

Meeting Notes

Housing Exchange Workshop – Industry Breakfast Session

Meeting date	24 October 2014
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Circulation	Christchurch City Council staff and workshop attendees (if required)

The industry workshop was attended by over 60 investors, builders, developers, planners, architects and designers, educators and researchers. Alan Bywater and Tony Moore provided the context and the challenge for Christchurch (2024 and what is the housing legacy we have left for Christchurch). Katja Lietz (Hobsonville Land Company) presented the placemaking approach and rapid scale up in delivery of medium density housing which is making Hobsonville one of the most sought after housing developments in Auckland. Mark Todd from Ockham Developments presented recent inner city apartment developments and provided useful insight into how denser developments are providing better quality living environments and greater proportion of greenspace on site through clever design and common parking areas.

1 Session One

Participants were organised in professional groups and asked to respond to questions: What are the actions we need to take now? What are the deals we can do now to deliver better quality and more affordable housing?

Key points from each group were:

Banks and investors

- Encourage development around the hubs – don't want to repeat the problems of the past where outskirts development kills the inner city
- need council to monitor the supply of the houses that they have in production – might be massive oversupply affecting market for decades
- council to look closely at demographics – especially older folks and baby boomers etc.
- 5 of 20 suburbs in city in last year have had negative growth
- city council needs to look at transport infrastructure – and plan for this ahead of time
- Need to look to regulators and planners to understand finite demand on residential – look at medium term demand and ensure that short term resolution of needs doesn't get done on outskirts at expense of inner city.
- Finite demand of next few years could be lost at the fringes of the city

Designers

- Reducing the silos – looking at a design collective across institutes and organisations that can pull together issues and take them to government – a built environment council that provides a strong voice and better ability to condense issues and influence policy
- Initiating this through a forum or through the institutes – have a role saying what is wanted to achieve collectively (NZIA, NZILA,) – so want to make a deal with everyone in the room on basis of that.
- Want a more design led district plan with better vision and understanding of where we want to go with DP. Conversation mainly between designers regulators and investors. Regulation Vs uncertainty – can we have more flexibility in plan rather than a one size fits all approach. – need to be more strategic about what want to achieve.
- Solutions to mitigate risk – incrementally trying new things to support and reduce risk through pilots and developments and financial support to take risk away – might just be small part of development.
- Thermal performance – we build poorly on all scales – lack of desire at central govt – so up to designers and builders to deliver
- Lack of regional development and support – urbanising the country at detriment of smaller regional centres
- District planning and building code consistency (73 TAs across the country treating building code differently – want more certainty)
- Disconnect at central and local govt on different issues that housing impacts on – e.g. cost of housing and cost of healthcare.

Developers

- Tension of regulator vs designer – should be MoU and more close relationship between developer and council – this should be business as usual as should be closer commonality of developer and council aspirations to get stuff done. Need greater understanding by private sector of what council are trying to achieve – what are the shared collaborative outcomes? More streamlined processes – empowering planners to make decisions
- Understating the pressures and financial challenges – council is part of development team not just a regulatory authority – everyone wants to see a better outcome. Better by collaboration.
- Want to leave a legacy – council and developers.
- Need common understanding of problem and how to achieve thought leadership to get to the shared outcomes that you want.
- Finite demand – people move to the edge – but we need to build the core. How to get higher density to happen
- Council need greater understanding of the market issues – and need more understanding of demand for different products and enable the private sector to use the abilities of local authorities to deliver
- Reality of affordability –

- Opportunity in ChCh is enormous – some in the private sector don't get access and opportunity to assist CERA and others to deliver opportunity. Greater facilitation and more enablement by government.
- Exemplar projects – Meadowlands and Hobsonville. Things don't change until someone does something that is different. But usually doing things differently can lead to bankruptcy and people coming in asking up do well. Conservative financial industry and conservative and inefficient building industry and supply chain – so need different ways to finance, of building etc. – and all this needs to be delivered through more collaboration. Financial packages and getting a blend of finance
- Have to discover what an exemplar is...
- Three councils make development difficult – especially on the fringe.
- Land development and building development – no interface between the two currently. Land developer and builder developer need to work together.

Planners/regulators

- Council changing its mind-set to be a partner in development – want for both sides to see each other as partnering in the development (more collaboration).
- Subdivisions usually coming in in a fragmented way – not taking the bigger picture of what else is going on around it – parks, commercial, amenity – all these are going in on a subdivision by subdivision basis – which is not efficient
- There is a 2 stage process of land development first and then building and construction. Not always a good way to do it – and in future lending behaviour could change the schematics of how this works.

Advisory / educational

- They have the information – but hard to get it across to a receptive audience – issues such as affordability, how to create liveable community, sustainable, nature of markets and trigger points – none of this is particularly well understood by those who need it. They (advisors and educators) have expertise and research from the local context (market acceptability) and they would like industry to come to them to access and make use of it.
- Exemplars are what's required – more good examples always needed; but recognition that there are already some good exemplars being delivered - and they need to undertake research on trigger points / barriers etc. to good development – pull apart what is holding it back.

2 Session Two – feedback on presentations

Due to time constraints this was held as more of a standard presentation session:

Katja Lietz – Hobsonville Land Company

- Market moving much faster than developer/builder community does (in terms of what they want and what they will buy). Public show more appetite for buying apartments, duplexes, terraces etc. than builders/developers have previously thought.
- Innovative placemaking activities already going on in ChCh – difficult to activate the suburbs – but activation can be achieved and the development community should take advantage of the energy and enthusiasm and people currently engaged in placemaking around the city.
- Makes case for evidence based decision making – worked with Beacon to do the neighbourhood research and survey work at Hobsonville Point which gave them robust data to base marketing and development of plan moving forward. Data from residents survey etc. is available on HLC website.
- On the test lab small homes - Good to build something to show people and allow them to touch and feel it – otherwise you are stuck in a cycle of conversation about what might be possible and easily argued down (as far as ‘people really do want smaller houses’ or ‘section size isn’t important’).

Mark Todd, Ockham

- Hard to make smaller units in suburban locations – doesn’t stack up to put a small house on a large section at the edge of town – so the constant march to open up more land isn’t delivering any more affordable housing
- Work in high density apartments / town house / flats shows definite promise – and there is a huge untapped market out there.
- Showed numerous positive examples (see Ockham website for more and details). The new Turing building gives the whole top floor over to communal facilities and amenity – described by Mark as putting the ‘heart and soul of building on roof’
- New Daisy building – based on outputs of a design competition, built out of CLT and aiming for Homestar™ 9 in each of the apartments.
- Range of typologies and range of price points is important – in the total mix of what’s on offer in the community.

3 General discussion session

Q) Do you think these sorts of ideas would be appropriate and what can we do to work together?
General sense of agreement in audience

Q) (directed to Katja Lietz) - Seem to be many clips of the ticket at Hobsonville development (land developer to builder of the smart lot to individual builder etc.) – in terms of housing affordability, would it be better to have just gone with a big company to do all infrastructure and all housing together so less people clipping the ticket?

A) HLC are doing each precinct differently – and now using some vertically integrated delivery of the houses. Theoretically you might lose a margin with all the clips of the ticket - but then a single person delivering everything would be taking on more risk so may not be cheaper

Q) Hobsonville Point – has a great variety of different houses throughout which means that there is good visual amenity and a rich landscape of design that provides interest

Q) First thing to do in Christchurch is to find out what are the attitudes to smaller spaces might be – need to understand what the public find acceptable. If it is found that 60% of people happy to live in smaller spaces then they will feel more comfortable delivering something differently – wee bit nervous about delivering this sort of thing as they don't usually do it.

A) KL – build a couple of smaller test houses and open them to the public – best way to test and get feedback. Even the building community don't go out and see what's out there – At HLC they are now asking some builders who are doing innovation to open up their homes and get industry to go and look at what they have done

Q) There is something of a disconnect between developers and builders and council - and they don't always deliver what the end of use consumer wants. Difficult to get through councils and through the developers (builder Mike Greer speaking – ore of a statement than a question)

Q) Green Building council practitioner – community set up is important – just bought a 100m² house. Hard to build a little house in a subdivision due to covenants – but some volume home builders are doing it. Thinks that there is a market out there but still a reluctance to tap into it.

Q) Size of section and size of house gets debated – every other city in world (e.g. Surry Hills in Sydney have 80m² with 2 bed etc. – and it sells very well). People want to be in the location due to amenity – the house is secondary. Very much about how you pattern and integrate things – there are lots of inner suburbs in ChCh that can stack up for denser development – but difficult to get through planning in some areas (though that might be changing).

Q) CCC making a plug for the evolving district plan – Chch City is looking at many of these issues and come up with a comprehensive plan where subdivision and land use is tied in together. Looking for a nice amenity outcome – everything is done well together and on one site but in much greater density. Want to get new Merrivales or new areas that everyone loves early

on in the piece. Trying to look at things differently – so be part of the evolution of this and engage with the process.

Q) In Auckland, how was the attitude with local council to increasing densities etc. – was it confidence in the developer to deliver?

A) Mark Todd – much of his development style is driven by Mark's personal frustrations at getting through the planning process. Neighbours often don't get a look in to comment on what he proposes as tries to ensure his developments are not notified – the outcome was better than result next door (higher amenity and higher quality of density). But – having built some successful exemplars then people can look and see what Ockham have done – and so council has seen it and believed in it and knows that Ockham can deliver a good result (trust?). In some ways the District plan is a rule book for dummies – should go through the non-complying route and have a culture change that planners are licensed to exercise their knowledge and skills to pass judgement on what is good quality urban development and what isn't – and get used to saying a quick NO to anything that doesn't make the grade.

Q) the official plans limit what people can do – but the developers have to go to council and collaborate and negotiate a different outcome.

Q) some of this is a discussion about quality – council continually see developments that don't deliver the quality or amenity that Ockham seem to do – they see lots of poor quality outcomes, cowboys, etc. – (though they do see lots of quality too). Need to have the quality and the density mixed together. Change in attitude is also required – compliant doesn't mean good – non-compliance doesn't mean bad. Example is that of meadowlands – is considered an exemplar but they have to notify it as it falls outside the rules – adds time and complexity and expense and uncertainty – even though they are trying to deliver exemplar.

Q) Could we have parallel process? One where 'good development' moves quickly through the notification / design / process – is sped up in some way. There are definitely some calls for a more integrated process and more collaboration between council and developers and other stakeholders.