Future Development Strategy

Local Board Not Supplied

WRITTEN FEEDBACK
Volume 11

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

Future Development Plan 2023 #8631

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?

The Neil Group

THE NEIL GROUP

Introduction and Qualifications

Land Extensive Business Capacity

Draft Future Development Strategy

THE NEIL GROUP

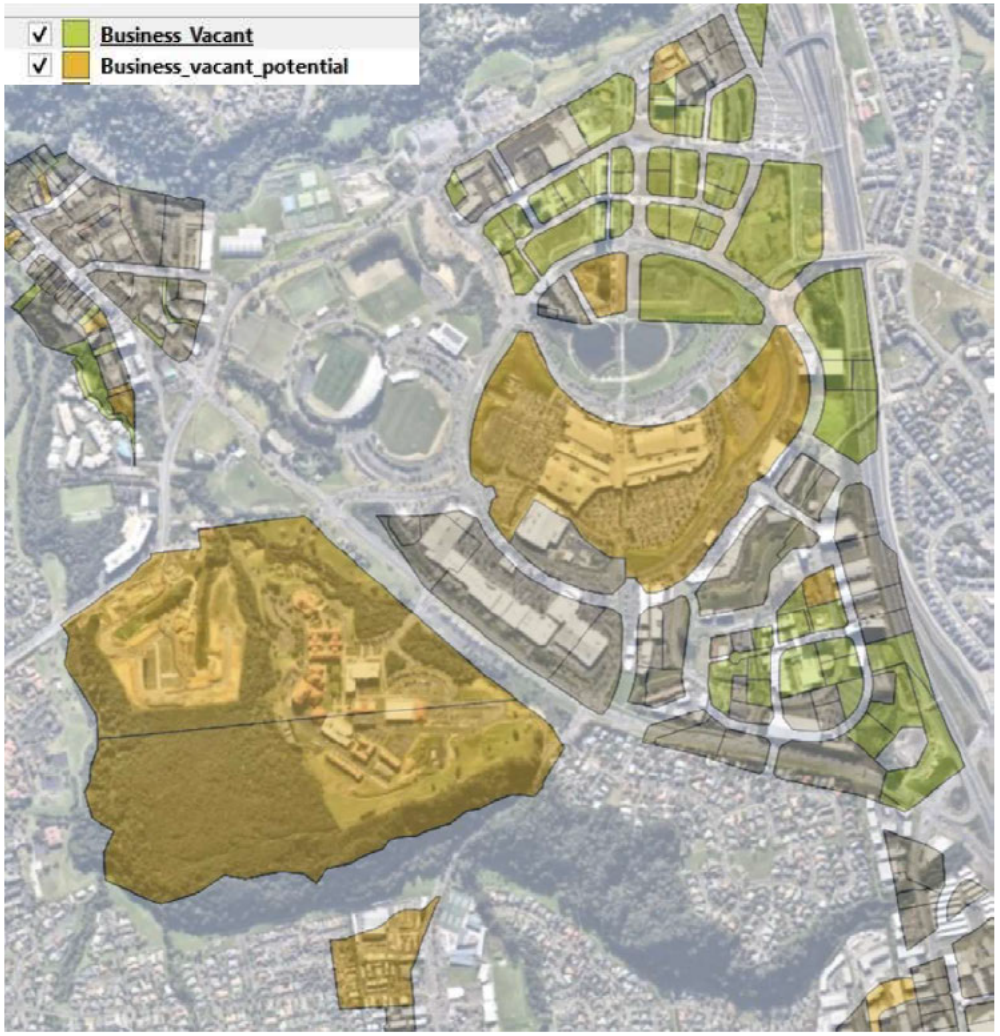


Focus Area: Business Light Industry

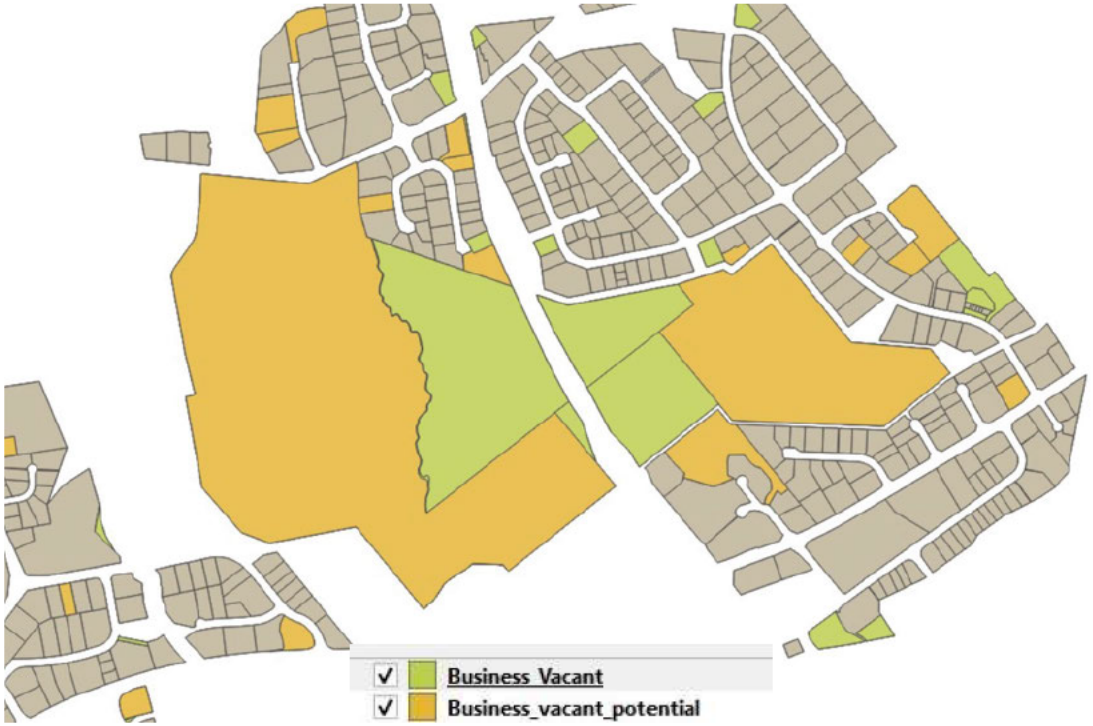
FDS Economic Impact on Growth North and West of Auckland

Issues with business land assessment

- Information is dated and has very significant errors:
- “Vacant or Potential Vacant” includes Rosedale Wastewater Treatment Plant and Ponds, Massey University and Westfield Albany
- Wellsford, Warkworth, Kingseat, Waiuku and Ramamara are included as viable despite being up to 100km from the Airport. But Whenuapai and Silverdale to be cancelled.
- NZ Steel at Glenbrook is 78% of the assessed “vacant” heavy industrial land, leaving only 93ha in East Tamaki Penrose and Wiri







https://knowledgeauckland.org.nz/publications/auckland-council-capacity-for-growth-study-20222023-data-business-capacity/

Business land process

- Legal requirements not met
- Business land assessment to be finalised in August 2023 (after FDS)
- No assessment of demand or land absorption rates
- Redevelopment is assumed feasible when in fact it is NOT
- Experts in the sector were not consulted in a market clearly starved of supply





Light Industry expertise missing from FDS



- Only 3 of 150 pages devoted to 5.4.4 Business and employment land capacity. (Overall Evidence Report pp75-78)
- Industrial "plan enabled capacity" assumes 90% building coverage x 5 levels (FAR = 4.5)
- Real demand is for 10m – 20m stud height, at less than 50% site coverage. THIS MEANS MUCH MORE LAND IS REQUIRED
- Assessment ignores unit titled developments, and properties subject to long term leases that cannot easily be redeveloped.
- North and West industrial building average age 30 years, not ready for demolition / redevelopment
- The Evidence Report acknowledges that: **existing industrial land is highly constrained for expansion**." (Page 72)

Table 7

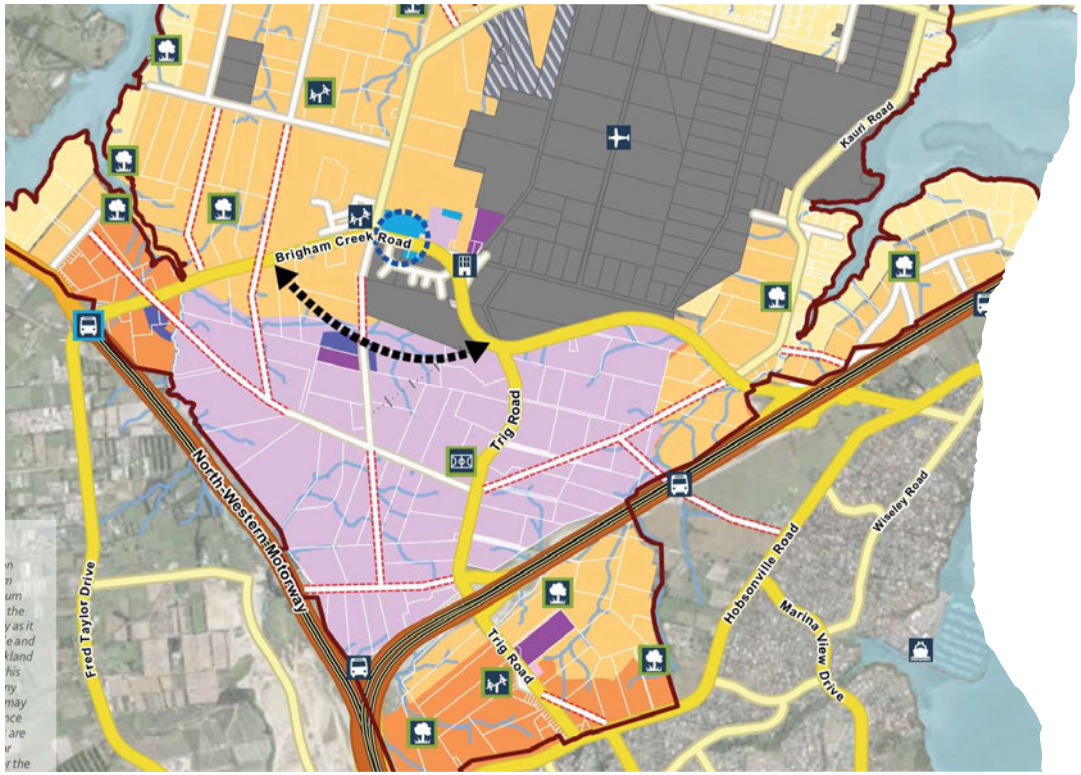
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- Plan Change 5, enabling the Whenuapai industrial withdrawn by Council in 2022
- Proposed FDS Triggers will **not** be achieved by 2035

Location	Identified from 2007 onwards	Planned area 2020
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Silverdale	226ha Deleted	350ha
Warkworth	-	57ha
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Drury South	338ha	285ha
Drury West & Drury-Ōpaheke	-	236ha
Pukekohe-Paerata	94ha	229ha
Glenbrook	112ha	0ha
Takaanini*	25ha	40ha
Ardmore Airport	17ha	0ha
Hingaia Stage 2	50ha	0ha
Waiuku	65ha	75ha
Auckland Airport/Kirkbride	203ha	203ha
Favona	35.5ha	27ha

Whenuapai case study

Based on our knowledge of the market and having completed multiple industrial land projects

Whenuapai


Kauri Road
Brigham Creek Road
Trig Road
North Western Motorway
Fred Taylor Drive
Trig Road
Hobsonville Road
Wiseley Road
Marina View Drive

#8631



Growth since 2018

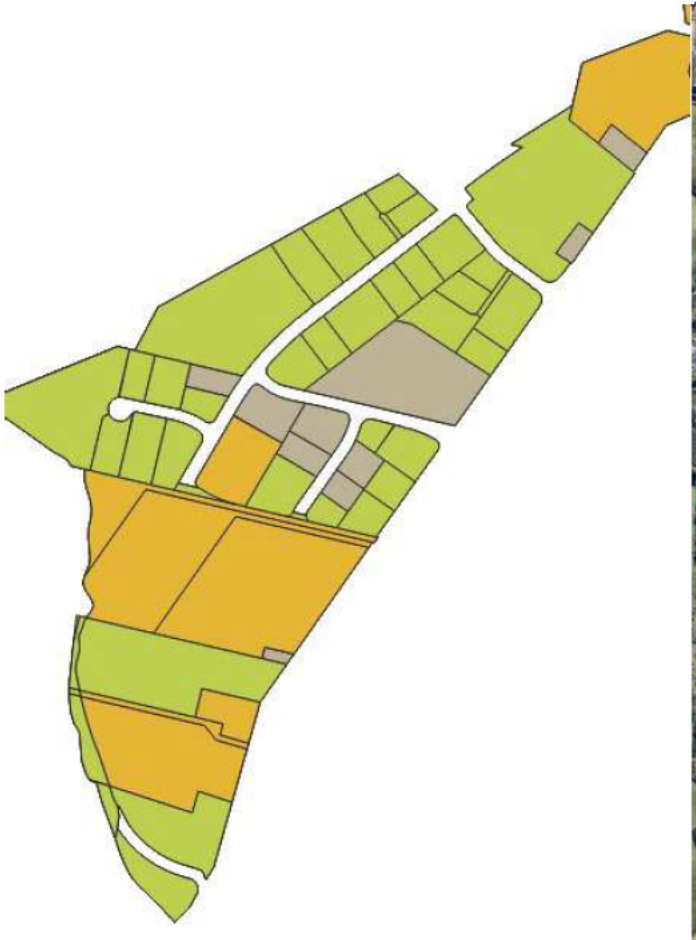
Hobsonville Case Study



Feb 2018 Hobsonville "vacant" June 2023

https://knowledgeauckland.org.nz/publications/auckland-council-capacity-for-growth-study-20222023-data-business-capacity/








Metalcraft

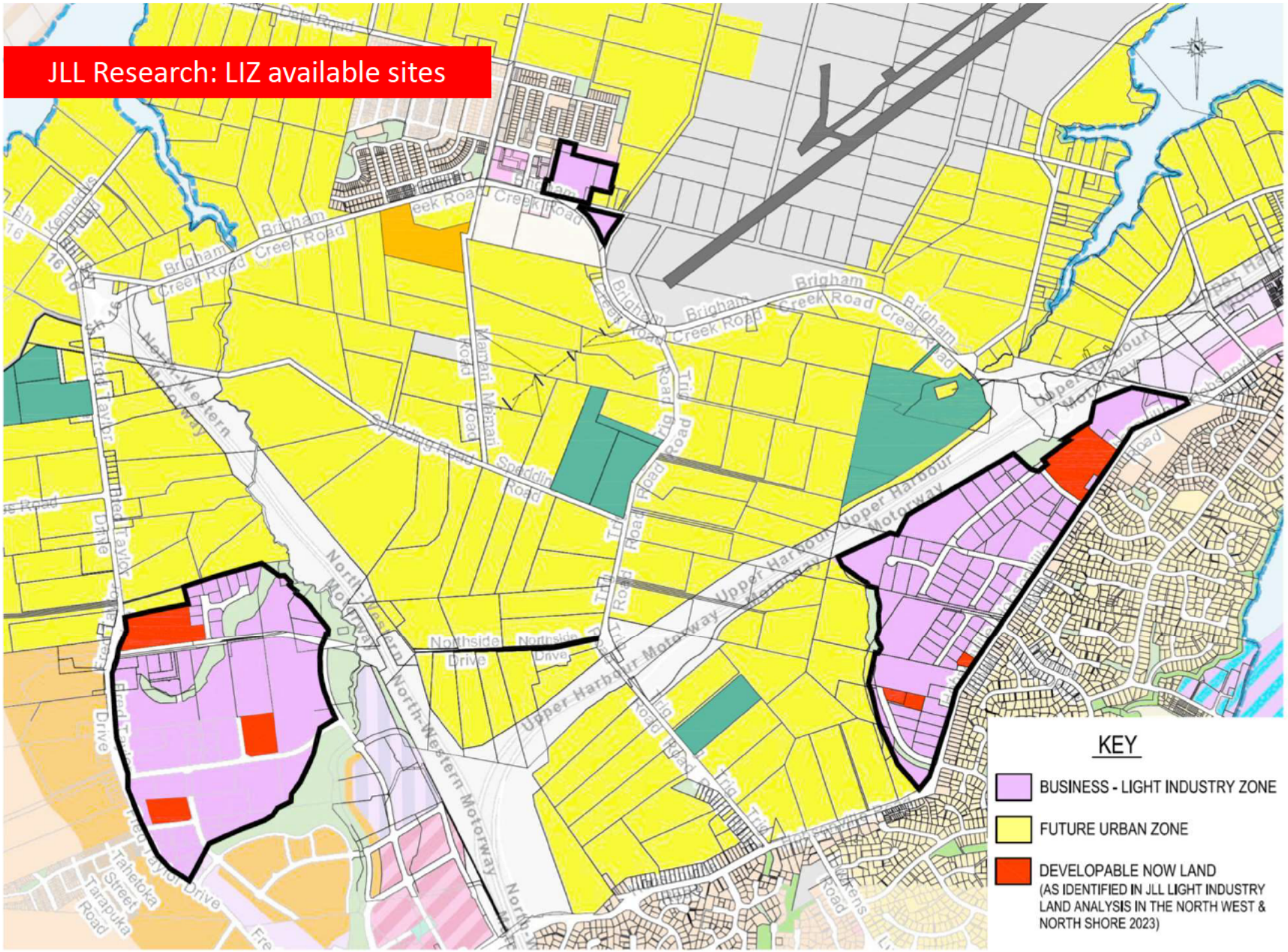
JLL Land Supply Report May 2023

- Demand = 10ha per year
- Available NOW:
- Hobsonville 13ha
- Westgate 6ha
- 2 years' supply
- We have demand for more than 10ha immediately including 6.5ha for a global scale data centre

North Shore and North West of Auckland

Summary of May 2023 survey of available Light Industry zoned development land

	All area nn hectares			
Westgate	Light industrial development started around 2016			
Total land Area	DC land uptake	Other non Industrial uses	Vacant land	Land Developable today
57.113	9.74	10.04	25.3	13.4
Hobsonville	(fist titles issued in 2016)			
Total land Area	DC land uptake	Other non Industrial uses	Vacant land	Land Developable today
47.14	4.6		12.9	6.15
Highgate	*first industrial development in 2017*			
Total land Area	DC land uptake	Other non Industrial uses	Vacant land	Land Developable today
29.8	4	4.39	19.6	12.2
North Shore				
			Vacant land	Land Developable today
			117.8	2.8
Henderson/Lincoln Road				
			Vacant land	Land Developable today
			15.7	0
Kumeu/Riverhead				
			Vacant land	Land Developable today
			38.1	2.44
Total Vacant Land Light Industry Land			**229.4**	
"Developable now" Light Industry Zoned Land				**36.99**


JLL Research: LIZ available sites
KEY
BUSINESS - LIGHT INDUSTRY ZONE
FUTURE URBAN ZONE
DEVELOPABLE NOW LAND
(AS IDENTIFIED IN JLL LIGHT INDUSTRY LAND ANALYSIS IN THE NORTH WEST & NORTH SHORE 2023)

North-west employment capacity

FULSS 2017	FDS 2023
Jobs – 12,644	Jobs – 1,000?
Light Industry Zoning – 300ha	Light Industry Zoning – NIL
Demand – 10 ha per year (JLL)	Demand – 10 ha per year (JLL)
Supply under FULSS = 30 years	Supply under FDS = 2 years max?
Supply NOW 20ha (JLL)	Future Supply – 5 years at best *

* Only achieved by PPC69 = 43ha in about 5 years' time. Controlled by one land owner

Comparing JLL with Council assessment North & West

Location	Available NOW (JLL)	Total Supply (JLL)	Supply (Council) *	Airport (km)	Port (Km
Henderson	0	16.4 ha	18.9 ha	29	18
Westgate	13.4 ha	25.3 ha	23.2 ha	32	21
Hobsonville	6.2 ha	12.9 ha	29.1 ha	34	23
Whenuapai	0	46 ha (PC 69 timing unknown)	3.7 ha	35	24
North Shore	2 ha	14.3 ha	35.3 ha	44	21
Silverdale (Highgate)	12.2 ha	19.6 ha	33.9 ha	64	38
TOTAL	**33.8 ha**	**134.5 ha**	**144.1 ha**		

* Appendix 6 – Overall Evidence Report. Includes land since developed. 144ha is far less than 30 years' supply even if the data were correct

Massive Council investment in Whenuapai

- Northern Interceptor $180m
- Council Parks Acquisitions $30m+
- Arterial Road Designations Notified
- Trig Road South Arterial Consent application under way



- Council has already Invested in Whenuapai
- The planners are aware
- AT and Watercare aware
- Perhaps the FDS authors are more focussed on residential, but where will people work?

Upper Harbour Local Board
25 May 2023

Upper Harbour Local Board
Auckland Council

That the Upper Harbour Local Board:

a) request that as a matter of urgency Auckland Council prioritise and fund the development of a detailed plan change for the parts of Whenuapai zoned currently Future Urban. This new plan change should build on the existing structure plan, investigations during plan change 5, and all the significant National Policy Statements and Acts that have come into effect since 2016. These include National Policy Statement on Urban Development, National Policy Statement on Biodiversity, National Freshwater Policy Statement, National Adaptation Plan, National Emission Reduction Plan, and the Parliamentary Commissioner for the Environment Report - 'Are we building harder, hotter cities. It should be a holistic document taking into account the above and including the following considerations:

c) consider it vital that the Development Contributions Policy in place for Drury is expanded to include Whenuapai as soon as possible given how quickly development is occurring. We need to ensure that developers pay for infrastructure that will be required over the longer-term planning horizon.

d) request the opportunity to speak to the Planning and Environment Committee on this matter.

CARRIED UNANIMOUSLY

Live Local

Work Local

Investor confidence damaged

- Structure Plan 2016
- FULSS 2017
- PC5 2018 -2022
- Covid and Infrastructure blamed but no costing or funding suggestions made by Council
- FDS effectively cancels business land supply till currently unfunded projects are **completed**

The Private Sector has heavily Invested in Whenuapai based on Council signals

- Neil
- Cabra
- Austino
- CDL Land
- Metlifecare
- Oyster Capital
- And many more

This capital is now stranded and well located land locked away for decades

Gold Plated Transport Triggers not required from Day 1



Spedding Road/ Northside Drive connection over SH16

SH16 to SH18 Connections

North-west Rapid Transit

Spedding Road Upgrade and Extension

Mamari Road Upgrade and Extension

Trig Road Water Reservoir, North Harbour No.2 Watermain Project

Brigham Creek Pump Station Whenuapai Redhill Package 1

Northern Redhills to Brigham Creek Wastewater Project



Conclusions

- Accept that there's vastly insufficient Business LIZ Land
- Act before further land shortages stifle the Auckland economy
- Consider zoning one or more strategic Light Industry areas north west of Auckland
- Create a 20-minute neighbourhood
- Adjust the infrastructure "triggers" to what's actually required for incremental development - sufficient but not excessive
- Develop IFFA/DC funding methods in consultation with land owners
- Consult with market participants

Thank you

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Data check

- There are only 9 sites larger than 1 ha in the West/Northwest totalling 27ha
- See table opposite:
- Source: CoreLogic Database, search for vacant >1ha IND_C zone (Light Industry) Waitakere City Area.

- Future supply: 43ha in PC69 predicted to be 3-5 years from delivery

CoreLogic Data: Waitakere Vacant LIZ > 1 ha

Address	Suburb	Area (m2)	Actual Supply	Future Supply	Comment
365 WEST COAST ROAD	Glen Eden	22,815			Shape, access & contour issues
255A LINCOLN ROAD	Henderson	42,310			Long narrow site
195 CENTRAL PARK DRIVE	Henderson	32,751	32,751		Potentially available
329 LINCOLN ROAD	Henderson	26,316	26,316		Potentially available
225 LINCOLN ROAD	Henderson	12,619			Retirement Village
16 RUPEKE PLACE	Henderson	15,299			Storage yard with significant constraints (stream)
9 NORTH CANDIA ROAD	Swanson	16,992			Under Development 2023
15-19 SPEDDING ROAD	Whenuapai	298,557		298,557	PC69 - Triggers apply
13 SPEDDING ROAD	Whenuapai	133,726		133,726	PC69 - Triggers apply
18 WESTPOINT DRIVE	Hobsonville	44,263	44,263		Potentially available
98 HOBSONVILLE ROAD	Hobsonville	37,666	37,666		Potentially available
37 WESTPOINT DRIVE	Hobsonville	36,287			Mainfreight Building
92D HOBSONVILLE ROAD	Hobsonville	35,133			CDC Data Centres
177 BRIGHAM CREEK ROAD	Hobsonville	30,203	30,203		Retail Potential
103 FRED TAYLOR DRIVE	Westgate	35,490	35,490		Potentially available
13-21 NORTHSIDE DRIVE	Westgate	31,351	31,351		Potentially available
7 KAKANO ROAD	Westgate	28,009			Microsoft Data Centre
59 ROTU DRIVE	Westgate	18,158			Microsoft Data Centre
73 FRED TAYLOR DRIVE	Westgate	26,411			Amazon Data Centre
75 FRED TAYLOR DRIVE	Westgate	13,342			Amazon Data Centre
61 FRED TAYLOR DRIVE	Westgate	17,708	17,708		Potentially available
9 KAKANO ROAD	Westgate	16,934	16,934		Potentially available
3 KAKANO ROAD	Westgate	11,492			DCI Data Centre
Totals		**983,832**	**272,682**	**432,283**	

Slide 1



The Neil Group is here today as an experienced developer having operated in the Auckland market for close to 70 years, developing thousands of residential sections, houses, apartments, industrial and business sites during our long history.

We historically developed land for Westgate Centre, built much of the North Harbour Industrial Estate and our largest ever project was the Albany Centre. We have experience in medium density housing, retirement villages, apartments, and mixed-use developments.

As a Company we have seen this city grow from a population of 400,000 to the 1.7 million it is today so we are well qualified to comment on the effect of urban population growth. At the same time LIZ land value has risen from $50 to $1,200 per m2 – faster than the price growth in residential land.

It is appropriate for the City to have a Future Development Strategy to plan for population growth but it is also important for our civic leaders to recognise that the majority of investment by developers like us is needed to facilitate that growth.

We believe the proposed planning changes generated by the FDS will have an impact equivalent to the Unitary Plan itself.

Property development is not a quick turnover business often taking multiple years to come to fruition, and we rely on the consistency and certainty of long-term planning to make investment decisions.

As a multi-million-dollar business we have relied heavily on the Unitary Plan and the Future Urban Land supply strategy to guide our investment since 2015 and we see much of that investment could be unnecessarily frozen due to the proposals in the FDS.

You will already have heard much about the residential capacity shortcomings of the FDS, with which we strongly concur, but so we do not see any benefit to you in repeating that in the limited time available today.

Slide 2



Instead, we wish to concentrate on a large and important area of our business and that is with the creation of industrial employment land: "Land extensive business". In this segment, floor space consented represents 56% of all new business space (1 July - 30 June 2021-2022) [1] . The Business Light Industry zone is vital to the proper functioning of Auckland's economy.

To devote just three pages and some outdated 2018 data to this important area shows how Council has been blindsided by brownfields housing intensification ideology. We present visual evidence today of the rate of growth in this sector and the errors in Council's analysis for the FDS.

We believe that the FDS has been prepared without meeting its legal requirement to properly assess the future demand for industrial land while at the same time using a naive basis for predicting supply capacity, as if that will then allow for the creation of the 282,600 future jobs [2] that may be needed to cater for the forecast population growth.

The Business Land Assessment will not be available till August – so how can the FDS respond to that ahead of time?

Auckland will need a mix of brownfield industrial land being redeveloped and new greenfield industrial sites to get anywhere near the forecast employment numbers that will be needed.

[1] https://www.aucklandcouncil.govt.nz/plans-projects-policies-reports-bylaws/our-plans-strategies/auckland-plan/about-the-auckland-plan/docsdevelopmentstrategyreports/auckland-plan-2050-development-strategy-monitoring-report-for-business-areas.pdf
[2] Section 4.2.4 Business areas

To simply consider “plan enabled” brownfield industrial than development feasible truly vacant land in sufficiently large parcels, and then apply a maximum theoretical build out rate across that land does not solve the problem.

Slide 3



The FDS and Overall Evidence Report both have only 3 pages on business capacity. This is very disappointing given that future growth will be limited by lack of industrial land that is both practical and feasible.

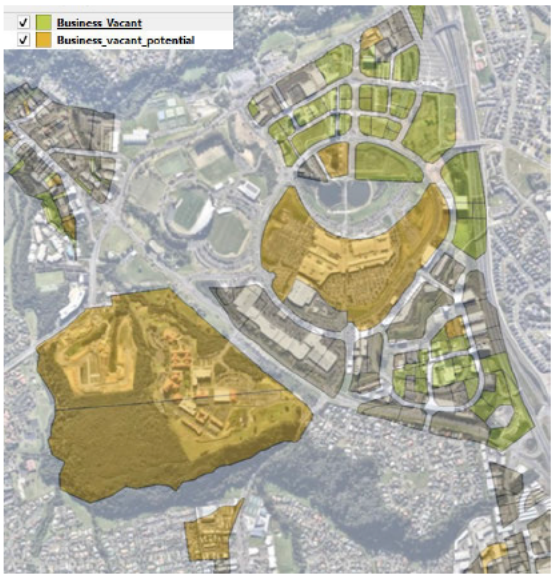
Council Officers advise that the business land capacity study will be released AFTER this process has ended. That cannot be the correct pathway to a successful outcome.

Some examples follow, of a few of the shortcomings in the FDS as it is currently drafted.

Slide 4

Issues with business land assessment

- Information is dated and has very significant errors:
- "Vacant or Potential Vacant" includes Rosedale Wastewater Treatment Plant and Ponds, Massey University and Westfield Albany
- Wellsford, Warkworth, Kingseat, Waiuku and Ramamara are included as viable despite being up to 100km from the Airport. But Whenuapai and Silverdale to be cancelled.
- NZ Steel at Glenbrook is 78% of the assessed "vacant" heavy industrial land, leaving only 93ha in East Tamaki Penrose and Wiri



The capacity alleged is based on incorrect assumptions as to vacant land and a grossly unrealistic assumption that brownfield business sites can be redeveloped at very high density.

Here are Massey University and Westfield Albany in the "vacant potential" category.

NZ Steel in Glenbrook is conveniently cited as 336ha of vacant heavy industrial land, making up 78% of Auckland's vacant land supply in that category.

NOTE: Fewer than 40% of existing **suburban** industrial properties are on fee simple titles, the balance being units held on Unit Title ownership (multiple owners). These sites would be almost impossible to unravel for redevelopment. Incidentally the same applies to residential property but to a slightly lesser extent. But that's another matter.

Location	Fee Simple	Total LIZ Properties	Percent Fee Simple
Waitakere	843	1979	43%
North Shore	704	2695	26%
Rodney	430	819	53%
Manukau	1429	3290	43%
Totals	**3406**	**8783**	**39%**
Auckland City	2383	2979	80%

Auckland City area is an exception, and has some redevelopment potential but suffers from a reduced median lot size of 1,700m2, with only 136 industrial land parcels over 1ha in size, mostly fully developed.

Most industrial sites have very long-term leases with rights of renewal, making short term redevelopment impossible.

Many industrial sites are very small and would require difficult amalgamation of multiple ownership to redevelop.

Like a lot of residential sites, some industrial sites developed since the 1980's have restrictive covenants which limit redevelopment, even if it were economically viable.

Industrial sites have relatively modern buildings on them that will last well in excess of 50 years. From a capital investment perspective these are not feasible to redeveloped within the medium term;

Brownfield redevelopment is typically much more expensive than greenfield on a $/m2 basis and may struggle to cater for flood events like those recently experienced. Of note is that not one of our greenfield development sites suffered from flooding issues in January this year.

Slide 5



https //knowledgeauckland.org.nz/publications/auckland-council-capacity-for-growth-study-20222023-data-business-capacity/

Here is an example of the type of assumptions in the Appendices showing schedules of vacant or potentially vacant business land – the Rosedale Wastewater treatment plant and ponds.

Slide 6



There is no demand analysis in the FDS and the use of plan enabled land to assess future floorspace is flawed.

Associated with a lack of demand analysis is the fact that as a city grows so too does duplication of services in geographical parts of the city. We are already seeing demand for industrial sites in the northwest simply to service those local populations.

For all the reasons that I have just listed, the level of industrial development that is suggested in the FDS simply cannot occur without the addition of more greenfield land.

Slide 7

Light Industry expertise missing from FDS



- Only 3 of 150 pages devoted to 5.4.4 Business and employment land capacity. (Overall Evidence Report pp75-78)
- Industrial "plan enabled capacity" assumes 90% building coverage x 5 levels (FAR = 4.5)
- Real demand is for 10m – 20m stud height, at less than 50% site coverage. THIS MEANS MUCH MORE LAND IS REQUIRED
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This is a highly important but seemingly neglected area of the FDS. Having developed Industrial subdivisions at Hobsonville, North Harbour, Mairangi Bay, Westgate and Hobsonville we wish to positively contribute to the discussion today. The Light Industry category is the foundation of Auckland's growing economy and is at risk of being choked, as an unintended consequence of these proposed policy changes.

The alleged future business capacity is based on a maximum build out at up to 5 levels in the light industry zone. Apart from self storage there are no instances of five level industrial development anywhere in Auckland in this zone as it is just not feasible to build multi-level manufacturing and warehousing. In Waitakere there are just 21 Light Industry sites with a Floor Area Ratio (FAR) greater than 1.0.[3]

Council's report acknowledges the constraints on Industrial land but staff appear not to have walked the streets or viewed up to date aerial imagery to see how serious this shortage really is.

You only need to speak with any experienced commercial / industrial real estate agent to know this is a desperate situation leading to bidding wars on land, even in the currently depressed property environment.

It also explains the critical shortage of industrial land right now and why industrial land prices in places like Hobsonville have risen from $400 psm to over $1,200 psm in the last 7-8 years.

[3] Source CoreLogic database search IND-C zone

Slide 8

Table 7

- Silverdale and Whenuapai are being effectively deleted by the FDS
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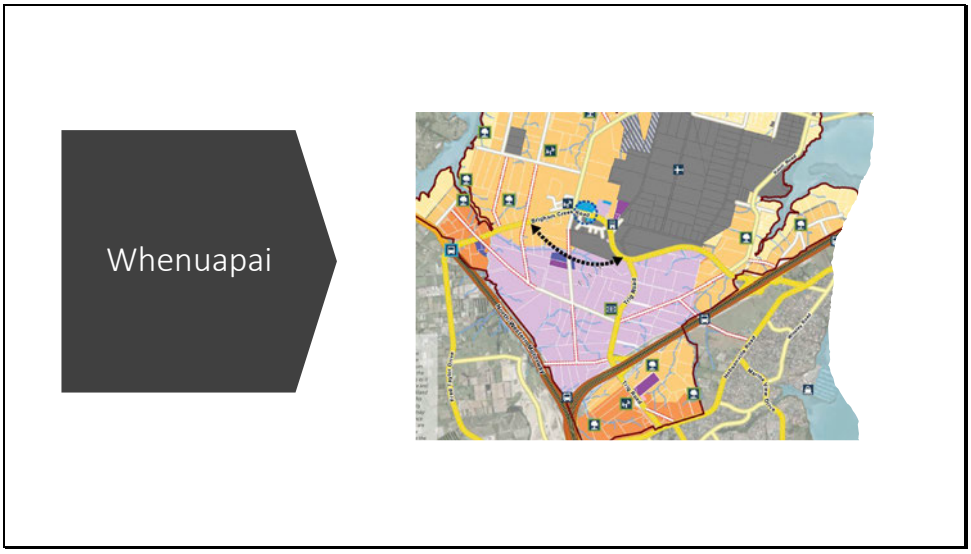
The FDS makes it seems that THIS land is available or will be soon.

That is misleading, given the backwards steps being proposed today. No assessment or allowance seems to have been made for land extensive large format warehouse and distribution centres which are very difficult to accommodate in brownfield areas and which as we saw during Covid are becoming increasingly necessary in large urban environments.

Slide 9


THE
NEIL
GROUP
Whenuapai case study
Based on our knowledge of the market and having completed multiple industrial land projects

Slide 10



Some of the areas which are expected to increase in residential density under the FDS do not have adequate employment and this will add to the amount of commuting by any increase in resident numbers. The 15 minute city with reduced CO2 emissions – not achievable

We have recently been promoting our Whenuapai Business Park through a fast-track consenting process, after Council withdrew Plan Change 5, in order to accommodate just these types of uses including what could be Auckland's largest data centre on a 6.5-hectare site.

Council planners have been resolute in their opposition to this project, and yet there are no alternative sites for these types of businesses in the North and West of Auckland. Likewise, we are fielding a huge level of enquiry for large industrial users as they cannot find alternative sites.

Unless Council releases more greenfield industrial land as matter of urgency we will continue to see investment and jobs exported to other urban areas like Hamilton. It will also result in people travelling further to work around the City.

Industrial development in Whenuapai will meet an essential criterion of creating jobs in local areas and will service those living in Hobsonville, Massey, Kumeu and the North Shore and reduce the amount of commuting for work.

The FDS correctly acknowledges that there is a demand right now for industrial land but hopes it can be satisfied by redevelopment in places South Auckland. These are the last places that people living in the north and west of Auckland would choose to work due to the difficulty in commuting which, from these residential areas, and for these types of trades and industries, have to be car, van or truck based.

Slide 11



Our land at Whenuapai has already been subject to an approved structure plan and is development enabled due to Council having already spent $180 million, of essentially debt funding, on the northern interceptor project taking wastewater to the (vacant and plan enabled!) North Shore Wastewater Treatment Plant. Not to mention $30m in reserves acquisitions right next door to the Light Industry structure planned area.

By effectively quarantining greenfield development in Whenuapai the FDS will defer any payback for Council for these projects for at least another 12 years or more, which will be at least **18 years** after the 2016 Whenuapai Structure Plan was adopted.

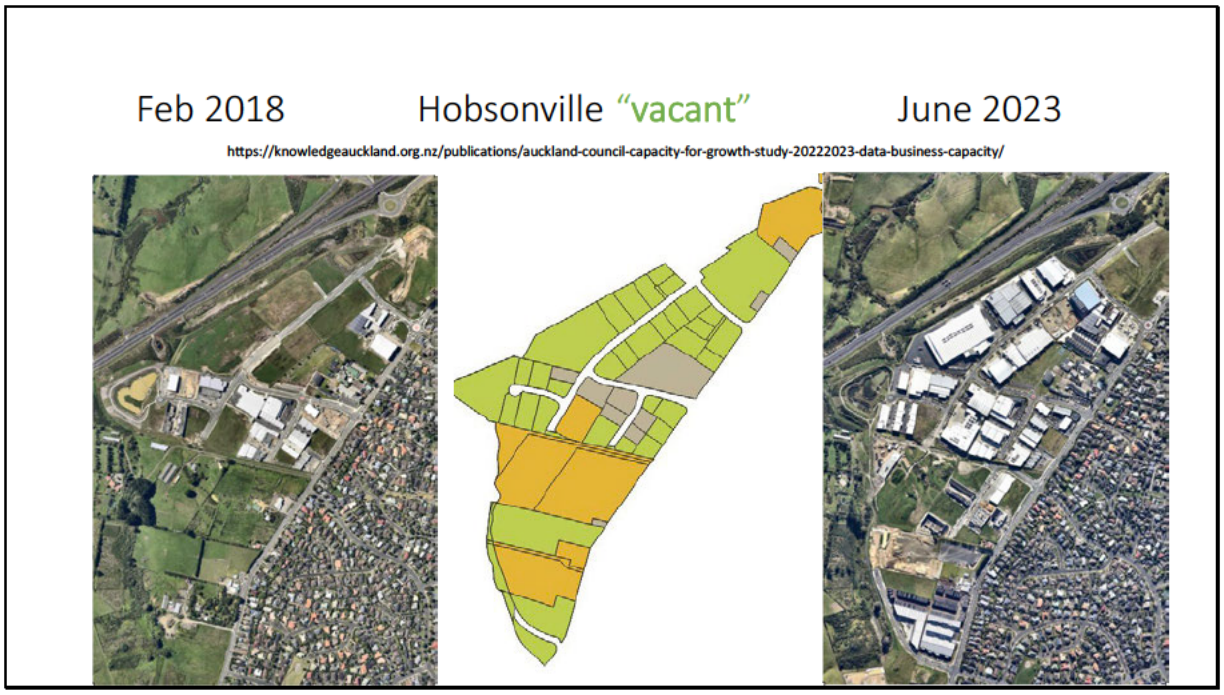
This highlights another shortcoming in the FDS, which is that **all** greenfield development has effectively been quarantined until **all** infrastructure has been built, whereas a great deal of greenfield development can take place on an incremental basis.

Slide 12



I'd like to briefly demonstrate the pace of land take-up in next door Hobsonville. We sold 10ha of light industry land in this area in 2016 and that has virtually all been developed now.

Slide 13



The middle image here is from Council's land supply analysis – green being vacant.

The other images are from Nearmap.

Slide 14



This slide shows the proximity of Hobsonville to Whenupai, and motorway access.

Our site is in the background, having been prepared for development (earthworks consented by Auckland Council).

Slide 15

JLL Land Supply Report May 2023

- Demand = 10ha per year
- Available NOW:
- Hobsonville 13ha
- Westgate 6ha
- 2 years' supply
- We have demand for more than 10ha immediately including 6.5ha for a global scale data centre

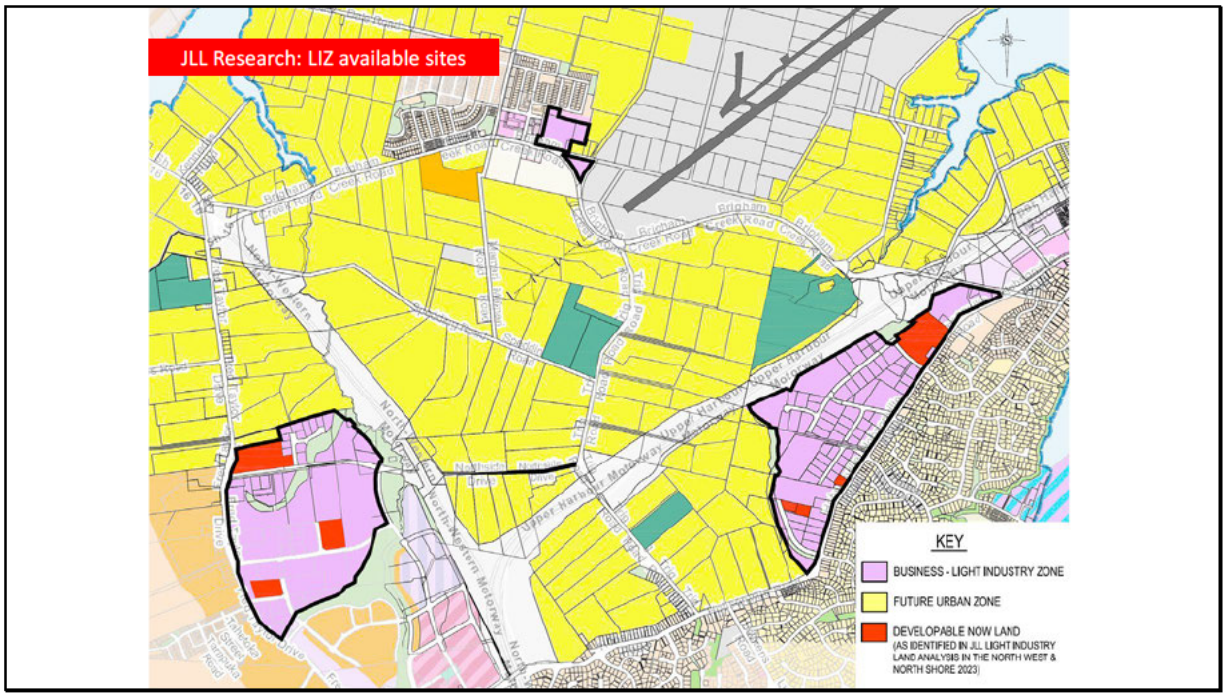
North Shore and North West of Auckland

Summary of May 2023 survey of available Light industry zoned development land

	All area nn hectares			
Westgate	Light industrial development started around 2016			
Total land Area	DC land uptake	Other non Industrial uses	Vacant land	Land Developable today
57.113	9.74	10.04	25.3	13.4
Hobsonville	(fist titles issued in 2016)			
Total land Area	DC land uptake	Other non Industrial uses	Vacant land	Land Developable today
47.14	4.6		12.9	6.15
Highgate	*first industrial development in 2017*			
Total land Area	DC land uptake	Other non Industrial uses	Vacant land	Land Developable today
29.8	4	4.39	19.6	12.2
North Shore				
			Vacant land	Land Developable today
			117.8	2.8
Henderson/Lincoln Road				
			Vacant land	Land Developable today
			15.7	0
Kumeu/Riverhead				
			Vacant land	Land Developable today
			38.1	2.44
Total Vacant Land Light Industry Land			229.4	
"Developable now" Light Industry Zoned Land				36.99

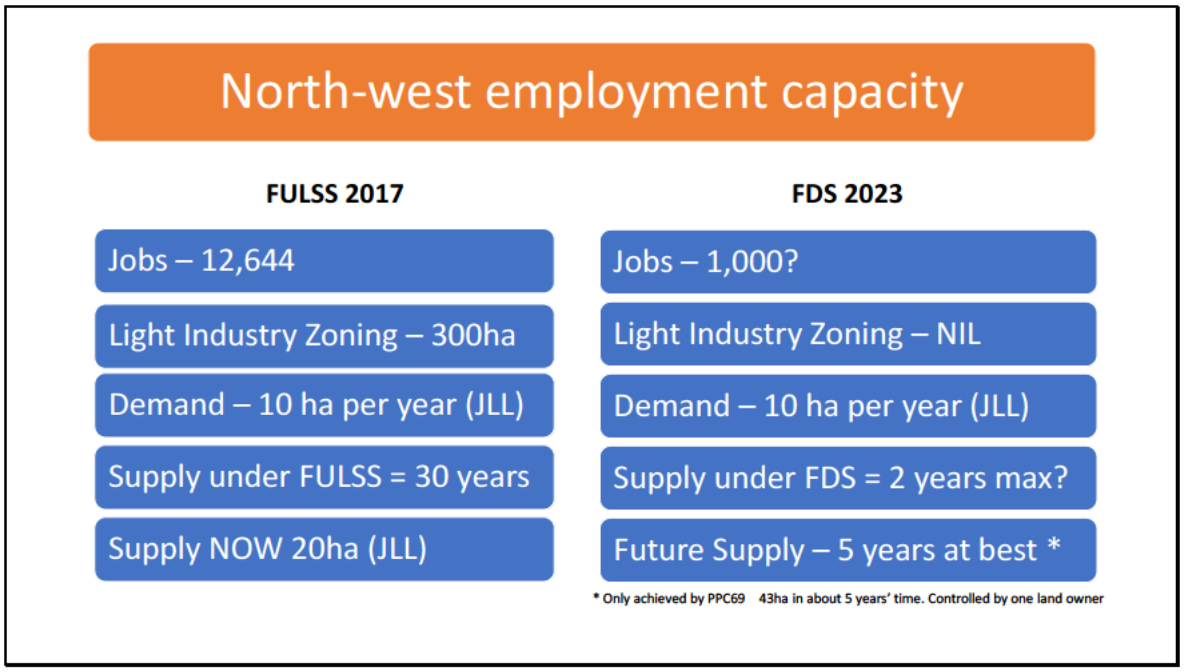
In May 2023 we commissioned an independent report which we would be happy to supply to Council. It shows the scarcity of land for development in this summary table.

Slide 16



Here is another way of viewing the same data – red being the only vacant Light Industry sites now theoretically available (These are not for sale).

Slide 17



Auckland is simply not zoning enough greenfield industrial land for its future growth right now and the FDS ignores that fact with a comment that the demand study work will be done in due course.

It is vital that both the demand study and the development feasible land study is completed ahead of the FDS otherwise the employment assumptions made are simply not worth the paper they are written on.

If the FDS is adopted in its present form millions of dollars of investment already made will be frozen and the rollover of that investment will in turn be prevented, holding up the delivery of much needed housing and industrial employment opportunities.

Slide 18

Comparing JLL with Council assessment North & West

Location	Available NOW (JLL)	Total Supply (JLL)	Supply (Council) *	Airport (km)	Port (Km
Henderson	0	16.4 ha	18.9 ha	29	18
Westgate	13.4 ha	25.3 ha	23.2 ha	32	21
Hobsonville	6.2 ha	12.9 ha	29.1 ha	34	23
Whenuapai	0	46 ha (PC 69 timing unknown)	3.7 ha	35	24
North Shore	2 ha	14.3 ha	35.3 ha	44	21
Silverdale (Highgate)	12.2 ha	19.6 ha	33.9 ha	64	38
TOTAL	**33.8 ha**	**134.5 ha**	**144.1 ha**		

* Appendix 6 – Overall Evidence Report. Includes land since developed. 144ha is far less than 30 years' supply even if the data were correct

In the entire North and Northwest there is only 34ha available now.

Silverdale and Whenuapai are structure planned to solve this shortage at a time when there was a much less significant supply gap.

Now with these deferred till 2035+ we have a crisis on our hands.

And we all know that 2035"+" means that unless something is done now, we will be having this conversation gain in 12 years time.

Slide 19

Massive Council investment in Whenuapai

- Northern Interceptor $180m
- Council Parks Acquisitions $30m+
- Arterial Road Designations Notified
- Trig Road South Arterial Consent application under way

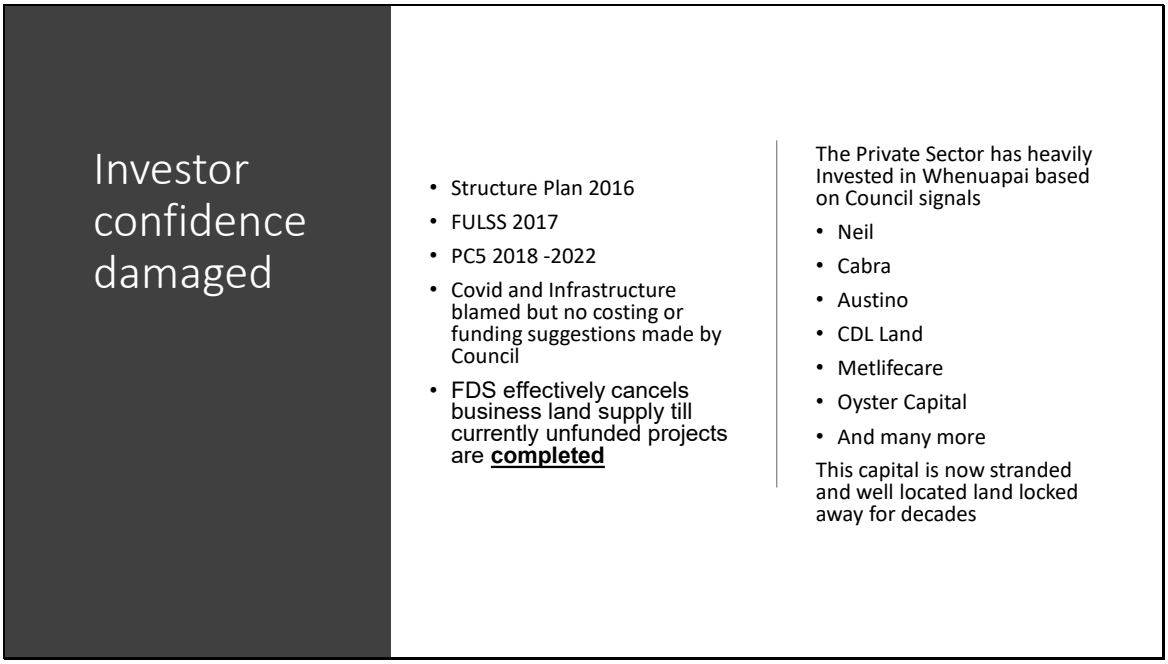


- Council has already Invested in Whenuapai
- The planners are aware
- AT and Watercare aware
- Perhaps the FDS authors are more focussed on residential, but where will people work?

The sensible approach would be for Council to zone the land earmarked for future industrial and some residential development now and collect development contributions on an incremental basis as development occurs, to help pay for the final infrastructure solutions. If nothing gets built till all the infrastructure is there, how do you pay for it?

We are more than happy to pay a fair share of development contributions and Council has a number of additional tools available for it to do so without incurring additional debt.

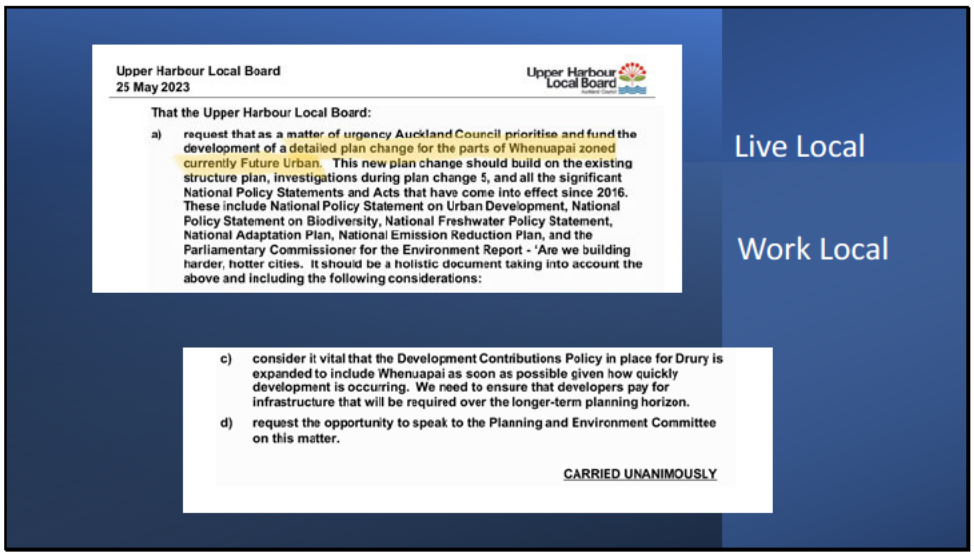
Slide 20



For those today unaware of the sequence of event since 2016

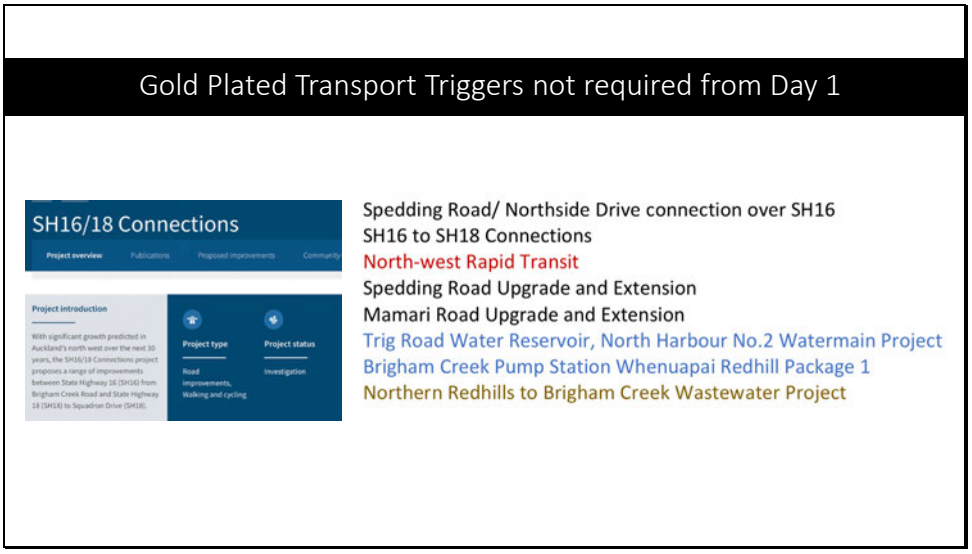
The blunt tool of these unfunded infrastructure triggers will mean no new supply for 18 years since after the Whenuapai Structure Plan was approved in 2016

Slide 21



The Upper Harbour Board supports proactive planning in Whenuapai – it's logical and closer to Airport and Port than some of the brownfield suburbs that are proposed for intensification.

Slide 22



From our perspective we think there are several options available to Council to progress the FDS process.

Firstly, greenfield land which is subject to an approved Structure Plan should be zoned immediately along with an appropriate development contribution policy to release urgently needed industrial land. Silverdale and Whenuapai are the logical places.

Amendment of the FDS could allow development in areas where a Structure Plan has already been approved.

Secondly the FDS should be postponed until such time as a demand study and development feasible land capacity study has been completed. These issues cannot be resolved through this consultation process alone.

Thirdly as one of the larger Auckland developers who will be tasked with delivering the FDS, Council should be seeking appropriate feedback from our Company and the others that have appeared before you today, because as we are the experts in the field and the developers that will be taking the development risk to allow the FDS to happen.

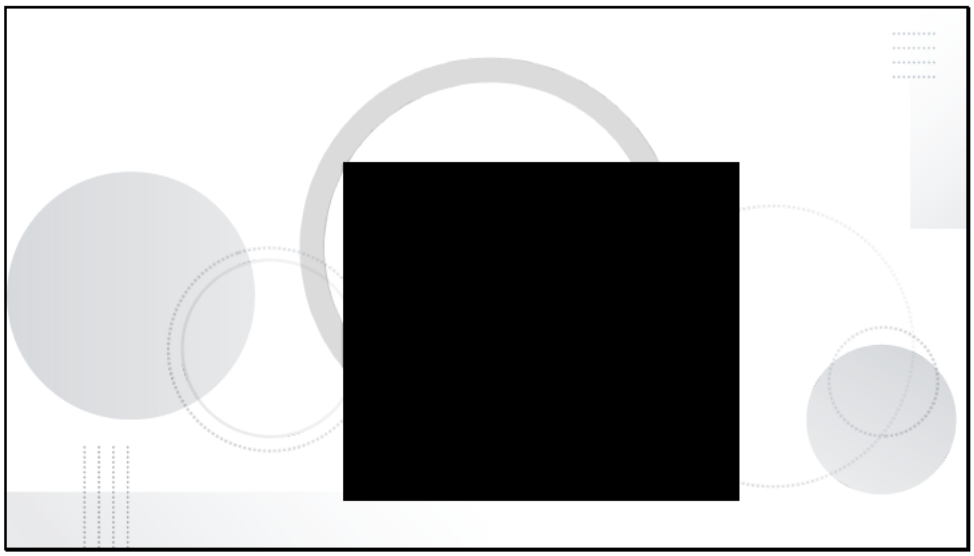
Slide 23



Conclusions

- Accept that there's vastly insufficient Business LIZ Land
- Act before further land shortages stifle the Auckland economy
- Consider zoning one or more strategic Light Industry areas north west of Auckland
- Create a 20-minute neighbourhood
- Adjust the infrastructure "triggers" to what's actually required for incremental development - sufficient but not excessive
- Develop IFFA/DC funding methods in consultation with land owners
- Consult with market participants

Slide 24



Slide 25

Supplementary Data – not required but for information.

Data check

- There are only 9 sites larger than 1 ha in the West/Northwest totalling 27ha
- See table opposite:
- Source: CoreLogic Database, search for vacant >1ha IND_C zone (Light Industry) Waitakere City Area.

- Future supply: 43ha in PC69 predicted to be 3-5 years from delivery

CoreLogic Data: Waitakere Vacant LIZ > 1 ha

Address	Suburb	Area (m2)	Actual Supply	Future Supply	Comment
365 WEST COAST ROAD	Glen Eden	22,815			Shape, access & contour issues
255A LINCOLN ROAD	Henderson	42,310			Long narrow site
195 CENTRAL PARK DRIVE	Henderson	32,751	32,751		Potentially available
329 LINCOLN ROAD	Henderson	26,316	26,316		Potentially available
225 LINCOLN ROAD	Henderson	12,619			Retirement Village
16 RUPEKE PLACE	Henderson	15,299			Storage yard with significant constraints (stream)
9 NORTH CANDIA ROAD	Swanson	16,992			Under Development 2023
15-19 SPEDDING ROAD	Whenuapai	298,557		298,557	PC69 - Triggers apply
13 SPEDDING ROAD	Whenuapai	133,726		133,726	PC69 - Triggers apply
18 WESTPOINT DRIVE	Hobsonville	44,263	44,263		Potentially available
98 HOBSONVILLE ROAD	Hobsonville	37,666	37,666		Potentially available
37 WESTPOINT DRIVE	Hobsonville	36,287			Mainfreight Building
92D HOBSONVILLE ROAD	Hobsonville	35,133			CDC Data Centres
177 BRIGHAM CREEK ROAD	Hobsonville	30,203	30,203		Retail Potential
103 FRED TAYLOR DRIVE	Westgate	35,490	35,490		Potentially available
13-21 NORTHSIDE DRIVE	Westgate	31,351	31,351		Potentially available
7 KAKANO ROAD	Westgate	28,009			Microsoft Data Centre
59 ROTU DRIVE	Westgate	18,156			Microsoft Data Centre
73 FRED TAYLOR DRIVE	Westgate	26,411			Amazon Data Centre
75 FRED TAYLOR DRIVE	Westgate	13,342			Amazon Data Centre
61 FRED TAYLOR DRIVE	Westgate	17,706	17,706		Potentially available
9 KAKANO ROAD	Westgate	16,934	16,934		Potentially available
3 KAKANO ROAD	Westgate	11,492			DCI Data Centre
Totals		**983,832**	**272,682**	**432,283**	

Contact

[redacted]

FEEDBACK ON AUCKLAND COUNCIL'S DRAFT FUTURE DEVELOPMENT STRATEGY

The Neil Group Limited

The Neil Group Limited ('**NGL**') provides this detailed feedback on Auckland Council's draft Future Development Strategy ('**FDS**').

Introduction

NGL is one of New Zealand's leading and most experienced land developers. NGL has operated in the Auckland market for close to 70 years, during which time the city has grown from a population of 400,000 to the 1.7 million people that it accommodates today.

NGL has developed thousands of residential sections, houses, apartments, and industrial and commercial buildings during its long history. Notable projects include land and building developments at Westgate Centre, the construction of much of the North Harbour Industrial Estate, Mairangi Bay Industrial Estate, and the development of the Albany Centre.

While most of NGL's projects are undertaken in greenfield locations, it does undertake all types of residential and commercial development including apartment buildings on brownfield land. Its development activities have traditionally been greenfield developments, largely on land that is 'live-zoned' and within emerging urban areas. NGL does not oppose intensification of existing urban land, as proposed in the FDS, but considers that there is a need for both urban intensification and planned expansion on greenfield land if Auckland is to achieve the requirements of the National Policy Statement on Urban Development 2020 ('**NPSUD**'), the objectives of the Regional Policy Statement, and the outcomes sought in the Auckland Plan 2050.

Executive Summary

In summary, this feedback makes the following key points:

- While intensification of the existing urban area is not opposed, there is a need for growth in greenfield areas to also be enabled.

- There is a fundamental need for long-term strategic growth planning to provide certainty and consistency for the development community, who rely on such documents for investment decisions.
- The extent of change proposed to current growth planning does not achieve the required level of certainty to promote investment, and undermines developer and investor confidence.
- The FDS consultation and engagement process is inadequate and does not meet legal requirements or community expectations.
- Assumptions used in the FDS to determine development capacity are flawed, and cannot be relied upon to accurately quantify the land required to accommodate future growth.
- The FDS dramatically overestimates the available industrial land supply due to significantly flawed assumptions and an inaccurate evidence base.
- Infrastructure required for greenfield areas can be established incrementally as development occurs, and is able to be funded through development contributions and direct funding from developers.
- Auckland has a critical shortage of vacant Light Industry Zone land, particularly in locations that are suitable for land extensive industrial activities.
- Urgent action is needed to increase the supply of such land as undersupply is already creating significant impacts on Auckland's economy.
- FUZ land at Whenuapai is available now and the FDS should signal that this land is to be rezoned immediately in order to partially address the shortfall.

Higher Order Issues

The need for certainty and consistency

The purpose of a future development strategy is 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. [1]

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 review of the FDS is required[2] in order to align with three-yearly Long-term Plan cycles, significant change at these times is not appropriate as it will undermine public confidence in a consistent approach to strategic planning.

It needs to be recognised that most of the development of Auckland is undertaken by private developers. Property development is not a quick turnover business. Projects often take multiple years to come to fruition, and developers rely on the consistency and certainty of long-term planning to make investment decisions. NGL has relied heavily on the Auckland Unitary Plan ('**AUP**') and the Future Urban Land Supply Strategy ('**FULSS**') to guide its investment decisions since 2015, and it now

[1] NPSUD, clause 3.13
[2] Ibid, clause 3.16

sees the prospect of much of that investment being unnecessarily frozen or eroded due to the proposals in the FDS.

The significant changes that the FDS now proposes to growth planning in Auckland will undermine developer confidence in the region as a place to invest. As development primarily occurs as a result of private sector investment, a reduced level of developer confidence in Auckland will inevitably have consequential impacts on the regional economy and on housing affordability.

The FDS also fails to acknowledge that the AUP is subject to a raft of modifications under Plan Change 78 ('**PC78**'), which itself has been deferred as a result of stormwater flooding events that Auckland suffered at the beginning of this year. That the FDS should be both drafted and recommended for consultation whilst Plan Change 78 is still the subject of due process is simply wrong.

The preparation of the FDS has also been inhibited by poor consultation with the development community with such consultation only commencing in a meaningful way once the draft FDS was published. Again, it is the private developers that make the FDS a reality and those parties should have been extensively consulted in the preparation of the FDS.

Fairness

There is an element of 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 Future Urban Zone ('**FUZ**') will have paid for it based on a value that is heavily influenced by the clearly signalled development potential under the Future Urban Land Supply Strategy ('**FULSS**'). The only discount applied, relative to 'live-zoned' urban land, is that relating to timing. Furthermore, those investors have also paid local authority rates based on the enhanced FUZ values. An investment of this nature, where the future development potential is now being removed or substantially delayed, could result in dire financial consequences for the owner. Guiding strategy documents relating to urban growth should not be altered in any significant way, particularly through removal of development potential or delaying the timing of land release. If it is agreed that a change in course is desirable, that should be a long-term realignment that is applied to new development areas that might be considered beyond the current 30-year timeframe under the FULSS and the Auckland Plan.

As a multi-million-dollar business NGL has relied heavily on the AUP and the FULSS to guide its investment since 2015 and we rely on consistency and certainty of long-term planning to make investment decisions. If our investment is frozen by restrictions on FUZ zoned land which may last for over a decade then those funds cannot be recycled to create further housing and employment opportunities over that period.

Auckland Council has not initiated a greenfield plan change since 2016 and by failing to do so has added to supply constraints for both residential and industrial land, which has had the effect of contributing towards the increase in house and industrial land prices. The FDS now seeks to legitimise

the planning inaction by Council in not promoting future land supply and will inevitably lead to further increases in land prices as the supply continues to be squeezed.

Auckland already covers a geographically diverse brownfield area but increasing density in some of the brownfield residential areas will in some instances result in greater vehicle commuting rather than less. That is because Auckland is not and cannot be laid out in concentric circles. It makes far more sense for greenfield areas closer to employment to be developed for housing and conversely greenfield employment areas to be developed near to existing residential areas.

Inadequate and unlawful process

Given the importance of the FDS, it is surprising that consultation has been minimal and inadequate. The NPSUD requires consultation and engagement with stakeholders, including the development sector. This engagement is intended to identify significant opportunities for urban development, as well as infrastructure requirements. NGL understands that the consultation with the development sector was limited to a survey to some property developers that had recently obtained building consent, and engagement with Property Council New Zealand.

When preparing or updating an FDS in accordance with clause 3.15 of the NPSUD, local authorities must use the special consultative procedure in section 83 of the Local Government Act 2002 ('**LGA**'). Section 83(1)(d) of the LGA states that the Council must "*provide an opportunity for persons to present their views to the local authority in a manner that enables spoken (or New Zealand sign language) interaction between the person and the local authority*...".

Contrary to the requirements of the LGA, 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 for those persons that wished to present their views in person. The 'Have your Say' event that took place on 21 July 2023 was not available to all persons that wanted to attend and was convened before the feedback period closed (thereby excluding those that provided written feedback after 21 July).

While NGL attended the 'Have Your Say' event, there were many relevant voices that were not heard because they did not have this same opportunity. Further consultation is required, and NGL considers that it should occur in a manner that is both meaningful and lawful.

Mapping deficiencies

FUZ areas recommended for "*further investigation*" or "*TBC*" on the FDS maps[3] are vague and uncertain. There can be no reliance on the FUZ being retained in these areas 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. The status and future development potential of every parcel of land in the region should be able to be clearly ascertained from the FDS, and that is not the case.

[3] FDS, Figure 13 – Future urban areas

The maps contained within the FDS are too coarse to be useful and cannot be relied upon as a means of identifying the future status of individual parcels of land. The boundaries between different development areas on the maps do not follow property boundaries or roads in many cases, so it is not possible to determine whether or when a site at the interface will be available for urbanisation (refer **Figure 1**). The draft FDS contains insufficient information to fulfil its purpose in this respect.

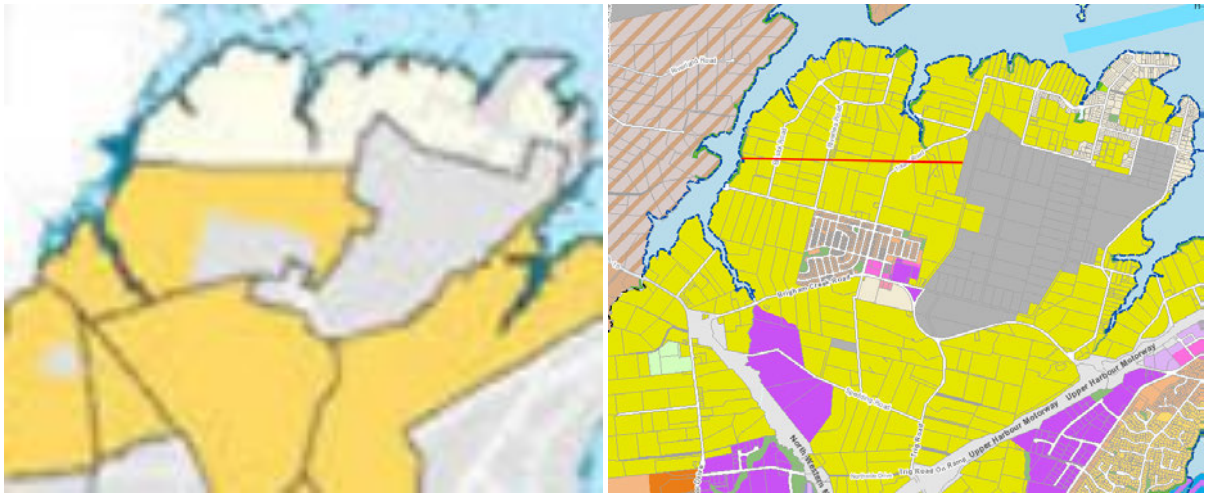


Figure 1: *boundary between 2035+ and 2050+ areas in Whenuapai (shown as red line in AUP maps on right)*

Infrastructure investment

NGL's development experience and that of its main contractors provides direct evidence which shows that development infrastructure costs per m2 is approximately 50% of the cost of equivalent development in brownfield locations, and that the idea that greenfield development is far more expensive is an urban myth.

The FDS appears to propose that no greenfield development should take place on FUZ land until such time as all the listed infrastructure for a total build out of such areas is complete. This is a "Catch 22" position because unless greenfield development occurs there will be no funding through development contributions to build the infrastructure anyway. The Draft FDS should be allowing incremental greenfield development which can be undertaken with incremental additions to infrastructure rather than simply pushing possible FUZ development dates out into the future when the same situation will occur.

Where infrastructure investment has occurred, those areas should be prioritised so that a return can be obtained from the funding that has been invested. In the case of Whenuapai, the Council and its CCOs have invested a combined $181m for the Northern Interceptor bulk wastewater line and North Harbour 2 watermain, both of which are required to service the Whenuapai area. In addition, the Council has purchased land for parks and open space in Whenuapai at a cost of $34m (161 Brigham Creek Road, 4 Spedding Road, and 92 and 94A Trig Road).

If there is no further urban development in Whenuapai before 2035 at the earliest, and 2050 for some of the Whenuapai land, that investment of $215m of Council infrastructure funding will have been wasted. That outcome would be inconsistent with the efficient use of public money and will result in substantial costs without accompanying benefits.

Undersupply of industrial land

The approach taken under the FDS does not address the critical undersupply of industrial land in the Auckland region and, consequently, will result in the Council's business land supply obligations under the NPSUD not being met. There is already a significant undersupply of industrial land in Auckland, even before any further constraints are imposed as proposed in the FDS. This shortage is fuelling dramatic rises in industrial land values, such as in Hobsonville where the price of industrial land has risen from $400/m^2 to over $1,200/m^2 in the last 7-8 years.

NGL has engaged JLL[4] to provide an up-to-date assessment of industrial land supply and availability in the north-west of Auckland. The JLL report is **attached**, and clearly shows the significant scarcity of industrial land in this part of the region.

Furthermore, in Westgate and Hobsonville, the JLL report shows that 104ha of Light Industry Zone land has become available since 2016 and only 32.6ha of vacant land remains; indicating a take-up rate of 10.2ha per year. Only 19.6ha of the available vacant land is ready for development, which is equivalent to just 2 years' worth of Light Industry Zone land demand. When considering this in the context of the FDS approach, the significant undersupply of industrial land will only be worsened.

The FDS proposes to provide for industrial land supply through intensification of existing brownfield industrial land within the urban area, with effectively no new greenfield industrial land development in the region until at least 2035. However, intensification of the existing urban area is an unrealistic option for industrial development, particularly for land-extensive industrial activities. Sufficient capacity must be enabled and that cannot be achieved without some greenfield development land being made available.

Floor space consented in the AUP Light Industry Zone (in the 12 months to 30 June 2022) represents 56% of all new business space.[5] The Light Industry Zone is vital to the proper functioning of Auckland's economy and it is essential that vacant land in the zone continues to be available at a rate that is consistent with demand. With the FDS providing for residential development through intensification, but effectively excluding commensurate provision of business land, there will increasingly be an imbalance that gives rise to a lack of jobs for people living in Auckland and a high risk that businesses will relocate outside of Auckland.

[4] JLL Logistics & Industrial Light Industry Land Analysis in the North West and Northshore
[5] https://www.aucklandcouncil.govt.nz/plans-projects-policies-reports-bylaws/our-plans-strategies/auckland-plan/about-the-auckland-plan/docsdevelopmentstrategyreports/auckland-plan-2050-development-strategy-monitoring-report-for-business-areas.pdf

Inadequate and flawed assessment of business land supply

The FDS devotes just three pages to this important matter and relies on some outdated 2018 data and flawed assumptions.

The Council has also not completed its Business Capacity Assessment, which we understand will not be available until sometime in August. This research is considered to form a crucial aspect of the evidence base needed to ensure the approach taken by the FDS is well-informed. In the absence of the Business Capacity Assessment, it is considered that the Council's FDS does not meet its legal requirement under the NPSUD to properly assess and provide for the future demand for industrial land.

The provision of suitable industrial land is a fundamental part of Auckland's future growth, as it is needed to contribute to the provision of the 282,600 future jobs[6] that are needed to cater for the forecast population growth. Without a sufficient supply of industrial land, there is a high risk that businesses will relocate outside of Auckland and insufficient jobs will be created to keep pace with Auckland's growing population. Auckland will require a combination of redeveloped brownfield industrial land and new greenfield industrial sites in order to achieve the forecast employment numbers that are needed.

The job numbers that are projected from brownfield redevelopment are wildly optimistic because they are based on untenable assumptions and shoddy information. Projected job numbers are derived from 'plan enabled' brownfield industrial land capacity rather than 'development feasible' land that is genuinely vacant and held in sufficiently large parcels.

Plan enabled development capacity

Build-out rates on the plan enabled brownfield industrial land are completely unrealistic, because of flawed assumptions and incorrect information.

The industrial plan enabled capacity assumes 90% building coverage and five-storey development, creating a Floor Area Ratio ('**FAR**') of 4.5. However, that is inconsistent with the nature and format of industrial development that is occurring in Auckland, and is likely to continue to occur in the future. The reality of industrial development is that buildings are typically 10-20m in height comprised in a single level, with less than 50% of the site covered. That creates a FAR of around 0.5, which is far removed from the projections that the Council has used. **Figure 2** shows a rare example of a five-level industrial building (self-storage) and even that is unable to generate a FAR of more than 3.8.

[6] Section 4.2.4 Business areas



Figure 2: *five storey self-storage industrial land development, with FAR of 3.8)*

Apart from self-storage, there are no instances of five-level industrial development anywhere in Auckland in the Light Industry Zone as it is simply not feasible to build multi-level manufacturing and warehousing. In Waitakere there are just 21 Light Industry Zone sites with a FAR greater than 1.0.[7]

The plan enabled development capacity also relies on existing buildings to be demolished within the next 30 years. Much of the existing industrial building stock, particularly in the north and west of the Auckland metropolitan area, is relatively young and is not ready for demolition and subsequent redevelopment. Moreover, the FDS ignores that unit titles and long-term leases (with or without rights of renewal) make redevelopment challenging. Less than 40% of suburban industrial properties are on fee simple titles, as shown in **Table 1**, with the balance being held in unit titles. The intertwined ownership structure of unit title properties is problematic for any significant redevelopment.

Location	Fee Simple	Total LIZ Properties	Percent Fee Simple
Waitakere	843	1979	43%
North Shore	704	2695	26%
Rodney	430	819	53%
Manukau	1429	3290	43%
Totals	**3406**	**8783**	**39%**
Auckland City	2383	2979	80%

Table 1: *percentage of Light Industry Zone properties held in fee simple titles*

[7] Source CoreLogic database search IND-C zone

The higher proportion of fee simple titles in the former Auckland City area is offset by a smaller median lot size of 1,700m^2. Only 136 industrial land parcels in this location are over 1ha in area and these are mostly fully developed.

There are also several large land holdings that are identified as '*Business Vacant*' or '*Business Vacant Potential*' that are neither vacant nor available. These include the Rosedale Wastewater Treatment Plant and ponds, the Westfield Albany shopping centre, and the Massey University campus. **Figure 3** and **Figure 4** illustrate these examples.



Figure 3: *Rosedale Wastewater Treatment Plant and ponds identified as vacant business land*



Figure 4: *Massey University Campus and Albany shopping centre identified as vacant business land*

The preliminary business capacity assessment has been based on old and outdated information, using 2018 aerial photography to determine vacant or potentially vacant business land. **Figure 5** illustrates how misleading and inaccurate that information source is in many instances, with the FDS assumed vacant industrial land at Hobsonville being compared to the current reality.

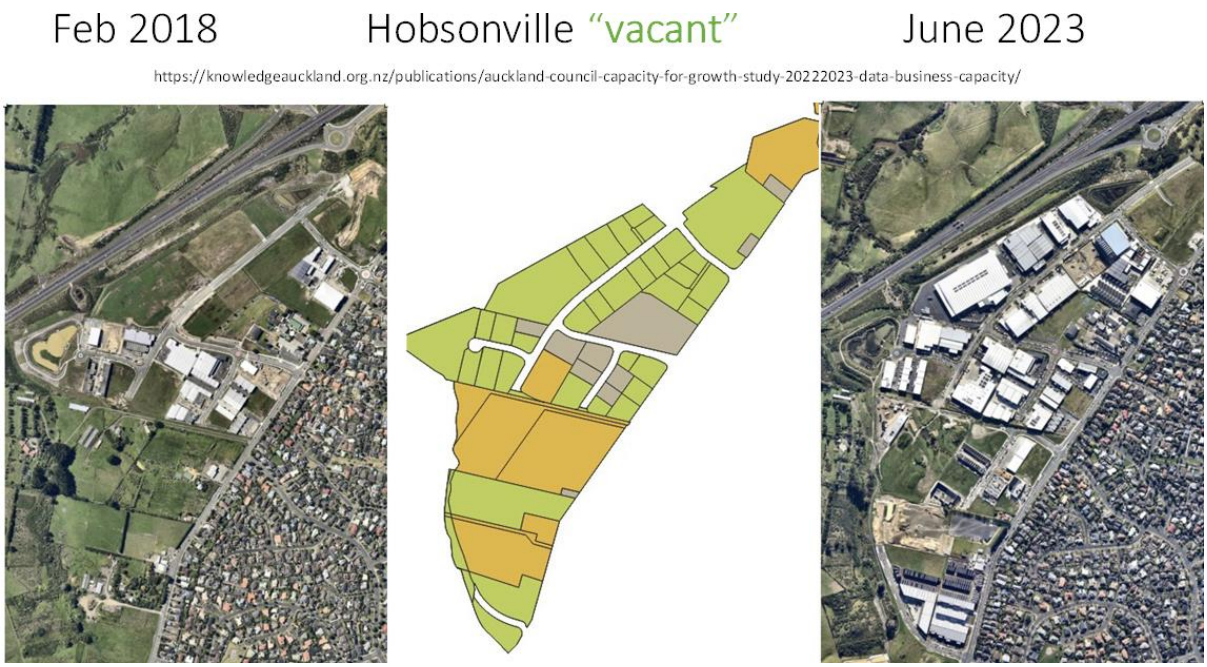


Figure 5: *Hobsonville assumed vacant industrial land for FDS compared with reality*

A further point to note in relation to the availability of industrial land, particularly in relation to land extensive activities, is that the evidence base in the FDS appears to indicate that greenfield land would still be available. This is misleading and may lead to conclusions that the current critical shortage of land extensive industrial land will be remedied through greenfield capacity. **Table 2** below, prepared to support the FDS,[8] indicates that substantial areas of land are available in Whenuapai and Silverdale at the same time as this provision is effectively deleted by the FDS.

[8] Table 7, Section 5.4.4 Business and employment land capacity, FDS Overall evidence report

Location	Identified from 2007 onwards	Planned area 2020
North		**403.4ha**
Silverdale	226ha Deleted	350ha
Warkworth	-	57ha
North-West		**302ha**
Whenuapai	382ha Deleted	302ha
Kumeū	54ha	0ha
South		**1,095ha**
Drury South	338ha	285ha
Drury West & Drury-Ōpaheke	-	236ha
Pukekohe-Paerata	94ha	229ha
Glenbrook	112ha	0ha
Takaanini*	25ha	40ha
Ardmore Airport	17ha	0ha
Hingaia Stage 2	50ha	0ha
Waiuku	65ha	75ha
Auckland Airport/Kirkbride	203ha	203ha
Favona	35.5ha	27ha

Table 2: *business land in greenfield areas, indicating that substantial land is available at Whenuapai and Silverdale*

Case Study - Whenuapai

Some additional industrial capacity will need to be provided on greenfield land, particularly for land extensive large format warehouses and distribution centres which are very difficult to accommodate in brownfield areas. These specific industrial land uses are becoming increasingly necessary in large urban environments. Unless Council releases more greenfield industrial land as a matter of urgency we will continue to see investment and jobs exported to other urban areas like Hamilton. It will also result in people travelling further to work around the city.

Whenuapai is the obvious and compelling location in which to accommodate additional capacity for land extensive industrial activities. It stands out above all other alternative options for several reasons, which are discussed below.

Physical and locational characteristics

The FUZ land at Whenuapai is generally flat, which makes it ideally suited for large-format buildings. It is located immediately adjacent to State Highway 18 and State Highway 16, both of which are identified as Level 1A of Auckland's Strategic Freight Network,[9] and situated within a relatively short distance to the CBD. Whenuapai also has easy access to other parts of the region including Auckland Airport and the port.

[9] Auckland Freight Plan, Auckland Transport, September 2020

Whenuapai is close to substantial new housing areas (such as Hobsonville), which will provide employment options within an easy commute to residents. That will have benefits that include reduced congestion in the transport network, reduction in Vehicle Kilometres Travelled ('**VKT**') and emission of greenhouse gases, and reinforced social connections for families through reduced commuting times.

Existing planning

There is a Council-initiated Structure Plan in place for Whenuapai, which has confirmed the suitability of the land for urban development and assigned appropriate land uses. That Structure Plan is still current and there is no suggestion that it needs to be amended. Much of Whenuapai has also been identified as being '*development ready*' within the period 2018-2022 under the FULSS, so Council's current planning confirms that it should have already been released to the market.

The Council had prepared and progressed Plan Change 5 through to a hearing, before it was withdrawn in 2022. This plan change would have rezoned much of the southern and eastern area of Whenuapai from FUZ to Light Industry Zone and residential zones, and imposed a Precinct Plan to ensure that environmental outcomes were achieved and infrastructure upgrading was completed at the same time as land was developed.

The FDS timing proposed for Whenuapai would see no development until 2035 at the earliest, 18 years after the Structure Plan was adopted by Council. Long-term identification of future urban areas with deferred development 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.

Existing development and infrastructure

Whenuapai is not an unmodified rural setting. Its long and consistent history of planned urbanisation has led to numerous steps toward an urban environment being implemented. In many respects, the horse has bolted in Whenuapai.

A large area of housing has been established in the area north of the Whenuapai village as a Special Housing Area ('**SHA**') under the provisions of the Housing Accords and Special Housing Areas Act 2013. A smaller SHA has been developed in the eastern part of Whenuapai, at Ockleston Landing.

Council has also granted a private plan change application for land in the western part of Whenuapai (Plan Change 69) and has recommended approval of another private plan change application (Plan Change 86) that is located immediately south-west of the existing Whenuapai Village.

Bulk earthworks consents have been routinely granted by Council on FUZ land in Whenuapai, for the acknowledged purpose of facilitating future urban development. **Figure 6** shows one such example, on the NGL land located between Brigham Creek Road and Trig Road.



Figure 6: *consented bulk earthworks occurring in Whenuapai to facilitate future urban development*

As noted previously, Council has continued to invest substantial sums of funding for the establishment of infrastructure to serve urban development that was proposed for Whenuapai. The funding already spent on the Northern Interceptor wastewater line, the North Harbour 2 watermain, and reserve acquisition amounts to around $215m. There will be no appreciable return on this investment without the urbanisation of Whenuapai.

Auckland Transport on 20 June 2023 publicly notified an application "*seeking resource consents for the upgrade of Trig Road South, Whenuapai, to form an urban arterial corridor to support anticipated urban development*." This application forms part of the Supporting Growth Programme to enable the future construction, operation, and maintenance of transport infrastructure in the North-West area of Auckland." This road upgrade directly benefits FUZ land on either side of the road and to the north.

Additionally, Te Tupu Ngātahi Supporting Growth has lodged several Notices of Requirement for transport corridor upgrades throughout the Whenuapai area. These have been notified and are to be heard in September this year.

The FDS identifies a list of infrastructure projects that are to be completed before land in Whenuapai is rezoned from FUZ to appropriate live urban zones. However, for the most part these projects are currently unfunded with no clear path for how and when they will be delivered. There is also no difference between the infrastructure projects required to enable development to occur at 2035 and subsequently at 2050.

The FDS infrastructure proposition is essentially that all new greenfield development is effectively quarantined until all infrastructure has been built. That is not a workable approach because it leaves Council with the responsibility to debt fund that infrastructure itself. It also ignores the potential for developers to fund much of the necessary infrastructure and for development contributions to be

used to pay for infrastructure incrementally as development occurs. Considerable greenfield development can be undertaken on an incremental basis through a combination of utilising existing surplus infrastructure capacity, developer funding of additional infrastructure, and obtaining development contributions to fund new works over time. The identified infrastructure projects are not all required to be completed on 'day one' of urban development commencing.

Upper Harbour Local Board supports urbanisation of Whenuapai

NGL is aware that the Upper Harbour Local Board, whose area includes Whenuapai, strongly supports the immediate urbanisation of Whenuapai. The Board's resolution from its meeting of 25 May 2023 is **attached**. Among its resolution, the Upper Harbour Local Board requested "*that as a matter of urgency Auckland Council prioritise and fund the development of a detailed plan change for parts of Whenuapai zoned currently Future Urban*."

Conclusions

The following key conclusions are reached following a review of the FDS:

- Auckland has a critical shortage of vacant Light Industry Zone land, particularly in locations that are suitable for land extensive industrial activities.
- Urgent action is needed to increase the supply of such land as undersupply is already creating significant impacts on Auckland's economy.
- The FDS dramatically overestimates the available industrial land supply due to significantly flawed assumptions and an inaccurate evidence base.
- FUZ land at Whenuapai is available now and the FDS should signal that this land is to be rezoned immediately as a means to partially address the shortfall.
- The FDS consultation and engagement process is inadequate and does not meet legal requirements or community expectations.
- Infrastructure required for greenfield areas can be established incrementally as development occurs, and is able to be funded through development contributions and direct funding from developers.
- There is a fundamental need for long-term strategic growth planning to provide certainty and consistency for the development community, who rely on such documents for investment decisions.

Relief Sought

1. That the FDS be delayed until such time as:
   (i) Adequate consultation has been undertaken with appropriate stakeholders, including the development community, that meets the legal requirements of the LGA Special consultative procedure; and
   (ii) The Business Capacity Assessment has been completed and its findings have been used to inform an updated FDS; and

(iii) The Business Capacity Assessment includes a demand study, and any assessment of existing capacity must consider development that is feasible in addition to being plan enabled;
(iii) Plan Change 78 has been made operative, so that an accurate picture can be obtained of future development capacity within brownfield areas.

2. That the FDS provide for immediate rezoning of FUZ land that is subject to an approved Structure Plan, including Whenuapai and Silverdale, and that an appropriate development contributions regime be put in place for such areas.

3. That the FDS provide for both intensification of brownfield land and the development of new greenfield land as a means of accommodating future urban growth.

4. That the FDS immediately allow for the rezoning of at least 250ha of land from FUZ to Light Industry Zone in the north-west of Auckland to cater for land extensive businesses in locations identified in the Whenuapai Structure Plan 2016.

[redacted]

Philip Brown
Campbell Brown Planning Limited
For and on behalf of The Neil Group Limited as its duly authorised agent.

31 July 2023

Address for service of submitter:

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

Attention: Philip Brown

[redacted]

Westgate


Fred Taylor Dr
Northside Dr
Kawakawa Pl
Kakano Rd
Pua St
Spring Garden Ave
Roru Dr
Matakohe Rd
Tawhiti Dr
Northwestern Mtwy
Upper Harbour Mtwy
Gunton Dr
Barbour Rd
Maki St
Keighley Rd
Westgate

Hobsonville



North Shore


Theoretical Chemistry
Seminar Room Drive
Bush Rd
Burnside Escarpment
Pukatea Ave
Northwood Reserve
Brookfield Park
Marquette Ave
Pinehurst School
Clemows Ln
Princeton Pde
Syracuse Pl
Albany Hwy
Tuckwell Stream Reserve
Rosedale Rd
Emerald Way
Northern Mtwy
Tai Ping Trotting Club Albany
Baucomb Pde
Brompton Ln
Teed Ln
Kinga Ln
Otaha Stream
Orbit Dr
Apollo Dr
Antares Pl
Arrenway Dr
Tribon Dr
Caravan Dr
Henry Rose Pl
Tawa Dr
Kristin Ln
Jart Pl
Cordy Pl
Oxidation Pond
Rosedale Park
Jack Hinton Dr
Airborne Rd
Douglas Alexander Pde
Lovell Ct
William Pickering Dr
Isandale Grv
John Glenn Ave
Piermark Dr
Parkhead Pl
Unity Dr
Vanguard Military School
Albany Junior High School
Oakway Dr
Schnapper Rock Rd
Schnapper Rock
Beatrice Tinsley Cres
Volkner Pl
Omega St
Saturn Pl
Rosedale
North Harbour Hockey Stadium
Rosedale South Park
Upper Harbour Hwy
Unsworth Heights
Bluebird Cres
Spoonbill Pl
Barbados Dr
Caribbean Dr
Capri Pl
Devonshire Rd
Sunset Rd
Meadowood Dr
Santiago Cres
Cabello Pl
Vega Pl
Constellation Dr
Homai Pl
Pinehurst School
Parkway Dr
Ramp Rd
Highgrove Ln
Laurina Rd
Salamanca Pl
Northern Busway

#8631

Kumeu



Riverhead



Henderson



Silverdale/Highgate



Light Industry Land Analysis in the North West and Northshore

Light Industry Land Values – North West

Since 2019 land value in Hobsonville in Westgate has risen on average 100% from $600 psm to 1200 psm and even higher for some land sales to Data Centre with the like AWS, Microsoft, DCI and CDC paying between $1200 to $1850 psm

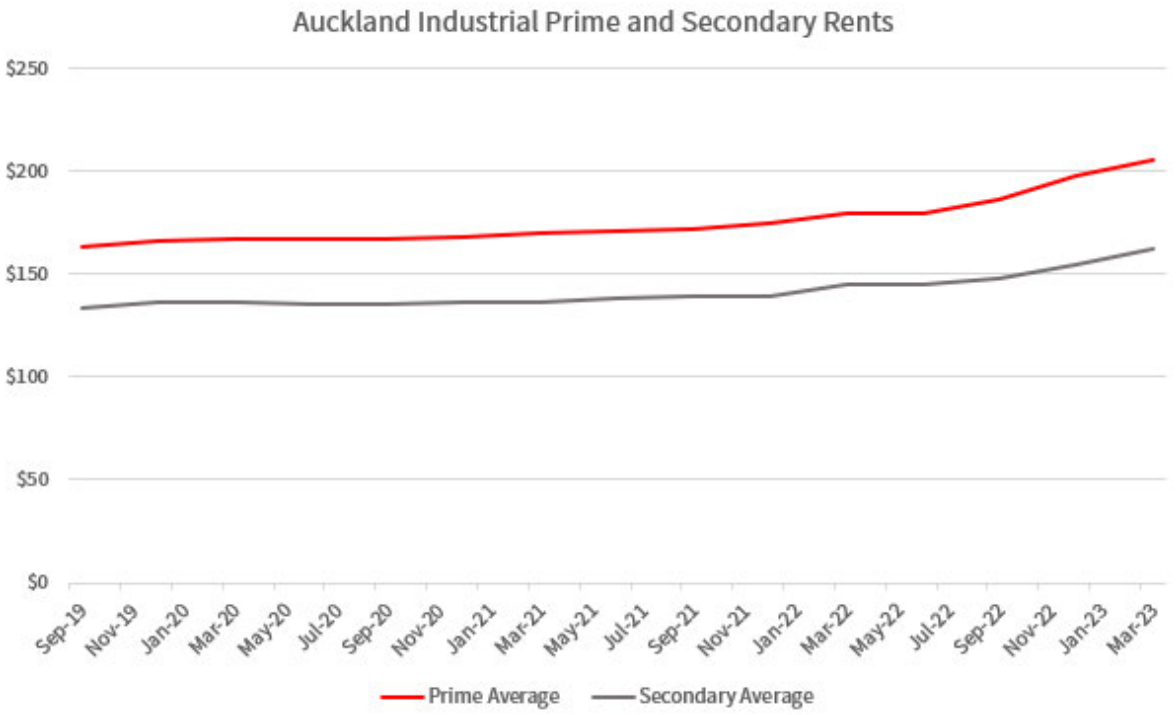
Demand for developmment land has come from various sectors:

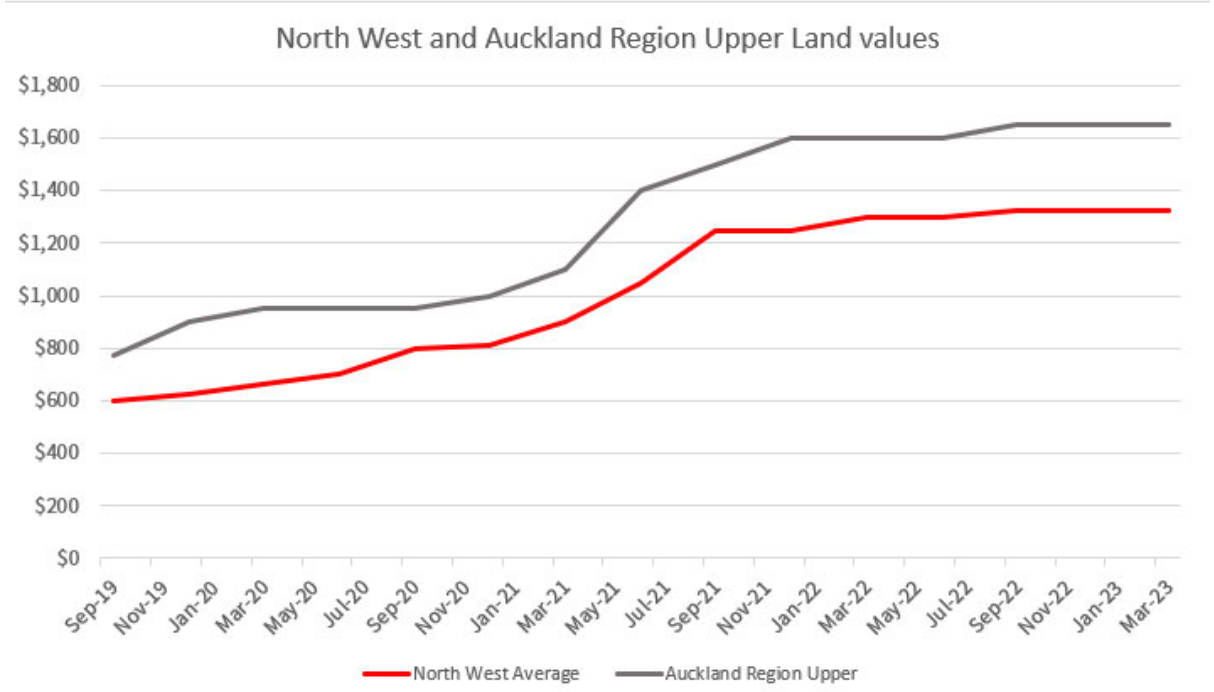
- Overflow from North Shore occupers
- Data Centres AWS, CDC, DCI and Microsoft
- Rise of e-commerce
- Logistics sector - Mainfreight/NZ Post
- Localised demand fom the high population growth in the NW, especially for yard heavy constrcution companies
- Businesses seeking the benefits of the increased transportation connectivity of the Western Ring Route

The rise in land values has distorted the types of developments that are economic to build on the land. To make their developments more profitable, developers in the North West have been building smaller industrial units that allow them to increase the rent. Additionally, they add more office space, which has a higher rental rate.

While these units are highly sought after, the underlying demand has been for larger modern industrial footprints, with industrial vacancy rates under 1%. Some selected long-term land holders have been willing to develop their land for larger footprints, but many land owners have chosen to divest their land to capitalize on the higher land rates. As a result, the amount of genuinely developable land has significantly decreased.

In the past 18 months, industrial rental rates in the North West have increased by 30 to 40%. This rise can be attributed to the growing demand for fit-for-purpose industrial accommodation, as the economy shifts towards a greater dominance of industrial land use. This shift is driven by the growth of imports/exports, logistics, and just-in-time retailing. The demand for modern 12-meter-plus stud height warehousing/industrial accommodation, with expansive internal and external yard and car parking areas for diverse use and locations close to major infrastructure, has increased substantially. However, with land take-up so strong, there is an insufficient amount of suitable land to cater to the many large industrial occupiers that want to move to the area.


Auckland Industrial Prime and Secondary Rents
$250
$200
$150
$100
$50
$0
Sep-19
Nov-19
Jan-20
Mar-20
May-20
Jul-20
Sep-20
Nov-20
Jan-21
Mar-21
May-21
Jul-21
Sep-21
Nov-21
Jan-22
Mar-22
May-22
Jul-22
Sep-22
Nov-22
Jan-23
Mar-23
Prime Average
Secondary Average


North West and Auckland Region Upper Land values
$1,800
$1,600
$1,400
$1,200
$1,000
$800
$600
$400
$200
$0
Sep-19
Nov-19
Jan-20
Mar-20
May-20
Jul-20
Sep-20
Nov-20
Jan-21
Mar-21
May-21
Jul-21
Sep-21
Nov-21
Jan-22
Mar-22
May-22
Jul-22
Sep-22
Nov-22
Jan-23
Mar-23
North West Average
Auckland Region Upper

Survey of Light Industry land availability

We have analysed the land availability in the Northwest and evaluated the vacant land and what is truly available for industrial development today. Additionally, we have looked into more established areas like the North Shore and parts of Henderson, and quantified the amount of light industry zoned sites that are vacant but are unlikely to see any development in the short to medium term. Furthermore, we have analysed the take-up rate of land in light industry zones, specifically in Hobsonville and Westgate, to assess the amount of light industry zoned land that will be needed in the next 10 years.

104 ha of Light Industry land has come on-line from Westgate and Hobsonville since 2016 and there is only 32.6 ha of vacant land remaining which indicates a take up rate of 10.2 ha per year. Also note of the 32.6 ha of vacant land there is only 19.6 ha of land available now for development which is equiavalment to just 2 years worth of Light Industry zoned land demand.

The Whenupai Business Park proposes to bring another 22.89 ha to the market in approximatley 2 years, which will be timley to satisfy even further demand for industrial activity as the area grows and evolves. But note the 6.5 ha of land is earmarked for a large international occupier.

A further 46 ha Future Urban Zoned land at Spedding Road, Whenupai has been rezoned to Light Industry land. However we do understand that there a number of roading and infrastructure works required before serviced sites would be ready for construction. We estimate a period of 4 years or longer before this 46 ha actually comes on-line for industrial development.

North Shore and North West of Auckland					
Summary of May 2023 survey of available Light Industry zoned development land					
	All area nn hectares				
Westgate	Light industrial development started around 2016				
Total land Area	DC land uptake	Other non Industrial uses	Vacant land	Land Developable today	Annual land take up
57.113	9.74	10.04	25.3	13.4	4.5
Hobsonville	(fist titles issued in 2016)				
Total land Area	DC land uptake	Other non Industrial uses	Vacant land	Land Developable today	Annual land take up
47.14	4.6		12.9	6.15	4.9
Highgate	*first industrial development in 2017*				
Total land Area	DC land uptake	Other non Industrial uses	Vacant land	Land Developable today	Annual land take up
29.8	4	4.39	19.6	12.2	1.7
North Shore					
			Vacant land	Land Developable today	
			117.8	2.8	
Henderson/Lincoln Road					
			Vacant land	Land Developable today	
			15.7	0	
Kumeu/Riverhead					
			Vacant land	Land Developable today	
			38.1	2.44	
Total Vacant Land Light Industry Land			**229.4**		
"Developable now" Light Industry Zoned Land				**36.99**	

Westgate



Green *– Developable Now*
Orange *– Developable in the 5 – 15 year timeframe*
Red *– Not developable in the 15 year timeframe or at all*

When we analyse the approximately 57 ha of Light Industry land, we can see that 9.74 ha of land is taken out by Data Centres with the likes of Microsoft, AWS and DCI about to build new Data Centres or are already under construction.

Furthermore, we estimate that approximately 10 ha of land has been or is about to be developed for non-core industrial uses such as car yards (e.g., Turners, Kia, and Tesla), gas stations, and fast-food outlets. In the Westgate context, this is a function of being in a town centre where development land shifts towards higher and better uses that are attracted to the town centre locality.

As of May 2023, there is 25.3 ha of vacant land available. However, out of that vacant land, only 13.4 hectares are currently developable. The reality is that only the current landowners can make the numbers work for larger industrial developments, as the land value has increased significantly, making it difficult for developers to purchase and develop the land.

Hobsonville



Green *– Developable Now*
Orange *– Developable in the 5 – 15 year timeframe*
Red *– Not developable in the 15 year timeframe or at all*

There is 47 ha of zoned Light Industry land in Hobsonville

We estimate that there is 12.9 ha of vacant land in the precinct. However, after excluding sites like 92D Hobsonville Road, which has been sold to CDC for a data centre, and another 4,000 sqm already committed to a DC expansion, only 6.2 ha of land is truly available for development.

While there are other vacant sites, particularly the subdivision surrounding what used to be 96 Hobsonville Road, we understand that all or most of these are either with owner-occupiers or already committed for development.

There is an additional 7 hectares of vacant land, but significant roading and infrastructure works are required, which will delay development in the near future. JOMAC, an established industrial developer, holds the largest development landholding in Hobsonville, which is 4.2 ha. They have plans for constructing large industrial buildings over the next five years.

Henderson/Lincoln Road



Green *– Developable Now*
Orange *– Developable in the 5 – 15 year timeframe*
Red *– Not developable in the 15 year timeframe or at all*

Despite there being 16.4 ha of vacant Light Industry land ostensibly available around Lincoln Road, 12.2 ha are lost to two Radio NZ sites that will never be developed as they have earthmats below the ground and these sites are strategic for Civil Defence. Furthermore, there is 3.2 ha of land at 195 Central Park Drive that has been owned by local family for a long time and whilst many have tried to buy it, we do not see this site being available to develop for 10 years or more.

North Shore



Green *– Developable Now*
Orange *– Developable in the 5 – 15 year timeframe*
Red *– Not developable in the 15 year timeframe or at all*

The North Shore has had little or no vacant Light Industry for some years and much of the overflow has moved to the North West and some to Silverdale.

However recently 5.7 ha, the old Knights Nursery site, came to the market last, but was sold to DCI for a Data Centre. Also very notable is the Watercare land in Rosedale, where there some 105 ha of Light Industry zoned land. But this will not see development for many years if ever, and circa 50% of the zoned land is currently oxidation ponds. There is 6.6 ha of land on the eastern portion that had some interest from a DC, but with 3 Waters and other issues the site is not saleable or developable at present. There is only 2 ha at 343a Albany Highway which is vacant, but we don't see this being sold or developed any time soon, due to an offshore owner that has refused to sell over the last 15 years with no intention to develop. We do note that Chelsea Sugar Works has 4 ha plus of vacant industrial land. But we don't see this being developed in the next 15 years

Brownfields – Wairau

In theory, the older low-stud industrial buildings in the Wairau Valley seem ripe for redevelopment into larger footprint modern industrial facilities. However, the demand for current fit-for-purpose buildings is strong, and with building values at their current levels, it does not make economic sense to demolish these buildings for redevelopment. Furthermore, small and fragmented ownership often precludes redevelopment. The only sites that have been redeveloped are for higher uses, such as Mitre 10 and Bunnings. The impact of floods could result in higher insurance rates, further worsening any prospects for redevelopment in the area.

Highgate



Green *– Developable Now*
Orange *– Developable in the 5 – 15 year timeframe*
Red *– Not developable in the 15 year timeframe or at all*

This is a high-quality industrial subdivision in Silverdale, similar to the old Interplex subdivision in Rosedale. The Highgate Business Park was developed by the family company Ross Reid Civil and has access from the developer-driven off-ramp at Millwater.

While Highgate has provided a solution to the North Shore's land supply shortage, it is less connected than the North West.

Highgate has 30 ha of Light Industry Zoned land and of the 19.6 ha of vacant land, 3 ha has been designated for a second CDC Data Centre site and 2.4 ha for Mitre 10. The Reid family, who own the remaining vacant Light Industry land, have set aside 2 ha for Town Centre use. The actual developable land is 12.2 ha. Although the owners are open to larger industrial buildings, they are now shifting their focus to big box/trade retail to complement Mitre 10 and possibly a supermarket to serve the growing population of Milldale and Millwater. As a result, the likelihood of the 12.2 ha being fully developed for industrial use is low.

Old Silverdale has negligible development land available.

<u>Silverdale West/Dairy Flat Structure Plan area</u>

Outlier Area

Kumeu/Riverhead





Green *– Developable Now*
Orange *– Developable in the 5 – 15 year timeframe*
Red *– Not developable in the 15 year timeframe or at all*

These areas are seen by traditional Industrial occupiers as too far away and made worse by transportation issues and typically attract local and more yard-based users.

The predominately vacant land site are as follows:

- 116 Access Road, Kumeu – 27 ha is owned by a Korean owner and leased to Auckland Unlimited as the Kumeu Film Studio. Unlikely to ever see any industrial development.
- 223 Main Road – 5.2 ha Korean owner, lots of remediation is needed on the land and the owners won't develop until the area evolves further in the 15 years plus timeframe.

Riverhead

Riverhead is generally considered a secondary area that tends to attract "dirtier" industries and more yard-based users. The wider estate is known as the "Mill Industrial Park," situated on the site of the old Carter Holt Harvey plant that required significant remediation due to contamination. About six to seven years ago, land in the area could be sold for $200 per square meter. However, with land supply running low elsewhere, attention turned to Riverhead, even though the area is not connected to the town water supply. As a result, sales have been made at prices above $850 per square meter.

One developable site in the area is 24 Sawmill Road, which is 1.2 hectares and is expected to be ready for development within the next two to three years following remediation works. An additional three hectares of land in the area is vacant, but most of it is already committed to owner-occupier use. For instance, Atlas Concrete owns 1.6 hectares at 40 Deacon Road, while another concrete company owns a one-hectare site.

Helensville (not in overall survey)

To date Helensville is not considered an option for Industrial occupiers looking at the North West as it is too far away and lacks amenity. We see that there is circa 8 ha of undeveloped Light Industry land in the area. There is also another 20 ha of land that is occupied, but with low site coverage, but in our view Helensville land will only be viable for local industries and some non-location critical uses for many years to come.

Lewis Bullivant

Logistics & Industrial Analyst
JLL New Zealand

Upper Harbour Local Board

OPEN MINUTES

Minutes of a meeting of the Upper Harbour Local Board held in the Upper Harbour Local Board Office, 30 Kell Drive, Albany, Auckland 0632, and via Microsoft Teams, on Thursday, 25 May 2023 at 9:35am.

TE HUNGA KUA TAE MAI | PRESENT

Chairperson	Anna Atkinson (Via Microsoft Teams)
Deputy Chairperson	Uzra Casuri Balouch, JP
Members	Callum Blair
	Kyle Parker

TE HUNGA KĀORE I TAE MAI | ABSENT

Members	John Mclean
	Sylvia Yang

1 Nau mai | Welcome

The Chairperson A Atkinson opened the meeting with a Karakia.

2 Ngā Tamōtanga | Apologies

Resolution number UH/2023/53

MOVED by Chairperson A Atkinson, seconded by Deputy Chairperson U Casuri Balouch:

That the Upper Harbour Local Board:

a) whakaae / accept the apologies from Member J Mclean and Member S Yang.

CARRIED

3 Te Whakapuaki i te Whai Pānga | Declaration of Interest

There were no declarations of interest.

4 Te Whakaū i ngā Āmiki | Confirmation of Minutes

Resolution number UH/2023/54

MOVED by Member C Blair, seconded by Deputy Chairperson U Casuri Balouch:

That the Upper Harbour Local Board:

a) whakaū / confirm the ordinary minutes of its meeting, held on Thursday, 11 May 2023 as a true and correct record.

CARRIED

5 He Tamōtanga Motuhake | Leave of Absence

There were no leaves of absence.

6 Te Mihi | Acknowledgements

There were no acknowledgements.

7 Ngā Petihana | Petitions

There were no petitions.

8 Ngā Tono Whakaaturanga | Deputations

8.1 Harbour Hockey Trust - Trees at Rosedale Park Turf Five

Resolution number UH/2023/55

MOVED by Chairperson A Atkinson, seconded by Member C Blair:

That the Upper Harbour Local Board:

a) whiwhi / receive the deputation from Peter Worrall, Harbour Hockey Trust, and Brad Clarke, CEO North Harbour Hockey Association, representing Harbour Hockey Trust, and thank them for their attendance and presentation.

b) tono / request advice on undertaking an assessment of the trees at Rosedale Park and any required replacement planting to be brought back to the local board for consideration in the 2023/2024 work programme.

CARRIED

8.2 Upper Waitematā Ecology Network - Update

Resolution number UH/2023/56

MOVED by Chairperson A Atkinson, seconded by Member K Parker:

That the Upper Harbour Local Board:

a) whiwhi / receive the deputation from Tim Johnson, on behalf of the Upper Waitematā Ecology Network, and thank him for his attendance and presentation.

CARRIED

9 Te Matapaki Tūmatanui | Public Forum

There was no public forum.

10 Ngā Pakihi Autaia | Extraordinary Business

There was no extraordinary business.

11 Ngā Pānui mō ngā Mōtini | Notices of Motion

Under Standing Order 2.5.1 a Notice of Motion has been received from Chairperson A Atkinson as mover and Deputy Chairperson U Casuri Balouch as seconder for consideration under item 12.

12 Notice of Motion - Chairperson A Atkinson - Request that Auckland Council prioritise and fund the development of a detailed plan for the area of Whenuapai zoned Future Urban.

Resolution number UH/2023/57

MOVED by Chairperson A Atkinson, seconded by Deputy Chairperson U Casuri Balouch:

That the Upper Harbour Local Board:

a) request that as a matter of urgency Auckland Council prioritise and fund the development of a detailed plan change for the parts of Whenuapai zoned currently Future Urban. This new plan change should build on the existing structure plan, investigations during plan change 5, and all the significant National Policy Statements and Acts that have come into effect since 2016. These include National Policy Statement on Urban Development, National Policy Statement on Biodiversity, National Freshwater Policy Statement, National Adaptation Plan, National Emission Reduction Plan, and the Parliamentary Commissioner for the Environment Report - 'Are we building harder, hotter cities. It should be a holistic document taking into account the above and including the following considerations:

- **i) residential development: Very high density of dwellings, more so than what was anticipated in the Structure Plan. These high-density dwellings will need to be surrounded by public biodiverse green spaces to ensure the needs of new residents and the environment are met.**
- **ii) desire for a low carbon community that is engaged and connected**
- **iii) a protected, regenerated and healthy natural environment**
- **iv) a holistic blue-green spatial network plan**
- **v) connected safe neighbourhoods that are easy to get around and prioritise the use of public and active transport**
- **vi) a range of employment options for local residents**
- **vii) waterways, planting and parks. Ensuring there is a high-quality network of these that are managed together through a combination of infrastructure, ecological restoration and urban design. These should be accessible and safe with active community spaces and places**
- **viii) connectivity. How will people connect both with nature, with jobs, with schools**
- **ix) resilience to natural hazards and climate change mitigation. There should be a list of mandated features such as all developments collecting and using their own rainwater, rain gardens, swales, impermeable car parking areas, % of the area for deep soil trees etc**
- **x) the proximity and needs of the Whenuapai Air Base and reverse sensitivity impacts.**

b) restate resolution UH/2023/14:

That the upper Harbour Local Board:

- ***a) restates resolution number UH/2021/147 from the 18 November 2021 business meeting as follows:***
  - ***a) provide feedback on the Contributions Policy* 2021:**
    - ***i) support the overall intent of the policy update***
    - ***ii) note the definition of Northwest includes Whenuapai***
    - ***iii) support inclusion of projects beyond 10-years: the inclusion of strategic projects over a longer period of time (over 10 years) ensures all developers contribute equitably to the infrastructure and amenity required as a result of growth***

iv) support requiring developers to pay their contributions earlier: with the ability to negotiate staging the payment timing of contributions for small scale developments.

b) request that the draft Contributions Policy 2022, Variation A is expanded as fast as possible to all areas noted in the Investment Priority Areas as not extending this policy will lead to perverse and unfair outcomes if areas get developed without enough development contributions collected.

c) note that Whenuapai is rapidly changing from Future Urban to Urban and is the subject of many private plan changes so we need to ensure enough development contributions are collected.

d) request that consideration be given to reviewing the development contribution policy to areas outside the Investment Priority Areas.

e) note large-scale development is happening all around our city and there is a need that the development contributions received cover all associated growth-related capital expenditure. Many of these new developments are very intensified so residents both need and expect access to well developed parks and open spaces, roading, active transport modes and stormwater.

f) note that development contributions allow for an equitable and proportionate share of the total cost of growth-related capital expenditure to be recovered from the development community.

g) request a review of Development Contributions in Special Housing Areas to ensure developers pay for growth-related capital expenditure.

h) note the Special Housing Area of Scott Point, Auckland Council is paying for playgrounds and sportsfields not developers.

i) request that stormwater planning gets added as a priority to all development contribution calculations (the report notes stormwater will be added when info becomes available).

j) request that stormwater and infrastructure planning is appropriate to deal with the more frequent flooding events we are having.

c) consider it vital that the Development Contributions Policy in place for Drury is expanded to include Whenuapai as soon as possible given how quickly development is occurring. We need to ensure that developers pay for infrastructure that will be required over the longer-term planning horizon.

d) request the opportunity to speak to the Planning and Environment Committee on this matter.

CARRIED UNANIMOUSLY

13 Endorsing Business Improvement District (BID) targeted rate grant for 2023/2024

The Business Improvement District (BID) Senior Advisor, Gill Plume, was in attendance via Microsoft Teams to support the item.

Resolution number UH/2023/58

MOVED by Member C Blair, seconded by Member K Parker:

That the Upper Harbour Local Board:

a) tohutohungia / recommends to the Governing Body the setting of the targeted rate of $782,938.00 for inclusion in the Annual Budget 2023/2024 for Business North Harbour Incorporated as part of the Business Improvement District programmes.

CARRIED

14 Community Partners Interim Service and Funding Approach for 2023/2024

The Place and Partner Specialist, Jamie Adkins, was in attendance via Microsoft Teams to support the item.

Resolution number UH/2023/59

MOVED by Deputy Chairperson U Casuri Balouch, seconded by Chairperson A Atkinson:

That the Upper Harbour Local Board:

a) whakatārewa / defer the Community Partners Interim Service and Funding Approach for 2023/2024 report to the 22 June 2023 business meeting and request that staff present an update that includes a twelve week proportionate interim payment to Hobsonville Community Trust and Meadowood House Incorporated based on twelve weeks of the current 2022/2023 budget allocation.

CARRIED

15 Approval to name two new private roads at 2 Falcon Crescent, Hobsonville.

Resolution number UH/2023/60

MOVED by Chairperson A Atkinson, seconded by Member C Blair:

That the Upper Harbour Local Board:

a) whakaae / approve the names 'Rakau Road' and 'Mataitai Road' (applicant's preference) for two new private roads created by way of the Stage 2 subdivision being undertaken by Falcon Green Limited at 2 Falcon Crescent, Hobsonville in accordance with section 319(1)(j) of the Local Government Act 1974 (resource consent references BUN60305624, SUB60394076-1 and RDN90108220).

CARRIED

16 Hōtaka Kaupapa / Governance forward work calendar

Resolution number UH/2023/61

MOVED by Member C Blair, seconded by Member K Parker:

That the Upper Harbour Local Board:

a) whiwhi / receive the Upper Harbour Local Board Hōtaka Kaupapa / governance forward work calendar for May 2023 – July 2023.

CARRIED

17 Workshop records

Resolution number UH/2023/62

MOVED by Member C Blair, seconded by Member K Parker:

That the Upper Harbour Local Board:

a) whiwhi / receive the records of the Upper Harbour Local Board workshops held on Thursday 20 April 2023, and Thursday 4 May 2023 (refer to attachments A and B).

CARRIED

18 Local Board Members' Reports - May 2023

The Chairperson A Atkinson tabled a letter received from the Hon David Parker, Minister for the Environment. A copy has been placed on the official minutes and is available on the Auckland Council website as a minute attachment.

The Deputy Chairperson U Casuri Baloch tabled the original letter to the Hon David Parker, Minister for the Environment, dated 14 April 2023. A copy has been placed on the official minutes and is available on the Auckland Council website as a minute attachment.

Resolution number UH/2023/63

MOVED by Member K Parker, seconded by Deputy Chairperson U Casuri Balouch:

That the Upper Harbour Local Board:

a) whiwhi / receive the verbal local board members reports from Member C Blair, Deputy Chairperson U Casuri Balouch, Member K Parker and Chairperson A Atkinson.

CARRIED

Attachments

A 25 May 2023, Upper Harbour Local Board: Item 18 - Local Board Members Reports - May 2023 - Letter received from Hon David Parker.

B 25 May 2023, Upper Harbour Local Board: Item 18 - Local Board Members Reports - May 2023 - Letter to Hon David Parker 14 April 2023.

19 Te Whakaaro ki ngā Take Pūtea e Autaia ana | Consideration of Extraordinary Items

There was no consideration of extraordinary items.

11.01 am The chairperson thanked members for their attendance and attention to business and closed the meeting with a Karakia.

CONFIRMED AS A TRUE AND CORRECT RECORD AT A MEETING OF THE UPPER HARBOUR LOCAL BOARD HELD ON

DATE:.....

CHAIRPERSON:.....