

To: Jeremy Butler – Tasman District Council

From: Cam Wallace – Barker & Associates Limited

Date: 22 May 2026

Re: Capacity Estimates - Proposed Urban Growth Plan Change (Plan Change 81)

## 1.0 Introduction

### 1.1 Purpose

The following memo sets out high-level capacity estimates of the proposed Urban Growth Plan Change applying to urban areas around Richmond (PC81), building on previous capacity estimates undertaken in throughout 2024 during optioneering for PC81 and those as part of the development of the Nelson Tasman Future Development Strategy 2022-2052 (FDS). It is understood that PC81 builds on recommendations around future land uses and densities in the FDS and Richmond Spatial Plan (2024), subject to more detailed technical investigation from a range of other experts and stakeholder consultation undertaken.

### 1.2 Scope

Broadly speaking, PC81 seeks to introduce new areas of greenfield development and amend the underlying zone provisions for several residential and business zones across Tasman’s urban environment in line with the FDS. This assessment is focussed on the potential impacts of enabling medium density residential development in residential areas, as well as amendments to better enable residential living in Richmond Town Centre. A summary of the key drivers which will be used to inform the assessment are set out in Table 1 below.

**Table 1 - Proposed High-level Planning Controls**

Zone	Details and Notes
Medium Density Residential Zone	Minimum height – two storeys Maximum height – three storeys Density – 40 dwellings per hectare (net) Design-led rules framework
Richmond Town Centre	Minimum height – two storeys Maximum height – three storeys No residential on Ground Floor Density – 125 dwellings per hectare (net) Design-led rules framework

## 2.0 Methodology

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The methodology for calculating residential development capacity within the FDS is set out in Section 7.3 of the FDS' accompanying Technical Report (2022). The approach undertaken in the FDS has been utilised for this work, with slight variations to reflect updates to the proposed planning framework provided.

The methodology utilised for this revised capacity assessment is set out below:

1. All developable parcels where residential activity is allowed to occur were identified (i.e. residential or business zoned sites). This resulted in sites including reserves, schools or other community infrastructure being excluded from consideration for redevelopment;
2. Any remaining parcels below 500m<sup>2</sup> in size were then excluded from consideration.<sup>1</sup> 500m<sup>2</sup> has been adopted to reflect the proposed "Compact Density Method" of development. Whilst complete redevelopment of parcels of smaller than 500m<sup>2</sup> is possible, it is less likely that comprehensive redevelopment could occur due to incentives proposed in the planning framework as well as constraints around building coverage, yards, and location of existing buildings associated with infill development on smaller sites.
3. Following steps 1 and 2, parcels which were not under a freehold title (e.g. leasehold, cross lease, unit title) or those where there were obvious signs of significant or recent intensification (e.g. a retirement village or apartment building) had already occurred on site were removed. This includes those parcels identified in Appendix 2 of the Richmond Spatial Plan Technical Document. This reflects the challenge in the fragmented land ownership (including access arrangements such as private roads) and title structure which makes further redevelopment either difficult or no longer practically possible (and thus less likely to occur);
4. In conjunction with step 3, any parcel with a title issued after 2010 was also removed from consideration for redevelopment over the 30-year horizon of the FDS. This reflects, in part, the age of buildings/ development that has recently occurred on a site meaning the need (e.g. replacing older building stock) or desire to redevelop from existing landowners is likely to be lower. Figure 2 overleaf identifies those sites that were included within the revised capacity assessment following the process set out in steps 1 to 4 above;
5. Density assumptions of 40 dwellings per hectare (dph) were adopted for Medium Density zones, and 125dph for Richmond Town Centre. This is a reduction from early estimates in the FDS and early stages of PC81 which adopted density assumptions of 60 dph and 90 dph respectively for medium density zones. Once steps 1 – 4 had been undertaken, the density assumptions were applied to individual parcels rather than amalgamating the remaining parcel sizes into a single developable area. This reflects issues created by existing cadastral boundaries which reduce the potential yield available on any given site (e.g. recession planes or side-yard setbacks). For a 800m<sup>2</sup> parcel with the Medium Density 2 zone (with a gross density assumption of 40dph) applied this would equate to a potential for 3 new dwellings to be delivered. The process for deriving this figure on an example 800m<sup>2</sup> parcel is shown below:

a.  $800\text{m}^2 / 10,000 = 0.080\text{Ha}$

b.  $0.085\text{Ha} \times 40\text{dph} = 3 \text{ dwellings (rounded down from 3.2)}$

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<sup>1</sup> A site size threshold of 400m<sup>2</sup> was used for calculating residential capacity within the FDS.

- c. 3 dwellings – 1 existing dwelling = 2 new dwellings
6. Where intensification areas were identified in Richmond Town Centre or Local Centres, a further amendment to the dwelling capacity figure calculated in step 5 was also required to acknowledge that developments are also likely to include (or be required to provide) a commercial component which would reduce floorspace for residential uses (e.g. ground floor retail below an apartment building). In these situations, a reduction of residential development potential by 15% represents the loss of a single storey within a six-storey development.



**Figure 1 - Richmond Parcels included in Capacity Estimates (Green = included, Red = excluded)**



**Figure 2 – Wakefield, Brightwater and Motueka Parcels included in Capacity Estimates (Green = included, Red = excluded)**

7. Once all potential new dwellings had been calculated for eligible parcels within either a development area or the wider urban area, an intensification “uptake rate” was applied. Inclusion of an uptake rate is required as willingness of a landowner to participate in the market for redevelopment and/ or deliver a development to the theoretical maximum enabled under relevant planning controls is challenging to estimate. A 15% uptake was applied over a 30-year period for

the FDS. In other words, of the sites identified as being appropriate to support intensification in Richmond, only 15% of these will actually be redeveloped over the next 30-years.

### 3.0 Results

Based on the methodology set out above, Table 2 below a breakdown of the likely residential capacity that could be realised from PC81 to enable a comparison against the FDS assumptions.

**Table 2 - Revised 30-year Capacity Estimates**

Area	Dwelling Estimate
Richmond Town Centre	430
Richmond Medium Density Zone	1320
<b>Richmond Sub-total</b>	<b>1750</b>
Brightwater Medium Density Zone	95
Wakefield Medium Density Zone	160
Motueka Medium Density Zone	330
<b>Total</b>	<b>2335</b>

Table 2 above estimates that the proposed Plan Change could enable up to approximately 1,750 new dwellings over a 30-year period across Richmond. This represents a decrease of approximately 1000 dwellings than what was assumed could occur in Richmond under the FDS and a decrease of 1700 from the April 2024 estimates that were developed in the early stages of preparation of PC81. The main driver of this change is the less expansive area of medium density housing across Richmond than what was assumed under the FDS and Richmond Spatial Plan.

More modest increases are anticipated for Brightwater, Wakefield and Motueka due to the limited extent of medium density zoning proposed. However, the level of intensification proposed for the Medium Density 2 zone is greater than anticipated under the FDS for each of these areas. As such, the figures above represent an increase in 30 dwellings for Brightwater and 70 dwellings for Wakefield.