

BLENHEIM URBAN AREA | 2021

Housing and Business Development Capacity Assessment



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Executive Summary

This report assesses the capacity for urban development in Blenheim Urban Area over the next 30 years, relative to demand. It provides an update on the Council's 2018 Housing and Business Development Capacity Assessment (HBA).

Council is required under the National Policy Statement for Urban Development (the NPS) to provide sufficient land for urban development, and to monitor urban activity on a quarterly basis.

As Blenheim is categorised as a 'Tier 3' urban environment under the NPS, Council is no longer required to publish an HBA. However, given the increased pressure on the housing market and faster than anticipated population growth in Blenheim since the previous assessment was completed, there is a need to reassess capacity for residential development. Council is taking a practical approach to updating the 2018 HBA, following the guidelines for Tier 1 and 2 Councils as set out in the NPS UD where possible.

This HBA focuses primarily on residential development, although some discussion on business land is also included.

The purpose of an HBA, as set out in the NPS UD is to:

- a) Provide information on the demand and supply of housing and of business land in the relevant Tier 1 or Tier 2 urban environment, and the impact of planning and infrastructure decisions of the relevant local authorities on that demand and supply;
- b) Inform RMA planning documents, FDSs, and long-term plans; and
- c) Quantify the development capacity that is sufficient to meet expected demand for housing and for business land in the short term, medium term, and long term.

Tier 1 and 2 Councils are required assess how well the current and likely future demands for housing by Māori and different groups in the community (such as older people, renters, homeowners, low-income households, visitors, and seasonal workers) are met, including the demand for different types and forms of housing.

This assessment has identified a potential shortfall in the provision of land zoned for residential activity for approximately 900 dwellings. Whilst the majority of the shortfall appears to occur largely in the long-term provision of land, there are potentially constraints to developing already zoned land soon enough to meet anticipated demand over the next five years. There is also likely a mismatch in the type of housing provided relative to the future population need (which will likely require smaller housing options), and an issue with affordability of housing for the current population.

In addition to this HBA, Council has commissioned a survey of the community to ascertain their housing preferences in terms of type, size, price, tenure and location of housing. Those results will be available in 2022. In parallel with the survey, Council will work with members of the Marlborough Housing Group to understand overall housing need in the community across the groups the sector represents. It is also recommended that a specific work stream is undertaken in partnership with Iwi to understand the current and future housing needs of Māori in Marlborough. Seasonal worker employers and accommodation providers have already provided input to this HBA.

The findings of this HBA and the supplementary work streams above will inform Council and other housing providers about the nature of the demand, not just the quantity of dwellings required.

Given that this HBA identifies a shortfall of residential capacity out to the long term (30 years), it is recommended that a refresh of the 2014 Growing Marlborough growth strategy work (or similar) is

undertaken. This strategic growth planning exercise would require a cross-organisational approach and would include working with Iwi, and community and sector engagement. Given that around 20% - 40% of Marlborough's growth is anticipated to occur outside of the Blenheim urban area, it is recommended that the growth strategy work includes other Marlborough townships and settlements. The results would inform Council's response in terms of urban development planning and infrastructure provision to achieve well-functioning urban environments and ensure sufficient capacity is provided to meet demand into the future.

Recommendations

It is recommended that Council:

- 1) Note that there is a potential shortfall of land zoned for residential activity to meet demand in the long term.
- 2) Note the potential constraints on development in the short term. Council should be prepared to consider proposals to rezone land not currently zoned for residential purposes as a means of managing the short-term risk of demand exceeding supply.
- 3) Notify the Minister of the long-term shortfall.
- 4) Undertake the following supplementary work to add further context to this Housing and Business Assessment:
 - a) Work with Iwi to understand Māori housing needs;
 - b) Work with members of the Marlborough Housing Group to understand overall housing need in the community across the groups the sector represents; and
 - c) Complete the Housing Preference Survey of the community.
- 5) Liaise with landowners in undeveloped residential zoned areas to encourage development.
- 6) Taking into account the findings of the HBA and supporting work noted in 4. above, progress a refresh of the 2014 growth strategy to ensure that future demand for housing and business activity in all of Marlborough is strategically planned for and coordinated across all of Council's related services into the medium and long term. This should include a review of plan provisions for UR1 to establish whether there are ways to incentivise intensification.
- 7) Note that this HBA will be considered in the assessment any proposals for out of time or out of zone developments to address short term demand challenges along with other key information and research including the Taylor River capacity and other infrastructure services capacity assessments, including (but not limited to) the Marlborough Transport Study.

Part One – Housing

What has changed since 2018?

The 2018 HBA identified a potential shortfall of capacity for residential development of up to 435 lots in Blenheim in the long term, if development continued at the current level of density of approximately 10 Lots per hectare in greenfield areas. The HBA used past building consent rates to estimate future demand and assumed a demand of 103 Lots per annum over 30 years. Capacity was only just sufficient if the density of development increased over time.

The HBA identified a short-term supply of 653 lots (61% provided in greenfield areas, and 39% in infill), and demand for approximately 480 dwellings. However, although there was plenty of land zoned for residential activity in the MEP, short term supply was constrained largely by the timing of infrastructure provision, and minimal development activity.

The supply of zoned Urban Residential 2 land has increased by 31.5 hectares since 2018 with the re-zoning of land to Urban Residential 2 in Batty's Road (providing capacity for approximately another 300 dwellings at current development rates).

Resource consents for new subdivisions since 2018 have included additional Lots in larger subdivisions such as Rose Manor on Old Renwick Road, Boulevard Park on Taylor, South Street, and Nikau Drive; and in the 2020/21-year Council received consent applications to develop approximately 150 additional residential Lots in Blenheim, including 88 Lots to be created through infill subdivisions that have five or fewer additional Lots per subdivision. This shows an increasing amount of infill activity on the horizon. The 2018 HBA identified capacity for approximately 197 new Lots through infill subdivision in specific locations, and only 34 of those have been realised, leaving 163 potential Lots still available.

At the time of the 2018 HBA, historical building consent rates showed an average of 160 dwellings being built per year over the previous three years, and 130 per year over the previous 10 years.

After a steady increase in new dwelling consents between 2013 and 2018, there has been a decline over the past three years with 100 consents for new dwellings issued in the 2020-2021 year in Blenheim. There are a number of factors at play, and it is likely that the 2020 COVID19 lockdown response and lack of subdivision activity have contributed to the drop. This drop appears to be temporary however with the number of resource consents issued for new increasing, and new dwelling building consents tracking higher for 2021-2022 than the previous year. With the development at Wai Iti now underway and Rose Manor subdivision progressing, it is expected that building consents will also pick up.

Since 1 July 2018 there were 369 building consents issued for new dwellings in Blenheim:

- Approximately 71 of those (19%) were in the North West Greenfield Zone;
- 216 (59%) in the Omaka landing and Taylor Pass subdivisions;
- 47 consents (13%) were issued for 57 dwellings in the Urban Residential 1 Zone, 16 of which were attached dwellings;
- And four consents were issued for new dwellings in the Business 1 Zone in the Blenheim CBD; and
- The remaining 31 consents were for dwellings in other Urban Residential 2 Zoned areas across the Blenheim Urban Area.

Population

Marlborough's population is projected to reach 61,000 by 2048 according to Stats NZ's high growth population projections (based on 2018 Census Data). This is an additional 9,490 people on the 2021

population estimate of 51,510. Nearly 80% of that growth is projected to occur within the wider Blenheim area (i.e. in Blenheim or within approximately 10km of central Blenheim).

The recently released 2021 population estimates for the year to June 30, 2021, show an increase of 510 on the 2020 estimate.

Of note:

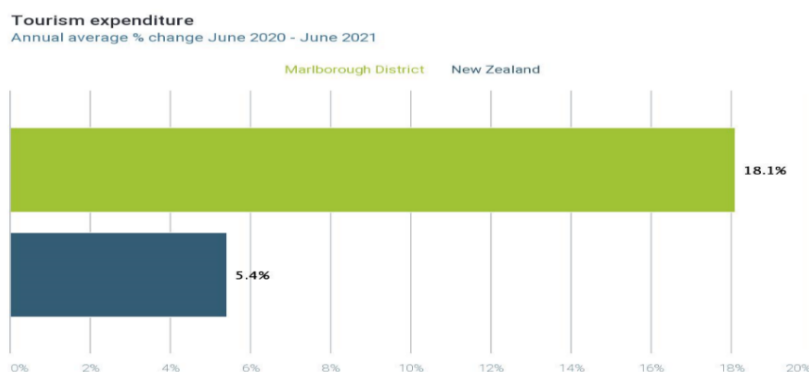
- Marlborough's current population growth rate of 1% is higher than the New Zealand average and the average for the South Island;
- 80% of the growth (410 people) is estimated to be from people moving to Marlborough and 20% from natural growth (100 more births than deaths);
- The median age in Marlborough increased from 45.1 years to 45.3 years;
- Marlborough was one of the faster growing TA populations in the South Island behind Selwyn (4.8%), Central Otago (2.4%), Waimakariri (2.2%), Queenstown (1.9%) and Tasman (1.5%); and
- Elsewhere three regions showed a population decrease, including Auckland for the first time (-0.1% or -1,280 people).

Marlborough's population is ageing rapidly with 33.4% of resident projected to be 65 years of age or over in 2048. Currently, the 65+ demographic makes up 22.9% of the population in the Marlborough region, a significant increase on the national average of 15.6%.¹

Economy

Marlborough's unemployment rate was 2.8% in June 2021 (compared with 4.7% nationally). The region's mean household income is \$110,780 in 2021, an increase of 13.8% from 2018 and not far off the national mean of \$113,728.² The mean individual annual earnings for the Marlborough region are slightly below the national average at \$57,820 in 2020 compared to \$64,237 nationally.

Tourism experienced some growth in activity at a rate greater than the national average.



New Zealand wine exports have benefited from the COVID19 pandemic due to an increase in retail sales, reaching a record \$2 billion in 2020. It appears likely that Marlborough's primary industry will continue to be a significant positive driver of the local economy, leading to job and population growth which will further

¹ Marlborough District Council Property Study, 2021

² Infometrics Portal, Marlborough District Council

increase demand for housing. Along with this, it is expected that land used for viticulture will continue to appreciate in value.³

Policy Environment

Government's Urban Growth Agenda and resource management reforms are continuing and aim to support housing affordability, enable better urban development within environmental limits, and ensure the right infrastructure is delivered in the right place at the right time. The National Policy Statement on Urban Development (NPS-UD) is central to the proposed priorities. The Agenda has a focus on increasing the supply of affordable homes to reduce household expenditure on housing, provide economic stimulus, and give certainty to the construction sector and other productive parts of the economy that create jobs and help grow incomes as a response to the COVID19 economic impact. The Agenda also considers Climate Change and Emissions Reduction Targets, Human Rights, Child and Youth Wellbeing.

In addition to the above, the NPS for Freshwater Management and Te Mana O Te Wai, and the proposed National Policy Statements on Highly Productive Land and Biodiversity intersect with, and have implications for, urban development activity and are relevant in the Marlborough context.

Changes to economic policy, in particular an extension of the bright-line test, and changes to the ability to deduct interest costs for investment properties may have a cooling effect on the housing market over time. In addition, interest rates have been at a historically low rate, and these are also likely to increase with increases in the official cash rate.

Under the National Policy Statement for Urban Development (the NPS), Blenheim is categorised as a 'Tier 3' urban environment and is no longer required to publish an HBA, however Council is required to provide sufficient land for urban development, and to monitor urban activity on a quarterly basis.

Every Tier 1, 2, and 3 local authority must monitor the following in relation to each urban environment in their region or district quarterly, and publish the results at least annually:

- a) The demand for dwellings;
- b) The supply of dwellings;
- c) Prices of, and rents for, dwellings;
- d) Housing affordability;
- e) The proportion of housing development capacity that has been realised;
 - (i) in previously urbanised areas (such as through infill housing or redevelopment); and
 - (ii) in previously undeveloped (ie, greenfield) areas.
- f) Available data on business land.

Iwi Housing Need and Papakainga

Unlike the operative plans, the PMEP makes specific provision for the development of papakainga. The notified and decisions version of the PMEP include a specific rule enabling the development of papakainga as a permitted activity (i.e., no resource consent is required). This rule applies in residential, rural and coastal environments.⁴ Papakainga was defined as:

³ Marlborough District Council Property Study, Residential Development Study, June 2021 11

⁴ The permitted activity rule applies in the following zones: Rural, Coastal Environment, Urban Residential 1, 2 and 3, Rural Living and Coastal Living.

means a traditional Māori settlement area on Māori land and includes activities associated with residential living.

The rule has standards that must be complied with that limit the number of papakainga units to five on any record of Title. A papakainga unit was defined as:

means a self-contained residential unit or units, used or intended to be used for residential activity and activities associated with residential living, located on Māori land and associated with a marae or tribal housing.

There is also a standard that requires a minimum land area of 80 square metres for each papakāinga unit.

Proposals that did not comply with the above standards (i.e., there are more than five units proposed or less than 80 square metres was provided for any or all units) can still be applied for through the resource consent process.

The above provisions were appealed, but agreement was reached in December 2021 to resolve that appeal by consent. That agreement included an addition to the definition of papakainga to include land obtained through Treaty settlement legislation and owned by an iwi entity or held in trust for the benefit of iwi and by making consequential changes to the definition of papakainga unit.⁵

In summary, the Council has made provision for papakainga to occur in Marlborough. The Council intends to monitor the utilisation of these enabling provisions by Iwi authorities, hapu or whanau through building consent and resource consent processes.

Marlborough Housing Workshop

Marlborough District Council hosted an independently facilitated workshop in 2020 with representatives from the local housing sector. The workshop was structured to capture insights from the group, identify go forward opportunities and understand the priorities. Key issues identified by participants included:

- Community based, strategic planning is required for interactive communities;
- Housing forms need to change in response to the current and future needs of our community – for example smaller houses are needed, and a more diverse range of options;
- Social Housing supply needs to increase;
- Central Government capital funding is required for housing;
- Housing affordability is a major concern;
- New standards and compliance are increasing living costs;
- Council and construction costs continue to climb;
- Land supply is not coming on board fast enough; and
- Availability of labour and skills to deliver on building projects is a concern.

Issues specific to Council included:

- The lack of, or slow rollout of infrastructure;
- The cost, timeliness and restrictions of permits and consents (for developers, Iwi, and newer types of homes such as tiny houses or higher density housing); and

⁵ Although a consent memorandum has been submitted to the Environment Court by the relevant parties, at the time of writing the Court was yet to approve a consent order.

- Council's ineligibility to source funding to partner with the central government to expand senior housing.

Supporting Work

There are a number of initiatives that are either underway or recommended to be undertaken that will support this HBA. These initiatives will provide valuable context and additional supporting information around housing need, and aspects of supply.

Understanding Housing Need and Housing Preferences

It is recommended that a specific work stream is undertaken in partnership with Iwi to understand the current and future housing needs of Māori in Marlborough.

In addition to this HBA, Council has commissioned a survey of the community to ascertain their housing preferences in terms of type, size, price, tenure and location of housing. Those results will be available in 2022.

In parallel with the survey, it is recommended that Council work with members of the Marlborough Housing Group to better understand housing need in the community across the groups the sector represents.

Urban Development Dashboard

Council is continuously improving its data sources and processes for monitoring urban development activity. It is in the process of developing an online dashboard tool to improve the monitoring and visibility of urban development indicators and it is envisioned that reporting from this dashboard will be accessible online by the wider housing sector.

Taylor River Capacity Assessment

Council has also commissioned a capacity assessment of the Taylor River with regards to stormwater. The capacity of the river to take additional stormwater will have implications for development which will need to be taken in to account in any future development proposals.

Seddon Community Housing Survey

Whilst this study focuses on the Blenheim Urban Area to meet the requirements of the NPS UD, there will still continue to be demand for new dwellings in other areas of the region. A refresh of the Growth Strategy offers the ability to assess the demand for land in other townships. The Seddon community undertook a survey of its residents in June 2021 at a COVID Vaccination Clinic. A summary of findings is attached at Appendix 5.

Blenheim Integrated Transport Study

The Blenheim Integrated Transport Study acknowledges that there are transport issues around Blenheim's expanding population which is contributing to longer travel times and increased frustration faced by motorists, but also that the existing infrastructure favours private vehicle use reducing alternative transport modes. The study has also found that access to and around Blenheim's CBD risks contributing towards a reduction in its core commercial and cultural role. The study has resulted in establishing a Network Operating Framework which sets priorities on different roads for different modes of transport. This will enable better transport planning. After that is completed a more detailed assessment of the problems will be undertaken and possible solutions will be considered and evaluated.

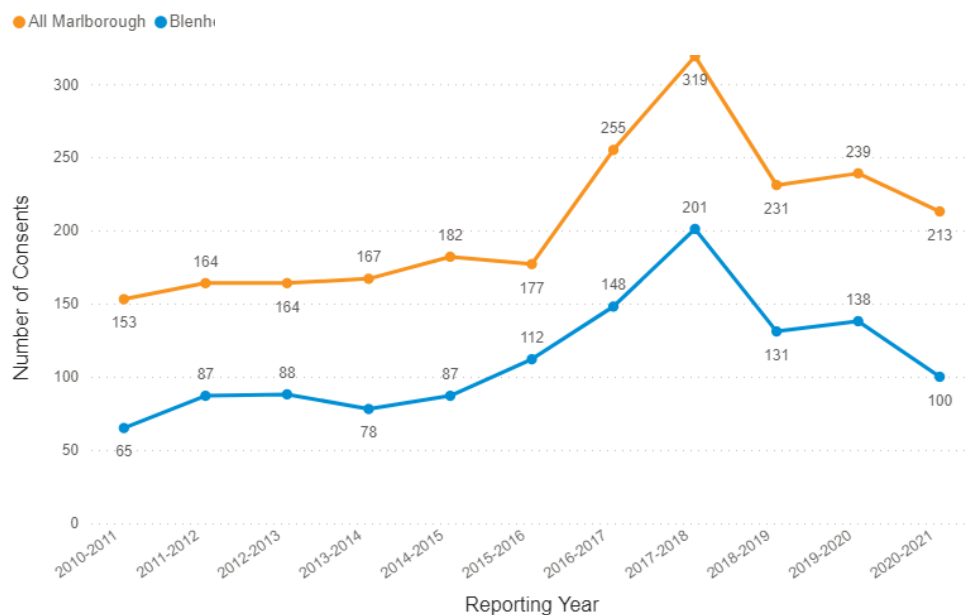
Separately the Ministry of Transport wants to encourage 20-minute neighbourhoods to reduce carbon emissions. A 20-minute neighbourhood is where residents can walk within 20-minutes to daily conveniences such as a supermarket, playground, school or bus stop.

Recent Residential Development Trends

Building and Resource Consent Activity

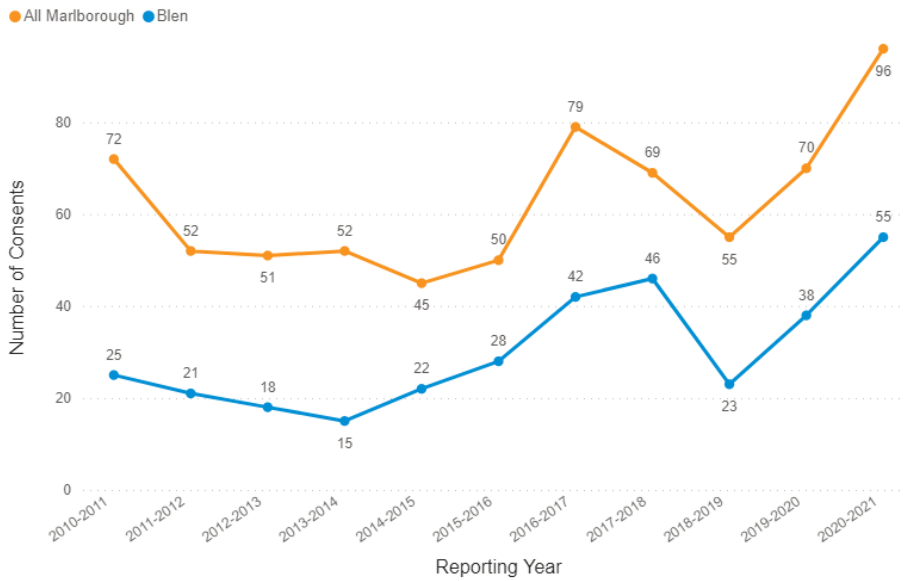
Analysis of Council’s building consent application data shows a decrease in building activity over the past three years following the completion of the Boulevard on Taylor and Omaka Landing subdivisions; and also likely influenced by the impact of the COVID19 lockdown periods and subsequent supply-chain disruptions. With the new Wai-iti development now underway, and Rose Manor and some smaller subdivisions progressing, building consent application numbers are on the increase and are tracking higher this year than the previous.

New Dwelling Consents Issued by Reporting Year



The number of resource consents issued for new subdivisions since 2018 has increased and included consent for additional lots in larger subdivisions such as Rose Manor on Old Renwick Road, Boulevard Park on Taylor, South Street, and Nikau Drive. In the 2020/21-year Council received consent applications to develop approximately 150 additional residential lots in Blenheim, including 88 Lots to be created through infill subdivisions that have five or fewer additional Lots per subdivision. This shows an increasing amount of infill activity on the horizon. (See graphs showing residential activity since 2014 using development contributions data, attached in Appendix 1).

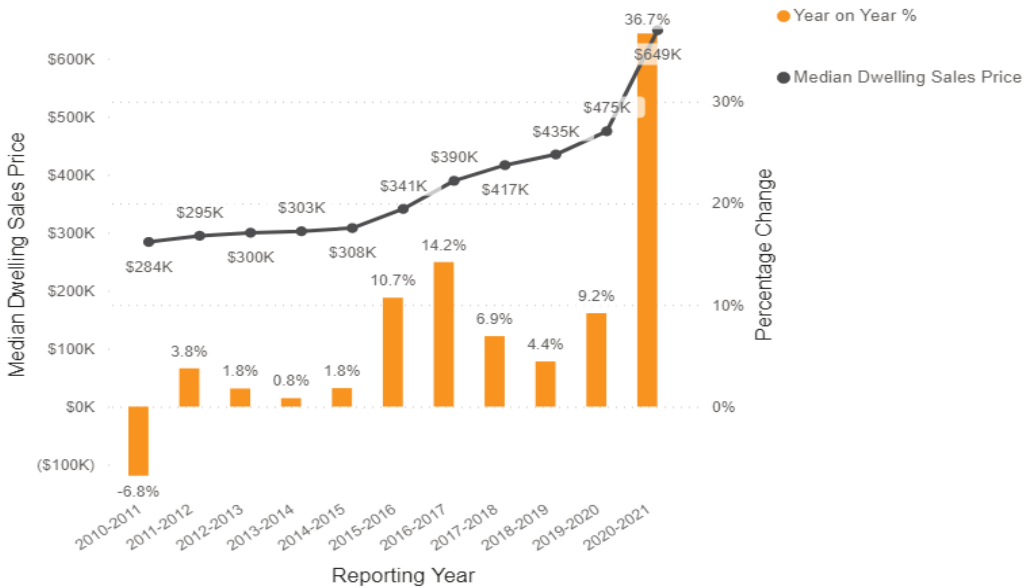
Resource Consents Issued for New Subdivisions by Reporting Year



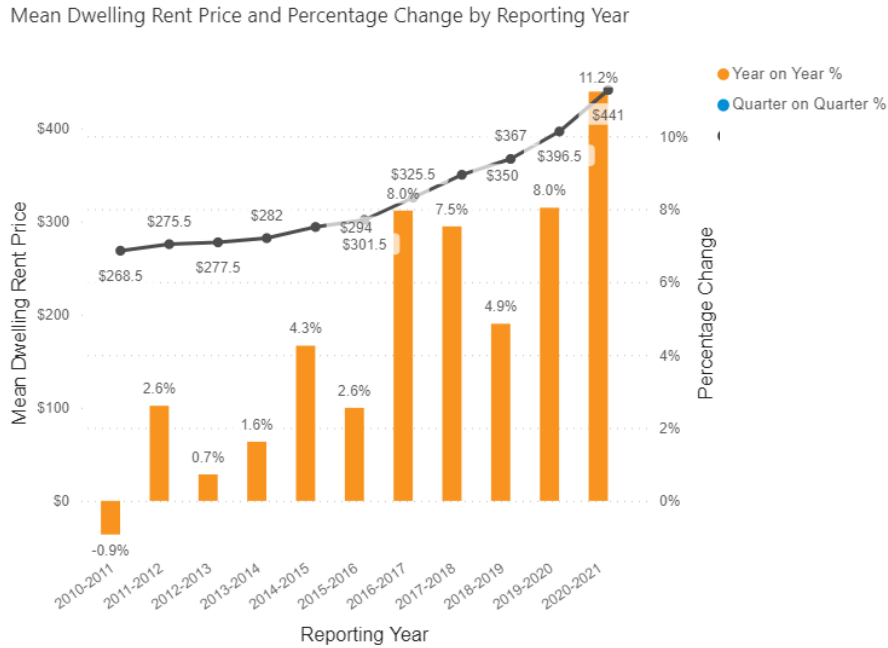
House Sales and Rental Prices

House sale prices have increased at record rates over the past year and a half in New Zealand. Data from the Ministry for Housing and Urban Development indicates that the rolling average median dwelling sales price in Marlborough increased by 44% between June 2018 and June 2021 from \$417,000 to \$649,000.

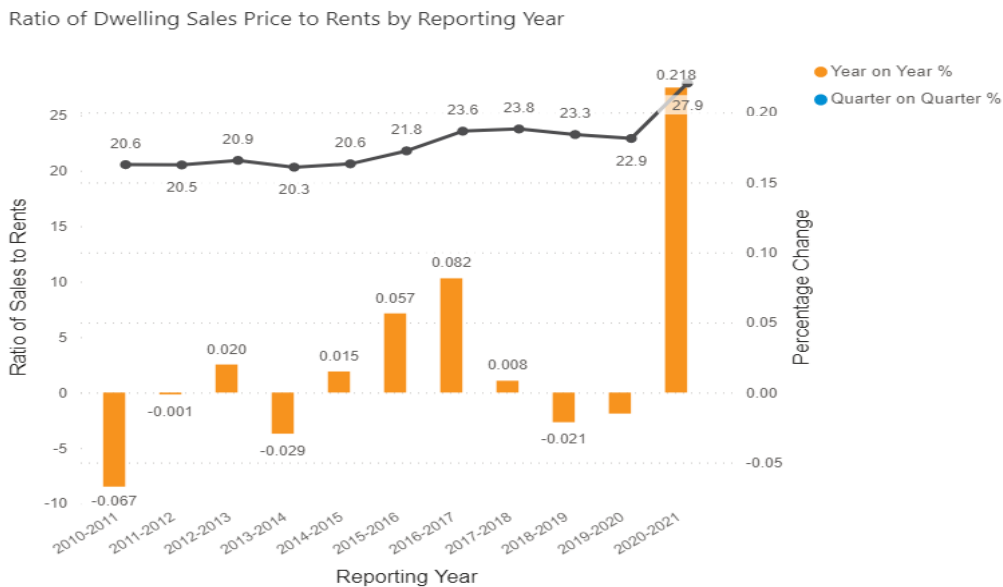
Median Dwelling Sales Price and Percentage Change by Reporting Year



The mean weekly rent price in Marlborough increased by 26% in the three years to June 2021, from \$350 per week to \$441 per week.



The difference in cost between renting and buying a home also increased over the same period indicating that house prices rose more than rents. The ratio in the graph below describes the relationship between the median market rent and the median sales price of residential properties, at a given time. It depicts how many years of rent would be required to meet the sales price. In June 2021 it would take nearly 28 years' worth of rent to meet the median sales price in Marlborough. This is up from 23.8 years in 2018.



Section Sales Prices

Section sales prices also continue to rise steeply. In the 2018 HBA sections for sale were averaging approximately \$250,000. Latest section sales of greenfield developments in Blenheim have been well over the \$400,000 mark, meaning that land value is now a considerably higher portion of capital value and the cost of building new is much more expensive now, than three years ago.

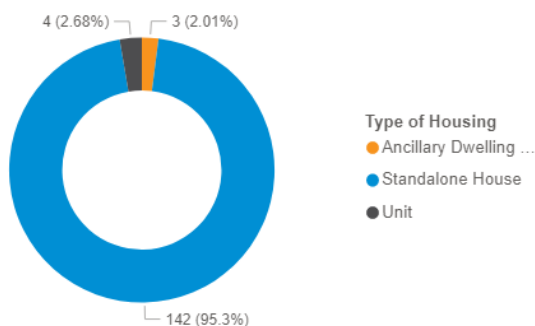
Typology

Census 2018 data shows that 87.5% of occupied dwellings in Marlborough were standalone, and 11.1% were attached (two or more dwellings).

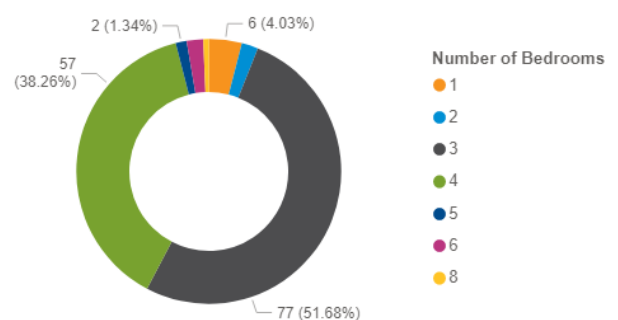
Since the 2018 HBA, Council has made improvements to the way building consent data is recorded and monitored to enable better analysis of the types of homes being built in Marlborough. Spatial analysis tools are also being developed. This data set is relatively new but will enable trends to be monitored over time.

Between October 2019 and 30 June 2021, 95.3% of new dwellings consents issued in the Blenheim Urban Area were for standalone houses, with the remaining 4.7% being either units and ancillary dwelling units. Feedback from the housing and building sector suggests that smaller and attached homes are becoming more popular due to reasons of affordability, and preference, however covenants on new developments often mean that this type of housing is more likely achieved in infill/brownfield developments.

New Dwelling Consents Issued by Type of Housing
BLENHEIM URBAN AREA, OCT 2019 ONWARDS



New Dwelling Consents Issued by Number of Bedrooms
BLENHEIM URBAN AREA, OCT 2019 ONWARDS



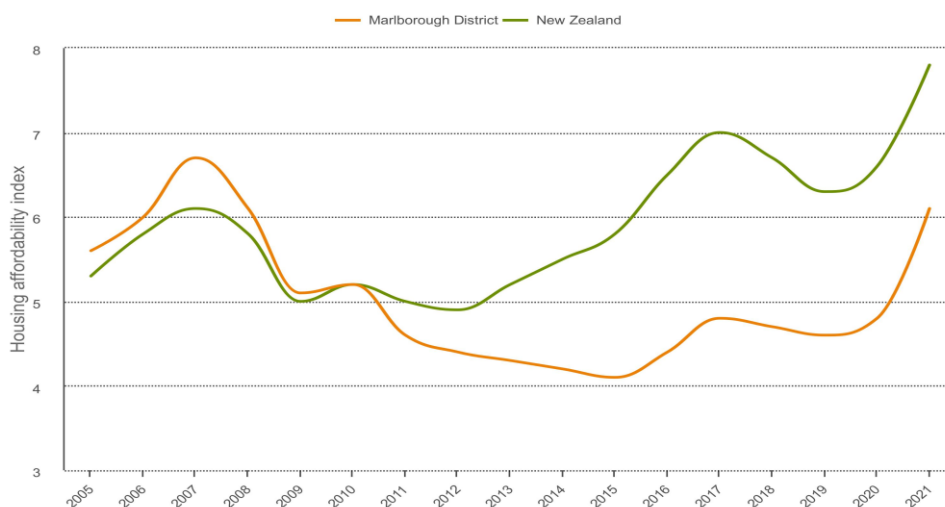
Recent building consents also show that three- and four-bedroom homes make up the majority of new builds. This also reflects the higher percentage of building activity in greenfield subdivisions than infill.

Marlborough's ageing population is expected to create demand for more housing for couples without children and one-person households. This is supported by the 2013 census data which shows the average household size in Blenheim is 2.2 people, compared to a national average of 2.7. Despite this potential demand, standard developments in the region have been for larger sections more suitable for larger homes. As noted in the 2018 HBA, ultimately this may result in a mismatch in demand and housing stock.

Affordability

The Infometrics housing affordability index (the ratio of the average current house value to average household income) shows that although the median income has increased, house prices have increased at a much greater rate, meaning that housing affordability in Marlborough has decreased. In 2021 the average

current house value is 6.1 times the average household income compared with 7.8 nationwide. (In the graph below, a higher ratio denotes increased unaffordability.)



Housing Need

There are a number of support agencies in Marlborough that seek to provide housing solutions for those in need. Some of these groups attend a regular meeting of the Marlborough Housing Group at Council. Recent reports from that group indicate that there is a high level of housing need in the community and organisations are working to secure land and housing options. There is a pronounced need for 1 – 2-bedroom homes, and some larger homes, to accommodate individuals and family groups. Constraints noted include land availability and construction costs and delays.

The number of people applying for social housing (as recorded on the Ministry for Social Development Social Housing Register) has increased over the past three years. As at June 2021 there were 255 families on the waiting list for a home in Marlborough, compared with 99 in June 2018. Of the 255 applications, 234 are Priority A (highest need), and 21 Priority B. 141 applications are for one bed homes, 78 for two bed homes, 27 for three bed homes and 6 for four bed homes.

Kainga Ora is progressing with building a significant number of new homes in Marlborough to meet this demand and is also improving and intensifying existing supply. Kainga Ora has intentions to build 95 homes between 2021-24 in Blenheim, 20 of which are already under construction. It aims to build 35 homes in 2021, 20 in 2022 and 20 in 2023.

Kainga Ora reports 465 public housing tenancies in Marlborough, including Kainga Ora and community housing provider tenanted properties.

Supply of Seasonal Worker Accommodation

Blenheim relies on a large temporary workforce engaged in seasonal work largely in the vineyards and wineries. Workers can be employed by wineries and vineyard operators independently or via labour supply contracting companies. Workers may be Recognised Seasonal Employees (RSE), New Zealand residents (local or traveling), or casual workers here on working holiday visas. Seasonal worker employers and accommodation providers provided advice to Council regarding the current provision of RSE accommodation in Marlborough via a survey in December of last year. Since the 2018 HBA the number of RSE approved

beds increased by 163 to 2,525. Of those beds 35% were in purpose-built worker accommodation, 34% in residential houses (14% in rented houses), and the remainder are in other properties such as backpackers and motels. At the time of the survey another 566 beds were being planned.

The number of residential houses rented for RSE accommodation reduced by almost half over the two years to December 2020 to 33. Seasonal worker accommodation providers advise that they are working towards increasing the supply of purpose-built accommodation and new built owned houses and reduce reliance on rental properties. This ensures the quality and availability of accommodation and is a more viable business model. Residential homes built for the purpose of worker accommodation are being designed so that they are able to be easily modified and fit for purpose for the general housing market should the accommodation need to be sold.

The regional cap for Marlborough is 2642 RSE employees for winter and 2642 for Summer. This hasn't increased since 2019 yet a lot of development has occurred, and the industry has advised it will be initiating cap rise discussions with the Minister.

There is still a demand for more purpose-built accommodation and providers advise that it is a challenge to locate appropriate land and to navigate the resource consent process.

RSE Accommodation – Changes between 2018 and 2020				
	2020	2018	Change	% Change
Total properties	130	151	-21	-14%
Purpose built beds	897	578	+319	55%
Owned House	496	368	+128	35%
Rented House	365	618	-253	-41%
Owned Other	181	136	+45	33%
Rented Other	586	662	-76	-11%
Total beds	2525	2362	+163	7%
Total Planned Beds	566	1004	-438	-

Residential Demand Assessment

Assessing Demand

The NPS UD requires councils to consider a range of demand scenarios in their HBAs over the following timeframes: short term (0-3 years), medium term (4-10 years) and long term (11-30 years). Councils are required to specify which scenario is considered the most likely and base the supply and demand assessment on that scenario.

The 2018 HBA considered two methods for estimating future demand for housing: Statistics New Zealand population projections, and average historical building consent rates. This HBA has done the same, using Statistics New Zealand high growth population projections and recent building consent rates for new dwellings to assess four scenarios.

Council's internal population modelling based on Statistics New Zealand's population projections for Marlborough was used to identify two demand scenarios for new residential dwellings in the Blenheim Urban Area. Statistics New Zealand population projections have tended to be conservative, with actual population tracking closer to the Statistics New Zealand high projections. Both scenarios use the high population projection and assume that either:

- a) 60% of Marlborough's projected residential growth occurs in the Blenheim Urban Area (this has historically been the case); or
- b) 80% of Marlborough's residential growth occurs in Blenheim (supported by the recent SA2 population projections released by Statistics New Zealand which show almost 80% of Marlborough's growth is anticipated to occur within 10km of Blenheim central.)

This HBA also considered two scenarios based on historical building activity in the Blenheim urban area, using average building consent application numbers. The average number of new dwelling consents issued per annum in the Blenheim urban area was:

15yr Average	123pa
10yr Average	118pa
5yr Average	146pa
3yr Average	123pa

It is likely that the three year average indicates constrained activity (including the COVID19 lockdown periods, supply chain disruption, and land availability). For this reason, the five year and 10 year averages have been used to project demand over the short (0-3 years), Medium (4-10 years) and Long Term (11–30 years).

The two building consent scenarios assume that either:

- c) Demand will be similar to the five year historical average in the first five years, and the 10 year average over the long term.
- d) Demand will be similar to the five and ten year historical averages as above, but the expected yield from known and likely developments is included in the short term, and the balance removed from the long term (this assumes more activity happens in the short term, and tapers off in the long term, similar to the population projections).

This HBA considers that the demand scenario D) above is the most likely scenario to occur and therefore the appropriate scenario to base the capacity assessment on. Using past building consent averages to project demand forward is consistent with the approach taken in 2018 HBA; and takes into account known residential developments occurring in the short term; and loads additional demand in the short term consistent with the Statistics New Zealand population projections.

Using the above scenario D), it is anticipated that there is a demand for approximately 3680 new dwellings in the Blenheim urban area over the next 30 years. This is made up of 570 new dwellings in the short term (0-3 years); 882 in the medium term; and 2228 in the long term. It is worth noting however, that more than anticipated demand could be experienced in the short term given that there is likely already significant unmet demand, and supply could be taken up more quickly as a result depending on the market and other development projects.

Demand for residential dwellings is likely to remain high in Blenheim at least in the short and medium term given the following factors:

Additional Short-Term Demand from Government Projects

There are three major construction projects planned for Marlborough in the next 1-3 years which will place significant demand over and above our projected growth above, two of which are government projects. A large retirement village complex is being developed privately and the two key Government related projects are:

- 1) iREX Project - The Waitohi/Picton Ferry Precinct Redevelopment which is being managed through a partnership between Port Marlborough and KiwiRail (Waka Kotahi NZ Transport Agency and Marlborough District Council are also partnering in the project). The project is expected to start in 2022.
- 2) Te Tātoru o Wairau, The Combined Colleges Project – combining the Marlborough Girls and Marlborough Boys Colleges in one location and moving Bohally Intermediate School. This project has been estimated to bring around 400 families to the region specifically for the construction of the project and is due to start in 2022/23.

Housing solutions will need to be found for the workers and their families involved in these projects, some of whom will decide to stay in Marlborough after the projects have completed, and some who may leave. There is an opportunity to build housing that meets the demand for the project and then remains as a housing asset for our community into the long term. Central Government assistance to help meet this demand for residential solutions would help to ensure the success of the projects and provide for the Marlborough community in the long term. (For example, Government could assist in accommodating the workers by purchasing the land for private development; this would then become an asset for the community ongoing.)

BCITO's Workforce Information Platform project has identified an undersupply of labour to fulfil the large number of construction projects forecast for the area and the peak shortage is estimated to be over 470 people over the next three years.

The Impact of COVID19

This may continue to see New Zealanders seek to return home from overseas, and internal migration to the regions increase, on top of a drop in the numbers of houses on the market and marked increases in sales prices.

Labour Demand for Viticulture and Wine Making

The Wine Marlborough Labour Market Survey shows that in just four years just over 5,500 hectares more vines have been planted in the region and that another 18 percent increase, or 5,150 hectares, is expected to be planted between now and 2025. The wine industry will require a further 1,515 jobs to be filled within the same period to meet the forecast growth. The lack of residential accommodation and transport was identified as a challenge for both medium and large growers in recruiting for these positions. This was identified as relevant for both permanent and local casual workers.

Potential Future Residential Development

Council has been approached by multiple parties interested in undertaking significant residential developments, some of which are in locations outside of the residential zones identified in the Marlborough Environment Plan or would require zoning changes by way of plan variation to enable the development to proceed. These applications could provide the equivalent of up to an additional 690 dwellings.

Residential Supply Assessment

Definition of Supply

The NPS UD requires all councils to provide sufficient supply of land for development to meet expected demand for housing. In order to be sufficient to meet expected demand for housing, the development capacity must be:

- a) Plan-enabled (see clause 3.4(1)); and
- b) Infrastructure-ready (see clause 3.4(3)); and
- c) Feasible and reasonably expected to be realised (see clause 3.26).

Plan Enabled Capacity

In determining capacity for residential development in the Blenheim Urban Area, Council has included the land that has been plan enabled (i.e. zoned for residential activity in the Marlborough Environment Plan). This includes the greenfield areas in the North West that are either yet to be developed or currently under development, and other Urban Residential zoned land yet to be developed or under development. Infill capacity has been assessed by identifying specific larger Lots that have the potential to be subdivided into multiple lots and using the long-term average infill rate of 20 Lots per annum for other non-specific infill. Developers and builders continue to advise that the cost of infill is prohibitive – particularly costs around removing the existing building footprint, development contributions and remediating contaminated land. However, as the value of land in greenfield areas rises, infill is likely to become more attractive, particularly in providing for smaller homes and increased density options.

Council has planning provisions in place to provide for more intensive residential development in Blenheim. Urban Residential 1 Zoning around the town centre and at Omaka Landing has no limit on the number of houses per title and a minimum land area per dwelling of 290m². Urban Residential 2 Zone requires a larger net site area, outdoor amenity area and has a site coverage standard⁶ to ensure a range of dwelling options. This still allows for intensification of residential development that is almost double the current rate of development of 10 Lots per hectare. The MEP also provides for residential development in the town centre as a permitted activity and seeks to encourage mixed use development, including residential development, in specific areas zoned for industrial purposes.

Infrastructure Ready

Infrastructure Ready has been defined as meaning that main trunk infrastructure has been provided at a level that enables the on-site infrastructure to be installed when development goes ahead. There has been considerable progress in infrastructure provision in the North West greenfield areas since the 2018 HBA. As a result, more land is infrastructure ready. However, potentially more of a constraint now in the North West is the multiple ownership of the land which may cause issues with timing and speed of development of that land into residential dwellings due to the reliance on land owners' intentions to sell or develop, and the need to progress development in a relatively sequential manner.

Sequential Development and Land Availability

Greenfield land in the North West is ideally to be developed in sequence to ensure coordinated and efficient provision of water, stormwater and sewerage infrastructure. This ensures that infrastructure can be installed in the most cost-efficient manner and reduces the cost burden on the ratepayer. Policy 12.9.6 of the Marlborough Environment Plan requires that before residential subdivision and development of the land can

⁶ See Marlborough Environment Plan Standard 5.2.1.3, Chapter 5 – Urban residential 1 2 Zone

go ahead, that Council infrastructure must be available or budgeted for; and reticulated services owned by or to be vested in the Council must be available for connection and/or financial provision made for them.

To ensure efficiency of design and construction of infrastructure for the entire zones Council intends to coordinate the provision of infrastructure. Accordingly, the North West extension catchments will incur Zone Development Contributions to meet costs of infrastructure that are required to service the entire catchment in the most efficient and effective way. The council effectively acts as a banker for the zone infrastructure levies - they will collect and distribute development levies to fairly allocate the costs of over-sized infrastructure that a developer may incur for the benefit of subsequent development.

Sequential development has obvious benefits in terms of managing the cost and complexities of delivering infrastructure to large new areas of development. It does however mean that development should follow a particular order and some future developments are reliant on the completion of previous developments which may increase the time taken for additional sections to come to market. The constraint can be mitigated if the developer funds an advance on infrastructure. Council will take a flexible approach if equitable funding can be provided.

Key constraints with infrastructure provision (in providing more, faster to further increase supply over and above what is currently provided for) include:

- Availability of design contractors to provide infrastructure at speed;
- Internal resourcing to advance infrastructure provision at speed including modelling, planning and execution;
- Council's ability to provide infrastructure out of sequence (cost and landowner cooperation); and
- Cost and logistics of providing infrastructure out of sequence.

Feasible and Reasonably Expected to Be Realised

The NPS UD requires development of land to be feasible and reasonably expected to be realised in order for it to count as capacity.

In June 2021 Council commissioned a report that assessed the feasibility purchasing and developing of a hypothetical 300ha block of land from productive vineyard to residential. The report found that at that time there was a sufficient profit margin, and that development would be feasible. Developers have signalled that the cost of remediating for contaminated land, zone contributions and development contributions are challenging and reduce profit margins. However, development is occurring and based on the findings of the property study it is reasonable to assume that development of the current plan enabled capacity is still feasible.

The numbers of dwellings that can reasonably be expected to be realised from development depend on a number of factors including the location, infrastructure requirements, type and density of development. Although the historical rate of subdivision in greenfield areas tends to have yielded approximately 10 Lots per hectare, recent developments have achieved higher than this and some planned developments will achieve up to 14.75 Lots per hectare. However, not all zoned land will necessarily be able to reach these levels of density given the need for appropriate stormwater management and other services such as roading and reserve. This is particularly important to consider in planning for climate change and hazards. For this reason, a standard yield from subdivision has been assumed at 11 Lots per hectare. It is possible that greater density can be achieved through infill and specific subdivisions. The capacity estimates in this HBA are therefore on the conservative side.

It is also important to note that infrastructure planning and modelling has been undertaken based on the current zoning in the MEP. Increases to the provision of housing in the region over and above that already

planned for will need to be assessed in relation to infrastructure capacity, and take in to account climate change, natural hazard planning, and other requirements under the NPS for Freshwater, Te Mana o te Wai.

Supply of Land Zoned for Residential Development

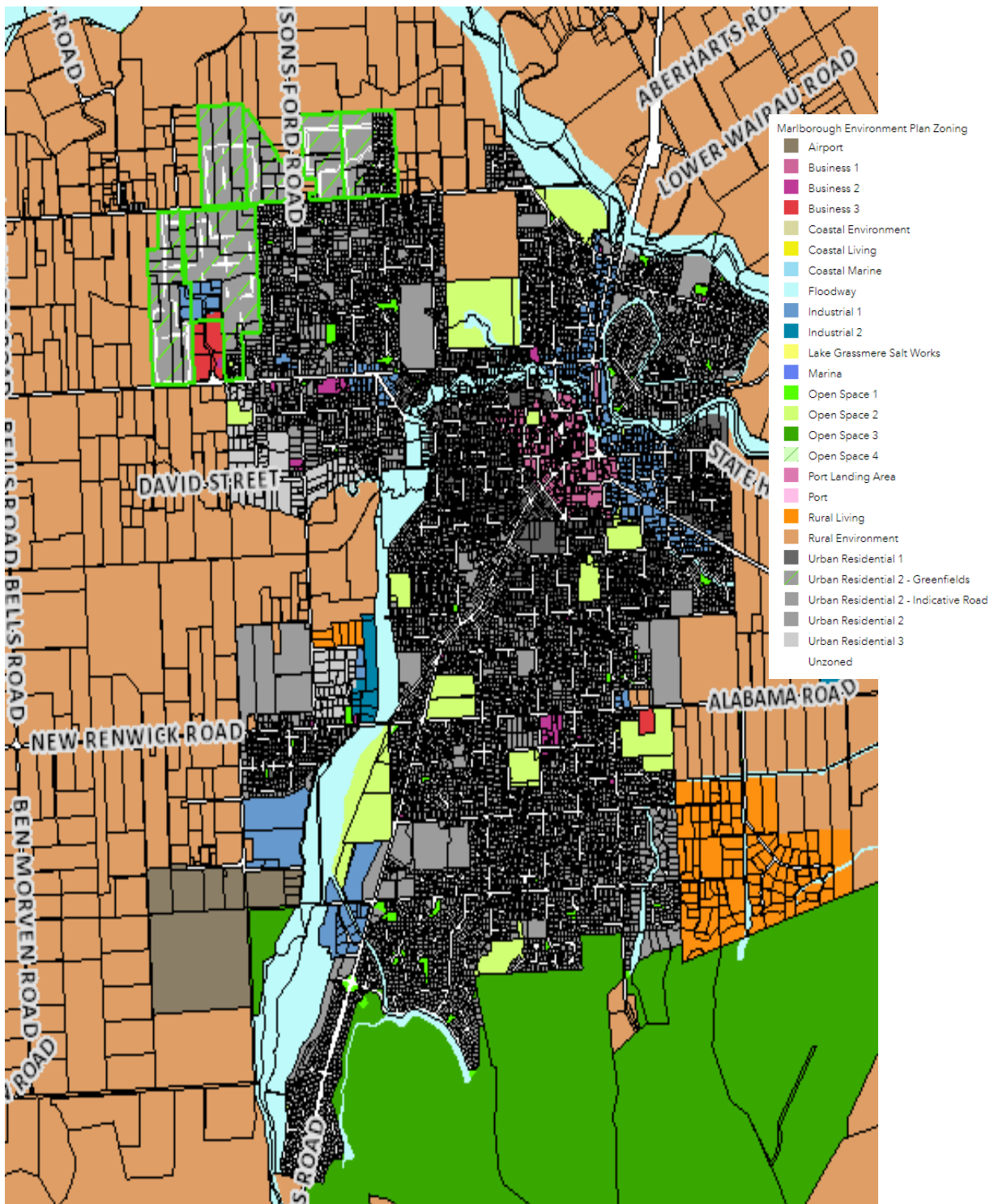
Greenfield Development

There is currently approximately 172.3 hectares of land zoned for Urban Residential 2 and 27 hectares for Urban Residential 3 activity in the Marlborough Environment Plan that has not yet been taken up. This provides capacity for around 2089 new dwellings if developed at the current rate of approximately 11 Lots per hectare. If density increases to around 12 Lots per hectare the land could provide for about 2244 new dwellings. Although there is a significant amount of land zoned for residential activity, much of the land in the North West growth areas (shown in the map below) is in multiple ownership, and/or planted in high value vineyard. This land has not come on board for development as quickly as hoped in part due to delays in infrastructure provision and landowner intentions.

Infill Development

There are a number of specific sites in the Blenheim urban area that are suitable for infill subdivision which could provide up to 103 new dwellings. The MEP also provides for greater density than is currently being fulfilled. Analysis of development contributions information shows that infill subdivision of existing lots to create three or fewer new lots has typically occurred at a rate of approximately 25 Lots per year, and at 18 Lots per year in subdivisions creating two or fewer Lots. This assessment has allowed for an annual average of 20 infill subdivisions per year out to the long term, providing potential capacity for an additional 603 dwellings. Total infill capacity has therefore been calculated at 703 dwellings over the next 30 years. This does not take into account additional dwellings being developed on existing allotments (for example granny flats and ancillary dwelling units). These have been developed at a rate of approximately eight per year since 2014.

Feedback from developers and building companies over the course of this assessment has been that infill through subdivision is becoming less easy to execute and therefore more costly due to the nature of the sites, and cost of subdivision including Council fees, removal of existing building footprints, and remediation of contamination for example. However, infill continues to occur at the same rate and possibly higher as previous years and may become more attractive as greenfield sections increase in price.



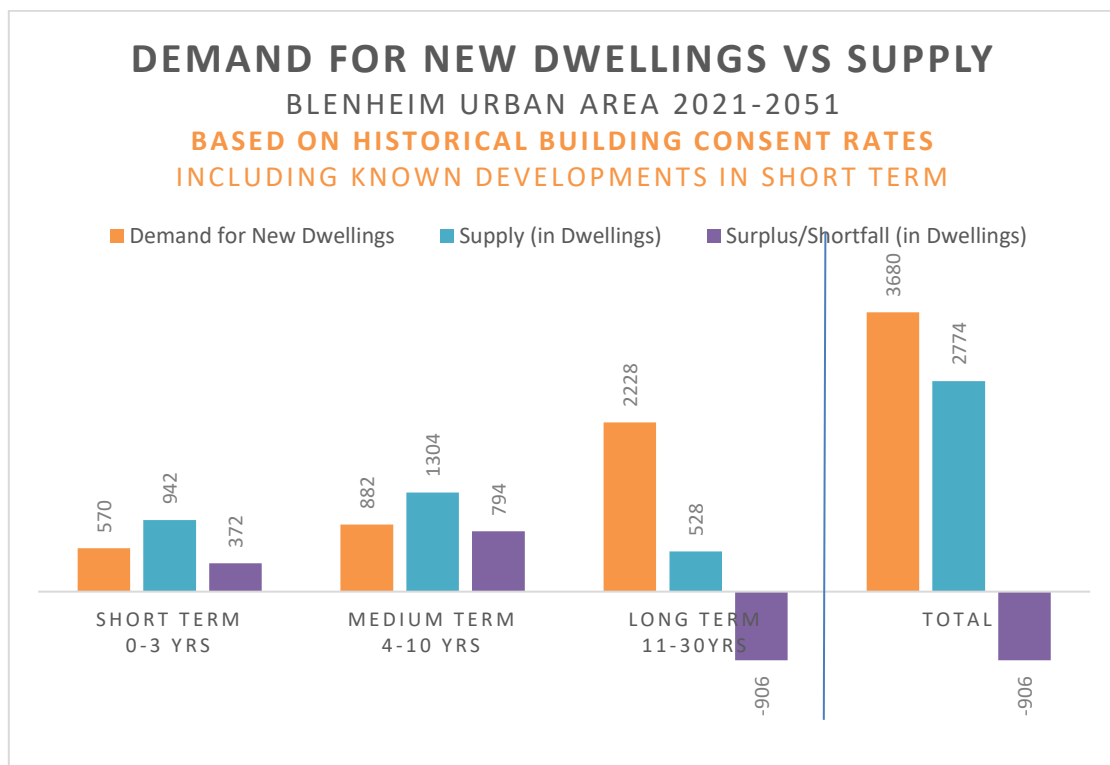
Map of the Blenheim Urban Area - Northwest growth

Residential Development Capacity Assessment

Supply Of Land for Residential Development Relative to Demand

Projected demand for new dwellings versus the current supply of land for new dwellings in the Blenheim Urban Area indicates a potential shortfall of land for residential development of approximately 906 dwellings over the long term (30 years). Based on these projections there is sufficient supply to meet demand in the short term and medium term. (See the table and graph below for capacity estimates in the short, medium and long term.)

Time Frame	Demand for New Dwellings	Supply (in Dwellings)	Surplus/Shortfall (in Dwellings)
Short Term 0-3 yrs	570	942	372
Medium Term 4-10 yrs	882	1304	794
Long Term 11-30yrs	2228	528	-906
TOTAL	3680	2774	-906
Additional HAs of Zoned UR2 Land Required with current patterns of development:			-82



*Note that the surplus/shortfall figures in the table and graph above are cumulative and take into account the surplus/shortfall from the previous planning period.

These projections have been based on past building consent rates, and demand figures take into account known developments occurring in the first three years. They do not take into account any existing unmet demand. The assessment assumes that development continues at the current development rates of approximately 11 Lots p/ha in Urban Residential 2 Zones and that infill and increases in density in the inner

urban area continue at current rates. If development patterns continue in this way, there would be a requirement for an additional 82 hectares of land zoned for residential activity. Significant increases in density in the inner urban area, and in Urban Residential 2 areas would reduce the additional greenfield land required over the long term.

There are several factors that could affect these estimates particularly in the short term:

- Although there is a surplus of capacity in short term on paper, the significant recent increase in section and house prices and feedback from the sector indicates that there is existing unmet demand and issues of availability and affordability, particularly for low to medium income households.
- Continued slow uptake of the greenfield zoned areas in the North West may result in further unmet demand, and a need for additional greenfield zoned land to meet demand in the short and medium term.
- It should also be noted that Council has recently received enquiries for a number of large-scale residential development proposals but those have not been taken into account. These enquiries do mean, however, that there is considerable demand for residential development activity in Blenheim, and in areas currently not zoned for residential activity.

Response to Identified Shortfall

The NPS UD requires that if a local authority determines that there is insufficient development capacity (as described in clauses 3.2 and 3.3) over the short term, medium term, or long term, it must:

- a) *immediately notify the Minister for the Environment; and*
- b) *if the insufficiency is wholly or partly a result of RMA planning documents, change those documents to increase development capacity for housing or business land (as applicable) as soon as practicable, and update any other relevant plan or strategy (including any FDS, as required by subpart 4); and*
- c) *consider other options for:*
 - (i) *increasing development capacity; and*
 - (ii) *otherwise enabling development.*

Objective 6 of the NPS UD requires that Local authority decisions on urban development that affect urban environments are:

- a) *integrated with infrastructure planning and funding decisions; and*
- b) *strategic over the medium term and long term; and*
- c) *responsive, particularly in relation to proposals that would supply significant development capacity.*

All planning responses must meet the requirements of the NPS UD. In particular policy 1 which states that:

Policy 1: Planning decisions contribute to well-functioning urban environments, which are urban environments that, as a minimum:

- a) *have or enable a variety of homes that:*
 - (i) *meet the needs, in terms of type, price, and location, of different households; and*
 - (ii) *enable Māori to express their cultural traditions and norms; and*
- b) *have or enable a variety of sites that are suitable for different business sectors in terms of location and site size; and*

- c) *have good accessibility for all people between housing, jobs, community services, natural spaces, and open spaces, including by way of public or active transport; and*
- d) *support, and limit as much as possible adverse impacts on, the competitive operation of land and development markets; and*
- e) *support reductions in greenhouse gas emissions; and*
- f) *are resilient to the likely current and future effects of climate change.*

It is therefore recommended that Council notify the Minister for the Environment of the potential shortfall of capacity for residential development in the long term and undertake a refresh of the 2014 Growing Marlborough growth strategy to identify the most appropriate areas for residential growth in consultation with the housing sector, Iwi and the wider community. This should include a review of Marlborough Environment Plan provisions for Urban Residential 1 Zone; and other methods to establish ways to incentivise intensification.

The NPS UD also sets out requirements regarding unanticipated or out-of-sequence developments under Subpart 2 – Responsive Planning, Section 3.8.

Given that there is already a large amount of residential zoned land that is not yet taken up, it is recommended that Council liaise with landowners in those areas and consider options for enabling quicker take up of that land.

Part Two – Business Land

This assessment focuses largely on residential activity, however a brief update on demand for business land is included below.

Supply of Business Land

Marlborough has a considerable amount of industrial activity - both in wine production, seafood processing and manufacturing. In order to support this, it requires a high level of supporting industry by way of transportation, engineering, construction and mechanics for example. Some winery processing happens where the grapes are - in the rural areas. However much of the growth in this area has been in the Riverlands / Te Koko-o-Kupe/Cloudy Bay business estate.

There is also a large amount of light industrial activity to the East and North of the Blenheim town centre.

The 2014 Growth Strategy identified that approximately 118 hectares would be needed to future proof employment land provision. Unfortunately, a significant amount of land assessed as suitable for providing this was East of Blenheim which was subsequently found to be at high risk of liquefaction and no longer suitable.

Additional land for both heavy / wet industrial (Industrial Zone 2) was provided at the Riverlands Estate area of 64 hectares, a significant portion of which is currently not utilised as Industrial 2 activity but is not necessarily available (refer to the 2018 assessment, Appendix 4 for a list of specific sites). 18 hectares has been zoned Industrial 1 (for light industrial activity) on Corlett Road to the south of the Omaka Landing subdivision, and seven hectares of Industrial 1 Zoned land to the North of the Westwood development, accessed by Rene Street (currently under development). There is also 21 hectares of Industrial Zone 1 land adjacent to the Blenheim Airport which does not have services connected.

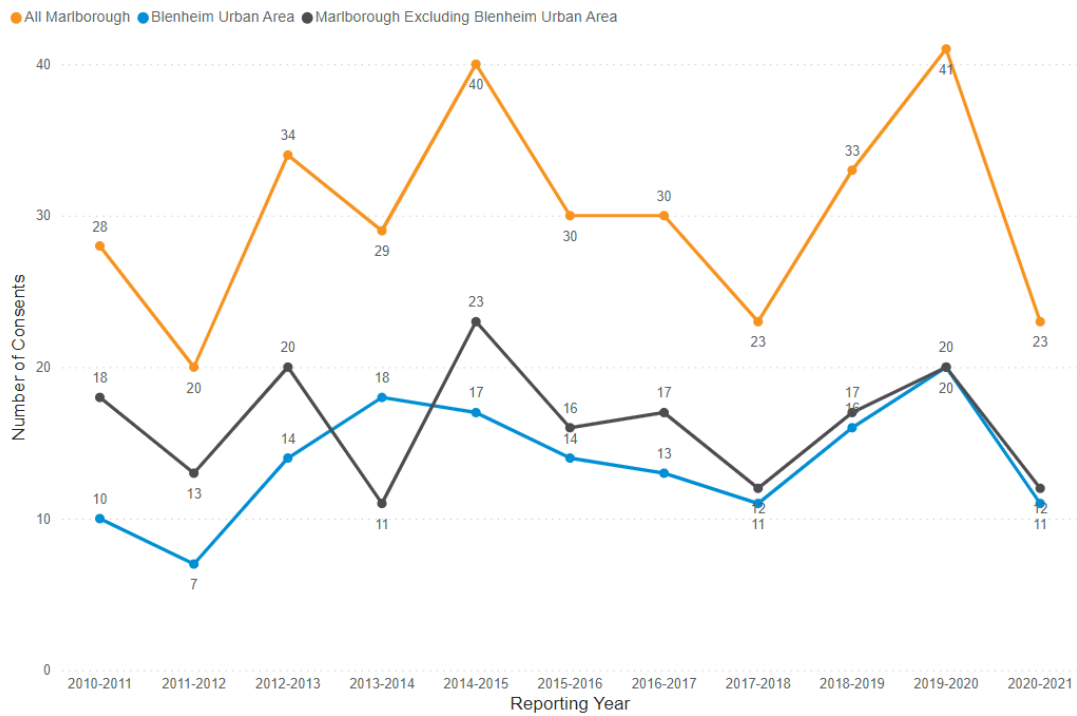
Demand for Business Land

Assessing demand for business land continues to be a challenge. Regional indicators provided by Government to assist in estimating the demand for business land for the previous assessment are no longer available. This assessment considers information on commercial building activity through consenting, and the results of a Council initiated survey of businesses.

Building Consents for Commercial Building Activity

Building consents for commercial activity fluctuate over the last ten years showing no particular trend. There was an increase in consents issued for commercial activity in the 2019/2020-year Marlborough wide and within the Blenheim Urban Area (which includes the Riverlands / Te Koko-Kupe/Cloudy Bay Business Park).

New Commercial Consents Issued by Reporting Year

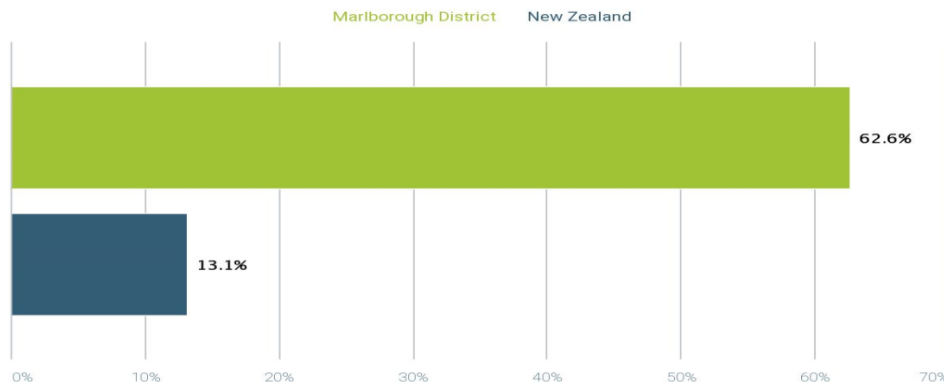


Results from the June 2021 Infometrics quarterly monitor show that:

- Non-residential building consents to the value of \$94.3 million were issued in Marlborough District during the year to June 2021;
- The value of consents increased by 62.6% over the year to June 2021. By comparison the value of consents increased by 13.1% in New Zealand over the same period; and
- Over the last 10 years, consents in Marlborough District reached a peak of \$94.3 million in the year to June 2021.

Growth in value of consents

Annual average % change June 2020 - June 2021



Business Needs Survey Results

Council undertook a survey of businesses at the end of 2020 to gauge demand for business land. A survey was developed and sent to all businesses on the Council's rating database. There were 90 responses to the survey. Of those that responded:

- 24 indicated that they did not have enough space for industrial and commercial activity (five needed space under 1,000 square metres; seven needed more than 1,000 square metres and of those, five needed over 5,000 square metres);
- 7 had more space than they needed;
- 35 said that the space they had was 'about right';
- 21 are considering moving in the next five years (most within Blenheim);
- 1 is looking for a bigger site in Renwick; and
- 25 leased their premises and 55 owned their premises.

When asked about issues other than COVID 19 that are impacting the success of businesses in the region, responses identified issues under the following themes: (A full list of comments is attached at Appendix 3).

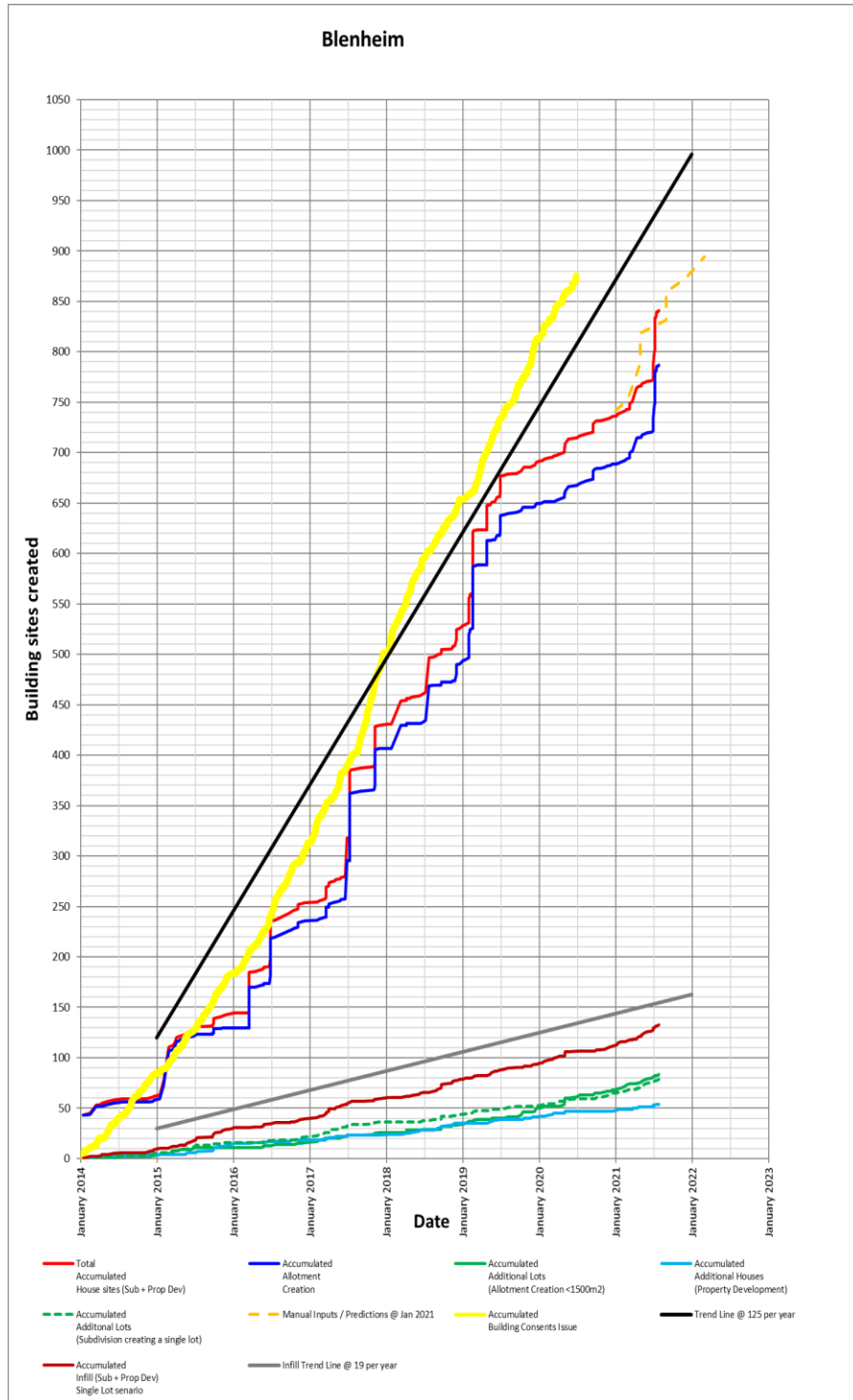
- Traffic/roading and parking;
- Labour supply for viticulture and winemaking;
- Lack of land for housing;
- Prohibitive Council fees and processes, and increased regulation;
- Lack of Land for business activity;
- Business support needed;
- Health of the CBD;
- Competition from foreign and out of town businesses;
- Better Consultation and Engagement from Council with the sector.

It is recommended that Council include an assessment of business land needs in its refresh of the Growth Strategy, in consultation with the business community to ensure that the provision of land for business activity is sufficient and appropriate to provide for growth over the long term.

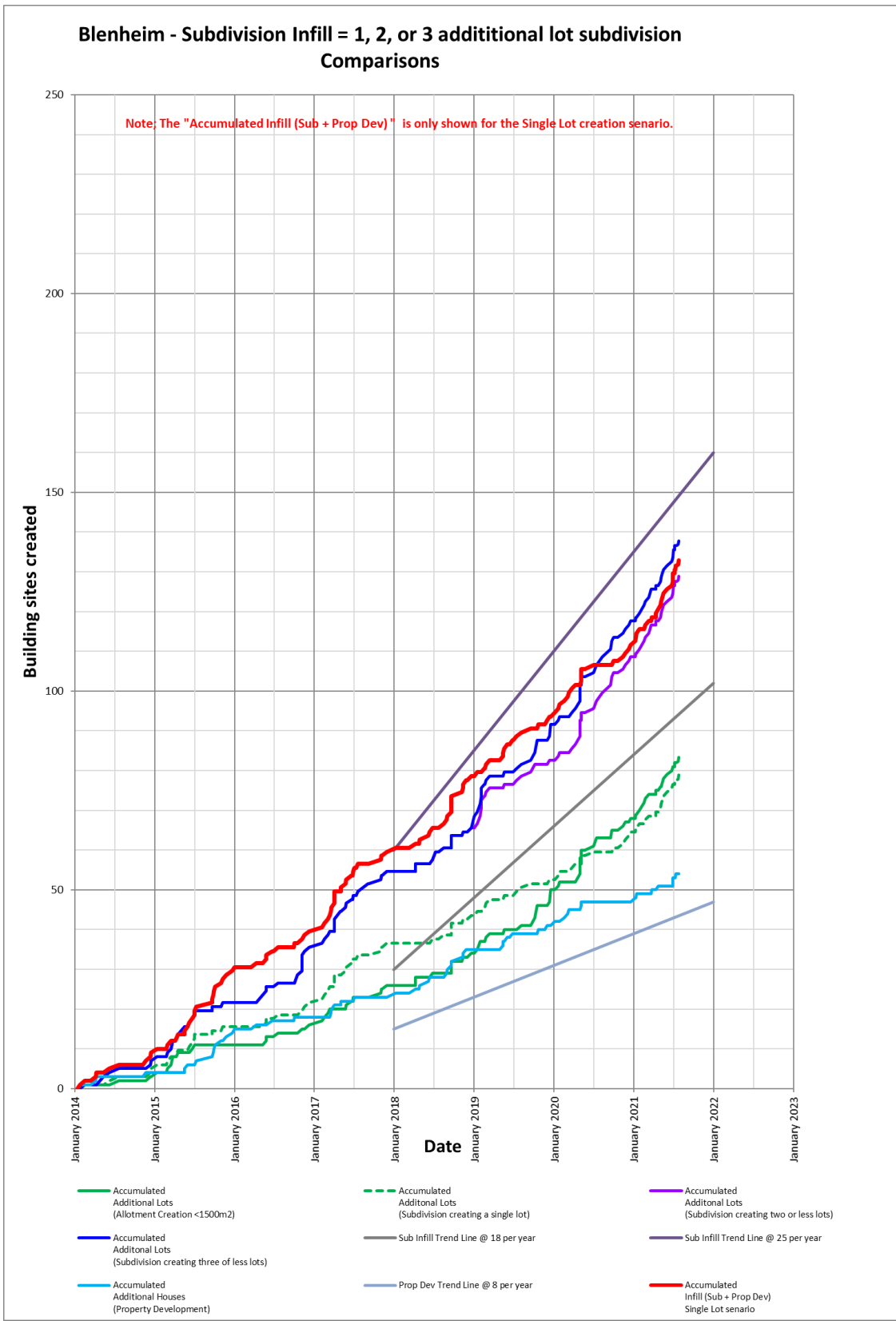
APPENDIX ONE

Residential Development Activity in Blenheim from 2014 onwards 2 (From Development Contributions Data)

Graph One – accumulated building sites created and Graph Two – breakdown of accumulated infill



Graph One – accumulated building sites created



Graph Two – breakdown of accumulated infill

APPENDIX TWO

SUMMARY OF SUPPLY of LAND FOR RESIDENTIAL DEVELOPMENT

Greenfield/Lg UR2	Location	MEP Zone	Hectares	ha's per area	Dwellings @ 11 Lots Per Hectare		
					0-3yrs	4-10yrs	11-20yrs
Greenfield	NW extn Zone PC64, 65	UR2 Greenfield	26.3	7.4	74		
Greenfield	NW extn Zone PC64, 65	UR2 Greenfield		4.6	46		
Greenfield	NW extn Zone PC64, 65	UR2 Greenfield		14.3	173.8		
Greenfield	NW extn Zone, PC 67 (33ha)	UR2 Greenfield	36	36		363	
Greenfield	NW Extn Zone PC66, 69 (64ha)	UR2 Greenfield	64.1	6.1	125		
Greenfield	NW Extn Zone PC66, 69 (64ha)	UR2 Greenfield		20		220	
Greenfield	NW Extn Zone PC66, 69	UR2 Greenfield		18.1		199.1	
Greenfield	NW Extn Zone PC66, 69	UR2 Greenfield		12.8		140.8	
Greenfield	NW Extn Zone PC66, 69	UR2 Greenfield		5.4		59.4	
Greenfield	NW Extn Zone PC66, 69	UR2 Greenfield		1.7	18.7		
Greenfield	Battys Road (Marris Clifford) A	UR2	31.5	15	165		
Greenfield	Battys Road (Marris Clifford) B	UR2		16.5		181.5	
Greenfield	East	UR2	12	12	132		
Greenfield	East	UR2	2.4	2.4	44		
TOTAL UR2 GREENFIELD			172.3	172.3	778.5	1163.8	0

UR3/UR2 mixed	Location	MEP Zone	HAs	Dwellings
Greenfield	David Street Area	UR3, UR2	27	128
TOTAL GREENFIELD			199.3	2071

Infill	Location	MEP Zone	HAs	Potential Dwellings
Infill Non-Specific	Non-specific estimate based on historical average	All	n/a	600
Infill Specific	Ballinger Drive	UR2	1.4	14
	Shirliff Street	UR2	0.6	6
	Gascoigne Street	UR2	0.4	3
	Collett Place	UR2	1	10
	Brook Street	UR2	0.7	7
	Alabama Road/Allen Street	Bus 2	0.36	4
	Hospital Road	UR2	5.2	56+
	South Street	UR1	0.5	13
	Park Terrace	UR1	1.9	18
	Murphys Road	Ur2	0.9	0
	Cherrywood Park	UR2	1.2	9
	Colemans Road	UR	1.8	19
TOTAL INFILL SPECIFIC				103
TOTAL INFILL				703
TOTAL ESTIMATED SUPPLY				2774
Expressed in no. of Dwellings achieved from development of Greenfield (@ 11 Lots per Hectare) and Infill				

APPENDIX THREE

SUPPLY AND DEMAND SCENARIOS

Demand is expressed in No. of Additional Dwellings Required					
Demand for New Dwellings Per Year					
Demand Scenario	Total Demand to 2051	Demand Per Year Avg	Demand Per Year in Short Term (0-3 yrs)	Demand Per Year in Med Term (4 - 10yrs)	Demand Per year Long Term (11 - 30yrs)
High Growth 80%	3626	121	234	152	93
High Growth 60%	2986	100	178	116	82
Building Consent Averages	3820	127	146	146	118
Building Consent Av Plus Known Projects	3820	127	190	146	111
Total Demand for New Dwellings in Short, Medium and Long Term					
Demand Scenario	Total Demand to 2051	Demand Per Year Avg Over 30 Yrs	Total Demand Short Term (0-3 yrs)	Total Demand Med Term (4 - 10yrs)	Total Demand Long Term (11 - 30yrs)
High Growth 80%	3626	121	702	1064	1968
High Growth 60%	2986	100	534	812	1443
Building Consent Averages	3680	123	438	882	2360
Building Consent Av Plus Known Projects	3680	123	570	882	2228

Scenario A

Demand for New Dwellings vs Supply, Blenheim Urban Area at Current Development Rates (11 lots p/ha, apart from known developments at higher density).

Assuming 60% of Marlborough's growth occurs in Blenheim.

Time Frame	Demand for New Dwellings	Supply	Surplus/Shortfall
Short Term 0-3 yrs	534	942	408
Medium Term 4-10 yrs	812	1304	900
Long Term 11-30yrs	1443	528	-15
TOTAL	2789	2774	-15
Additional HAs of Zoned UR2 Land Required:			-1

Scenario B

Demand for New Dwellings vs Supply, Blenheim Urban Area at Current Development Rates of 11 lots p/ha.

Assuming 80% of Marlborough's growth occurs in Blenheim.

Time Frame	Demand for New Dwellings	Supply	Surplus/Shortfall
Short Term 0-3 yrs	702	942	240
Medium Term 4-10 yrs	1064	1304	480
Long Term 11-30yrs	1968	528	-960
TOTAL	3734	2774	-960
Additional HAs of Zoned UR2 Land Required:			96

Scenario C

Demand for New Dwellings vs Supply, Blenheim Urban Area at Current Development Rates of 11 lots p/ha.

Based on past building consent rates.

Time Frame	Demand for New Dwellings	Supply (in Dwellings)	Surplus/Shortfall (in Dwellings)
Short Term 0-3 yrs	438	942	504
Medium Term 4-10 yrs	882	1304	926
Long Term 11-30yrs	2360	528	-906
TOTAL	3680	2774	-906
Additional HAs of Zoned UR2 Land Required:			-82

Scenario D

Demand for New Dwellings vs Supply, Blenheim Urban Area at Current Development Rates of 11 lots p/ha.

Based on past building consent rates, accounting for known developments in first three years.

Time Frame	Demand for New Dwellings	Supply (in Dwellings)	Surplus/Shortfall (in Dwellings)
Short Term 0-3 yrs	570	942	372
Medium Term 4-10 yrs	882	1304	794
Long Term 11-30yrs	2228	528	-906
TOTAL	3680	2774	-906
Additional HAs of Zoned UR2 Land Required:			-82

APPENDIX FOUR

BUSINESS LAND NEEDS SURVEY COMMENTS

The following comments were received in response to questions in the 2020 survey of businesses about current issues facing businesses and suggestions for how Council could better plan for business land needs. Responses have been grouped with like themes.

Traffic/Roading:

- “Street not wide enough, too much yellow lines, also hard for delivery vehicles to access as traffic to fast and inconsiderate.”
- “Traffic flow at 3pm to 5pm is very slow and congested” and “road works.”
- “Maybe restrict work done on Fridays which is the busiest day of the week for most.”
- “Renwick needs more parking options.”
- “The proposed wine cycle trail will be a massive improvement the current lack of safe cycling trails around the Renwick area.”
- “The poor quality of the roads.”
- “Entry and exit into Riverlands is grossly inadequate.”
- “Traffic /parking management in Main Street. The roundabout at Redwood main grove is very poorly designed and has no safe practical use in the current environment- it’s not fit for purpose. Parking along main street and surrounding areas could be helped by way of a 30 min parking only. Alternative parking spots need to be created for workers in the area as they are using Main Street for all day everyday parking.”

Labour Supply:

- “Getting labour for vintage”
- “Access to RSE staff for 2021 and future years”

Housing:

- “No subdivisions to build new homes”

Council Fees and Processes, Regulation:

- “Council Rates excessive.”
- “Regulation.”
- “Changes in regulations by Government.”
- “Rural zoning restrictions; water and roading network, lack of future proofing of regional core infrastructure also, the fact that regions are guessing what central government is going to throw at them next.”
- “Rates increases are a threat to our viability.”
- “Council consenting process.”
- “Ever increasing admin costs and monitoring fees from the MDC.”
- “Red Tape and compliance costs.”
- “Resource planning consent is still a nightmare to go through even when you have it asking simple questions does not always get a consistent straight forward answer.”

- “Reduce bureaucratic overheads and administration costs applied by the MDC.”
- “Make resource consent easier.”
- “Minimize regulations and reduce rates.”

Land and Supply:

- “Not enough industrial land to develop.”
- “Getting additional land.”
- “Availability and demand for land across the region.”
- “There is a real need for industrial site north of Blenheim in spring creek or Tuamarina. Land is very limited but there would be a real need to stop encroachment of commercial into the farming land. River reserve or rail reserve or purchase of land would be ideal. possibly the old flax mill site at marshlands. the Fonterra building. the area beside spring creek vintners. cut out a section of the Wairau River flood plain somewhere along the river. It is desperately needed. I am happy to help on any committee to work with this concept.”
- “Look at the areas already available, rather than developing new area.”
- “There has been a lack of suitable commercial land in Blenheim for years and the council knows this and has failed in its responsibility to provide for businesses.”
- “Develop a good business park.”
- “From our experience there is a lack of commercial sites, suitable for a workshop with sales outlet available to service the local Viticultural sector.”
- “I know council’s core business doesn’t involve property development, however due to Covid 19 private developers won’t be doing much commercial work so there might be a gap for supply. I think provision for a potential development should be considered.”

Infrastructure and Servicing:

- “Wastewater appears to be an issue, upgrade it!”

Other:

- “Blenheim CBD is not in great shape. Needs to become a destination for the public to want to go there and enjoy the spaces and experience.”
- “Outside Businesses moving in with cut-price offers and short cut systems.”
- “Foreign and out of town companies undercut and not enough supporting local.”
- “Need to be sure where retail is allowed as it has taken people away from the designated town centre, are the rating charges the same for Westwood area or is the town centre paying greater rates?”
- “There is a disconnect between what the Council can offer any prospective new business that may want to come to Marlborough. There needs to be more emphasis on any business opportunity that may arise, no matter how small it may be. A port of call to offer support, help, direction as it were. To join the dots with landlords, agents, developers etc. To put the new prospective tenant in touch with the right people to offer support and a direction to get their business underway.”
- “Provide more assistance and less obstacles.”

Consultation and Engagement:

- “Engage with people who know what’s needed.”
- “To listen and act on issues that we are finding at the time.”
- “This type of survey does not equate to proper public consultation process.”

APPENDIX FIVE

Seddon Community Housing Survey – Summary of Findings

The Seddon community undertook a survey of its residents in June 2021 at a COVID Vaccination Clinic. Some of the key findings were as follows:

- 69 people felt their current home did meet their requirements, 9 people did not respond;
- 77% of respondents owned their own home and 23% identified as renting;
- 14 people were confident their properties met the healthy housing standards, 14 felt they did not; and
- 44 of respondents felt they would not have any change in their housing needs in the future.

Some of the key issues identified included:

- A general undersupply of housing including a high demand for rentals;
- Some homes do not meet healthy housing standards;
- Cost of subdivision is prohibitive;
- Undersupply of land for new developments or major subdivisions while some homes or properties are sitting empty;
- A need for more purpose built RSE worker accommodation; and
- Demand for smaller lifestyle blocks than is currently provided for in the Marlborough Environment Plan.

