on the overall capacity of MDRS within Christchurch City provided some indication of the extent of feasible MDRS development. Appendix 2 provides the assumptions and limitations of this assessment.

Figure 2 from the report illustrates the theoretical capacity resulting from the MDRS provision. It shows the level of distribution throughout the city and the areas which indicate the highest intensity potential.

FIGURE 3: CCC MDRS THEORETICAL CAPACITY

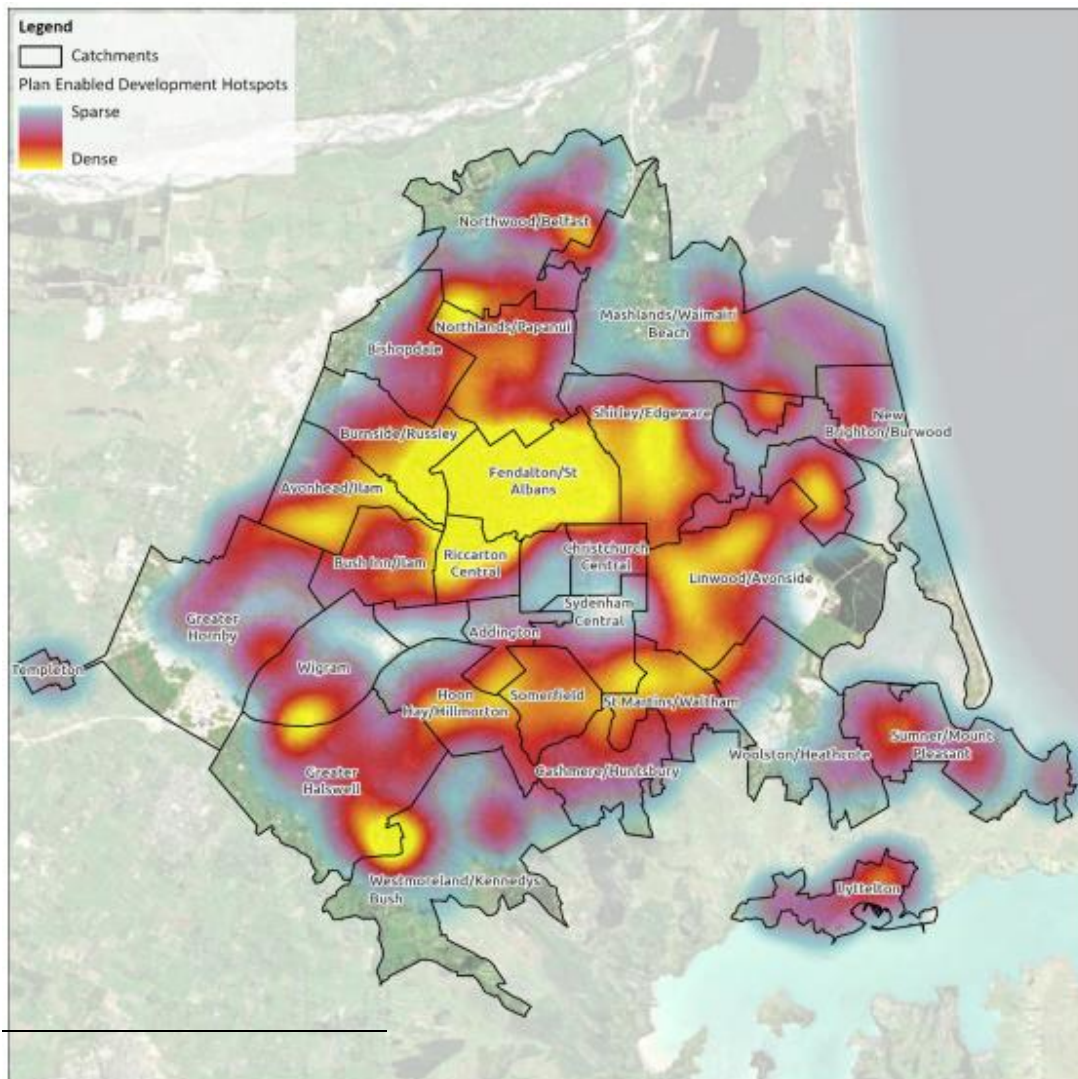


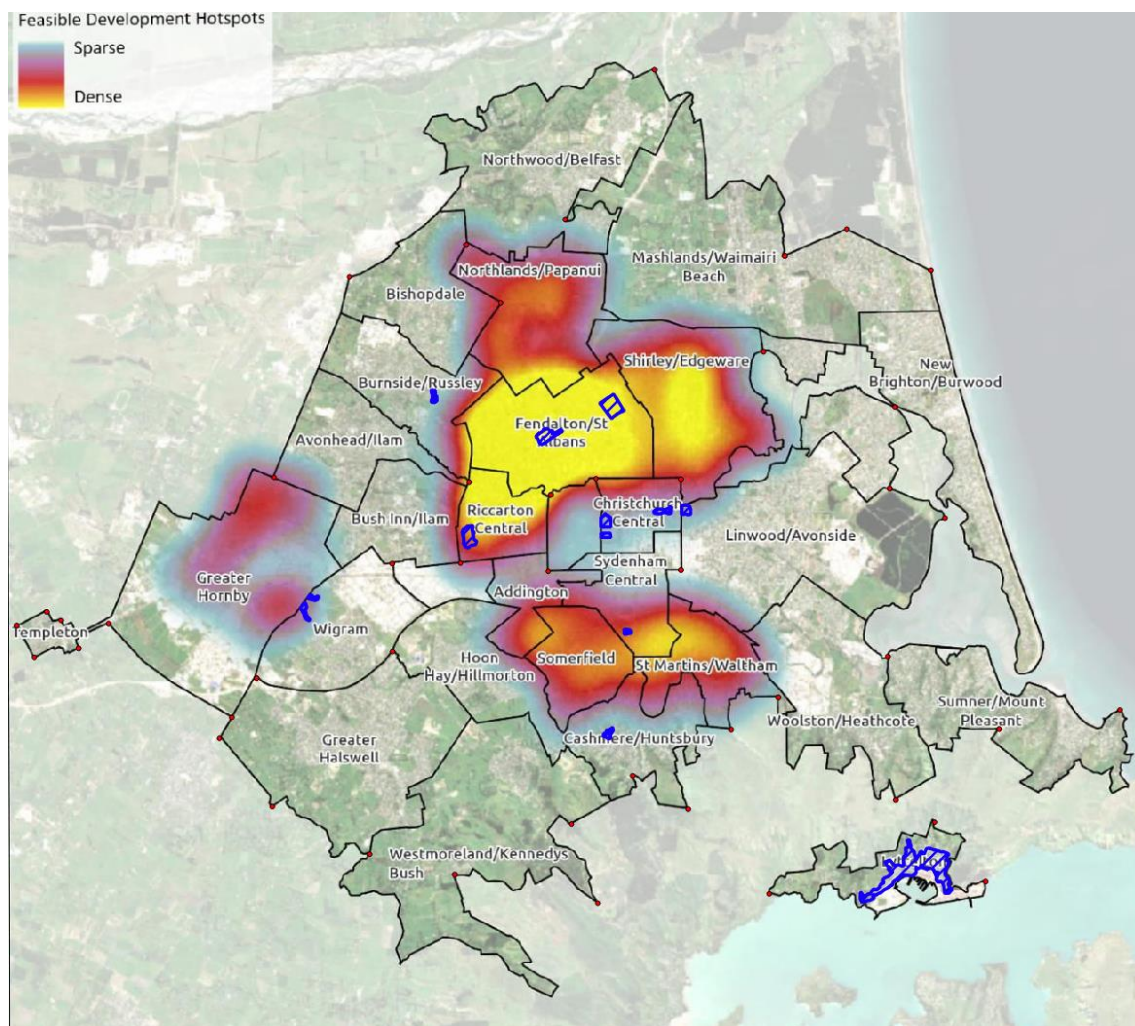
Figure 11 Plan enabled Medium Density development

⁸ *New Medium Density Residential Standards, Assessment of Housing Enabled, January 2022 (CCC)*

Following an assessment of 'feasible' capacity Figure 3 illustrates firstly, the level of feasible capacity distribution and secondly an overlay of the 11 Heritage Areas. From this an indication of the level of significance each heritage area is likely to have on residential capacity is outlined.

While this is not site specific it speaks to the variables present in each area that drive feasibility (and the existing QFM considered⁹) through this assessment.

FIGURE 4: CCC MDRS FEASIBLE CAPACITY



Source: Christchurch City Council.

⁹ Excluding Residential heritage Areas

Table 2 following gives an indication of the MDRS capacity loss for each area. In terms of the extent of the area's Table 3 outlines the total number of residential properties affected in terms of; total (with buildings), defined and contributory properties.

TABLE 2: POTENTIAL DEVELOPMENT CAPACITY IMPACT

Residential Heritage Area	Capacity Impact
Piko /Shand	Medium
Inner City West	N/A
Chester Street East	N/A
Englefield	N/A
Gosset/Carrington/Jacobs	High
Heaton Street	High
Wayside Avenue	Low
Wigram	Medium
Macmillan Avenue	Low
Shelley/Forbes	High
Lyttelton	Low

Source: Property Economics.

TABLE 3: HERITAGE AREA AFFECTED PROPERTIES

Residential Heritage Area	Total No. of Properties[1] (number of residential properties with buildings)	No. Defining Properties[2]	No. Contributory
Piko /Shand	106 (101)	55	28
Inner City West	75 (65)	38	14
Chester Street East	52 (44)	21	11
Englefield	54 (53)	40	5
Gosset/Carrington/Jacobs	115 (112)	74	24
Heaton Street	27 (25)	19	1
Wayside Avenue	32 (31)	24	6*
Wigram	34 (33)	26	2**
Macmillan Avenue	24 (21)	15	5
Shelley/Forbes	32(32)	12	6
Lyttelton	956	TBC	TBC
TOTAL excl Lyttelton	551 (517)	324	107
TOTAL incl Lyttelton	1507		

Source: Property Economics, CCC

* 2 more where rankings still to be resolved
 ** 3 more to resolve

In terms of an indicative position, it would appear that the Gosset / Carrington / Jacobs Heritage Area is most likely to exhibit development opportunity costs. Apart from Lyttelton this area is also the largest by land area and lies within a highly accessible catchment between several major centres (KACs) and the Central City.

6. ECONOMIC COSTS AND BENEFITS

General Heritage Costs and Benefits

Table 4 below summarises the potential economic costs and benefits resulting in the market from the provision of Heritage Areas and the associated rules. While the identified rules have similar impacts their extents are likely to differ due in part to their identification of specific sub-sets of buildings as well as the extent of preservation as opposed to restrictions on new builds.

TABLE 4: HERITAGE GENERAL ECONOMIC COST BENEFIT SUMMARY

Heritage Rule	Economic Cost	Economic Benefit	Comments
Restriction on New Construction	<ul style="list-style-type: none"> Increased development costs Reduced development capacity Reduced land values Reduced development pattern efficiency Increased transactional costs Reduced Housing options 	<ul style="list-style-type: none"> Improved amenity Increased tourism Increased land values 	Restrictions on development are for the front sites only
Restriction of Demolition (defined or contributory building)	<ul style="list-style-type: none"> Increased development costs Reduced development capacity Reduced land values Increased transactional costs Reduced Housing options 	<ul style="list-style-type: none"> Heritage Protection Improved amenity Increased tourism Increased land values 	Restrictions on defined and contributory buildings only

Source: Property Economics.

BENEFITS

- + **Heritage Protection:** Protection of historic and heritage character and assets which form high amenity and historical environments. This is the primary objective of the policy. This may increase the land values of properties within and around Heritage Areas overtime as the higher amenity location attracts people. Research illustrates this could result in values 12% higher than without the heritage value.¹⁰

COMMENT: This value is generally provided through a heritage assessment.

- + **Generation of Tourism:** The protection of historic and heritage properties, particularly when clustered in areas with multiple assets of historic significance, can generate an impetus for tourism – heritage tours and areas of historical significance. This has flow

¹⁰ Conservation of Australia's Historic Heritage Places Productivity Commission Inquiry Report, 2006



on benefits for tourist industries, visitor accommodation nights, and tourist dollars captured within the city.

While it is unlikely that Heritage Areas in Christchurch City by themselves will do this, a critical mass of tourist attractions may attract and retain tourism to the area to a greater extent.

COMMENT: It is difficult to quantify the value of the heritage areas, as opposed to heritage sites, and the relative value between individual areas.

COSTS

- **Increased Transaction Costs:** The cost to develop (get a consent) increases with the resulting increase in value from being located within the heritage area providing some mitigation for the increased costs. The consent cost increases because the consent has to follow more stringent design guidelines than a regular consent and a developer may not be able to maximise their return because of the guidelines e.g., lower building height or height in relation to boundary or fewer dwellings per lot.

Alternatively, a resource consent or plan change application would be necessary for some developments that occur within the Heritage Area which increases costs and time delays.

- **Reduced development pattern efficiency:** The restriction of development potential within the heritage areas reduces development options that first can reduce the choice (by location) of demand and secondly can impact upon the efficient locational provision of housing (for example the ability for Central City residential development).

COMMENT: The extent of this cost is likely to be wholly mitigated given the extensive development capacity provided in accessible and efficient areas. Additionally, MDRS capacity assessment identified above indicate limited feasible development potential in many of these areas.

- **Unequitable Allocation of Cost:** The onus of cost is placed on private owners where the benefits of heritage values are a public good. This is an unequitable outcome. It is also possible that house / land price appreciation will be more muted in Heritage Areas than their non-Heritage counterparts as a result of the restrictions.
- **Reduced Housing Options:** Reduced diversity in choice of location and housing typology because the protections prevent the construction of some dwelling typologies in Heritage Areas.

COMMENT: This is unlikely to be a material cost as the Heritage Areas are small and this would be offset substantially by development in nearby, non-heritage areas.

- **Reduced Residential Capacity:** The total pool of residential available for development is reduced with the introduction of Heritage Areas. This is because the number of dwellings that would otherwise be enabled by the existing zone rules, or by the

Enabling Housing Act, is reduced with the limitations of what can be constructed (lower density houses on front facing sections).

COMMENT: At a city level this cost is likely to be immaterial given the 2021 HCA feasibility results and the 58,000 feasible capacity under the MDRS zones provided in the 2022 MDRS capacity report.

As a whole, despite the number of costs being more numerous, the total and combined impact of the enumerated economic costs is likely small, given the mitigating numbers at a city level, and outweighed by the benefit from the preservation of heritage character which form an important part of Christchurch's, and New Zealand's, (non-economic) history.

Relative Area Costs and Benefits

While consideration has been made, as a whole, for heritage areas and their general corresponding economic costs and benefits, it is important to understand the potential economic costs of restricting development of each identified area. For the purposes of this report, it is assumed there are no material differences, by area, that would alter transaction or development costs, while equity is based on individual site owners and so also remains constant across the areas.

Table 5 outlines the potential extent of the economic costs by area, relative to one another. This ranges from the Gosset Area which lies within a catchment that exhibits strong capacity feasibility, strong value growth, high degrees of accessibility and a substantial nominal capacity cost. This should ultimately be measured against strong heritage values.

At the lower end Lyttelton has a very low feasibility (technically zero), and while the nominal capacity is high the potential accessibility and land value losses are at the lower end.

TABLE 5: RELATIVE ECONOMIC COSTS BY SITE

Residential Heritage Area	Capacity Impact	Capacity Potential	Development Efficiency	Land Value Impact	Highest Relative Economic Costs
Piko /Shand	Medium	106 (101)	Medium	Medium	3
Inner City West	N/A	75 (65)	High	High	N/A
Chester Street East	N/A	52 (44)	High	High	N/A
Englefield	N/A	54 (53)	High	High	N/A
Gosset/Carrington/Jacobs	High	115 (112)	High	High	1
Heaton Street	High	27 (25)	Medium	High	2
Wayside Avenue	Low	32 (31)	Medium / Low	Low	6
Wigram	Medium	34 (33)	Medium / High	High	4
Macmillan Avenue	Low	24 (21)	Low	Low	7
Shelley/Forbes	High	32(32)	Medium	Medium	5
Lyttelton	Low	956	Low	Low / Medium	8

Source: Property Economics.



Overall, the preceding assessment illustrates the economic costs of the Heritage Areas as a whole. These costs are proportionally low given the wider sufficiency of feasible capacity across the city. At an Area level there is a considerable range of relative economic costs with some areas displaying the potential for material losses (at an area rather than a catchment level). Given the nature of the feasibility modelling in the January 2022 report however the individual areas lie in catchments with similar feasibility variables.

For example, the Gosset area is situated in amongst the largest area of feasible capacity based on the TPG 2022 report. While not altering the level of loss these factors mitigate some of the proportional impacts across the areas.

Historic Heritage 'Buffer' Zone

Table 6 below outlines the rules associated with a 'buffer' zone that would be established around the heritage areas. This zone safeguards the adjacent properties by limiting development options for sites that are contiguous. This rule will ultimately result in some economic costs, such as those in the preceding sections, including:

- Increased compliance costs
- Reduced feasibility of development
- Increased risk associated with development

The extent of impact is likely to be commensurate with the development impact for each heritage area as identified in the previous section.

The converse of this capacity impact (and the potential impact on development value) is the 'aura' value attributable to the heritage area itself outlined in the general costs and benefits section.

TABLE 6: HERITAGE RESIDENTIAL 'BUFFER' RULE

RD8	<u>Any new building (except buildings of less than 5m in height) on a site in the High Density Residential zone which is located outside a Residential Heritage Area but shares a boundary with a site or sites in a Residential Heritage Area.</u>	a. <u>Matters of discretion for HDRZ sites sharing a boundary with a Residential Heritage Area - Rule 9.3.6.6.</u>
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Source: CCC

APPENDIX 1: DETAILED HERITAGE AREA LOCATIONS

The following figures show more detailed geospatial locations of the identified Heritage Areas identified in PC13. The boundaries are intended to be indicative.

The boundary for Lyttleton was adjust based on updated planning maps provided by Council. While care was taken to be as accurate as possible the Heritage Area boundary indicated for Lyttleton was not provided directly from Council and should be used with additional caution.

FIGURE 5: WAYSIDE AVENUE HERITAGE AREA



FIGURE 6: MACMILLAN AVENUE HERITAGE AREA



FIGURE 7: INNER CITY WEST HERITAGE AREA

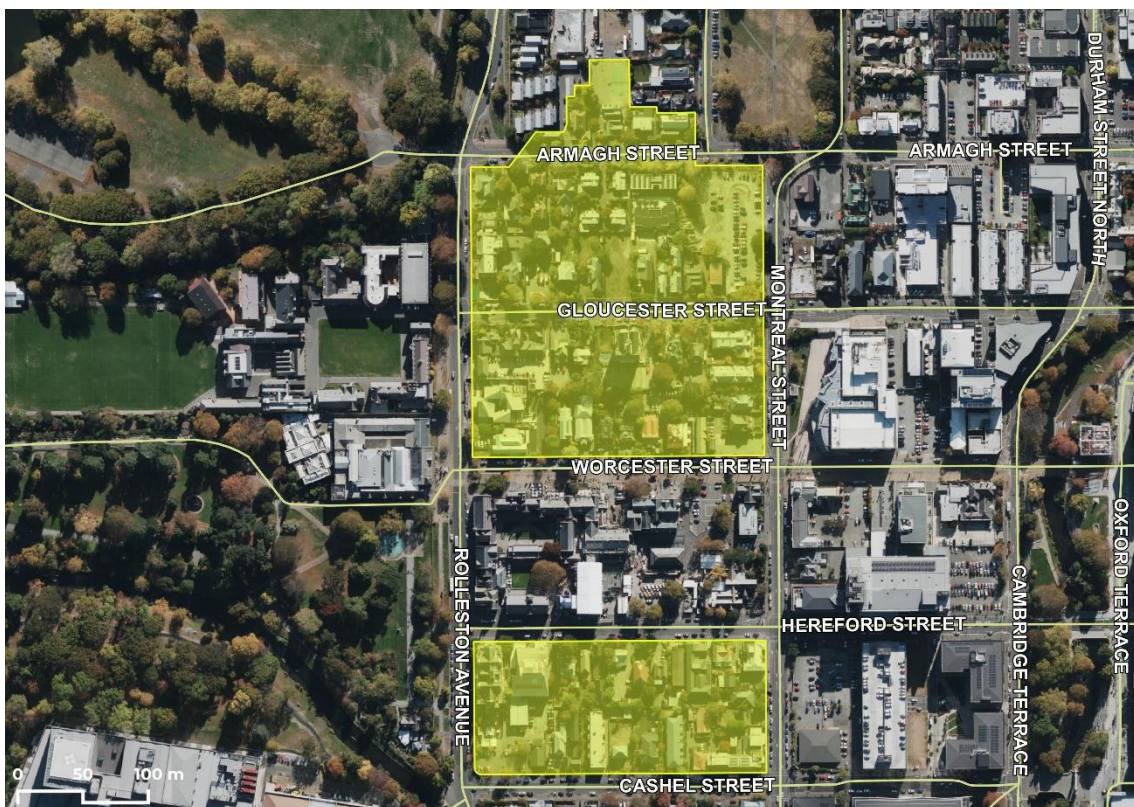


FIGURE 8: CHESTER STREET EAST HERITAGE AREA

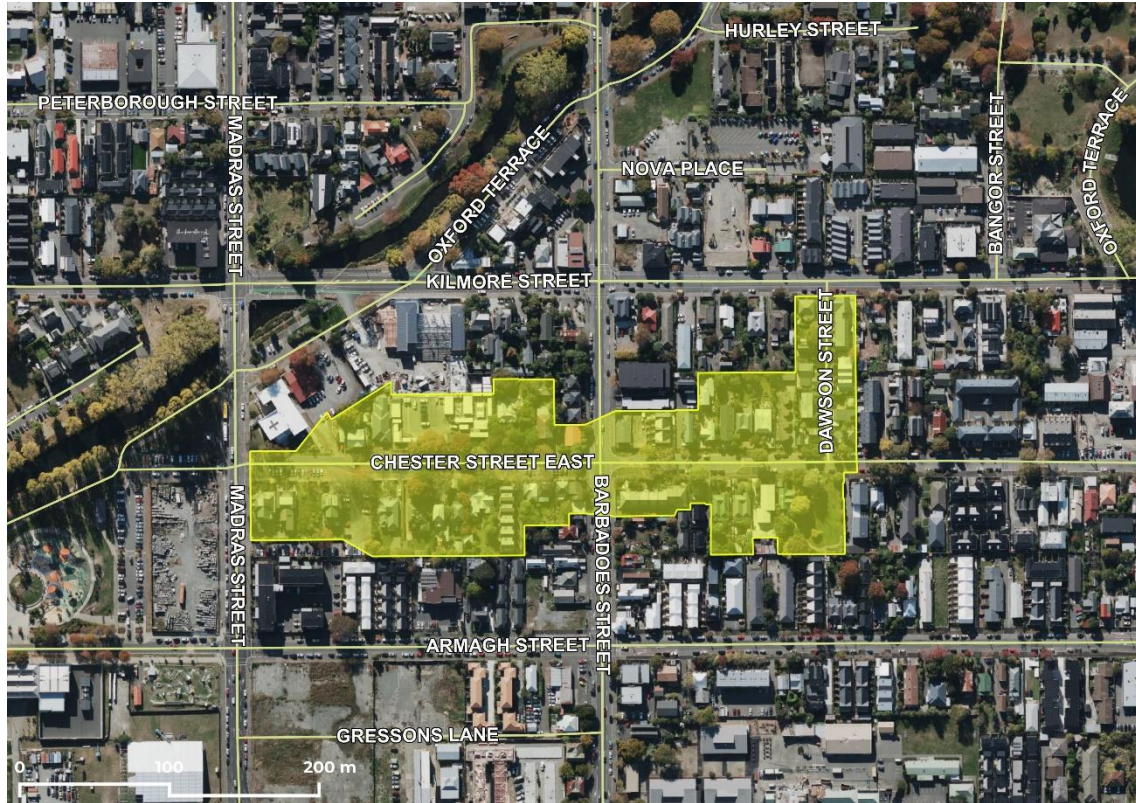


FIGURE 9: ENGLEFIELD AVONVILLE HERITAGE AREA

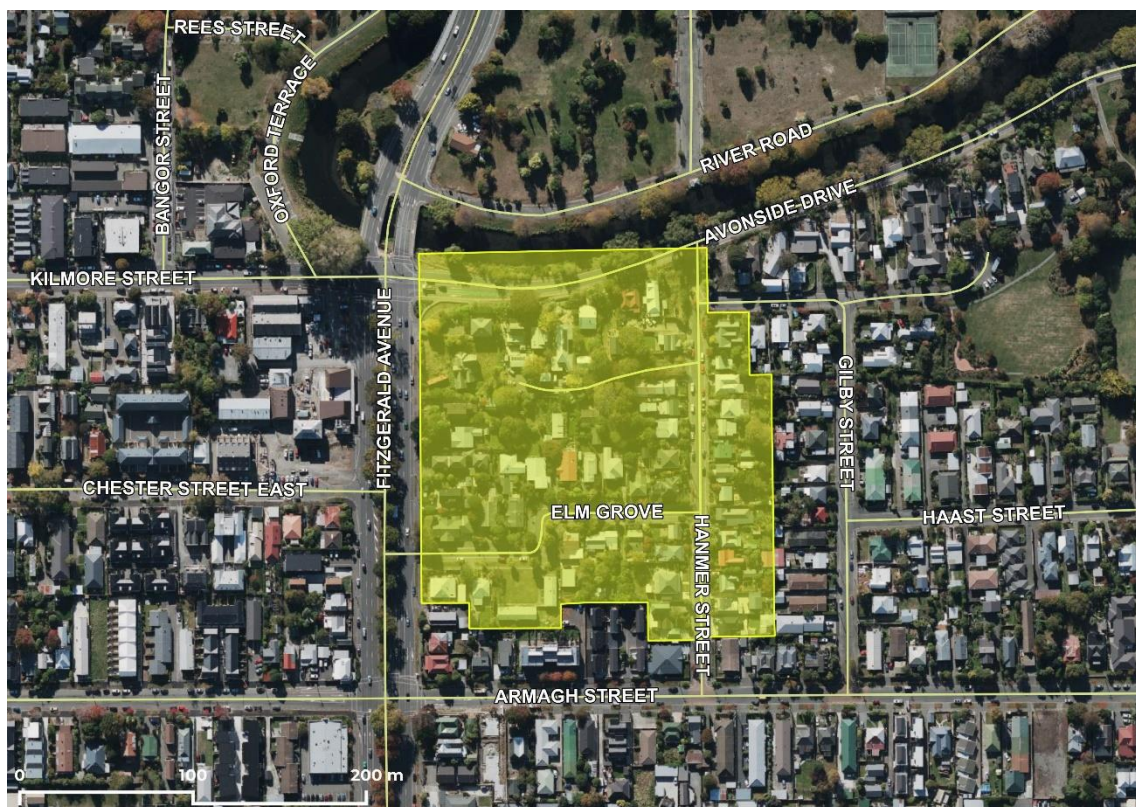


FIGURE 10: CORSAIR DRIVE HERITAGE AREA

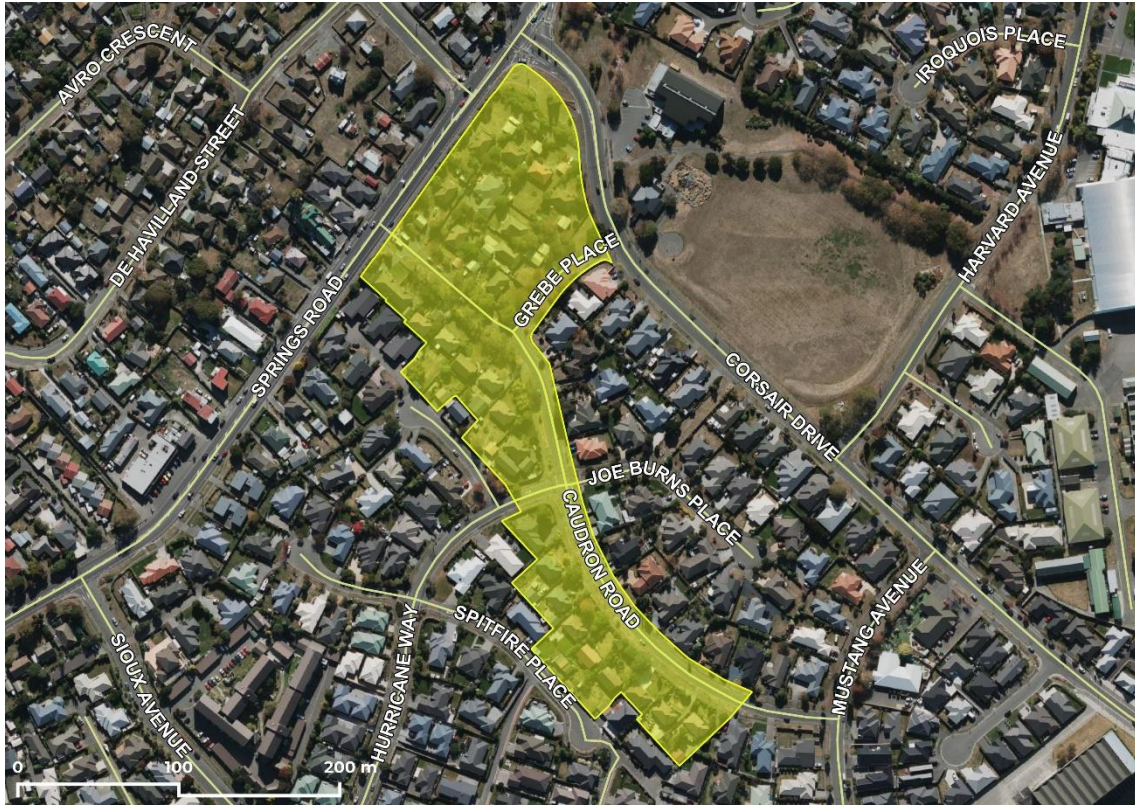


FIGURE 11: HENRY WIGRAM DRIVE HERITAGE AREA



FIGURE 12: LYTTLETON HERITAGE AREA

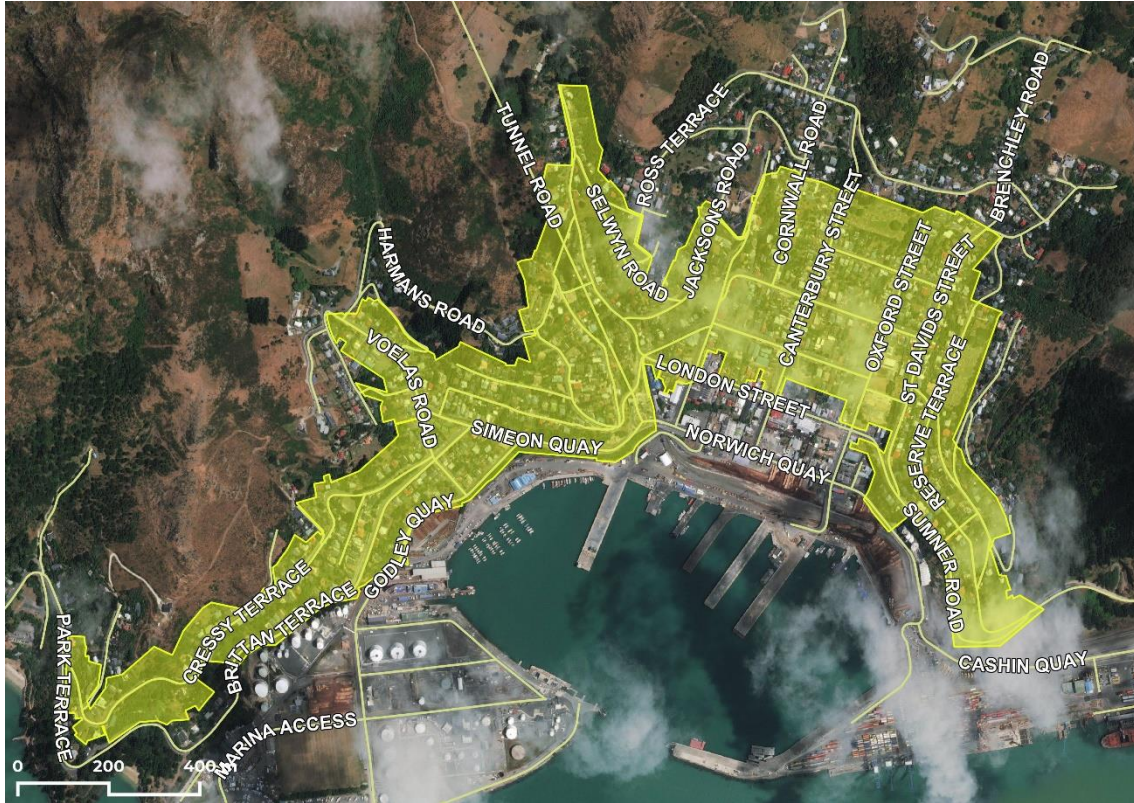


FIGURE 13: HEATON STREET HERITAGE AREA



FIGURE 14: PIKO SHAND HERITAGE AREA



FIGURE 15: ST ALBANS GOSSET STREET HERITAGE AREA



FIGURE 16: SHELLEY / FORBES HERITAGE AREA





APPENDIX 2: MDRS REPORT ASSUMPTIONS

- The assessment is focused on the capacity for medium density development within residential zones subject to the relevant provisions of the MDRS, it does not assess additional residential capacity that exists in areas where medium density is not viable or other commercial areas of the city.
- Assessment of the feasibility of development potential in the Central Area and the was not included in the scope of this assessment.
- The model has been developed without cross reference to the modelling undertaken for the 2021 HCA. To provide an analysis of how the new policy framework medium density development would impact the overall capacity for housing supply a comparison the assumptions of both models should be reviewed for alignment and a revised capacity assessment undertaken.
- The analysis has not incorporated consideration of those areas that would not be subject to the MDRS as a result of qualifying matters.

Sites identified with development potential

- Existing vacant sites that are appropriately zoned
 - Sites with earthquake prone buildings
 - Sites with re-development potential - where the land value that makes up to 80% of the capital value based on a review of recent development activity
 - Sites with infill potential – where there is sufficient vacant space within a lot (minimum 50sqm) and adequate road frontage (minimum 10m)
 - Sites with potential for amalgamation – adjoining identified development sites in joint ownership
- Areas excluded from the capacity analysis
- All zones where the MDRS does not apply
 - Green field development sites, as the outcome for medium density development in these areas will differ than that which is covered by the MDRS
 - High Flood Risk
 - Tsunami Inundation
 - Extreme Liquefaction Management Zone
 - Slope Hazard/Land Instability
 - Port Influence
 - Noise Boundaries
 - Community Facilities



- Sites of Cultural Significance
- Airport Protection
- Heritage and Character Sites
- Areas of Ecological Significance
- Natural Landscapes
- Protected Vegetation
- Red Zone
- Contaminated Sites
- Areas within the flight path restrictions or within the utility buffer requirements given in Operative District Plan.