

National Policy Statement on Urban Development

Kāpiti Coast District Council Quarter 4 Monitoring Report

June 2024

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Executive Summary

This is the fourth quarter (Q4 2024) National Policy Statement on Urban Development (NPS-UD) monitoring report. It provides an update and analysis of changes across the development market in Kāpiti for the 1 March 2024 – 31 May 2024 period.

Quarterly reporting identifies changes in development activity and a range of market and price efficiency indicators sourced from the Ministry of Housing and Urban Development's (HUD) Urban Development Dashboard where available.

Similar to last quarter, this quarter has seen an increase in median house values from \$770,000 to \$785,000. Median house values were at \$780,000 in the same period last year. House sales have continued to decline this quarter.

Consent numbers have seen a turnaround compared to declines in the last three quarters. This quarter, resource consents have increased to 51 from 29 last quarter, while building consents are up to 138 from 104 last quarter.

The rise in building consents this quarter equated to 58 dwellings consented, with a total of 141 bedrooms. This is down from last quarter's 93 dwellings and 213 bedrooms. The lower numbers can be attributed to a slowdown of activities in the construction of the townhouse development on Utauta Street and the Summerset retirement village development in Waikanae.

A snapshot of indicator activity for 1 Mar 2024 – 31 May 2024 is summarised below:

| Indicator | Movement from last quarter | Context |
|---------------------------------------|--------------------------------------|---|
| Building consent applications issued | Increasing (by 34 as per Appendix 1) | 138 consents issued with a total value of \$90,865,238. |
| Resource consent applications granted | Increasing (by 22 as per Appendix 1) | 51 consents granted: <ul style="list-style-type: none"> - 40 residential - 11 non-residential - Indicating a potential net addition of 152 dwellings from new builds and subdivisions. |
| House values | Increasing | The median value of house sales has increased to \$785,000 as of 31/03/2024, compared to \$770,000 in the last quarter. |
| House sales | Decreasing | There were 116 house sales as of 31/03/2024. However, this will be revised on receipt of late data. Last quarter's house sales remain unchanged at 219. |

Several indicators continue to be less frequently updated on HUD's dashboard. The last known update is provided below and will be updated as new information becomes available.

| | | |
|--|------------|---|
| Nominal mean rent | Increasing | Mean rent has seen slight increases, increasing to \$616 for 31/03/2024 from \$599 at 31/12/2023. |
| Dwellings sale volume as percentage of stock | Decreasing | The ratio of housing sales to housing stock has fallen to 0.54% for 31/03/2024 from 1.02% for 31/12/2023. |
| Land value as percentage of capital value | Increasing | 55.2% for 31/03/2024, increasing from 47.1% in 30/09/2023 |
| Average land value of a dwelling | Increasing | \$428,239 for 31/03/2024, sharply increasing from \$246,761 as of 30/09/2023 |

Kāpiti Coast District Council - Quarter 4 Monitoring Report June 2024

Introduction

This is the fourth quarter monitoring report implementing the National Policy Statement on Urban Development (NPS-UD). The report provides updated data and analysis of changes to the housing market for the 1 March 2024 – 31 May 2024 period.

Quarterly reporting identifies changes in development activity and a range of market and price efficiency indicators sourced from HUD's Urban Development Dashboard.

Regular monitoring supports Council's work to understand and develop an assessment of development capacity and a fit-for-purpose evidence base for Council's decision-making on infrastructure investment and the future release of land to meet development needs.

Previous monitoring reports are available at: www.kapiticoast.govt.nz/Our-District/The-Kapiti-Coast/urban-development-capacity

Social Housing Register Quarterly Update – March 2024

The Ministry of Social Development National Social Housing Register was most recently updated in March 2024. The update shows that over the December 2023 to March 2024 period, applications for social housing in Kāpiti have marginally increased from 168 to 171 registrations. Nationally, registrations have also slightly increased from a total of 25,389 to 25,527 over this period.

Housing Register data is available at: <https://www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/housing/index.html>

GROWTH TRENDS

Both resource consent and building consent numbers for the fourth quarter have increased from the previous quarter (Q3 2023/24), however, potential net additional yield from new developments is decreasing.

Building Consents¹

Data on building consents helps identify development activity across the district. Between 1 March 2024 – 31 May 2024, 138 consents were issued. This is an increase from the 104 reported for the last quarter (Q3 2023/24).

Of these, 40 related to new builds² (up 4 from 36 in the last quarter) and 70 related to dwellings - additions and alterations (up 16 from 54 in the last quarter). Compared to the last quarter (Q3 2023/24), the total value of building consents has significantly increased to

¹ Note: Applications for garages, fireplaces, fences, retaining walls, outbuildings, conservatories, swimming and spa pools, and other construction (e.g. signs and pergolas) are excluded from this analysis of building consents.

² From statistics category for New (& prebuilt) House, Unit, Bach, Crib

\$90,865,238 from last quarter's \$44,850,350. This increase can be attributed to an estimated \$49 million worth of medical care and aged residential facilities in the Summerset Villages in Waikanae.

Compared to the same period last year (1 March 2023 – 31 May 2023), building consent numbers were slightly up from 132 to 138, and the total value of work has increased from \$53,336,904 to \$90,865,238.

During the quarter the applications for new builds equated to 58 additional dwellings. The type of housing consented through the building consent process was largely for standalone houses, of which there were 22. The other consents were for 10 second houses, 3 multi-dwellings, 2 semi-detached houses, 2 rebuilds, 1 studio, 10 new apartments on Utauta Street in Waikanae; and 8 dwellings in the Summerset retirement village development in Waikanae.

The 58 additional dwellings consist of 141 bedrooms. This represents a decrease from the previous quarter's 93 dwellings with 213 bedrooms. Of the 141 additional bedrooms this quarter, 8.5% were for housing with 1 bedroom, 27% for 2 bedrooms, 36.2% for 3 bedrooms, 28.4% for 4 bedrooms, and none for 5-bedrooms plus housing.

Further detail on the number and type of building consents issued and additional bedrooms by size for this quarter can be found in Table 2 of the Appendix.

Resource Consents³

Between 1 March 2024 – 31 May 2024, Council granted 51 resource consents.

These included 38 land use consents, 11 subdivision consents, and 2 deemed permitted activities⁴. Overall, 40 of the consents granted related to residential activities and information from the consents suggests that these applications have the potential to yield 152 net additional dwellings. This is an increase from the 76 potential net additional dwellings reported last quarter (Q3 2023/24).

During this period, general residential activities accounted for 30 of the 40 residential activities with a potential net addition of 138 dwellings. Waikanae usually has the most residential consents, with 16 this quarter and a net potential for 85 additional dwellings. Paraparaumu accounted for 9 of the residential consents with the potential for 47 additional dwelling. Ōtaki and Ōtaki Forks accounted for 4 of the residential consents with the potential for 6 additional dwellings. Paekākāriki had one consent but not for a potential dwelling. Raumati Beach and Raumati South had no consents granted.

During this period, rural residential activities accounted for 10 of the 40 residential activities, with the potential for 14 net additional dwellings. Ōtaki and Ōtaki Forks accounted for 5 of these residential consents with the potential for 11 net additional dwellings while Peka Peka

³ Quarterly resource consent activity excludes applications that varies or changes consent conditions or outline plans, which are included in wider Resource Management Act monitoring.

⁴ Resource Management Act 1991, Sections 87BA, 87BB.

had 4 consents with only a potential for 3 additional dwellings. The consents included 2 in-ground swimming pools in Waikanae and Ōtaki Forks.

There were also 11 non-residential resource consents granted during this period. These mostly included undertakings for commercial activities, a four-lot industrial sub-division, and the construction and replacement of 2 public toilet facilities.

Compared to the same period last year (1 March 2023 – 31 May 2023) with 57 resource consents granted, resource consent activity is lower this quarter. However, the number of potential net additional dwellings is significantly higher this quarter, up from the 30 potential net additional dwellings identified for the same period last year.

Figures and comparisons of residential and non-residential consents, resource consents by location and net potential dwellings for all four quarters can be found in the Appendix.

Appendix: Building and Resource Consents

Table 1: Building consents issued by type, Kāpiti Coast District, first quarter 2023/2024, second quarter 2023/2024, third quarter 2023/2024, and fourth quarter 2024 comparison.

| Application Type | 2023/2024 First Quarter 1 June 2023 - 31 August 2023 | | 2023/2024 Second Quarter 1 September 2023 - 30 November 2023 | | 2023/2024 Third Quarter 1 December 2023 - 29 February 2024 | | 2023/2024 Fourth Quarter 1 March 2024 - 31-May-2024 | |
|--|--|-------------------|--|-------------------|--|-------------------|---|-------------------|
| | Number | Value \$ | Number | Value \$ | Number | Value \$ | Number | Value \$ |
| New (& prebuilt) House, Unit, Bach, Crib | 51 | 34,046,348 | 56 | 29,903,548 | 36 | 33,214,250 | 40 | 19,136,314 |
| New Flats | 2 | 5,500,000 | 4 | 20,500,000 | 0 | 0 | 2 | 5,470,000 |
| New Hospitals - public, private, mental | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 49,049,813 |
| New Retirement Villages - Excludes Dwellings | 1 | 3,000,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| New Schools, excludes school hostels | 1 | 2,000,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| New Marae | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1,168,000 |
| New Motels | 0 | 0 | 0 | 0 | 1 | 250,000 | 0 | 0 |
| New Education Buildings - Other | 0 | 0 | 1 | 60,000 | 1 | 2,200,000 | 0 | 0 |
| New Showrooms | 2 | 384,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| New Factories | 0 | 0 | 1 | 86,000 | 0 | 0 | 0 | 0 |
| New Farm Buildings - Other | 1 | 146,000 | 1 | 85,000 | 1 | 428,000 | 2 | 120,000 |
| New Other Buildings | 3 | 1,630,000 | 3 | 175,000 | 0 | 0 | 1 | 570,000 |
| New Multi-purpose Bldg - Other | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 4,500,000 |
| Dwellings - Alterations & Additions | 79 | 10,404,964 | 54 | 6,632,106 | 54 | 6,549,100 | 70 | 7,283,613 |
| Dwellings With Flats - Alterations & Additions | 0 | 0 | 3 | 756,000 | 2 | 29,000 | 1 | 70,000 |
| Resited Houses | 3 | 270,000 | 0 | 0 | 3 | 230,000 | 0 | 0 |
| Other Outbuildings eg. Shed, Workshop, SI | 0 | 0 | 4 | 990,000 | 1 | 50,000 | 3 | 108,000 |
| Hotels - Alterations & Additions | 0 | 0 | 1 | 62,000 | 0 | 0 | 0 | 0 |
| Education Buildings - Alterations & Additions | 3 | 450,000 | 1 | 1,244,000 | 1 | 1,600,000 | 1 | 300,000 |
| Social Bldgs - Alterations & additions | 0 | 0 | 0 | 0 | 0 | 0 | 4 | 415,000 |
| Shops, Restaurants - Alterations & Additions | 1 | 50,000 | 1 | 120,000 | 2 | 140,000 | 3 | 530,000 |
| Alterations & Additions - Office/Admin | 2 | 140,000 | 2 | 700,000 | 0 | 0 | 4 | 1,887,000 |
| Factories - Alterations & additions | 0 | 0 | 0 | 0 | 1 | 10,000 | 0 | 0 |
| Farm Buildings - Alterations & additions | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 7,498 |
| Other Buildings - Alterations & Additions | 4 | 2,097,000 | 10 | 10,149,250 | 1 | 150,000 | 3 | 250,000 |
| Total | 153 | 60,118,312 | 142 | 71,462,904 | 104 | 44,850,350 | 138 | 90,865,238 |

Note: applications for garages, fireplaces, fences, retaining walls, outbuildings, conservatories, swimming and spa pools, and other construction (e.g., signs and pergolas) have been deliberately excluded.

Source: Kāpiti Coast District Council building consent data.

Table 2: Additional dwellings and corresponding bedrooms from residential building consents issued, first quarter 2023/2024, second quarter 2023/2024, third quarter 2023/24, and fourth quarter 2024 comparison.

| Bedroom Type | 2023/2024 First Quarter 1 September 2023 - 30 November 2023 | | | 2023/2024 Second Quarter 1 September 2023 - 30 November 2023 | | | 2023/2024 Third Quarter 1 December 2023 - 29 February 2024 | | | 2023/2024 Fourth Quarter 1 March 2024 - 31 May 2024 | | |
|--------------|---|----------------|------------|--|----------------|------------|--|----------------|------------|---|----------------|------------|
| | New Dwellings | Total Bedrooms | % | New Dwellings | Total Bedrooms | % | New Dwellings | Total Bedrooms | % | New Dwellings | Total Bedrooms | % |
| 1 | 4 | 4 | 1.9 | 12 | 14 | 3.9 | 3 | 3 | 1.4 | 12 | 12 | 8.5 |
| 2 | 50 | 100 | 46.5 | 68 | 136 | 44.2 | 65 | 130 | 61 | 19 | 38 | 27.0 |
| 3 | 21 | 63 | 29.3 | 37 | 111 | 36 | 21 | 63 | 30 | 17 | 51 | 36.2 |
| 4 | 12 | 48 | 22.3 | 11 | 44 | 14.3 | 3 | 12 | 5.6 | 10 | 40 | 28.4 |
| 5 | 0 | 0 | 0 | 1 | 5 | 1.62 | 1 | 5 | 2.4 | 0 | 0 | 0 |
| Total | 87 | 215 | 100 | 129 | 310 | 100 | 93 | 213 | 100 | 58 | 141 | 100 |

Table 3: Resource consents granted by location, Kāpiti Coast District, first quarter 2023/2024, second quarter 2023/2024, third quarter 2023/24, and fourth quarter 2024 comparison.

| Location | 2023/24 First Quarter 1 June 2023 – 31 August 2023 | 2023/24 Second Quarter 1 September 2023 – 30 November 2023 | 2023/24 Third Quarter 1 December 2023 – 29 February 2024 | 2023/24 Fourth Quarter 1 March 2024 – 31 May 2024 |
|---|--|--|--|---|
| | Number | Number | Number | Number |
| Maungakotukutuku | 0 | 0 | 0 | 0 |
| Ōtaki | 2 | 5 | 2 | 5 |
| Ōtaki Forks | 3 | 3 | 2 | 4 |
| Paekākāriki | 1 | 1 | 0 | 1 |
| Paraparaumu (Central, North Beach, and South Beach & Otaihanga) | 9 | 3 | 10 | 9 |
| Peka Peka (Te Horo and Kaitawa) | 2 | 1 | 1 | 4 |
| Raumati Beach and Raumati South | 8 | 4 | 5 | 0 |
| Waikanae | 7 | 11 | 7 | 17 |
| Residential (total) | 32 | 28 | 27 | 40 |
| Maungakotukutuku | 0 | 0 | 0 | 0 |
| Ōtaki | 0 | 3 | 1 | 3 |
| Ōtaki Forks | 2 | 0 | 0 | 1 |
| Paekākāriki | 1 | 0 | 0 | 0 |
| Paraparaumu (Central, North Beach, and South Beach) | 4 | 7 | 1 | 5 |
| Peka Peka (Te Horo and Kaitawa) | 0 | 0 | 0 | 0 |
| Raumati Beach and Raumati South | 1 | 0 | 0 | 0 |
| Waikanae | 1 | 1 | 0 | 2 |
| Non-residential (total) | 9 | 11 | 2 | 11 |
| Total granted | 41 | 39 | 29 | 51 |

Source: Kāpiti Coast District Council resource consent data.

Table 4: Resource consents granted by type, Kāpiti Coast District first quarter 2023/2024, second quarter 2023/2024, third quarter 2023/24, and fourth quarter 2024 comparison.

| Resource Consent Type | 2023/24 First Quarter | 2023/24 Second Quarter | 2023/24 Third Quarter | 2023/24 Fourth Quarter |
|--|------------------------------|-------------------------------------|------------------------------------|----------------------------|
| | 1 June 2023 – 31 August 2023 | 1 September 2023 – 30 November 2023 | 1 December 2023 – 29 February 2024 | 1 March 2024 – 31 May 2024 |
| | Number | Number | Number | Number |
| Deemed Permitted Boundary Activity | 2 | 0 | 4 | 2 |
| Land Use - Controlled | 2 | 0 | 0 | 0 |
| Land Use - Discretionary | 16 | 8 | 9 | 20 |
| Land-Use Non-complying | 4 | 4 | 0 | 8 |
| Land Use - Permitted | 1 | 0 | 0 | 0 |
| Land Use - Restricted Discretionary | 6 | 10 | 9 | 10 |
| Subdivision - Controlled | 1 | 1 | 0 | 0 |
| Subdivision - Discretionary | 2 | 4 | 3 | 9 |
| Subdivision - Non-complying | 4 | 8 | 4 | 2 |
| Subdivision - Restricted Discretionary | 3 | 4 | 0 | 0 |
| Total | 41 | 39 | 29 | 51 |

Source: Kāpiti Coast District Council resource consent data.

Table 5: Net dwelling increases for resource consents granted by location, Kāpiti Coast District first quarter 2023/2024, second quarter 2023/2024, third quarter 2023/24, and fourth quarter 2024 comparison.

| Location | 2023/24 First Quarter | 2023/24 Second Quarter | 2023/24 Third Quarter | 2023/24 Fourth Quarter |
|---|------------------------------|-------------------------------------|------------------------------------|----------------------------|
| | 1 June 2023 – 31 August 2023 | 1 September 2023 – 30 November 2023 | 1 December 2023 – 29 February 2024 | 1 March 2024 – 31 May 2024 |
| | Number | Number | Number | Number |
| Maungakotukutuku | 0 | 0 | 0 | 0 |
| Ōtaki | 2 | 13 | 4 | 15 |
| Ōtaki Forks | 0 | 4 | 30 | 2 |
| Paekākāriki | 0 | 2 | 0 | 0 |
| Paraparaumu (Central, North Beach, and South Beach & Otaihanga) | 21 | 1 | 10 | 47 |
| Peka Peka (Te Horo and Kaitawa) | 20 | 2 | 0 | 3 |
| Raumati Beach and Raumati South | 3 | 0 | 4 | 0 |
| Waikanae | 5 | 18 | 28 | 85 |
| Total | 51 | 40 | 76 | 152 |

Source: Kāpiti Coast District Council resource consent data.