



HOUSING OUTCOMES FOR SUMMERHAYS STREET

2 AUGUST 2023

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PALMERSTON
NORTH
CITY

PURPOSE AND STRUCTURE OF THE WORKSHOP

Purpose

The purpose of this workshop is to gather feedback from elected members to inform a Committee report about the future use of 17-19 Summerhays Street.

Structure

- Introduction and background
- Options for housing outcomes – social, market, or a mix – **your feedback?**
- Other variables - dwelling sizes and development principles – **your feedback?**
- Next steps

BACKGROUND

- Council owns the site at 17-19 Summerhays Street.
- Located within Multi-Unit Area A under operative District Plan which provides opportunity for greater housing density.
- Council has already decided to achieve housing outcomes at the Summerhays Street site.
- \$4.56M is allocated from the better-off funding to contribute towards the design and construction of housing at Summerhays Street, although the total project cost will not be known until the design phase is completed.



HOUSING OUTCOMES

- There are three housing outcomes that could be achieved at the Summerhays site:
 - Social Housing
 - Private market housing
 - A mix of social and private market housing
- Each of the outcomes supports Council's strategic direction and plans and each outcome presents benefits and risks.
- Summerhays Street provides Council with an opportunity to progress housing objectives without having to acquire additional land to do so.
- The site provides an opportunity to demonstrate best practice urban design and/or sustainable design for a housing development.

HOUSING OUTCOMES

Option 1: Social housing

- Council's Connected Communities Strategy identifies Council's commitment to supporting the development of more social housing in Palmerston North.
- Council's Innovative and Growing City Strategy identifies Council's commitment to supporting the development of more housing in Palmerston North.
- At the end of March 2023, the MSD social housing register in Palmerston North was 642. Most of these applicants require either a one-bedroom (53%) or two-bedroom (30%) home.
- Council has a \$14M programme budgeted for additional social housing development in the 2021-31 Long Term Plan.

HOUSING OUTCOMES

Option 2: Private market housing

- Council's Innovative and Growing City Strategy identifies Council's commitment to supporting the development of more housing in Palmerston North.
- This option could provide an opportunity for unbudgeted additional revenue through the sale of sections or house and land packages.
- There are currently no budgets in the 2021-31 LTP for this type of development.
- This option may be viewed negatively by the development community as being in direct competition with private developers.

HOUSING OUTCOMES

Option 3: Mix of social and private market housing

- Council's Connected Communities Strategy identifies Council's commitment to supporting the development of more social housing in Palmerston North.
- Council's Innovative and Growing City Strategy identifies Council's commitment to supporting the development of more housing in Palmerston North.
- This option could provide an opportunity for unbudgeted additional revenue through the sale of sections or house and land packages as well as an opportunity to demonstrate how a best practice mixed social/ private housing development could be created.
- We do not know how attractive this option would be to the private housing market.

HOUSING OUTCOMES

Workshop question 1:

What are the pros and cons of each option?

Workshop question 2:

What housing outcome would you like to see at Summerhays?

- Social, Private, or Mixed?

DWELLING SIZES

- The size of the dwellings included in future design options can be determined regardless of what the housing outcome for the site is, however, how it would be implemented may change.
- This decision will further define the type of residents living within the development.

Workshop question 3:

What are your views on dwelling sizes at Summerhays Street?

DEVELOPMENT PRINCIPLES

- As with the overall housing outcomes to be achieved, there are also opportunities for Council to provide guidance to Officers about the density and typology that should be included in the next stage of decision-making.
- Housing outcomes at Summerhays support a wide range of Council's strategic direction, including:
 - More intensive housing (Goal 1: City Growth Plan)
 - Applying best-practice urban design (Goal 2: City Growth Plan)
 - More sustainable building practices (Goal 4: Sustainable Practices Plan)
- Any design options could also support these outcomes. For this reason, Officers also seek direction on the type of housing that will be achieved through the site i.e., traditional section sizing, medium, or high density.

DEVELOPMENT PRINCIPLES

Workshop question 4:

What are your views on showcasing best practice design outcomes at Summerhays Street?

- Sustainable building practices?
- Best-practice urban design practices?

Workshop question 5:

What are your views on housing density at Summerhays Street?

- Traditional housing, Medium density, High density?

NEXT STEPS

- Officers will bring a report to Council with a more detailed description of the pros and cons of each option with recommendations.
- The Summerhays site will be included in the draft Plan Change I: Medium Density Residential Zone. Noting that this will not bind Council to providing medium density but will give us development options.