

# KAIKOHE

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## 1. Purpose of the report

The purpose of this report is to better understand Kaikohe, its population and its growth so appropriate provision can be made for zoning, infrastructure as well as consideration of financial planning and strategic growth.

Council has a statutory requirement under section 31 of the Resource Management Act 1991 (RMA) to establish, implement and review objectives, policies and methods to ensure that there is sufficient development capacity<sup>1</sup> in respect of housing and business land to meet the expected demands of the district in the short, medium and long term.

This report will look at a number of proxies surrounding population, projected growth and plan enabled development within the Kaikohe area and address the housing component of the section 31 requirement.

## 2. Datasets Used

The demographic information and population forecasting was Infometrics in April 2022, which is a company used by the Far North District Council (FNDC) for this purpose.

Infometrics provided FNDC shapefiles of the SA2 geographies for projected growth figures. SA2 areas are a category commonly used by Statistics New Zealand.

A number of desktop exercises were undertaken to assemble this report utilising datasets held by the FNDC, including the zone maps for the Proposed District Plan (PDP). ArcMap was primarily utilised to analyse the data sets.

### **Zone information**

The zone information is taken from the PDP.

### **Parcel data**

The CORAX or parcel data is sourced from Land Information New Zealand (LINZ) – Dated January 2022.

### **Building outlines**

The building outline data is supplied by LINZ. This feature class identifies all buildings across the district as at 31 August 2021.

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<sup>1</sup> Development capacity is defined in s30 of the RMA: in relation to housing and business land in urban areas, means the capacity of land for urban development, based on— (a) the zoning, objectives, policies, rules, and overlays that apply to the land under the relevant proposed and operative regional policy statements, regional plans, and district plans; and (b) the capacity required to meet— (i) the expected short and medium term requirements; and (ii) the long term requirements; and (c) the provision of adequate development infrastructure to support the development of the land.

### 3. Kaikohe Statistical Area 2 geographies

SA2 areas are the third of a four-tier hierarchy designed to provide an output geography for high aggregations of population data that are provided at the SA1 level. The SA2 geography aims to reflect communities that interact together socially and economically. In populated areas, SA2s generally contain similar-sized population<sup>2</sup>.

There is one SA2 area identified by Statistics New Zealand that generally correlates with the following Kaikohe zones:

- General Residential
- Rural Residential
- Mixed Use
- Light Industrial

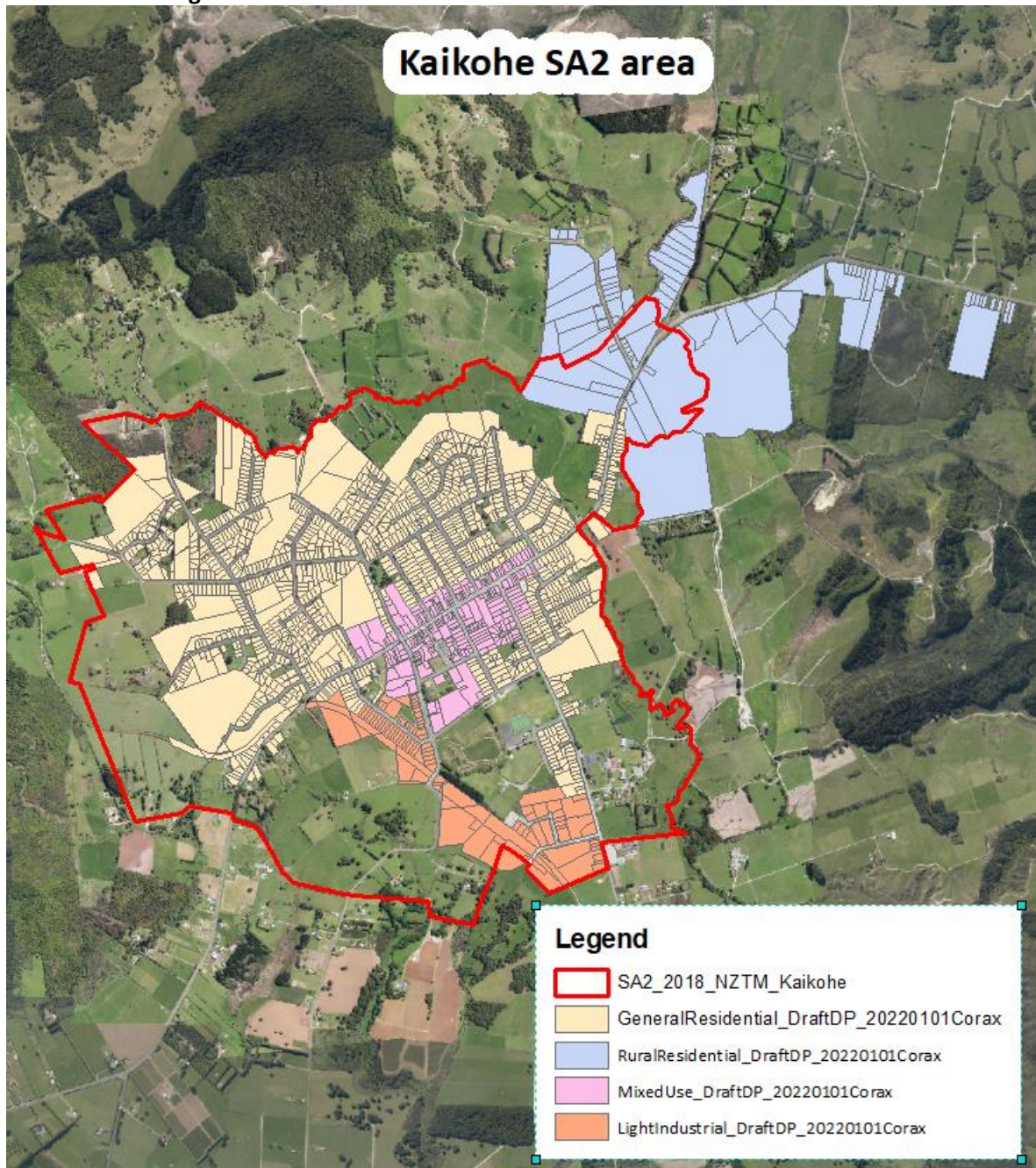
It is noted that over 50% of the land zoned Rural Residential is located outside of the Kaikohe SA2 area. This is not considered an issue with respect to the findings of this report in establishing whether there is enough appropriately zoned land to accommodate the forecast growth for the Kaikohe SA2 area.

It is also noted that there is no land zoned Heavy Industrial in the Kaikohe SA2 area.

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<sup>2</sup> Statistics New Zealand

Map 1: The Kaikohe SA2 area that that correlate with the General Residential, Rural Residential, Mixed Use and Light Industrial zones



## 4. Population statistics of the Kaikohe SA2 area between 2002 and 2021

Infometrics has supplied the historical population statistics for the SA2 area. This provides insight to growth prior to forecasting the population figures for the short, medium and long term. The following figures show population change for the past 20 years.

**Table 1: Population Change for the Kaikohe SA2 area between 2002 - 2021**

	2002	2007	2012	2017	2021	Difference 2002-2021	% change 2002-2021
Kaikohe	4207	4184	4261	4603	4824	617	14.7%

Comments Table 1:

- The percentage change between 2002 and 2021 represents around 0.7% growth per year.
- For context, the last 5 years 2017-2021 represents approximately 1% growth per year.
- At a district wide level, the total population increase for the Far North over the 2002 – 2021 period was 15,888 persons, which represents approximately 1.4% growth per year.

## 5. Forecast population growth in the Kaikohe area between 2022 and 2052

Council employs the services of Infometrics for demographic resource needs and have produced population projections out to 2073. Infometrics projections have been calculated to demonstrate low, medium and high growth scenarios. The following analysis projects growth out to a 30 year horizon at five year intervals at medium and high growth scenarios.

**Table 2: Infometrics forecast population forecast for the Kaikohe SA2 area out to 2052**

Year	2022	2027	2032	2037	2042	2047	2052	Total Growth 2022 - 2052
<b>Kaikohe</b>								
Total population (Medium scenario)	4844	5032	5151	5265	5340	5410	5424	
Population increase (Medium scenario)		188	119	114	75	70	14	<b>580</b>
Total population (High scenario)	4857	5087	5259	5428	5570	5705	5791	
Population increase (High scenario)		230	172	169	142	135	86	<b>934</b>

In accordance with section 31(1)(aa) of the RMA Council needs to ensure that there is sufficient development capacity in respect of housing to meet the expected demands of the district. In other words, the projected population needs to be accommodated with sufficient zoned land for housing. Statistics New Zealand identify the average household size in Kaikohe to be 2.99 persons. The following number of parcels will be needed to accommodate the projected growth across the Kaikohe SA2 area under the medium and high growth scenarios.

### Medium growth scenario

- 63 parcels (an increase of 188 persons over a 5 year period)
- 103 parcels (an increase of 307 persons over a 10 year period)
- 141 parcels (an increase of 421 persons over a 15 year period)
- 166 parcels (an increase of 496 persons over a 20 year period)
- 189 parcels (an increase of 566 persons over a 25 year period)
- 194 parcels (an increase of 580 persons over a 30 year period)

### High growth scenario

- 77 parcels (an increase of 230 persons over a 5 year period)
- 134 parcels (an increase of 402 persons over a 10 year period)
- 191 parcels (an increase of 571 persons over a 15 year period)
- 238 parcels (an increase of 713 persons over a 20 year period)
- 283 parcels (an increase of 848 persons over a 25 year period)
- 312 parcels (an increase of 934 persons over a 30 year period)

## 6. Latent residential development capacity of the General Residential, Rural Residential and Mixed Use zones

The General Residential, Rural Residential and Mixed Use zones are considered the most appropriate to deliver on Council's responsibility under the RMA to provide sufficient development capacity in respect of housing land to meet the expected demands of the district<sup>3</sup>. The quantum of people that need to be accommodated are detailed in Section 5 above.

The following densities are provided for in the PDP:

**Table 3: Controlled, Restricted Discretionary and Discretionary subdivision standards**

	<b>Controlled</b>	<b>Restricted Discretionary</b>	<b>Discretionary</b>
General Residential zone	600m <sup>2</sup>		300m <sup>2</sup>
Rural Residential zone	4,000m <sup>2</sup>	3,000m <sup>2</sup>	2,000m <sup>2</sup>
Mixed Use zone	250m <sup>2</sup>		Any

The General Residential zone also has a 'multi-unit' development rule which enables three residential units on sites which are a minimum of 600m<sup>2</sup>, where the development is contained within one contiguous building and is not a collection of multiple standalone units. Buildings and structures also need to comply specified standards in the PDP.

The Mixed Use zone does not have a density control within the zone provisions, in other words multiple dwellings can be achieved on any Mixed Use site over the top two levels of a building. It is difficult to understand market demand for dwellings in the Mixed Use zone so for the purpose of the report a conservative approach is taken relying on the subdivision standard in the PDP of 250m<sup>2</sup> as a controlled activity status. While it is possible to create multiple dwellings over two levels on sites of 250m<sup>2</sup>, for the purposes of this assessment one dwelling is provided for on sites less than 500m<sup>2</sup>. For

<sup>3</sup> Resource Management Act 1991: Section 31(1)(aa)

sites with subdivision capacity at a controlled activity status (500m<sup>2</sup>) the latent residential development capacity is worked out at one dwelling per 250m<sup>2</sup>. No provision for roading and reserves has been taken in the Mixed Use zone as the environment is largely established.

In terms of latent residential development capacity, the sites that can be created in the General Residential and Rural Residential zones are deemed 'green field' as they are absent of buildings, therefore, reasonably straight forward to develop and commercially viable. This is a conservative approach to understanding the latent residential development capacity and does not consider options to redevelop a 'brownfield' site. Mixed Use sites are considered to be 'brownfield' as most of the sites within the zone are currently occupied with buildings. These sites have the potential to retrofit residential units on top of existing commercial, or completely redevelop.

### **Category 1: No latent residential development capacity**

The following site sizes are not considered to have potential for subdivision based on the Controlled, Restricted Discretionary and Discretionary subdivision standard in the respective zones. These sites are worked out by doubling the controlled subdivision standards and subtracting 1m<sup>2</sup>. The following site sizes are not considered to have latent residential development capacity.

#### Based on Controlled subdivision

- <=1,199m<sup>2</sup> in the General Residential zone;
- <=7,999m<sup>2</sup> in the Rural Residential zone; and
- <=499m<sup>2</sup> in the Mixed use zone.

#### Based on Restricted Discretionary subdivision

- <=5,999m<sup>2</sup> in the Rural Residential zone.

#### Based on Discretionary subdivision

- <=599m<sup>2</sup> in the General Residential zone; and
- <=3,999m<sup>2</sup> in the Rural Residential zone.

### **Category 2: Limited latent residential development capacity**

The following site sizes are considered possible to subdivide based on the Controlled, Restricted Discretionary and Discretionary subdivision standard in the respective zones. The site sizes represent the ability to subdivide and create one additional site. Many of these sites have an existing dwelling (or buildings). For the purpose of establishing latent residential development capacity for a site, if an existing dwelling or building is located centrally on the site, then it is deemed impractical and not possible to subdivide. In this instance no latent residential development capacity is given for that site. If it is clear that half of the section is clear of dwellings or buildings and another dwelling can be established on the site, then one additional site is allocated for latent residential development capacity.

#### Based on Controlled subdivision

- 1,200m<sup>2</sup> – 1,799m<sup>2</sup> in the General Residential zone;
- 8,000m<sup>2</sup> – 11,999m<sup>2</sup> in the Rural Residential zone; and

Based on Restricted Discretionary subdivision

- 6,000 m<sup>2</sup> – 8,999m<sup>2</sup> in the Rural Residential zone.

Based on Discretionary subdivision

- 600m<sup>2</sup> – 899m<sup>2</sup> in the General Residential zone;
- 4,000m<sup>2</sup> – 5,999m<sup>2</sup> in the Rural Residential zone; and

**Category 3: Likely latent residential development capacity**

The following site sizes are considered probable to subdivide based on the Controlled, Restricted Discretionary and Discretionary subdivision standard in the respective zones. The following site sizes represent the ability to subdivide and create more than one additional site. The sites are a mix of undeveloped and those with an existing dwelling, dwellings or mix of buildings and considered easily subdividable.

Based on Controlled subdivision

- $\geq 1,800\text{m}^2$  in the General Residential zone;
- $\geq 12,000\text{m}^2$  in the Rural Residential zone; and
- $\geq 500\text{m}^2$  in the Mixed zone.

Based on Restricted Discretionary subdivision

- $\geq 9,000\text{m}^2$  in the Rural Residential zone.

Based on Discretionary subdivision

- $\geq 900\text{m}^2$  in the Residential zone; and
- $\geq 6,000\text{m}^2$  in the Rural Residential zone.

In establishing the latent residential development capacity for Category 3 sites the total land area for latent residential development capacity is first reduced by 40% to cater for roading and reserves contribution. The number of dwellings or buildings on each site does not influence the calculation for latent residential development capacity because the size of the site should enable any existing dwellings and/or buildings to be subdivided off. Each building identified on these sites removes an additional site from the calculation of latent residential development capacity, regardless of whether it is a dwelling or not. This is a conservative approach and deemed necessary in the absence of ground truthing.

The methodology for assessing the latent residential development capacity of the Mixed Use is explained above.

## Residential zone

Map 2: General Residential zone within Kaikohe

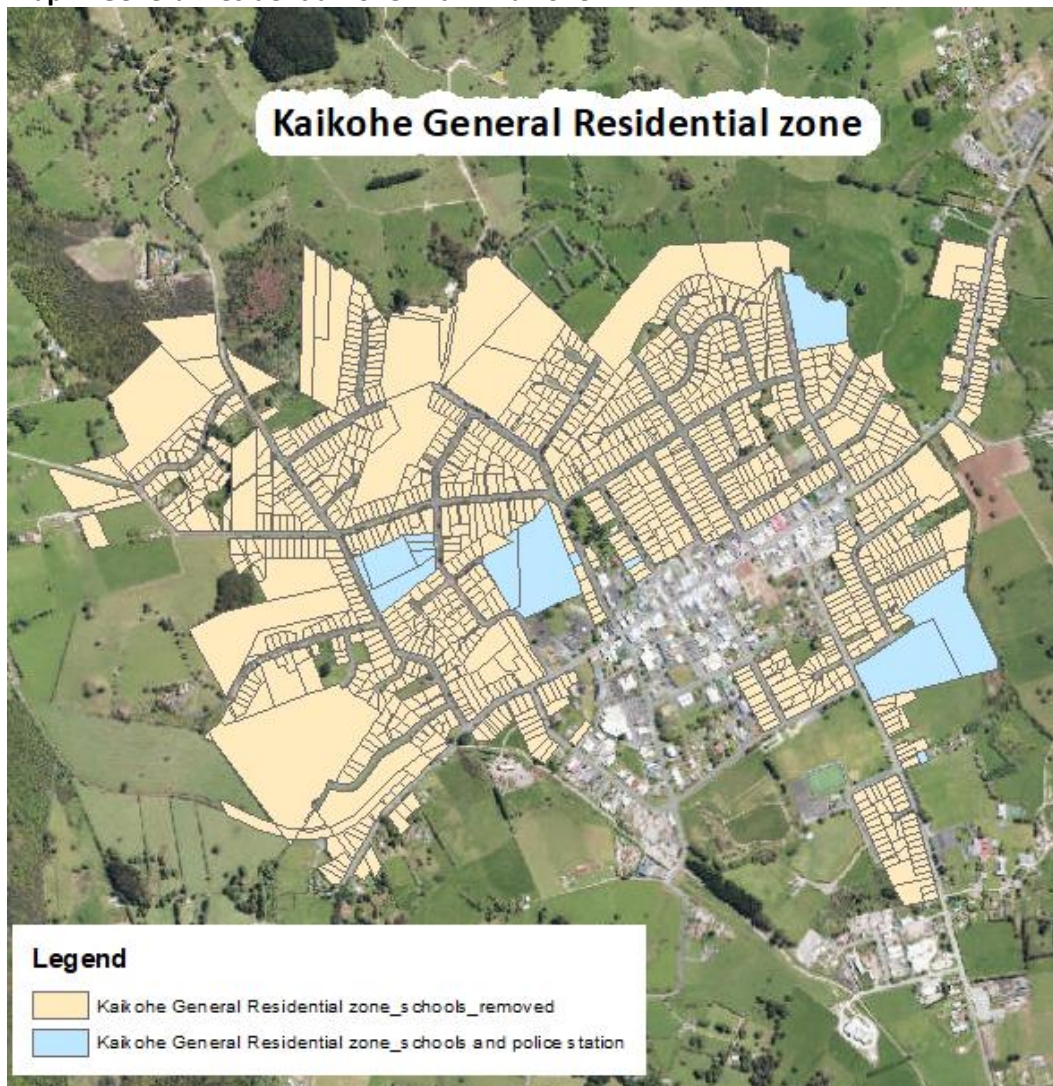


Table 4: General Residential zone latent residential development capacity

	# of parcels	Area (ha)	Parcels to subdivide	# of buildings	Total area less infrastructure (40%)	# probable parcels
School lots and Police	14	17.3				
Controlled area <=1199m <sup>2</sup>	1080	87	0			0
Discretionary area <=599m <sup>2</sup>	141	5.1	0			0
Controlled area 1200m <sup>2</sup> - 1799m <sup>2</sup>	111	15.5	31			31
Discretionary area 600m <sup>2</sup> - 899m <sup>2</sup>	562	44.3	84			84
Controlled area >= 1800m <sup>2</sup>	85	79.5	85	151	47.7	644
Discretionary area >= 900m <sup>2</sup>	573	133.5	573	993	80.1	1677
<b>TOTAL CONTROLLED</b>						<b>675</b>
<b>TOTAL CONTROLLED (Multi-unit development rule)</b>						<b>2025</b>
<b>TOTAL DISCRETIONARY</b>						<b>1761</b>



## Rural Residential zone

Map 3: Rural Residential zone surrounding Kaikohe

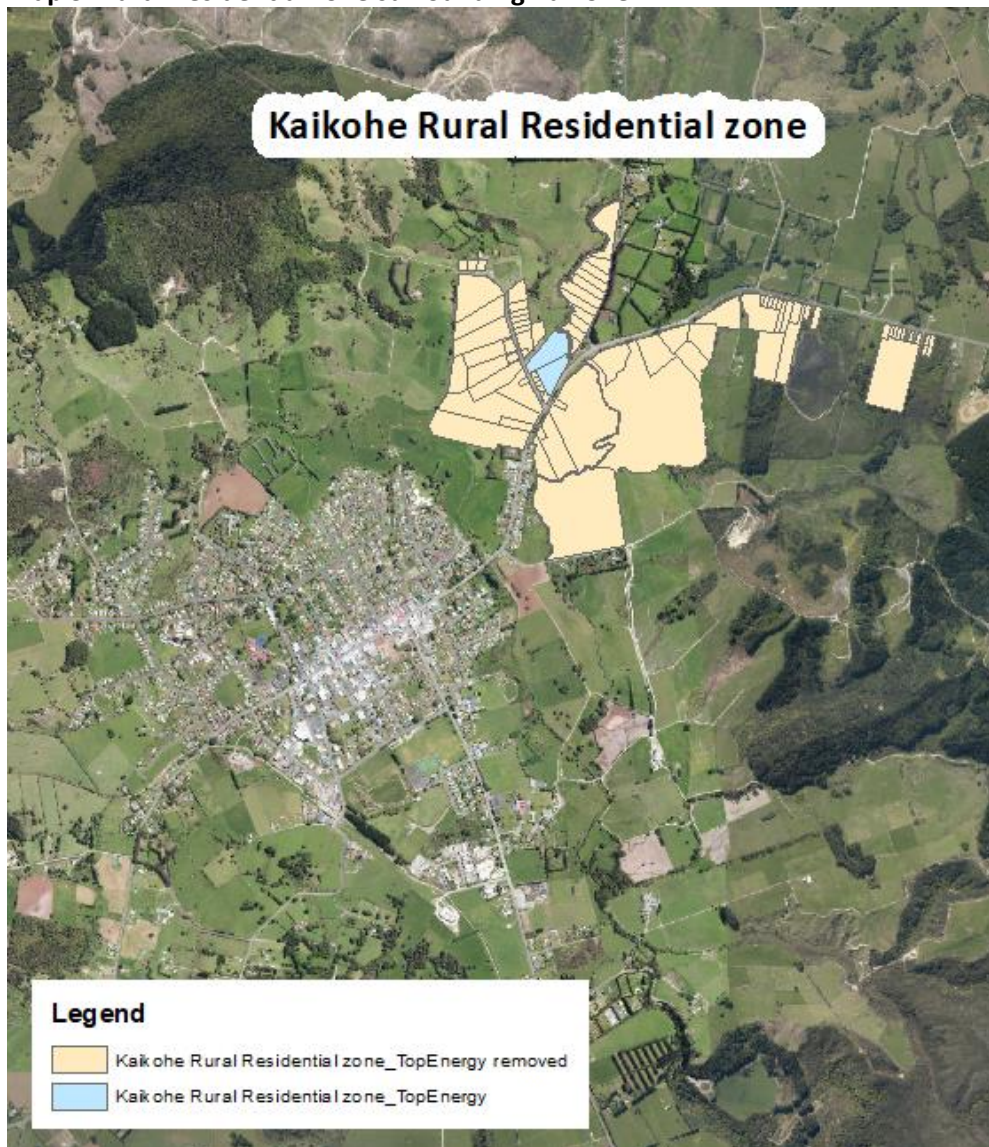


Table 5: Rural Residential zone latent residential development capacity

	# of parcels	Area (ha)	Parcels to subdivide	# of buildings	Total area less infrastructure	# probable parcels
Top Energy lots	2	3.3				
Controlled area <=7999m <sup>2</sup>	57	15.1	0			0
Restricted Discretionary area <=5999m <sup>2</sup>	50	10.4	0			0
Discretionary area <=3999m <sup>2</sup>	41	6	0			0
Controlled area 8000m <sup>2</sup> - 11999m <sup>2</sup>	2	2.1	2			2
Restricted Discretionary area 6000m <sup>2</sup> - 8999m <sup>2</sup>	7	4.7	7			7
Discretionary area 4000m <sup>2</sup> - 5999m <sup>2</sup>	9	4.3	9			9
Controlled area >= 12000m <sup>2</sup>	24	90.6	24	55	54.4	81
Restricted Discretionary area >= 9000m <sup>2</sup>	26	92.7	26	56	55.6	129
Discretionary area >= 6000m <sup>2</sup>	33	97.5	33	68	58.5	225
<b>TOTAL CONTROLLED</b>						<b>83</b>
<b>TOTAL RESTRICTED DISCRETIONARY</b>						<b>136</b>
<b>TOTAL DISCRETIONARY</b>						<b>234</b>

Mixed Use zone

Map 4: Mixed Use zone in Kaikohe

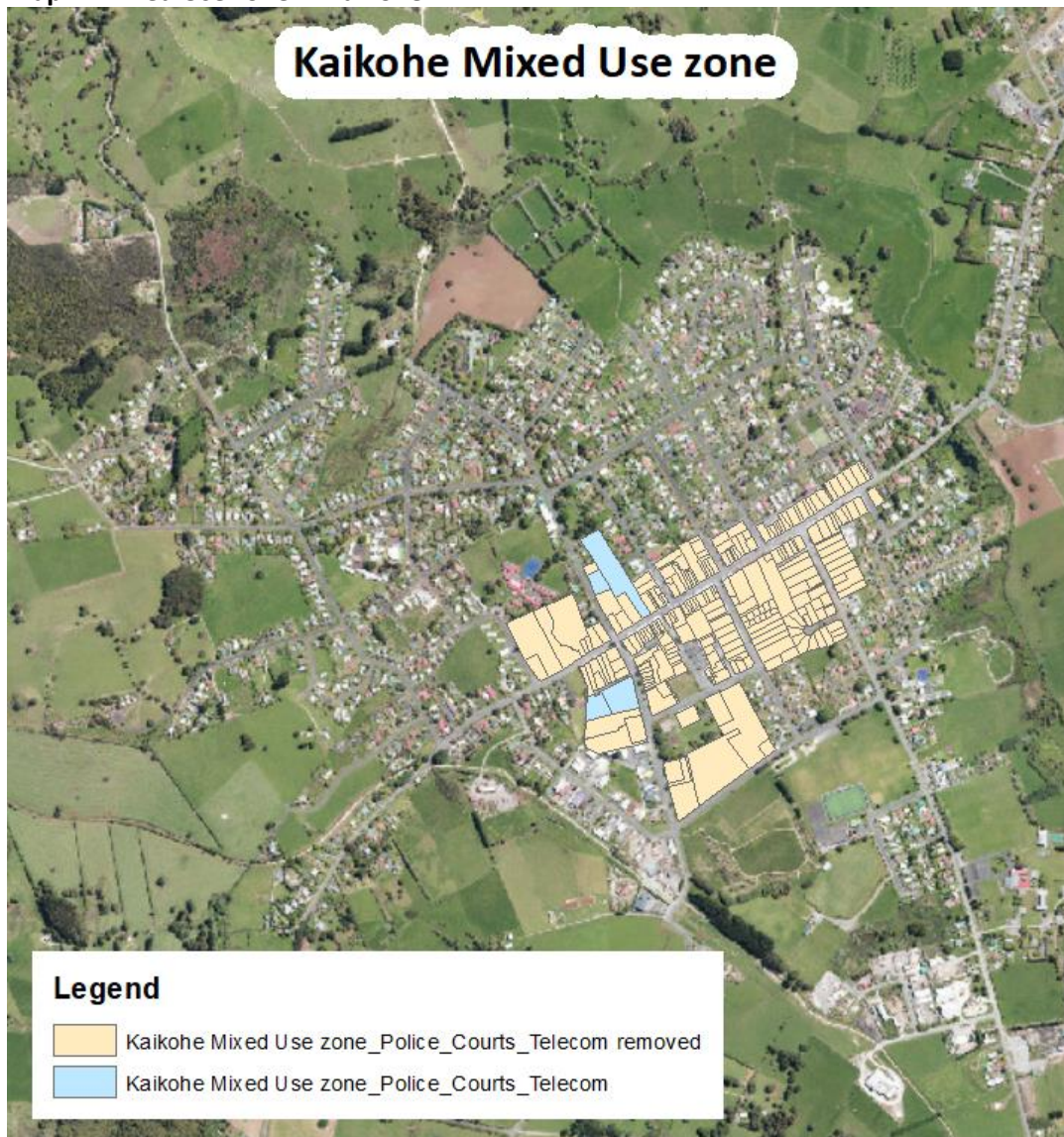


Table 6: Mixed Use zone latent residential development capacity

	# of parcels	Area (ha)	Parcels to subdivide	# of buildings	Total area less infrastructure (40%)	# probable parcels
Police_Courts_Telecom	4	2				0
Controlled area <=499m <sup>2</sup>	125	3	0			125
Controlled area >= 500m <sup>2</sup>	139	21.5	139			860
<b>TOTAL CONTROLLED</b>						<b>985</b>

**Table 7: Summary of the latent residential development capacity within the Kaikohe SA2 area**

	Controlled subdivision (Parcels)	Restricted Discretionary subdivision (Parcels)	Discretionary subdivision (Parcels)
General Residential zone	675 2,025 utilising the multi-unit development rule		1,761
Rural Residential zone	83	136	234
Mixed Use zone	985		

## 7. Constraints

- The calculations associated with latent residential development capacity in this report represent what may be achieved within the respective zones. The parcels represent those that existed in January 2022 and the buildings as at 2021. The buildings outlines provided by LINZ include a mixture of dwellings, sheds, garages etc. As such the calculations in this report provide a conservative estimate where a building has been identified on a site as they may not be dwellings.
- There may be subdivision consents that have been granted by Council but have not yet been given effect to and new parcels created. It is noted that not all subdivision consents are realised and consents sometimes lapse.
- There may be consent notices or covenants placed on titles that restrict further subdivision.
- The calculations do not necessarily reflect any practical limitations to subdivision or development that might be imposed by the shape, topography or any hazards that may be present. It is noted that 40% of land from Category 3 parcels has been removed from consideration to accommodate roading and reserves contributions, with the exception of the Mixed Use zone.

## 8. Conclusions

If all the vacant and infill sites in the Kaikohe SA2 area was developed to the current capacity enabled under the PDP controlled subdivision standard there would be, theoretically, enough land for:

- 675 additional sites within the General Residential zone. These sites have the ability to realise 2,025 dwellings where the multi-unit development rule in the PDP is applied.
- 83 additional sites can be created in the Rural Residential zone.
- At least 985 additional dwellings can be accommodated in the Mixed use zone.

According to Infometrics population forecasts the Kaikohe SA2 area can expect to see an increase in the medium term<sup>4</sup> of:

- 307 persons over the next 10 years in a medium growth scenario; or
- 402 persons over the next 10 years in a high growth scenario.

In the long term<sup>5</sup> the Kaikohe SA2 area can expect to see an increase of:

<sup>4</sup> Medium term is defined in the NPS-UD: means between 3 and 10 years

- 580 persons over the next 30 years in a medium growth scenario; or
- 934 persons over the next 30 years in a high growth scenario.

According to Statistics New Zealand the average household size is 2.99 persons in the Kaikohe area. The Kaikohe SA2 area will require the following additional sites to accommodate projected growth:

- 103 sites over the next 10 years in a medium growth scenario; or
- 134 sites over the next 10 years in a high growth scenario.
- 194 sites over the next 30 years in a medium growth scenario; or
- 312 sites over the next 30 years in a high growth scenario.

The Kaikohe SA2 area can accommodate 100% of all projected growth in the medium term under both the medium and high growth scenarios with an excess of 100% headroom. This can be achieved at a controlled subdivision standard using only the General Residential zone, without utilising the Rural Residential zone, the Mixed Use zone or the multi-unit development rule within the General Residential zone in the PDP.

The Kaikohe SA2 area can accommodate 100% of all projected growth in the long term under both the medium and high growth scenarios with an excess of 100% headroom. This can be achieved at a controlled subdivision standard using only the General Residential zone, without utilising the Rural Residential zone, the Mixed Use zone or the multi-unit development rule within the General Residential zone in the PDP.

The multi-unit development rule in the PDP provides the potential for an additional 1,350 dwellings in the General Residential zone.

The PDP encourages more intensive development to that in the Operative District Plan to make the investment in infrastructure within the town centre more efficient and affordable. The multi-unit development rule will also provide for a mix of housing sizes and typologies, providing more choice for the market and assist with affordable housing.

This study was a desktop exercise. The sites identified in this process were not visited. Potential physical constraints to development have not been wholly considered. Regardless, this study provides a valuable theoretical baseline with information that can be used to:

- Understand how Council can accommodate its responsibilities under section 31 of the RMA when preparing its District Plan.
- Understand when strategic planning needs to look at providing further land for housing.
- Help infrastructure planning understand when and where to provide appropriate development infrastructure<sup>6</sup> in urban areas to accommodate growth.
- Assist in financial planning for growth related infrastructure and to inform a Development Contributions policy and fee schedule.

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<sup>5</sup> Long term is defined in the NPS-UD: means between 10 and 30 years

<sup>6</sup> Development Infrastructure defined in s30 of the RMA: means the network infrastructure for— (a) water supply, wastewater, and storm water; and (b) to the extent that it is controlled by local authorities, land transport as defined in section 5(1) of the Land Transport Management Act 2003.