Future Development Strategy

Local Board Not Supplied

WRITTEN FEEDBACK
Volume 8

Date published: **Friday, 10 August 2023**

Future Development Plan 2023 #8602

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Your feedback

Focusing growth

Denser, more compact cities result in improvements to the environment, the economy, and people's wellbeing.

Auckland's urban area is made up of neighbourhoods, town centres and business areas that are interconnected and that support where most Aucklanders live, work and spend their leisure time.

We propose that most housing and business growth will be focused within existing urban areas and that this growth be more intensive. This means less growth in greenfield areas at Auckland's edges. What greenfield growth there is will be phased over 30 years and longer.

1. What do you think of our approach to focus most of Auckland's growth in existing urban areas?

Tell us why

Accessible local centres

When people have easy access to workplaces, services, facilities and shops, communities become more resilient and connected. It also helps to reduce travel time, emissions and lower household transport costs.

We propose focusing housing and business development near local centres where most people's daily needs are easy to access by walking, cycling and public transport.

2. What do you think of our approach to focus development near local centres?

Tell us why

Avoiding hazards

As our climate changes, the frequency and severity of hazards such as flooding, sea-level rise and coastal erosion will worsen. Where and how we plan for growth, and how we adapt to these hazards is increasingly important.

We propose that known areas constrained by significant natural hazard risk should be looked at to see if further development is appropriate.

Where development is already enabled in potentially vulnerable locations, we will further investigate appropriate actions.

3. **What do you think of our approach to avoid further growth in areas which are exposed to significant risk of environmental hazards?**

Tell us why

Resilient infrastructure

Infrastructure across Auckland needs to cope with ongoing change, such as the impacts of climate change and evolving technology.

Nature-based infrastructure, such as rain gardens, swales, and detention basins, is better able to respond to ongoing change. This can help protect communities from hazards, as well as protect and restore the natural environment.

We propose prioritising investment in infrastructure that is decentralised, nature-based, regenerative and mauri-enhancing.

4. **What do you think of our approach to prioritising nature-based infrastructure that responds to the impacts of climate change?**

Tell us why

Other feedback

5. Do you have any other feedback on our approach to how and where Auckland should grow and change?

Please refer to the attachment

#8602

FEEDBACK ON THE AUCKLAND COUNCIL'S DRAFT AUCKLAND FUTURE DEVELOPMENT STRATEGY 2023-2053

To: Auckland Council

Name of submitter: Classic Group

This submission provides feedback on the Auckland Council's draft Auckland Future Development Strategy 2023-2053 ("FDS").

Classic Group comprises one of New Zealand's largest residential builders and land developers. Its mission is to bring affordability and excellence to the housing market. Classic Builders has constructed over 6,500 homes in New Zealand.

In the Auckland context, Classic Group has been involved in the delivery of a wide range of housing and land development projects including both brownfield and greenfield developments. Classic Group has delivered a range of quality housing typologies to the Auckland market including, standalone homes, terraces, apartment buildings and retirement villages.

Notable Auckland projects have included its role as a key build partner at Hobsonville Point. Classic Group is also presently developing Hunua Views, comprising 34-hectares of land in Ramarama, Auckland, which will make up the residential portion of the Drury South Crossing precinct. Currently in the initial stages of a 10-stage development, this large-scale subdivision will deliver up to 650 homes. In addition to the provision of housing, Classic Group has delivered significant infrastructure to support this new urban community, including an arterial and local roading network, public walkways and amenity areas, a wastewater network and pump station and stormwater management areas, all at Hunua Views. Classic Group notes that this land was previously zoned as Future Urban. Classic Group has been able to deliver affordable quality housing which has provided greater choice to the Auckland housing market.

Classic Group is well placed to understand the opportunities and the challenges of delivering housing in both brownfield and greenfield contexts.

The submitter has the following feedback in relation to the provisions noted above:

1. That the current FDS is withdrawn for the reasons set out in the following feedback and the Council reengages with the community and key stakeholders to reconsider the approach to the FDS.

The reasons for the submitter's feedback are:

Introduction

1. Classic Group has significant concerns with respect to the Consultation Draft of the Auckland Future Development Strategy 2023-2053 ("the FDS"). As a general comment, Classic Group is deeply concerned about the significant shifting of policy settings. This approach creates significant investment uncertainty. Many land developers, including Classic Group, rely on clear and consistent policy positions when undertaking expensive long term investment decisions. The approach of the Auckland Council in releasing the FDS in its current form, is in Classic Group's view, very unfortunate.

2. Classic Group notes that Auckland's anticipated population and dwelling growth over the next 30 years has been planned for under the approved Auckland Plan 2050. Classic Group generally supports that Plan. Classic Group notes that under the current strategic framework, around 62 per cent of development over the next 30 years is anticipated to be within the existing urban area. The remaining development is anticipated to occur in future urban areas (32 per cent) and in rural areas (6 per cent).

3. Within this long-term strategic planning context, there is a need for consistency and certainty to enable efficient public sector investment in infrastructure and private sector delivery of development projects. While a review of the FDS is required (clause 3.16 of the NPS-UD) in order to align with three-yearly Long-Term Plan cycles, significant change at these times is not considered to be appropriate as it will undermine public confidence and investor confidence in a consistent approach to strategic planning.

4. Classic Group considers that greenfield development within the Future Urban Zone ("the FUZ") is part of the solution to managing Auckland's growth. It is accepted that intensification (infill) of the existing urban area is also an important means of accommodating growth. Classic Group is actively engaged in developing both infill and greenfield projects across various sites in Auckland, such as Ramarama/Drury, Avondale, Henderson, Hobsonville Point, Takanini, Mount Roskill, and Glen Innes. This submission reflects the perspective of a forward-thinking developer that recognizes the value of both infill and greenfield development, demonstrating a commitment to embracing diverse and sustainable development approaches, rather than being limited to traditional greenfield development practices. However, the two approaches can and should co-exist, in order to provide housing choice, efficient provision of infrastructure, homes close to existing sub-regional centres and towns, workplaces adjacent to existing transport infrastructure and residential growth areas, and resilience in the face of climate change. Classic Group is of the view the co-existence of both greenfield and infill housing will provide the best opportunity of

supporting a competitive land and development market.

5. FUZ areas recommended for "further investigation" or "TBC" on the FDS maps (refer Figure 13) are vague and uncertain. There can be no reliance on the retention of the FUZ on that land over the longer term. Identifying land in that manner in the FDS is not an appropriate approach for a strategy that is intended to provide development and investment certainty.

6. Long-term identification of future urban areas (2050+, for example) contributes to planning blight of the land over an extended period. The effect of significantly delayed urbanisation on land that has been signalled for such growth is lack of investment, removal of any significant productive potential, and creep of unauthorised urban activities. The amenity of such areas is greatly reduced, and that is a poor outcome if sustained for any significant period.

7. There is also an element of natural justice and fairness to consider in relation to the draft FDS. Developers, investors, and the public generally will have made decisions based on the current FULSS and the broader development strategy contained in the Auckland Plan 2050. Anyone purchasing land in the FUZ will have paid for the land based on a value that is heavily influenced by the clearly signalled development potential. The only discount applied, relative to 'live-zoned' urban land, is that relating to timing. An investment of this nature, where the future development potential is now being removed or substantially delayed, could result in financial ruin. Guiding strategy documents around urban growth should not be altered in any significant way. The successful implementation of Council's urban growth agenda hinges on active participation and investment from the private property development sector. Without the involvement of the private sector, Council's plans would remain mere intentions. Any deviation from these plans may erode the private sector's confidence in Council's commitments, leading to decreased investment in crucial areas and potentially impeding the success of future planning endeavours.

8. Classic Group understands that experience in Auckland since the advent of the AUP and the Auckland Plan 2050 has shown that, even with greenfield land available, at least 80% of new residential development has been established within the existing urban area. Auckland is well ahead of its intensification targets established in the AUP and Auckland Plan 2050, and further intervention is clearly not required.

9. Classic Group notes that the current the FULS outlined a programme for rezoning key parts of Auckland to enable growth. The only growth area subject to an Auckland Council plan change was Whenuapai (Plan Change 5). That public plan change was withdrawn by Council because of financial problems over infrastructure.

10. Classic Group notes that all other plan changes in north, west, east and south Auckland have relied on private plan changes to deliver the outcomes of the FULS. Without the private sector business and residential land supply (and housing costs) in Auckland would have been even more constrained.

11. Classic Group considers that is critical for Auckland that private investment and the provision of greenfield land is part of the solution.

National Policy Statement on Urban Development 2020 ("the NPS-UD")

12. Classic Group notes that the purpose of the FDS, as required by the National Policy Statement on Urban Development 2020 ("the NPS-UD"), is to set the high-level vision for accommodating urban growth over the long term and to identify strategic priorities to inform other development related decisions, such as the provision of infrastructure. The FDS seeks to promote long-term strategic planning by setting out the means by which a local authority intends to achieve a well-functioning urban environment, provide sufficient development capacity over the next 30 years, and integrate planning decisions with infrastructure planning and funding. This is intended to assist in delivering well-functioning urban environments that enable all people and communities to provide for their social, economic, and cultural wellbeing, and for their health and safety, now and into the future as required by Objective 1 of the NPS-UD.

13. Classic Group also notes that Objective 2 of the NPS UD seeks to ensure that planning decisions improve housing affordability by supporting competitive land and development markets. From Classic Group's perspective, it is important that sufficient opportunities are provided for a wide range of housing types and locations. This should include both brownfield and greenfield land. In Classic Group's view, this will provide the best opportunity to ensure suitable housing supply, the provision of housing choice and a competitive land market.

14. Classic Group supports the NPS-UD and intent of the FDS approach generally. It is important that Local and Unitary Authorities operate with a long term planning horizon to ensure that sufficient suitably live zoned land is made available to meet the short, medium and long term needs of the community.

15. Classic Group opposes the FDS being embedded into the Regional Policy Statement to restrict plan changes in FUZ. This will remove opportunities for advancing the urbanization of land, where that can address housing needs and where issues such as the provision of infrastructure have been resolved.

Further analysis, consultation and engagement is required before the FDS adopted

16. Classic Group notes that under clause 3.15 of the NPS-UD, the Council is required to engage with a range of parties to prepare a draft FDS, including other relevant councils, central government, hapū, and iwi, infrastructure providers, and the development sector. The broader requirements in Policy 10 require the Council to *"engage with the development sector to identify significant opportunities for urban development*". Engagement with the development sector is also required to identify infrastructure requirements.

17. Classic Group considers that the Council has not complied with its requirements under clause 3.15 of the NPS:UD and Policy 10. Based on the information provided by the Council the following consultation was undertaken prior to notification of the draft FDS:

    (a) a survey was sent to property developers on the Council's database to understand developer trends and future intentions[1]; and
    (b) the Council engaged with The Property Council.

[1] We understand that the survey was sent to people who had recently lodged a building consent with the Council.

18. Classic Group are a key stakeholder in the development sector, and a recognised developer in the Auckland region. Classic Group were not sent a survey or provided an opportunity to engage or contribute to the FDS. Classic Group is unable to identify any property developers who were surveyed by the Council. It does not appear that the Council surveyed a large proportion of developers in Auckland.

19. Classic Group considers that the FDS should be withdrawn and reconsidered following meaningful consultation with the development sector. It should also be delayed pending the central government elections, the review and approval of Plan Change 78 and the completion of the business land capacity study.

20. In preparing an FDS in accordance with clause 3.15 of the NPS:UD, local authorities must use the special consultative procedure in section 83 of the LGA. Section 83(1)(d) of the LGA provides that the Council must "*provide an opportunity for persons to present their views to the local authority in a manner that enables spoken interaction between the person and the local authority ...".*

21. Based on the information available on the Council's website, the Council is proposing to make changes to the FDS in response to written feedback and adopt the FDS in late 2023 without holding a public hearing. This approach is entirely inconsistent with the LGA. While the Council belatedly provided for one day for feedback, this invitation was not sent to Classic Group (or a number of large developers) and the limited dates that were provided were already fully booked.

22. The FDS will set in place a 30-year growth strategy for the Auckland region. This proposed FDS involves a fundamental change from the long-established growth pattern that has been in existence since 2011. This major change to existing long-established policy is being done with very limited public consultation prior to the proposal being published. Despite the Council's extension of the consultation timeframe, this process is of questionable legality and certainly contrary to democratic processes of consultation.

23. The special consultative process is generally applied to matters that have high significance to the community and may have major implications. As set out above, the FDS will have a material impact on growth and development in the Auckland region. Developers, and the public generally, deserve to have their concerns heard and understood. This right under the LGA has been recognised in other regions across New Zealand including in Nelson (where hearings were held in April 2022 on its FDS) and Rotorua (where a hearing is scheduled for August 2023).

24. Classic Group requests the Council schedules a hearing on the FDS in accordance with the LGA to enable all persons who provided feedback with the opportunity to be heard (as required by section 83(1)(d) and (e) of the LGA).

25. Classic Group notes that limited changes can be made through the Special Consultative Process without triggering the need to re-consult. Effective pre-engagement is therefore needed. Classic Group considers that independent hearings are required to consider the evidence.

Residential Capacity

26. Classic Group considers that the draft FDS significantly overstates the ability of the existing urban environment to meet the housing needs of the Auckland community. The FDS is essentially relying on all of Auckland's future housing stock deliverability to be provided through infill development.

27. One of the primary assumptions underpinning the Draft FDS is that there is at least sufficient development capacity available to meet demand in the existing urban area such that the Council does not need to enable urban expansion. The Draft FDS concludes that there is "plan enabled" capacity of 2,345,500 dwellings and this is several times greater than expected demand.

28. The assessment of plan-enabled capacity is based on the evaluation of development capacity done as part of the section 32 evaluation for PC 78. PC 78 is not operative and the timeframe for its completion has been extended by a year. Height and density across the urban area is yet to be resolved. In particular, additional analysis is still to be undertaken on flood hazard extents, which may have a material impact on the capacity assumptions within the urban area.

29. As such, capacity enabled by PC 78 cannot properly be classified as "plan enabled" and the uncertainties regarding the actual capacity that will be enabled indicate that the Draft FDS is significantly premature.

30. Classic Group also undertakes infill housing as part of its portfolio. While such housing is indeed *part* of the housing solution, these areas comprise a much higher percentage of small-scale developers, land-bankers or 'mum and dad" investors.

31. Classic Group considers that there is a need to consider "*feasible and reasonably expected to be realised*" capacity by location and type.

32. There are many reasons why existing urban land may not be suitable for redevelopment. This includes the circumstances of the land owners, the existing capital investment on the land that makes redevelopment cost prohibitive, and the lack of suitable infrastructure capacity. This has certainly been Classic Group's experience when developing such infill land.

33. Noting the current recession and uncertainty in the housing market, a slowdown in the availability of greenfield land for housing development will result in a significant reduction in general housing stock availability. Whilst the length of recession is unknown, the current FDS will likely contribute to significantly lower housing availability and further delays in housing deliverability, and increased house prices over the short term.

34. Despite the assertion that the MDRS will significantly increase infill housing supply, Classic Group notes that since 2016 most of urban areas in Auckland have been able to develop 1-3 dwellings as a permitted activity. Despite this opportunity, the share of Auckland's dwelling growth that has been delivered by these smaller permitted activities is considerably less efficient than larger multi-unit developments and greenfield neighbourhoods. Classic Group has significant doubts that the MDRS will deliver a larger percentage of growth than the present situation.

35. The draft FDS will result in a significant reduction in available housing capacity, with no economic assessment of the overall flow on effects from removing or delaying such large areas of FUZ land. Classic Group notes that infill and redevelopment housing is generally 20-30% more expensive to build than greenfield housing. The reduction in land supply will place ongoing upward price pressures on houses, as experienced in Auckland since the introduction of the AUP in 2016.

36. The FDS targets urban growth only at Red Hills, Tāmaki; Mangere; Mt Roskill. These are very largely identified as the Kainga Ora redevelopment areas. These locations are too confined and will not provide for the necessary breadth of growth; and too limited in the geographic spread in terms of where people desire to live, and the breadth of lifestyle choice that people seek.

37. Classic Group notes that the Auckland Council has obtained a further 12-month extension for implementation of the MDRS under Plan Change 78. We understand that the primary reason is the uncertainty of the ability to intensify some existing urban areas due to the recent flooding events. There is significant uncertainty as the extent that these recent weather events will reduce the development capacity in the existing urban areas. Classic Group considers that it is premature to undertake changes to the FUZ (including staging) until Plan Change 78 has been approved.

38. Classic Group also notes that the FDS proposes to remove areas of FUZ, but there is no indication that the Council has considered areas outside the FUZ to address this reduction of land.

Constraining land supply directly impacts housing affordability

35. The key lesson of the 2000s and mid-2010s is that constraining land supply raises land value expectations in the current owners, which in turn raise the price developers need to pay for the land, which, when passed on to the end resident, significantly raises house cost. Under supply of land distorts normal market operations.

36. It is not the developer who is making the significant value uplift. Developer margins have been reasonably constant. It is the distortion in the market that raises hope value amongst existing rural and urban landowners, because there is a critical land supply shortage. A healthy over zoning is an important method to ensure these distortions do not occur.

37. It is also important to note that the build cost for 2-3 storey attached housing typologies and 3-5 storey apartments contemplated in brownfields environments under this policy are significantly more than traditional detached 1 & 2 Storey homes commonly found in greenfield developments. Therefore, eliminating greenfield will only lead to negative impacts on housing supply and affordability will only get worse.

38. One of the key unintended consequences of the FDS is that it will significantly constrain land supply, which will have a further negative impact on housing affordability.

39. This is completely at odds with direction from central government through the NPSUD which directs Councils to provide “at least” sufficient capacity and aims to improve housing affordability.

Business Land Supply

39. Classic Group acknowledges that the FDS not just about delivering homes and housing, but it is also about well-located opportunities for business activity and community facilities, to offer good accessibility to employment and a range of household needs in the urban setting. These are all relevant matters when considering Auckland's Future Urban Areas. Classic Group notes that this is particularly relevant in the Auckland context which is a polycentric city which comprises a number of metropolitan centres throughout the Auckland urban environment from the Albany Metropolitan centre in the north to the new Drury Metropolitan centre in the south[2]. Locating employment land close to where people live will help address congestion issues and greenhouse gas emissions.

40. The draft FDS confirms that about 1,400 hectares of additional greenfield land for business activities is required in the long term. This includes approximately 1,000 hectares of land for land extensive business activities and 400 hectares of land enabling business activity and mixed use in centres and business areas. The land will mainly need to be accommodated in the Future Urban Zoned locations and these is an opportunity to ensure that such business land is also aligned with future housing and community infrastructure to provide the opportunity for people to live, work and play in their particular community. The lack of land use integration of both employment land and housing will lead to the reinforcement of cross regional transport demand which will exacerbate travel times, congestion and result in increased greenhouse gas emissions.

41. Classic Group considers that meaningful intensification of the existing urban area is an unrealistic option for industrial development, particularly for land-extensive floorplates. Provision for most of this growth will need to be in greenfield locations. The capacity alleged in the FDS is based on incorrect assumptions as to vacant land and an unrealistic assumption that brownfield business sites can be redeveloped at very high density. Some of the key assumptions in the draft rely on multi-story industrial development and very high building to land efficiencies. The assumptions are optimistic and need to be tested. The end result appears to be an over estimation of the available business land capacity s at present and an under-provision over the 30-year period.

42. There is a significant undersupply of industrial land at the current time, even before further constraints are imposed as proposed in the FDS. Market research indicates that there is a substantial undersupply of large vacant industrial sites, particularly in the north-west of Auckland, yet the draft FDS proposes no new greenfield development in this part of the region until at least 2035+. That provision will fall short of the Council's land supply obligations under the NPS-UD.

43. Classic Group also notes that the Business assessment is not complete. This is a fundamental part of the evidence base that needs to be completed to inform the FDS. Without an adequate supply of employment land, Auckland risks reducing its competitiveness and business will relocate outside of Auckland.

44. The FDS should be delayed until this work has been completed.

[2] There 11 metropolitan centres across Auckland: Albany (emerging), Takapuna, Westgate (emerging), Henderson, New Lynn, Newmarket, Sylvia Park (emerging), Botany (emerging), Manukau, Papakura and Drury (emerging), plus the City Centre.

FDS Identified Site Constraints and Flooding Matters

45. The FDS cites that there are a number of statutory and non-statutory documents that support the concerns raised in the FDS as reasons why growth in the FUZ should be slowed and further assessments completed. The includes documents like The *National Policy Statement for Freshwater Management 2020* which deals with sensitive hydrological spaces, inclusive of wetlands and streams. Sediment and erosion are controlled by consent conditions and Council's own GD-05 standards. The recent flood events have been identified as one of the reasons *to* prevent greenfield development due to several stated constraints.

46. Classic Group disagrees with the approach. The existing planning documents already provide a pathway and a consenting framework to address such matters. In any event, the potential for enhanced regulatory methods (i.e., even better stormwater performance requirements) should have been considered as options. It is also noted that the requirement for structure planning and an eventual Plan Change provides more than sufficient controls to ensure that site constraints (including Natural Hazards) are identified and suitably addressed.

47. Classic Group acknowledges that land developed for housing or business needs to either avoid or successfully mitigate the effects of natural hazards including flooding and land stability. However, the solution is not to remove future urban zoning completely or down zone existing urban land where there is "possible" hazard risk. The solution is to ensure that before a development proceeds, it has been robustly tested for vulnerability to natural hazards and can demonstrate that any identified natural hazard risks can be avoided, remedied or mitigated.

48. In Classic Group's experience when developing larger greenfield sites, there is ample opportunity (and land) to masterplan developments to comprehensive consider, plans for, and manage natural hazards and stormwater issues and, as noted above, there are already sufficient controls within the Unitary Plans to manage such effects. Classic Group is not aware of any recently rezoned greenfield areas that failed or suffered undue flooding damage as a result of the recent stormwater effects. On the contrary, it was largely areas of infill housing that experienced the most significant adverse flooding damage.

49. Provided new development is accompanied by appropriately designed and tested engineering solutions paid for by the developer, then it is not necessary, nor is it appropriate, to constrain development based on a perception of a flooding risk or geotechnical risk. The correct response is to ensure that natural hazard risks are successfully managed or removed through robust engineering design and investment.

50. Classic Group also notes that it is likely that additional qualifying matters, such as flooding, would prevent or delay development under the MRDS until this aspect of development was resolved. The current uncertainty around the final outcomes of Plan Change 78 and the MDRS (including the 'theoretical yield') further highlights the lack on certainty of the ability for the Policy framework to provide suitable housing choice to the Auckland community.

51. Classic Group has been involved in a significant number of both greenfield and brownfields subdivisions and it is of the view that density done well, designed in an integrated manner from

the outset with good modern infrastructure standards, is far superior to ad-hoc and fragmented infill in older, often car-orientated neighbourhoods with very poor infrastructure.

Governmental Uncertainty

52. Classic Group notes that the National party has signalled that it will likely make the MDRS "optional". There is current significant uncertainty as to whether they will continue to support and deliver the capacity envisaged under the MDRS. Should the approach to the MDRS change Council will be left with a FDS that serves a limited purpose and provides for a watered-down infill approach relying on infill uptake much like we already have under the AUP, but with a diminished ability to bring in greenfield land.

Infrastructure Services and Funding

53. The Draft FDS assumes that servicing greenfield development is more expensive than brownfield development, when in fact having regard to the many constraints faced when retrofitting infrastructure in an existing urban area, this is mostly not the case.

54. The draft FDS also assumes that only the Council will fund core infrastructure. This is not correct, and on many projects the developer funds and delivers the infrastructure. The infrastructure triggers in the FDS are unclear and appear to assume that all infrastructure needs to be delivered before rezoning occurs. This is also unrealistic as the private sector will not invest in the absence of certainty about land use outcomes, as it is the approval of land use that enables developers to secure funding for the infrastructure. The Council is very unlikely to be in a position to fund the required infrastructure and it needs to work in partnership with the private sector to deliver the infrastructure and land use outcomes required.

55. Classic Group considers that providing infrastructure in the FUZ integrates suitably sized infrastructure from the beginning. Because it is a 'clean slate', there is an opportunity to design and size infrastrucure within the context, use the land effeciently and maximise development, and the investment that the Council makes. For existing communities on the urban/FUZ interface, greenfield development may enable additional critical mass and additional economic support for their local neighbourhoods.

56. Classic Group notes that in terms of greenfield areas, on site infrastructure is generally funded by developers. Offsite infrastructure to meet the demands of growth is largely funded in accordance with an approved Developer Contribution Policy or other approved funding framework.

57. Classic Group considers that the FDS significantly underestimates the costs and feasibility for retrofitting infrastructure into existing brownfield areas. There are also significant issues with the ability for developers to obtain a "rights of entry" to access infrastructure on private land. Classic Group has walked away from many infill housing opportunities on the basis that there is no clear or certain pathway to be able to connect a development into the existing infrastructure network. This issue already frustrates intensification under the current Unitary Plan provisions and it will not be addressed by PC78.

58. There is very little mention of development contributions as a means to resolve funding shortfalls often cited in the FDS, notwithstanding large-scale development proposals almost always (via the

Plan Change Process) incorporate transport and infrastructure upgrade triggers as part of any successful rezoning. We can only presume that the Council has no appetite to contribute any funding to future FUZ developments in the short to medium term, hence why this option has been almost entirely discounted from the FDS. Developers have (for some time) successfully shared the cost of greenfield redevelopment in previously identified FUZ areas – through both standard development contributions required under conditions of consent, and/or by infrastructure growth agreements with services providers.

59. It is accepted that the Council has financial constraints which are negatively impacting infrastructure provision. However, the solution is not to stop greenfield development and have a narrow focus for urban consolidation for a decade. If the problem is funding infrastructure, then the solution is to use alternative ways to fund infrastructure such as developer funding and the use of the Infrastructure Financing and Funding Act 2020.

60. Classic Group consider that where infrastructure investment has occurred, those areas should be prioritised so that a return can be obtained from the funding that has already been invested. For example, Council and its CCOs have invested $181m for the Northern Interceptor bulk wastewater line and North Harbour 2 watermain, both of which are required to service the Whenuapai area. Another example is Drury South.

Conclusion

61. A quality FDS will support economic competitiveness over the next 30 years. To prepare the draft FDS, the NPS-UD requires engagement with the development sector (to identify significant future development opportunities and infrastructure requirements) (clause 3.15).

62. This is needed because developers ultimately implement the FDS – providing for growth in the wrong locations means supply will fall short of demand with flow-on effects for housing affordability and business productivity.

63. The FDS seeks to promote long-term strategic planning by setting out the means by which a local authority intends to achieve a well-functioning urban environment, provide sufficient development capacity over the next 30 years, and integrate planning decisions with infrastructure planning and funding. This is intended to enable all people and communities to provide for their social, economic, and cultural wellbeing, and for their health and safety, now and into the future.

The submitter's concerns would be addressed if the draft Future Development Strategy was amended in the following way:

- That the current FDS is withdrawn or paused for the reasons set out in the above feedback and the Council meaningfully engages with the community and key stakeholders to reconsider the approach to the FDS.

- That no changes are made to the FUZ (including staging) until Plan Change 78 has been approved.

- The FDS should be delayed until the Business Capacity Assessment has been completed.
- The Council should work with the community and key stakeholders, including the residential development sector, to develop key principles including:

  (i) that sufficient land must be released at the appropriate time to cater for growth;

  (ii) that land supply will continue to occur with a combination of urban consolidation, greenfield development, and the expansion of satellite townships;

  (iii) that growth needs to be serviced by adequate infrastructure, with a range of funding options explored including innovative methods and participation by the private sector (investment and development);

  (iv) that stormwater and flood plain management are important factors and need to be considered in the release of land, but recognising different appropriate methods to manage such land;

  (v) That these principles are applied on an area by area basis to identify the release of land;

  (vi) ensure there is sufficient continuous release of employment and residential land to cater for growth;

  (vii) enable and support the private sector to deliver the range and quality of urban growth that is good for the community and which the NPS-UD and RPS aspires to achieve;

  (viii) retain changes to the RUB as a district control matter.

- Any consequential changes where these are required to give effect to the relief outlined above.

The submitter appreciates the opportunity to provide informal feedback on Auckland Council's draft Auckland Future Development Strategy 2023-2053 and thanks the Council staff and elected members for their time in considering the matters that have been raised in this submission.

The submitter would welcome contact from staff in the FDS team if any clarification or further information is required.



Michael Campbell
Campbell Brown Planning Limited
For and on behalf of Classic Group as its duly authorised agent

Date: 31 July 2023

Address for service of submitter:

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Future Development Plan 2023 #8603

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Your feedback

Focusing growth

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We propose that most housing and business growth will be focused within existing urban areas and that this growth be more intensive. This means less growth in greenfield areas at Auckland's edges. What greenfield growth there is will be phased over 30 years and longer.

1. What do you think of our approach to focus most of Auckland's growth in existing urban areas?

Tell us why

Accessible local centres

When people have easy access to workplaces, services, facilities and shops, communities become more resilient and connected. It also helps to reduce travel time, emissions and lower household transport costs.

We propose focusing housing and business development near local centres where most people's daily needs are easy to access by walking, cycling and public transport.

2. What do you think of our approach to focus development near local centres?

Tell us why

Avoiding hazards

As our climate changes, the frequency and severity of hazards such as flooding, sea-level rise and coastal erosion will worsen. Where and how we plan for growth, and how we adapt to these hazards is increasingly important.

We propose that known areas constrained by significant natural hazard risk should be looked at to see if further development is appropriate.

Where development is already enabled in potentially vulnerable locations, we will further investigate appropriate actions.

3. **What do you think of our approach to avoid further growth in areas which are exposed to significant risk of environmental hazards?**

Tell us why

Resilient infrastructure

Infrastructure across Auckland needs to cope with ongoing change, such as the impacts of climate change and evolving technology.

Nature-based infrastructure, such as rain gardens, swales, and detention basins, is better able to respond to ongoing change. This can help protect communities from hazards, as well as protect and restore the natural environment.

We propose prioritising investment in infrastructure that is decentralised, nature-based, regenerative and mauri-enhancing.

4. **What do you think of our approach to prioritising nature-based infrastructure that responds to the impacts of climate change?**

Tell us why

Other feedback

5. Do you have any other feedback on our approach to how and where Auckland should grow and change?

Please refer the attachment

FEEDBACK ON THE AUCKLAND COUNCIL'S DRAFT AUCKLAND FUTURE DEVELOPMENT STRATEGY 2023-2053

To: Auckland Council

Name of submitter: Kings Heights Group Limited

This submission provides feedback on the Auckland Council's draft Auckland Future Development Strategy 2023-2053 ("FDS").

Kings Heights Group Limited ("Kings Heights Group"), owns a site at [redacted] in Hobsonville. This land is generally contiguous with the existing urban environment and it is located in a wider island of Future Urban Zoned ("FUZ") land that is defined by Hobsonville Road to the south and State Highway 18 to the north and west. The area is proximate to the Westgate Metropolitan Centre.

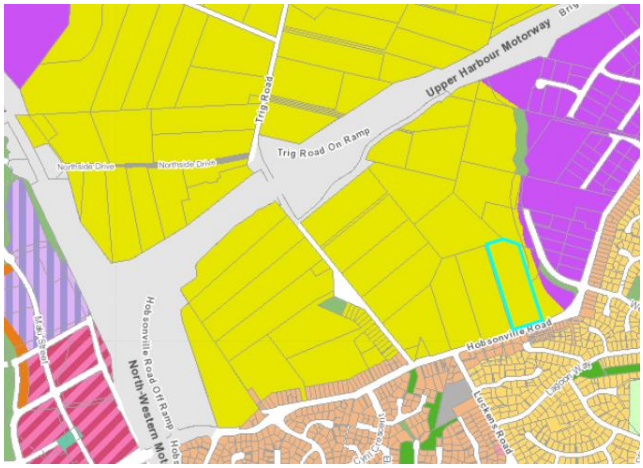


Figure 1 – 82 Hobsonville Road, Hobsonville

We note that under the Auckland Future Urban Land Supply Strategy, dated 7 July 2017 ("the FULSS"), 82 Hobsonville Road is identified as development ready in the first half of decade one 2018-2022. This is indicated in Figure 2 below.

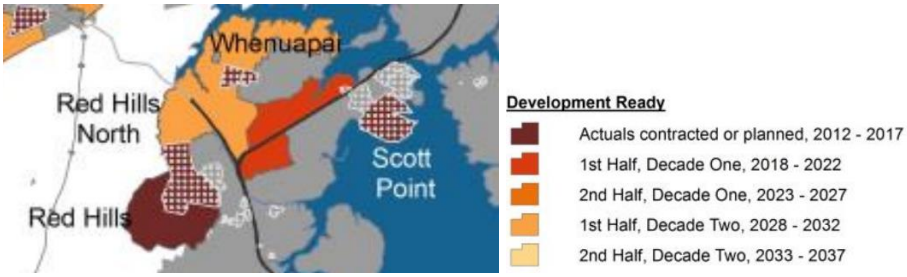


Figure 2 – Auckland Future Urban Land Supply Strategy Map

We also note that a structure plan have been approved for this area, and the Whenuapai Plan Change (Plan Change 5) was proposed, which was withdrawn last year. There is considerable existing and proposed infrastructure investment and policy support for the urbanisation of this land.

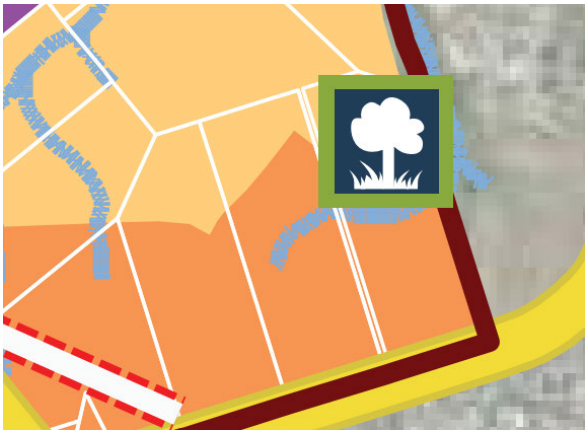


Figure 3 – Whenuapai Spatial Plan

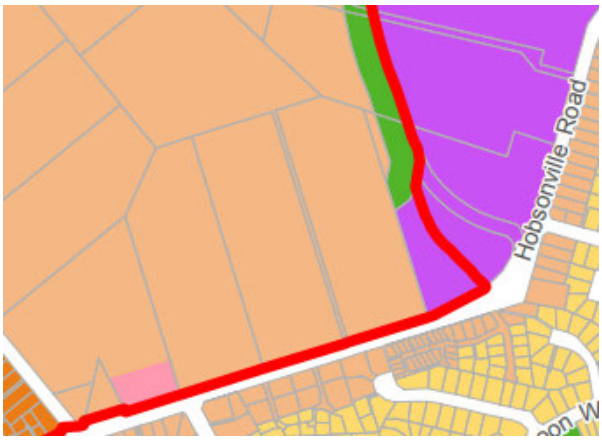


Figure 4 – Whenuapai Plan Change 5

The submitter has the following feedback in relation to the provisions noted above:

1. That the current FDS is withdrawn for the reasons set out in the following feedback and the Council reengages with the community and key stakeholders to reconsider the approach to the FDS.

2. That the future urbanisation of 82 Hobsonville Road is accurately captured in any eventual FDS document, and is noted as development ready land, with a proposed timing of "immediate urbanisation".

The reasons for the submitter's feedback are:

Introduction

1. Kings Heights Group has significant concerns with respect to the Consultation Draft of the Auckland Future Development Strategy 2023-2053 ("the FDS"). It shows 82 Hobsonville Road as

having a new timing for urbanisation for 2035+. Refer map from the FDS for Whenuapai in **Figure 5**.



Figure 5: Proposed timing and approach for Hobsonville and Whenuapai Urban Areas

2. Kings Heights Group is deeply concerned about the significant shifting of policy settings in the draft FDS. This approach creates significant investment uncertainty. Many land developers, including Kings Heights Group rely on clear and consistent policy positions when undertaking expensive long term investment decisions.

3. Kings Heights Group notes that Auckland's anticipated population and dwelling growth over the next 30 years has been planned for under the approved Auckland Plan 2050. Kings Heights Group generally supports that Plan. Kings Heights Group notes that under the current strategic framework, around 62 per cent of development over the next 30 years is anticipated to be within the existing urban area. The remaining development is anticipated to occur in future urban areas (32 per cent) and in rural areas (6 per cent).

4. Within this long-term strategic planning context, there is a need for consistency and certainty to enable efficient public sector investment in infrastructure and private sector delivery of development projects. While a review of the FDS is required (clause 3.16 of the NPS-UD) in order to align with three-yearly Long-term Plan cycles, significant change at these times is not considered to be appropriate as it will undermine public confidence in a consistent approach to strategic planning.

5. Kings Heights Group considers that greenfield development within the Future Urban Zone ("the FUZ") is part of the solution to managing Auckland's growth. It is accepted that intensification (infill) of the existing urban area is also an important means of accommodating growth. However, the two approaches can and should co-exist, in order to provide housing choice, efficient provision of infrastructure, homes close to existing sub-regional centres and towns, workplaces adjacent to existing transport infrastructure and residential growth areas, and resilience in the face of climate change. Kings Heights Group is of the view the coexistence of both greenfield and infill housing will provide the best opportunity of supporting a competitive land and development market.

6. FUZ areas recommended for "further investigation" or "TBC" on the FDS maps (refer Figure 13) are vague, uncertain. There can be no reliance on the retention of the FUZ on that land over the longer term. Identifying land in that manner in the FDS is not an appropriate approach for a strategy that is intended to provide development and investment certainty.

7. Long-term identification of future urban areas (2050+, for example) contributes to planning blight of the land over an extended period. The effect of significantly delayed urbanisation on land that

has been signalled for such growth is lack of investment, removal of any significant productive potential, and creep of unauthorised urban activities. The amenity of such areas is greatly reduced, and that is a poor outcome if sustained for any significant period.

8. There is also an element of natural justice and fairness to consider in relation to the draft FDS. Developers, investors, and the public generally will have made decisions based on the current FULSS and the broader development strategy contained in the Auckland Plan 2050. Anyone purchasing land in the FUZ will have paid for the land based on a value that is heavily influenced by the clearly signalled development potential. The only discount applied, relative to 'live-zoned' urban land, is that relating to timing. An investment of this nature, where the future development potential is now being removed or substantially delayed, could result in financial ruin. Guiding strategy documents around urban growth should not be altered in any significant way.

9. Kings Heights Group understands that experience in Auckland since the advent of the AUP and the Auckland Plan 2050 has shown that, even with greenfield land available, at least 80% of new residential development has been established within the existing urban area. Auckland is well ahead of its intensification targets established in the AUP and Auckland Plan 2050, and further intervention is clearly not required.

10. Kings Heights Group notes that the current the FULS outlined a programme for rezoning key parts of Auckland to enable growth. The only growth area subject to an Auckland Council plan change was Whenuapai (Plan Change 5). That public plan change was withdrawn by Council because of financial problems over infrastructure.

11. Kings Heights Group notes that all other plan changes in north, west, east and south Auckland have relied on private plan changes to deliver the outcomes of the FULS. Without the private sector business and residential land supply (and housing costs) in Auckland would have been even more constrained.

12. Kings Heights Group considers that is critical for Auckland that private investment and the provision of greenfield land is part of the solution.

National Policy Statement on Urban Development 2020 ("the NPS-UD")

13. Kings Heights Group notes that the purpose of the FDS, as required by the National Policy Statement on Urban Development 2020 ("the NPS-UD"), is to set the high-level vision for accommodating urban growth over the long term and to identify strategic priorities to inform other development related decisions, such as the provision of infrastructure. The FDS seeks to promote long-term strategic planning by setting out the means by which a local authority intends to achieve a well-functioning urban environment, provide sufficient development capacity over the next 30 years, and integrate planning decisions with infrastructure planning and funding. This is intended to assist in deliver well-functioning urban environments that enable all people and communities to provide for their social, economic, and cultural wellbeing, and for their health and safety, now and into the future as required by Objective 1 of the NPS-UD.

14. Kings Heights Group also notes that Objective 2 of the NPS UD seeks to ensure that planning decisions improve housing affordability by supporting competitive land and development markets. From Kings Heights Group perspective, it is important that sufficient opportunities are provided for a wide range of housing types and locations. This should include both Brownfield and Greenfield land. In the Submitter's view, this will provide the best opportunity to ensure suitable housing supply, the provision of housing choice and a competitive land market.

15. Kings Heights Group supports the NPS-UD and intent of the FDS approach generally. It is important that Local and Unitary Authorities operate with a long term planning horizon to ensure that sufficient suitably live zoned land is made available to meet the short, medium and long term needs of the community.

16. Kings Heights Group opposes the FDS being embedded into the Regional Policy Statement to restrict plan changes in FUZ. This will remove opportunities for advancing the urbanisation of land, where that can address housing needs and where issues such as the provision of infrastructure have been resolved.

Further analysis, consultation and engagement is required before the FDS adopted

17. Kings Heights Group notes that under clause 3.15 of the NPS-UD, the Council is required to engage with a range of parties to prepare a draft FDS, including other relevant councils, central government, hapū, and iwi, infrastructure providers, and the development sector. The broader requirements in Policy 10 require the Council to *"engage with the development sector to identify significant opportunities for urban development*". Engagement with the development sector is also required to identify infrastructure requirements.

18. Kings Heights Group considers that the Council has not complied with its requirements under clause 3.15 of the NPS:UD and Policy 10. Based on the information provided by the Council the following consultation was undertaken prior to notification of the draft FDS:

    (a) a survey was sent to property developers on the Council's database to understand developer trends and future intentions[1]; and
    (b) the Council engaged with The Property Council.

19. The Submitters are a key stakeholder in the development sector in Auckland. Kings Heights Group were not sent a survey or provided an opportunity to engage or contribute to the FDS. Kings Heights Group is unable to identify any property developers who were surveyed by the Council. It does not appear that the Council surveyed a large proportion of developers in Auckland.

20. Kings Heights Group considers that the FDS should be withdrawn and reconsidered following meaningful consultation with the development sector and landowners in the FUZ. It should also be delayed pending the central government elections, the review and approval of Plan Change 78 and the completion of the business land capacity study.

21. In preparing an FDS in accordance with clause 3.15 of the NPS:UD, local authorities must use the special consultative procedure in section 83 of the LGA.. Section 83(1)(d) of the LGA provides that

[1] We understand that the survey was sent to people who had recently lodged a building consent with the Council.

the Council must "*provide an opportunity for persons to present their views to the local authority in a manner that enables spoken interaction between the person and the local authority ...".*

22. Based on the information available on the Council's website, the Council is proposing to make changes to the FDS in response to written feedback and adopt the FDS in late 2023 without holding a public hearing. This approach is entirely inconsistent with the LGA. While the Council belatedly provided for one day for feedback, this invitation was not sent to The Submitter(or a number of large developers) and the limited dates that were provided were already fully booked.

23. The special consultative process is generally applied to matters that have high significance to the community and may have major implications. As set out above, the FDS will have a material impact on growth and development in the Auckland region. Developers, and the public generally, deserve to have their concerns heard and understood. This right under the LGA has been recognised in other regions across New Zealand including in Nelson (where hearings were held in April 2022 on its FDS) and Rotorua (where a hearing is scheduled for August 2023).

24. Kings Heights Group requests the Council schedules a hearing on the FDS in accordance with the LGA to enable all persons who provided feedback with the opportunity to be heard (as required by section 83(1)(d) and (e) of the LGA).

25. Kings Heights Group notes that limited changes can be made through the Special Consultative Process without triggering the need to re-consult. Effective pre-engagement is therefore needed. Kings Heights Group considers that independent hearings are required to consider the evidence.

Residential Capacity

26. Kings Heights Group considers that the draft FDS significantly overstates the ability of the existing urban environment to meet the housing needs of the Auckland community. The FDS is essentially relying on all of Auckland's future housing stock deliverability to be provided through infill development.

27. The FDS analysis appears to be based on plan-enabled capacity. Kings Heights Group considers that there is a need to consider "*feasible and reasonably expected to be realised*" capacity by location and type.

28. There are many reasons why existing urban land may not be suitable for redevelopment. This includes the circumstances of the land owners, the existing capital investment on the land that makes redevelopment cost prohibitive, and the lack of suitable infrastructure capacity.

29. Noting the current recession and uncertainty in the housing market, a slowdown in the availability of greenfield land for housing development will result in a significant reduction in general housing stock availability. Whilst the length of recession is unknown, the current FDS will likely contribute to significantly lower housing availability and further delays in housing deliverability, and increased house prices over the short term.

30. Despite the assertion that the MDRS will significantly increase infill housing supply, Kings Heights Group notes that since 2016 most of urban areas in Auckland have been able to develop 1-3

dwellings as a permitted activity. Despite this opportunity, the share of Auckland's dwelling growth that has been delivered by these smaller permitted activities is considerably less efficient than larger multi-unit developments and greenfield neighbourhoods. Kings Heights Group has significant doubts that the MDRS will deliver a larger percentage of growth than the present situation.

31. The draft FDS will result in a significant reduction in available housing capacity, with no economic assessment of the overall flow on effects from removing or delaying such large areas of FUZ land. Kings Heights Group notes that infill and redevelopment housing is generally 20-30% more expensive to build than greenfield housing. The reduction in land supply will place ongoing upward price pressures on houses, as experienced in Auckland since the introduction of the AUP in 2016.

32. The FDS targets urban growth only at Red Hills, Tāmaki; Mangere; Mt Roskill. These are very largely identified as the Kainga Ora redevelopment areas. These locations are too confined and will not provide for the necessary breadth of growth; and too limited in the geographic spread in terms of where people desire to live, and the breadth of lifestyle choice that people seek.

33. Kings Heights Group notes that the Auckland Council has obtained a further 12-month extension for implementation of the MDRS under Plan Change 78. We understand that the primary reason is the uncertainty of the ability to intensify some existing urban areas due to the recent flooding events. There is significant uncertainty as the extent that these recent weather events will reduce the development capacity in the existing urban areas. Kings Heights Group considers that it is premature to undertake changes to the FUZ (including staging) until Plan Change 78 has been approved.

34. Kings Heights Group also notes that the FDS proposes to remove areas of FUZ, but there is no indication that the Council has considered areas outside the FUZ to address this reduction of land.

Constraining land supply directly impacts housing affordability

35. The key lesson of the 2000's and mid-2010's is that constraining land supply raises land value expectations in the current owners, which in turn raise the price developers need to pay for the land, which, when passed on to the end resident, significantly raises house cost. Under supply of land distorts normal market operations.

36. It is not the developer who is making the significant value uplift. Developer margins have been reasonably constant. It is the distortion in the market that raises hope value amongst existing rural and urban landowners, because there is a critical land supply shortage. A healthy over zoning is an important method to ensure these distortions do not occur.

37. It is also important to note that the build cost for 2-3 storey attached housing typologies and 3-5 storey apartments contemplated in brownfields environments under this policy are significantly more than traditional detached 1 & 2 Storey homes commonly found in greenfield developments. Therefore, eliminating greenfield will only lead to negative impacts on housing supply and affordability will only get worse.

38. One of the key unintended consequences of the FDS is that it will significantly constrain land supply, which will have a further negative impact on housing affordability.

39. This is completely at odds with direction from central government through the NPSUD which directs Councils to provide "at least" sufficient capacity and aims to improve housing affordability.

Business Land Supply

40. The Submitteracknowledges that the FDS is not just about delivering homes and housing, but it is also about well-located opportunities for business activity and community facilities, to offer good accessibility to employment and a range of household needs in the urban setting. These are all relevant matters when considering Auckland's Future Urban Areas. Kings Heights Group notes that this is particularly relevant in the Auckland context which is a polycentric city which comprises a number of metropolitan centres throughout the Auckland urban environment from the Albany Metropolitan centre in the north to the new Drury Metropolitan centre in the south[2]. Locating employment land close to where people live will help address congestion issues and greenhouse gas emissions.

41. The draft FDS confirms that about 1,400 hectares of additional greenfield land for business activities is required in the long term. This includes approximately 1,000 hectares of land for land extensive business activities and 400 hectares of land enabling business activity and mixed use in centres and business areas. The land will mainly need to be accommodated in the Future Urban Zoned locations and these is an opportunity to ensure that such business land is also aligned with future housing and community infrastructure to provide the opportunity for people to live, work and play in their particular community. The lack of land use integration of both employment land and housing will lead to the reinforcement of cross regional transport demand which will exacerbate travel times, congestion and result in increased greenhouse gas emissions.

42. Kings Heights Group considers that meaningful intensification of the existing urban area is an unrealistic option for industrial development, particularly for land-extensive floorplates. Provision for most of this growth will need to be in greenfield locations. The capacity alleged in the FDS is based on incorrect assumptions as to vacant land and an unrealistic assumption that brownfield business sites can be redeveloped at very high density. Some of the key assumptions in the draft rely on multi-story industrial development and very high building to land efficiencies. The assumptions are optimistic and need to be tested. The end result appears to be an over estimation of the available business land capacity s at present and an under-provision over the 30-year period.

43. There is a significant undersupply of industrial land at the current time, even before further constraints are imposed as proposed in the FDS. Market research indicates that there is a substantial undersupply of large vacant industrial sites, particularly in the north-west of Auckland, yet the draft FDS proposes no new greenfield development in this part of the region until at least 2035+. That provision will fall short of the Council's land supply obligations under the NPS-UD.

44. Kings Heights Group also notes that the Business assessment is not complete. This is a fundamental part of the evidence base that needs to be completed to inform the FDS. Without an adequate supply of employment land, Auckland risks reducing its competitiveness and business will relocate outside of Auckland.

[2] There 11 metropolitan centres across Auckland: Albany (emerging), Takapuna, Westgate (emerging), Henderson, New Lynn, Newmarket, Sylvia Park (emerging), Botany (emerging), Manukau, Papakura and Drury (emerging), plus the City Centre.

45. The FDS should be delayed until this work has been completed.

FDS Identified Site Constraints and Flooding Matters

46. The FDS cites that there are a number of statutory and non-statutory documents that support the concerns raised in the FDS as reasons why growth in the FUZ should be slowed and further assessments completed. The includes documents like The *National Policy Statement for Freshwater Management 2020* which deals with sensitive hydrological spaces, inclusive of wetlands and streams. Sediment and erosion are controlled by consent conditions and Council's own GD-05 standards. The recent flood events have been identified as one of the reasons *to* prevent greenfield development due to several stated constraints.

47. Kings Heights Group disagrees with the approach. The existing planning documents already provide a pathway and a consenting framework to address such matters. In any event, the potential for enhanced regulatory methods (i.e., even better stormwater performance requirements) should have been considered as options. It is also noted that the requirement for structure planning and an eventual Plan Change provides more than sufficient controls to ensure that site constraints (including Natural Hazards) are identified and suitably addressed.

48. Kings Heights Group considers that there is ample opportunity (and land) to masterplan developments to manage natural hazards and stormwater issues and, as noted above, there are already sufficient controls within the Unitary Plans to manage such effects.

49. Kings Heights Group also notes that it is likely that additional qualifying matters, such as flooding, would prevent or delay development under the MRDS until this aspect of development was resolved. The current uncertainty around the final outcomes of Plan Change 78 and the MDRS (including the 'theoretical yield') further highlights the lack on certainty of the ability for the Policy framework to provide suitable housing choice to the Auckland community.

50. Kings Heights Group is of the view that density done well, designed in an integrated manner from the outset with good modern infrastructure standards, is far superior to ad-hoc and fragmented infill in older, often car-orientated neighbourhoods with very poor infrastructure.

Governmental Uncertainty

51. Kings Heights Group notes that the National party has signalled that it will likely make the MDRS "optional". There is current significant uncertainty as to whether they will continue to support and deliver the capacity envisaged under the MDRS. Should the approach to the MDRS change Council will be left with a FDS that serves a limited purpose and provides for a watered-down infill approach relying on infill uptake much like we already have under the AUP, but with a diminished ability to bring in greenfield land.

Infrastructure Services and Funding

52. The FDS assumes that only the Council will fund core infrastructure. This is not correct, and on many projects the developer funds and delivers the infrastructure. The infrastructure triggers in the FDS are unclear and appear to assume that all infrastructure needs to be delivered before rezoning occurs. This is also unrealistic as the private sector will not invest in the absence of certainty about land use outcomes, as it is the approval of land use that enables developers to

secure funding for the infrastructure. The Council is very unlikely to be in a position to fund the required infrastructure and it needs to work in partnership with the private sector to deliver the infrastructure and land use outcomes required.

53. The Submitterconsiders that providing infrastructure in the FUZ integrates suitably sized infrastructure from the beginning. Because it is a 'clean slate', there is an opportunity to design and size infrastrucure within the context, use the land effeciently and maximise development, and the investment that the Council makes. For existing communities on the urban/FUZ interface, greenfield development may enable additional critical mass and additional economic support for their local neighbourhoods.

54. Kings Heights Group notes that in terms of greenfield areas, on site infrastructure is generally funded by developers. Offsite infrastructure to meet the demands of growth is largely funded in accordance with an approved Developer Contribution Policy or other approved funding framework.

55. Kings Heights Group considers that the FDS significantly underestimates the costs and feasibility for retrofitting infrastructure into existing brownfield areas. There are also significant issues with the ability for developers to obtain a "rights of entry" to access infrastructure on private land. This issue already frustrates intensification under the current Unitary Plan provisions and it will not be addressed by PC78.

56. There is very little mention of development contributions as a means to resolve funding shortfalls often cited in the FDS, notwithstanding large-scale development proposals almost always (via the Plan Change Process) incorporate transport and infrastructure upgrade triggers as part of any successful rezoning. We can only presume that the Council has no appetite to contribute any funding to future FUZ developments in the short to medium term, hence why this option has been almost entirely discounted from the FDS. Developers have (for some time) successfully shared the cost of greenfield redevelopment in previously identified FUZ areas – through both standard development contributions required under conditions of consent, and/or by infrastructure growth agreements with services providers.

57. Kings Heights Group consider that where infrastructure investment has occurred, those areas should be prioritised so that a return can be obtained from the funding that has already been invested. For example, Council and its CCOs have invested $181m for the Northern Interceptor bulk wastewater line and North Harbour 2 watermain, both of which are required to service the Whenuapai area. Another example is Drury South.

Conclusion

58. A quality FDS will support economic competitiveness over the next 30 years. To prepare the draft FDS, the NPS-UD requires engagement with the development sector (to identify significant future development opportunities and infrastructure requirements) (clause 3.15).

59. This is needed because developers ultimately implement the FDS – providing for growth in the wrong locations means supply will fall short of demand with flow-on effects for housing affordability and business productivity.

60. The FDS seeks to promote long-term strategic planning by setting out the means by which a local authority intends to achieve a well-functioning urban environment, provide sufficient development capacity over the next 30 years, and integrate planning decisions with infrastructure planning and funding. This is intended to enable all people and communities to provide for their social, economic, and cultural wellbeing, and for their health and safety, now and into the future.

61. There are significant omissions in the Draft FDS with the exclusion of the existing and future urbanisation occurring at Whenuapai and Hobsonville.

The submitter's concerns would be addressed if the draft Future Development Strategy was amended in the following way:

- That the current FDS is withdrawn for the reasons set out in the following feedback and the Council meaningfully engages with the community and key stakeholders to reconsider the approach to the FDS.

- That the future urbanisation of 82 Hobsonville, together the surrounding land identified in Plan Change 5 is accurately captured in any eventual FDS document, and is noted as development ready land, with a proposed timing of "ready for urbanisation".

- That no changes are made to the FUZ (including staging) until Plan Change 78 has been approved.

- The FDS should be delayed until the Business Capacity Assessment has been completed.

- The Council should work with the community and key stakeholders, including the residential development sector, to develop key principles including:

  (i) that sufficient land must be released at the appropriate time to cater for growth;

  (ii) that land supply will continue to occur with a combination of urban consolidation, greenfield development, and the expansion of satellite townships;

  (iii) that growth needs to be serviced by adequate infrastructure, with a range of funding options explored including innovative methods and participation by the private sector (investment and development);

  (iv) that stormwater and flood plain management are important factors and need to be considered in the release of land, but recognising different appropriate methods to manage such land;

  (v) That these principles are applied on an area by area basis to identify the release of land;

  (vi) ensure there is sufficient continuous release of employment and residential land to cater for growth;

(vii) enable and support the private sector to deliver the range and quality of urban growth that is good for the community and which the NPS-UD and RPS aspires to achieve;

(viii) retain changes to the RUB as a district control matter.

- Any consequential changes where these are required to give effect to the relief outlined above.

Kings Heights Group appreciates the opportunity to provide informal feedback on Auckland Council's draft Auckland Future Development Strategy 2023-2053 and thanks the Council staff and elected members for their time in considering the matters that have been raised in this submission.

Kings Heights Group would welcome contact from staff in the FDS team if any clarification or further information is required.



Michael Campbell
Campbell Brown Planning Limited
For and on behalf of Kings Heights Group Limited as its duly authorised agent

Date: 30 July 2023

Address for service of submitter:

Kings Heights Group Limited
C/- Campbell Brown Planning Limited
PO Box 147001
Ponsonby
AUCKLAND 1144

Attention: Michael Campbell

[redacted] [redacted]
[redacted] [redacted]
Email: michael@campbellbrown.co.nz

Future Development Plan 2023 #8605

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Your feedback

Focusing growth

Denser, more compact cities result in improvements to the environment, the economy, and people's wellbeing.

Auckland's urban area is made up of neighbourhoods, town centres and business areas that are interconnected and that support where most Aucklanders live, work and spend their leisure time.

We propose that most housing and business growth will be focused within existing urban areas and that this growth be more intensive. This means less growth in greenfield areas at Auckland's edges. What greenfield growth there is will be phased over 30 years and longer.

1. What do you think of our approach to focus most of Auckland's growth in existing urban areas?

Tell us why

Accessible local centres

When people have easy access to workplaces, services, facilities and shops, communities become more resilient and connected. It also helps to reduce travel time, emissions and lower household transport costs.

We propose focusing housing and business development near local centres where most people's daily needs are easy to access by walking, cycling and public transport.

2. What do you think of our approach to focus development near local centres?

Tell us why

Avoiding hazards

As our climate changes, the frequency and severity of hazards such as flooding, sea-level rise and coastal erosion will worsen. Where and how we plan for growth, and how we adapt to these hazards is increasingly important.

We propose that known areas constrained by significant natural hazard risk should be looked at to see if further development is appropriate.

Where development is already enabled in potentially vulnerable locations, we will further investigate appropriate actions.

3. **What do you think of our approach to avoid further growth in areas which are exposed to significant risk of environmental hazards?**

Tell us why

Resilient infrastructure

Infrastructure across Auckland needs to cope with ongoing change, such as the impacts of climate change and evolving technology.

Nature-based infrastructure, such as rain gardens, swales, and detention basins, is better able to respond to ongoing change. This can help protect communities from hazards, as well as protect and restore the natural environment.

We propose prioritising investment in infrastructure that is decentralised, nature-based, regenerative and mauri-enhancing.

4. **What do you think of our approach to prioritising nature-based infrastructure that responds to the impacts of climate change?**

Tell us why

Other feedback

5. Do you have any other feedback on our approach to how and where Auckland should grow and change?

Please refer to the attachment

FEEDBACK ON THE AUCKLAND COUNCIL'S DRAFT AUCKLAND FUTURE DEVELOPMENT STRATEGY 2023-2053

To: Auckland Council

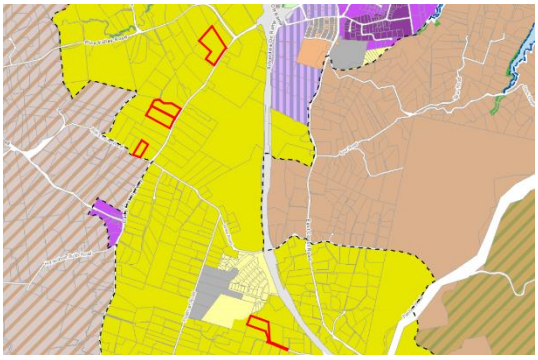
Name of submitter: Precise Homes Ltd

This submission provides feedback on the Auckland Council's draft Auckland Future Development Strategy 2023-2053 ("FDS").

Precise Homes is currently involved in the delivery of a wide range of housing and land development projects including both brownfield and greenfield developments. Precise Homes have delivered a range of quality housing typologies to the Auckland market including, standalone homes, duplexes terraces and commercial developments.

Precise Homes is also presently developing land at Redhills, comprising around some 18 hectares of land in West Auckland. This large-scale subdivision will deliver up to 600 new homes. In addition to the provision of housing, Precise Homes will, at its cost, delivered significant infrastructure to support this new urban community, including a local roading network, public walkways and amenity areas, a wastewater network and stormwater management areas, all at Red Hills. Precise Homes notes that this land was previously zoned as Future Urban.

Precise Homes also has interests in land in Silverdale and Wainui.



Precise Homes have been able to deliver affordable quality housing which has provided greater choice to the Auckland housing market.

The submitter has the following feedback in relation to the provisions noted above:

1. That the current FDS is withdrawn for the reasons set out in the following feedback and the Council reengages with the community and key stakeholders to reconsider the approach to the FDS.

The reasons for the submitter's feedback are:

Introduction

1. Precise Homes has significant concerns with respect to the Consultation Draft of the Auckland Future Development Strategy 2023-2053 ("the FDS"). As a general comment, Precise Homes is deeply concerned about the significant shifting of policy settings. This approach creates significant investment uncertainty. Many land developers, including Precise Homes rely on clear and consistent policy positions which undertaking expensive long term investment decisions. The approach of the Auckland Council in releasing the FDS in its current form, is in Precise Homes's view, very unfortunate.

2. Precise Homes notes that Auckland's anticipated population and dwelling growth over the next 30 years has been planned for under the approved Auckland Plan 2050. Precise Homes generally supports that Plan. Precise Homes notes that under the current strategic framework, around 62 per cent of development over the next 30 years is anticipated to be within the existing urban area. The remaining development is anticipated to occur in future urban areas (32 per cent) and in rural areas (6 per cent).

3. Within this long-term strategic planning context, there is a need for consistency and certainty to enable efficient public sector investment in infrastructure and private sector delivery of development projects. While a review of the FDS is required (clause 3.16 of the NPS-UD) in order to align with three-yearly Long-term Plan cycles, significant change at these times is not considered to be appropriate as it will undermine public confidence in a consistent approach to strategic planning.

4. Precise Homes considers that greenfield development within the Future Urban Zone ("the FUZ") is part of the solution to managing Auckland's growth. It is accepted that intensification (infill) of the existing urban area is also an important means of accommodating growth. However, the two approaches can and should co-exist, in order to provide housing choice, efficient provision of infrastructure, homes close to existing sub-regional centres and towns, workplaces adjacent to existing transport infrastructure and residential growth areas, and resilience in the face of climate change. Precise Homes is of the view the coexistence of both greenfield and infill housing will provide the best opportunity of supporting a competitive land and development market.

5. FUZ areas recommended for "further investigation" or "TBC" on the FDS maps (refer Figure 13) are vague and uncertain. There can be no reliance on the retention of the FUZ on that land over the longer term. Identifying land in that manner in the FDS is not an appropriate approach for a strategy that is intended to provide development and investment certainty.

6. Long-term identification of future urban areas (2050+, for example) contributes to planning blight of the land over an extended period. The effect of significantly delayed urbanisation on land that has been signalled for such growth is lack of investment, removal of any significant productive potential, and creep of unauthorised urban activities. The amenity of such areas is greatly reduced, and that is a poor outcome if sustained for any significant period.

7. There is also an element of natural justice and fairness to consider in relation to the draft FDS. Developers, investors, and the public generally will have made decisions based on the current FULSS and the broader development strategy contained in the Auckland Plan 2050. Anyone purchasing land in the FUZ will have paid for the land based on a value that is heavily influenced by the clearly signalled development potential. The only discount applied, relative to 'live-zoned' urban land, is that relating to timing. An investment of this nature, where the future development potential is now being removed or substantially delayed, could result in financial ruin. Guiding strategy documents around urban growth should not be altered in any significant way.

8. Precise Homes understands that experience in Auckland since the advent of the AUP and the Auckland Plan 2050 has shown that, even with greenfield land available, at least 80% of new residential development has been established within the existing urban area. Auckland is well ahead of its intensification targets established in the AUP and Auckland Plan 2050, and further intervention is clearly not required.

9. Precise Homes notes that the current the FULS outlined a programme for rezoning key parts of Auckland to enable growth. The only growth area subject to an Auckland Council plan change was Whenuapai (Plan Change 5). That public plan change was withdrawn by Council because of financial problems over infrastructure.

10. Precise Homes notes that all other plan changes in north, west, east and south Auckland have relied on private plan changes to deliver the outcomes of the FULS. Without the private sector business and residential land supply (and housing costs) in Auckland would have been even more constrained.

11. Precise Homes considers that is critical for Auckland that private investment and the provision of greenfield land is part of the solution.

National Policy Statement on Urban Development 2020 ("the NPS-UD")

12. Precise Homes notes that the purpose of the FDS, as required by the National Policy Statement on Urban Development 2020 ("the NPS-UD"), is to set the high-level vision for accommodating urban growth over the long term and to identify strategic priorities to inform other development related decisions, such as the provision of infrastructure. The FDS seeks to promote long-term strategic planning by setting out the means by which a local authority intends to achieve a well-functioning urban environment, provide sufficient development capacity over the next 30 years, and integrate planning decisions with infrastructure planning and funding. This is intended to assist in deliver well-functioning urban environments that enable all people and communities to

provide for their social, economic, and cultural wellbeing, and for their health and safety, now and into the future as required by Objective 1 of the NPS-UD.

13. Precise Homes also notes that Objective 2 of the NPS UD seeks to ensure that planning decisions improve housing affordability by supporting competitive land and development markets. From Precise Homes's perspective, it is important that sufficient opportunities are provided for a wide range of housing types and locations. This should include both Brownfield and Greenfield land. In Precise Homes's view, this will provide the best opportunity to ensure suitable housing supply, the provision of housing choice and a competitive land market.

14. Precise Homes supports the the NPS-UD and intent of the FDS approach generally. It is important that Local and Unitary Authorities operate with a long term planning horizon to ensure that sufficient suitably live zoned land is made available to meet the short, medium and long term needs of the community.

Further analysis, consultation and engagement is required before the FDS adopted

15. Precise Homes notes that under clause 3.15 of the NPS-UD, the Council is required to engage with a range of parties to prepare a draft FDS, including other relevant councils, central government, hapū, and iwi, infrastructure providers, and the development sector. The broader requirements in Policy 10 require the Council to *"engage with the development sector to identify significant opportunities for urban development*". Engagement with the development sector is also required to identify infrastructure requirements.

16. Precise Homes considers that the Council has not complied with its requirements under clause 3.15 of the NPS:UD and Policy 10. Based on the information provided by the Council the following consultation was undertaken prior to notification of the draft FDS:

    (a) a survey was sent to property developers on the Council's database to understand developer trends and future intentions[1]; and
    (b) the Council engaged with The Property Council.

17. Precise Homes are a key stakeholder in the development sector, and a recognised developer in the Auckland region. PRECISE HOMES were not sent a survey or provided an opportunity to engage or contribute to the FDS.

18. Precise Homes considers that the FDS should be withdrawn and reconsidered following meaningful consultation with the development sector. It should also be delayed pending the central government elections, the review and approval of Plan Change 78 and the completion of the business land capacity study.

19. In preparing an FDS in accordance with clause 3.15 of the NPS:UD, local authorities must use the special consultative procedure in section 83 of the LGA.. Section 83(1)(d) of the LGA provides that the Council must "*provide an opportunity for persons to present their views to the local authority in a manner that enables spoken interaction between the person and the local authority ...".*

[1] We understand that the survey was sent to people who had recently lodged a building consent with the Council.

20. Based on the information available on the Council's website, the Council is proposing to make changes to the FDS in response to written feedback and adopt the FDS in late 2023 without holding a public hearing. This approach is entirely inconsistent with the LGA. While the Council belatedly provided for one day for feedback, this invitation was not sent to PRECISE HOMES (or a number of large developers) and the limited dates that were provided were already fully booked.

21. The special consultative process is generally applied to matters that have high significance to the community and may have major implications. As set out above, the FDS will have a material impact on growth and development in the Auckland region. Developers, and the public generally, deserve to have their concerns heard and understood. This right under the LGA has been recognised in other regions across New Zealand including in Nelson (where hearings were held in April 2022 on its FDS) and Rotorua (where a hearing is scheduled for August 2023).

22. Precise Homes requests the Council schedules a hearing on the FDS in accordance with the LGA to enable all persons who provided feedback with the opportunity to be heard (as required by section 83(1)(d) and (e) of the LGA).

23. Precise Homes notes that limited changes can be made through the Special Consultative Process without triggering the need to re-consult. Effective pre-engagement is therefore needed. PRECISE HOMES considers that independent hearings are required to consider the evidence.

Residential Capacity

24. Precise Homes considers that the draft FDS significantly overstates the ability of the existing urban environment to meet the housing needs of the Auckland community. The FDS is essentially relying on all of Auckland's future housing stock deliverability to be provided through infill development.

25. Precise Homes also undertakes infill housing as part of its portfolio. While such housing is indeed *part* of the housing solution, these areas comprise a much higher percentage of small-scale developers, land-bankers or 'mum and dad" investors.

26. The FDS analysis appears to be based on plan-enabled capacity. PRECISE HOMES considers that there is a need to consider "*feasible and reasonably expected to be realised*" capacity by location and type.

27. There are many reasons why existing urban land may not be suitable for redevelopment. This includes the circumstances of the land owners, the existing capital investment on the land that makes redevelopment cost prohibitive, and the lack of suitable infrastructure capacity. This has certainly been Precise Homes's experience when developing such infill land.

28. Noting the current recession and uncertainty in the housing market, a slowdown in the availability of greenfield land for housing development will result in a significant reduction in general housing stock availability. Whilst the length of recession is unknown, the current FDS will likely contribute

to significantly lower housing availability and further delays in housing deliverability, and increased house prices over the short term.

29. Despite the assertion that the MDRS will significantly increase infill housing supply, Precise Homes notes that since 2016 most of urban areas in Auckland have been able to develop 1-3 dwellings as a permitted activity. Despite this opportunity, the share of Auckland's dwelling growth that has been delivered by these smaller permitted activities is considerably less efficient than larger multi-unit developments and greenfield neighbourhoods. Precise Homes has significant doubts that the MDRS will deliver a larger percentage of growth than the present situation.

30. The draft FDS will result in a significant reduction in available housing capacity, with no economic assessment of the overall flow on effects from removing or delaying such large areas of FUZ land. Precise Homes notes that infill and redevelopment housing is generally 20-30% more expensive to build than greenfield housing. The reduction in land supply will place ongoing upward price pressures on houses, as experienced in Auckland since the introduction of the AUP in 2016.

31. Precise Homes notes that the Auckland Council has obtained a further 12-month extension for implementation of the MDRS under Plan Change 78. We understand that the primary reason is the uncertainty of the ability to intensify some existing urban areas due to the recent flooding events. There is significant uncertainty as the extent that these recent weather events will reduce the development capacity in the existing urban areas. Precise Homes considers that it is premature to undertake changes to the FUZ (including staging) until Plan Change 78 has been approved.

32. Precise Homes also notes that the FDS proposes to remove areas of FUZ, but there is no indication that the Council has considered areas outside the FUZ to address this reduction of land.

Business Land Supply

33. Precise Homes acknowledges that the FDS not just about delivering homes and housing, but it is also about well-located opportunities for business activity and community facilities, to offer good accessibility to employment and a range of household needs in the urban setting. These are all relevant matters when considering Auckland's Future Urban Areas. Precise Homes notes that this is particularly relevant in the Auckland context which is a polycentric city which comprises a number of metropolitan centres throughout the Auckland urban environment from the Albany Metropolitan centre in the north to the new Drury Metropolitan centre in the south[2]. Locating employment land close to where people live will help address congestion issues and greenhouse gas emissions.

34. The draft FDS confirms that about 1,400 hectares of additional greenfield land for business activities is required in the long term. This includes approximately 1,000 hectares of land for land extensive business activities and 400 hectares of land enabling business activity and mixed use in centres and business areas. The land will mainly need to be accommodated in the Future Urban Zoned locations and these is an opportunity to ensure that such business land is also aligned with

[2] There 11 metropolitan centres across Auckland: Albany (emerging), Takapuna, Westgate (emerging), Henderson, New Lynn, Newmarket, Sylvia Park (emerging), Botany (emerging), Manukau, Papakura and Drury (emerging), plus the City Centre.

future housing and community infrastructure to provide the opportunity for people to live, work and play in their particular community. The lack of land use integration of both employment land and housing will lead to the reinforcement of cross regional transport demand which will exacerbate travel times, congestion and result in increased greenhouse gas emissions.

35. Precise Homes considers that meaningful intensification of the existing urban area is an unrealistic option for industrial development, particularly for land-extensive floorplates. Provision for most of this growth will need to be in greenfield locations. The capacity alleged in the FDS is based on incorrect assumptions as to vacant land and an unrealistic assumption that brownfield business sites can be redeveloped at very high density.

36. There is a significant undersupply of industrial land at the current time, even before further constraints are imposed as proposed in the FDS. Market research indicates that there is a substantial undersupply of large vacant industrial sites, particularly in the north-west of Auckland, yet the draft FDS proposes no new greenfield development in this part of the region until at least 2035+. That provision will fall short of the Council's land supply obligations under the NPS-UD.

37. Precise Homes also notes that the Business assessment is not complete. This is a fundamental part of the evidence base that needs to be completed to inform the FDS. Without an adequate supply of employment land, Auckland risks reducing its competitiveness and business will relocate outside of Auckland.

38. The FDS should be delayed until this work has been completed.

FDS Identified Site Constraints and Flooding Matters

39. The FDS cites that there are a number of statutory and non-statutory documents that support the concerns raised in the FDS as reasons why growth in the FUZ should be slowed and further assessments completed. The includes documents like The *National Policy Statement for Freshwater Management 2020* which deals with sensitive hydrological spaces, inclusive of wetlands and streams. Sediment and erosion are controlled by consent conditions and Council's own GD-05 standards. The recent flood events have been identified as one of the reasons *to* prevent greenfield development due to several stated constraints.

40. Precise Homes disagrees with the approach. The existing planning documents already provide a pathway and a consenting framework to address such matters. In any event, the potential for enhanced regulatory methods (i.e., even better stormwater performance requirements) should have been considered as options. It is also noted that the requirement for structure planning and an eventual Plan Change provides more than sufficient controls to ensure that site constraints (including Natural Hazards) are identified and suitably addressed.

41. In Precise Homes's experience when developing larger greenfield sites, there is ample opportunity (and land) to masterplan developments to manage natural hazards and stormwater issues and, as noted above, there are already sufficient controls within the Unitary Plans to manage such effects. Precise Homes is not aware of any recently rezoned greenfield areas that failed or suffered undue flooding damage as a result of the recent stormwater effects. On the

contrary, it was largely areas of infill housing that experienced the most significant adverse flooding damage.

42. Precise Homes also notes that it is likely that additional qualifying matters, such as flooding, would prevent or delay development under the MRDS until this aspect of development was resolved. The current uncertainty around the final outcomes of Plan Change 78 and the MDRS (including the 'theoretical yield') further highlights the lack on certainty of the ability for the Policy framework to provide suitable housing choice to the Auckland community.

43. Precise Homes has been involved in a significant number of both greenfield and brownfields subdivisions and it is of the view that density done well, designed in an integrated manner from the outset with good modern infrastructure standards, is far superior to ad-hoc and fragmented infill in older, often car-orientated neighbourhoods with very poor infrastructure.

Governmental Uncertainty

44. Precise Homes notes that the National party has signalled that it will likely make the MDRS "optional". There is current significant uncertainty as to whether they will continue to support and deliver the capacity envisaged under the MDRS. Should the approach to the MDRS change Council will be left with a FDS that serves a limited purpose and provides for a watered-down infill approach relying on infill uptake much like we already have under the AUP, but with a diminished ability to bring in greenfield land.

Infrastructure Services and Funding

45. The FDS assumes that only the Council will fund core infrastructure. This is not correct, and on many projects the developer funds and delivers the infrastructure. The infrastructure triggers in the FDS are unclear and appear to assume that all infrastructure needs to be delivered before rezoning occurs. This is also unrealistic as the private sector will not invest in the absence of certainty about land use outcomes, as it is the approval of land use that enables developers to secure funding for the infrastructure. The Council is very unlikely to be in a position to fund the required infrastructure and it needs to work in partnership with the private sector to deliver the infrastructure and land use outcomes required.

46. Precise Homes considers that providing infrastructure in the FUZ integrates suitably sized infrastructure from the beginning. Because it is a 'clean slate', there is an opportunity to design and size infrastrucure within the context, use the land effeciently and maximise development, and the investment that the Council makes. For existing communities communities on the urban/FUZ interface, greenfield development may enable additional critical mass and additional economic support for their local neighbourhoods.

47. Precise Homes notes that in terms of greenfield areas, on site infrastructure is generally funded by developers. Offsite infrastructure to meet the demands of growth is largely funded in accordance with an approved Developer Contribution Policy or other approved funding framework.

48. Precise Homes considers that the FDS significantly underestimates the costs and feasibility for retrofitting infrastructure into existing brownfield areas. There are also significant issues with

the ability for developers to obtain a "rights of entry" to access infrastructure on private land. PRECISE HOMES has walked away from many infill housing opportunities on the basis that there is no clear or certain pathway to be able to connect a development into the existing infrastructure network. This issue already frustrates intensification under the current Unitary Plan provisions and it will not be addressed by PC78.

49. There is very little mention of development contributions as a means to resolve funding shortfalls often cited in the FDS, notwithstanding large-scale development proposals almost always (via the Plan Change Process) incorporate transport and infrastructure upgrade triggers as part of any successful rezoning. We can only presume that the Council has no appetite to contribute any funding to future FUZ developments in the short to medium term, hence why this option has been almost entirely discounted from the FDS. Developers have (for some time) successfully shared the cost of greenfield redevelopment in previously identified FUZ areas – through both standard development contributions required under conditions of consent, and/or by infrastructure growth agreements with services providers.

50. Precise Homes consider that where infrastructure investment has occurred, those areas should be prioritised so that a return can be obtained from the funding that has already been invested. For example, Council and its CCOs have invested $181m for the Northern Interceptor bulk wastewater line and North Harbour 2 watermain, both of which are required to service the Whenuapai area.

Conclusion

51. A quality FDS will support economic competitiveness over the next 30 years. To prepare the draft FDS, the NPS-UD requires engagement with the development sector (to identify significant future development opportunities and infrastructure requirements) (clause 3.15).

52. This is needed because developers ultimately implement the FDS – providing for growth in the wrong locations means supply will fall short of demand with flow-on effects for housing affordability and business productivity.

53. The FDS seeks to promote long-term strategic planning by setting out the means by which a local authority intends to achieve a well-functioning urban environment, provide sufficient development capacity over the next 30 years, and integrate planning decisions with infrastructure planning and funding. This is intended to enable all people and communities to provide for their social, economic, and cultural wellbeing, and for their health and safety, now and into the future.

The submitter's concerns would be addressed if the draft Unitary Plan was amended in the following way:

- That the current FDS is withdrawn or paused for the reasons set out in the above feedback and the Council meaningfully engages with the community and key stakeholders to reconsider the approach to the FDS.

- That no changes are made to the FUZ (including staging) until Plan Change 78 has been approved.
- The FDS should be delayed until the Business Capacity Assessment has been completed.
- The Council should work with the community and key stakeholders, including the residential development sector, to develop key principles including:

  (i) that sufficient land must be released at the appropriate time to cater for growth;

  (ii) that land supply will continue to occur with a combination of urban consolidation, greenfield development, and the expansion of satellite townships;

  (iii) that growth needs to be serviced by adequate infrastructure, with a range of funding options explored including innovative methods and participation by the private sector (investment and development);

  (iv) that stormwater and flood plain management are important factors and need to be considered in the release of land, but recognising different appropriate methods to manage such land;

  (v) That these principles are applied on an area by area basis to identify the release of land;

  (vi) ensure there is sufficient continuous release of employment and residential land to cater for growth;

  (vii) enable and support the private sector to deliver the range and quality of urban growth that is good for the community and which the NPS-UD and RPS aspires to achieve;

  (viii) retain changes to the RUB as a district control matter.

- Any consequential changes where these are required to give effect to the relief outlined above.

The submitter appreciates the opportunity to provide informal feedback on Auckland Council's draft Auckland Future Development Strategy 2023-2053 and thanks the Council staff and elected members for their time in considering the matters that have been raised in this submission.

The submitter would welcome contact from staff in the FDS team if any clarification or further information is required.



Michael Campbell
Campbell Brown Planning Limited
For and on behalf of Precise Homes Limited as its duly authorised agent

Date: 30 July 2023

Address for service of submitter:

Precise Homes
C/- Campbell Brown Planning Limited
PO Box 147001
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Attention: Michael Campbell

[redacted] [redacted]
[redacted] [redacted]
Email: michael@campbellbrown.co.nz

Future Development Plan 2023 #8607

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Your feedback

Focusing growth

Denser, more compact cities result in improvements to the environment, the economy, and people's wellbeing.

Auckland's urban area is made up of neighbourhoods, town centres and business areas that are interconnected and that support where most Aucklanders live, work and spend their leisure time.

We propose that most housing and business growth will be focused within existing urban areas and that this growth be more intensive. This means less growth in greenfield areas at Auckland's edges. What greenfield growth there is will be phased over 30 years and longer.

1. What do you think of our approach to focus most of Auckland's growth in existing urban areas?

Tell us why

Accessible local centres

When people have easy access to workplaces, services, facilities and shops, communities become more resilient and connected. It also helps to reduce travel time, emissions and lower household transport costs.

We propose focusing housing and business development near local centres where most people's daily needs are easy to access by walking, cycling and public transport.

2. What do you think of our approach to focus development near local centres?

Tell us why

Avoiding hazards

As our climate changes, the frequency and severity of hazards such as flooding, sea-level rise and coastal erosion will worsen. Where and how we plan for growth, and how we adapt to these hazards is increasingly important.

We propose that known areas constrained by significant natural hazard risk should be looked at to see if further development is appropriate.

Where development is already enabled in potentially vulnerable locations, we will further investigate appropriate actions.

3. **What do you think of our approach to avoid further growth in areas which are exposed to significant risk of environmental hazards?**

Tell us why

Resilient infrastructure

Infrastructure across Auckland needs to cope with ongoing change, such as the impacts of climate change and evolving technology.

Nature-based infrastructure, such as rain gardens, swales, and detention basins, is better able to respond to ongoing change. This can help protect communities from hazards, as well as protect and restore the natural environment.

We propose prioritising investment in infrastructure that is decentralised, nature-based, regenerative and mauri-enhancing.

4. **What do you think of our approach to prioritising nature-based infrastructure that responds to the impacts of climate change?**

Tell us why

Other feedback

5. Do you have any other feedback on our approach to how and where Auckland should grow and change?

Please refer to the attachment

FEEDBACK ON THE AUCKLAND COUNCIL'S DRAFT AUCKLAND FUTURE DEVELOPMENT STRATEGY 2023-2053

To: Auckland Council

Name of submitter: Rod Harman

This submission provides feedback on the Auckland Council's draft Auckland Future Development Strategy 2023-2053 ("FDS").

Rod Harman ("the submitter"), owns a site in Orewa known as 55 Russell Road, Upper Orewa. This land is contiguous with land, which is owned by AV Jennings, which is present being urbanised. This land is well located in terms of proximity to the urban environment, and to services such as water supply, waste water and transport access. The Submitter notes that the land owned by AV Jennings has been designed to integrate with 55 Russell Road in the future. The submitter also notes that the land is not impacted by the National Policy Staete for Highly Productive Land.

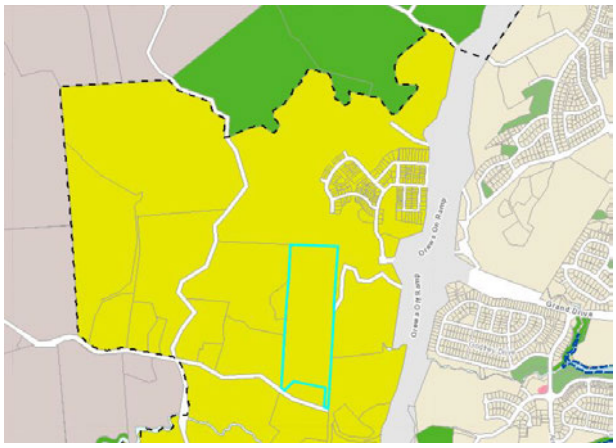


Figure 1 – 55 Russell Road, Upper Orewa

We note that under the Auckland Future Urban Land Supply Strategy, dated 7 July 2017 ("the FULSS"), 55 Russell Road is identified as development ready in the 2nd half of decade two 2033-2037. This is indicated in Figure 2 below.



Figure 2 – Auckland Future Urban Land Supply Strategy Map

The submitter has the following feedback in relation to the provisions noted above:

1. That the current FDS is withdrawn for the reasons set out in the following feedback and the Council reengages with the community and key stakeholders to reconsider the approach to the FDS.

2. That the future urbanisation of 55 Russell Road, Upper Orewa is accurately captured in any eventual FDS document, and is noted as development ready land, with a proposed timing of 2025+.

The reasons for the submitter's feedback are:

Introduction

1. The Submitter has significant concerns with respect to the Consultation Draft of the Auckland Future Development Strategy 2023-2053 ("the FDS"). It shows 55 Russell Road, Upper Orewa as being "recommended for further investigations" Refer map from the FDS for Orewa in **Figure 3**.

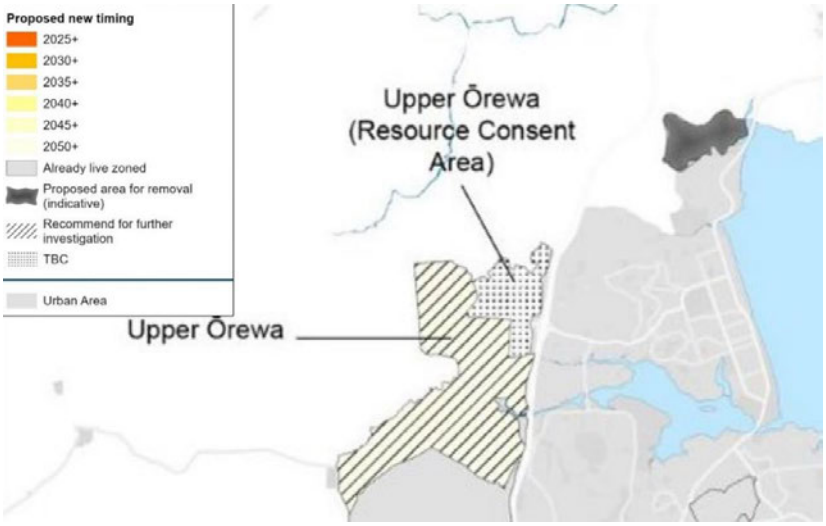


Figure 3: Proposed timing and approach for Upper Orewa Future Urban Areas

2. The Submitter is deeply concerned about the significant shifting of policy settings in the draft FDS. This approach creates significant investment uncertainty. Many land developers, including the Submitter rely on clear and consistent policy positions when undertaking expensive long term investment decisions.

3. The Submitter notes that Auckland's anticipated population and dwelling growth over the next 30 years has been planned for under the approved Auckland Plan 2050. The Submitter generally supports that Plan. The Submitter notes that under the current strategic framework, around 62 per cent of development over the next 30 years is anticipated to be within the existing urban area. The remaining development is anticipated to occur in future urban areas (32 per cent) and in rural areas (6 per cent).

4. Within this long-term strategic planning context, there is a need for consistency and certainty to enable efficient public sector investment in infrastructure and private sector delivery of

development projects. While a review of the FDS is required (clause 3.16 of the NPS-UD) in order to align with three-yearly Long-term Plan cycles, significant change at these times is not considered to be appropriate as it will undermine public confidence in a consistent approach to strategic planning.

5. The Submitter considers that greenfield development within the Future Urban Zone ("the FUZ") is part of the solution to managing Auckland's growth. It is accepted that intensification (infill) of the existing urban area is also an important means of accommodating growth. However, the two approaches can and should co-exist, in order to provide housing choice, efficient provision of infrastructure, homes close to existing sub-regional centres and towns, workplaces adjacent to existing transport infrastructure and residential growth areas, and resilience in the face of climate change. The Submitter is of the view the coexistence of both greenfield and infill housing will provide the best opportunity of supporting a competitive land and development market.

6. FUZ areas recommended for "further investigation" or "TBC" on the FDS maps (refer Figure 13) are vague, uncertain. There can be no reliance on the retention of the FUZ on that land over the longer term. Identifying land in that manner in the FDS is not an appropriate approach for a strategy that is intended to provide development and investment certainty.

7. Long-term identification of future urban areas (2050+, for example) contributes to planning blight of the land over an extended period. The effect of significantly delayed urbanisation on land that has been signalled for such growth is lack of investment, removal of any significant productive potential, and creep of unauthorised urban activities. The amenity of such areas is greatly reduced, and that is a poor outcome if sustained for any significant period.

8. There is also an element of natural justice and fairness to consider in relation to the draft FDS. Developers, investors, and the public generally will have made decisions based on the current FULSS and the broader development strategy contained in the Auckland Plan 2050. Anyone purchasing land in the FUZ will have paid for the land based on a value that is heavily influenced by the clearly signalled development potential. The only discount applied, relative to 'live-zoned' urban land, is that relating to timing. An investment of this nature, where the future development potential is now being removed or substantially delayed, could result in financial ruin. Guiding strategy documents around urban growth should not be altered in any significant way.

9. The Submitter understands that experience in Auckland since the advent of the AUP and the Auckland Plan 2050 has shown that, even with greenfield land available, at least 80% of new residential development has been established within the existing urban area. Auckland is well ahead of its intensification targets established in the AUP and Auckland Plan 2050, and further intervention is clearly not required.

10. The Submitter notes that the current the FULS outlined a programme for rezoning key parts of Auckland to enable growth. The only growth area subject to an Auckland Council plan change was Whenuapai (Plan Change 5). That public plan change was withdrawn by Council because of financial problems over infrastructure.

11. The Submitter notes that all other plan changes in north, west, east and south Auckland have relied on private plan changes to deliver the outcomes of the FULS. Without the private sector business and residential land supply (and housing costs) in Auckland would have been even more constrained.

12. The Submitter considers that is critical for Auckland that private investment and the provision of greenfield land is part of the solution.

National Policy Statement on Urban Development 2020 ("the NPS-UD")

13. The Submitter notes that the purpose of the FDS, as required by the National Policy Statement on Urban Development 2020 ("the NPS-UD"), is to set the high-level vision for accommodating urban growth over the long term and to identify strategic priorities to inform other development related decisions, such as the provision of infrastructure. The FDS seeks to promote long-term strategic planning by setting out the means by which a local authority intends to achieve a well-functioning urban environment, provide sufficient development capacity over the next 30 years, and integrate planning decisions with infrastructure planning and funding. This is intended to assist in deliver well-functioning urban environments that enable all people and communities to provide for their social, economic, and cultural wellbeing, and for their health and safety, now and into the future as required by Objective 1 of the NPS-UD.

14. The Submitter also notes that Objective 2 of the NPS UD seeks to ensure that planning decisions improve housing affordability by supporting competitive land and development markets. From The Submitter perspective, it is important that sufficient opportunities are provided for a wide range of housing types and locations. This should include both Brownfield and Greenfield land. In the Submitter's view, this will provide the best opportunity to ensure suitable housing supply, the provision of housing choice and a competitive land market.

15. The Submitter supports the NPS-UD and intent of the FDS approach generally. It is important that Local and Unitary Authorities operate with a long term planning horizon to ensure that sufficient suitably live zoned land is made available to meet the short, medium and long term needs of the community.

16. The Submitter opposes the FDS being embedded into the Regional Policy Statement to restrict plan changes in FUZ. This will remove opportunities for advancing the urbanisation of land, where that can address housing needs and where issues such as the provision of infrastructure have been resolved.

Further analysis, consultation and engagement is required before the FDS adopted

17. The Submitter notes that under clause 3.15 of the NPS-UD, the Council is required to engage with a range of parties to prepare a draft FDS, including other relevant councils, central government, hapū, and iwi, infrastructure providers, and the development sector. The broader requirements in Policy 10 require the Council to *"engage with the development sector to identify significant opportunities for urban development*". Engagement with the development sector is also required to identify infrastructure requirements.

18. The Submitter considers that the Council has not complied with its requirements under clause 3.15 of the NPS:UD and Policy 10. Based on the information provided by the Council the following consultation was undertaken prior to notification of the draft FDS:

    (a) a survey was sent to property developers on the Council's database to understand developer trends and future intentions[1]; and
    (b) the Council engaged with The Property Council.

19. The Submitters are a key stakeholder in the development sector in Auckland and own a significant portion of the Upper Orewa FUZ. The Submitter were not sent a survey or provided an opportunity to engage or contribute to the FDS. The Submitter is unable to identify any property developers who were surveyed by the Council. It does not appear that the Council surveyed a large proportion of developers in Auckland.

20. The Submitter considers that the FDS should be withdrawn and reconsidered following meaningful consultation with the development sector and landowners in the FUZ. It should also be delayed pending the central government elections, the review and approval of Plan Change 78 and the completion of the business land capacity study.

21. In preparing an FDS in accordance with clause 3.15 of the NPS:UD, local authorities must use the special consultative procedure in section 83 of the LGA.. Section 83(1)(d) of the LGA provides that the Council must "*provide an opportunity for persons to present their views to the local authority in a manner that enables spoken interaction between the person and the local authority ...".*

22. Based on the information available on the Council's website, the Council is proposing to make changes to the FDS in response to written feedback and adopt the FDS in late 2023 without holding a public hearing. This approach is entirely inconsistent with the LGA. While the Council belatedly provided for one day for feedback, this invitation was not sent to The Submitter(or a number of large developers) and the limited dates that were provided were already fully booked.

23. The special consultative process is generally applied to matters that have high significance to the community and may have major implications. As set out above, the FDS will have a material impact on growth and development in the Auckland region. Developers, and the public generally, deserve to have their concerns heard and understood. This right under the LGA has been recognised in other regions across New Zealand including in Nelson (where hearings were held in April 2022 on its FDS) and Rotorua (where a hearing is scheduled for August 2023).

24. The Submitter requests the Council schedules a hearing on the FDS in accordance with the LGA to enable all persons who provided feedback with the opportunity to be heard (as required by section 83(1)(d) and (e) of the LGA).

25. The Submitter notes that limited changes can be made through the Special Consultative Process without triggering the need to re-consult. Effective pre-engagement is therefore needed. The Submitter considers that independent hearings are required to consider the evidence.

[1] We understand that the survey was sent to people who had recently lodged a building consent with the Council.

Residential Capacity

26. The Submitter considers that the draft FDS significantly overstates the ability of the existing urban environment to meet the housing needs of the Auckland community. The FDS is essentially relying on all of Auckland's future housing stock deliverability to be provided through infill development.

27. The FDS analysis appears to be based on plan-enabled capacity. The Submitter considers that there is a need to consider "*feasible and reasonably expected to be realised*" capacity by location and type.

28. There are many reasons why existing urban land may not be suitable for redevelopment. This includes the circumstances of the land owners, the existing capital investment on the land that makes redevelopment cost prohibitive, and the lack of suitable infrastructure capacity.

29. Noting the current recession and uncertainty in the housing market, a slowdown in the availability of greenfield land for housing development will result in a significant reduction in general housing stock availability. Whilst the length of recession is unknown, the current FDS will likely contribute to significantly lower housing availability and further delays in housing deliverability, and increased house prices over the short term.

30. Despite the assertion that the MDRS will significantly increase infill housing supply, The Submitter notes that since 2016 most of urban areas in Auckland have been able to develop 1-3 dwellings as a permitted activity. Despite this opportunity, the share of Auckland's dwelling growth that has been delivered by these smaller permitted activities is considerably less efficient than larger multi-unit developments and greenfield neighbourhoods. The Submitter has significant doubts that the MDRS will deliver a larger percentage of growth than the present situation.

31. The draft FDS will result in a significant reduction in available housing capacity, with no economic assessment of the overall flow on effects from removing or delaying such large areas of FUZ land. The Submitter notes that infill and redevelopment housing is generally 20-30% more expensive to build than greenfield housing. The reduction in land supply will place ongoing upward price pressures on houses, as experienced in Auckland since the introduction of the AUP in 2016.

32. The FDS targets urban growth only at Red Hills, Tāmaki; Mangere; Mt Roskill. These are very largely identified as the Kainga Ora redevelopment areas. These locations are too confined and will not provide for the necessary breadth of growth; and too limited in the geographic spread in terms of where people desire to live, and the breadth of lifestyle choice that people seek.

33. The Submitter notes that the Auckland Council has obtained a further 12-month extension for implementation of the MDRS under Plan Change 78. We understand that the primary reason is the uncertainty of the ability to intensify some existing urban areas due to the recent flooding events. There is significant uncertainty as the extent that these recent weather events will reduce the development capacity in the existing urban areas. The Submitter considers that it is premature to undertake changes to the FUZ (including staging) until Plan Change 78 has been approved.

34. The Submitter also notes that the FDS proposes to remove areas of FUZ, but there is no indication that the Council has considered areas outside the FUZ to address this reduction of land.

Constraining land supply directly impacts housing affordability

35. The key lesson of the 2000's and mid-2010's is that constraining land supply raises land value expectations in the current owners, which in turn raise the price developers need to pay for the land, which, when passed on to the end resident, significantly raises house cost. Under supply of land distorts normal market operations.

36. It is not the developer who is making the significant value uplift. Developer margins have been reasonably constant. It is the distortion in the market that raises hope value amongst existing rural and urban landowners, because there is a critical land supply shortage. A healthy over zoning is an important method to ensure these distortions do not occur.

37. It is also important to note that the build cost for 2-3 storey attached housing typologies and 3-5 storey apartments contemplated in brownfields environments under this policy are significantly more than traditional detached 1 & 2 Storey homes commonly found in greenfield developments. Therefore, eliminating greenfield will only lead to negative impacts on housing supply and affordability will only get worse.

38. One of the key unintended consequences of the FDS is that it will significantly constrain land supply, which will have a further negative impact on housing affordability.

39. This is completely at odds with direction from central government through the NPSUD which directs Councils to provide "at least" sufficient capacity and aims to improve housing affordability.

Business Land Supply

40. The Submitteracknowledges that the FDS is not just about delivering homes and housing, but it is also about well-located opportunities for business activity and community facilities, to offer good accessibility to employment and a range of household needs in the urban setting. These are all relevant matters when considering Auckland's Future Urban Areas. The Submitter notes that this is particularly relevant in the Auckland context which is a polycentric city which comprises a number of metropolitan centres throughout the Auckland urban environment from the Albany Metropolitan centre in the north to the new Drury Metropolitan centre in the south[2]. Locating employment land close to where people live will help address congestion issues and greenhouse gas emissions.

41. The draft FDS confirms that about 1,400 hectares of additional greenfield land for business activities is required in the long term. This includes approximately 1,000 hectares of land for land extensive business activities and 400 hectares of land enabling business activity and mixed use in centres and business areas. The land will mainly need to be accommodated in the Future Urban Zoned locations and these is an opportunity to ensure that such business land is also aligned with future housing and community infrastructure to provide the opportunity for people to live, work and play in their particular community. The lack of land use integration of both employment land

[2] There 11 metropolitan centres across Auckland: Albany (emerging), Takapuna, Westgate (emerging), Henderson, New Lynn, Newmarket, Sylvia Park (emerging), Botany (emerging), Manukau, Papakura and Drury (emerging), plus the City Centre.

and housing will lead to the reinforcement of cross regional transport demand which will exacerbate travel times, congestion and result in increased greenhouse gas emissions.

42. The Submitter considers that meaningful intensification of the existing urban area is an unrealistic option for industrial development, particularly for land-extensive floorplates. Provision for most of this growth will need to be in greenfield locations. The capacity alleged in the FDS is based on incorrect assumptions as to vacant land and an unrealistic assumption that brownfield business sites can be redeveloped at very high density. Some of the key assumptions in the draft rely on multi-story industrial development and very high building to land efficiencies. The assumptions are optimistic and need to be tested. The end result appears to be an over estimation of the available business land capacity s at present and an under-provision over the 30-year period.

43. There is a significant undersupply of industrial land at the current time, even before further constraints are imposed as proposed in the FDS. Market research indicates that there is a substantial undersupply of large vacant industrial sites, particularly in the north-west of Auckland, yet the draft FDS proposes no new greenfield development in this part of the region until at least 2035+. That provision will fall short of the Council's land supply obligations under the NPS-UD.

44. The Submitter also notes that the Business assessment is not complete. This is a fundamental part of the evidence base that needs to be completed to inform the FDS. Without an adequate supply of employment land, Auckland risks reducing its competitiveness and business will relocate outside of Auckland.

45. The FDS should be delayed until this work has been completed.

FDS Identified Site Constraints and Flooding Matters

46. The FDS cites that there are a number of statutory and non-statutory documents that support the concerns raised in the FDS as reasons why growth in the FUZ should be slowed and further assessments completed. The includes documents like The *National Policy Statement for Freshwater Management 2020* which deals with sensitive hydrological spaces, inclusive of wetlands and streams. Sediment and erosion are controlled by consent conditions and Council's own GD-05 standards. The recent flood events have been identified as one of the reasons *to* prevent greenfield development due to several stated constraints.

47. The Submitter disagrees with the approach. The existing planning documents already provide a pathway and a consenting framework to address such matters. In any event, the potential for enhanced regulatory methods (i.e., even better stormwater performance requirements) should have been considered as options. It is also noted that the requirement for structure planning and an eventual Plan Change provides more than sufficient controls to ensure that site constraints (including Natural Hazards) are identified and suitably addressed.

48. The Submitter considers that there is ample opportunity (and land) to masterplan developments to manage natural hazards and stormwater issues and, as noted above, there are already sufficient controls within the Unitary Plans to manage such effects.

49. The Submitter also notes that it is likely that additional qualifying matters, such as flooding, would prevent or delay development under the MRDS until this aspect of development was resolved.

The current uncertainty around the final outcomes of Plan Change 78 and the MDRS (including the 'theoretical yield') further highlights the lack on certainty of the ability for the Policy framework to provide suitable housing choice to the Auckland community.

50. The Submitter is of the view that density done well, designed in an integrated manner from the outset with good modern infrastructure standards, is far superior to ad-hoc and fragmented infill in older, often car-orientated neighbourhoods with very poor infrastructure.

Governmental Uncertainty

51. The Submitter notes that the National party has signalled that it will likely make the MDRS "optional". There is current significant uncertainty as to whether they will continue to support and deliver the capacity envisaged under the MDRS. Should the approach to the MDRS change Council will be left with a FDS that serves a limited purpose and provides for a watered-down infill approach relying on infill uptake much like we already have under the AUP, but with a diminished ability to bring in greenfield land.

Infrastructure Services and Funding

52. The FDS assumes that only the Council will fund core infrastructure. This is not correct, and on many projects the developer funds and delivers the infrastructure. The infrastructure triggers in the FDS are unclear and appear to assume that all infrastructure needs to be delivered before rezoning occurs. This is also unrealistic as the private sector will not invest in the absence of certainty about land use outcomes, as it is the approval of land use that enables developers to secure funding for the infrastructure. The Council is very unlikely to be in a position to fund the required infrastructure and it needs to work in partnership with the private sector to deliver the infrastructure and land use outcomes required.

53. The Submitterconsiders that providing infrastructure in the FUZ integrates suitably sized infrastructure from the beginning. Because it is a 'clean slate', there is an opportunity to design and size infrastrucure within the context, use the land effeciently and maximise development, and the investment that the Council makes. For existing communities on the urban/FUZ interface, greenfield development may enable additional critical mass and additional economic support for their local neighbourhoods.

54. The Submitter notes that in terms of greenfield areas, on site infrastructure is generally funded by developers. Offsite infrastructure to meet the demands of growth is largely funded in accordance with an approved Developer Contribution Policy or other approved funding framework.

55. The Submitter considers that the FDS significantly underestimates the costs and feasibility for retrofitting infrastructure into existing brownfield areas. There are also significant issues with the ability for developers to obtain a "rights of entry" to access infrastructure on private land. This issue already frustrates intensification under the current Unitary Plan provisions and it will not be addressed by PC78.

56. There is very little mention of development contributions as a means to resolve funding shortfalls often cited in the FDS, notwithstanding large-scale development proposals almost always (via the Plan Change Process) incorporate transport and infrastructure upgrade triggers as part of any

successful rezoning. We can only presume that the Council has no appetite to contribute any funding to future FUZ developments in the short to medium term, hence why this option has been almost entirely discounted from the FDS. Developers have (for some time) successfully shared the cost of greenfield redevelopment in previously identified FUZ areas – through both standard development contributions required under conditions of consent, and/or by infrastructure growth agreements with services providers.

57. The Submitter consider that where infrastructure investment has occurred, those areas should be prioritised so that a return can be obtained from the funding that has already been invested. For example, Council and its CCOs have invested $181m for the Northern Interceptor bulk wastewater line and North Harbour 2 watermain, both of which are required to service the Whenuapai area. Another example is Drury South.

Conclusion

58. A quality FDS will support economic competitiveness over the next 30 years. To prepare the draft FDS, the NPS-UD requires engagement with the development sector (to identify significant future development opportunities and infrastructure requirements) (clause 3.15).

59. This is needed because developers ultimately implement the FDS – providing for growth in the wrong locations means supply will fall short of demand with flow-on effects for housing affordability and business productivity.

60. The FDS seeks to promote long-term strategic planning by setting out the means by which a local authority intends to achieve a well-functioning urban environment, provide sufficient development capacity over the next 30 years, and integrate planning decisions with infrastructure planning and funding. This is intended to enable all people and communities to provide for their social, economic, and cultural wellbeing, and for their health and safety, now and into the future.

61. There are significant omissions in the Draft FDS with the exclusion of the existing and future urbanisation occurring at Upper Orewa.

The submitter's concerns would be addressed if the draft Future Development Strategy was amended in the following way:

- That the current FDS is withdrawn for the reasons set out in the following feedback and the Council engages with the community and key stakeholders to reconsider the approach to the FDS.

- That the future urbanisation of 55 Russell Road, Upper Orewa is accurately captured in any eventual FDS document, and is noted development ready land, with a proposed timing of 2025+.

- That no changes are made to the FUZ (including staging) until Plan Change 78 has been approved.

- The FDS should be delayed until the Business Capacity Assessment has been completed.

- The Council should work with the community and key stakeholders, including the residential development sector, to develop key principles including:

  (i) that sufficient land must be released at the appropriate time to cater for growth;

  (ii) that land supply will continue to occur with a combination of urban consolidation, greenfield development, and the expansion of satellite townships;

  (iii) that growth needs to be serviced by adequate infrastructure, with a range of funding options explored including innovative methods and participation by the private sector (investment and development);

  (iv) that stormwater and flood plain management are important factors and need to be considered in the release of land, but recognising different appropriate methods to manage such land;

  (v) That these principles are applied on an area by area basis to identify the release of land;

  (vi) ensure there is sufficient continuous release of employment and residential land to cater for growth;

  (vii) enable and support the private sector to deliver the range and quality of urban growth that is good for the community and which the NPS-UD and RPS aspires to achieve;

  (viii) retain changes to the RUB as a district control matter.

- Any consequential changes where these are required to give effect to the relief outlined above.

The submitter appreciates the opportunity to provide informal feedback on Auckland Council's draft Auckland Future Development Strategy 2023-2053 and thanks the Council staff and elected members for their time in considering the matters that have been raised in this submission.

The submitter would welcome contact from staff in the FDS team if any clarification or further information is required.

The submitter would welcome contact from staff in the FDS team if any clarification or further information is required.



Michael Campbell
Campbell Brown Planning Limited
For and on behalf of Rod Harman as its duly authorised agent

Date: 30 July 2023

Address for service of submitter:

Rod Harman
C/- Campbell Brown Planning Limited
PO Box 147001
Ponsonby
AUCKLAND 1144

Attention: Michael Campbell

[redacted] [redacted]
[redacted] [redacted]
Email: michael@campbellbrown.co.nz

Future Development Plan 2023 #8608

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Your feedback

Focusing growth

Denser, more compact cities result in improvements to the environment, the economy, and people's wellbeing.

Auckland's urban area is made up of neighbourhoods, town centres and business areas that are interconnected and that support where most Aucklanders live, work and spend their leisure time.

We propose that most housing and business growth will be focused within existing urban areas and that this growth be more intensive. This means less growth in greenfield areas at Auckland's edges. What greenfield growth there is will be phased over 30 years and longer.

1. What do you think of our approach to focus most of Auckland's growth in existing urban areas?

Tell us why

Accessible local centres

When people have easy access to workplaces, services, facilities and shops, communities become more resilient and connected. It also helps to reduce travel time, emissions and lower household transport costs.

We propose focusing housing and business development near local centres where most people's daily needs are easy to access by walking, cycling and public transport.

2. What do you think of our approach to focus development near local centres?

Tell us why

Avoiding hazards

As our climate changes, the frequency and severity of hazards such as flooding, sea-level rise and coastal erosion will worsen. Where and how we plan for growth, and how we adapt to these hazards is increasingly important.

We propose that known areas constrained by significant natural hazard risk should be looked at to see if further development is appropriate.

Where development is already enabled in potentially vulnerable locations, we will further investigate appropriate actions.

3. **What do you think of our approach to avoid further growth in areas which are exposed to significant risk of environmental hazards?**

Tell us why

Resilient infrastructure

Infrastructure across Auckland needs to cope with ongoing change, such as the impacts of climate change and evolving technology.

Nature-based infrastructure, such as rain gardens, swales, and detention basins, is better able to respond to ongoing change. This can help protect communities from hazards, as well as protect and restore the natural environment.

We propose prioritising investment in infrastructure that is decentralised, nature-based, regenerative and mauri-enhancing.

4. **What do you think of our approach to prioritising nature-based infrastructure that responds to the impacts of climate change?**

Tell us why

Other feedback

5. Do you have any other feedback on our approach to how and where Auckland should grow and change?

#8608

Fisher & Paykel Healthcare Karaka campus

Feedback on Future Development Strategy- July 2023



Artist's rendering of Karaka Campus

Fisher & Paykel HEALTHCARE

Fisher & Paykel Healthcare

- Medical device manufacturer with leading positions in respiratory care and obstructive sleep apnea
- Aspiration to double revenue every 5-6 years.
- Manufacturing in New Zealand, Mexico and China

HOSPITAL

Invasive Ventilation



Noninvasive Ventilation



Hospital Respiratory Support



Anaesthesia



Infant Care





Surgical





HOMECARE

Home Respiratory Support





Obstructive Sleep Apnea

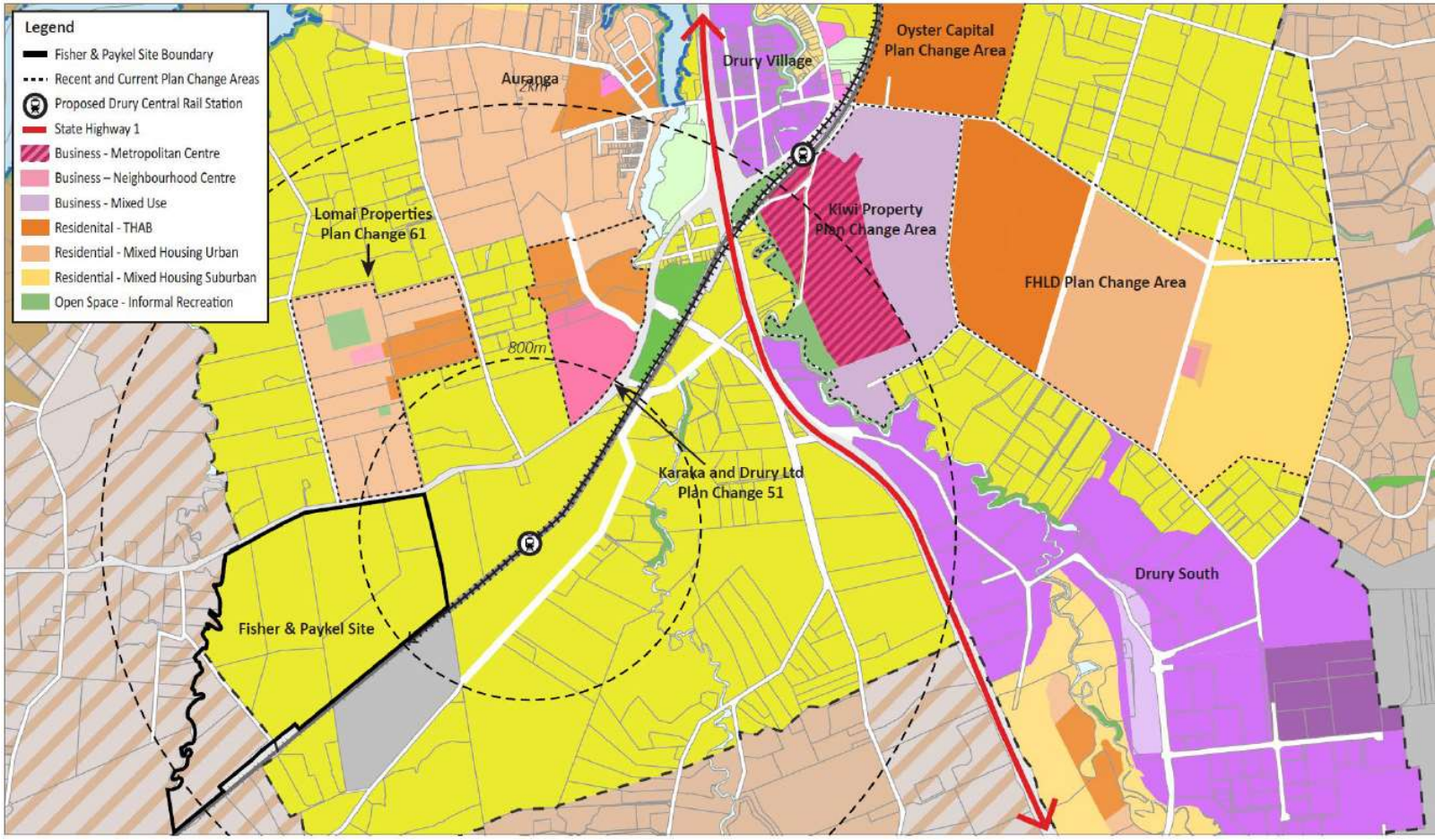




Fisher & Paykel HEALTHCARE

Land purchase

- Our East Tāmaki campus employs 3,600 people and will be full in 2030.
- To enable our growth, we acquired a **105-hectare parcel of land** (future Urban and Mixed Rural zone) in Karaka.
- We chose this site because of its proximity to planned infrastructure (train station, hospitals, schools, new homes in Drury).
- We are submitting a plan change in **late 2023**. Development is planned over 30 to 40 years.



Any delays to plan changes or permits for our land will impact our plans for growth.

Fisher & Paykel HEALTHCARE

Benefits of Karaka campus

- The site has the potential to become a major employment hub.
- Current plan is for our Karaka campus to provide up to **14,000 to 18,000 high-quality jobs** in several decades.
  - Research and development
  - Manufacturing
  - Distribution
  - Administration
- Phase 1 alone could accommodate up to **1,600** jobs at Fisher & Paykel Healthcare and require the skills and resources of approx. **700 – 800** jobs for all or part of its construction.



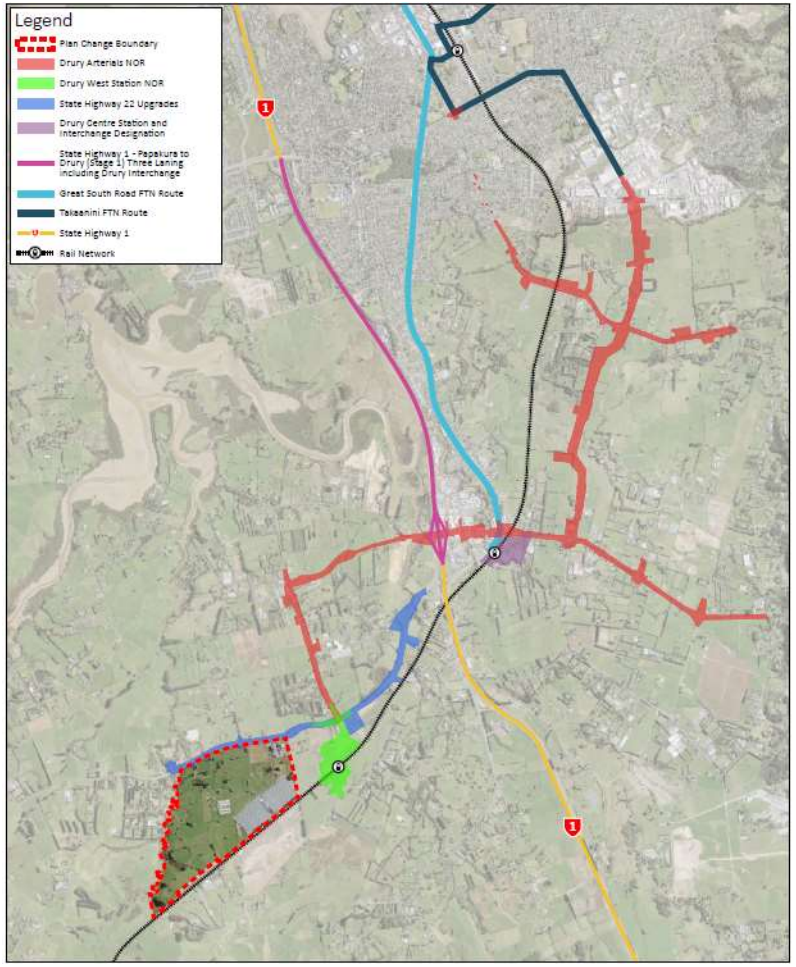






Fisher & Paykel HEALTHCARE

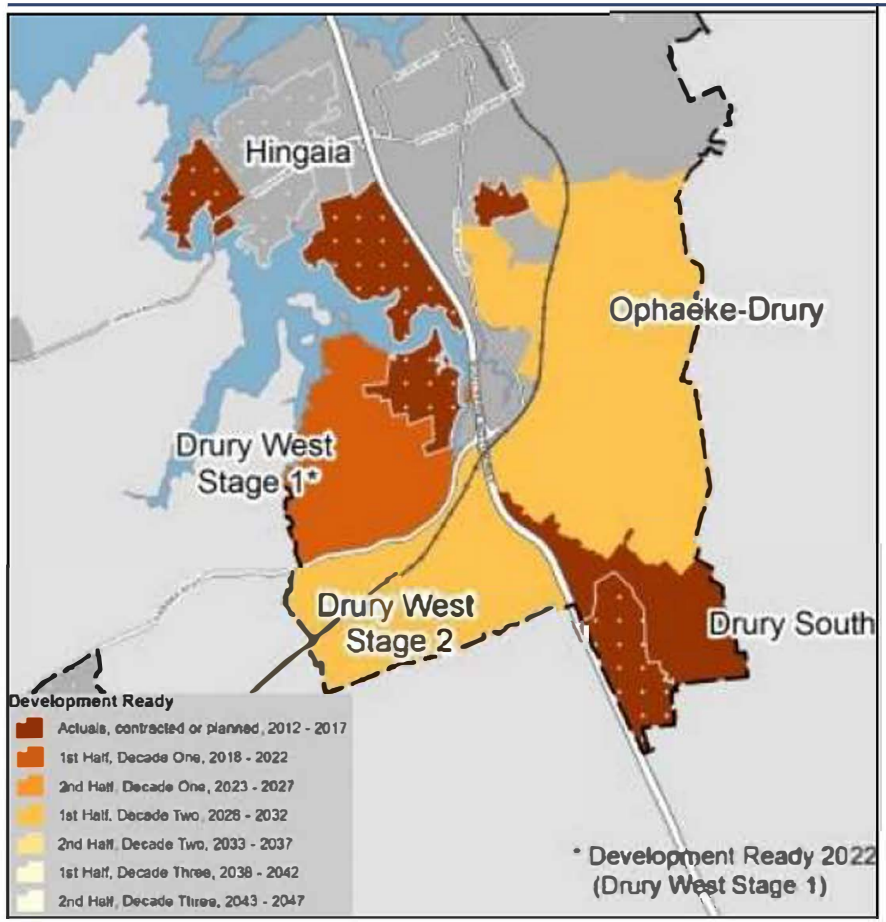
Infrastructure investment in Drury



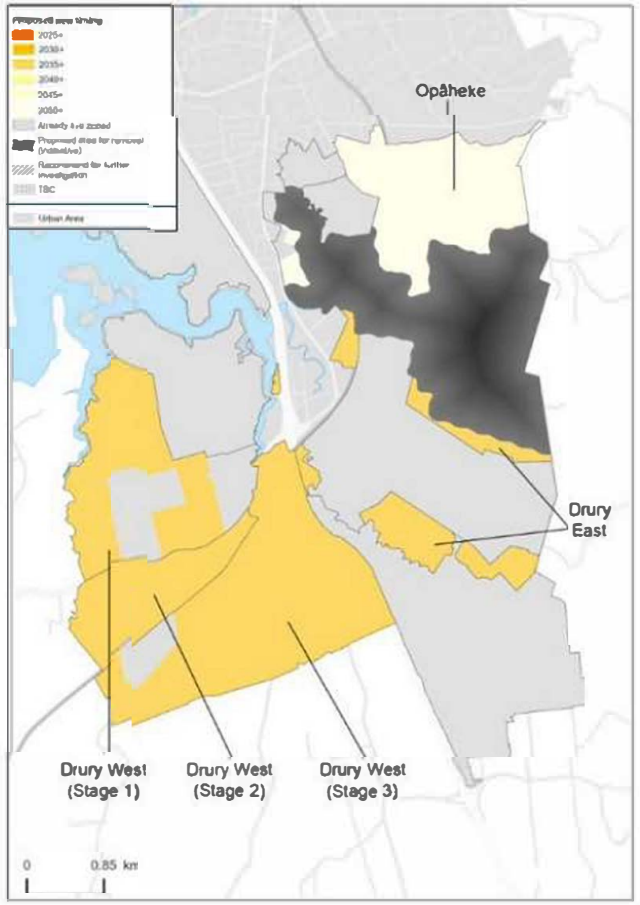
Project	Funding	Timing
Papakura to Pukekohe Rail Electrification	Confirmed in NZUP $371 million	Completion 2024
Drury Central Train Station	Confirmed in NZUP	Completion 2025
Drury West Train Station	Confirmed in NZUP	Completion 2025
SH1 - Papakura to Drury (Stage 1) Three-laning incl. Drury Interchange	Confirmed in NZUP	Completion Dec 2027
SH22 Upgrades	Business case scheduled mid 2023	Commencement 2025
Drury Arterials FTN	Business case scheduled late 2023	NoR lodgement late 2023
Southern Bus FTN	Business case scheduled late 2023	NoR lodgement late 2023

Fisher & Paykel HEALTHCARE

FULSS and draft FDS



Current FULSS Staging



FDS timing and approach for FUZ

Drury West Stage 2 Draft FDS Triggers:

- Drury West Rail Station
- Frequent Transit Network
- Drury Arterials
- Drury West Transmission Sewer
- Hingaia Rising Main

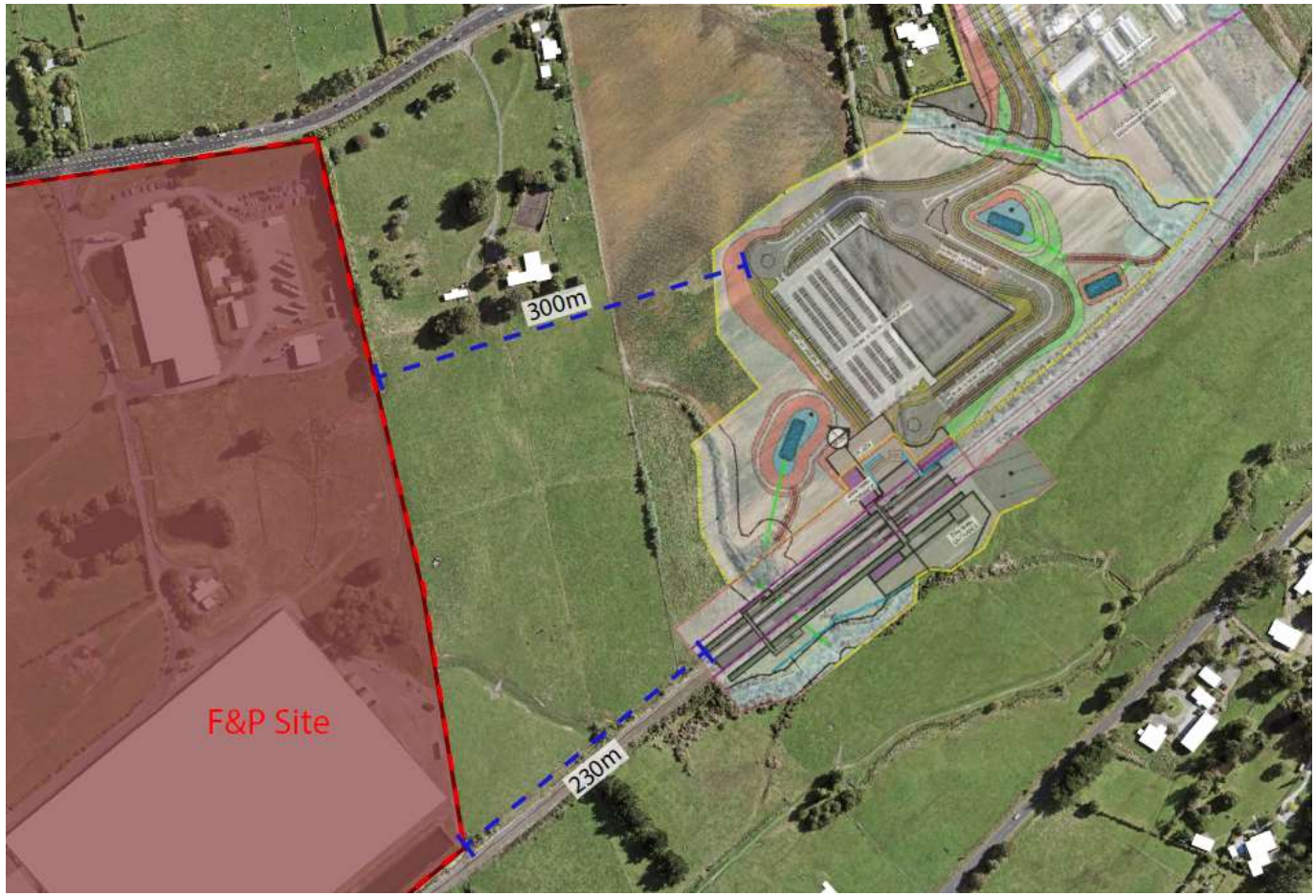
Fisher & Paykel HEALTHCARE

Key issues with draft FDS

- The FDS has a requirement for **all infrastructure triggers to be completed** before any release of land, which will restrict the market's ability to respond.
- The required works for the FTN and Drury Arterials are unclear.
- The FDS is an **inefficient use of government infrastructure funding** for future urban growth.
- The FDS does not accommodate Fisher & Paykel Healthcare's **innovative on-site infrastructure solutions** or private funding of infrastructure.
- The FDS is inconsistent with NPSUD Policy 8 – whereby local authorities are required to be responsive to out-of-sequence land release.

Key issues

- The Drury West Rail Station is funded and due to be completed in 2025.
- If development isn't consented because of the FDS, then the train station will be in the middle of farmland.
- The FDS needs to ensure that interim infrastructure solutions are available to allow the progressive release of land for development.



Fisher & Paykel HEALTHCARE

Our recommendations

1. Retain the Stage 2 Drury West 2028 – 2033 staging as per FULSS

2. Provide for a balance of certainty and flexibility within the FDS to:
   - ✓ Enable the staged release of land, in line with progressive or innovative infrastructure solutions
   - ✓ Ensure government-funded infrastructure is used efficiently, i.e. Drury West Train Station
   - ✓ Provide consistency with NPSUD responsive planning Policy 8

Fisher & Paykel Healthcare's Karaka campus is a major development opportunity, and it will provide national and regional economic, social and environmental benefits. The Future Development Strategy has significant implications for our plans for our growth in New Zealand.

Fisher & Paykel HEALTHCARE

Memorandum

To: Mary Wong – Barker and Associates Ltd

From: Crang Consulting Limited

cc: Matt Comery; James Hui - Fisher & Paykel Healthcare Ltd

Date: July 26, 2023

Re: FDS Submission for the Fisher & Paykel Healthcare Karaka Campus, Drury

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1.0 Introduction/Background

Auckland Council has published their draft Future Development Strategy (FDS) document which outlines the path for growth throughout Auckland over the next 30 years. This document is currently in the public consultation phase.

Fisher and Paykel Healthcare Limited ("FPH") has purchased Future Urban Zoned (FUZ) land[1] on Karaka Road in Drury with the aim of developing a second campus. The requirement for an additional Campus is driven by their existing campus (The East Tāmaki Campus) approaching its capacity. Crang Consulting Limited ("Crang") were engaged by FPH in November 2022 to contribute to both the Structure Plan[2] and the Private Plan Change ("PPC") required to re-zone the FUZ land to Business-Light Industry. Crang have prepared reporting to support the required amendments to the Structure Plan so far as it relates to Civil Engineering and infrastructure servicing considerations.

This memorandum has been prepared to summarise the work completed to date by Crang on the Structure Plan and PPC and explain that adequate civil engineering infrastructure can be achieved to enable the development of the Karaka Campus by 2030.

2.0 Status of Engineering Assessment

Crang have completed an assessment of the civil engineering opportunities and constraints for the plan change area. This assessment has included a study of the existing infrastructure, review of the structure plan outcomes, review of other key developments within the area, liaison/engagement with service providers, calculations to determine servicing demand for the future development, revised servicing plans and completion of an infrastructure report to outline the findings. This assessment has included consideration of the following key infrastructure servicing considerations:

- Wastewater serviceability
- Potable Water supply serviceability
- Provision of Utility Services (Power, Telecommunications and Gas)

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[1] 300, 328, 350, 370 and 458 Karaka Road.

[2] Auckland Council Drury – Opaheke Structure Plan dated August 2019

3.0 Summary of Findings

3.1 Existing Infrastructure

The proposed FPH Karaka Campus has an area of 105 hectares and is located on Karaka Road (SH22), Drury. The existing site is predominantly rural in nature and currently has agriculturally based activities, including a cattle farm and glass houses. The vast majority of the site is in pasture.

There is no existing public reticulated water or wastewater network in the vicinity of the development site.

3.2 Proximity of Other Developments

Several other developers have land zoned for residential development in proximity to the proposed Karaka Campus – refer to Figure 1 below. Despite being live zoned for urban development, it is noted that these developments will require infrastructure upgrades to enable their eventual development.

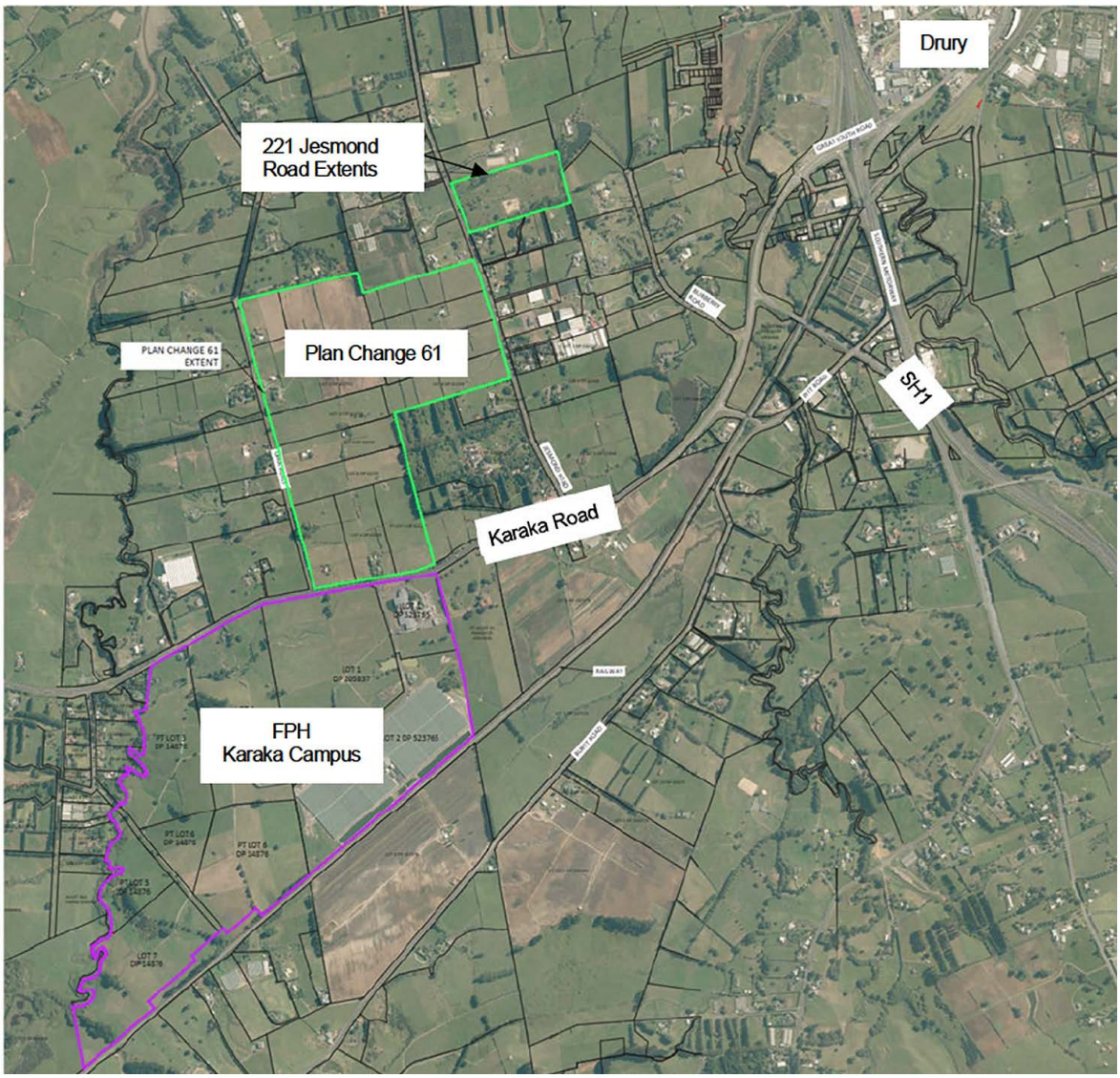


Figure 1 - Proximity of Surrounding Development

3.3 Proposed Servicing Strategy

3.3.1 Wastewater

Watercare has been engaged extensively throughout the structure plan/PPC process to formulate an acceptable servicing strategy for the site with respect to wastewater supply. A solution for servicing the site has been discussed with Watercare. The solution involves the planned extension of the proposed transmission gravity pipeline from the position of 221 Jesmond Road[3], through Plan Change 61 and directly to the frontage of the FPH development site – refer Figure 2 below. FPH understands from Watercare that any connection to this infrastructure must be developer funded.

FPH intends to investigate private wastewater solutions onsite as an alternative to connecting to (or reducing the reliance on) public wastewater infrastructure. FPH has experience with onsite wastewaster solutions with a FPH owned and managed tertiary water treatment plant operational at its manufacturing facility in Tijuana, Mexico and is committed to implementing solutions at its Karaka Campus consistent with its sustainability initiatives.

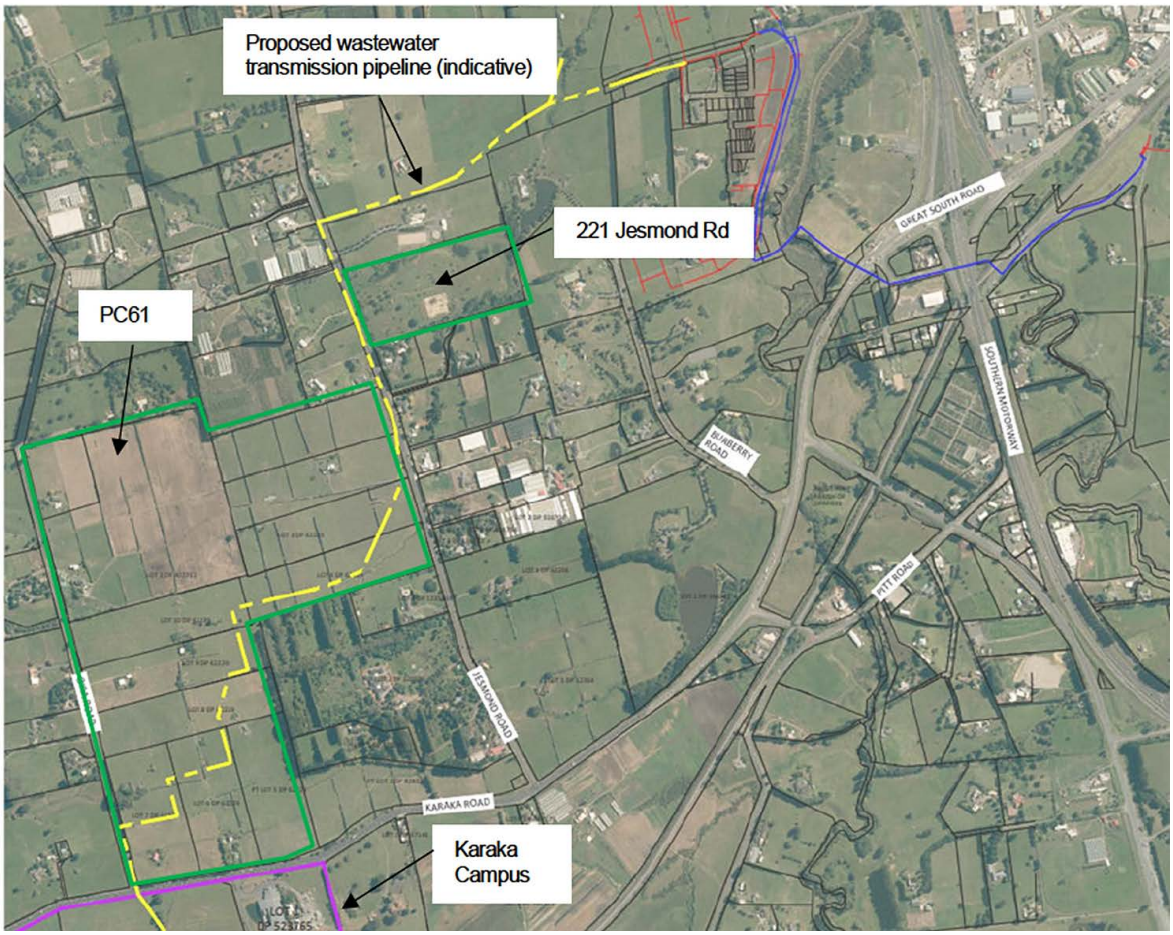


Figure 2 - Wastewater Servicing Strategy

3.3.2 Potable Water

Veolia Water (Veolia) are the franchisee for retail network distribution in the Drury area. Veolia have advised that any connection to public water supply required by FPH will need to be extended from the

[3] the extent for which design work have been completed to service 221 Jesmond and PC61

Bulk Supply Point (BSP) on Flanagan Road to the site frontage on Karaka Road. A loop back to the Flanagan BSP through Bremner Road and Jesmond Road is also required to be completed as part of the network to provide resilience. The total length of this network extension is in the order of 6.3km. An indicative alignment of the proposed service network is shown in red on Figure 3 below.

FPH understands that the proposed public water supply reticulation is classed as retail infrastructure and that any connection to this infrastructure is to be designed and funded by the developer.

Similar to wastewater, FPH intends to investigate private water treatment solutions onsite at its Karaka Campus as an alternative to connecting to (or reducing the reliance on) public water infrastructure. FPH currently harvests rain water at its East Tāmaki Campus which reduces its reliance on public watermains and is committed to implementing solutions at its Karaka Campus consistent with its sustainability initiatives

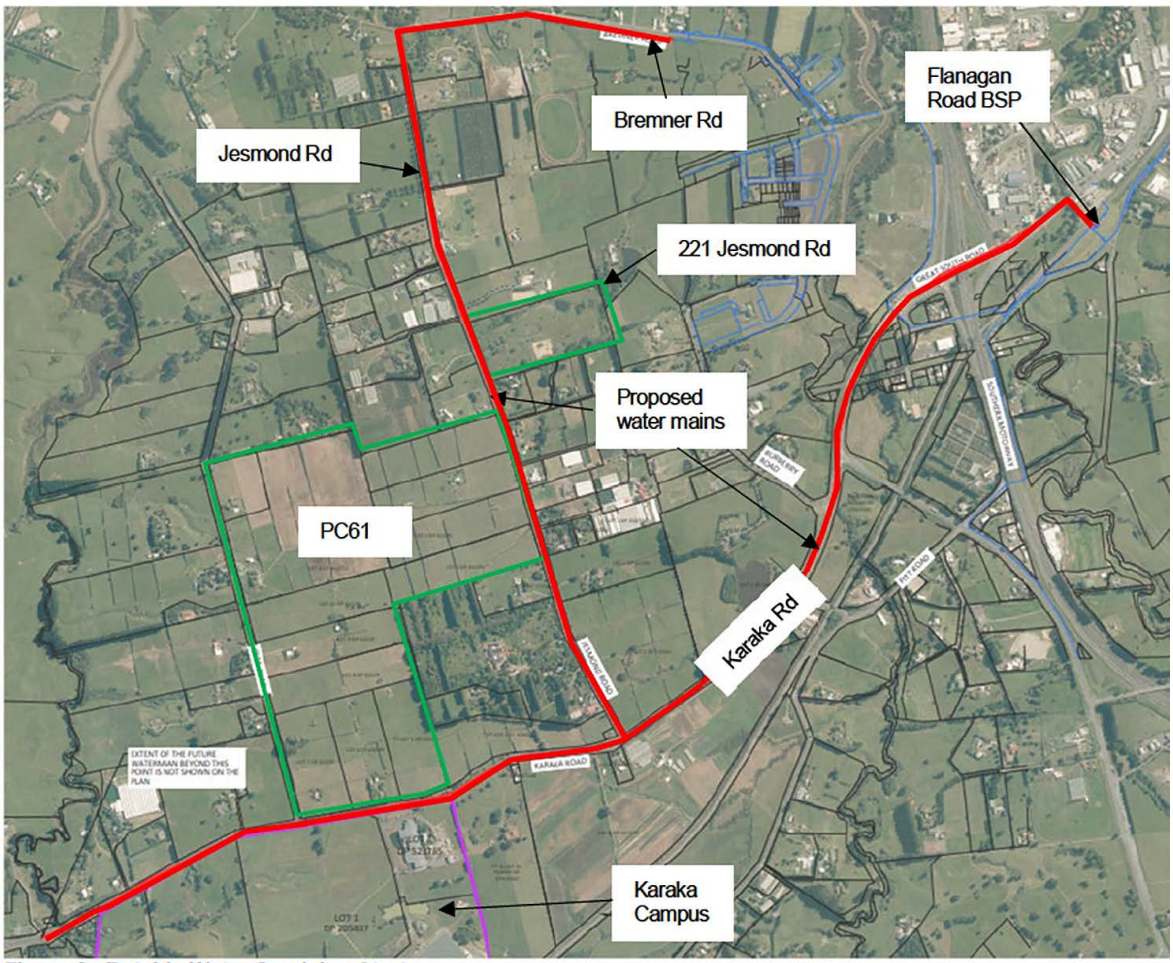


Figure 3 - Potable Water Servicing Strategy

3.3.3 Power/Telecommunications

Power supply and telecommunications is located on Karaka Road along the frontage of the development site. It is anticipated that network upgrades will be required to support the Karaka Campus. Counties Energy and Chorus will be engaged to provide these designs which will ensure power and telecommunications infrastructure will be available for the site.

3.3.4 Gas

Gas reticulation is available in Karaka Road although is unlikely to be required by FPH. FPH does not use gas at its East Tāmaki Campus and is unlikely to utilise non-renewable energy sources at its Karaka Campus.

4.0 Infrastructure Delivery

The infrastructure requirements to support the developments within the area are either substantial private sector funded, public work extensions which have the potential to unlock development in this area of Drury and provide long term benefits for the development potential of the area, or privately funded, onsite solutions that are not reliant on public infrastructure.

The introduction of another large land holding with development intent increases the chances that development can be successfully funded through a private sector partnership thereby enabling land already zoned for development to be realised as intended.

5.0 Conclusion

The proposed development of a campus by FPH at Karaka Road in Drury has the ability to be serviced with adequate infrastructure by 2030 through either privately funded upgrades to public wastewater and potable water reticulation or private onsite solutions independent of public infrastructure.

It is therefore concluded that, there are no civil infrastructure barriers to urbanisation of the development site by 2030.

Should you have any further queries on the above, please contact me.

Yours faithfully
CRANG CIVIL



Cameron Gifford
Senior Civil Engineer

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#8608

28 July 2023

Project/File: 310204020

Mary Wong
maryw@barker.co.nz

Dear Mary,

REFERENCE: DRAFT FUTURE DEVELOPMENT STRATEGY AND FISHER & PAYKEL HEALTHCARE KARAKA CAMPUS

1. Background and Previous Work Undertaken

Auckland Council is currently consulting on it's Draft Future Development Strategy (DFDS) which seeks to investigate the where and when investment in planning and infrastructure will be made throughout the City. Fisher and Paykel Healthcare (F&P) has engaged Stantec to provide a summary of traffic related aspects in relation to the proposed Structure Plan (SP) and subsequent Private Plan Change (PPC) required to facilitate the rezoning of the land to Business – Light Industrial and the development of its proposed Karaka Campus site.

This letter will provide information to support F&P's submission on Council's DFDS. This letter was produced in coordination with Daryl Hughes from CKL New Zealand Limited as a subcontractor to Stantec, who is leading the transport aspects of the F&P SP and PPC in Karaka.

Stantec has previously carried out detailed local and regional traffic modelling and has considered the transportation infrastructure upgrades that are needed to ensure the rollout of development activities on the site remain within the functional capacity of the surrounding road network. It is anticipated that the required upgrades will include the access intersections to the site and connections to adjacent development and the Train Station.

Throughout this process, the project team has actively engaged with authorities, including:

- Auckland Transport (AT) regarding the general approach to site assessment and current network upgrades;
- Waka Kotahi (WK) regarding the same, including progress on the New Zealand Upgrade Programme (NZUP);
- Auckland Forecasting Centre (AFC) regarding the regional traffic modelling;
- Supporting Growth Alliance (SGA) regarding the future Pukekohe Arterials and related Notices of Requirement (NOR); and
- KiwiRail regarding the proposed Drury West Train Station.

2. Karaka Site Overview

The Structure Plan Area (Karaka Campus) is bound by Karaka Road (State Highway 22) to the north and the North Island Main Trunk Railway Line (NIMTRL) to the south. The site encompasses the properties at 300-328, 350, 370 and 458 Karaka Road, and is shown on Figure 1 below.

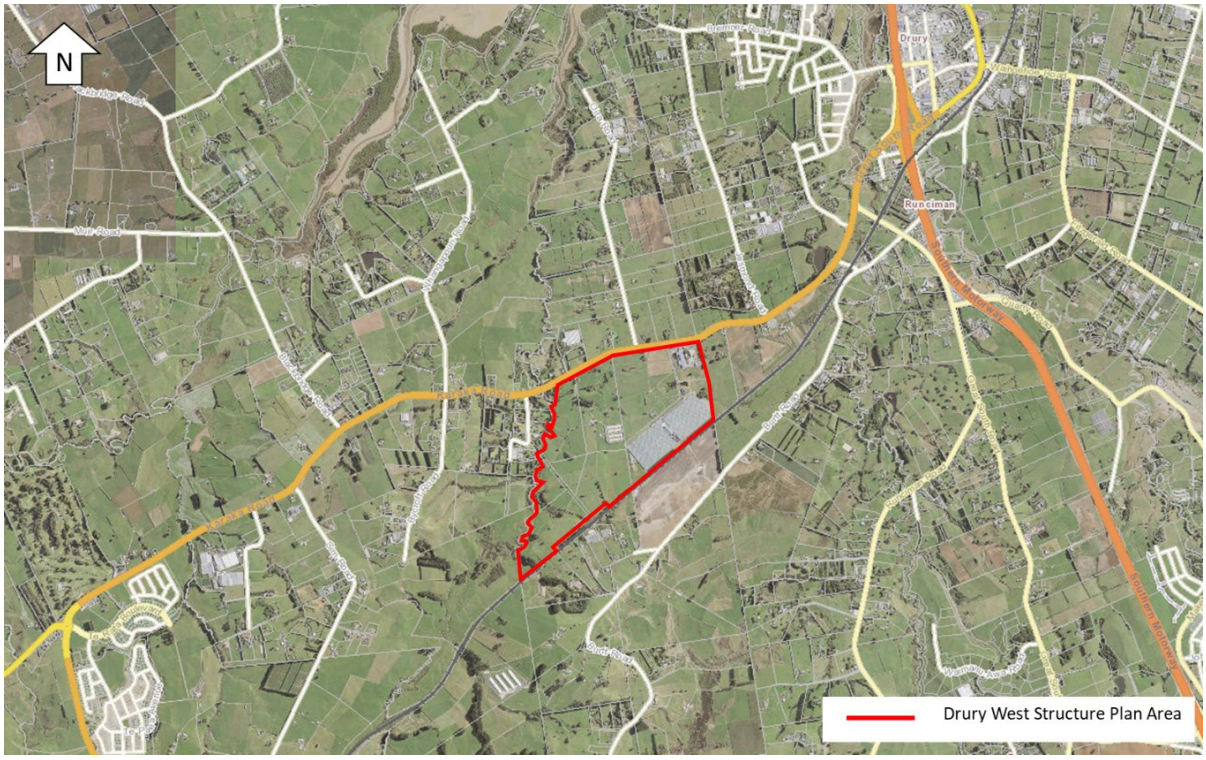


Figure 1: Aerial Photography of site in the context of its immediate network context

The proposed Karaka Campus comprises approximately 105 Ha of Future Urban Zoned (FUZ) and Rural – Mixed Rural Zoned (MRZ) land in Drury West. The land is sought to be rezoned to Business – Light Industry to allow for the development of F&P's Karaka Campus to facilitate research and development, office, manufacturing and warehousing activities. The Karaka Campus is envisaged to be an employment hub providing employment opportunities for the local and wider Auckland area.

The long-term development proposed by F&P at the Karaka Campus has been assessed alongside other technical disciplines, such as land use planning, economics and urban design. The project's expert team understand how the Karaka Campus can be sustainably designed and delivered, and from a transport perspective, how the existing and planned infrastructure including enhanced public transport features, such as those being secured by SGA, can readily and efficiently contribute to the future employment and business outcomes for this area of South Auckland.

The Karaka Campus is strategically well-located in the vicinity of the proposed future Drury West Train Station, adjacent to SH22, less than 3km from the SH1 motorway, and in an area of Auckland where significant residential growth is projected. As such, the long-term development of the Karaka Campus provides opportunity to integrate with the planned future urban environment and provide significant local and regional employment opportunities while achieving strategic transport policy outcomes.

Residential subdivisions are currently being developed in Paerata and Waipupuke while a metropolitan centre and transit-oriented development is planned for the Drury East area, east of SH1. There are several transport upgrades identified in this letter that will enable the Karaka Campus to align readily and integrate with the wider developments and planned transport upgrades identified by SGA.

3. Future / Planned Infrastructure Upgrades

The future transport network of the Karaka Campus will benefit from planned infrastructure upgrade projects in the immediate vicinity and the wider South Auckland area. Various infrastructure upgrade projects have been committed in the current National Land Transport Programme (NLTP) and Auckland Regional Land Transport Plan (RLTP). The Indicative Strategic Transport Network for South Auckland, comprising these planned upgrades are illustrated in Figure 2 below.

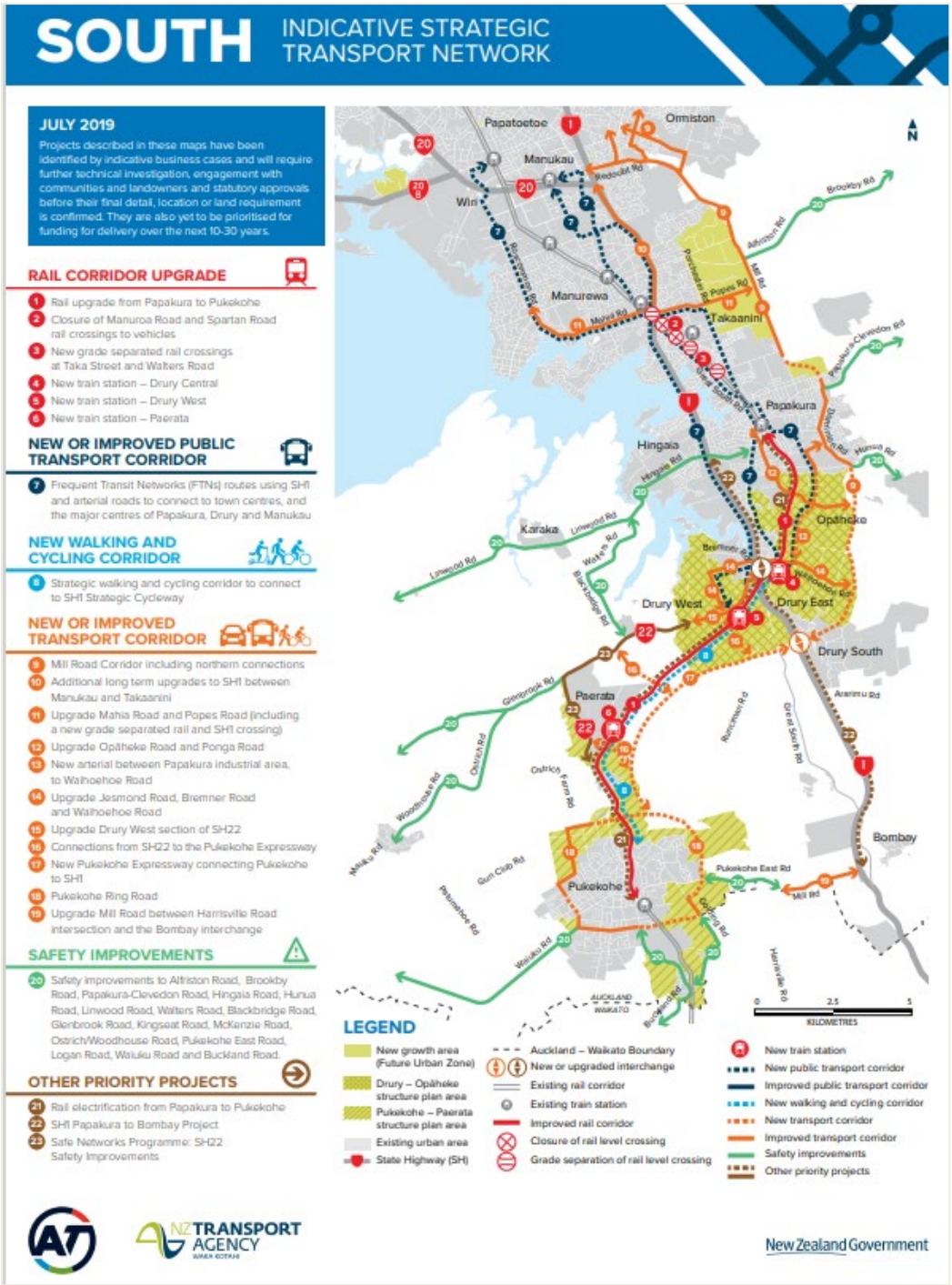


Figure 2: Supporting Growth Southern Upgrades

The upgrades of relevance to the Karaka Campus area include (with references to schemes in Figure 2):

- Electrification of the rail network between Papakura (the existing southern extent of electrification) to Pukekohe (scheme 1) and the three new train stations at Drury West adjacent the site (scheme 5) as well as in Paerata (scheme 6) and Drury Central (scheme 4);
- Upgrades to the Drury West section of SH22 between SH1 and Jesmond Road (Scheme 15);
- Safe Networks Programme: SH22 Drury to Paerata Upgrades (Scheme 23);
- Strategic walking and cycling corridor connecting to SH1 (Scheme 8);
- Upgrades to Jesmond Road, Bremner Road and Waihoehoe Road (Scheme 14);
- New Pukekohe Arterial connecting Pukekohe to SH1 at a new Drury South Interchange (Scheme 17) including several connections to SH22 (Scheme 16); and
- Safety improvements along several local roads adjoining SH22 (Scheme 20).

The majority of these upgrade projects are included within the New Zealand Upgrade Programme (NZUP). Further, it is understood that the now operative Waipupuke Plan Change that lies adjacent to the Karaka Campus to the north of SH22 is proposing to upgrade the SH22 / Oira Road intersection to a double roundabout. That project and upgrade will complement access to the Karaka Campus.

The SGA projects are described in further detail below.

3.1 Rail Corridor Upgrades

The NIMTRL between Auckland and Wellington, passes through Papakura, Drury and Pukekohe. Electrification works on the route between central Auckland and Papakura have been completed, with the Early Rail Development Programme seeking to extend the electrification to Pukekohe.

The South Auckland package within the NZ Upgrade Programme (NZUP) has funding for:

- Electrification works across the 19km section of the southern line, including redevelopment of Pukekohe Station and level crossing improvements; and
- Three new train stations between Papakura and Pukekohe expected to be completed in 2025.

The major works for the electrification programme began in late 2021 and are expected to be rolled out over a three-year time frame – up to 2024.

The three new train stations are expected to be completed in 2025, and funding has been allocated for their construction as part of the Governments New Zealand Upgrade Programme (NZUP). Planning approval for the Drury west Station is currently being sought with the necessary NOR's having been publicly notified. Each of these stations will include a bus interchange, park and ride facilities and walking and cycling paths and supporting the roadways. The station at Drury West is expected to have up to 200 car parks while the remaining two stations are expected to have 350 each.

The electrification of the rail line along with the three new train stations in the area will help planned growth in South Auckland and Drury by increasing passenger capacity, travel time reliability, achieve sustainability outcomes and allow for a direct service from the Auckland CBD through to Pukekohe.

3.2 SH22 Drury Upgrade

The project extents include a 2km section of SH22 between SH22/Mercer Street and SH22/Jesmond Road intersections. NZUP seeks to upgrade this part of SH22 to provide additional transport choice and connectivity to the planned Drury West Train Station thereby improving travel choice, travel time reliability and safety to support planned growth in the area. Specifically, these upgrades will address existing safety issues, and provide facilities to make more walking, cycling and public transport safer and more competitive to private vehicle travel.

The SH22 Drury West package currently has funding for detailed design and land acquisition. Construction is expected to being in 2024/25 pending approval for funding from the Government.

3.3 Safe Networks Programme: SH22/SH1 to Paerata

This programme seeks to address underlying road safety issues on SH22 with a number of safety related changes. The project is investigating options for flexible safety barriers, adding right turn bays, removing unsafe passing lanes, providing turn around locations and widening road shoulders. Some of these upgrades, including the SH22 / Glenbrook Road intersection and speed limit changes are already operational.

These changes help address some of the existing safety issues on SH22 and will allow for improved safety outcomes for current and future operations within the area.

3.4 Other Projects

Additional infrastructure upgrades are proposed for the area as part of the SGA indicative transport network, including:

- Strategic walking and cycling corridor to connect to SH1 Strategic Cycleway. These facilities are expected to run parallel to the NIMTRL and will provide connectivity between Drury and Pukekohe via Drury West and Paerata. These connections to SH22 and the Drury West station with ongoing residential development in the area allows for improved transport choice for local travel and connective to the PT network.
- Upgrades to Jesmond Road, Bremner Road and Waihoehoe Road for improved safety and efficiency outcomes will help improve the road safety record and address underlying issues with the roads.
- New Pukekohe Arterial connecting Pukekohe to SH1 and arterial road connections to SH22 at Jesmond Road and west of Blackridge Road. These will provide a more direct and alternative travel route between Drury South and Pukekohe while providing a more porous transport environment. Additional travel options between the two centres and for access to and from SH1 means that SH22 will experience reduced traffic volumes and congestion. The arterial connectors also allow for improved route choice for local travel. NORs for the Pukekohe Arterials and its connections are understood to be notified by the end of 2023.
- Safety improvements along several local roads adjoining SH22 helping address underlying safety issues and reduce the risk of fatal and serious injury crashes in the area.

4. Proposed Structure Plan

The development proposed for the Karaka Campus will comprise Office and Light Industrial activities. The proposed Karaka Campus seeks to set out strategic direction for the transport network within the development and its interface with the surroundings.

The indicative roading network and masterplan for the Karaka Campus is yet to be developed by will likely comprise a network of minor access type roads with shared walking and cycle paths.

The road connections to the surrounding road network will likely be via three accesses onto SH22;

- Access Road 1 (west) – potential signalised T-Intersection;
- Access Road 2 (central – Oira Road intersection) – likely double roundabout intersection; and
- Access Road 3 (east) – potential signalised T-Intersection.

These accesses will be constructed by F&P at the time of future development. Although other connections are likely to be feasible as the area develops.

The site will benefit from the future upgrades to the public transport network. Passengers from the proposed Drury West train station are envisaged to form the majority of Public Transport related trips to and from the Karaka Campus. The proximity of the proposed Drury West train station, just 300m east of the site, means that there is opportunity to provide measures to encourage sustainable travel choices.

F&P intends to facilitate direct access between the Karaka Campus and the train station to provide walking routes and active mode transport. This can be achieved as the land in between the Karaka Campus and the Drury West train station is developed or earlier via the construction of a path alongside the rail line. F&P has had initial discussions with Kiwirail and understands that there is sufficient land available adjacent to the railway line to facilitate such path.

In addition to the above, F&P intends to investigate the feasibility of providing a private shuttle, potentially electric and automated, between the train station and the Karaka Campus. This shuttle service could operate as means of transferring F&P staff / visitors at regular intervals during the peak hour periods.

The Karaka Campus is a significant land holding of 105 hectares, to be developed solely by F&P. This presents the opportunity to further enhance the provision of active modes within the Karaka Campus, including through allowance for footpaths, shared accessways along the carriageway, and separated cycling infrastructure. These facilities will integrate with current and future proposed links along Karaka Road and contribute to a wider transport network that will facilitate increased travel choices.

Overall, there is significant government investment and planning for infrastructure upgrade projects in the immediate vicinity and the wider South Auckland area to the Karaka Campus. Therefore, future activities can be accommodated without comprising the safety and function of the road network. Further, development of the Karaka Campus brings a certain and early return on that investment.

5. Benefits of Development in This Location

There are clearly significant benefits in enabling development in this specific location. These include:

- **Ability to capitalise on significant government investment.** The New Zealand Upgrade Programme (NZUP) is a multi-billion government investment in Auckland that will provide more travel choices and support economic growth. As described in detail above, the Karaka Campus site is perfectly placed to benefit from this significant government investment and in return will provide a significant boost to the local and regional economy, thus providing government with a strong return on its investment. Should the Karaka Campus be provided in a brownfield area of Auckland, the mutual benefit of that investment would not materialise.

- **Ease of providing for active modes and public transport access.** The key advantage of greenfield development is the ability to provide excellent active mode and public transport facilities and access without the significant obstacles present in brownfield areas. Current urban areas in Auckland and wider New Zealand towns and cities suffer from non-existent or sub-standard active mode and public transport facilities due to historic poor investment and design. Further, the ability to retrofit adequate active modes or public transport facilities in brownfield areas are either impossible or extremely expensive due to third party land and other obstacles, including inadequate public or political support for such changes. The ability to achieve non-car-based travel is therefore particularly challenging in brownfield areas. The benefit of greenfield areas, and Drury in particular, is that new developments can be designed with a high standard of active mode and public transport access from day one.

- **Ensuring sustainable mode-share certainty.** The vicinity of the proposed Drury West Train Station with an incorporated bus interchange station, plus a new network of active mode facilities between the site and surrounding new and proposed residential areas, will ensure the Karaka Campus site will achieve a high active mode and public transport mode share from day one, rather than having to change travel habits over time through ongoing investment. Should the Karaka Campus be provided in a brownfield area, significant changes and investment would need to be made to improve mode share over time.

- **Maximising trip internalisation.** Situating a major employment hub as proposed with the Karaka Campus provides local employment close to the new and proposed residential areas in the immediate vicinity (the Drury-Opaheke Structure plan area currently envisages up to 60,000 new people over the next 30 years). That means that even those trips undertaken by car have a higher chance of being contained locally, rather than becoming a burden on the state highway network and intersections. The site capitalises on the opportunity to live and work local.

- **Minimising carbon emissions.** The above factors will ensure that carbon emissions through Vehicle Kilometres Travelled (VKT) are minimised, therefore aligning well with Auckland Council's Transport Emissions Reduction Pathway (TERP).

6. Conclusions

F&P is planning a Structure Plan and subsequent Private Plan Change proposal to rezone approximately 105 ha of FUZ land in Drury West to Business – Light Industry. The proposed Structure Plan provides an opportunity to deliver employment opportunities and to support the residential growth in Auckland, particularly in the southern region.

The internal road network within the site will feature on and off-road walking and cycling paths. There are likely to be at least three new road connections to the surrounding street network, including three off Karaka Road, and each intersection will be upgraded to provide safe and efficient movement of traffic and active modes. Additionally, the Karaka Campus will be provided with active modes and private transport services between the planned Drury West train station and internal to the Karaka Campus.

Government is making significant investment into the Drury area to support new communities and employment, particularly to the public transport and active mode facilities to enable the area to grow sustainably. The proposed development is well placed to benefit from that investment, and in return will provide a significant boost to the local economy, ensuring a substantial return in investment. Extensive consultation with Authorities has been undertaken to ensure the proposed development aligns well with this infrastructure investment.

There are several advantages of enabling developing in this area, rather than in other existing areas of Auckland. These include:

- Ability to capitalise on significant government investment;
- Ease of providing for active modes and public transport access;
- Ensuring efficient mode-share certainty;
- Maximising trip internalisation; and
- Minimising carbon emissions.

The Government investment, alongside similarly significant investment by local developers, will ensure that there are no transport barriers to urbanisation of this area, which can be undertaken in a sustainable and efficient manner.

Ngā mihi,

STANTEC NEW ZEALAND (WITH CKL INPUT)

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CKL Associate Transportation Engineer

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PROPERTY ECONOMICS



FPH KARAKA RD FUZ

FUTURE DEVELOPMENT STRATEGY

ECONOMIC MEMORANDUM

Client:	Fisher & Paykel Healthcare
Project No:	52266
Date:	July 2023

W: www.propertyeconomics.co.nz E: tim@propertyeconomics.co.nz P: 09 479 9311 PO: Box 315596, Silverdale 0944

27 July 2023

ECONOMIC MEMORANDUM

To: Matt Comery
Infrastructure Development Manager
Fisher & Paykel Healthcare
Email: Matt.Comery@fphcare.co.nz

RE: ECONOMIC BENEFITS OF FPH PPC AT KARAKA ROAD, DRURY

INTRODUCTION

Property Economics has been engaged by Fisher & Paykel Healthcare (**FPH**) to provide a high-level overview of the appropriateness and economic benefits of bringing forward FPH's proposed development in Drury West, under the Auckland Unitary Plan Operative in Part (**AUP(OIP)**) and the draft Future Development Strategy (**FDS**) context.

To provide insights into the economic rationale behind the proposed development, this Economic Memo identifies the potential economic contributions and benefits associated with the proposed FPH campus on Karaka Road to the Auckland economy.

POLICY CONTEXT

To provide context, Auckland Council has developed a draft FDS as a replacement for sections of the current Auckland Plan 2050, Development Strategy 2018, and Future Urban Land Supply Strategy 2017 (**FULSS**).

The purpose of this draft FDS is to "*promote integrated, long-term strategic planning to help the council set the high-level vision for accommodating urban growth over the long term and identify strategic priorities to inform other development-related decisions*". It aims to:

- *achieve well-functioning urban environments*
- *ensure there is sufficient development capacity*
- *integrate planning and infrastructure planning and funding*

Under the AUP(OIP), the majority of the site that FPH intends to rezone on Karaka Road falls within the Future Urban Zone (**FUZ**). According to the draft FDS, this land within the FUZ is now identified as Drury West Stage 2, with a timeframe of 2035+ (refer to Appendix 1 for details).

While this new timeframe is a delay compared to its previous staging of 2018-2032 as identified in the FULSS, the inclusion of the development timing in the draft FDS for most of the PPC site reflects the continued suitability and efficiency of the site for future urbanisation in its location.

ECONOMIC SIGNIFICANCE OF FPH

FPH is one of New Zealand's largest and most successful manufacturing companies. The company's headquarters are currently located in East Tamaki, Auckland. FPH is a company that specialises in the design, development, and manufacture of medical devices and equipment, with a specific focus on respiratory care and acute care solutions. Established in 1969, FPH has emerged as a global leader in its field, delivering innovative and high-quality healthcare products to improve patient outcomes worldwide. In essence, FPH is one of Auckland's flagship companies on the international stage and gives significant profile to Auckland as a business hub.

FPH's presence and operations have had a significant economic impact on the Auckland region. As a large employer in Auckland, FPH contributes substantially to the Auckland economy by creating job opportunities for a diverse range of skilled professionals. FPH's workforce consists of high skilled engineers, researchers, manufacturing experts, and other professionals, fostering technological expertise and innovation within the region.

In addition to its employment contributions, FPH plays a pivotal role in driving export growth for Auckland and New Zealand. The company's reputation for excellence and its commitment to research and development have enabled it to establish a strong global presence, exporting its medical devices and equipment to over 120 countries worldwide. This global success has led to valuable export earnings for the Auckland region and the broader New Zealand economy, contributing to increased foreign exchange reserves and the growth of the medical technology sector.

FPH's investments in research and development (R&D), coupled with collaborations with academic institutions and healthcare professionals, have further enhanced its economic significance to Auckland. These efforts contribute to the overall growth and competitiveness of Auckland's healthcare and innovation ecosystem. Furthermore, the company's partnerships with local suppliers and service providers generate a ripple effect throughout Auckland's economy, supporting various ancillary industries and promoting economic development.

In Property Economics view, FPH, with the proposed Karaka Road campus development, has the increasing potential to stand as an important economic pillar in the Auckland manufacturing and exporting economy. Its employment opportunities, export earnings, R&D investments, and collaborations would contribute to the Auckland's economic growth and foster innovation.

In this context FPH is of significant economic benefit, and importance, to Auckland and for Auckland to accommodate FPH's growth aspirations within the region as soon as required. The alternative of potential loss of FPH from Auckland would cost the region multiple billions of dollars from its economic and employment base over the long term and undermine Auckland's international profile as a business location.

ESTIMATED ECONOMIC IMPACTS

It is expected that the proposed FPH Karaka Road Campus could accommodate 14,000 – 18,000 FTE jobs by 2060. To provide a context, Manufacturing is currently the fifth largest employer in the wider Auckland market, providing approximately 82,850 jobs as of 2022. However, over the past 22 years, this sector has experienced a decline of approximately 3,620 employees as it either automated processes (becoming more capital-intensive) or shifted operations offshore.

Therefore, it is expected that the net additional employment opportunities resulting from the proposed FPH campus would significantly enhance the local manufacturing sector and promote overall economic growth. This contribution would contribute to Auckland's export diversification efforts and have positive implications for the broader national economy as well.

LOCATIONAL ATTRIBUTES OF THE SITE FOR THE PROPOSED DEVELOPMENT

In Property Economics view, the subject site on Karaka Road has several attributes and advantages to be utilised for the proposed development, thereby maximising the economic land use efficiency of the site.

- Good access to major transportation network (SH1)
- Adjacent to new Drury West train station for employees / visitors – potential to reduce road traffic loads
- Close to future major commercial services and support businesses – Drury Metropolitan Centre
- Proximity to an existing (and fast growing) skilled labour supply
- Economies of scale and agglomeration benefits – having FPH develop a single masterplan campus creates agglomeration benefits and market efficiencies, as well as development efficiencies
- FPH's existing network and infrastructure – proximate to the existing East Tamaki campus
- Increased local employment opportunities
- Consolidated campus site - room for potential expansion and growth on a single site
- Reduction in marginal cost infrastructure cost for FPH

OTHER ECONOMIC BENEFITS

The proposed development by FPH holds the potential to generate a range of economic benefits beyond the direct economic value stemming from the construction of FPH facilities and employment contributions. The key economic benefits identified include:

- Economies of Scale: The development offers the opportunity for economies of scale through the consolidation and expansion of FPH's operations, resulting in increased efficiency and cost savings.

- Improved Economic Profile: FPH's presence and growth contribute to an enhanced economic profile for Auckland, attracting investment and fostering a positive business environment.

- Job Creation: The development is expected to create a significant number of job opportunities, both directly and indirectly, supporting and internalising local employment.

- Increased Investment and Regional GDP: The expansion of FPH's facilities can act as a catalyst by attracting increased investment, stimulating regional economic growth and contributing to the GDP.

- Economic Diversification: The development diversifies the local economy by strengthening the presence of the medical technology sector, reducing reliance on specific industries and promoting resilience.

- Reduced Peak Motorway Traffic: The concentration of employment opportunities in one location can mitigate peak-hour traffic congestion by reducing commuting distances for workers, especially given the close proximity of the site to some of Auckland's major transport links.

- Increased Industrial Land Provision: Property Economics estimate that the net developable industrial land in Southern Auckland currently is just under 200ha. With additional industrial land supply rezoned within the market, the development would put less pressure on existing supply, especially in the Drury localised market. Given the unique requirements of FPH's operations, there are no realistic alternatives for a consolidated campus of the size required.

- Greater Innovation: FPH's investment in research and development, coupled with the proximity of diverse talent in the Auckland market, can foster innovation and contribute to the advancement of medical technology and the growth of the regional GDP.

These economic benefits collectively would contribute to the growth and prosperity of the wider region, positioning the local area as a hub for medical technology innovation and economic advancement.

Importantly a delay in enabling the development of the FPH Karaka Road Campus would defer these economic benefits, or potentially, if FPH choose to relocate to another jurisdiction as a result of delay and uncertainty, result in a complete loss of these economic benefits from the Auckland economy altogether including economic activity and employment.

Most economies around the world try and attract large scale, highly skilled international tech businesses like FPH. Auckland is in the fortunate position of currently accommodating FPH. Such a large-scale operation requires location certainty for growth well in advance. Auckland can provide that certainty, efficiencies and agglomeration benefits for FPH by bringing forward the Karaka Road FUZ site into the FDS to enable FPH to plan and develop its campus in a timelier manner as required by FPH.

Property Economics consider the significant benefits outlined earlier would far outweigh any potential economic costs associated with the earlier urbanisation of the PPC site. These costs can be effectively mitigated in two ways. Firstly, through the substantial level of economic activity generated by the proposal, and secondly, due to the large extent and master-planned nature of the development, which necessitate the use of the entire land area for the new FPH campus.

Although the identified land is considered suitable for future residential development under the Drury-Opāheke Structure Plan adopted by the Council, it is anticipated that significant additional capacity can be accommodated through Plan Change 78 implementing the MDRS. As a result, the opportunity cost of losing this land is deemed minor and would not undermine the feasibility and efficiency of FPH's proposed development.

CONCLUSION

Considering the substantial economic benefits associated with FPH's proposed development, Property Economics considers that advancing the FUZ extent of the subject site and rezoning a small portion of adjacent rural land would present a crucial opportunity for Auckland to create additional employment opportunities and economic value within the local market.

It would be a significant missed opportunity for the Auckland market if the alternative were to have the proposed FPH campus located outside of Auckland, or more likely overseas.

As such, Property Economics supports the location on Karaka Road, Drury, for the proposed FPH new campus development from an economic perspective and bringing its development timeframe forward to enable development of the site to meet FPH's growth requirements.

If you have any queries, please give me a call.

Kind Regards

Tim Heath

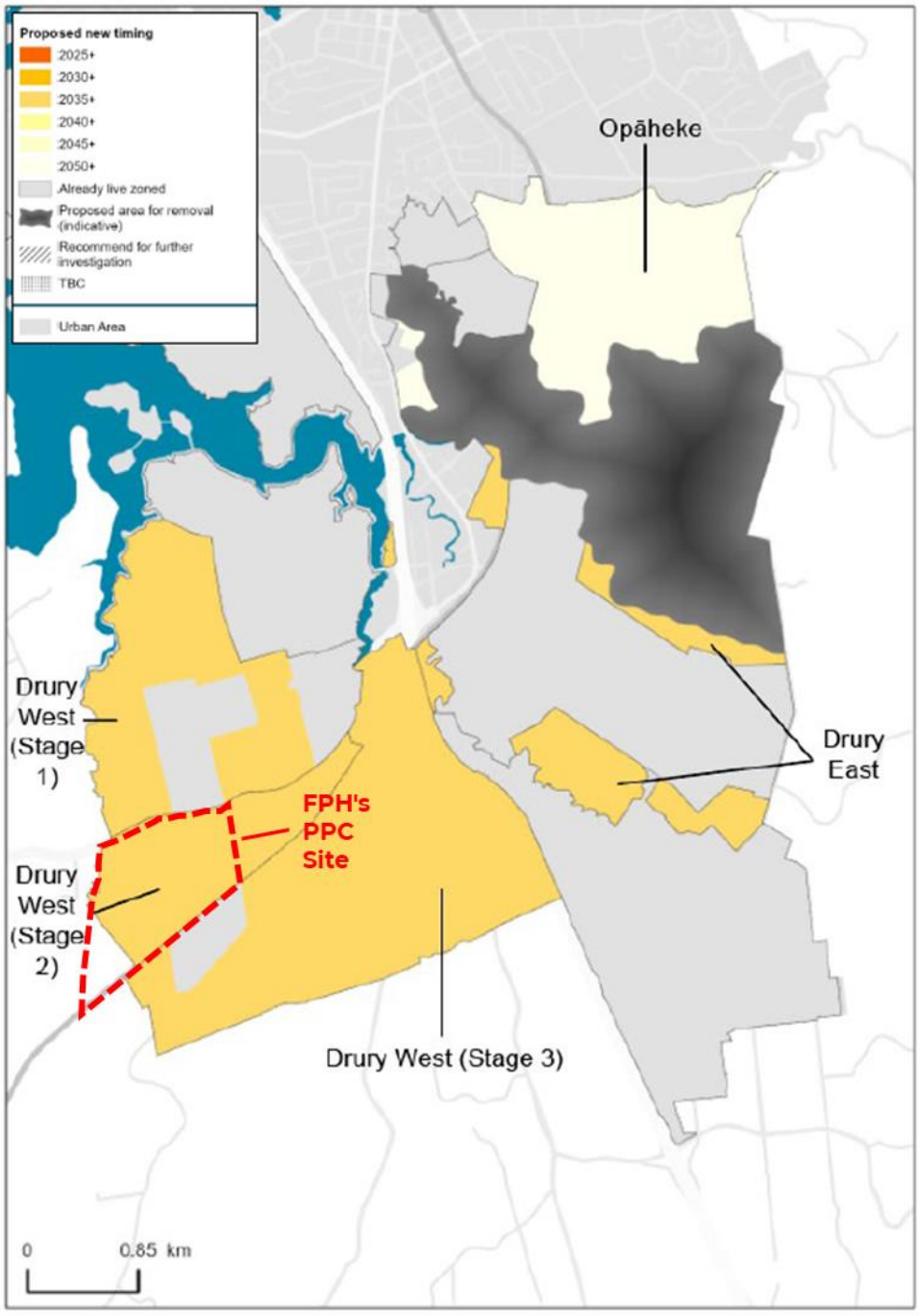
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APPENDIX 1. PROPOSED TIMING OF DRURY FUTURE URBAN AREAS



Source: Auckland Council

Barker & Associates
Auckland

PO Box 1986, Shortland Street, Auckland 1140
Level 4, Old South British Building, 3-13 Shortland Street, Auckland

#8608

Urban & Environmental

31 July 2023

Auckland Council
Via email: futuredevelopmentstrategy@aucklandcouncil.govt.nz

Submission on the Draft Future Development Strategy

Introduction

This is a submission on the draft Future Development Strategy (**FDS**) on behalf of Fisher & Paykel Healthcare (**F&P**). The FDS was notified for submissions on the 6th June 2023.

Background to Fisher & Paykel Healthcare

F&P is a leading designer, manufacturer and marketer of healthcare products and systems for use in respiratory care and obstructive sleep apnea. F&P designs and manufactures medical devices and technologies in New Zealand and Mexico, and is developing a new facility in Guangzhou, China. F&P distributes its products globally to over 120 countries.

F&P operates a research & development and manufacturing campus in East Tāmaki, Auckland, and is in the process of developing a second New Zealand campus (the Karaka Campus) in Drury to support growth and expansion. Based on its current forecasts, F&P anticipates that its existing East Tāmaki campus will be at full capacity by 2030.

F&P has acquired landholdings in Drury West comprising approximately 105 hectares of Future Urban zone land located on Karaka Road (State Highway 22 and north of the North Island Main Trunk Railway Line (**NIMTRL**)). The land is approximately 300m west from the planned Drury West Ngaakooroa Train Station. The Karaka Campus has the potential to become a major employment hub and will be developed with a series of buildings for research, development, and manufacturing over the next 30-40 years and providing up to 14,000 to 18,000 high-quality jobs.

Summary of Submission

F&P notes that the Council is required to prepare a FDS in accordance with subpart 4 of Part 3 of the National Policy Statement on Urban development 2020 (**NPSUD**). F&P is supportive of the response to growth within Auckland being led by a robust FDS. This is the first planning step in providing for growth and ensuring it is integrated with the provision of infrastructure at a strategic level.

However, it is apparent that short-term infrastructure constraints are driving the long term strategic plan for Auckland. F&P encourages the Council to take a long term view (30 year) as required by the NPSUD. F&P accepts that the Council is facing a significant infrastructure deficit and that it needs to look to alternative forms of funding to pay for growth, including higher levels of direct Government investment. If the Council and development sector work proactively together, the draft FDS provides the opportunity to negotiate this outcome with the Government in a comprehensive way. As it stands,

the Council's unilateral approach to planning for growth in Auckland fails to realise the longer-term and wider benefits of growth for the community.

In addition to these over-arching matters, F&P considers that there are fundamental issues with the draft FDS that need to be addressed to ensure that the long-term strategic planning for growth results in a well-functioning urban environment. The matters raised illustrate that the draft FDS does not meet the minimum legal requirements set out by the NPSUD and therefore a restart of the process is the most appropriate and efficient outcome.

In particular:

- F&P is concerned that the Council has not completed its assessment of business demand and capacity and therefore the evidence base for the FDS is deficient. Further transparency/rigour is needed in relation to the analysis that has informed the location and sufficiency of business land.
- F&P considers that any change in sequencing of future urban areas needs to be based on robust evidence informed by spatial analysis and not driven by current infrastructure limitations.
- F&P does not support the delay in sequencing of the FUZ land at Drury to 2035+ given the significant infrastructure investment already underway in Drury, and supports amendments to the FDS that reinstates the Future Urban Land Supply Strategy 2017 (FULSS) timing and which will result in more flexibility for the development community to respond to opportunities.

The submission below elaborates on these matters and is supported by the following attachments:

- Attachment 1: Civil Engineering Memo
- Attachment 2: Transportation memo
- Attachment 3: Economic Memo

Demand and Capacity Analysis

F&P notes that despite the FDS stating that it meets the statutory requirement under the NPSUD to ensure there is at least sufficient development capacity to meet demand, it is not clear from the FDS or the supporting growth scenario evidence report that this is actually the case. In particular, there appears to be discrepancies or a lack of evidence basis used to inform this assessment, and it is not clear how the FDS meets the requirements set out in Section 3.3 in relation to feasible and realisable capacity and the appropriate competitive margin.

In relation to business demand and capacity, the FDS is based on initial results from the Council's Business Capacity Assessment which is still in draft form. The FDS concludes that there is likely to be sufficient plan enabled business capacity on a region wide basis however, there will be shortfalls in sub-regions for specific business sectors, particularly land extensive sectors, which F&P understands is approximately 1,000 hectares. Given that this assessment is based on plan enabled capacity and has identified capacity shortfalls for land extensive sectors, this does not appear to meet the NPSUD requirements and is a significant weakness of the FDS. F&P considers that much more transparency/rigour is needed around the capacity analysis for business land.

Sequencing and Release of Future Urban Land

The FDS is proposing to significantly push out the sequencing for release of future urban areas based on current funding limitations and will require the identified infrastructure triggers to be completed before any release of future urban land. F&P is opposed to the identification of "infrastructure triggers" for significant areas of future urban land. In particular:

- In relation to F&P's landholding, detailed technical reporting has been completed to confirm that the land is suitable to be urbanised, irrespective of the infrastructure triggers for Drury West 2 identified in the draft FDS. Analysis has been undertaken by Crang Civil engineers confirming that the land can be suitably serviced for three waters infrastructure by privately funded upgrades to existing public infrastructure and/or privately funded onsite water treatment solutions (refer Attachment 1). Preliminary transport investigations have also been undertaken by Stantec (refer Attachment 2), which confirm that the Karaka Campus is placed to benefit significantly from wider committed and planned transport infrastructure upgrades within Drury, and can be accommodated within the road network.

- The use of triggers is problematic in that the analysis undertaken to identify the infrastructure upgrades required is likely to have been undertaken at a coarse scale with no further explanation provided as to how the proposed triggers have been identified.

- The actual infrastructure requirements will vary depending on factors including the nature of the development and infrastructure solutions proposed and the status of development on neighbouring sites.

- Over time, infrastructure requirements and solutions are likely to change.

- The draft FDS will restrict efficient development and the ability to stage the release of land alongside progressive investment and development of innovative infrastructure solutions. This will delay or prevent much needed development capacity within the Auckland region from being realised.

- The approach to the release of Future Urban zoned land under the draft FDS will limit the ability for future decision makers to give effect to Policy 8 of the NPSUD. Policy 8 requires local authorities to be responsive to plan changes that would add significant development capacity and contribute to well-functioning urban environments, including where the development capacity is out-of-sequence with planned land release. F&P considers that a rigid approach where all the identified infrastructure triggers must be in place prior to the urbanisation of any land would be inconsistent with this directive.

In F&P's view, the current infrastructure limitations should not be driving land use decisions and a long term holistic approach is needed which:

- Identifies enough land for growth in the right locations where it can be delivered efficiently.

- Identifies what infrastructure is needed to support all future development (not just greenfield), and roughly how much will it cost, focusing on the next 10 years.

- If there is a funding gap, think creatively to find solutions, working in partnership with the Government and the private sector.

Drury West

F&P supports the live zoned areas in Drury being identified as a Spatial Priority Area (Years 1-10) and the surrounding FUZ land being identified as a Priority Area for Investment (Years 11-30) and considers that the identification of development timing recognises the existing and planned urban growth within Drury. F&P does not support the delay in sequencing of the FUZ land at Drury from 2028+ identified in FULSS to 2035+ in the draft FDS.

Drury is an area of transformation with a new Metropolitan centre, train stations and significant infrastructure investment committed. This includes a new Drury West Train Station, electrification of the rail network between Papakura and Pukekohe, upgrades to State Highway 22 to improve safety and facilitate public and active modes, and strategic walking and cycling connections parallel to the NIMTRL. The comprehensive programme of transport infrastructure upgrades is identified in the Transportation Memo (refer Attachment 2). Given that significant investment is already underway, the FDS needs to provide flexibility for the development community to respond to opportunities within the Drury FUZ land and provide for the efficient use of government funded infrastructure.

F&P's landholding within Drury has been acquired following a detailed site selection process to ensure that the land is suitable to accommodate the operational requirements of the Karaka Campus. This includes over 100 hectares of land to support the full set of research and development, administrative, pilot manufacturing, and distribution facilities planned. Other relevant qualities of the site include close proximity to State Highway 1 and the planned and fully funded Drury West Train Station. This is in addition to new homes and supporting social infrastructure, and other major commercial services in the Drury Metropolitan Centre within the wider Drury area. These locational attributes contribute to the economic land use efficiency of the site.

The staging and release of FUZ land in Drury West will therefore have significant implications for the completion of the Karaka Campus and development certainty is needed to enable and secure F&P's growth within New Zealand. The campus is a significant development opportunity, and will provide national and regional economic, social, and environmental benefits, including:

- The Karaka Campus will include a series of buildings for research & development and pilot manufacturing across 105 hectares of land. This represents a significant opportunity to facilitate a land extensive industry, which has been identified in the HBA as an industry that is likely to experience shortfalls in available land capacity.

- The economic impacts of the Karaka Campus development are identified by Property Economics (refer Attachment 3). Overall, the planned development will have significant national and regional economic benefits, including job creation the manufacturing industry (which has historically experienced decline), export growth, and providing international profile to Auckland as a business hub. Delay and uncertainty to development has the potential to defer the economic benefits to be realised through the development of the Karaka Campus, or result

in a complete loss should F&P relocate elsewhere in order to enable their growth and expansion within the required timeframes.

- As identified in the Transportation Memo (refer Attachment 2), there will be a number of benefits to the Karaka Campus given the significant committed and planned transport investment in Drury:
    - The development of the Karaka Campus within a greenfield area presents an excellent opportunity to provide for active and public transport facilities comprehensively, and integrate these facilities with the wider transport network to further enhance active and public modes. These opportunities may otherwise be constrained by land ownership or public and political support in brownfield areas.
    - The Karaka Campus will be located within a walkable distance of the planned and fully funded Drury West Train Station, and will be surrounded by a new network of active mode facilities. This will provide opportunities for a significant number of employees to travel to and from the Drury West area for employment and achieve a high active mode and public transport share from the onset.
    - The Drury Opāheke Structure Plan area envisages up to 60,000 new people over the next 30 years. The Karaka Campus has the potential to become a major employment hub which will maximise the ability to live and work locally.
    - The above factors will contribute to minimising carbon emissions through vehicle kilometres travelled and greenhouse gas emissions.
- Overall, the Karaka Campus will increase and diversify local employment opportunities, as well as enable good levels of accessibility between people, housing, and jobs, including by public transport, as the live zoned and FUZ land in Drury continues to be developed. These are factors which will contribute to creating a well-functioning urban environment within Drury.

Relief Sought

The relief sought to ensure that the FDS achieves a well-functioning urban environment and provides for sufficient development capacity are summarised below:

a) Retain the current sequencing of the FUZ land at Drury West under the FULSS.

b) Retain Drury as a Spatial Priority Area (Years 1-10) and the surrounding Drury FUZ as a priority for Investment (Years 11-30).

c) Provide greater flexibility within the FDS to enable the staged release of land, in line with progressive and innovative infrastructure solutions and Policy 8 of the NPSUD.

d) Specify how the FDS achieves sufficient infrastructure ready and suitable development capacity as set out in Section 3.3 of the NPSUD.

e) Provide further analysis of location and sufficiency of business land on a sub-regional basis to inform the adopted growth scenario.

Decision Sought and Hearing

In addition to the specific relief above, F&P seeks such other alternative or consequential relief to give effect to the matters raised in this submission.

F&P wishes to be heard in support of its submission. If others wish to make a similar submission, F&P will consider presenting a joint case with them at the hearing.



Nick Roberts, Barker & Associates Ltd
(Person authorised to sign on behalf of submitter)

Date: 31 July 2023

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Future Development Plan 2023 #8609

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Your feedback

Focusing growth

Denser, more compact cities result in improvements to the environment, the economy, and people's wellbeing.

Auckland's urban area is made up of neighbourhoods, town centres and business areas that are interconnected and that support where most Aucklanders live, work and spend their leisure time.

We propose that most housing and business growth will be focused within existing urban areas and that this growth be more intensive. This means less growth in greenfield areas at Auckland's edges. What greenfield growth there is will be phased over 30 years and longer.

1. What do you think of our approach to focus most of Auckland's growth in existing urban areas?

Tell us why

Accessible local centres

When people have easy access to workplaces, services, facilities and shops, communities become more resilient and connected. It also helps to reduce travel time, emissions and lower household transport costs.

We propose focusing housing and business development near local centres where most people's daily needs are easy to access by walking, cycling and public transport.

2. What do you think of our approach to focus development near local centres?

Tell us why

Avoiding hazards

As our climate changes, the frequency and severity of hazards such as flooding, sea-level rise and coastal erosion will worsen. Where and how we plan for growth, and how we adapt to these hazards is increasingly important.

We propose that known areas constrained by significant natural hazard risk should be looked at to see if further development is appropriate.

Where development is already enabled in potentially vulnerable locations, we will further investigate appropriate actions.

3. **What do you think of our approach to avoid further growth in areas which are exposed to significant risk of environmental hazards?**

Tell us why

Resilient infrastructure

Infrastructure across Auckland needs to cope with ongoing change, such as the impacts of climate change and evolving technology.

Nature-based infrastructure, such as rain gardens, swales, and detention basins, is better able to respond to ongoing change. This can help protect communities from hazards, as well as protect and restore the natural environment.

We propose prioritising investment in infrastructure that is decentralised, nature-based, regenerative and mauri-enhancing.

4. **What do you think of our approach to prioritising nature-based infrastructure that responds to the impacts of climate change?**

Tell us why

Other feedback

5. Do you have any other feedback on our approach to how and where Auckland should grow and change?

Please refer to the attachment

#8609

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31 July 2023

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To whom it may concern,

Auckland Council Draft Future Development Strategy Transpower Feedback

This feedback has been prepared by Transpower New Zealand Limited ("Transpower") in relation to the Draft Auckland Future Development Strategy ("Draft FDS").

The National Grid

Transpower is the state-owned enterprise that plans, builds, maintains, owns and operates New Zealand's high voltage electricity transmission network, known as the National Grid, that carries electricity across the country. The National Grid connects power stations, owned by electricity generating companies, to substations feeding the local networks that distribute electricity to homes and businesses. The National Grid is critically important and nationally significant infrastructure that is necessary for a reliable and secure supply of electricity throughout the country and that, in turn, supports national and regional growth.

Transpower needs to efficiently operate, maintain, upgrade and develop the National Grid to meet increasing demand; to connect new generation; and to ensure security of supply, thereby contributing to New Zealand's economic and social aspirations. For this reason, Transpower has a significant interest in the development of an effective, workable and efficient FDS where it may affect the National Grid.

The National Grid is nationally significant infrastructure by virtue of the National Policy Statement on Electricity Transmission 2008 ("NPSET"). The NPSET confirms the national significance of the National Grid and provides policy direction to ensure that decision makers under the RMA:

- recognise the benefits of the National Grid;
- manage the adverse effects on the environment of the National Grid;
- manage the adverse effects of third parties on the National Grid; and
- facilitate long term strategic planning for transmission assets.

Further, the National Grid falls within the NPSUD definition of "additional infrastructure"[1] which means that the Draft FDS must spatially identify the National Grid in terms of its role in servicing development capacity and the general location of the corridors and other sites required to provide it.

National Grid assets in Auckland

Transpower owns and operates a significant number of National Grid transmission lines and substations within the Auckland region. A map showing the location of these assets is included in **Appendix B**. There are approximately twenty-four transmission lines, eight underground cables, twenty substations and associated telecommunications infrastructure. Existing National Grid assets traverse a wide range of zones within the Auckland region, from Rural and Future Urban areas through to the Terrace Housing and Apartment Building zone.

Auckland Strategy

In 2018 Transpower published its "Auckland Strategy". The document acknowledges that New Zealand's biggest city is expanding rapidly and its energy needs are increasing, particularly across housing and transport. It outlines a programme of work to support the city's growth, enable Auckland's energy future and harness new technologies. A key objective of the Auckland Strategy was to ensure that the National Grid remains robust and reliable, that it can support decarbonisation, as well as development across the region. Transpower has an extensive maintenance programme planned on its 220 kilovolt lines over the next 30 years and is collaborating with its stakeholders to realise the region's energy goals. Transpower considers that the FDS may benefit from reference to Transpower's Auckland Strategy, or at least a discussion with Transpower regarding how the Auckland Strategy blueprint may inform or support the FDS outcomes.

Transpower's Feedback on the Draft Future Development Strategy

At the outset, Transpower is grateful for the opportunity to provide feedback on the Draft FDS and supports its outcomes in principle. Transpower supports the principle of growth and intensification and acknowledges the need for urban development. That said, aspects of the Draft FDS need to be reviewed and updated to ensure that it meets the requirements for FDSs as set out in the National Policy Statement on Urban Development 2020 ("NPSUD").

In reviewing the Draft FDS Transpower has been guided by Auckland Council's ("Council") obligations for preparation of an FDS set out in Subpart 4 "Future Development Strategies" in the NPSUD. Transpower's comments on these matters are captured under the sub-headings below. A comprehensive suite of feedback is detailed in **Appendix A**.

What FDSs are informed by (NPSUD Section 3.14(1)(f)

Section 3.14(1) of the NPSUD states that "every FDS must be informed by the following…(f) every other National Policy Statement under the Act, including the New Zealand Coastal Policy Statement." While the FDS supporting material includes a list of the NPSs that it was informed by, the NPSET is not included in the list, and it appears that none of the policy direction within the NPSET has informed the assessment of constraints. The NPSET is also relevant in terms of the role that the National Grid will play in electrification of the economy, both with regard to protecting existing assets and enabling the construction of new connections to renewable energy. Both of these concepts are relevant to development and implementation of the Draft FDS. Transpower seeks that the Draft FDS is updated to not only reference the NPSET as a relevant national policy

[1] "Additional infrastructure" is defined by the NPSUD and means:…((f) a network operated for the purpose of transmitting or distributing electricity or gas.

statement under the RMA, but also that it demonstrates how the Draft FDS has been informed by the policy direction contained within the the NPSET.

Purpose and content of FDS (NPSUD Section 3.13)

This section sets out (among other matters), the purpose of an FDS and the matters that a FDS must spatially identify. In particular:

> 3.13(2) (a) the broad locations in which development capacity will be provided for over the long term, in both existing and future urban areas, to meet the requirements of clauses 3.2 and 3.3.

Transpower is neutral regarding the priority growth nodes, but considers it essential to show the existing National Grid on specific maps to ensure that the development capacity is correctly informed by the National Grid corridor rules in the Partially Operative Auckland Unitary Plan ("AUP"). See further detailed comments in relation to the "constraints on development" core content requirement below.

> 3.13(2) (b) the development infrastructure and additional infrastructure required to support or service that development capacity, along with the general location of the corridors and other sites required to provide it

The FDS as drafted appears to only address certain types of infrastructure and overlook other types, which isn't consistent with the requirement of Section 3.13(2)(b) of the NPSUD. The Draft FDS should be updated to ensure that the approach to, and assessment of infrastructure to support growth is explicitly clear, including in relation to infrastructure that is not provided by the Council.

The Draft FDS does not include an assessment of the extent to which electricity supply is sufficient to support development, in terms of capacity or location. Nor does it appear to reference Transpower's Auckland Strategy, a document summarising actions to support the growth of the city and set out a blueprint for future work on an almost parallel timeframe with the Draft FDS. Transpower is happy to facilitate further consultation between Council, Vector, Counties Power and Transpower to enable the details of electricity supply to be discussed and recorded accurately, including any potential upgrade works necessary to support anticipated growth.

With regard to the NPSUD section 3.13(2)(c) requirement to identify the general location of the corridors and other sites required to provide additional infrastructure, the FDS does not include mapping of existing National Grid assets and it does not map future lines. Transpower has no specific plans for new lines in the region, however we note that new connections are likely to required within the life of the FDS and this should be acknowledged. Transpower supports the inclusion of actions to support a reduction of greenhouse gas (GHG) emissions in the draft Spatial Plan. The NPSET Preamble states that ongoing investment in the transmission network and significant upgrades are expected to be required to meet the demand for electricity and to meet the Government's objective for a renewable energy future, therefore strategic planning to provide for transmission infrastructure is required. Throughout New Zealand, the National Grid will play a critical role in electrification of the economy to reduce GHG emissions. In the context of all FDSs required under the NPSUD, this means ensuring that existing National Grid assets are able to be operated, maintained and upgraded and protected from inappropriate subdivision land use and development. It also means that new development of the National Grid including transmission line connections to renewable energy generation are contemplated by FDSs. Transpower seeks additional wording within the Draft FDS to reflect the significance of the National Grid in achieving climate change mitigation objectives.

3.13(2)(c) any constraints on development

Transpower has concerns with the constraints assessment because it omits the National Grid, which presents a clear constraint on development. This is by virtue of the NPSET which includes a strong policy direction against the establishment of sensitive activities in proximity to it, along with those activities that may compromise the National Grid. The FDS constraints assessment fails to acknowledge this despite the direction in Sections 3.14(1)(f) and 3.13(2)(b) and (c), and Chapter D26 of the AUP. Transpower suggests that there are at least two key actions required to address this in the Draft FDS, which will require amendments throughout the document. Namely: by expanding the constraints analysis to include the National Grid as a constraint, and to show the National Grid on Draft FDS maps/figures where requested.

Thank you for the opportunity to provide comments at this time. Transpower is more than happy to answer any follow up questions the council may have on its submission, and to facilitate any meeting to address matters of detail.

Yours faithfully
TRANSPOWER NZ LTD



Rebecca Eng
Technical Lead – Policy

Appendix A: Transpower's detailed feedback on the Draft FDS

Proposed text amendments are shown as red underlined and ~~strikethrough~~

Specific part of FDS / Maps / Draft Technical Report	Support/Oppose/Amend	Reasoning	Changes sought
Draft Future Development Strategy			
Part 2 Our strategic spatial framework			
Future Development Strategy Strategic Spatial Framework "Inputs to our spatial response" (page 8)	Support / Amend	Transpower supports the "Future Development Strategy Strategic Spatial Framework" table in principle but seeks that the row "inputs to our spatial response" is expanded to include reference to other national policy direction in accordance with Section 3.14(1)(f) of the NPSUD: "What FDSs are informed by".	Amend Table on page 8, row "Inputs to our spatial response" as follows: Conceptual growth scenarios Constraints on development Development capacity National Policy Statements under the RMA, including the New Zealand Coastal Policy Statement
2.5 Principles for growth and change – Principle 1 Support greenhouse gas emission reduction (page 16)	Support / Amend	In principle, Transpower supports the "Principles for growth and change", particularly "Principle 1: Support greenhouse gas emission reduction" and "Principle 3: Make efficient and equitable infrastructure investments". Transpower supports the inclusion of actions to support a reduction of greenhouse gas (GHG) emissions in the draft Spatial Plan. The NPSET Preamble states that ongoing investment in the transmission network and significant upgrades are expected to be required to meet the demand for electricity and to meet the Government's objective for a renewable energy future, therefore strategic planning to provide for transmission infrastructure is required. Throughout New Zealand, the National Grid will play a critical role in electrification of the economy to reduce GHG emissions. In the context of all FDSs required under the NPSUD, this means ensuring that existing National Grid assets are able to be operated, maintained and upgraded and protected from inappropriate subdivision land use and development. It also means that new development of the National Grid including transmission line connections to renewable energy generation are contemplated by district and regional councils. Transpower seeks additional wording within the draft Spatial Plan to reflect the significance of the National Grid in achieving climate change mitigation objectives. Specifically, a new sub-clause under Principle 1 to address the actions that Council can take to support electrification of the economy. This edit would need to be made alongside changes to the FDS to more clearly distinguish between development infrastructure and additional infrastructure or an alternative solution to fully give effect to the content requirements for FDSs under the NPSUD.	Add new Principle 1(d) to Page 16 as follows: Principle 1(d): Support electrification of the economy The National Policy Statement on Electricity Transmission preamble states that ongoing investment in the transmission network and significant upgrades are expected to be required to meet the demand for electricity and to meet the Government's objective for a renewable energy future, therefore strategic planning to provide for transmission infrastructure is required. Throughout New Zealand including Tāmaki Makaurau, the National Grid will play a critical role in electrification of the economy to reduce greenhouse gas emissions. This means ensuring that existing National Grid assets in the city are able to be operated, maintained, upgraded and protected from inappropriate subdivision land use and development. It also means that new development of the National Grid including transmission line connections to renewable energy generation will be required in the future.
2.5 Principles for growth and change – Principle 2(b): Prioritise integrated, nature-based, regenerative and resilient infrastructure (page 18)	Support / Amend	As noted above, Transpower broadly supports Policy 2(b): Prioritise integrated, nature-based, regenerative and resilient infrastructure. That said, Transpower would support this being expanded out to provide a fulsome discussion of all infrastructure types that will be relevant to Principle 2 (Adapt to the impacts of climate change). The text under Principle 2(b) is heavily focused on "development infrastructure" that the council invests in. In order to give proper effect to the NPSUD, the FDS needs to acknowledge other types of infrastructure in the context	Add bullet point under Principle 2b): Prioritise integrated, nature-based, regenerative and resilient infrastructure on page 18, as follows: • There are other types of infrastructure that will be required to support growth in the region that may not be able to adopt nature based solutions for functional or operational reasons. For the same reasons, it may need to locate in areas at risk of natural hazards.

Specific part of FDS / Maps / Draft Technical Report	Support/Oppose/Amend	Reasoning	Changes sought
		of climate adaptation. For example, providing for lifeline infrastructure, including in natural hazard areas. Transpower supports the addition of text under Principle 2(b) to address its concerns. Again, these matters would also be addressed by broader review of the FDS's approach to providing for infrastructure overall, with reference to the requirements of the NPSUD.	
Principle 3: Make efficient and equitable infrastructure investments (page 19)	Support / Amend	Transpower supports the reference to infrastructure by agencies other than council under the main heading for Principle 3 on page 19. However Transpower proposes changes to this text to improve readability and add reference to both electricity transmission and distribution as important infrastructure supporting growth in the Auckland region. Referencing both transmission and distribution provides a direct link to the definition of "additional infrastructure" under the NPSUD and acknowledges the national significance of the National Grid in terms of Section 3.14(1)(f) of the NPSUD.	Amend penultimate paragraph under "Principle 3" at top of page 19 as follows: The council, along with many other entities provides infrastructure to support growth in our region. The council is responsible for providing regional transport, three water services, parks and community facilities, waste, arts, culture and urban regeneration. In addition to council, other agencies are responsible for the delivery of infrastructure for Aucklanders too, such as ~~P~~ports (both sea and air) state highways, telecommunications, electricity transmission and distribution, gas and petroleum supply~~iers~~, health and education ~~providers all provide infrastructure for Aucklanders~~.
Principle 3(a): Take a regional view to infrastructure investment and costs (page 19). Principle 3(b) Make the best use of existing infrastructure (page 19) Principle 3(c) Make investment decisions that deliver on multiple outcomes (page 20)	Support / Amend	Transpower supports the concepts raised in Principles 3(a), (b) and (c). However as a further general observation, this section would benefit from clarification about which types of infrastructure the discussion relates to. There is infrastructure in Auckland such as the National Grid that services both the region and beyond, that should be acknowledged and provided for, and it might not have any direct relationship with urban form/spatial extent of the urban area but it is nonetheless critical and nationally significant.	With reference to earlier relief, Transpower supports a review of the FDS as a whole to expand and clarify how infrastructure is addressed with reference to Section 3.13(2)(b) of the NPSUD, specifically "Every FDS must spatially identify:…(b) the development infrastructure and additional infrastructure required to support or service that development capacity, along with the general location of the corridors and other sites required to provide it."
Part 3 Inputs to our spatial response			
3.1 Conceptual growth scenarios (page 25)	Support / Amend	The first paragraph under the heading "3.1 Conceptual growth scenarios" appears to be discussing the existing land use pattern, although this isn't clear. In order to make the current/future context discussion clearer, suggest adding the word "existing" to the first sentence to improve readability and understanding.	Amend first paragraph under section 3.1 "Conceptual growth scenarios" (page 25) as follows: The existing physical growth pattern in Tāmaki Makaurau has been influenced by many factors;
3.2 Constraints on development (page 28)	Support / Amend	Transpower supports the identification of development constraints and the reference to the NPSUD obligations regarding this. However, it is proposed that the second paragraph is expanded so that it doesn't read as an exhaustive list, as this is misleading. A further amendment is made to clarify again that these statements apply to development constraints in general, not only those identified.	Amend first sentence in second paragraph under section 3.2 "Constraints on development" (page 28) as follows: Tāmaki Makaurau has a number of factors that present constraints to future development, including natural hazards, environmental and cultural areas ~~that present constraints to future development.~~ Policy safeguards that seek to limit development within or near ~~these~~ constrained areas and/or to avoid or mitigate adverse effects on them already exist, e.g. through National Policy Statements, National Environmental Standards and/or Auckland Unitary Plan policies and overlays… …….. Figures 4-8 below map the extent of different constraints, grouped as…See Appendices 1-2 for further information about these and other types of constraints, how they are categorised and for full versions of each map.

Specific part of FDS / Maps / Draft Technical Report	Support/Oppose/Amend	Reasoning	Changes sought
Part 4: Our spatial response			
4.2.1 Existing urban areas: Figure 12: Existing urban area (page 38)	Amend	The National Grid is nationally significant infrastructure by virtue of the NPSET. Section 3.14(1)(f) of the NPSUD specifically identifies that the FDS should be informed by every other National Policy Statement under the Act. On that basis the National Grid should be shown on Figure 12 alongside rail and state highways.	On page 38, amend Figure 12 "Existing urban area" to show the National Grid. Amend the accompanying legend to include National Grid transmission line symbol and annotation "National Grid transmission line"
4.2.2 Future urban areas: "5. Constraints need far greater recognition" (page 39)	Support / Amend	Transpower supports the text under "5. Constraints need far greater recognition". However, with reference to its earlier feedback that the types of constraints assessed is overly narrow, amendments to the final sentence are supported to acknowledge that the degree of constraints vary, but so do the types. With regard to the National Grid as a constraint in Future Urban areas, greenfields subdivision presents the best opportunity to develop in a way that protects the National Grid while also enabling new development to occur.	Amend the final sentence on page 39 that states: "While the type and degree of constraints vary, all future urban areas are constrained for development with those constraints needing to be managed.
Removing hazardous areas from development (page 40)	Neutral	Transpower supports clarification as to what kind of hazards are referred to.	Clarify what type of hazardous areas should be removed from development in relation to the text at the top of page 40. E.g. Many future urban areas are constrained by different types of hazards, such as…[insert examples].
4.2.3 Rural areas Background (page 42)	Amend	Add that physical resources are relevant to rural zones as well, e.g. traversed by nationally significant infrastructure.	Amend second paragraph as follows (page 42): Rural Tāmaki Makaurau is home to nationally and internationally significant environments, natural and physical resources and hosts a diverse range of economic activities.
Appendices			
Appendix 1: Constraints on development (appendix page 2) Appendix 2: Types of constraints in Tāmaki Makaurau and level of constraint they present to development (appendix page 8)	Oppose / Amend	Transpower opposes the approach and reporting of the "Constraints on development" because it overlooks relevant physical resources such as the National Grid, that present a clear constraint on development. In terms of the National Grid, this is by virtue of the NPSET which includes a strong policy direction against the establishment of sensitive activities in proximity to it, along with those activities that may compromise the National Grid. The FDS constraints assessment fails to acknowledge this despite the direction in Sections 3.14(1)(f) and 3.13(2)(b) and (c).	Revisit assessment of constraints on development and update the FDS as follows: • Map the National Grid as a constraint in Appendix 1 and • Include the National Grid as a constraint along with an appropriate weighting according to the ranking used in Table 1 (Appendix 2).
Appendix 3: Infrastructure to support development capacity (appendix page 11)	Oppose / Amend	With reference to Transpower's observation that the FDS is insufficiently broad in its assessment of "additional infrastructure" required to support growth, it seeks that the assessment of infrastructure to support development capacity in Appendix 3 is revisited.	Revisit assessment of "Infrastructure to support development capacity" (appendix 3) to include information on electricity transmission (National Grid) and distribution in order to give effect to NPSUD Section 3.13(2)(b), particularly: the…additional infrastructure required to support or service that development capacity…"
Appendix 5: Information on nodes (Albany) (appendix page 19)	Amend	A National Grid transmission line traverses the Albany urban node Figure 28. As nationally significant infrastructure, it should be shown alongside roads and state highways on Figure 28. Transpower considers that constraints should also be discussed alongside opportunities for the "Information on nodes", as it is assumed that some constraints do exist and will guide the future form of development within the nodes.	Amend Figure 28 Albany urban node to add National Grid transmission lines.

Specific part of FDS / Maps / Draft Technical Report	Support/Oppose/Amend	Reasoning	Changes sought
Appendix 5: Information on nodes (Westgate) (appendix page 20)	Support	Transpower supports the Westgate urban node in principle, except to the extent that the National Grid has been overlooked as a constraint in the analysis. Transpower considers that constraints should also be discussed alongside opportunities for the "Information on nodes", as it is assumed that some constraints do exist and will guide the future form of development within the nodes.	Retain proposed extent of Westgate urban node.
Appendix 5: Information on nodes (City Centre) (appendix page 21)	Amend	Transpower supports the City Centre urban node in principle, except to the extent that the National Grid has been overlooked as a constraint in the analysis. Transpower considers that constraints should also be discussed alongside opportunities for the "Information on nodes", as it is assumed that some constraints do exist and will guide the future form of development within the nodes.	Retain proposed extent of City Centre urban node.
Appendix 5: Information on nodes (Manukau) (appendix page 22)	Amend	A number of National Grid transmission lines traverse the Manukau urban node Figure 31. As nationally significant infrastructure, it should be shown alongside roads and state highways on Figure 31. Transpower considers that constraints should also be discussed alongside opportunities for the "Information on nodes", as it is assumed that some constraints do exist and will guide the future form of development within the nodes.	Amend Figure 31 Manukau urban node to add National Grid transmission lines.
Appendix 5: Information on nodes (Warkworth) (appendix page 23)	Support	Transpower supports the Warkworth rural node in principle, except to the extent that the National Grid has been overlooked as a constraint in the analysis. Transpower considers that constraints should also be discussed alongside opportunities for the "Information on nodes", as it is assumed that some constraints do exist and will guide the future form of development within the nodes.	Retain proposed extent of Warkworth rural node.
Appendix 5: Information on nodes (Pukekohe) (appendix page 24)	Amend	The National Grid Glenbrook Deviation traverses the Pukekohe rural node map 33. As nationally significant infrastructure, it should be shown alongside roads and state highways on Figure 33. Transpower considers that constraints should also be discussed alongside opportunities for the "Information on nodes", as it is assumed that some constraints do exist and will guide the future form of development within the nodes.	Amend Figure 33 Pukekohe node to add National Grid transmission line.
Appendix 6: Future urban infrastructure triggers (appendix page 25)	Amend	With reference to Transpower's observation that the FDS is insufficiently broad in its assessment of "additional infrastructure" required to support growth, it seeks that the assessment of infrastructure to support development capacity for future urban areas in Appendix 6 is revisited.	Revisit assessment of "Future urban infrastructure triggers" (appendix 6) to include information on electricity transmission (National Grid) and distribution in order to give effect to NPSUD Section 3.13(2)(b), particularly: the…additional infrastructure required to support or service that development capacity…"
Appendix 10: Information on Spatial Priorities (appendix page 53)	Amend	Transpower notes that most of these locations discussed in Appendix 10 are traversed by National Grid transmission lines. Transpower reiterates earlier comments regarding the need for a fulsome assessment of constraints, that includes the National Grid and the policy direction provided in the NPSET.	Transpower seeks that the "Information on Spatial Priorities" addresses the National Grid as a constraint and reports on it accordingly insofar as it relates to each spatial priority area.

Specific part of FDS / Maps / Draft Technical Report	Support/Oppose/Amend	Reasoning	Changes sought
Supporting Reports			
Overall evidence report section 6.0 National Policy Statement on Urban Development Requirements	Amend	This section sets out the requirements and appears to infer that the requirements have been met by the FDS. For example: "*NPS's are referred to in the FDS, and have implicitly informed the FDS in terms of the outcomes they promote*." Transpower considers the FDS falls short in this regard. The development constraints do not include other matters, the extent to which additional infrastructure is required to support or service that development capacity, the general location of corridors (in relation to the National Grid) has not been spatially identified and there is no clear assessment on the extent to which the National Policy Statement on Electricity Transmission has informed the FDS.	Revisit the evidence report and include an assessment of the National Policy Statement on Electricity Transmission. Ensure that the policy direction in the NPSET meaningfully informs the FDS where requested elsewhere in this submission.
Overall evidence report section 7.0 Consultation and engagement (page 89)	General – oppose	Transpower notes that the consultation and engagement section references engagement carried out with "relevant providers of nationally significant infrastructure." The National Grid is nationally significant by virtue of the NPSET but Transpower is not referenced here.	Transpower seeks that it is referred to in relation to "engagement with infrastructure entities" as a relevant provider of nationally significant infrastructure. Alongside this, Transpower would be grateful for direct engagement with council if it would be of assistance to address the matters raised in this submission.
Overall evidence report Appendix 1: Legislative, statutory and policy context (page 98)	Amend	For the reasons given elsewhere in this submission, the National Grid should be included as relevant "Legislative, statutory and policy context" to the FDS. This is required by the NPSUD and the NPSET has a direct influence on the outcomes of the FDS. Transpower therefore seeks the addition of text describing the NPSET and how it informs the FDS for Auckland.	Amend Appendix 1: Legislative, statutory and policy context to add reference to the National Policy Statement on Electricity Transmission, as follows (suggest page 102 following description of National Policy Statement – Highly Productive Land): National Policy Statement – Electricity Transmission A significant resource management issue in Tāmaki Makaurau and across New Zealand is inappropriate development, land use and subdivision in close proximity to the National Grid, which can compromise its operation, maintenance, development and upgrade. Under the National Policy Statement on Electricity Transmission (NPSET), policies and plans must include provisions to protect the National Grid from other activities. Specifically, the NPSET requires that district plans include a buffer corridor around National Grid lines within which "sensitive" activities should not be given resource consent and other activities that have the potential to compromise the National Grid or generate reverse sensitivity effects are managed. The three primary reasons for restricting activities within the buffer corridor are electrical risk; annoyance caused by transmission lines and reverse sensitivity; and restrictions on the ability for Transpower to access, maintain, upgrade and develop the lines, as well as compromising the assets themselves. Policies 10 and 11 of the NPSET provide the primary direction on the management of adverse effects of subdivision, land use and development activities on the National Grid, and act as the primary guide to inform how adverse effects on the National Grid are to be managed through planning provisions. The policies are directive in nature. The AUP Chapter D26 includes provisions to manage subdivision, land use and development near the National Grid in a manner that gives effect to the NPSET requirements. The NPSET preamble states that ongoing investment in the transmission network and significant upgrades are expected to be required to meet the demand for electricity and to meet the Government's objective for a renewable energy future, therefore strategic planning to provide for transmission infrastructure is required. Throughout New Zealand including Tāmaki Makaurau, the National Grid will play a critical role in electrification of the economy to reduce greenhouse gas emissions. This means ensuring that existing National Grid assets in the city are able to be operated, maintained, upgraded and protected from inappropriate subdivision land use and development. It also means that new development of the National Grid including

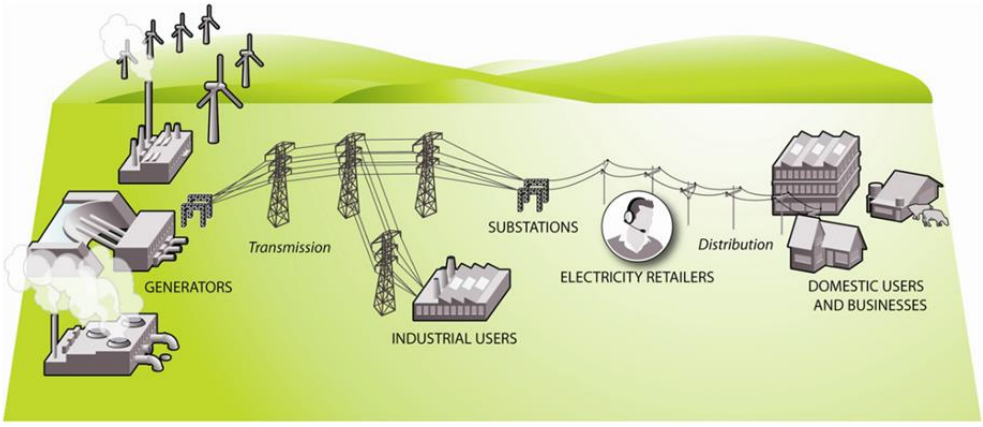
Specific part of FDS / Maps / Draft Technical Report	Support/Oppose/Amend	Reasoning	Changes sought
			transmission line connections to renewable energy generation will be required in the future.
Overall evidence report Appendix 4: Existing urban short list areas (page 117)	Amend	As nationally significant infrastructure that traverses urban as well as rural areas of Tāmaki Makaurau, Transpower seeks that the National Grid is mapped on Figure 31. This would give proper effect to the content requirements for FDSs set out in the NPSUD.	Add National Grid to Figure 31, showing the existing urban short list areas to demonstrate that it has been assessed alongside other development constraints.
Overall evidence report Appendix 7: Constraints categorisation into primary, secondary and tertiary levels (page 139)	Amend	Transpower opposes the constraints assessment because it omits the National Grid, which presents a clear constraint on development. This is by virtue of the NPSET which includes a strong policy direction against the establishment of sensitive activities in proximity to it, along with those activities that may compromise the National Grid. The FDS constraints assessment fails to acknowledge this despite the direction in Sections 3.14(1)(f) and 3.13(2)(b) and (c).	As noted above, amend to include a fulsome scope of development constraints including the National Grid Corridors (page 139).

Appendix B: Supporting Information

About Transpower

Transpower is the state-owned enterprise that plans, builds, maintains, owns and operates New Zealand's high voltage electricity transmission network, known as the National Grid. The National Grid connects power stations, owned by electricity generating companies, directly to major industrial users and distribution companies feeding electricity to the local networks that, in turn, distribute electricity to homes and businesses. The role of Transpower is illustrated in Figure 1 below.

Figure 1: Role of Transpower in New Zealand's Electricity Industry (Source: MBIE)



The National Grid stretches over the length and breadth of New Zealand from Kaikohe in the North Island to Tiwai Point in the South Island and comprises some 11,000 kilometres of transmission lines and cables and more than 170 substations, supported by a telecommunications network of some 300 telecommunication sites that help link together the components that make up the National Grid.

Transpower's role and function is determined by the State-Owned Enterprises Act 1986, the company's Statement of Corporate Intent, and the regulatory framework within which it operates. Transpower does not generate electricity, nor does it have any retail functions. It is important to note that Transpower's role is distinct from electricity generation, distribution or retail. Transpower provides the required infrastructure to transport electricity from the point of generation to local lines distribution companies, which supply electricity to everyday users. These users may be a considerable distance from the point of generation.

Transpower's Statement of Corporate Intent for 1 July 2023, states that:

"*Transpower is central to the New Zealand electricity industry. We connect generators to distribution companies and large users over long distances, providing open access and helping to balance supply and demand. The nature and scope of the activities we undertake are:*

- *as grid owner, we own, build, maintain, replace, and enhance the physical infrastructure that connects those who generate and those who need electricity to live, work and play across the country; and*
- *as system operator, through a service provided under contract to the Electricity Authority under the Electricity Industry Participation Code, we operate the electricity market, managing supply and demand for electricity in real time to ensure that the power system remains stable and secure*."

In line with this role, Transpower needs to efficiently operate, maintain and develop the network to meet increasing demand and to ensure security of supply, thereby contributing to New Zealand's economic and social aspirations. It must be emphasised that the National Grid is an ever-developing system, responding to changing supply and demand patterns, growth, reliability and security needs.

As the economy electrifies in pursuit of the most cost efficient and renewable sources, the base case in Transpower's 'Whakamana I Te Mauri Hiko' predicts that electricity demand is likely to increase around 55% by 2050. 'Whakamana I Te Mauri Hiko' suggests that meeting this projected demand will require significant and frequent investment in New Zealand's electricity generation portfolio over the coming 30 years, including new sources of resilient and reliable grid connected renewable generation. In addition, new connections and capacity increases will be required across the transmission system to support demand growth driven by the electrification of transport and process heat. Simply put, New Zealand's electricity transmission system is the infrastructure on which New Zealand's zero-carbon future will be built. This work supports Transpower's view that there will be an enduring role for the National Grid in the future, and the need to build new National Grid lines and substations to connect new, renewable generation sources to the electricity network.

Statutory Framework

The National Policy Statement on Electricity Transmission 2008 (NPSET) was gazetted on 13 March 2008. The NPSET confirms the national significance of the National Grid and provides policy direction to ensure that decision makers under the RMA:

- recognise the benefits of the National Grid;
- manage the adverse effects on the environment of the National Grid;
- manage the adverse effects of third parties on the National Grid; and
- facilitate long term strategic planning for transmission assets.

The NPSET only applies to the National Grid, being the assets used or operated by Transpower, and not to electricity generation or distribution networks.

The NPSET sets a clear directive on how to provide for National Grid resources (including future activities) when drafting planning documents and therefore Councils have to work through how to make appropriate provision for the National Grid in their plans, in order to give effect to the NPSET.

The single Objective of the NPSET is:

"To recognise the national significance of the electricity transmission network by facilitating the operation, maintenance and upgrade of the existing transmission network and the establishment of new transmission resources to meet the needs of present and future generations, while:

- manging the adverse environmental effects of the network; and
- managing the adverse effects of other activities on the network."

The NPSET's 14 policies provide for the recognition of the benefits of the National Grid, as well as the environmental effects of transmission and the management of adverse effects on the National Grid. The policies have to be applied by both Transpower and decision-makers under the RMA, as relevant. The development of the National Grid is explicitly recognised in the NPSET.

Partially Operative Auckland Unitary Plan (National Grid Corridor Overlay)

The Unitary Plan includes rules that regulate subdivision and land use within a corridor around National Grid transmission lines, National Grid transmission line support structures and National Grid substations. The National Grid is mapped in the Unitary Plan as the 'National Grid Corridor Overlay' with corresponding objectives, policies and rules found in Chapter D26.

There are three parts to the National Grid Corridor Overlay provisions:

- National Grid Yard (being an area measured twelve metres from a support structure and twelve metres from the centre line of a transmission line) within which, amongst other matters, new sensitive activities, buildings for sensitive activities or external extensions for sensitive activities are non-complying activities;

- National Grid Subdivision Corridor (being a mapped area) within which subdivision is a restricted discretionary activity when a building platform for a sensitive activity can be located outside of the National Grid Yard; and

- National Grid Substation Corridor (being an area twelve metres from the boundary of a substation) within which new buildings for sensitive activities and subdivisions for sensitive activities are a restricted discretionary activity.

This rule framework implements the strong policy direction given in Chapter D26, and particularly the following provisions:

"*D26.2. Objective*

(1) The efficient development, operation, maintenance and upgrading of the National Grid is not compromised by subdivision, use and development.

"D26.3. Policies

(1) Require subdivision, use and development within the National Grid Corridor Overlay to be undertaken so that it:

(a) meets the New Zealand Electrical Code of Practice for Electrical Safe Distances (NZECP 34:2001);

(b) does not compromise security of supply and/or the integrity of National Grid assets;

(c) does not compromise ongoing access to conductors and support structures for maintenance and upgrading works;

(d) does not foreclose future cable routes into substations in roads in urban areas;

(e) does not foreclose operation and maintenance options or the carrying out of planned upgrade works;

(f) manages all activities to avoid exposure to health and safety risk from the National Grid;

(g) manages activities sensitive to the National Grid to minimise exposure to nuisance, such as noise and line drip from the National Grid;

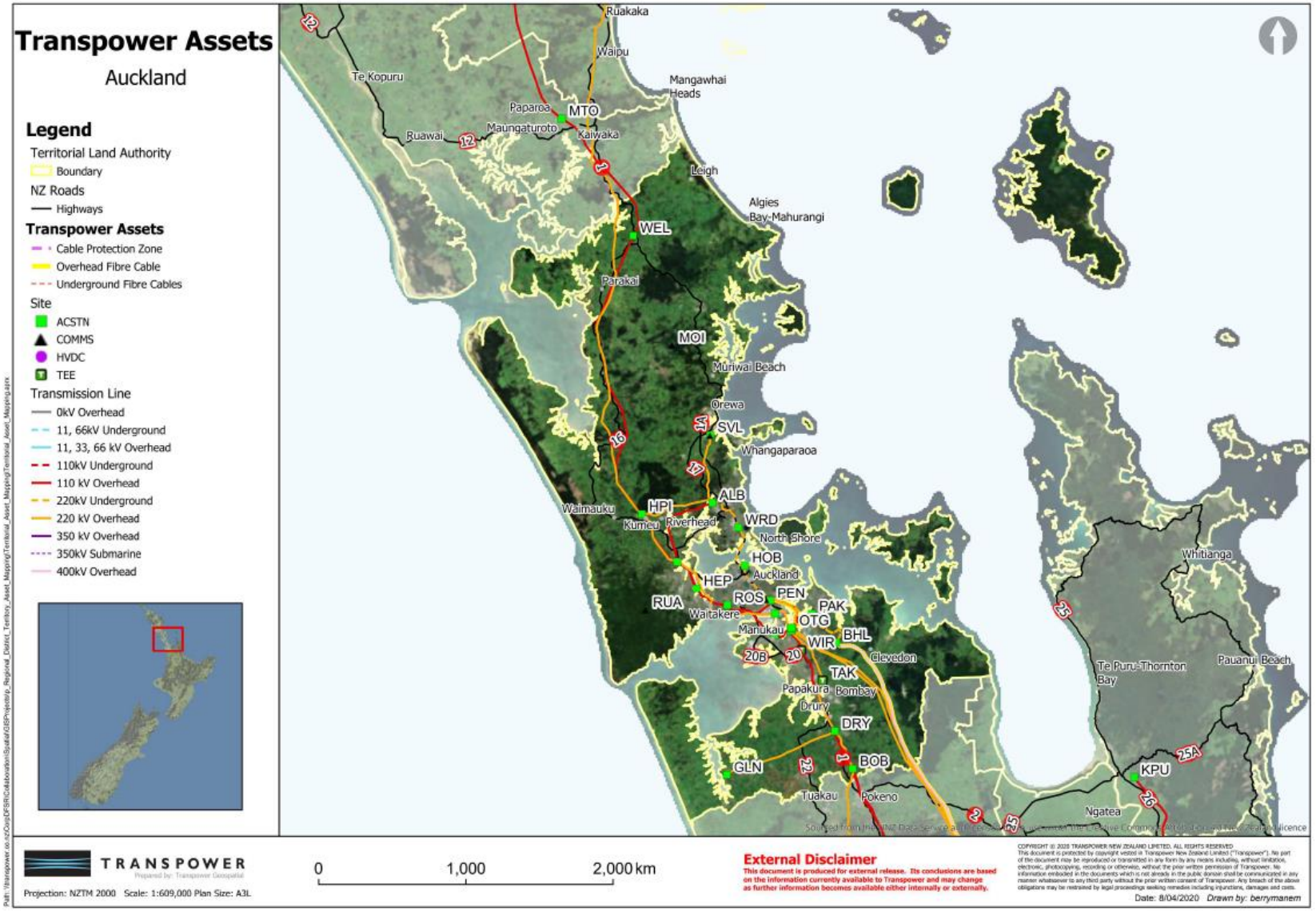
(h) avoids the establishment or expansion of activities sensitive to transmission lines in the National Grid Yard and around substations;

(i) provides for use and development, except for activities sensitive to the National Grid, in the National Grid Yard (Compromised);

(j) avoids new structures and buildings within the National Grid Yard (Uncompromised), except for buildings for low intensity rural activities and minor structures; and

(k) limits, as far as practicable, potential reverse sensitivity effects."

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Transpower Assets
Auckland
Legend
Territorial Land Authority
Boundary
NZ Roads
Highways
Transpower Assets
Cable Protection Zone
Overhead Fibre Cable
Underground Fibre Cables
Site
ACSTN
COMMS
HVDC
TEE
Transmission Line
0kV Overhead
11, 66kV Underground
11, 33, 66 kV Overhead
110kV Underground
110 kV Overhead
220kV Underground
220 kV Overhead
350 kV Overhead
350kV Submarine
400kV Overhead
Ruakaka
Waipu
Te Kopuru
Mangawhai Heads
Paparoa
MTO
Maungaturoto
Kaiwaka
Ruawai
Leigh
Algies Bay-Mahurangi
WEL
Parakai
MOI
Muriwai Beach
Orewa
SVL
Whangaparaoa
ALB
Waimauku
HPI
Kumeu
Riverhead
WRD
North Shore
HOB
Auckland
HEP
PEN
ROS
RUA
Waitakere
PAK
OTG
Manukau
BHL
WIR
Clevedon
TAK
Papakura
Bombay
Drury
DRY
GLN
BOB
Tuakau
Pokeno
Ngatea
Whitianga
Te Puru-Thornton Bay
Pauanui Beach
KPU
Projection: NZTM 2000 Scale: 1:609,000 Plan Size: A3L
0
1,000
2,000 km
External Disclaimer
This document is produced for external release. Its conclusions are based on the information currently available to Transpower and may change as further information becomes available either internally or externally.
Date: 8/04/2020 Drawn by: berrymanem

Future Development Plan 2023 #8610

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Your feedback

Focusing growth

Denser, more compact cities result in improvements to the environment, the economy, and people's wellbeing.

Auckland's urban area is made up of neighbourhoods, town centres and business areas that are interconnected and that support where most Aucklanders live, work and spend their leisure time.

We propose that most housing and business growth will be focused within existing urban areas and that this growth be more intensive. This means less growth in greenfield areas at Auckland's edges. What greenfield growth there is will be phased over 30 years and longer.

1. What do you think of our approach to focus most of Auckland's growth in existing urban areas?

Tell us why

Accessible local centres

When people have easy access to workplaces, services, facilities and shops, communities become more resilient and connected. It also helps to reduce travel time, emissions and lower household transport costs.

We propose focusing housing and business development near local centres where most people's daily needs are easy to access by walking, cycling and public transport.

2. What do you think of our approach to focus development near local centres?

Tell us why

Avoiding hazards

As our climate changes, the frequency and severity of hazards such as flooding, sea-level rise and coastal erosion will worsen. Where and how we plan for growth, and how we adapt to these hazards is increasingly important.

We propose that known areas constrained by significant natural hazard risk should be looked at to see if further development is appropriate.

Where development is already enabled in potentially vulnerable locations, we will further investigate appropriate actions.

3. **What do you think of our approach to avoid further growth in areas which are exposed to significant risk of environmental hazards?**

Tell us why

Resilient infrastructure

Infrastructure across Auckland needs to cope with ongoing change, such as the impacts of climate change and evolving technology.

Nature-based infrastructure, such as rain gardens, swales, and detention basins, is better able to respond to ongoing change. This can help protect communities from hazards, as well as protect and restore the natural environment.

We propose prioritising investment in infrastructure that is decentralised, nature-based, regenerative and mauri-enhancing.

4. **What do you think of our approach to prioritising nature-based infrastructure that responds to the impacts of climate change?**

Tell us why

Other feedback

5. Do you have any other feedback on our approach to how and where Auckland should grow and change?

#8610

28-07-2023

Draft Auckland Future Development Strategy

Presentation by Kāinga Ora

Ernst Zollner, Director – Strategic Urban Partnerships

Hayley Fitchett, Director – National Planning

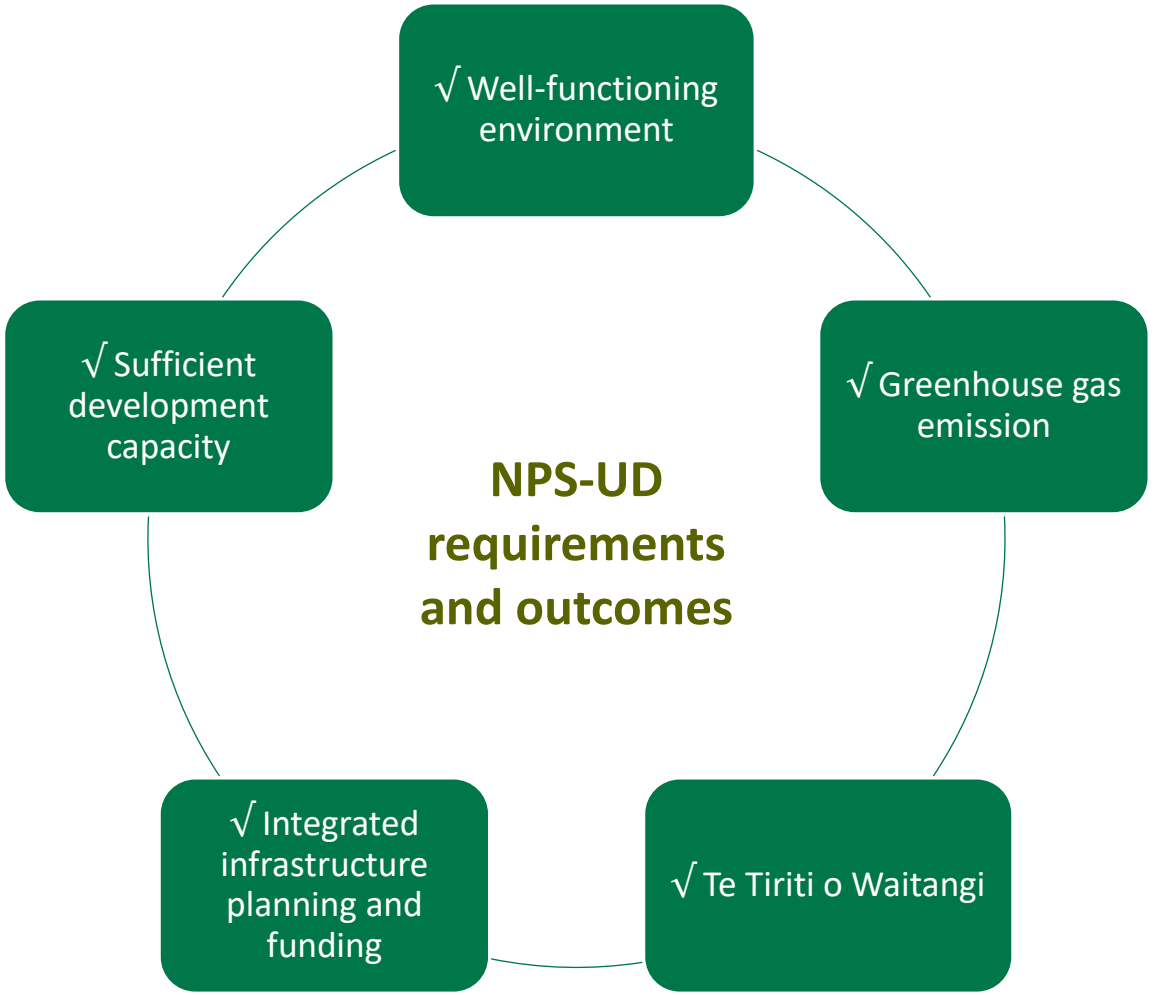
Kāinga Ora
Homes and Communities



Introduction

- *Why is Kāinga Ora here today*
- *The importance of the Auckland Future Development Strategy*
- *Why Kāinga Ora is a key partner in both the development and implementation of the FDS*

Kāinga Ora supports the Auckland Future Development Strategy on…



Kāinga Ora
Homes and Communities

Feedback 1:

Evidence-Based Framework – Existing Urban Areas

- ***Stronger evidence-based is required to support growth outcomes***



Kāinga Ora
Homes and Communities

Feedback 1:

Evidence-Based Framework – Existing Urban Area

Table 2 – Broad locations of development capacity in the existing urban area

	Dwellings Enabled in Residential Zones			Dwellings Enabled in Business Zones				
Location	Current Dwellings	Gross Capacity	Net capacity	Current Dwellings	Gross Capacity	Net capacity	TOTAL NET CAPACITY	TOTAL GROSS CAPACITY
Central City	500	1,300	800	26,100	107,000	80,900	81,700	108,300
Inner Suburbs	14,200	34,900	20,700	3,600	18,900	15,300	36,000	53,800
Isthmus Brownfield	133,700	633,300	499,600	8,100	119,200	111,100	610,700	752,500
Northern Brownfield	83,000	391,000	308,000	3,400	75,600	72,200	380,200	466,600
Western Brownfield	32,800	160,600	127,800	2,600	28,700	26,100	153,900	189,300
Southern Brownfield	68,100	392,300	324,200	1,700	57,400	55,700	379,900	449,700
Eastern Brownfield	56,800	284,700	227,900	700	28,800	28,100	256,000	313,500
Northern-western Greenfield	56,700	238,100	181,400	1,000	32,200	31,200	212,600	270,300
Southern Greenfield	7,700	75,000	67,300	100	3,600	3,500	70,800	78,600
Northern Towns	8,100	60,400	52,300	300	4,300	4,000	56,300	64,700
Southern Towns	13,200	96,000	82,800	300	7,700	7,400	90,200	103,700
Rural	5,100	22,100	17,000	-	200	200	17,200	22,300
Total	479,900	2,389,700	1,909,800	47,900	483,600	435,700	2,345,500	2,873,300

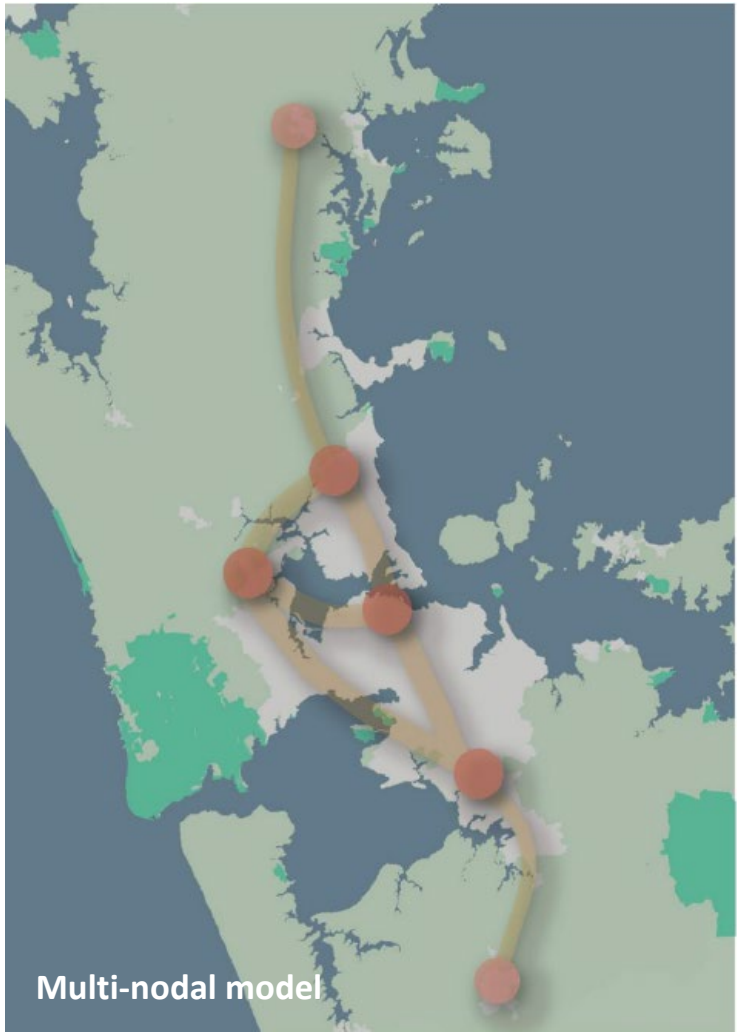
How much growth?

Plan-enabled vs realised development capacity

Where to grow?

Spatial definition & distribution

Maximising growth around centres + corridors



Feedback 1:

Evidence-Based Framework – Existing Urban Areas

Who will benefit from growth?



Housing affordability

Māori housing and well-being



Kāinga Ora
Homes and Communities

Feedback 2:

Evidence-based Framework – Future Urban Areas (FUAs)

Use of evidence base to support nuanced strategic direction in aid of housing choice, affordability and urban outcomes

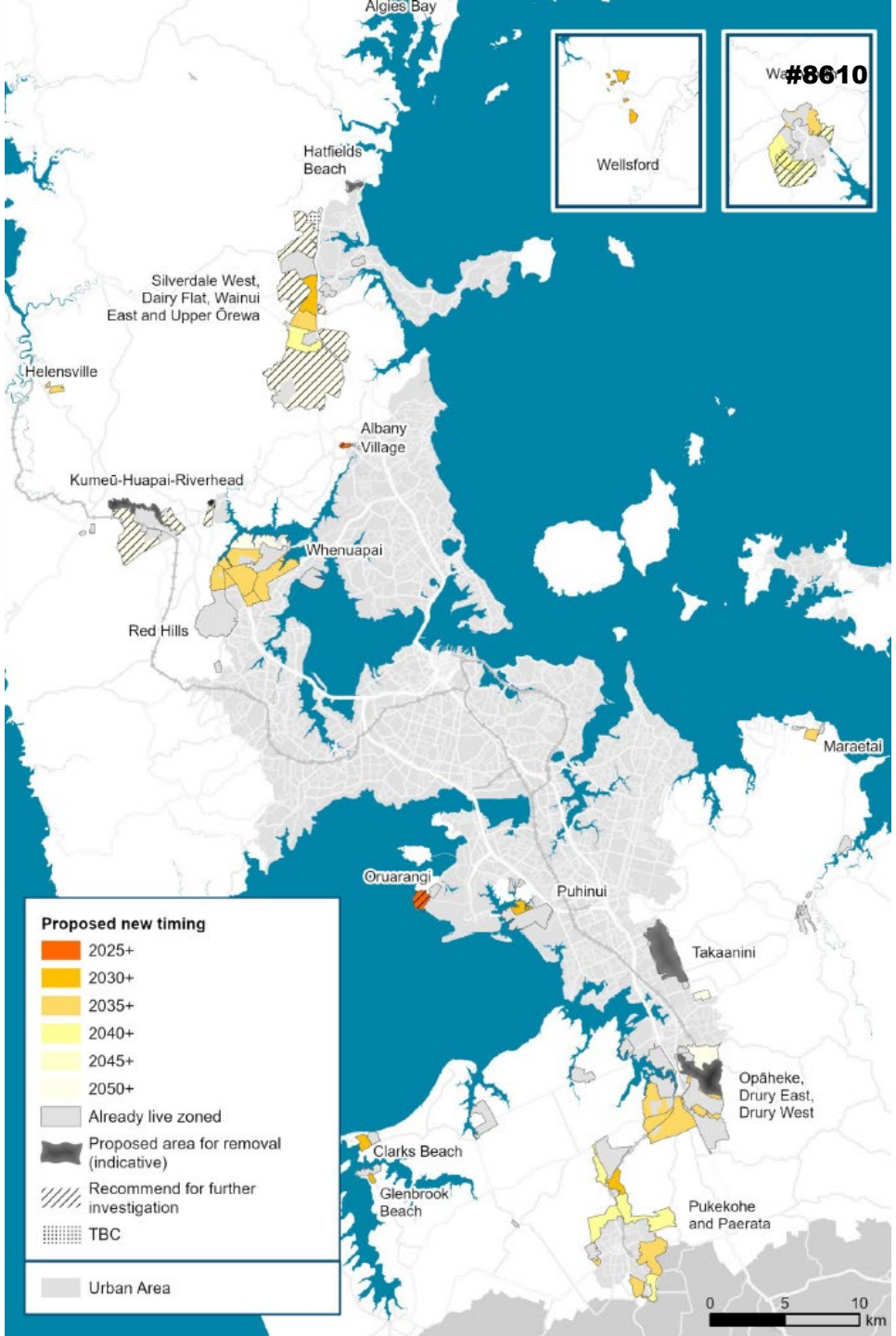
Revised Boundary of FUAs

Kāinga Ora
Homes and Communities

Feedback 2:

Evidence-based Framework – Future Urban Areas (FUAs)

Stronger evidence-based is required to justify the change to the development readiness of FUAs, especially those FUAs located in proximity to existing and/or funded infrastructure projects, such as Drury



Kāinga Ora
Homes and Communities

Feedback 3:

Responsive planning and Infrastructure Triggers

Adopt a more responsive approach to growth management

√	X
• Infrastructure list and sequencing	• Triggers to regulate development of FUAs
Inform the Long Term Plan to provide funding certainty	Process and cost inefficiencies for Council

Recommendation:
Resolve through implementing responsive planning policy by Council

Kāinga Ora
Homes and Communities

Summary and conclusion



Kāinga Ora
Homes and Communities

31 July 2023

Auckland Council
Attention: Future Development Strategy
Private Bag 92300
Auckland
1142

KĀINGA ORA – HOMES AND COMMUNITIES FEEDBACK ON AUCKLAND FUTURE DEVELOPMENT STRATEGY 2023-2053

Submission emailed via futuredevelopmentstrategy@aucklandcouncil.govt.nz

Introduction

1. Kāinga Ora - Homes and Communities ("**Kāinga Ora**") at the address of service set out below provides the following feedback on the Consultation Draft Auckland Future Development Strategy 2023-2053 ("**AFDS**").

2. Auckland is a key focus area for Kāinga Ora, with the mandate to successfully enable, facilitate and deliver much needed public, market and affordable housing, in a way that allows for future growth. This feedback on the AFDS demonstrates the commitment of Kāinga Ora to working with local government to achieve thriving urban environments for all Aucklanders. If Auckland is successful, so is New Zealand.

3. Kāinga Ora recognises that the AFDS is to outline the strategic vision and direction for growth and development in Auckland over the next 30 years, and will inform planning, investment, and development opportunities in the Region.

4. The feedback is targeted to those areas of the AFDS of most relevance to Kāinga Ora, particularly in the provision of development capacity and future housing in Auckland.

5. Of importance to Kāinga Ora is ensuring that the proposed AFDS is consistent with the purpose and requirements of the National Policy Statement on Urban Development (2020) ("**NPS-UD**"), as well as to align and support the outcomes of Government Policy Statement on Housing and Urban Development ("**GPS-HUD**"). Kāinga Ora seeks a comprehensive strategy and encourages opportunities for appropriate consolidation and intensification in and around centres and surrounding transport nodes that align with current and future residential demand in Auckland.

6. The items discussed in the feedback submitted by the Ministry of Housing and Urban Development ("**HUD**"), dated 31 July 2023, also represents the views of Kāinga Ora and therefore has our support.

Background to Kāinga Ora and its interests

7. Kāinga Ora was formed in 2019 as a statutory entity established under the Kāinga Ora Home and Community Act ("**the KOHC Act**"). Under the Crown Entity Act 2004, Kāinga Ora is a Crown Entity and is required to give effect to Government policies. Kāinga Ora has two key roles:

    a. being a world class public housing landlord; and

    b. leading and co-ordinating urban development projects.

8. The focus of Kāinga Ora as a public housing landlord is to provide public housing that matches the requirements of those most in need. To achieve this, it has largely focused on redeveloping its existing landholdings throughout New Zealand. Kāinga Ora will continue this approach of redeveloping existing sites by using them more efficiently and effectively, so as to improve the quality and quantity of public and affordable housing that is available. As set out in Section 12 of the KOHC Act, the objectives of Kāinga Ora is to contribute to sustainable, inclusive, and thriving communities that:

    a. Provide people with good quality, affordable housing choices that meet diverse needs; and

    b. Support good access to jobs, amenities and services; and

    c. Otherwise sustain or enhance the overall economic, social, environmental and cultural well-being of current and future generations.

9. In addition, Kāinga Ora plays a greater role in urban development throughout New Zealand. The statutory functions of Kāinga Ora in relation to urban development extend beyond the development of housing to the development and renewal of urban environments. The urban development functions of Kāinga Ora also include enabling or providing related commercial, industrial, community, or other amenities, infrastructure, facilities, services or works. In providing feedback on the AFDS and policy and planning documents around the Country, Kāinga Ora has an interest in how local authorities are encouraging a range of developers to provide for integrated urban development and growth.

10. In undertaking its role, Kāinga Ora seeks to build partnerships and collaborate with others in order to deliver on housing and urban development opportunities. This will include working with private developers, Iwi, Māori landowners, community housing providers and territorial authorities to enable the delivery of outcomes, through partnerships and the use of statutory and non-statutory tools to leverage private, public and third sector capital and capacity.

Kāinga Ora and Local Government

11. Kāinga Ora has a shared interest in the community as a stakeholder, alongside local authorities. Kāinga Ora works with local authorities to ensure that appropriate services and infrastructure are delivered for its developments and the communities they serve. Apart from its role as a public housing provider, Kāinga Ora also has a significant role as a landowner and landlord. Strong relationships between local authorities and central government are key to delivering government's priorities of increasing housing supply.

12. Policy decisions made at both central and local government level, impact on the development and renewal of urban environments. The challenge of providing affordable housing choices that meet diverse needs require central and local government to work collaboratively to address planning and governance issues to:

    (a) reduce the cost of construction;

    (b) reduce land supply constraints (real or perceived) as supply constraints directly affect upward pressure on land values;

    (c) ensure sufficient infrastructure availability and capacity is available;

(d) reduce the costs of providing infrastructure servicing and access to amenities and services from land by ensuring implementation costs are fully considered when establishing performance requirements; and

(e) approximately reduce and account for all costs incurred by communities, including those funded as well as privately, when setting standards, levels of service and environmental mitigation to be delivered when enabling land;

when delivering an improved urban environment. For example, the supply and available development capacity of residentially zoned land, impacts on the location, form and typology and density of housing. These factors directly contribute to a change in value of residential land which affects the capital costs of housing developments. The form, function and future development costs of housing are managed through the regulatory processes of local authorities and the outcomes of these processes have a correlation with the long term affordability and quality of housing and operation of communities generally.

Landholdings of Kāinga Ora in Auckland

13. In Auckland, the housing portfolio (excluding community group and transitional housing) managed by Kāinga Ora comprises approximately 30,200[1] properties (being nearly half, of the national portfolio (at 46%)). The greater Auckland area is a priority area to renew, reconfigure and grow the housing stock of Kāinga Ora to provide efficient and effective public, affordable, and market housing that is aligned with current and future residential demand and located within well-functioning and thriving communities.

14. In general terms, housing supply issues have made housing less affordable and as such there is an increased demand for public housing. This is particularly so within the Auckland region, where the public Housing Register has increased 2.4 fold – with 3,285 household applications in March 2018 to 7,794 household applications in March 2023. The housing register shows growing demand for both smaller and larger homes, which the existing Kāinga Ora portfolio in Auckland does not meet.

[1] Managed stock by Territorial Local Authority as at 31 March 2023.
Managed-Stock-TLA-March-2023.pdf (kaingaora.govt.nz)

Scope of Feedback

15. Kāinga Ora is interested in all aspects of the AFDS that may affect the supply and range of housing in the market, including affordable housing, and the creation of thriving communities within an urban form. These include:

    a. Minimising regulatory barriers that constrain the ability to deliver housing development;

    b. The provision of public housing to persons who are unable to be sustainably housed in private sector accommodation;

    c. Supporting and enabling the aspirations of communities including Māori, in relation to urban development;

    d. Enabling inclusive and integrated residential and urban development projects;

    e. The provision of services and infrastructure and how this may impact on Kāinga Ora existing housing, planned residential and community development and Community Housing providers;

    f. Ensuring that appropriate services and infrastructure are delivered to support growth; and

    g. Ensuring all residents have safe, flexible and convenient access to an array of opportunities, including employment, services, recreation and education.

16. The interest of Kāinga Ora in Auckland is strong and relates to both its land holdings in the area, as well as the wider development of the future urban environment. Kāinga Ora believes that quality urban development can be achieved by ensuring higher density development close to centres and transport nodes, as well as enabling opportunities for Māori housing and urban development aspirations.

17. The purpose in providing this feedback is to:

    a. Support:

        i. The quality compact urban form approach for the growth of Auckland;

        ii. The development of higher density urban forms close to centres and transport nodes; and

iii. The development of a range of affordable housing outcomes.

b. Seek:

i. A greater focus on rapid and frequent transit corridors and related centres as a key requirement to achieve the quality compact urban form;

ii. Investment in all forms of public infrastructure, in the right place at the right time; and

iii. An equitable approach to urban development across the Auckland region.

Summary of Feedback

18. In relation to the AFDS there are specific components which Kāinga Ora supports and areas which Kāinga Ora makes recommendations.

19. The following sections of the submission are grouped into topics that relate to specific aspects of the AFDS.

Ensure Alignment with NPS-UD requirements

20. Kāinga Ora supports the intention of the AFDS to promote integrated, long-term strategic planning to achieve some of the key requirements of the NPS-UD:

a. Achieve well-functioning urban environments;

b. Ensure there is sufficient development capacity;

c. Support resilience to the effects of the climate change, as well as reductions in greenhouse gas emissions;

d. Integrate planning and infrastructure planning and funding; and

e. Take into account the principles of the Treaty of Waitangi (Te Tiriti o Waitangi).

Nevertheless, Kāinga Ora has identified the following matters that should be addressed further prior to the adoption of the AFDS.

- **Housing Affordability**

21. Housing in Auckland is becoming increasingly unaffordable due to rising rents, land value or interest rates. The Auckland Plan 2050 suggested that a median house price to income ratio of three is considered to be the threshold for affordability[2]. The ratio for Auckland was 10.8[3] in March 2023, compared with 6.7, when the first Auckland Plan was adopted in 2012. However, Kāinga Ora notes that the AFDS does not provide any high-level directives for housing affordability, and the affordability challenge has not been captured and assessed under the over-arching challenges section of the AFDS, which guides the spatial outcomes of the AFDS.

22. In particular, Objective 2 of the NPS-UD requires local authorities to make planning decisions that improve housing affordability. It is not evident that the AFDS has addressed or considered housing affordability as a critical factor in achieving sustainable urban growth within the strategic spatial framework of the AFDS. Where the term "affordability" was mentioned in the AFDS, it was generally used in relation to the Auckland Council's ("**the Council's**") ability to afford infrastructure necessary to support future growth.

23. Kāinga Ora considers that the omission of housing affordability in the AFDS as a factor to consider (when assessing how and where growth should be accommodated in the Region) is a material gap that needs to be addressed before the adoption of the AFDS. Only if housing affordability is incorporated into the decision making matrix in a meaningful way, will the AFDS aligns with NPS-UD objectives as well as achieving inclusive and vibrant communities, as set out in the vision statement of the AFDS. By contrast, in not meaningfully incorporating this essential criterion will expose the AFDS to potential challenges, which could delay the implementation of the updated AFDS and result in considerable uncertainty for Auckland's development community that will further hinder the NPS-UD objectives.

24. By way of example, housing affordability should be incorporated and discussed in Part 2 – Our Strategic Spatial Framework of the AFDS, in the over-arching challenges; spatial outcomes; and principles for growth and change sections. In particular, the role that centres play in growth need to be further integrated with the consideration of the role of

[2]https://www.aucklandcouncil.govt.nz/plans-projects-policies-reports-bylaws/our-plans-strategies/auckland-plan/homes-places/Pages/homes-and-places-explained.aspx
[3]https://www.1news.co.nz/2023/03/22/auckland-ranked-seventh-least-affordable-housing-market/#:~:text=New%20Zealand%27s%20largest%20city%20has,year%20when%20it%20was%2011.

transport as key component of the urban system, in that household transport costs contribute to what is meant by "an affordable home". Residential activities within walkable catchments to centres and key transit corridors will enable more affordable lifestyles where people have more options to use active transport modes and public transport to access their daily needs, in turn supporting the quality compact urban form target by the AFDS.

25. Kāinga Ora notes housing affordability is also a key indicator that local authorities must consider when preparing their Housing and Business Development Capacity Assessment ("**HBA**"), as required by NPS-UD[4]. Kāinga Ora understands that the AFDS is informed by the latest updates to the Housing Capacity Assessment completed in 2021, which should contain analysis of how local authorities' planning decisions and provisions of infrastructure affects the affordability and competitiveness of the local housing market, as well as to provide an estimation of the demand for additional housing in the Region in terms of locations, dwelling types and price points.

26. Kāinga Ora notes that Council has not published the updated Housing Capacity Assessment, nor the latest draft of the Business Capacity Assessment, as an evidence to support the AFDS. Kāinga Ora requests that these reports be provided publicly for comment prior to adoption of the AFDS, as supporting evidence to ensure that housing affordability has been adequately addressed in the AFDS work. Without these reports , neither Kāinga Ora nor any other interested party can understand whether housing affordability has been appropriately considered (based on the information available to date).

- **Sufficient Development Capacity (Residential)**

27. The AFDS estimates a total plan-enabled capacity of 2.3 million dwellings by 2050, including the proposed Plan Change 78 (Intensification) enabled residential capacity, where Medium Density Residential Standards ("**MDRS**") and NPS-UD with all Qualifying Matters applied, which is greater than the total 773,000 dwellings required to meet demand over the next 30 years.

28. Despite the quantum of plan-enabled capacity, MDRS should only be seen as the baseline level of capacity enablement, not a plan for growth or as an alternative to providing for greater intensity of growth in accessible locations. In particular, it should

[4] Clause 3.23 of the NPS UD

be noted that what is plan-enabled is not equivalent to what is actually feasible, i.e. there is a gap between “plan-enabled” versus “realised” capacity in reality.

29. Where growth should be prioritised requires the careful consideration of demand, in addition to services and infrastructure provision. It is the opinion of Kāinga Ora that more evidence-based analysis of these matters is required to strengthen the link between the capacity for growth and the locational distribution of demand, as well as what infrastructure and land uses (such as centres, employment and community services) exist or are required to support the growth in the identified areas.

- **Sufficient Development Capacity (Business)**

30. Ensuring sufficient business development capacity and directing business growth in locations close to residential areas will promote quality compact growth, which is a desirable urban form. This will result in a particular profile of movement and access that reduces emissions, especially when people can access their daily needs by active modes and public transport. The ability for greater number of people to live close to their work location will align with the objectives of the National Emissions Reduction Plan. Kāinga Ora therefore supports the intention of the AFDS that future business growth is best located in and around centres where they are supported by existing and/or planned services, residential development and infrastructure.

31. Nevertheless, Kāinga Ora considers that different business sectors will have different location and spatial demand based on their requirements of scale, cost of rent or land , labour type, and access to their supply chain partners / customers. In some instances, established centres or intensified areas may not be suitable for the growth and development of some business sectors. While the AFDS acknowledges that it has not assessed if there would be any shortfall of capacity in potential locations of business demand, it is considered this would have been required as part of the HBA scope. It is therefore unclear how business growth in areas with unmet demand can still achieve a quality compact urban form and what the corresponding infrastructure investment required by Council would be to support such demand.

32. It is also unclear from the AFDS as to whether an assessment on existing centres in terms of their capacity for growth and infrastructure readiness, based on which to determine which centre(s) needs to be targeted for investment to accommodate future employment and residential growth.

33. Kāinga Ora therefore requests that Council provides the revised HBA on business demand and development capacity, to ensure that the community needs have been considered and balanced in the AFDS when concluding that there is sufficient business development capacity and making recommendations on the spatial priority areas for investment to support business growth.

- **Responsive planning**

34. Kāinga Ora understands from Officers that the intention of Council's approach to infrastructure triggers is to provide certainty to infrastructure providers and developers around where and when infrastructure investment will occur in order to avoid reactive planning and to ensure integrated planning and delivery of infrastructure and urban development outcomes. However, it is not necessary that the triggers will provide those outcomes.

35. Kāinga Ora supports Council's approach to identify a programme of infrastructure delivery and sequenced to support growth over the next 10 - 30 years, which will subsequently be fed into the Long Term Plan to provide funding for the first 10 years of growth, However, Kāinga Ora has concerns that the Council's proposed approach to including infrastructure triggers to inhibit unanticipated growth or out-of-sequence development is contrary to the intention and requirements of Policy 8 of the NPS-UD, whereby territorial authorities are required to be responsive to developments that provide significant development capacity, even though they are not enabled in a plan or is not in sequence with the planned land release.

36. Kāinga Ora notes that the role of AFDS is to enable sufficient capacity for growth in the right place, even when the growth may be out-of-sequence. There are instances where development which was not anticipated by the Council could become attractive and viable as a result of other unforeseen circumstances, e.g. the availability of other or new funding, an example being the New Zealand Upgrade Programme in 2020 to stimulate economic growth, which provided funding for major transport infrastructure (railway stations) in South Auckland, making Drury an attractive location for development. It is therefore important to ensure such flexibility exists within the AFDS and to ensure that implementation of any strategic outcomes of the AFDS would still enable those out-of-sequence developments that could achieve a well-functioning urban environment and provide significant development capacity to occur.

37. Another reason for Kāinga Ora not supporting Council's intention to embed the proposed sequencing plan and infrastructure triggers as part of the Regional Policy Statement ("**RPS**") of the Auckland Unitary Plan ("**AUP**"), is that this will lead to inefficiencies in the planning framework in that:

    a. the infrastructure triggers will need to be reviewed and updated on a regular basis, suggesting that Council must initiate a plan change to the RPS every time there are changes or updates to the infrastructure triggers; and

    b. the FDS document will need to be updated every 6 years, requiring corresponding plan changes by Council to reflect any updates to sequencing and associated infrastructure triggers.

38. Therefore, due to the inefficiencies highlighted above, Kāinga Ora is of the view that the actual infrastructure triggers themselves should not sit within the RPS. Kāinga Ora requests Council consider methods other than triggers to manage out of sequence development within the regulatory framework.

39. Kāinga Ora considers that there is an opportunity for Council to undertake more assessment and consideration of the overall future proofing strategy for the Region before reaching its policy decision on this matter at the AFDS level. In addition, there is an immediate need to introduce responsive planning policies into the regional planning framework to manage out-of-sequence growth initiated by private plan changes. The introduction of such policies will provide clear guidelines for Council to determine whether such out-of-sequence developments contribute significantly to development capacity in a way that achieves a well-functioning urban environment.

<u>Seek Stronger linkages between Outcomes and Directions</u>

- **Māori housing, urban development and well-being**

40. Māori have been disproportionately affected by reduced housing affordability, quality and lack of housing choice. Māori are leading, delivering and contributing to broader housing and urban development solutions across Tāmaki Makaurau, but also require capability building to ensure greater participation.

41. Kāinga Ora acknowledges that the AFDS has provided a statement of hapu and iwi values and aspirations for urban development. The AFDS recognises that the return of land through Treaty settlements are often in rural areas. Kāinga Ora supports the recommendation in the AFDS to enable development of Māori Land and Treaty settlement commercial redress land, especially land located in the urban area.

42. The AFDS also made suggestions to simplify housing processes and supporting papakainga on Māori land and around Marae as potential solutions to bring their people home to the urban areas. Housing developments are also taking place across urban Marae and these are an important part of the solution to accommodate Māori whānau in a supportive environment integrated with the wider community.

43. Kāinga Ora welcomes such recommendations however it is unclear how or where these have been incorporated or further discussed in other parts of the AFDS, for example in the principles of equitable infrastructure investment and investment decisions for multiple outcomes. As a minimum, Papakainga housing must be expanded as a standalone spatial outcome in the AFDS, with targeted investment recommendations to enable such outcomes. Kāinga Ora also suggests that additional text could be brought in from the overall evidence report to support the AFDS recommendations, for example section 4.8.2 A te ao Māori vision for infrastructure.

44. Kāinga Ora recommends that the AFDS incorporate commentary on the need to respect and support the right of Māori to self-determine better housing and urban development solutions and acknowledge their growing commercial role and expertise in property development. This could be further expanded to include comment on the growing Māori economy which appears missing from the AFDS and overall evidence report business section 5.5.

45. Kāinga Ora recommends that the Māori land and economic opportunity map in Appendix 11 should be brought into the main AFDS document, as part of section 2.2 Hapū and iwi values and aspirations, with the inclusion of urban Marae locations and accompanying text to elaborate on the economic opportunity for Māori.

46. There are five principles set out in the AFDS that guide the growth and development of a well-functioning urban environment for Auckland. Kāinga Ora notes that one of the limbs of the well-functioning urban environments, as set out in Policy 1 of the NPS-UD,

is to enable Māori to express their cultural traditions and norms[5]. Kāinga Ora requests that this be included as a guiding principle for growth.

47. A requirement of the development of a HBA under the NPS-UD is for a local authority to assess demand from Māori for housing. Kāinga Ora notes that this is not included in the Auckland 2021 HBA, but will need to be addressed prior to the adoption of the AFDS.

48. Kāinga Ora understands that further engagement is taking place with Māori on the AFDS statement of Hapū and iwi values and aspirations for urban development. Kāinga Ora encourages Council to seek out the views of Māori entities on the AFDS particularly those involved in the construction and property development sector.

- **Disparities and inequity**

49. One of the key spatial outcomes of the AFDS is to address disparities in Auckland's communities and investments. Kāinga Ora considers that the AFDS should go further to to assess the current inequities, as well as housing affordability as a response to reducing disparities, as discussed in earlier section of this feedback letter.

50. Kāinga Ora considers that it is not evident how the application of Principle 3 – make efficient and equitable infrastructure investments, will result in equitable infrastructure investment and what outcomes that the AFDS seeks to achieve. Kāinga Ora therefore seeks clarification as to how equitable change will be measured and how to define whether such change is a success.

<u>Manage Constraints on Development to enable Development Capacity</u>

- **Natural hazards**

51. Kāinga Ora generally supports avoiding growth and intensification in areas exposed to 'significant' risk of natural hazards. However, Kāinga Ora has concerns regarding the application of natural hazards, environmental and cultural areas as criteria to assess the suitability of location for growth. Kāinga Ora considers that Council's framework results in subsequent removal of development capacity in areas that could achieve well-functioning urban environments. Kāinga Ora believes that development and intensification of some land exposed to lower risks of natural hazard or otherwise partially constrained can be managed by mitigating the risks to people and property to

[5] Policy 1(a)(ii)

an acceptable level, therefore reducing the need for displacement of existing communities in Auckland.

52. Council has proposed FUA areas to be partially or entirely removed where Council's assessment against the constraints of development showed significant impact in its view. This will directly result in a reduction of development capacity for housing, and is not supported by Kāinga Ora unless such recommendations has a strong evidence base, that is released publicly by the Council for all persons to review.

53. Kāinga Ora believes that there should be a range of different tools to manage the varied levels of risk present within different communities, in order to ensure the optimal outcome for communities and stakeholders. Kāinga Ora is part of the community affected and therefore requests to work closely with Council in exchanging information around natural hazards for affected FUAs and to work on solutions collaboratively. At a minimum, it is requested that the analysis relied upon for the mapping of the constraints on development is provided publicly to all persons, including the methodology and process that classified these into primary, secondary and tertiary categories in the AFDS.

- **Cultural Heritage**

54. Kāinga Ora does not support special character area to be considered as a cultural heritage matter, as well as being categorised as a primary constraint to development. In particular, "special character" is more related to amenity values and is distinct from "historic heritage" which are proposed to be classified as moderate and low categories of constraints to development in the AFDS. A "protection" approach is typically applied to historic heritage as a section 6 "matter of national importance" under the Resource Management Act but Kāinga Ora considers that a "maintain and enhance" approach is more suitable for character as changes to amenity values are expected under NPS-UD and that change in character should not be seen as an adverse effect.

55. Kāinga Ora believes that Council should consider the costs of special character area as a development constraint as evidence suggests that there is a substantial net economic cost. Greenaway-McGrevy and Jones (2023)[6] estimate a small economic benefit for Special Character Area properties, with this amenity resulting in 2%-9% property price

[6]"The Welfare Effects of Character Protections on Neighbourhoods": cdn.auckland.ac.nz/assets/business/about/our-research/research-institutes-and-centres/Economic-Policy-Centre--EPC-/014WP.pdf

premiums. The economic cost to the city is much larger: closing off redevelopment in these high-demand, highly accessible areas means a more spread-out city and more expensive housing. The net economic cost is estimated at $330-$1368 per household per year, or at least $200-$750 million per year given Auckland has 550,000+ households.

56. Based on the above, Kāinga Ora requests that areas of special character be removed as a constraint to development in the AFDS.

Provide a clear cascade of Spatial and Funding Prioritisation – and funding tools to match

57. The AFDS provides for four types of spatial priorities that will receive investment over the next 30 years, being:

- nodes;
- local areas and communities;
- joint priorities between council and central government; and
- potential major development locations.

58. Kainga Ora requests further information on the naming conventions for the spatial priority areas, including definition on their role and function.

59. Kāinga Ora also notes that “nodes” as referred to here is an unusual and unprecedented use of the term, i.e. no other Tier 1 local authorities or urban growth partnership uses the term “node” as is being proposed in the AFDS, nor is it how the concept of “nodes” is typically applied in land use and transport planning. This unusual and isolated application of the term is likely to not only confuse local stakeholders and practitioners, but also those working nationally.

- **Nodes**

60. The multi-nodal model was introduced in the 2018 Auckland Development Strategy, which highlighted the role of nodes (the city centre, Albany, Westgate and Manukau) as places that have a sub-regional influence and are expected to undergo a significant amount of housing and business growth over the next 30 years. The node concept is

carried forward into the AFDS and no changes have been proposed to the location of the nodes.

61. Kāinga Ora seeks clarification as to whether there has been a refreshed assessment of nodes, in terms of whether the identified nodes in the 2018 Development Strategy continues to play a key sub-regional role and whether there are other areas that would be "qualified" to be considered as a node, such as the Tamaki area, given the high level of net capacity (both residential and business) identified for the East Brownfield area in the AFDS.

62. The link between transport and land use integration is not sufficiently clear in the AFDS. The nodes are one example of this, with nodes of Albany and Westgate have opportunity to develop as Transit Oriented Developments (TODs) but this is not signified in the AFDS. It is not clear how these nodes will continue to develop so as to support vehicle kilometres travelled (VKT) reduction outcomes, as required by Government's direction. Identification of other TOD opportunities should also be signified, including Drury, Middlemore and some of the town and metropolitan centres.

63. Furthermore, Kāinga Ora seeks clarification on the development prioritisation among the nodes, and whether or not the planned transport and service facilities growth would be compatible to the projected population growth and housing demand in the nodes. In addition, what are the barriers to the nodes and how will these be resolved.

- **Local area and communities / potential major development locations**

64. Kāinga Ora notes that spatial priorities will replace the "Development Areas" concept created in the 2018 Development Strategy. Kāinga Ora requests clarification around the status of these Development Areas in the AFDS and whether they will be automatically rolled over and incorporated into the renamed "Local areas and communities" (where funding will be for specific projects with smaller scale interventions) and/or "Potential major development locations" (which may become future priorities for investment) categories of spatial priorities. In addition, Kāinga Ora seeks clarification on the list of projects included under the "local areas and communities" and "potential major development locations" categories, as well as the source (whether that will be from Long Term Plan or other avenues) and timing of funding to release development capacities in these areas.

65. Within the Development Areas identified in the 2018 Development Strategy, Kāinga Ora has a particular interest in Northcote, Oranga and Otara and seeks clarification of Council's plan for growth and the investment priority of these areas in the AFDS.

66. Kāinga Ora seeks clarification around the inclusion of Te Atau South as a potential major development location in the AFDS, as the area is not currently served by established centres and/or rapid transit projects. It would be useful to understand what activities and infrastructure will be required to ensure this area is not car-dependent including provision of future rapid/frequent transit and a new centre.

- **Joint priority areas**

67. Kāinga Ora welcomes that investment priority has been given to the Auckland Housing Programmes locations in Mt Roskill, Mangere and Tamaki. In addition, other centres or areas capable of accommodating large scale projects and are of interest to Kāinga Ora include Henderson, New Lynn, Northcote and Silverdale. These centres are servicing already growing catchments and fast population and residential growth are anticipated in the next decade, if supported by the appropriate infrastructure provision and investment in centres and public realm.

- **Growth Opportunities along Key Transport Corridors**

68. Kāinga Ora considers that enabling land uses and transport integration is a critical success factor in achieving a quality compact urban form as well as reducing emissions. The role of frequent transit networks is also not clearly reflected, including the role of mixed use and residential activity to support the public transport network projects identified in the AFDS, especially within Decade One (2023+), such as Rosedale Road corridor; Northwestern Bus improvements; Lincoln Road Corridor improvements project; Western Busway; and Airport to Botany Bus improvements etc.. Many of these locations have a combination of existing centres with existing and planned rapid and/or frequent transport networks. Kāinga Ora therefore requests Council to further assess these areas located along key transport corridors as potential areas for intensification and investment.

69. With the removal of the concept "Development Areas" which were created in the 2018 Development Strategy, Kāinga Ora has concerns that places along the Western rail line (Kingsland through to New Lynn, including Avondale), which were identified as Development Areas in the 2018 Development Strategy, will no longer receive investment

over the next decade. Kāinga Ora considers that growth should be prioritised in these areas as:

a. They have existing public transport access, i.e. rapid transit as well as frequent transit bus services;

b. They will receive a significant benefit from the Auckland City Rail Link project ("**ACRL**"), with increasing speeds and frequencies of rapid transit service as well as reduced travel times into Newmarket and the city centre;

c. They also have good active mode transport access (cycleway network); and

d. Many of these areas are already seeing significant housing development, including a range of intensive housing forms such as terraces and apartments.

As such, there is limited 'uncertainty' over growth in these areas and therefore they should remain a focus area for continued investment.

70. Kāinga Ora has an interest in understanding whether key locations around centres; rapid transit; frequent transit and proven market appeal (evidenced by recent apartment developments) have been identified to receive adequate investment funding to support their growth.

- **Future Urban Areas ("FUAs")**

71. Kāinga Ora has interests in land in the greenfield areas identified as "Future Urban Areas", such as the Takaanini FUA and Drury-Opaheke FUA. These greenfield sites are large in area and provide a relatively large housing development capacity compared with brownfield sites owned by Kāinga Ora in the vicinity. They are also strategically located in proximity to key employment centres, key transport nodes and/or other community services in order to achieve well-functioning urban environments and emission reduction outcomes. Development in these greenfield areas will meet the rising housing demand in Auckland, as well as to provide a variety of affordable housing choices, in terms of household configuration, typologies and mix.

72. Council's proposed partial removal of some FUAs in the AFDS will directly impact the ability of Kāinga Ora to provide the much needed housing in these communities and therefore strongly opposes the removal of some of the proposed FUAs.

Takaanini FUA

73. Kāinga Ora acknowledges that large areas in the southern part of the Takaanini FUA (Figure 1 refers) is vulnerable to flooding and subject to geotechnical constraints, and will become more vulnerable as climate change increases the frequency and severity of rainfall events. However, Kāinga Ora does not support the removal of the northern part of the Takaanini FUA, demarcated by the areas located north of Papakura Stream, based on the following reasons:

    a. This part of the Takaanini FUA is not exposed to the same risk of flooding as the southern part of the FUA and the soil conditions will not pose any significant geotechnical hazards. Kāinga Ora has undertaken investigation within parts of this area and can demonstrate development constraints can be effectively managed.

    b. The northern section of Takaanini FUA is well located adjacent to the existing urban area, where there are existing roading connections to existing centres offering a mix of employment, retail, services, offices and industrial activities – (Manukau City – approx. 7.5km north west; Papakura – 5km south; Manurewa – 2.5km west; and Takaanini – 2.7km south).

    c. There is a large employment base in the key centres and business areas within 15km of the northern section of Takaanini FUA, including a broad range of opportunities in most sectors of the economic including the Airport, hospital, tertiary education and recreational facilities etc..

    d. The northern section of Takaanini FUA is located much closer to key commercial, employment, education, transport and social infrastructure than most other greenfield residential developments around Auckland's urban fringe. The urbanisation of land in this location is consistent with the emission reduction target of the AFDS allowing people to travel less when they live closer to centres.

    e. Due to the close proximity to long-established areas of South Auckland, the northern section of the Takaanini FUA is well placed to fit into an established urban fabric.

Figure 1 – Takaanini FUA



74. Any decision to remove the northern part of the Takaanini FUA cannot be justified on the basis of flooding or geotechnical effects, and Kāinga Ora is not aware of any other basis for it to be removed. In contrast, there are extremely strong reasons, including those summarised above, why it should remain within the Takaanini FUA and why it should be live-zoned and developed in the short term.

75. Given the significant financial impact on those landowners and developers with proposals in these areas sought to be removed from Future Urban Zoned land as part of the proposed AFDS, the Council is obliged to have a strong evidence base justifying any such decision, and for any consultation of such a proposal to be meaningful. The full extent of the information informing Council's proposals and any decisions on them should be made available to landowners as part of a consultation process. Further, consistent with principles of proper consultation, the Council should allow time for that material to be reviewed by affected parties, and then take the time to consider any responses to that information with an open mind and a willingness to consider the full range of options in response. Where there is an appropriate response that manages the risk of natural hazards, while still providing for additional urban development, then that response should be adopted.

76. If the Council has any other valid reason for removing the northern part of the Takaanini FUA that it has not shared as part of its proposal, then it is obliged to make that

information available, allow time for that to be responded to, and to consider that response with an open mind. Any failure to adopt that approach would expose any decision to remove that northern part of the Takaanini FUA to very real risk of challenge.

Opaheke-Drury FUA

77. Drury is one of the Priority Development Areas identified within the Government Policy on Housing and Urban Development. Kāinga Ora therefore does not support the delay in growth for Opaheke-Drury FUA from 2028 - 2032 to 2035+, especially in areas within a walkable catchment (1,200m) from the Drury West and Drury Central railway stations, which will become operational in 2025 and 2026. Kāinga Ora respectfully suggests that development capacity in areas with funded infrastructure already in place should be realised earlier rather than later.

78. Kāinga Ora also has interests in Drury, parts of which will be affected by Council's proposed removal of Opaheke- Drury FUA in the AFDS. The site owned by Kāinga Ora in Drury is located within a walkable catchment from the proposed Drury Central Station, as well as from the existing old Drury town centre – a highly enabled location for growth that meets the criteria of a well-functioning urban environment.

79. Kāinga Ora seeks to work with Council collaboratively to exchange information on constraints of development in order to assist Council in refining the revised FUA boundary in Opaheke- Drury FUA.

Parterning in the Implementation of the AFDS

80. The Auckland Housing Programme has been a joint Initiative between Kainga Ora and the Auckland Council to deliver small, medium and large-scale housing developments across Auckland, with a Memorandum of Understanding signed in 2018. Kāinga Ora is also a member to the Auckland Urban Growth Partnership with the Auckland Council and Crown. Kāinga Ora is a member of communities across Auckland and has a key role to play in the implementation of the AFDS. Kāinga Ora wishes to be involved in the discussion and preparation of the Implementation Plan, including any monitoring and evaluation framework.

Decision-making process for AFDS

81. Auckland Council has an obligation under section 14(1)(a) of the Local Government Act 2002 to conduct its business in an open, transparent, and democratically accountable manner.

82. As such, Kāinga Ora requests that Council provides all information that has informed its preparation of the AFDS and for a public hearing on the adoption of the AFDS. Kāinga Ora notes that other jurisdictions have held hearings prior to the adoption of their respective Future Development Strategies.

Conclusion

83. Kāinga Ora recognises that the AFDS sets out a strategic vision and direction for growth and development within Auckland over the next 30 years, and will inform the planning, investment, and development opportunities in the Region.

84. Those areas of most interest to Kāinga Ora have been specifically identified and elaborated on within our feedback. Kāinga Ora reiterates the importance of enabling development capacity and the impact that Council policies have on the supply of affordable housing choice and the development and renewal of urban environments.

85. Kāinga Ora is interested in the continuing development of the AFDS and welcomes the continued opportunity to discuss, engage and provide further input into the development of the AFDS. It also seeks those same opportunities for the Implementation Plan.

86. As a delivery partner and public housing landlord, Kāinga Ora welcomes the opportunity to work closely with Council to further shape the direction of growth throughout the Region.



……

Brendon Liggett
Manager – Development Planning
Kāinga Ora – Homes and Communities

ADDRESS FOR SERVICE: *Kāinga Ora – Homes and Communities, PO Box 74598, Greenlane, Auckland 1051. Email: developmentplanning@kaingaora.govt.nz*

Future Development Plan 2023 #8611

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Your feedback

Focusing growth

Denser, more compact cities result in improvements to the environment, the economy, and people's wellbeing.

Auckland's urban area is made up of neighbourhoods, town centres and business areas that are interconnected and that support where most Aucklanders live, work and spend their leisure time.

We propose that most housing and business growth will be focused within existing urban areas and that this growth be more intensive. This means less growth in greenfield areas at Auckland's edges. What greenfield growth there is will be phased over 30 years and longer.

1. What do you think of our approach to focus most of Auckland's growth in existing urban areas?

Other

Tell us why
Please see attached submission

Accessible local centres

When people have easy access to workplaces, services, facilities and shops, communities become more resilient and connected. It also helps to reduce travel time, emissions and lower household transport costs.

We propose focusing housing and business development near local centres where most people's daily needs are easy to access by walking, cycling and public transport.

2. What do you think of our approach to focus development near local centres?

Other

Tell us why
Please see attached submission

Avoiding hazards

As our climate changes, the frequency and severity of hazards such as flooding, sea-level rise and coastal erosion will worsen. Where and how we plan for growth, and how we adapt to these hazards is increasingly important.

We propose that known areas constrained by significant natural hazard risk should be looked at to see if further development is appropriate.

Where development is already enabled in potentially vulnerable locations, we will further investigate appropriate actions.

3. What do you think of our approach to avoid further growth in areas which are exposed to significant risk of environmental hazards?

Other

Tell us why

Resilient infrastructure

Infrastructure across Auckland needs to cope with ongoing change, such as the impacts of climate change and evolving technology.

Nature-based infrastructure, such as rain gardens, swales, and detention basins, is better able to respond to ongoing change. This can help protect communities from hazards, as well as protect and restore the natural environment.

We propose prioritising investment in infrastructure that is decentralised, nature-based, regenerative and mauri-enhancing.

4. What do you think of our approach to prioritising nature-based infrastructure that responds to the impacts of climate change?

Other

Tell us why

Other feedback

5. Do you have any other feedback on our approach to how and where Auckland should grow and change?

Crombie Lockwood Tower
Level 16, 191 Queen Street
PO Box 7244
Wellesley Street
Auckland 1141
New Zealand
Email: office@infrastructure.org.nz

31 July 2023

Infrastructure New Zealand Submission on Auckland Council's Future Development Strategy

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1. Introduction

1.1 Infrastructure New Zealand (INZ) welcomes this opportunity to submit on the Auckland Future Development Strategy 2023-2053 (Strategy).

1.2 INZ is New Zealand's membership organisation for the infrastructure sector. We promote best practice in national infrastructure development through research, advocacy, and public and private sector collaboration. Our members come from diverse sectors across New Zealand and include infrastructure service providers, investors, and operators.

2. General Remarks

2.1 We support taking a strategic approach to planning for the growth of Tāmaki Makaurau that recognises the critical role of infrastructure in supporting the region's development aspirations.

2.2 We are encouraged that infrastructure is reflected throughout the Strategy, meeting the National Policy Statement on Urban Development (NPS-UD) requirements to integrate strategic planning and infrastructure planning and funding. However, we see opportunities to improve the way in which infrastructure planning, funding and delivery is integrated, which we discuss below.

2.3 We generally agree with the framing of the challenges, principles for growth and outcomes. The Strategy appropriately recognises the challenges to future development posed by an uncertain and changing environment, financial constraints, environmental impacts, and equity. The Strategy should also recognise the infrastructure deficit as a key challenge, making it clear that the starting point is insufficient provision of infrastructure (and housing stock) with substantial further investment required on top of this to support future growth.

2.4 As with any strategic plan, its success will depend on how effectively it is implemented. We expand on this below.

3. Investment should be prioritised to achieve outcomes, requiring flexibility where appropriate

3.1 The Strategy articulates a quality compact approach, providing that investment needs to be prioritised in locations that will achieve the greatest benefits, across multiple outcomes. It says that this means investing primarily in existing urban areas, along with less reliance on expansion into future urban areas. This aims to provide relative certainty as to where future investment and growth will occur in the shorter term.

3.2 We support identifying spatial priority areas as a focus point for growth and investment. However, it is important to retain flexibility for growth to occur where it can best provide benefits for the whole region, especially in the longer term. The means undertaking development where appropriate and being clear about the factors that inform land supply decisions, rather than being beholden to specifically pre-defined spatial areas. The Strategy should make this explicit.

4. Making use of the full funding and financing toolkit

4.1 The Strategy recognises that funding and financing pressures have increased and are a key challenge for achieving the desired outcomes with Auckland Council planning invest over $180 billion over the next 30 years. This is exacerbated by the debt limits and constraints on available funding tools for Council.

4.2 We emphasise that alternative methods of funding and financing are a critical lever to alleviate these challenges. Council should consider the use of targeted rates, public-private partnerships, Special Purpose Vehicles through the Funding and Financing Act and Specified Development Areas through the Urban Development Act – alongside Development Contributions.

4.3 The implementation plan overview identifies the need to link funding to planning. It should also commit to exploring these options, including whether current development contributions policy remains fit for purpose given the quality compact approach.

4.4 A key part of transition to new ways of pricing and funding infrastructure is building public understanding and acceptance of this. Communication should develop public understanding

of the link between how infrastructure is paid for, the quality of services that are provided and the equity implications. The implementation plan should consider this.

5. Considerations for implementation

Implementation requires alignment with the key infrastructure providers across all forms of infrastructure

5.1 The Strategy is dependent on infrastructure development and service undertaken by central Government agencies and other providers. This includes social infrastructure, transport, and utilities. It is not clear whether these agencies have been engaged throughout the process to ensure alignments and dependencies are clear and understood. We emphasise the need for transparency and close engagement going forward to ensure strategies and plans are aligned, and so funding can be secured through budget bids and other sources of financing. This engagement should be provided for in the implementation plan.

Implementation should consider non-built options, including congestion charging

5.2 We support the Strategy's use of Te Waihanga's infrastructure investment hierarchy which recognises that demand can be managed through the "adoption of a variety of tools such as pricing and the provision of information to encourage more efficient use of transport and other forms of infrastructure."

5.3 Congestion charging is a key method of easing congestion, with a 2017 NZIER study estimating the benefits of decongestion in Auckland being between $0.9 billion and $1.2 billion per annum (approximately 1% to 1.5% of Auckland's GDP). This has been thoroughly examined by the Transport and Infrastructure Select Committee which recommended the government implement a congestion pricing scheme in Auckland.

5.4 We continue to see congestion charging as a critical part of the toolkit and urge central government to put in place enabling legislation so that Auckland Council can leverage this as a means for managing demand and raising revenue to support improved transport infrastructure in the region, in particular alternative travel options for those that will be most adversely impacted by congestion charges.

5.5 Other non-built options include making better use of existing infrastructure by adapting or reusing it and using regulation and education. These are important and complementary solutions alongside the substantial investment required to address Auckland's infrastructure deficit.

Resource management policy and plans

5.6 The implementation overview recognises that this strategy will translate into changes to resource management plans:

a. Changes should enable the protection of infrastructure corridors in advance of growth (should this not already be done). The 'changes to the AUP' section of the Strategy does not identify this.

b. We appreciate the use of triggers to ensure development capacity becomes available when it can be supported through bulk infrastructure. This will need careful implementation to ensure that triggers do not unnecessarily slow development and prevent overlapping works. This is particularly important given planning processes can be lengthy and authorisations are typically required before actual construction work can begin.

Key assumptions should be subject to ongoing review

5.7 The Strategy relies on a set of assumptions and forecasts for the future, with the consideration of conceptual growth scenarios informing the spatial response. There should be ongoing monitoring of growth and development and review of the assumptions to ensure the basis for the Strategy remains sound. This includes population forecasts, where growth and development occur (new projects and the performance of existing infrastructure), and environmental factors and hazards. Any changes to the Strategy also need to be balanced with a need for the certainty required for long-time infrastructure investment and planning and the impacts this may have for investment that has already been committed.

Digital twins can enhance understanding

5.8 Implementation should explore the use of a regional and urban digital twins. A digital twin is a digital representation of a city or region, comprised of data that models buildings and assets, surface or regulatory data, or real-time data from sensors. Twins can be used to help integrate land use and infrastructure planning, by anticipating, modelling, and testing growth scenarios. Wellington City Council has been developing a digital twin to help with adaptation planning.

6. Conclusion

6.1 INZ supports taking a strategic approach to planning for the growth of Tāmaki Makaurau that recognises and provides for the critical role of infrastructure.

6.2 The success of this Strategy depends on its implementation. Key points for Infrastructure New Zealand are investing flexibly for the maximum benefit, use of the full toolbox of funding and financing options, alignment with the full scope of infrastructure types required, use of non-built options and congestion charging, appropriate implementation into resource management plans, ongoing review of assumptions and use of new technology with digital twins.

Yours sincerely,



Michelle McCormick

Policy Director

Infrastructure New Zealand

Future Development Plan 2023 #8613

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4. **What do you think of our approach to prioritising nature-based infrastructure that responds to the impacts of climate change?**

Tell us why

Other feedback

5. Do you have any other feedback on our approach to how and where Auckland should grow and change?

FDS Submission

July 2023



Kiwi Property

Relief Sought

- Take time to get the process right;
- If Council is looking to introduce a hierarchy between Centre's ("Nodes") . these areas should include Mixed Use - Transit Orientated Centre's eg Drury, Sylvia Park, New Lynn;
- Support focus around strong Centre's and infrastructure being priorities to obtain the greatest benefit;
- Oppose rolling back FUZ where land can be developed eg Central Govt is investing $2.8b in Drury – why roll it back ?

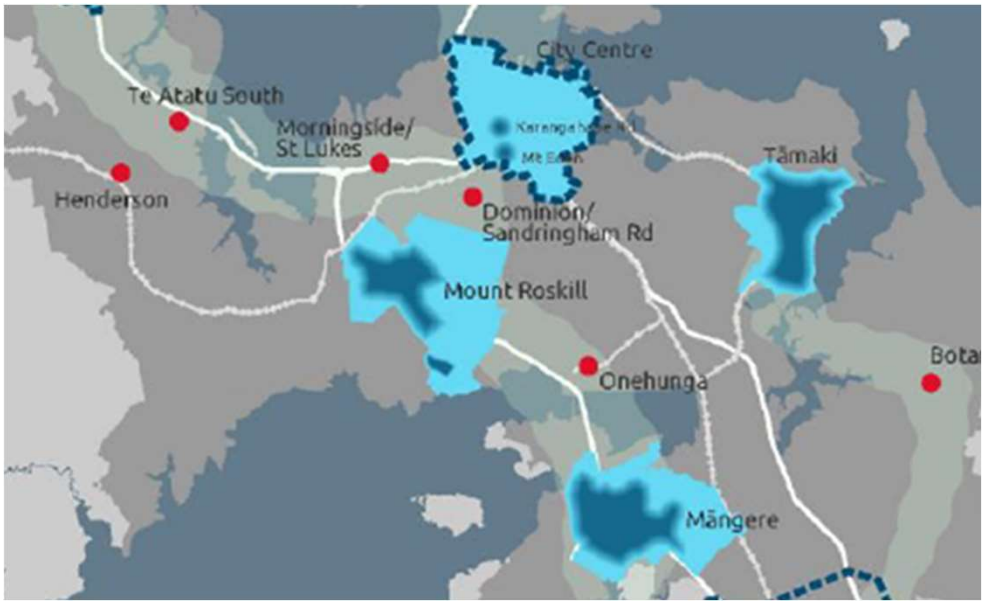
Get the process right

- FDS is a guide for the next 30 years of growth;
- FDS should guide Residents, Business and Development Community;
- PAUP was a comprehensive process, post PAUP no Plan Changes were completed by Council… resulting in a number of Private Plan Changes being advance under the RMA.
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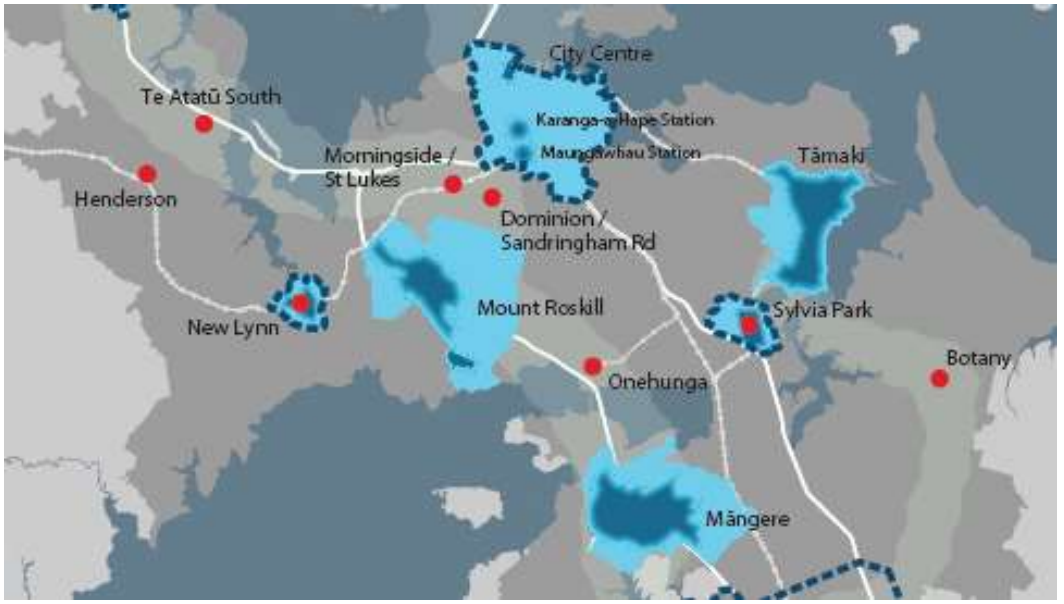
FDS will ultimately will inform how we house our children and provide jobs for their future.

Objective 1: New Zealand has well-functioning urban environments that enable all people and communities to provide for their social, economic, and cultural wellbeing, and for their health and safety, now and in the future.

Priority Areas – "Nodes"



Draft FDS



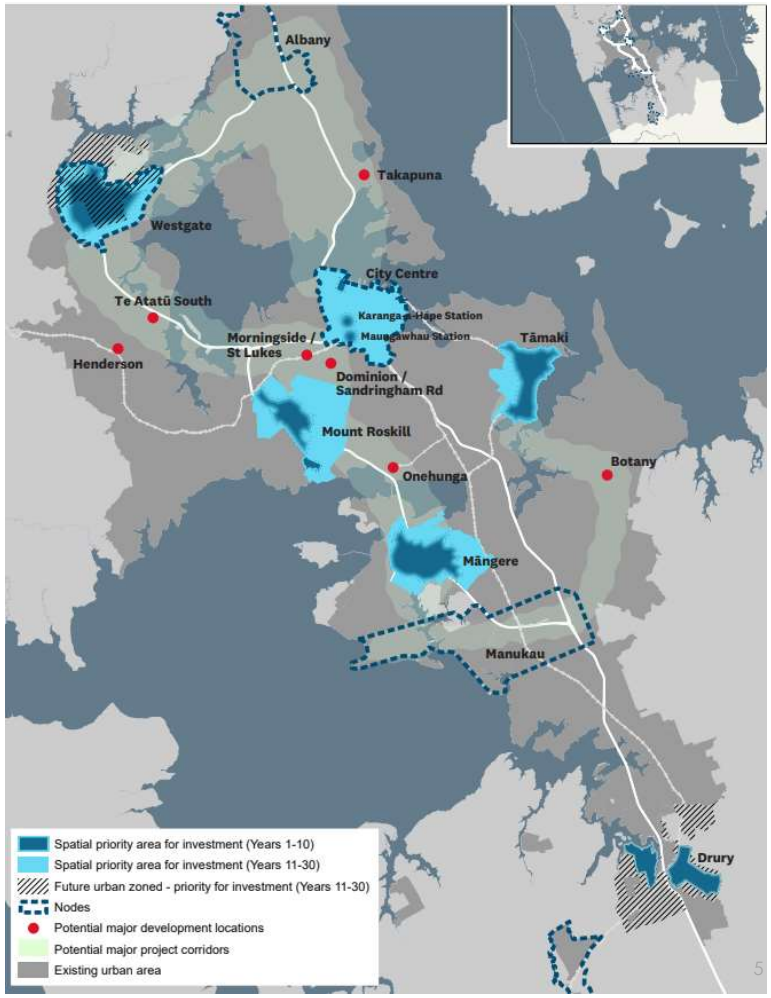
Kiwi Property

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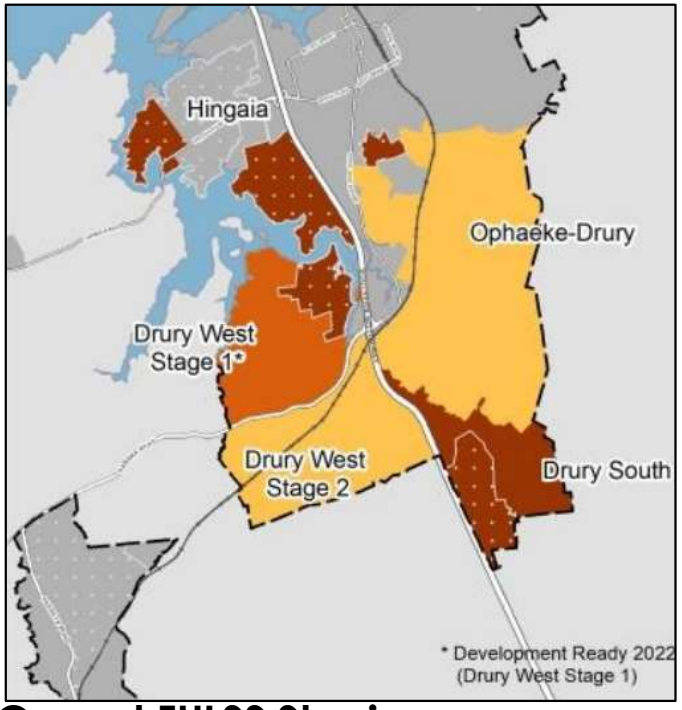
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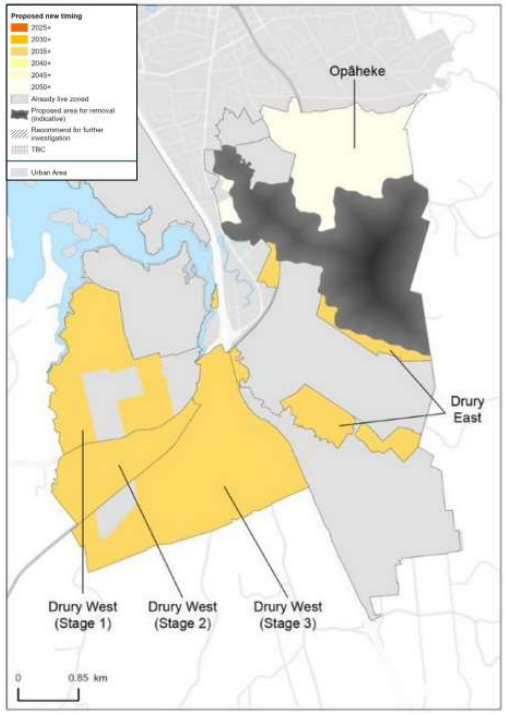


Roll back of FUZ – why roll back when $2.8b invested ?



Current FULSS Staging





Draft FDS



$2.8b of Govt funded projects and Council wants to slow development ?

A Path Forward

- Fix the process issues identified.
  - Housing Assessment assumptions not ‘ground truthed’.
  - Business Assessment not complete.
  - No genuine engagement with development community
  - No updated technical analysis .
- Introduce principles that enable the progressive release of land, in line with progressive infrastructure upgrades.
- Identify New Lynn and Slyvia Park as Potential Major Development Locations and Priority Areas for Investment.

Thank you

Kiwi Property

FDS Submission

July 2023



Kiwi Property

Relief Sought

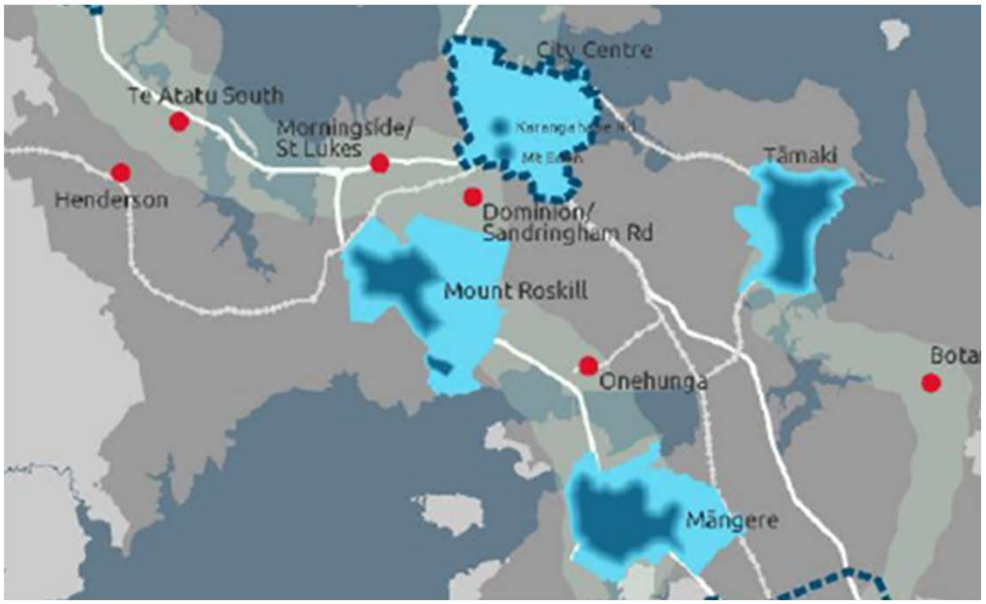
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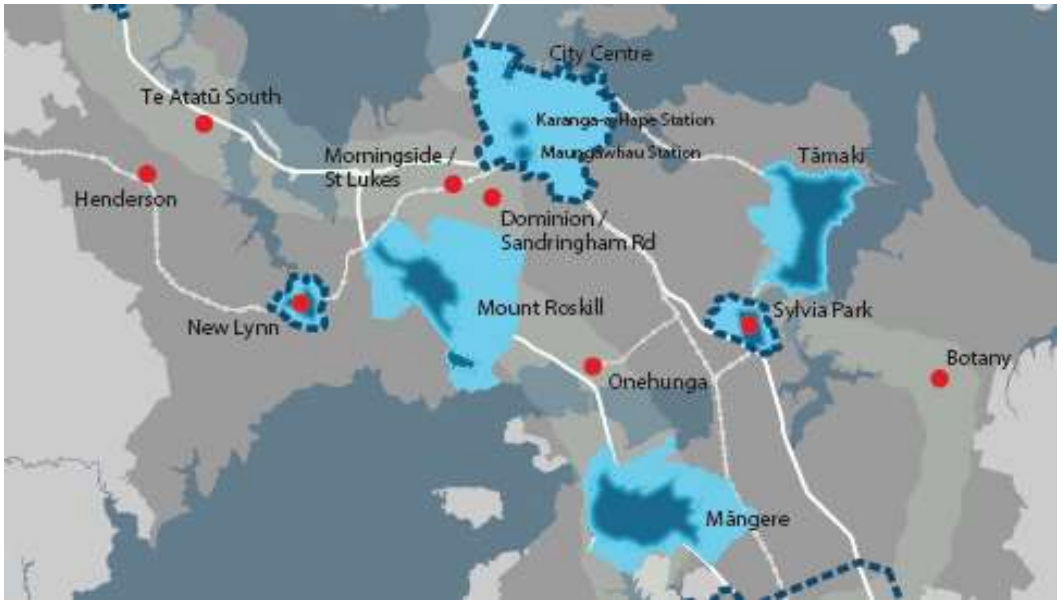
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FDS will ultimately inform how we house our children and provide jobs for their future.

Priority Areas – "Nodes"



Draft FDS



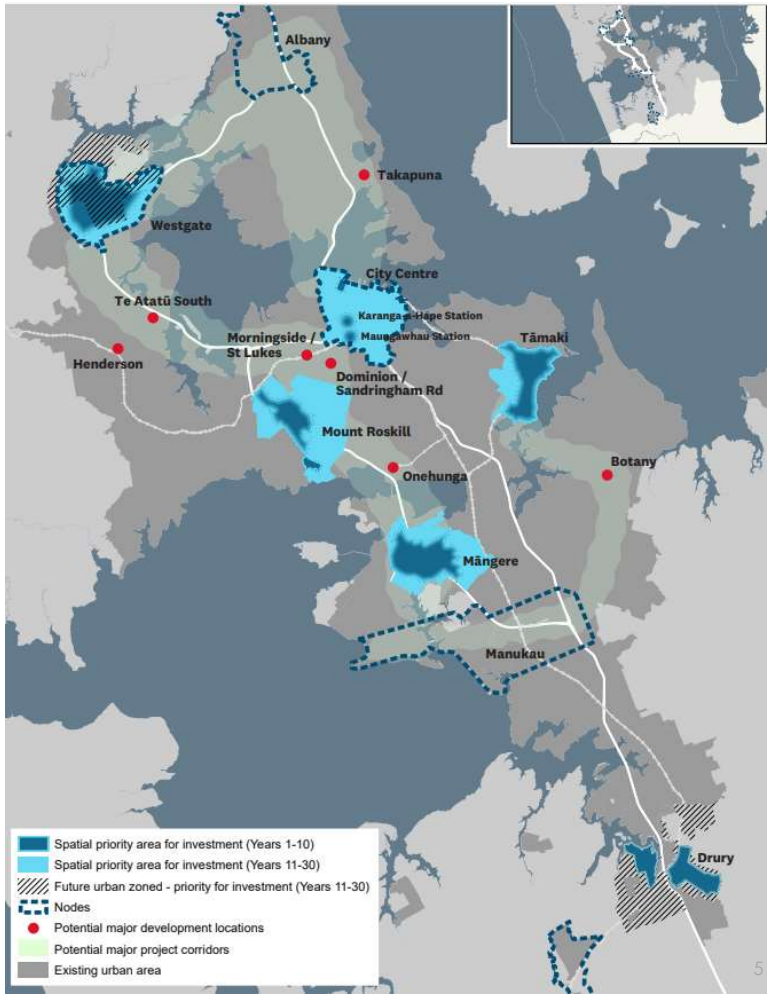
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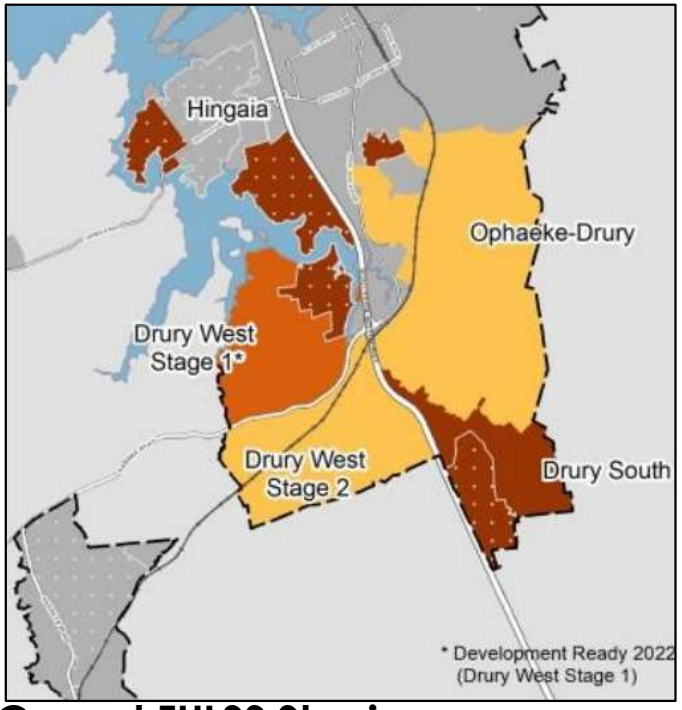
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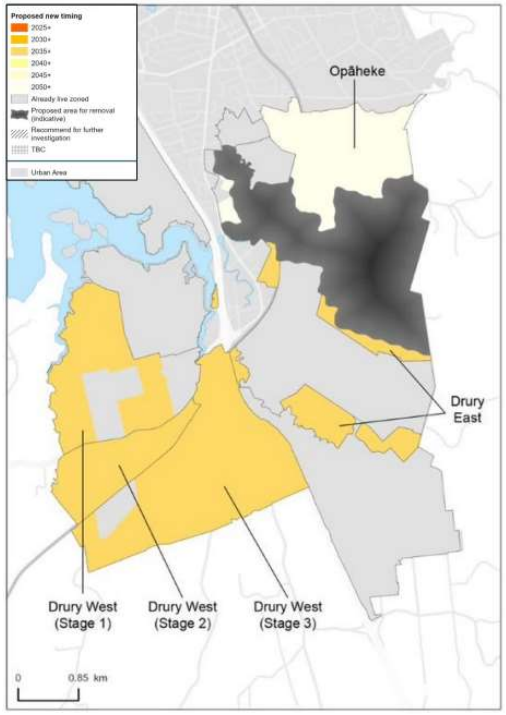


Rolling back FUZ – why roll back when $2.8b invested ?



Current FULSS Staging





Draft FDS



$2.8b of Govt funded projects and Council wants to slow development ?

Thank you

Kiwi Property

Barker & Associates
Auckland

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#8613
B&A
Urban & Environmental

31 July 2023

Auckland Council
Via email: futuredevelopmentstrategy@aucklandcouncil.govt.nz

Submission on the Draft Future Development Strategy – Prioritisation of Centres

Introduction and Relief Sought

This is a submission on the draft Future Development Strategy (**FDS**) on behalf of Kiwi Property Group Limited (**Kiwi Property**). The FDS was notified for submissions on the 6th June 2023.

The following relief is sought in this submission:

1. **Issue 1: Process** - That Council reviews the inadequate public consultation process that has been adopted to date for the FDS and:

    a. Puts the FDS process on pause to ensure that sufficient and appropriate consultation is undertaken with all potentially affected stakeholders; and

    b. Gives submitters on the FDS an opportunity to present in person to Councillors and/or an independent hearing panel in support of their written submissions following the closing date so that Council's decisions are fully informed and proposed provisions have been tested fully.

2. **Issue 2 – Adequacy of Supporting Research** - That Council reviews the evidence base for the FDS and in particular demonstrates how the FDS achieves sufficient development capacity as set out in Sections 3.2 and 3.3 of the National Policy Statement – Urban Development (**NPSUD**).

3. **Issue 3 – Nodes / Sub-regional Centres** - With regard to the "*nodes*" identified in the FDS:

    a. If Council is to, in effect, introduce an additional "*Sub-regional*" status for key locations within the centres hierarchy, falling between the "*City Centre*" and "*Metropolitan Centre*" levels, that the Sub-regional centre (or "*node*") status is also applied to the Drury Metropolitan Centre.

    b. Alternatively, that the FDS provisions referring to "*nodes*"" be amended to include all Metropolitan Centres.

4. **Issue 4: Focus on Centres** - Kiwi Property strongly supports the focus on "*strong centres*" identified in the FDS but considers that all Metropolitan, Town and Local Centres should be subject to such a focus as it is essential to create and support a strong network of interrelated and complementary centres.

5. Issue 5: Infrastructure Investment - Kiwi Property strongly supports investment (including most notably infrastructure capacity) being prioritised in areas where that will generate the greatest benefit, which in practice involves prioritising investment in the City Centre and to all Metropolitan, Town and Local Centres respectively (including, in particular, amending the short to medium term [1 – 10 year] priorities to identify the provision of adequate local water and wastewater networks to serve all centres).

6. Issue 6: Site specific relief - Kiwi Property seeks the following site-specific items of relief:

    a. That, regardless of whether item 3 above is granted, the Sylvia Park Metropolitan Centre be identified as a strategic node and a Spatial Priority Area (Years 1-10) and be earmarked for a plan change to increase in the extent of Metropolitan Centre zoning.

    b. That, regardless of whether item 3 above is granted, the New Lynn Metropolitan Centre be identified as a strategic node and a Spatial Priority Area (Years 1-10).

Background

Kiwi Property

Kiwi Property is one of the leading property development and investment companies in New Zealand. Over the last 30 years Kiwi Property has developed a number of New Zealand's largest developments and currently owns and manages multiple large-scale retail and office developments including existing centres such as Sylvia Park, Lynn Mall and The Base (Hamilton). Kiwi Property also has landholdings in Drury East which have recently been live zoned to accommodate Auckland's newest Metropolitan Centre. Kiwi Property focuses on delivering the best retail and workplace experiences possible.

Summary of Submission

Council is required to prepare an FDS in accordance with subpart 4 of Part 3 of the NPSUD. Kiwi Property is supportive of the response to growth within Auckland being led by a robust FDS. This is the first planning step in providing for growth and ensuring it is integrated with the provision of infrastructure at a strategic level.

Overall, however, it is apparent from the draft FDS and Kiwi Property's broader experience regarding its landholdings in Drury that short-term infrastructure constraints are driving the long term strategic plan for Auckland. The short-sightedness of this approach and the lack of any meaningful public discussion about it is disappointing. We encourage the Council to take a long term view (30 year) as required by the NPSUD. Kiwi Property accepts that the Council is facing a significant infrastructure deficit and that it needs to look to alternative forms of funding to pay for growth, including higher levels of direct Government investment. If the Council and development sector work proactively together, the draft FDS provides the opportunity to negotiate this outcome with the Government in a comprehensive way. As it stands, the Council's unilateral approach to planning for growth in Auckland may help to suppress increases in general rates, but it fails to realise the longer-term and wider benefits of growth for the community.

In addition to these over-arching matters, Kiwi Property considers that there are fundamental issues with the draft FDS that need to be addressed to ensure that the long term strategic planning for growth results in a well-functioning urban environment. The matters raised illustrate that the draft FDS does not meet the minimum legal requirements set out by the NPSUD and therefore a restart of the process is the most appropriate and efficient outcome.

In particular:

- Kiwi Property requests that the proposal to strengthen "*nodes (the city centre, Albany, Westgate and Manukau*)" is expanded to strengthen of all Metropolitan Centres, particularly those that act as key transport nodes by virtue of their location on the motorway and/or rail network (e.g.: Sylvia Park, New Lynn, Drury).
- Kiwi Property supports "*nodes*" being a priority for infrastructure investment but, as noted above, requests that the definition be expanded to include all Metropolitan Centres particularly those that act as key transport nodes by virtue of their location on the motorway and/or rail network (e.g.: Sylvia Park, New Lynn, Drury).
- Kiwi Property supports the key considerations identified for business areas with amendments to ensure the efficient use of Metropolitan Centre land and the surrounding land.
- Kiwi Property is concerned that more transparency/rigour is needed around the capacity analysis that underpins the draft FDS to ensure this has been based on feasible and realisable development capacity and not just plan enabled capacity.
- Kiwi Property is concerned that the Council has not completed its assessment of business demand and capacity and therefore the evidence base for the FDS is deficient. Further transparency/rigour is needed in relation to the analysis that has informed the location and sufficiency of business land.
- Kiwi Property is concerned that there has been limited engagement with the development sector to develop the FDS. Furthermore, adopting the FDS by September 2023 provides limited ability to make meaningful changes in response to feedback received.

Issue 1: Process

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1. Puts the FDS process on pause to ensure that sufficient and appropriate consultation is undertaken with all potentially affected stakeholders; and

2. Gives submitters on the FDS an opportunity to speak to present in person to Councillors and/or an independent hearing panel in support of their written submissions following the closing date so that Council's decisions are fully informed and proposed provisions have been tested fully.

A key part of preparing an FDS is ensuring it is prepared with genuine and meaningful consultation and engagement with the community, infrastructure providers, iwi and hapū, and land owners and developers. This engagement should be broad-based and encourage blue sky thinking, all informed by good quality evidence. Open communication ensures that the process is democratic and recognises that a wide range of

parties will need to come together to implement the FDS. Not doing this risks the Council zoning land and/or providing infrastructure in less efficient locations – that outcome would be more expensive overall.

The importance of getting it right is brought into sharp focus in Auckland, where the stakes are high. Auckland contributes 40% to the GDP of New Zealand, and ensuring that there is sufficient land supply for business and housing is an important plank in the economic development of the city and the prosperity of its people. Providing enough land supply enables opportunities for high-value businesses to grow and employ more people, and supports the delivery of a greater range of housing choices by the market. If the strategy is not right this may constrain the economic development of the region with negative consequences for the New Zealand economy as a whole.

Kiwi Property understands that Council's intention is that the FDS will form the strategic basis for planning decisions for the Auckland region into the future. Given that there is no formal submission, hearing and appeal process for the FDS, there needs to be an extensive and comprehensive public engagement and consultation process if the FDS is to have the public support necessary for it to feed into public plan changes to the Auckland Unitary Plan and to be treated as a key strategic document on the assessment of private plan changes and resource consent applications. Otherwise, the intentions and timeframes expressed in the FDS regarding intensification and peripheral development will be subject to challenge on the basis that they were not tested fully through the FDS process and do not accurately reflect public consensus.

Kiwi Property is highly concerned that there has been limited engagement with the development sector to develop the FDS. Engagement with the development sector is fundamental in obtaining empirical real-world evidence on feasibility that can sit alongside more theoretical development capacity and feasibility analysis. Input from the development sector would assist the Council. Furthermore, adopting the FDS by September 2023 provides limited ability to make meaningful changes in response to feedback received from the community or development sector alike.

The process for public engagement and decision making on the draft FDS currently only provides limited opportunity for public input when compared to the process followed by other cities. For instance in Christchurch there has been significantly more opportunities for public input with a more robust and fair process for considering submissions. In particular:

- The public were asked to complete an online survey on how they thought the Greater Christchurch partnership should tackle important issues such as building greater resilience to a changing environment, meeting emissions reduction targets, preserving and enhancing cultural and natural environments, creating liveable and healthy urban areas, and supporting the delivery of housing to improve affordability. More than 7000 people responded to the survey and this informed the development of the draft Greater Christchurch Spatial Plan.
- Public submissions on the draft Spatial Plan will be considered by an independent hearings panel to ensure a more open, transparent and fair process.
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The NPSUD requires that the FDS is completed in time to inform the 2024 Long Term Plan. This does place a constraint on the Council for completing the draft FDS, however, given the concerns expressed above, there are a range of options that the Council could implement that would provide sufficient time to complete

a legally compliant and robust FDS for Auckland that meets the Council's other obligations. These options include:

- Progressing the 2024 Long Term Plan on the basis of the current Auckland Development Strategy and 2017 Future Urban Land Supply Strategy; and
- Once the FDS is adopted, progressing any updates to the Long Term Plan via the Annual Plan process for minor changes, or via a Long Term Plan amendment if the changes are more significant; or
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Kiwi Property considers that Council has failed to comply with its obligations to base the FDS on a comprehensive and appropriate demand and capacity analysis. It asks Council to review the evidence base for the FDS and in particular to demonstrate how the FDS achieves sufficient development capacity as set out in Section 3.2 and 3.3 of the NPSUD.

Kiwi Property notes that, despite the FDS stating that it meets the statutory requirement under the NPSUD to ensure there is at least sufficient development capacity to meet demand, it is not clear from the FDS or the supporting growth scenario evidence report that this is actually the case. In particular, there appears to be discrepancies or a lack of evidence basis used to inform this assessment, and it is not clear how the FDS meets the requirements set out in Sections 3.2 and 3.3 in relation to feasible and realisable capacity and the appropriate competitive margin.

The evidence basis for determining demand needs to be robust and this is not currently the case. Section 3.3 of the FDS identifies that an additional 520,800 people and 200,000 households over 30 years is anticipated based on Stats NZ medium growth projections however, this is inconsistent with the HBA which identifies 384,000 households over 30 years. Furthermore, the FDS should in Kiwi Property's view, include a test against a high growth scenario to be sufficiently robust.

The FDS concludes that there is plan enabled capacity of 2,345,500 dwellings and this is several times greater than expected demand. A broad assumption is made that much of the plan enabled capacity will be commercially feasible based on the existing take up under the Auckland Unitary Plan. There does not appear to be any further assessment to support this assumption nor is there assessment of the feasibility of development on an area specific basis, particularly of areas where infrastructure investment is to be prioritised.

In relation to business demand and capacity the FDS is based on initial results from the Council's Business Capacity Assessment which is still in draft form. The FDS concludes that there is likely to be sufficient plan enabled business capacity on a region wide basis however, there will be shortfalls in sub-regions for specific business sectors, particularly land extensive sectors. Given that this assessment is based on plan enabled

capacity and has identified capacity shortfalls for land extensive sectors this does not appear to meet the NPSUD requirements.

Given that one of the key purposes of an FDS is to promote long term strategic planning which sets out how a local authority intends to provide at least sufficient development capacity over the next 30 years to meet expected demand, Kiwi Property submits that much more transparency/rigour is needed around the capacity analysis.

Issue 3 – Nodes / Sub-regional Centres

The FDS identifies "*nodes*" that will play an important part in providing greater sub-regional sustainability. The implication is that Council may consider it appropriate to identify an additional level of centre within the centres hierarchy, being in effect "*Sub-regional Centres*". If that is to occur, then Kiwi Property asks that the Sub-regional Centre status be applied also to the Drury Metropolitan Centre. Alternatively, the FDS provisions referring to "*nodes*" could be amended to include all Metropolitan Centres.

Kiwi Property accepts that Newmarket (given its close connection to the City Centre), Albany and Manukau arguably have functions that elevate them above the long-term role of the other Metropolitan Centres. It appears that the Council has determined that in the long run Westgate could also develop such characteristics.

Leaving aside the long-term prospects for Westgate (which is compromised by its distance from the nearest rail route), Kiwi Property considers it appropriate if not essential, for the Drury Metropolitan Centre to be included in any list of Sub- regional Centres. That recognises the following factors:

1. Drury is locating where the Southern Rail Line, the Southern Motorway (Drury Interchange) and Great South Road all meet.

2. Drury Central railway station is to be located immediately adjacent to the Drury Metropolitan Centre.

3. Drury Metropolitan Centre will be the commercial, retail and entertainment focus of an extensive urban area, most of which already has operative urban zonings and other parts of which have Future Urban Zonings.

4. Allocating sub-regional status to Drury is appropriate given Drury's location approximately twice the distance from the City Centre of the Manukau Metropolitan Centre. By way of explanation, Manukau, Westgate and Albany are all approximately 18-20 km from the City Centre; Westgate is approximately 17 km from Albany; and Drury is approximately 18 km from Manukau. Thus, allocating Sub-regional Centre status to Drury would support a logical and balanced urban form for the Auckland Metropolitan area.

Alternatively, the FDS should recognise that (with the exception of Papakura) all of the 11 Metropolitan Centres in Auckland currently or in the future will serve a significant function as a focus for commercial, employment, entertainment and retail activities. Accordingly, if Council is not proposing to create a further

Sub-regional Centre category within the centres hierarchy, it should recognise all of the 10 key Metropolitan Centres (i.e.: excluding Papakura) as "*nodes*".

In that context, currently identified "*nodes (the city centre, Albany, Westgate and Manukau*)" appear to be largely a roll over from the Auckland Plan and previous Development Strategy. There appears to be little analysis as to whether these nodes are still appropriate taking into account recent investment, transport connectivity and market demand.

Issue 4: Focus on Centres

Kiwi Property strongly supports the focus on "*strong centres*" identified in the FDS but considers that all Metropolitan, Town and Local Centres should be subject to such a focus as it is essential to create and support a strong network of interrelated and complementary centres.

The FDS supports focusing development and around what it calls "*strong centres*". Practically, however, this approach should apply to all identified Metropolitan, Town and Local Centres. That will help to support create a network of mutually complementary centres, connected by a strong public transport network.

There is no rationale for emphasising only a selection of the zoned centres other than through the zoning hierarchy (i.e.: the allocation of Metropolitan, Town and Local Centre zonings). That hierarchy should already recognise the existing and potential future role played by those centres that:

1. Currently have the greatest concentration of activities;
2. Are well located with reference to the logical dispersal of centres through the city; and
3. Are most conveniently located with reference to the transport network and employment opportunities.

The provisions should identify, however, that the Council will be open to proposals: to alter the status of existing centres within the centres hierarchy (e.g.: to move specified centres up or down the hierarchy based on circumstances); to change bulk and location rules in centres to improve their ability to cater for demand; and to increase the geographic extent of Centre zones. Kiwi Property identifies the logic for such an increase in the extent of Metropolitan Centre zoning at Sylvia Park later in this submission.

Issue 5: Infrastructure Investment

Kiwi Property strongly supports investment (including most notably infrastructure capacity) being prioritised in areas where that will generate the greatest benefit, which in practice involves prioritising investment in the City Centre and to all Metropolitan, Town and Local Centres respectively (including, in particular, amending the short to medium term [1 – 10 year] priorities to identify the provision of adequate local water and wastewater networks to serve all centres).

The FDS seeks to prioritise investment into three spatial priorities "*nodes, local areas and communities and joint priorities between council and central government*":

1. Kiwi Property supports "*nodes*" being a priority for infrastructure investment but, as noted above, requests that the definition be expanded to include Drury (if "*nodes*" are to be the City Centre and centres of Sub-regional importance) or, alternatively, to include all Metropolitan Centres).

2. Kiwi Property supports "*local areas and communities*" being a priority for infrastructure investment but considers that this term should be applied to all Metropolitan, Town and Local Centres.

3. "*Joint priorities between council and central government*" are a logical focus for infrastructure investment. Drury is one of the localities in the region that has been identified by central and local government as being a priority and it should be explicitly identified in the FDS as a location where such investment will occur.

More broadly, Kiwi Property has argued through its submissions on PC 78 to the Auckland Unitary Plan that the Council should prioritise investment in additional infrastructure capacity to serve the centres. In that context:

1. Watercare Services Limited has given evidence that there is sufficient "*bulk*" or "*trunk*" capacity for water and wastewater to cater for the anticipated growth in Auckland. The dispersal of that growth, inherent in the MDRS, means however that there is no certainty as to whether there will be sufficient capacity between the trunk lines and the centres in which growth should be focused under the Auckland Unitary Plan and NPS-UD provisions.

2. The consequence is that intensification in centres, which is envisaged by the NPSUD and the Auckland Unitary Plan, may be delayed or constrained if there is insufficient capacity in the local water and wastewater lines connecting those centres to trunk services. That would be contrary to the higher order planning framework and could compromise the establishment of a strong public transport network.

3. For that reason, Kiwi Property has suggested that PC 78 be amended to include infrastructure capacity as a qualifying matter and that the provisions recognise that infrastructure capacity should be provided to centres and corridors before being provided elsewhere.

4. The short to medium term (1 – 10 year) priorities specified in the FDS do not identify the provision of adequate local water and wastewater networks serving centres where growth will support the most efficient urban form. Kiwi Property is of the view this is a fundamental flaw and the FDS should be amended to prioritise the provision of adequate local water and wastewater networks serving all the Metropolitan Centres.

In addition, to the relief discussed above, *Figure 1* below shows specific spatial priority areas identified in the FDS. *Figure 2* includes additional spatial priority areas proposed by Kiwi Property. These include land in the immediate vicinity of the Sylvia Park and New Lynn Metropolitan Centres, which are both experiencing with significant demand and demonstrate excellent connectivity. These are locations which, accordingly, warrant an elevated priority for development and the provision of infrastructural capacity.

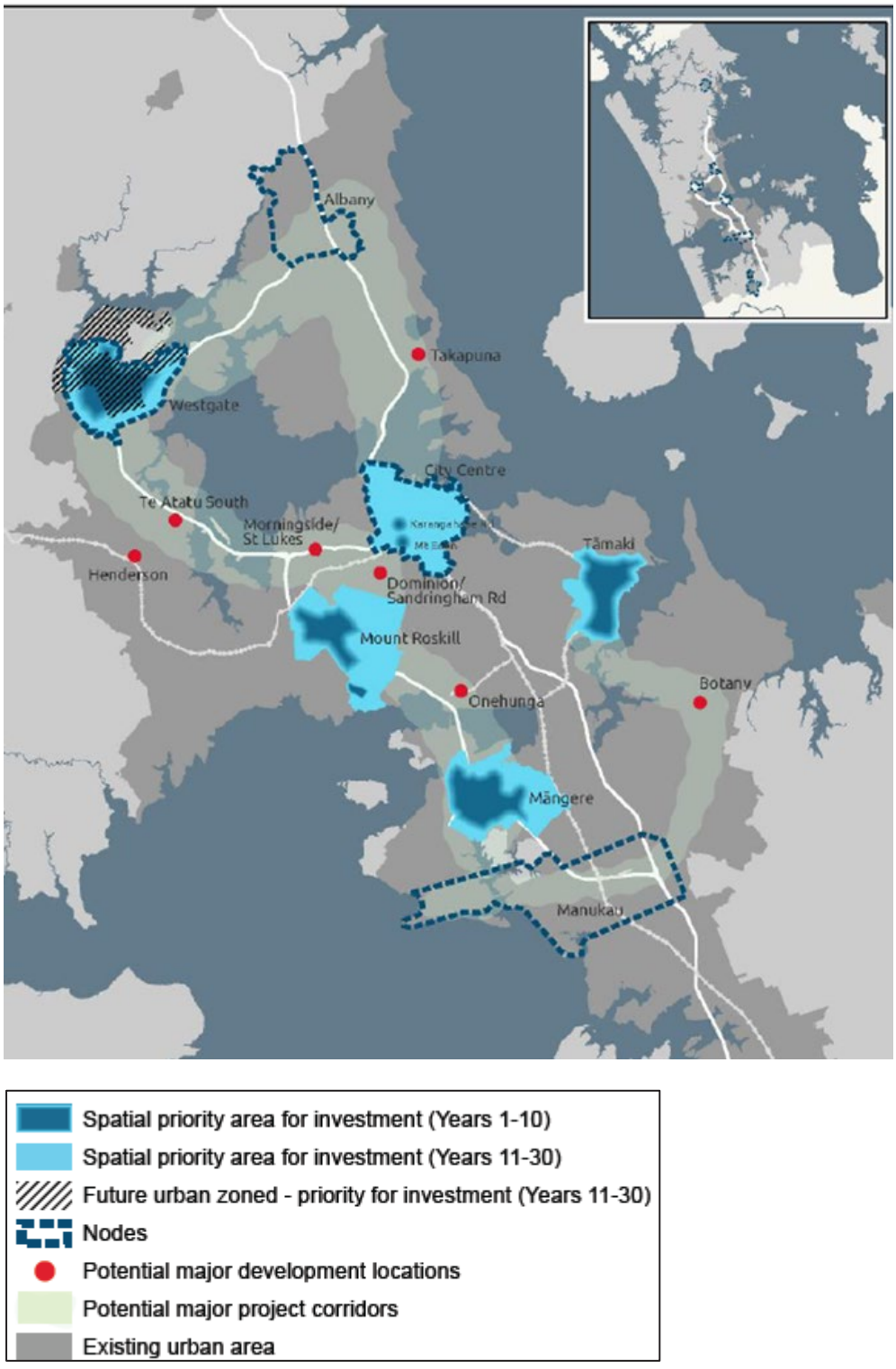


Figure 1: Spatial priority areas as proposed in the draft FDS

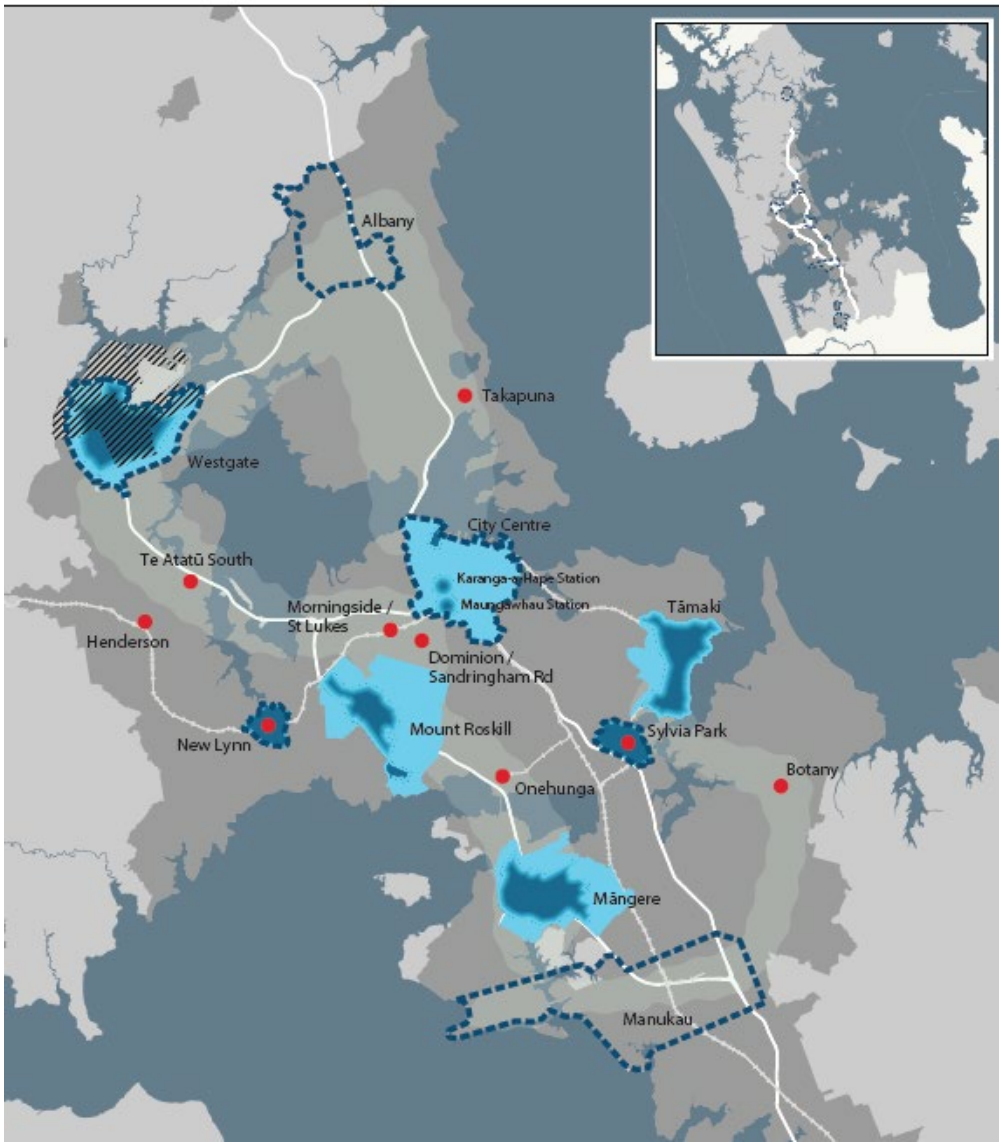


Figure 2: Spatial priority areas as proposed by Kiwi Property

Issue 6: Site specific relief

Kiwi Property seeks the following site-specific items of relief:

1. That, for the reasons addressed above, regardless of whether item 3 above is granted Drury Metropolitan Centre should be identified as a strategic node and a Spatial Priority Area (Years 1-10). [Nb; the FDS maps should all correctly identify Drury as an existing Metropolitan Centre.]

2. That, regardless of whether item 3 above is granted, the Sylvia Park Metropolitan Centre should be identified as a strategic node and a Spatial Priority Area (Years 1-10), and be earmarked for a plan change to increase in the extent of Metropolitan Centre zoning.

3. That, regardless of whether item 3 above is granted, the New Lynn Metropolitan Centre should be identified as a strategic node and a Spatial Priority Area (Years 1-10).

Spatial Response – Business Areas

Kiwi Property supports the key considerations identified in the FDS for business areas, subject to amendments that will result in more efficient use of existing Metropolitan Centre zoned land at Sylvia Park and New Lynn, and land around these centres. In particular:

1. Kiwi Property seeks to expand the key consideration for making the best use of existing business land including "*… repurposing and intensifying centres and business areas*" to all Metropolitan Centres, particularly, Sylvia Park and New Lynn.

2. Kiwi Property seeks to expand the key consideration for enabling greater access to employment including "*growing employment opportunities in the sub-regional nodes*" to all Metropolitan Centres, particularly, Sylvia Park and New Lynn.

3. Kiwi Property supports the key consideration for enabling housing near employment.

Related to point 3 above, Kiwi Property notes that consideration should also be given to extending the physical extent of individual Metropolitan Centre zones, as it is now 10 years since the development of the Auckland Unitary Plan and parts of the city have developed markedly since then.

Sylvia Park Metropolitan Centre

Sylvia Park is a Metropolitan Centre which acts as a significant transport hub sitting at the confluence of State Highway 1 and the rail network (see *Figure 3* below). As a result, the Sylvia Park Metropolitan Centre is served by and easily accessed from a wide range of public transport services including the railway and bus networks. Additionally, Sylvia Park has benefited from a significant amount of investment and infrastructure planning as the largest comprehensively designed and operated mixed use (retail, entertainment and office) centre in New Zealand.



Figure 3: Sylvia Park Metropolitan Centre and transport connectivity

Sylvia Park is, however, one of the most spatially constrained Metropolitan Centres. The demand for commercial and residential activities in and around the Sylvia Park Metropolitan Centre is now sufficient to warrant extending the zoning of that centre across the railway line to the east to Carbine Road and Clemow Drive *refer Figure 4 below*. That will enable more a more intensive and extensive centre to be established, served by the Sylvia Park railway station.

Kiwi Property has requested this amendment to the zoning through submissions on Plan Change 78. The FDS can support this by identifying Sylvia Park as a node and spatial priority area as shown in *Figure 2* above and by explicitly recording that an extension to the Sylvia Park Metropolitan Centre would be appropriate.

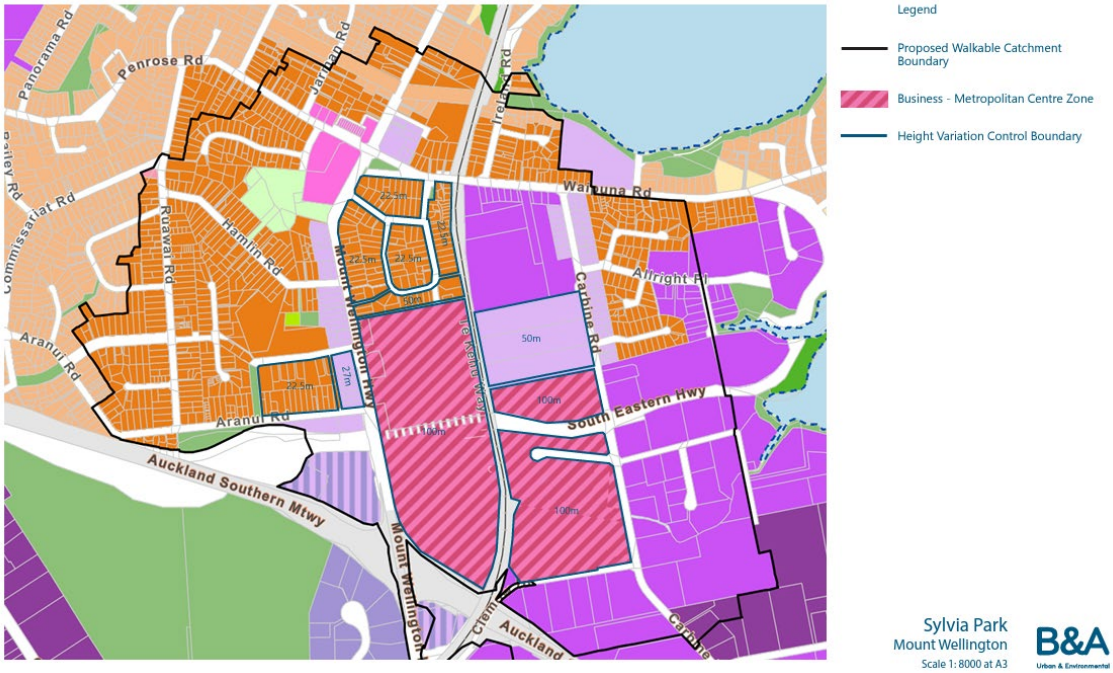


Figure 4: Metropolitan Centre extension request made through submission on PC78

New Lynn Metropolitan Centre

New Lynn is also a highly strategic hub being a Metropolitan Centre which benefits from being significantly connected as it is centred on a transit interchange which was developed in 2010 ***refer Figure 5 below***. Since 2010 New Lynn has also experienced significant investment from Auckland Council and Auckland Transport to pave the way for the Metropolitan Centre's revitalisation and to act as a catalyst for private-sector redevelopment within and close to the centre.

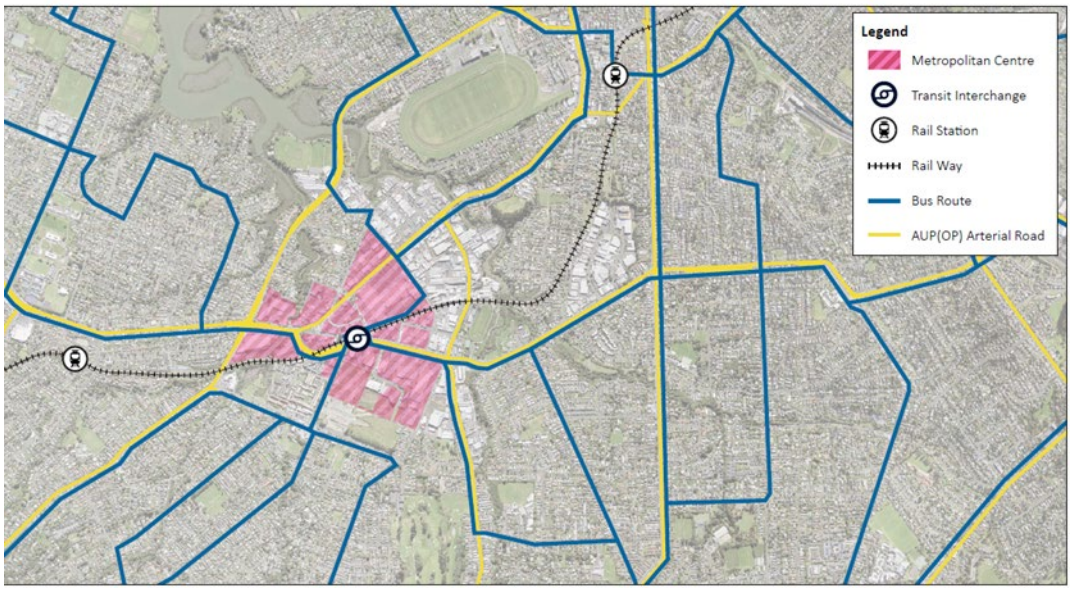


Figure 5: New Lynn Metropolitan Centre and transport connectivity

In the circumstances the New Lynn Metropolitan Centre warrants identification as a strategic centre and a focus for investment in supporting infrastructure.

Similar to Sylvia Park, New Lynn Metropolitan Centre now has sufficient demand to warrant extending the zoning to enable more a more intensive and extensive centre to be established, served by the New Lynn railway station.

Decision Sought and Hearing

In addition to the specific relief above, Kiwi Property seeks such other alternative or consequential relief to give effect to the matters raised in this submission.

Kiwi Property wishes to be heard in support of its submission. If others wish to make a similar submission, Kiwi will consider presenting a joint case with them at the hearing.



Nick Roberts, Barker & Associates Ltd
(Person authorised to sign on behalf of submitter)

Date: July 2023

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#8613

Urban & Environmental

31 July 2023

Auckland Council
Via email: futuredevelopmentstrategy@aucklandcouncil.govt.nz

Submission on the Draft Future Development Strategy – Drury Metropolitan Centre and Surrounds

Introduction and Relief Sought

This is a submission on the draft Future Development Strategy (**FDS**) on behalf of Kiwi Property NO.2 Limited (**Kiwi Property**). The FDS was notified for submissions on the 6th June 2023.

The following relief is sought in this submission:

1. **Issue 1: Process** - That Council reviews the inadequate public consultation process that has been adopted to date for the FDS and:

    a. Puts the FDS process on pause to ensure that sufficient and appropriate consultation is undertaken with all potentially affected stakeholders; and

    b. Gives submitters on the FDS an opportunity to present in person to Councillors and/or an independent hearing panel in support of their written submissions following the closing date so that Council's decisions are fully informed and proposed provisions have been tested fully.

2. **Issue 2 – Adequacy of Supporting Research and Analysis** - That Council reviews and revisits:

    a. The evidence base for the FDS and in particular demonstrates how the FDS achieves sufficient development capacity as set out in Sections 3.2 and 3.3 of the National Policy Statement – Urban Development (**NPSUD**); and

    b. Its assessments of growth scenarios, relative infrastructure costs and impacts on housing affordability.

3. **Issue 3: Drury**:

    a. Kiwi Property supports the live zoned areas being identified as a Spatial Priority Area (Years 1-10) and the surrounding FUZ land also being identified as a Priority Area for Investment (Years 11-30).

    b. Kiwi Property does not support the Council's proposed delay in sequencing of the FUZ land at Drury/Opaheke to 2035+ and 2050+ given the significant investment already underway in Drury, and supports amendments to the FDS that will result in more flexibility for the development community to respond to opportunities.

c. Kiwi Property acknowledges that there are significant flooding issues at Slippery Creek however, any removal of the FUZ needs to be informed by robust evidence that clearly shows there is not a stormwater solution to enable the urbanisation of this land and that there are no urban purposes (including open space) that the land could appropriately accommodate.

Attachment A to this submission sets out specific amendments to the FDS that Kiwi Property considers would help achieve a well-functioning urban environment and provide for sufficient development capacity.

Background

Kiwi Property

Kiwi Property is one of the leading property development and investment companies in New Zealand. Over the last 30 years Kiwi Property has developed a number of New Zealand's largest developments and currently owns and manage multiple large-scale retail and office developments including existing centres such as Sylvia Park, Lynn Mall and The Base (Hamilton). Kiwi Property also has landholdings in Drury East which have recently been live zoned to accommodate Auckland's newest Metropolitan Centre. Kiwi Property focuses on delivering the best retail and workplace experiences possible.

Summary of Submission

Council is required to prepare an FDS in accordance with subpart 4 of Part 3 of the NPSUD . Kiwi Property supports the response to growth within Auckland being led by a robust FDS. This is the first planning step in providing for growth and ensuring it is integrated with the provision of infrastructure at a strategic level.

Overall, however, it is apparent from the draft FDS and Kiwi Property's broader experience regarding its landholdings in Drury that short-term infrastructure constraints are driving the long term strategic plan for Auckland. The short-sightedness of this approach and the lack of any meaningful public discussion about it is disappointing. We encourage the Council to take a long term view (30 year) as required by the NPSUD. Kiwi Property accepts that the Council is facing a significant infrastructure deficit and that it needs to look to alternative forms of funding to pay for growth, including higher levels of direct Government investment. If the Council and development sector work proactively together, the draft FDS provides the opportunity to negotiate this outcome with the Government in a comprehensive way. As it stands, the Council's unilateral approach to planning for growth in Auckland may help to suppress increases in general rates in the short term, but it fails to realise the longer-term and wider benefits of growth for the community.

In addition to these over-arching matters, Kiwi Property considers that there are fundamental issues with the draft FDS that need to be addressed to ensure that the long term strategic planning for growth results in a well-functioning urban environment. The matters raised illustrate that the draft FDS does not meet the minimum legal requirements set out by the NPSUD and therefore a restart of the process is the most appropriate and efficient outcome.

In particular:

- Kiwi Property is concerned that more transparency/rigour is needed around the capacity analysis that underpins the draft FDS to ensure this has been based on feasible and realisable development capacity and not just plan enabled capacity.
- Kiwi Property is concerned that there are discrepancies between the number of additional dwellings identified within the FDS and the Housing Business Assessment. Furthermore, the number of dwellings required has been based on a medium growth scenario and further testing is required against a high growth scenario.
- Kiwi Property is concerned that the Council has not completed its assessment of business demand and capacity and therefore the evidence base for the FDS is deficient. Further transparency/rigour is needed in relation to the analysis that has informed the location and sufficiency of business land.
- Kiwi Property considers that more detailed spatial analysis is required that builds on the work undertaken for the strategic growth scenarios to ensure this is sufficiently robust and meets the requirements of the NPSUD.
- Kiwi Property considers that any roll back or change in sequencing of future urban areas needs to be based on robust evidence informed by spatial analysis and not driven by current infrastructure limitations.
- Kiwi Property is concerned that more analysis is required on the affordability impacts constraining greenfield growth.
- Kiwi Property is concerned that there has been limited engagement with the development sector to develop the FDS. Furthermore, adopting the FDS by September 2023 provides limited ability to make meaningful changes in response to feedback received.
- Kiwi Property seeks specific relief regarding the application of the FDS to Drury.

The submission below elaborates on these matters.

Issue 1: Process

Kiwi Property considers that the public consultation process that has been adopted by Council for the FDS has been inadequate and asks that Council:

1. **Puts the FDS process on pause to ensure that sufficient and appropriate consultation is undertaken with all potentially affected stakeholders; and**

2. **Gives submitters on the FDS an opportunity to speak to present in person to Councillors and/or an independent hearing panel in support of their written submissions following the closing date so that Council's decisions are fully informed and proposed provisions have been tested fully.**

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providing infrastructure in less efficient locations – that outcome would be more expensive for the city overall.

The importance of getting it right is brought into sharp focus in Auckland, where the stakes are high. Auckland contributes 40% to the GDP of New Zealand, and ensuring that there is sufficient land supply for business and housing is an important plank in the economic development of the city and the prosperity of its people. Providing enough land supply enables opportunities for high-value businesses to grow and employ more people, and supports the delivery of a greater range of housing choices by the market. If the strategy is not right – this may constrain the economic development of the region with negative consequences for the New Zealand economy as a whole.

Kiwi Property understands that Council's intention is that the FDS will form the strategic basis for planning decisions for the Auckland region into the future. Given that there is no formal submission, hearing and appeal process for the FDS, there needs to be an extensive and comprehensive public engagement and consultation process if the FDS is to have the public support necessary for it to feed into public plan changes to the Auckland Unitary Plan and to be treated as a key strategic document on the assessment of private plan changes and resource consent applications. Otherwise, the intentions and timeframes expressed in the FDS regarding intensification and peripheral development will be subject to challenge on the basis that they were not tested fully through the FDS process and do not accurately reflect public consensus.

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The process for public engagement and decision making on the draft FDS only provides limited opportunity for public input when compared to the process followed by other cities. For instance, in Christchurch there has been significantly more opportunities for public input with a more robust and fair process for considering submissions. In particular:

- The public was asked to complete an online survey on how they thought the Greater Christchurch partnership should tackle important issues such as building greater resilience to a changing environment, meeting our emissions reduction targets, preserving and enhancing our cultural and natural environments, creating liveable and healthy urban areas, and supporting the delivery of housing to improve affordability. More than 7,000 people responded to the survey and this informed the development of the draft Greater Christchurch Spatial Plan;
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- 4-6 months have been set aside from the close of submissions to adoption of a final plan to enable meaningful consideration of public submissions. In Auckland only two months has been set aside.

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a legally compliant and robust FDS for Auckland that meets the Council's other obligations. These options include:

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Issue 2 – Adequacy of Supporting Research and Analysis

Kiwi Property considers that Council has:

1. Failed to comply with its obligations to base the FDS on a comprehensive and appropriate demand and capacity analysis.
2. Failed to carry out an appropriate assessment of growth scenarios for development.
3. Failed to assess accurately the relative infrastructure costs of greenfield development vs intensification of existing urban areas.
4. Failed to assess accurately the implications on housing affordability of constraining urbanisation in the FUZ zone.

Kiwi Property accordingly asks Council to review and revisit the evidence base for the FDS (and in particular to demonstrate how the FDS achieves sufficient development capacity as set out in Section 3.2 and 3.3 of the NPSUD) and its assessments of growth scenarios, relative infrastructure costs and impacts on housing affordability.

Demand and Capacity Analysis

Kiwi notes that despite the FDS stating that it meets the statutory requirement under the NPSUD to ensure there is at least sufficient development capacity to meet demand, it is not clear from the FDS or the supporting growth scenario evidence report that this is actually the case. In particular, there appears to be discrepancies or a lack of evidence basis used to inform this assessment, and it is not clear how the FDS meets the requirements set out in Section 3.2 and 3.3 in relation to feasible and realisable capacity and the appropriate competitive margin.

The evidence basis for determining demand needs to be robust and this is not currently the case. Section 3.3 of the FDS identifies that an additional 520,800 people and 200,000 households over 30 years is

anticipated based on Stats NZ medium growth projections however, this is inconsistent with the HBA which identifies 384,000 households over 30 years. Furthermore, the FDS should in Kiwi Property's view, include a stress test against a high growth scenario to be sufficiently robust and to cater for uncertainty in Govt immigration settings.

The FDS concludes that there is plan enabled capacity of 2,345,500 dwellings and this is several times greater than expected demand. In Kiwi Property's view the amount of development capacity is overstated with no consideration of the economic feasibility of development or no factoring of a competitiveness margin. Instead broad assumptions are made that much of the plan enabled capacity will be commercially feasible based on the existing take up under the Auckland Unitary Plan is no assessment to support this assumption. The lack of evidence and reliance on broad assumptions is a reflection of the lack of involvement of the development sector in the capacity assessment. The Council has confirmed that the infrastructure ready development capacity figures until late-July 2023. This does not provide the opportunity to analyse this information and understand how it has been applied in the draft FDS.

Kiwi Property further notes that, given the timeframe for PC78 has been extended, undertaking a capacity assessment now to inform the FDS is highly problematic as height and density across the urban area is yet to be resolved. In particular, the impact on capacity of the ongoing work on the response to natural hazards is yet to be understood.

In relation to business demand and capacity the FDS is based on initial results from the Council's Business Capacity Assessment which is still in draft form. The FDS concludes that there is likely to be sufficient plan enabled business capacity on a region wide basis however, there will be shortfalls in sub-regions for specific business sectors, particularly land extensive sectors, which we understand is approximately 1,000 hectares. Given that this assessment is based on plan enabled capacity and has identified capacity shortfalls for land extensive sectors this does not appear to meet the NPSUD requirements and is a significant weakness of the FDS. The Council has confirmed that the updated Business Demand and Capacity Assessment will not be available until August 2023, after the close of submissions. This does not provide the opportunity to analyse this information and understand how it has been applied in the draft FDS.

Given that one of the key purposes of an FDS is to promote long term strategic planning which sets out how a local authority intends to provide at least sufficient development capacity over the next 30 years to meet expected demand, Kiwi Property submits that much more transparency/rigour is needed around the capacity analysis.

Growth Scenarios for Development

Clause 3.14 of the NPS:UD requires that the spatial strategy is informed by "*consideration of the advantages and disadvantages of different spatial scenarios for achieving the purpose of the FDS*." Kiwi Property notes that while four growth scenarios have evaluated different levels of intensification and greenfield growth, this has been undertaken at a regional strategic level, with no understanding of the spatial composition of the different scenarios. In Kiwi Property's view this analysis needs to be developed further with more detailed spatial analysis that:

- Evaluates feasible and reasonably expected residential development capacity on a sub-regional basis particularly to test the capacity assumed to be provided through intensification as opposed to greenfield growth.

- Assesses the location and sufficiency of business land especially for land extensive/industrial businesses. This should include an analysis of the locations for potential new industrial areas, which will in turn inform locations for supporting and proximate residential growth.

- Assesses further scenarios for intensification that considers the location and scale of intensification achievable across the urban area, noting that the Council's intention to take a more conservative approach to hazard management in the urban area will require more capacity to be provided elsewhere to make up for this.

- Involves further analysis of greenfield areas not included within the current Future Urban zone, noting that there may be new opportunities for development beyond those identified over 10 years ago as part of the Auckland Plan and the original Future Urban Land Supply Strategy. Input from the development sector would support this aspect of the scenario development and analysis.

- Considers the impacts of decisions on housing choice, housing affordability and land prices. The preferred scenario as it stands will not provide choices that meet the varied needs of people and communities for a range of housing types and working environments noting Auckland's diverse and growing population.

- Considers the ability of residents to access employment and of business to access labour. The preferred scenario as it stands will result in fewer residents being able to access employment within a 30 minute commute because there will be a limited amount of local employment made available.

Kiwi Property is strongly of the view that a different growth strategy may emerge as a result of more detailed analysis.

Greenfield Development

The FDS is both proposing a significant roll back of future urban areas and is significantly pushing out the sequencing for release of land for urbanisation, based on current funding limitations.

Kiwi Property considers these approaches to be fundamentally flawed. They assume that infrastructure costs for brownfield intensification are cheaper than for greenfield urbanisation, which is not the case, particularly given that many of the existing urban areas where significant intensification is proposed are serviced by infrastructure which is struggling to cope with existing levels of development. Furthermore, while Kiwi Property is generally not opposed to the use of infrastructure triggers within the Auckland Unitary Plan, Kiwi property is opposed to the identification of "infrastructure triggers" within a strategic high level FDS document based on the following observations:

- The use of triggers is problematic in that the analysis undertaken to identify the infrastructure upgrades required is likely to have been undertaken at a coarse scale with no further explanation provided as to how the proposed triggers have been identified;

- The actual infrastructure requirements will vary depending on factors including the nature of the development and infrastructure solutions proposed and the status of development on neighbouring sites; and

- Over time, infrastructure requirements and solutions are likely to change.

In Kiwi Property's view current infrastructure limitations should not be driving land use decisions regarding peripheral expansion of the urban area and a long term holistic approach is needed which:

- Identifies enough land for growth in the right locations where it can be delivered efficiently.
- Identifies what infrastructure is needed to support the future development, and roughly how much will it cost, focusing on the next 10 years.
- If there is a funding gap, think creatively to find solutions, working in partnership with the Government and the private sector.

Another key factor that appears to be driving the proposed roll back of future urban areas is the wish to reduce carbon emissions. The emissions assessment that has been used to inform the proposal has been undertaken at a strategic regional scale and we understand it is focussed on transport modelling focussed on vehicle kilometres travelled. The implications of urban development of different FUZ areas, however, will depend on land use mix, design and the sizing of the existing bulk infrastructure developed to date. A more detailed analysis is required of the areas proposed to be rolled back to ensure robust and evidence based decision making.

Affordability Impacts of Constraining Greenfield Growth

Kiwi Property notes that a key component of a well-functioning urban environment under Policy 1 of the NPSUD is a variety of homes that meet the needs of different households in terms of type, price and location. The draft FDS however, has not addressed the affordability impacts of the proposal to constrain greenfield growth. Kiwi Property submits that further analysis is required to address housing affordability.

Summary of Additional Work Required

In light of those matters, Kiwi Property considers that Council should:

a) Specify how the FDS achieves sufficient development capacity as set out in Section 3.2 and 3.3 of the NPSUD;

b) Provide further analysis of feasible and realisable development capacity on a sub-regional basis to inform the adopted growth scenario;

c) Provide further analysis of location and sufficiency of business land on a sub-regional basis to inform the adopted growth scenario;

d) Provide further analysis of the scale of intensification across the region taking a conservative approach to natural hazards;

e) Within the context of (d) above, provide further analysis as to whether the greenfield growth assumptions are correct and take a broader view, assessing areas beyond the current Future Urban zone extent;

f) Provide more detailed spatial analysis to ensure a robust evidence basis for any proposed roll back of future urban land; and

g) Provide further analysis to address housing affordability.

Issue 3: Drury - With regard to development in and around the Drury Metropolitan Centre:

1. Kiwi Property supports the live zoned areas being identified as a Spatial Priority Area (Years 1-10) and the surrounding FUZ land also being identified as a Priority Area for Investment (Years 11-30).

2. Kiwi Property does not support the Council's proposed delay in sequencing of the FUZ land at Drury/Opaheke to 2035+ and 2050+ given the significant investment already underway in Drury, and supports amendments to the FDS that will result in more flexibility for the development community to respond to opportunities.

3. Kiwi Property acknowledges that there are significant flooding issues at Slippery Creek, however, any removal of the FUZ needs to be informed by robust evidence that clearly shows there is not a stormwater solution to enable the urbanisation of this land and that there are no urban purposes (including open space) that the land could appropriately accommodate.

Drury is an area of transformation with a newly Metropolitan Centre, a designated train station and significant committed infrastructure investment. This has been recognised within the draft FDS as the live zoned area and as a Spatial Priority Area (Years 1-10). Given the significant investment at Drury, Kiwi Property supports the immediate FUZ land being identified as a Priority for Investment (Years 11-30) to make an efficient use of the significant infrastructure investment planned. This will also support the growth and vitality of the Drury Centre by providing an immediate catchment around it. This will attract greater investment in the area by the private sector, and as a result provide more employment opportunities for people.

Kiwi Property does not support the delay in sequencing of the FUZ land at Drury/Opaheke to 2035+ and 2050+ respectively. Kiwi Property acknowledges that Fisher and Paykel Healthcare have plans to urbanise land within the Drury FUZ for a large employment offering. Given the significant investment already underway in Drury the FDS needs to provide flexibility for the development community to respond to opportunities within the Drury FUZ. Kiwi Property has proposed specific amendments within Attachment A to this submission that will provide increased flexibility and align with Policy 8 of the NPSUD which requires local authorities to be responsive to plan changes that would add significantly to development capacity and contribute to well-functioning urban environments.

Large parts of the Drury FUZ around the Slippery Creek floodplain are proposed to be removed. While Kiwi Property acknowledges that there are significant flooding issues at Slippery Creek, any removal of the FUZ needs to be informed by robust evidence that clearly shows there is not a stormwater solution to enable the urbanisation of this land, including the allocation of low lying areas to other uses (e.g.: public open space). Kiwi Property notes that significant flood modelling was undertaken by the Council to inform the Drury Opaheke Structure Plan 2019. There is a discrepancy however, between this more detailed analysis undertaken for the Structure Plan and the land proposed to be removed at Opaheke. The grey blob at Figure 1 below is much more extensive than the modelled flood plain included within the Structure Plan and shown at Figure 2 below.

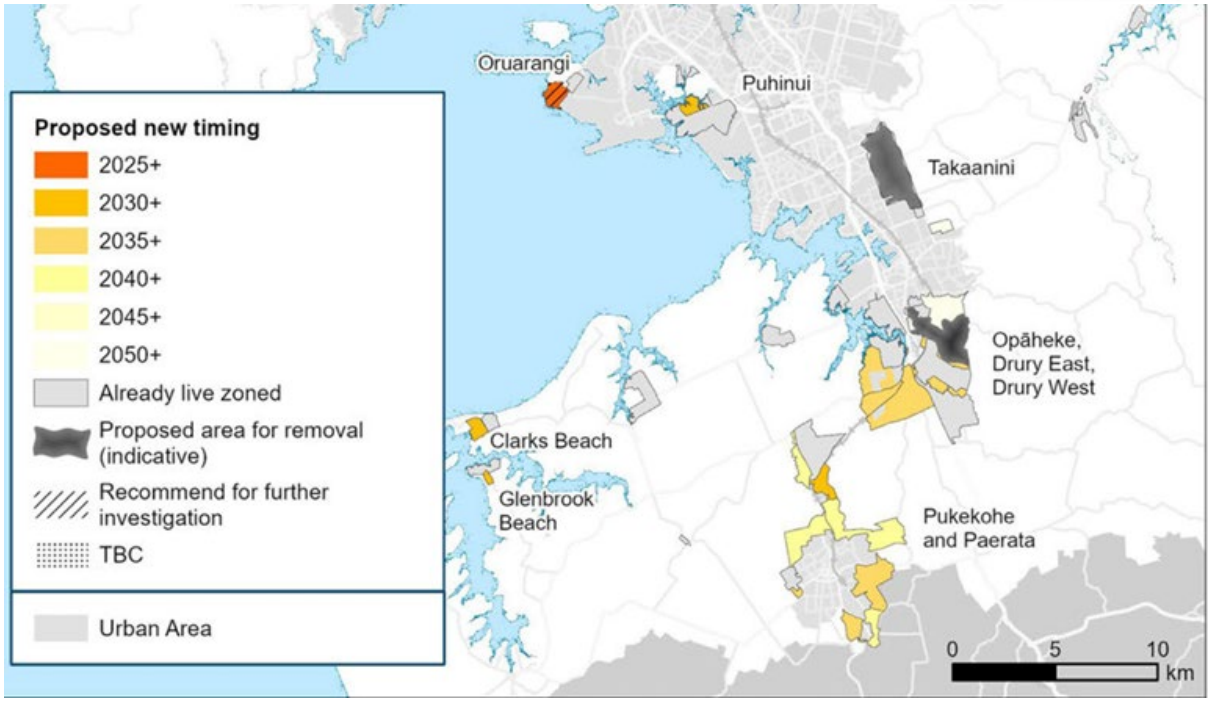


Figure 1: Proposed Draft FDS sequencing and removal of FUZ areas.

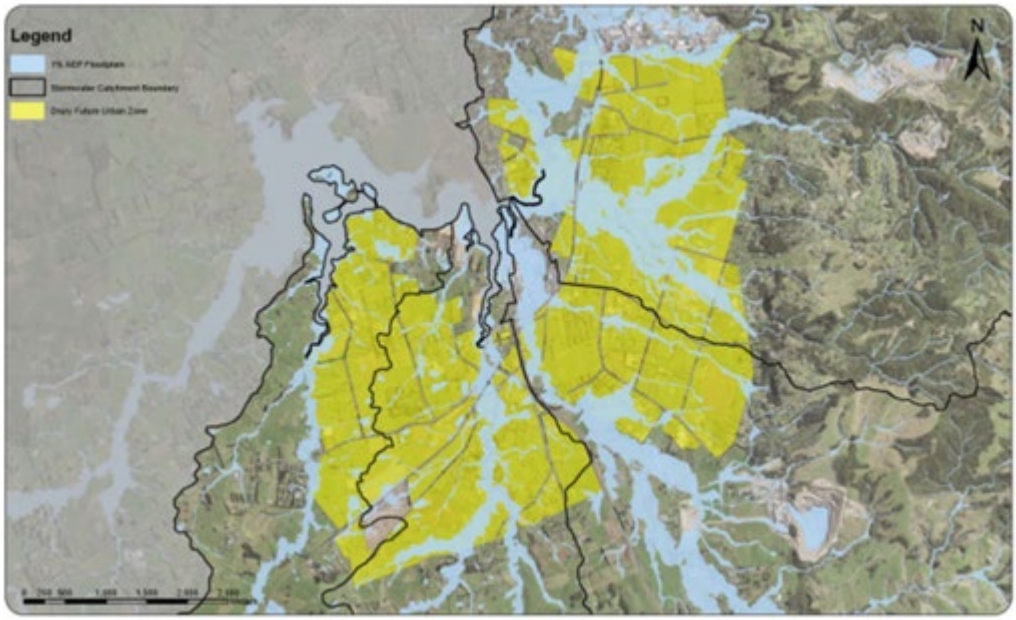


Figure 2: Drury Opaheke Structure Plan – Flood Plains

Decision Sought and Hearing

In addition to the specific relief above, Kiwi Property seeks such other alternative or consequential relief to give effect to the matters raised in this submission.

Kiwi Property wishes to be heard in support of its submission. If others wish to make a similar submission, Kiwi Property will consider presenting a joint case with them at the hearing.



Nick Roberts, Barker & Associates Ltd Date: July 2023
(Person authorised to sign on behalf of submitter)

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Attachment A – Specific Amendments Sought:

Amendment Sought – Section 2.3.1

Section 2.3.1 outlines the issues associated with spatial planning in an uncertain and changing environment. Regardless of this the FDS states that planning for growth is important as existing housing shortfalls and resilience issues are addressed. This section should be amended to also include reference to where people want to live. Planning for growth in areas that the public find undesirable to live in is pointless and will do little to address shortfalls in housing. Policy 8 of the National Policy Statement on Urban Development requires local authorities to be responsive to plan changes that would add significantly to development capacity and contribute to well-functioning urban environments.

Amendment Sought – Section 2.3.4

Section 2.3.4 outlines the issues of investing in infrastructure in a financially constrained environment. It is understood that Council has financial constraints which are negatively impacting infrastructure provision. However, the solution is not to somehow try and stop growth particularly in greenfields development for a decade. It seems Council is working from a premise that only the Council can fund infrastructure, rather than looking at mechanisms to assist in the sustainable funding and delivery of infrastructure. The only way to solve infrastructure is through partnership with the development community. A more agile rather than restrictive strategy is called for. Amendments to this section to refer to alternative funding options including Crown Infrastructure Partners (CIP) and any other options or partnerships to deliver infrastructure should be included, including Public Private Partnerships (PPP's) should be made.

Amendment Sought – Section 2.4.2

Section 2.4.2, which deals with developments needing to achieve quality living environments also needs to be amended so that the last paragraph includes the words 'balanced with greenfields development'

Amendment Sought – Section 2.5

Section 2.5 sets out the Principles for Growth and Change. These are key to directing the form that growth will be governed by. This section identifies the "*universal ways of accommodating growth, applicable Tāmaki Makaurau-wide, no matter what scale or spatial environment is considered".* These principles are:

- *Support greenhouse gas emission reduction*
- *Adapt to impacts of climate change*

- *Make efficient and equitable infrastructure investments*
- *Protect and restore the natural environment*
- *Enable sufficient capacity for growth in the right place at the right time*

The submitter supports the approach of basing the growth of the Auckland region off key principles. However, the key principles require amendment to allow for appropriately located greenfield growth opportunities. While the Council constraints on infrastructure are recognised, the key principle for growth related infrastructure should be to invest in the provision of infrastructure to meet the social and economic needs of Auckland. It is about infrastructure being an enabler of housing, community and economic development; rather than constraining growth due to infrastructure. There obviously needs to be a balance. What that balance is needs to be worked through. However, the key principles of the FDS should start from the premise of infrastructure as an enabler of growth.

The submitter considers that changes to the principles are required as follows.

Principle 1(a) Amend to: *Intensify the existing urban areas and ~~limit~~ provide for further urban expansion in appropriate locations.* The associated text should also be amended to acknowledge that well planned urban expansion can result in more people living closer to their places of work which results in a greater percentage of intrazonal trips which results in less greenhouse house emissions. Often greenfield development now includes more intensive forms of development (e.g. apartments, terrace houses) as opposed to standalone dwellings. Therefore, greenfield development can achieve development can achieve the same typologies and therefore greenhouse gas emission efficiencies as urban intensification. Alternative approaches to reducing greenhouse gas emissions should also be identified in the principles, including forest sequestration, identification and protection of areas of land to offset emissions and technology improvements. It is also noted that this principle is not supported by Council's own analysis on carbon emissions. See the Growth Scenarios Evidence report which shows little difference between the extent to which scenarios impact carbon emissions[1].

The final paragraph of this principle should also be amended to:

Growth in rural areas will be ~~minimal~~ limited to appropriate greenfields development and rural and coastal settlement expansions to retain the rural environment and rural productivity.

[1] Future Development Strategy – Growth Scenarios Evidence Report pg 5-6

Principle 1(c) This principle states that Wairau Park is a hub of employment and will likely grow and adapt over time as they respond to market conditions and new opportunities. Wairau Park has been an area of significant flooding anytime there is a heavy rainfall event and if anything growth should be restricted in this area until flooding issue as are resolved. This is an example of where the FDS should be put on hold until PC78 is resolved rather than progressing with a strategy based on incomplete information.

Principle 2(a) should be amended to state: "Avoid further growth in areas exposed to significant risks from natural hazards and promote resilient design solutions" to align with the RMA requirements.

Principle 3 Add a new principle 3(d)

Support alternative approaches to funding and delivery of infrastructure including for example Crown Infrastructure Partners, Public Private Partnerships, Central Government, the Infrastructure Funding and Financing Act 2020 and other whole of life funding options.

Principle 5(a) The principle states that the FDS is to direct where and when growth is appropriate. The principle also states that the direction by the NPSUD (Policy 8) to provide for out of sequence or unanticipated growth makes it hard to have an informed estimation of where and when growth is likely to happen. That is the exact reason why policy 5(a) is fundamentally flawed as Council cannot know exactly where and when growth will occur. It cannot predict residential lifestyle patterns over the next 30 years. The best it can do is to ensure that a variety of options are available including intensification and appropriate greenfields development including expansion of rural and coastal settlements. Principle 5(a) should be amended as follows:

Principle 5(a): Provide for growth through intensification and appropriate greenfields development including expansion to rural and coastal settlement. ~~Direction for where and when growth is appropriate~~

Legislation requires the council to enable greater density over wide areas of urban Tāmaki Makaurau as well as being 'responsive' to unanticipated or out-of-sequence development. ~~This makes it hard to have an informed estimation of where and when growth is likely to happen.~~ It is a challenge ~~harder~~ for the council, infrastructure providers and communities to plan for growth proactively, particularly planning for the longer term. Unanticipated or out-of-sequence development will need to demonstrate they can fund and deliver the required infrastructure, will add significantly to development capacity and establish a well-functioning urban environment. ~~create major funding~~

~~*challenges for the council. It can also mean that planned projects in existing communities are deferred or cancelled.*~~

~~*The council has limited tools to help direct growth. This makes it even more important to have a strong basis for decision making.*~~

The council's ~~prioritisation~~ rationale to support growth and change will be based on a location's accessibility to jobs and services via public transport and active modes, and availability of facilities, amenities and services to meet day-to-day needs. This will be evaluated against the level of benefits realisation possible from infrastructure and service investment.

The approach emphasises the importance of most growth occurring within existing urban areas. In support of this, future urban areas will be sequenced, with this sequencing linked to triggers dependent on when all the required bulk infrastructure can be provided. Out of sequence growth can be considered where required infrastructure can be demonstrated to be funded and delivered through alternative mechanisms, will add significantly to development capacity and well-functioning urban environments can be established. Consideration of the trade-offs and costs that might occur when development occurs out-of-sequence, ahead of existing priorities, will be applied.

Principle 5(c) This principle addresses the quantum of housing and business capacity required over the next 30 years. Unfortunately, this principle is based on plan-enabled capacity and fails to address clauses 3.2 and 3.3 of the NPSUD as there is no assessment of infrastructure ready or feasible and reasonably expected to be realised land and therefore housing and business capacity under these scenarios. Therefore Principle 5(c) needs to be re-written to address these measures. Section 3.3 Development Capacity of the FDS also needs to be re-written to address these scenarios. In particular amend the last paragraph as follows:

"The approach will be that, where ~~plan-enabled~~ capacity is ~~reduced or constrained~~, not delivered in line with our projections, ~~over time~~ this forgone capacity will be offset by creating additional capacity in good locations elsewhere, so that sufficient development capacity is provided at all times to meet demand. This will be reported through quarterly monitoring ~~overall capacity is broadly maintained~~."

Future Development Plan 2023 #8614

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Your feedback

Focusing growth

Denser, more compact cities result in improvements to the environment, the economy, and people's wellbeing.

Auckland's urban area is made up of neighbourhoods, town centres and business areas that are interconnected and that support where most Aucklanders live, work and spend their leisure time.

We propose that most housing and business growth will be focused within existing urban areas and that this growth be more intensive. This means less growth in greenfield areas at Auckland's edges. What greenfield growth there is will be phased over 30 years and longer.

1. What do you think of our approach to focus most of Auckland's growth in existing urban areas?

Tell us why

Accessible local centres

When people have easy access to workplaces, services, facilities and shops, communities become more resilient and connected. It also helps to reduce travel time, emissions and lower household transport costs.

We propose focusing housing and business development near local centres where most people's daily needs are easy to access by walking, cycling and public transport.

2. What do you think of our approach to focus development near local centres?

Tell us why

Avoiding hazards

As our climate changes, the frequency and severity of hazards such as flooding, sea-level rise and coastal erosion will worsen. Where and how we plan for growth, and how we adapt to these hazards is increasingly important.

We propose that known areas constrained by significant natural hazard risk should be looked at to see if further development is appropriate.

Where development is already enabled in potentially vulnerable locations, we will further investigate appropriate actions.

3. **What do you think of our approach to avoid further growth in areas which are exposed to significant risk of environmental hazards?**

Tell us why

Resilient infrastructure

Infrastructure across Auckland needs to cope with ongoing change, such as the impacts of climate change and evolving technology.

Nature-based infrastructure, such as rain gardens, swales, and detention basins, is better able to respond to ongoing change. This can help protect communities from hazards, as well as protect and restore the natural environment.

We propose prioritising investment in infrastructure that is decentralised, nature-based, regenerative and mauri-enhancing.

4. **What do you think of our approach to prioritising nature-based infrastructure that responds to the impacts of climate change?**

Tell us why

Other feedback

5. Do you have any other feedback on our approach to how and where Auckland should grow and change?

Please refer to the attachment

WAITEMATĀ HARBOUR CONNECTIONS

28 July 2023

Attn: [redacted]

cc. [redacted]

Dear [redacted],

Subject: Auckland Council Future Development Strategy – Feedback

The purpose of this letter is to outline the Waitematā Harbour Connections project team's initial feedback on the Auckland Council draft Future Development Strategy. We acknowledge that this will be an iterative process working with our partners to achieve joint outcomes for Tāmaki Makaurau.

The feedback provided has been restricted to a few key points related to the WHC project, rather than the FDS document as a whole.

Executive Summary

The Waitematā Harbour Connections ('WHC' or 'the Project') will provide new multi-modal transport connections across the Waitematā Harbour to Auckland's North Shore and is expected to shape future growth.

Auckland Council is currently consulting on the Future Development Strategy ('FDS'), which is a long-term strategic planning document that sets the high-level vision for accommodating future urban growth and identifies key strategic priorities.

The WHC team has provided feedback to Auckland Council on the FDS, with a focus on how it relates to the rapid transit and land use aspects of the Project.

The following relief is sought in relation to these matters:

- Include Takapuna – Smales Farm as a node
- Provide greater detail on intended growth areas for the North Shore
- Include Albany as a Year 11 – 30 Spatial Priority Area
- Provide greater detail about the intended growth outcomes for the nodes, particularly Albany
- Place greater emphasis on accommodating growth along existing and future rapid transit corridors and strengthen the wording of Principles 3 and 5

- Update the description of the WHC project as provided in Section 4.2.5 and Appendix 9, in light of its current status and linkage with the wider rapid transit network, in collaboration with the project team.

Overall, we would encourage Auckland Council to work closely together with the WHC to achieve alignment on the outcomes sought by the FDS.

Context

The WHC Project is a significant city shaping project which will play a fundamental role in guiding the development of growth on Auckland's North Shore. The project will provide new multi-modal connections for people wanting to walk, cycle, take the bus, travel by light rail, drive, or transport freight across the Waitematā Harbour. It will connect people to transport options across the region and beyond and shape future growth on the North Shore. WHC is being developed in partnership with Ngā Iwi Mana Whenua o Tāmaki Makaurau, Auckland Transport and Auckland Council.

The FDS is a key guiding document that sets out the Auckland Council plan to manage growth across Tāmaki Makaurau for the next 30 years, both within the city and in greenfields locations. It seeks to integrate long-term land use and infrastructure planning while meeting future environmental, population, housing and employment needs. The FDS replaces the existing Auckland Plan 2050, Development Strategy 2018 and the Future Urban Land Supply Strategy 2017.

Feedback

<u>High Level Summary</u>

The WHC Project initial feedback relates to the following key matters which are elaborated on in latter sections:

- The role of Takapuna
- Centres hierarchy
- Long term growth priorities
- Growth outcomes for nodes and 'Spatial Priority Areas'
- The role of the rapid transit network in shaping growth
- Appendix 9
- Working together

<u>Specific Matters</u>

- The Role of Takapuna

  Takapuna is identified as a key node for residential development and employment growth for the WHC project as this is supported by the existing Metropolitan Centre zoning in the Auckland Unitary Plan.

  Takapuna's proximity to the growing Smales Farm employment area and North Shore Hospital creates a linear corridor along Taharoto Road where high-density growth can be concentrated and be supported by significant transport investment. Opportunities also exist along the Barrys Point Road corridor, which is underlain by the current permissive Mixed-Use zoning and is suitable for redevelopment for both residential and commercial uses.

  As such, the project team believe that there is a strong case for the Takapuna-Smales Farm area to be included in the FDS as a node within the multi-nodal model and within

Appendix 5. A potential node extent is shown below in red; the area shown is indicative only and seeks to include the core Takapuna and Smales Farm business areas, along with the Barrys Point and Taharoto Road corridors. This area also includes key trip generators such as the Auckland University of Technology North Shore Campus, North Shore Hospital and Akoranga Business Park, along with potential development sites such as 48 Esmonde Road. A setback is provided from the edge of Lake Pupuke and Takapuna Beach.



Relief Sought:

- **Include Takapuna – Smales Farm (including the Taharoto Road corridor) as a node as indicated in the illustration above.**

➢ Centres hierarchy

The information supporting the planned spatial priority growth areas is high level and does not delve into where growth will be prioritised beyond the selected nodes and spatial priority areas. While large scale growth may be expected in these areas, significant growth is still provided for in a number of other areas throughout Auckland through the Auckland Unitary Plan. The FDS does not provide a 'hierarchy of centres' for where growth is expected or should be prioritised outside of the identified areas.

The FDS also does not provide an overall spatial plan for Auckland, unlike previous versions of the Auckland Plan. While Figure 18 ('Spatial Priority Areas') identified the key spatial priority areas, more detail is needed on secondary growth areas.

Relief Sought:

- **Include a 'hierarchy of centres' for development area priorities.**
- **Provide an overall spatial plan for Auckland, including secondary growth areas.**

- Long Term Growth Priorities

  The WHC Project is identified within the draft FDS as a key project to unlock growth in the longer term (Page 52), however the FDS is largely silent on where growth should be accommodated as part of this project due to unknowns about the alignment. More direction is needed in the FDS on where growth should be prioritised on the North Shore, as the Indicative Business Case ('IBC') assessment for WHC relies in part on aligning the Project with Auckland Council growth strategies and seeks to realise the intent of those strategies. While the WHC business case process is progressing, the decisions made to date on the Project should be reflected in the FDS. We note that there are no spatial priority areas identified on the North Shore. The project team advocate for Albany to become a long-term spatial priority area to clearly identify expected growth in this area, and to signal the investment required to support the growth that will occur within this area in the 11 – 30 years timeframe.

  The potential for the WHC project to shape long term development priorities is mentioned on Page 52 (Section 4.2.5), which the project team supports, however more emphasis should be placed on the ability for the new rapid transit project to shape growth beyond the motorway. This section should also be updated to reflect the progress to the WHC project.

  Relief Sought:

  - **Provide greater detail on intended growth areas for the North Shore, including incorporating the decisions made to date on the WHC project.**
  - **Include Albany as a Year 11 – 30 Spatial Priority Area.**
  - **Update the description of the WHC project in Section 4.2.5.**

- Growth Outcomes for Nodes and Spatial Priority Areas

  Some information is provided on the Nodes in Appendix 5 ('Information on the nodes'), however this quite high level. Further detail should be provided on the outcomes sought for the key growth areas, including the mix of uses, types of employment sought, scale of development envisaged, and the level of growth sought and what investment is required to support the growth. The decisions made on the WHC Project and the assessment to support these decisions will also inform this, particularly at Albany and Takapuna (should this be included as a node). The project team encourage a collaborative approach to work together and agree suitable outcomes for these areas.

  Relief Sought:

  - **Provide greater detail about the intended growth outcomes for the nodes, particularly Albany. This can be informed by the work undertaken to date by the WHC team on the short list and emerging preferred options.**

- The Role of the Rapid Transit Network in Shaping Growth

  The project team consider that more emphasis on the importance of rapid transit in shaping better urban development and employment outcomes is required in the FDS. Future growth should be concentrated on both the future WHC corridor and the existing Northern Busway corridor, which can accommodate significantly more growth in areas such as Albany and Smales Farm (particularly in light of Plan Change 23).

  This change could be incorporated by providing more specific direction in the 'Principles for growth and change', specifically Principles 3 and 5, which state:

- *Principle 3: Make efficient and equitable infrastructure investments*
- *Principle 5: Enable sufficient capacity for growth in the right place and at the right time.*

The project team supports the intent of these principles, however they could be strengthened by placing more emphasis on investing in infrastructure to support growth along the existing and future rapid transit network. This would align with the intent to enable growth in the right place and to make efficient investment decisions.

Finally, Section 4.2.1 Point 3 discusses the potential for major projects such as WHC to contribute to long-term development patterns and states *"There are major projects being planned, such as Auckland Light Rail, the Waitematā Harbour Connections and North-west rapid transit, that potentially offer significant long-term benefits for Tāmaki Makaurau. These also, however, add further uncertainty in terms of region-wide development patterns."* We request the wording of this section to be changed to provide more support for these projects to direct growth.

Relief sought:

- **Place greater emphasis on accommodating growth along existing and future rapid transit corridors.**
- **Strengthen Principles 3 and 5 and Section 4.2.1.3 of the draft FDS to place more emphasis on investing in growth on the existing and future rapid transit network.**

➢ Appendix 9 - Waitematā Harbour Connections

The project team recommend working together on the final wording in Appendix 9: 'Information on major projects' for Waitemata Harbour Connections as project has evolved and further decisions have been made since this appendix of the FDS was written. The existing commentary currently lacks detail, focuses primarily on the crossing portion of the Project, and does not indicate the timing of when the project may occur. More emphasis should be placed on building a new rapid transit line on a different alignment to the Northern Motorway and connecting to new communities.

The connection between the WHC Project, Auckland Light Rail and the North West rapid transit project, and the overall importance of the future rapid transit network in shaping future growth in Tamaki Makaurau should also be made clearer. The project team suggests that a future rapid transit network is included in this appendix, or within the main text of the FDS, to show the future network and how it will influence growth.

Relief Sought:

- **Update the description of the WHC project is provided in Appendix 9, in collaboration with the Project team.**
- **Provide more emphasis on the future rapid transit network, both as it relates to WHC and Auckland Light Rail / North West.**

➢ Mahi tahi – Working Together

The WHC project team would like to emphasise the need for our teams to work collaboratively to agree outcomes for the FDS, given the significant influence the Project will have on this strategy. The project team recommend that the FDS should respond to the outcomes of the WHC project and vice versa to ensure consistency and alignment of strategy.

It is appreciated that the initial consultation draft did not have the detail at hand to provide a clearer direction regarding some of the major infrastructure projects to occur in the city. However, as the WHC project progresses and further decisions are made on the path to a recommended option, we would welcome meeting with Auckland Council to discuss the outcomes sought by the Project. We would appreciate any feedback from Auckland Council on how we can best facilitate a collaborative approach.

Conclusion

Thank you for the opportunity to provide and discuss feedback as to how this significant project aligns with the FDS, and how we can ensure there is clarity for the WHC project in achieving the outcomes sought in the FDS.

We look forward to meeting with you to discuss the matters raised.

Ngā mihi



[redacted]

On behalf of the WHC Team

Future Development Plan 2023 #8616

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Your feedback

Focusing growth

Denser, more compact cities result in improvements to the environment, the economy, and people's wellbeing.

Auckland's urban area is made up of neighbourhoods, town centres and business areas that are interconnected and that support where most Aucklanders live, work and spend their leisure time.

We propose that most housing and business growth will be focused within existing urban areas and that this growth be more intensive. This means less growth in greenfield areas at Auckland's edges. What greenfield growth there is will be phased over 30 years and longer.

1. What do you think of our approach to focus most of Auckland's growth in existing urban areas?

Agree

Tell us why

Healthy Waters agrees with the approach to focus most of Auckland's growth in existing urban areas and to focus development near local centres.

Done well, redevelopment of existing areas will provide an opportunity to apply innovative water sensitive design and optimise the existing stormwater infrastructure, also identify opportunities to day-light urban waterways.

Additionally, infrastructure cost in existing urban areas typically cost less than in future urban areas. Focusing growth in existing urban areas ensure there is sufficient funding to renew poor condition stormwater infrastructure. The operation and maintenance costs are also likely to be less. This will ensure the limited funding is spent in a way that produces the most value, as the stormwater network cost will be spent in an effective manner to support growth.

Done poorly, urban intensification will worsen flood risk and environmental and water quality outcomes. Intensification alone therefore cannot be the sole aim of urban growth; future growth must also ensure other matters, such as those discussed below, are recognised.
Limiting growth in rural areas away from sensitive environmental and economically productive areas will protect the natural environment including the waterways. There should be slower growth in future urban areas, as this will allow alignment of growth with infrastructure provision.

Accessible local centres

When people have easy access to workplaces, services, facilities and shops, communities become more resilient and connected. It also helps to reduce travel time, emissions and lower household transport costs.

We propose focusing housing and business development near local centres where most people's daily needs are easy to access by walking, cycling and public transport.

2. What do you think of our approach to focus development near local centres?

Agree

Tell us why

Avoiding hazards

As our climate changes, the frequency and severity of hazards such as flooding, sea-level rise and coastal erosion will worsen. Where and how we plan for growth, and how we adapt to these hazards is increasingly important.

We propose that known areas constrained by significant natural hazard risk should be looked at to see if further development is appropriate.

Where development is already enabled in potentially vulnerable locations, we will further investigate appropriate actions.

3. What do you think of our approach to avoid further growth in areas which are exposed to significant risk of environmental hazards?

Agree

Tell us why

Healthy Waters agrees with the approach to avoid further growth in areas which are exposed to significant risk of environmental hazards.

Healthy Waters is upgrading and extending infrastructure to provide adequate flood protection or buying properties where flooding risk is excessive, this is also part of the "Making Space for Water" programme. It is important to protect the function of flood plains, overland flow paths and natural waterways.

Some hazards can be avoided through engineering solutions, however, this still comes with risk, especially in extreme events and can be costly to build and maintain. Additionally, those communities already struggling are more vulnerable to the impacts of flood hazards.

Healthy Waters supports the removal or removal in parts areas that have been identified as the most constrained by hazards from plans for future development, which includes Hatfields Beach stage 2, parts of Kumeu-Huapai-Riverhead, Takanini, parts of Drury-Opaheke (Slippery Creek).

Areas with moderate exposure to hazards will be further investigated for suitability of future growth, this is an appropriate approach.
Growth should not be enabled in flood hazard areas where people, property, infrastructure and the environment would be exposed to significant risk. Improving flood resilience by enforcing land use and regulatory controls and improving public awareness will ensure that people, property, infrastructure and the environment are protected.

Resilient infrastructure

Infrastructure across Auckland needs to cope with ongoing change, such as the impacts of climate change and evolving technology.

Nature-based infrastructure, such as rain gardens, swales, and detention basins, is better able to respond to ongoing change. This can help protect communities from hazards, as well as protect and restore the natural environment.

We propose prioritising investment in infrastructure that is decentralised, nature-based, regenerative and mauri-enhancing.

4. What do you think of our approach to prioritising nature-based infrastructure that responds to the impacts of climate change?

Agree

Tell us why

A move to stormwater water management and flood hazard management that is more reliant on water sensitive design and less on hard infrastructure will result in a more resilient system. A degraded environment is less resilient and less able to cope with the impacts of climate change.

Working with the natural environment and identifying its unique catchment characteristics and receiving environment will ensure stormwater management and flood hazard management are appropriately integrated into the natural environment.
Additionally, green infrastructure can serve multiple functions: stormwater management, reduction of heat effects, greenhouse gas mitigation, provide ecological benefits such as habitat as well as amenities for the community.

Other feedback

5. Do you have any other feedback on our approach to how and where Auckland should grow and change?

Please see attached submission

#8616

To: Auckland Council, Future Development Strategy

futuredevelopmentstrategy@aucklandcouncil.govt.nz

Feedback on: Auckland Future Development Strategy Consultation Draft 2023-2053

From: Healthy Waters, Auckland Council

Date: 31 July 2023

1. Background

1.1 Auckland Council's Healthy Waters department is responsible for the management, planning and development of stormwater systems and their effects on the environment.

1.2 Healthy Waters works with iwi and prioritises te mauri o te wai, the life-sustaining capacity of water, in our decision-making to ensure water is protected and enhanced. We deliver our objectives in an innovative, sustainable, and collaborative way.

1.3 Healthy Waters aims to future-proof Auckland's water by creating healthy environments, empowering our communities, and building resilient stormwater systems, which fulfil Auckland Council's Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan.

1.4 A key focus of Healthy Waters is supporting growth in Auckland while ensuring stormwater management is accounted for in urban design. This includes that flood plains and overland flow hazards are avoided or appropriately managed, and that water quality and ecological outcomes are maintained and enhanced.

1.5 Healthy Waters is developing a better understanding of the scale and significance of the future impacts of climate change and sea level rise and how these will exacerbate flooding and inundation, infrastructure, erosion hazards as well as impacts to water quality and ecological outcomes.

1.6 The Future Development Strategy will be a key document for Healthy Waters to achieve these outcomes.

2. Healthy Waters feedback includes the following:

2.1 Healthy Waters **agrees** with the approach to focus most of Auckland's growth in existing urban areas and to focus development near local centres.

Done well, redevelopment of existing areas will provide an opportunity to apply innovative water sensitive design and optimise the existing stormwater infrastructure, also identify opportunities to day-light urban waterways.

Additionally, infrastructure cost in existing urban areas typically cost less than in future urban areas. Focusing growth in existing urban areas ensure there is sufficient funding to renew poor condition stormwater infrastructure. The operation and maintenance costs are also likely to be

less. This will ensure the limited funding is spent in a way that produces the most value, as the stormwater network cost will be spent in an effective manner to support growth.

Done poorly, urban intensification will worsen flood risk and environmental and water quality outcomes. Intensification alone therefore cannot be the sole aim of urban growth; future growth must also ensure other matters, such as those discussed below, are recognised.

Limiting growth in rural areas away from sensitive environmental and economically productive areas will protect the natural environment including the waterways. There should be slower growth in future urban areas, as this will allow alignment of growth with infrastructure provision.

2.2 Healthy Waters **agrees** with the approach to avoid further growth in areas which are exposed to significant risk of environmental hazards.

Healthy Waters is upgrading and extending infrastructure to provide adequate flood protection or buying properties where flooding risk is excessive, this is also part of the "Making Space for Water" programme. It is important to protect the function of flood plains, overland flow paths and natural waterways.

Some hazards can be avoided through engineering solutions, however, this still comes with risk, especially in extreme events and can be costly to build and maintain. Additionally, those communities already struggling are more vulnerable to the impacts of flood hazards.

Healthy Waters supports the removal or removal in parts areas that have been identified as the most constrained by hazards from plans for future development, which includes Hatfields Beach stage 2, parts of Kumeu-Huapai-Riverhead, Takanini, parts of Drury-Opaheke (Slippery Creek). Areas with moderate exposure to hazards will be further investigated for suitability of future growth, this is an appropriate approach.

Growth should not be enabled in flood hazard areas where people, property, infrastructure and the environment would be exposed to significant risk. Improving flood resilience by enforcing land use and regulatory controls and improving public awareness will ensure that people, property, infrastructure and the environment are protected.

2.3 Healthy Waters **agrees** with the approach to prioritise nature-based infrastructure.

A move to stormwater water management and flood hazard management that is more reliant on water sensitive design and less on hard infrastructure will result in a more resilient system. A degraded environment is less resilient and less able to cope with the impacts of climate change.

Working with the natural environment and identifying its unique catchment characteristics and receiving environment will ensure stormwater management and flood hazard management are appropriately integrated into the natural environment.

Additionally, green infrastructure can serve multiple functions: stormwater management, reduction of heat effects, greenhouse gas mitigation, provide ecological benefits such as habitat as well as amenities for the community.

2.4 Overall, Healthy Waters agrees with the outcomes sought by the Future Development Strategy, especially to have developments that result in resilient built systems, natural environment and communities, as this will help to establish a truly **resilient water sensitive community.**

2.5 To further achieve this aim, the Future Development Strategy should also recognise the following matters.

2.6 Better recognition on enabling partnership with mana whenua in urban design

Mana whenua's focus on enhancing, protecting and supporting the natural environment, including restoring and enhancing waterways and waterbodies, together with addressing matters associated with equity, aligns with outcomes sought in the strategy.

Mana whenua have knowledge and experience of the natural environment that is unique to them. Partnering with mana whenua will enable greater outcomes for flood hazard management and the protection of the environment, as well as address the enhancing social outcomes.

Better enabling mana whenua in the urban development and design of Tāmaki-Makarau should be better recognised in the principles of set out in the strategy.

2.7 Better recognition of catchment wide planning for stormwater management

Several private changes have occurred that are not in sequence with the Future Urban Land Supply Strategy 2017 which has negatively impacted infrastructure providers ability to deliver large scale planning, which require more planning and lead time, including stormwater infrastructure. "Fast-track" processes have exacerbated this pressure.

Stormwater management is best looked at from a whole-of-catchment perspective. The whole catchment view allows assessment of upstream catchments and identifies any concerns that then can be assessed and addressed, such as stream erosion, this manages and offset any downstream effects or requirements, which will help to reduce cost, mitigate flooding effects, improve environmental outcomes and provide amenities for communities.

A whole-of-catchment stormwater management will identify early on the unique characteristics of the catchment and the receiving environment, and address flood hazard risk to ensure growth is appropriate and any future development would need to comply with the whole-of-catchment stormwater management ensuring an integrated stormwater management and flooding hazard approach, further ensuring the protection of the receiving environment from degradation.

It allows for stormwater management planning to factor in the effects and patterns of growth on the catchment, current infrastructure and receiving environments. A whole-of-catchment planning provides more opportunities to collaborate with the development community and acquire quality assets, and opportunities to share in the funding with developers to provide catchment wide stormwater solutions that provide cost effective flooding hazard protection and

sustainable water quality outcomes. It also allows for a more balanced public and private responsibility for stormwater management at source and water sensitive stormwater solutions.

2.8 Better recognition for the incorporation of up-to-date information

It is important to ensure that up to date information and knowledge about flood hazards are used to inform policy, regulation, development, and asset management decisions at all levels so that Auckland's communities recognise and plan appropriately to adapt and respond to future risks in their catchments and coastal environments.

The Future Development Strategy needs to be able to adapt and make changes as new data comes to light.

2.9 Better recognition of future constraints on growth arising from the National Policy Statement for Freshwater Management

Auckland Council must notify Auckland Unitary Plan changes to implement the National Policy Statement for Freshwater Management by Dec 2024. This includes the setting of bottom lines for water quality and freshwater ecosystems, including within urban areas. The council is also under the obligation to address any degrading areas of water quality and freshwater ecosystems.

These obligations will have implications for urban growth, and must be specifically recognised within the strategy as a future constraint.

2.10 Better recognition of the opportunities of the Affordable Water Reforms

Increased population together climate change, flood resilience, erosion mitigation and the need for improved water quality and ecosystem outcomes all mean the demand for upgraded and new stormwater infrastructure will only increase.

The Future Development Strategy states the Affordable Water Reforms will make this more complicated to manage. However, it must be acknowledged that the aim the Water Reforms is to address all the matters raised in the strategy, and provide an opportunity for addressing these issues in a more economically sustainable approach.

Future Development Plan 2023 #8617

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Your feedback

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Tell us why

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We propose prioritising investment in infrastructure that is decentralised, nature-based, regenerative and mauri-enhancing.

4. **What do you think of our approach to prioritising nature-based infrastructure that responds to the impacts of climate change?**

Tell us why

Other feedback

5. Do you have any other feedback on our approach to how and where Auckland should grow and change?

Please refer to the attachment

#8617

Barker & Associates
Auckland

PO Box 1986, Shortland Street, Auckland 1140
Level 4, Old South British Building, 3-13 Shortland Street, Auckland

B&A
Urban & Environmental

31 July 2023

Auckland Council
Via email: futuredevelopmentstrategy@aucklandcouncil.govt.nz

Submission on the Draft Future Development Strategy

Introduction

This is a submission on the draft Future Development Strategy (**FDS**) on behalf of Wellsford Welding Club (**WWC**). The FDS was notified for submissions on the 6th June 2023.

Background to Wellsford Welding Club

WWC is effectively a joint venture between a group of private investors and Vuksich & Borich limited. This private investment group has carried out or been intimately involved with several residential land development projects including Ockleston Landing in Hobsonville, Catalina Point at Whangaparaoa and Hunua Views in Drury - which in total will provide more than 700 residential lots to the market. In addition the group has been involved in substantial commercial and industrial developments. Vuksich and Borich is a long-established and well-respected civil engineering contractor with decades of experience in delivering residential and commercial land.

Summary of Submission

WWC notes that the Council is required to prepare an FDS in accordance with subpart 4 of Part 3 of the National Policy Statement on Urban development (**NPSUD**). WWC is supportive of the response to growth within Auckland being led by a robust FDS. This is the first planning step in providing for growth and ensuring it is integrated with the provision of infrastructure at a strategic level.

A key part of preparing an FDS is ensuring it is prepared with genuine and meaningful consultation and engagement with the community, infrastructure providers and land owners and developers. This engagement should be broad-based and encourage blue sky thinking, all informed by good quality evidence. Open communication ensures that the process is democratic and recognises that a wide range of parties will need to come together to implement the FDS. Not doing this, risks the Council zoning land and/or providing infrastructure in less efficient locations – that outcome would be more expensive overall.

The importance of getting it right is brought into sharp focus in Auckland, where the stakes are high. Auckland contributes 40% to the GDP of New Zealand, and ensuring that there is sufficient land supply for business and housing is an important plank in the economic development of the city and the prosperity of its people. Providing enough land supply enables opportunities for high-value businesses to grow and employ more people, and supports the delivery of a greater range of housing choices by the market. If the strategy is not right – this may constrain the economic development of the region with negative consequences for the New Zealand economy as a whole.

Overall, it is apparent that short-term infrastructure constraints are driving the long term strategic plan for Auckland. Whilst we understand and appreciate the immediate issue, we strongly believe the current approach and the lack of meaningful public discussion will not produce a good long term outcome. We encourage the Council to take a long term view (30 year) as required by the NPSUD. WWC accepts that the Council is facing a significant infrastructure deficit and that it needs to look to alternative forms of funding to pay for growth, including higher levels of direct Government investment. If Council and the development sector work proactively together, the draft FDS provides the opportunity to negotiate this outcome with the Government in a comprehensive way. As it stands, the Council's unilateral approach to planning for growth in Auckland may help to suppress increases in general rates, but it fails to realise the longer-term and wider benefits of growth for the community.

In addition to these over-arching matters, WWC considers that there are fundamental issues with the draft FDS that need to be addressed to ensure that the long term strategic planning for growth results in a well-functioning urban environment. The matters raised illustrate that the draft FDS does not meet the minimum legal requirements set out by the NPSUD and therefore a restart of the process is the most appropriate and efficient outcome.

In particular:

- WWC is concerned that more transparency/rigour is needed around the capacity analysis that underpins the draft FDS to ensure this has been based on feasible and realisable development capacity and not just plan enabled capacity.
- WWC is concerned that there are discrepancies between the number of additional dwellings identified within the FDS and the Housing Business Assessment. Furthermore, the number of dwellings required has been based on a medium growth scenario and further testing is required against a high growth scenario.
- WWC is concerned that the Council has not completed its assessment of business demand and capacity and therefore the evidence base for the FDS is deficient. Further transparency/rigour is needed in relation to the analysis that has informed the location and sufficiency of business land.
- WWC considers that more detailed spatial analysis is required that builds on the work undertaken for the strategic growth scenarios to ensure this is sufficiently robust and meets the requirements of the NPSUD.
- WWC considers that any roll back or change in sequencing of future urban areas needs to be based on robust evidence informed by spatial analysis and not driven by current infrastructure limitations.
- WWC is concerned that more analysis is required on the affordability impacts constraining greenfield growth.
- WWC is concerned that there has been limited engagement with the development sector to develop the FDS. Furthermore, adopting the FDS by September 2023 provides limited ability to make meaningful changes in response to feedback received.
- WWC request that the sequencing for the Wellsford North Future Urban Zone ("FUZ") be brought forward to 2025 to reflect that there is existing and funded infrastructure to service the development.

The submission below elaborates on these matters.

Draft FDS – Evidence Base and Process Issues

Demand and Capacity Analysis

WWC note that despite FDS stating that it meets the statutory requirement under the NPSUD to ensure there is at least sufficient development capacity to meet demand, it is not clear from the FDS or the supporting growth scenario evidence report that this is actually the case. In particular, there appears to be discrepancies or a lack of evidence basis used to inform this assessment, and it is not clear how the FDS meets the requirements set out in Section 3.2 and 3.3 in relation to feasible and realisable capacity and the appropriate competitive margin.

The evidence basis for determining demand needs to be robust and this is not currently the case. Section 3.3 of the FDS identifies that additional 520,800 people and 200,000 households over 30 years is required based on Stats NZ medium growth projections however, this is inconsistent with the HBA which identifies 384,000 households over 30 years Furthermore, the FDS should in WWC's view, include a stress test against a high growth scenario to be sufficiently robust and to cater for uncertainty in Govt immigration settings.

The FDS concludes that there is plan enabled capacity of 2,345,500 dwellings and this is several times greater than expected demand. In WWC's view the amount of development capacity is overstated with no consideration of the economic feasibility of development and no factoring of a competitiveness margin. Instead broad assumptions are made that much of the plan enabled capacity will be commercially feasible based on the existing take up under the Auckland Unitary Plan with no assessment to support this assumption. The lack of evidence and reliance on broad assumptions is a reflection of the lack of involvement of the development sector in the capacity assessment. The Council has confirmed that the infrastructure ready development capacity figures will not be available until late-July 2023. This does not provide the opportunity to analyse this information and understand how it has been applied in the draft FDS.

WWC further notes that given the timeframe for PC78 has been extended, undertaking a capacity assessment now to inform the FDS is highly problematic as height and density across the urban area is yet to be resolved. In particular, the impact on capacity of the ongoing work on the response to natural hazards is yet to be understood.

In relation to business demand and capacity the FDS is based on initial results from the Council's Business Capacity Assessment which is still in draft form. The FDS concludes that there is likely to be sufficient plan enabled business capacity on a region wide basis however, there will be shortfalls in sub-regions for specific business sectors, particularly land extensive sectors, which we understand is approximately 1,000 hectares. Given that this assessment is based on plan enabled capacity and has identified capacity shortfalls for land extensive sectors this does not appear to meet the NPSUD requirements and is a significant weakness of the FDS. The Council has confirmed that the updated Business Demand and Capacity Assessment will not be available until August 2023, after the close of submissions. This does not provide the opportunity to analyse this information and understand how it has been applied in the draft FDS.

Given that one of the key purposes of an FDS is to promote long term strategic planning which sets out how a local authority intends to provide at least sufficient development capacity over the next 30 years to meet expected demand, WWC submit that much more transparency/rigour is needed around the capacity analysis.

Growth Scenarios for Development

Clause 3.14 of the NPS:UD requires that the spatial strategy is informed by "consideration of the advantages and disadvantages of different spatial scenarios for achieving the purpose of the FDS." WWC note that while four growth scenarios have evaluated different levels of intensification and greenfield growth, this has been undertaken at a regional strategic level, with no understanding of the spatial composition of the different scenarios. In WWC's view this analysis needs to be developed further with more detailed spatial analysis that evaluates:

- Feasible and reasonably expected residential development capacity on a sub-regional basis particularly to test the capacity assumed to be provided through intensification as opposed to greenfield growth.

- Location and sufficiency of business land especially for land extensive/industrial businesses. This should include an analysis of the locations for potential new industrial areas, which will in turn inform locations for supporting and proximate residential growth.

- Further scenario analysis of intensification options that considers the location and scale of intensification achievable across the urban area, noting that a conservative approach to hazard management needs to be taken in the urban area as more capacity will be required elsewhere to make up for this.

- Further analysis of greenfield areas not included within the current Future Urban zone, noting that there may be new opportunities for development beyond those that were identified over 10 years ago as part of the Auckland Plan and the original Future Urban Land Supply Strategy. Input from the development sector would support this aspect of the scenario development and analysis.

- The impact on housing choice, housing affordability and land prices. The preferred scenario as it stands will not provide choices that meet the varied needs of people and communities for a range of housing types and working environments noting Auckland's diverse and growing population.

- The ability to access employment and labour. The preferred scenario as it stands will result in fewer residents being able to access employment within a 30 minute commute because there will be a limited amount of local employment made available.

WWC are strongly of the view that a different growth strategy may emerge as a result of more detailed analysis.

Greenfield Development

The FDS is either proposing significant roll back of future urban areas or is significantly pushing out the sequencing for release based on current funding limitations. In WWC's view this approach is fundamentally flawed. It assumes that infrastructure costs for brownfield intensification are cheaper than greenfield suburban land which is not the case, particularly in urban areas where significant intensification is proposed and where infrastructure is struggling to cope with existing levels of development. Furthermore, WWC is opposed to the identification of "infrastructure triggers" based on the following observations:

- The use of triggers is problematic in that the analysis undertaken to identify the infrastructure upgrades required is likely to have been undertaken at a coarse scale with no further explanation provided as to how the proposed triggers have been identified;

- The actual infrastructure requirements will vary depending on factors including the nature of the development and infrastructure solutions proposed and the status of development on neighbouring sites; and

- Over time, infrastructure requirements and solutions are likely to change.

In WWC's view the current infrastructure limitations should not be driving long term land use decisions and a long term holistic approach is needed which:

- Identifies enough land for growth in the right locations where it can be delivered efficiently.

- Identifies what infrastructure is needed to support all future development (not just greenfield), and roughly how much will it cost, focusing on the next 10 years.

- If there is a funding gap, think creatively to find solutions, working in partnership with the Government and the private sector.

Another key factor that is driving the proposed roll back of future urban areas is the need to reduce carbon emissions. The emissions assessment that has been used to inform the proposal has been undertaken at a strategic regional scale and we understand it is based on transport modelling focussed on vehicle kilometres travelled. The performance of different FUZ areas however, will depend on land use mix, design and the sizing of the existing bulk infrastructure developed to date. A more detailed analysis is required of the areas proposed to be rolled back to ensure robust and evidence based decision making.

Affordability Impacts of Constraining Greenfield Growth

WWC note that a key component of a well-functioning urban environment under Policy 1 of the NPSUD is a variety of homes that meet the needs of different households in terms of type, price and location. The draft FDS however, has not addressed the affordability impacts of the proposal to constrain greenfield growth. WWC submit that further analysis is required to address housing affordability.

Process Issues

WWC is highly concerned that there has been limited engagement with the development sector to develop the FDS. Engagement with the development sector is fundamental in obtaining empirical real-world evidence on feasibility that can sit alongside more theoretical development capacity and feasibility analysis. Input from the development sector would assist the Council. Furthermore, adopting the FDS by September 2023 provides limited ability to make meaningful changes in response to feedback received from the community or development sector alike.

The process for public engagement and decision making on the draft FDS only provides limited opportunity for public input when compared to the process followed by other cities. For instance, in Christchurch there has been significantly more opportunities for public input with a more robust and fair process for considering submissions. In particular:

- The public was asked to complete an online survey on how they thought the Greater Christchurch partnership should tackle important issues such as building greater resilience to a changing environment, meeting our emissions reduction targets, preserving and enhancing our cultural and

natural environments, creating liveable and healthy urban areas, and supporting the delivery of housing to improve affordability. More than 7,000 people responded to the survey and this informed the development of the draft Greater Christchurch Spatial Plan;

- Public submissions on the draft Spatial Plan will be considered by an independent hearings panel to ensure a more open, transparent and fair process; and
- 4-6 months have been set aside from the close of submissions to adoption of a final plan to enable meaningful consideration of public submissions. In Auckland only two months has been set aside.

The NPSUD requires that the FDS is completed in time to inform the 2024 Long Term Plan. This does place a constraint on the Council for completing the draft FDS, however, given the concerns expressed above, there are a range of options that the Council could implement that would provide sufficient time to complete a legally compliant and robust FDS for Auckland that meets the Council's other obligations. These options include:

- Progressing the 2024 Long Term Plan on the basis of the current Auckland Development Strategy and 2017 Future Urban Land Supply Strategy; and
- Once the FDS is adopted, progressing any updates to the Long Term Plan via the Annual Plan process for minor changes, or via a Long Term Plan amendment if the changes are more significant; or
- Requesting that the Government grant an extension to the Long Term Plan timeframes for adoption, which has been done previously in other cities.

Draft FDS – Sequencing of Wellsford

WWC have land interests over 51.2 hectares of land within Wellsford North. WWC have applied for a private plan change to rezone approximately 72.06 hectares of Future Urban, Residential – Single House, Rural – Countryside Living and Rural Production zoned land for urban development, which will comprise:

- 5.87 ha Residential – Mixed Housing Suburban (MHS) zone;
- 39.64 ha Residential – Single House (SH) zone;
- 17.04 ha Residential – Large Lot zone;
- 0.89 ha Business – Neighbourhood Centre (NC) zone; and
- 11.56 ha Rural – Countryside Living (RCL) zone.

The current and proposed zoning pattern is shown in Figure 1 below.

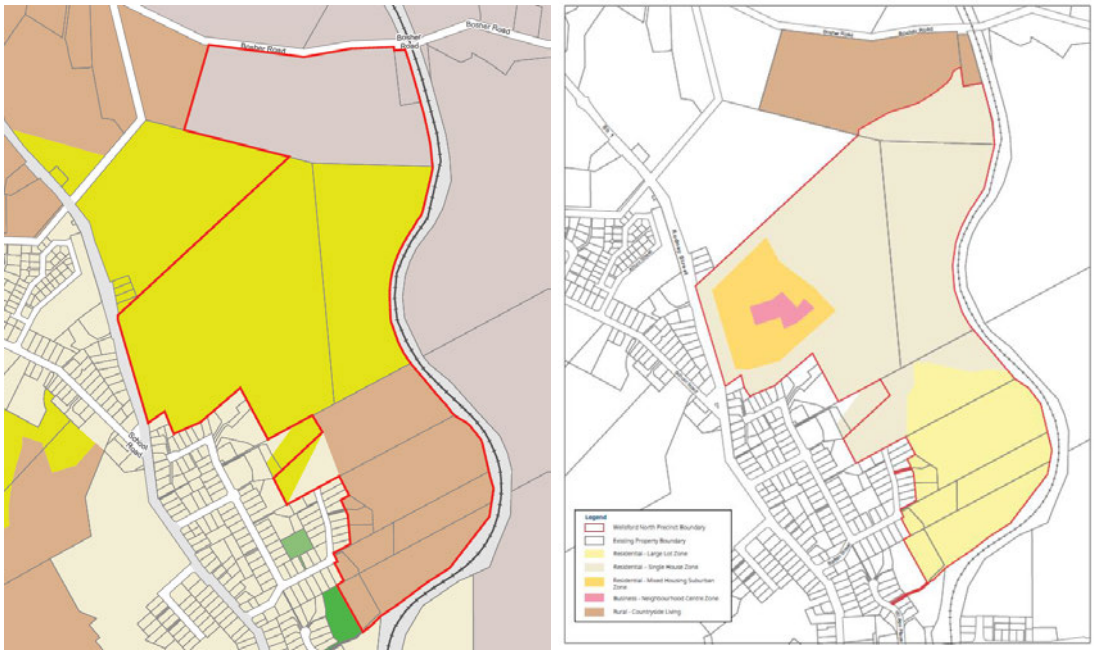


Figure 1: Wellsford North existing zoning and proposed zoning pattern.

The Plan Change request has been informed by the Wellsford North Structure Plan *refer Figure 2* and a suite of supporting technical analysis. The Wellsford North Plan Change was lodged with Council in May 2022 and the further information requests have now been concluded. Council officers are supportive of the plan change and have prepared the Clause 25 report to be reported to the next available committee meeting. The Plan Change documents and response to further information requests have been made available at a link attached to this submission.

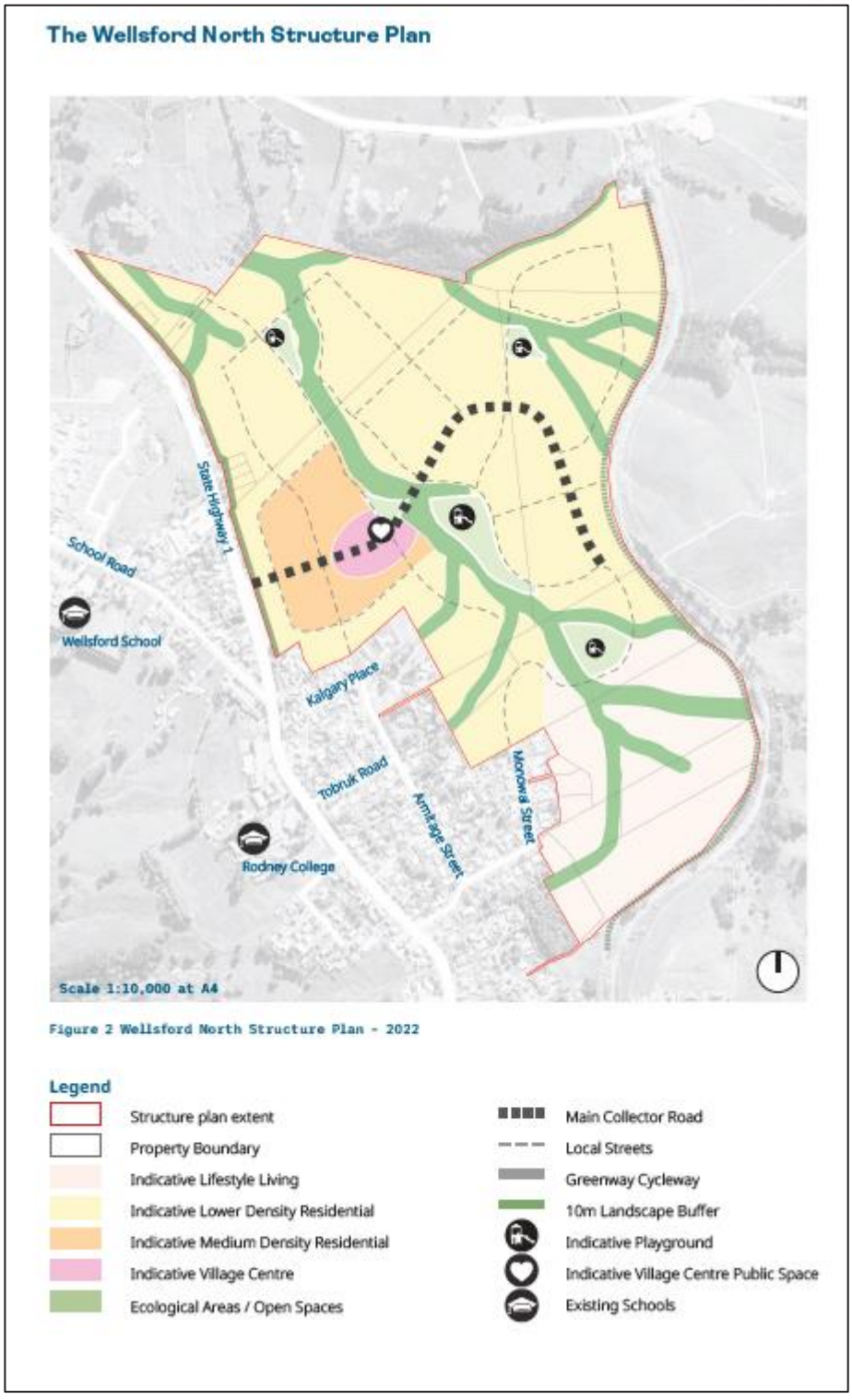


Figure 2: The Wellsford North Structure Plan

The Future Urban Land Supply Strategy (FULSS) identifies Wellsford North as being "development ready", that being live zoned and serviced, in 2023-2027. The FDS now proposes to delay the timing of the release of land at Wellsford North to 2030. The FDS states that the sequencing and timing of live zoning, and

subsequent development, is adjusted to reflect the realities of infrastructure funding and provision[of?] significant capacity in the existing urban area.

WWC do not support this delay in sequencing of Wellsford North as the analysis undertaken in preparation of the Wellsford North Structure Plan and subsequent plan change application demonstrate that there are infrastructure solutions to service development now. In particular all infrastructure required to enable the urbanisation of the live zoned land within the Structure Plan area will be either developer funded, funded through the Watercare Assets Upgrade Plan or through the Infrastructure Funding Agreement between Watercare and the WWC *refer Attachment B*.

Specifically:

• A new intersection will be provided connecting to SH1 (Rodney Street), which will be fully funded by the developer;

• All new internal roads, connections and cycleways will be constructed and funded by the developer;

• Watercare Services Limited have confirmed that the existing water supply network can cater for the proposed plan change area; and

• Infrastructure upgrades to ensure there is wastewater capacity to service development will be delivered through the Infrastructure Funding Agreement between Watercare and WWC.

Given that the Structure Plan and Plan Change application are well progressed, demonstrate that there are no barriers to urbanisation and funding arrangements are in place, WWC propose an alternative staging within Figure 3 that would see the wider Wellsford FUZ sequenced for 2025.

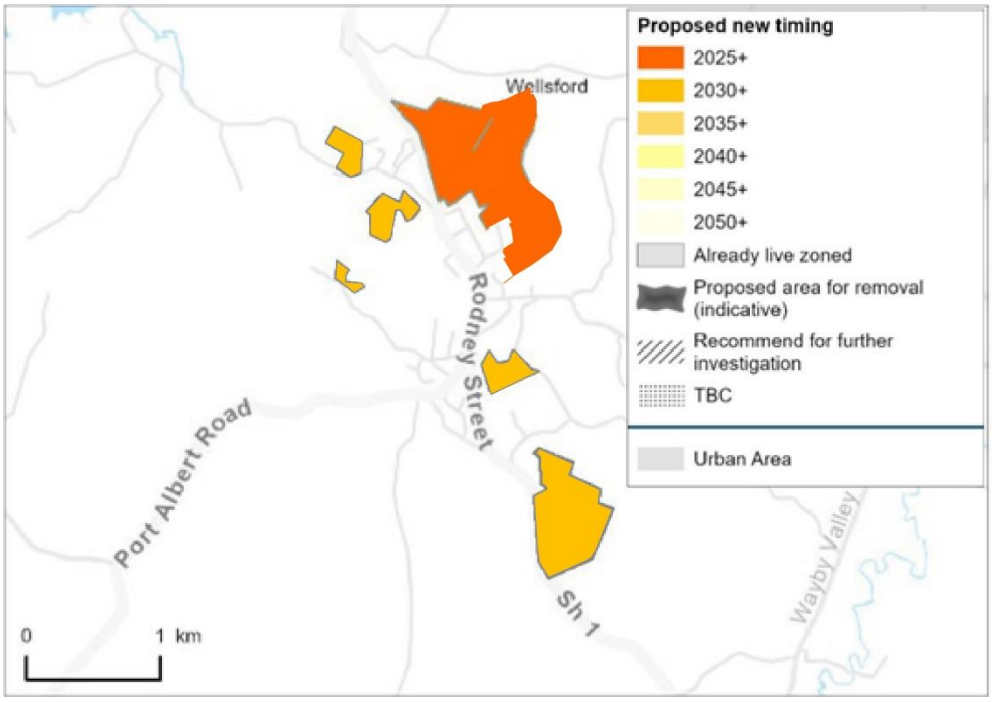


Figure 3: WWC proposed sequencing at Wellsford

Amendments Sought to the Draft FDS

The amendments sought to the draft FDS are to ensure that the FDS achieves a well-functioning urban environment and provides for sufficient development capacity are summarised below with specific amendments set out in Attachment A to this submission:

a) Specify how the FDS achieves sufficient development capacity as set out in Section 3.2 and 3.3 of the NPSUD;

b) Provide further analysis of feasible and realisable development capacity on a sub-regional basis to inform the adopted growth scenario;

c) Provide further analysis of location and sufficiency of business land on a sub-regional basis to inform the adopted growth scenario;

d) Provide further analysis of the scale of intensification across the region taking a conservative approach to natural hazards;

e) Within the context of (d) above, provide further analysis as to whether the greenfield growth assumptions are correct and take a broader view, assessing areas beyond the current Future Urban zone extent;

f) Provide more detailed spatial analysis to ensure a robust evidence basis for any proposed roll back of future urban land;

g) Provide further analysis to address housing affordability; and

h) Delay the adoption of the FDS to enable meaningful engagement with the community and development sector.

i) Bring forward the sequencing of the Wellsford North FUZ to 2025 to reflect that there is existing and funded infrastructure to service the development.

In addition to the specific relief above, WWC seeks such other alternative or consequential relief to give effect to the matters raised in this submission.

WWC wishes to be heard in support of its submission. If others wish to make a similar submission, WWC will consider presenting a joint case with them at the hearing.



[redacted] Barker & Associates Ltd Date: 31 July 2023
(Person authorised to sign on behalf of submitter)

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Attachments:

Attachment A:	Specific Amendments Sought
Attachment B:	Infrastructure Funding Agreement between Watercare and the WWC

Attachment A – Specific Amendments Sought:

Amendment Sought – Section 2.3.1

Section 2.3.1 outlines the issues associated with spatial planning in an uncertain and changing environment. Regardless of this the FDS states that planning for growth is important as existing housing shortfalls and resilience issues are addressed. This section should be amended to also include reference to where people want to live. Planning for growth in areas that the public find undesirable to live in is pointless and will do little to address shortfalls in housing. Policy 8 of the National Policy Statement on Urban Development requires local authorities to be responsive to plan changes that would add significantly to development capacity and contribute to well-functioning urban environments.

Amendment Sought – Section 2.3.4

Section 2.3.4 outlines the issues of investing in infrastructure in a financially constrained environment. It is understood that Council has financial constraints which are negatively impacting infrastructure provision. However, the solution is not to somehow try and stop growth particularly in greenfields development for a decade. It seems Council is working from a premise that only the Council can fund infrastructure, rather than looking at mechanisms to assist in the sustainable funding and delivery of infrastructure. The only way to solve infrastructure is through partnership with the development community. A more agile rather than restrictive strategy is called for. Amendments to this section to refer to alternative funding options including Crown Infrastructure Partners (CIP) and any other options or partnerships to deliver infrastructure should be included, including Public Private Partnerships (PPP's) should be made.

Amendment Sought – Section 2.4.2

Section 2.4.2, which deals with developments needing to achieve quality living environments also needs to be amended so that the last paragraph includes the words 'balanced with greenfields development'

Amendment Sought – Section 2.5

Section 2.5 sets out the Principles for Growth and Change. These are key to directing the form that growth will be governed by. This section identifies the "*universal ways of accommodating growth, applicableAuckland-wide, no matter what scale or spatial environment is considered".* These principles are:

- *Support greenhouse gas emission reduction*
- *Adapt to impacts of climate change*

- *Make efficient and equitable infrastructure investments*
- *Protect and restore the natural environment*
- *Enable sufficient capacity for growth in the right place at the right time*

The submitter supports the approach of basing the growth of the Auckland region off key principles. However, the key principles require amendment to allow for appropriately located greenfield growth opportunities. While the Council constraints on infrastructure are recognised, the key principle for growth related infrastructure should be to invest in the provision of infrastructure to meet the social and economic needs of Auckland. It is about infrastructure being an enabler of housing, community and economic development; rather than constraining growth due to infrastructure. There obviously needs to be a balance. What that balance is needs to be worked through. However, the key principles of the FDS should start from the premise of infrastructure as an enabler of growth.

The submitter considers that changes to the principles are required as follows.

Principle 1(a) Amend to: *Intensify the existing urban areas and ~~limit~~ provide for further urban expansion in appropriate locations.* The associated text should also be amended to acknowledge that well planned urban expansion can result in more people living closer to their places of work which results in a greater percentage of intrazonal trips which results in less greenhouse house emissions. Often greenfield development now includes more intensive forms of development (e.g. apartments, terrace houses) as opposed to standalone dwellings. Therefore, greenfield development can achieve development can achieve the same typologies and therefore greenhouse gas emission efficiencies as urban intensification. Alternative approaches to reducing greenhouse gas emissions should also be identified in the principles, including forest sequestration, identification and protection of areas of land to offset emissions and technology improvements. It is also noted that this principle is not supported by Council's own analysis on carbon emissions. See the Growth Scenarios Evidence report which shows little difference between the extent to which scenarios impact carbon emissions[1].

The final paragraph of this principle should also be amended to:

Growth in rural areas will be ~~minimal~~ limited to appropriate greenfields development and rural and coastal settlement expansions to retain the rural environment and rural productivity.

Principle 1(c) This principle states that Wairau Park is a hub of employment and will likely grow and adapt over time as they respond to market conditions and new opportunities. Wairau

[1] Future Development Strategy – Growth Scenarios Evidence Report pg 5-6

Park has been an area of significant flooding anytime there is a heavy rainfall event and if anything growth should be restricted in this area until flooding issue as are resolved. This is an example of where the FDS should be put on hold until PC78 is resolved rather than progressing with a strategy based on incomplete information.

Principle 2(a) should be amended to state: "Avoid further growth in areas exposed to significant risks from natural hazards and promote resilient design solutions" to align with the RMA requirements.

Principle 3

Add a new principle 3(d)

Support alternative approaches to funding and delivery of infrastructure including for example Crown Infrastructure Partners, Public Private Partnerships, Central Government, the Infrastructure Funding and Financing Act 2020 and other whole of life funding options.

Principle 5(a)

The principle states that the FDS is to direct where and when growth is appropriate. The principle also states that the direction by the NPSUD (Policy 8) to provide for out of sequence or unanticipated growth makes it hard to have an informed estimation of where and when growth is likely to happen. That is the exact reason why policy 5(a) is fundamentally flawed as Council cannot know exactly where and when growth will occur. It cannot predict residential lifestyle patterns over the next 30 years. The best it can do is to ensure that a variety of options are available including intensification and appropriate greenfields development including expansion of rural and coastal settlements. Principle 5(a) should be amended as follows:

Principle 5(a): Provide for growth through intensification and appropriate greenfields development including expansion to rural and coastal settlement. ~~Direction for where and when growth is appropriate~~

Legislation requires the council to enable greater density over wide areas of urban Tāmaki Makaurau as well as being 'responsive' to unanticipated or out-of-sequence development. ~~This makes it hard to have an informed estimation of where and when growth is likely to happen.~~ It is a challenge ~~harder~~ for the council, infrastructure providers and communities to plan for growth proactively, particularly planning for the longer term. Unanticipated or out-of-sequence development will need to demonstrate they can fund and deliver the required infrastructure, will add significantly to development capacity and establish a well-functioning urban environment. ~~create major funding challenges for the council. It can also mean that planned projects in existing communities are deferred or cancelled.~~

~~*The council has limited tools to help direct growth. This makes it even more important to have a strong basis for decision making.*~~

The council's ~~prioritisation~~ rationale to support growth and change will be based on a location's accessibility to jobs and services via public transport and active modes, and availability of facilities, amenities and services to meet day-to-day needs. This will be evaluated against the level of benefits realisation possible from infrastructure and service investment.

The approach emphasises the importance of most growth occurring within existing urban areas. In support of this, future urban areas will be sequenced, with this sequencing linked to triggers dependent on when all the required bulk infrastructure can be provided. Out of sequence growth can be considered where required infrastructure can be demonstrated to be funded and delivered through alternative mechanisms, will add significantly to development capacity and well-functioning urban environments can be established. Consideration of the trade-offs and costs that might occur when development occurs out-of-sequence, ahead of existing priorities, will be applied.

Principle 5(c) This principle addresses the quantum of housing and business capacity required over the next 30 years. Unfortunately, this principle is based on plan-enabled capacity and fails to address clauses 3.2 and 3.3 of the NPSUD as there is no assessment of infrastructure ready or feasible and reasonably expected to be realised land and therefore housing and business capacity under these scenarios. Therefore Principle 5(c) needs to be re-written to address these measures. Section 3.3 Development Capacity of the FDS also needs to be re-written to address these scenarios. In particular amend the last paragraph as follows:

"The approach will be that, where ~~plan enabled~~ capacity is ~~reduced or constrained~~, not delivered in line with our projections, ~~over time~~ this forgone capacity will be offset by creating additional capacity in good locations elsewhere, so that sufficient development capacity is provided at all times to meet demand. This will be reported through quarterly monitoring ~~overall capacity is broadly maintained~~."

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