

## SmartGrowth Property Developers Forum July 2016

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### 1. Purpose

To present the position statement of the SmartGrowth Property Developers Forum (PDF) regarding the sector requirements when considering the accommodation of urban growth within the western Bay of Plenty sub-region.

This statement is in response to reports and recommendations on the four work streams currently being progressed by the SmartGrowth partners under option 3B.

This position paper is of general nature does not address issues for PDF members who have specific geographic interest in the work streams.

### 2. Background

Under the Governance & Advisory Forums Terms of Reference, the purpose of the Property Developer Forum is:

*“To enable direct property industry participation in the strategy review and subsequent strategy implementation in order to provide vital private sector input, in collaboration with the strategy partners and lead agencies into the wide range of challenges faced in the sub-region, including specific input into:*

- *Land use and urban form, including the RPS and resulting City and District Plan responses.*
- *Infrastructure planning, funding and implementation.*
- *Housing affordability.*
- *Development viability.*
- *Economic growth.”*

Delivery of commercially viable, quality development is the focus of the Property Developer Forum.

### 3. PDF Position Statements for Settlement Pattern Review

This part of the PDF position statement addresses the principles and issues that apply across the four work streams currently being progressed by the SmartGrowth partners under option 3B. .

1. The western Bay of Plenty SmartGrowth model is strongly supported by the PDF. The collaborative working between local and regional government, central government, iwi, and key community interests is essential to address complex long term issues. The focus on rigorous evidence-based decision making is also highly important. This information will be used to underpin later planning processes. The investment by the Councils is a prudent use of public resources.
2. There has been some slippage on the original timetable for the Settlement Pattern Review. It will be important to apply adequate resources to complete the Review and then to move into implementation through statutory plan amendments.
3. The sharing of information and influencing of decision making within organisations tasked with accommodating growth and the wider community is an important role for

- SmartGrowth. This increases the chances of successful implementation and lessens the need for regulatory measures to be applied.
4. Developers are responsible for a substantial share of SmartGrowth Strategy implementation to the community. Implementation of SmartGrowth strategies will only occur if development provides a reasonable return on investment by private capital.
  5. Certainty and consistency is central to attracting investment by both the private and public sector to support desired growth and development outcomes. The plan making process should endeavour to address issues to the point where the considerations at development stage are of minor impact and require dialogue only between the developer and the Council. Third party engagement in development decisions should be minimised and limited only to significant deviations from any agreed planning direction.
  6. Planning for a more Compact City creates tensions where increased development intensity tends to encourage increased regulation and discretionary decision making. This in turn reduces investment certainty and stifles innovation, thereby reducing the desired shift in approach. Council's will need to accept there will be change in residential character in some locations if wider Compact City goals are to be achieved, and this can be a positive outcome. Public spaces also have significant role in providing overall environmental quality outcomes for more intensive forms of development.
  7. Developers are highly responsive to changes in the market. A shift towards smaller house sites is now nearly universally the model for development in green field areas in Tauranga. Achievement exceeds the long term targets specified in the Regional Policy Statement.
  8. Tension exists between developers looking to provide good public space outcomes sought by the community and the Councils' wishing to 'cap' the associated increased maintenance costs for these outcomes.
  9. Integrated decision making in relation to consenting for subdivision, development, and use together with regional consents for contaminated land management, discharge consents and earthworks consents can achieve important gains in efficiency and effectiveness as evidenced by the HASHA legislation. This approach should be enabled for all large scale development in Urban Growth Areas. This will require the formal transfer of consenting powers to a single agency.

## **5. PDF Position on the Settlement Pattern Option 3B Workstreams**

The following comments are made in relation to the findings and recommendations of the four work streams under option 3B.

### Te Tumu Strategic Planning Study

The PDF generally supports the findings and recommendations of the assessment reports.

Maori land holdings are identified as potential risks to the development of Te Tumu. SmartGrowth should work actively to support the landowners to plan for the future development of their land in ways that accord with their aspirations, and align with the overall plan making programme.

### Pyes Pa West Keenan Road

The PDF generally supports the findings and recommendations of the assessment reports.

Land ownership in this area is more fragmented than some other urban growth areas. This increases complexity and is likely to require a higher level of intervention by Council in structure planning. The Council is also likely to have to involve itself to a greater extent than in other areas in the provision and funding of infrastructure through development contributions.

### Western Corridor

The PDF generally supports the findings and recommendations of the assessment reports.

Attention should be paid to waterways resource identification beyond the Wairoa River. A programme of enhancement of the natural values of waterways may be needed to meet the expectations of tangata whenua and to maintain and protect biodiversity.

The assessment reports recommend that further, more detailed, assessment be undertaken of soil contamination risk given the history of the area for farming, including horticulture. It should be recognised that this work will not avoid the need for individual developers to undertake detailed site investigations at the time of subdivision and land development under the NES. Beyond a desktop consideration of historical land use, and noting the likelihood of soil contamination, the benefits of undertaking further work as part of the structural planning exercise appear to be limited.

The Western Corridor and Pyes Pa Keenan Road work streams have significant overlaps and are closely interrelated. These should perhaps be combined for subsequent stages of policy development, including wider community engagement.

It is noted that boundary changes will be needed to efficiently implement policy development after the completion of structure planning. This process should be factored into the project timelines.

### Compact City

The Property Developers Forum supports in part the overall findings and recommendations in the assessment report.

The PDF has previously supported the recommendations of the work undertaken by Essentia Consulting. These included the Council identifying preferred areas of intensification taking into account liveability, amenity and infrastructure issues. Staff recommendations do not appear to take forward these recommendations, other than some aspects relating to the City Centre and City Living Zones.

The reasons and benefits of intensification are well documented and have been for the entire period of SmartGrowth implementation. They form the basis for existing policy in the Regional Policy Statement that sets targets for urban intensification that must be given effect to. The question at hand is not “whether to intensify?”, but “how to lead intensification?” The focus for engagement should be on the community.

Overall, the recommendations for the Compact City are in our view lacking strong implementation initiatives and are unlikely to give full effect to the Regional Policy Statement. Opportunities for better intensification outcomes are likely to be forgone with delayed progress.

## **6. Other Issues**

In several of the reports, reference is made to the role and function of commercial centres. The PDF notes that the current commercial centre’s strategy has not been updated since 2007. Much has changed since the report was prepared in 2007. Further, with the impending introduction of the National Policy Statement on Urban Development, Council will be required to consider the supply of land for commercial development, as well as for residential and industrial development which are the current focus of the settlement pattern review.

The PDF recommend that the SmartGrowth partners initiate an update of this work to occur in parallel with the current structure planning and other assessment work aligned to the settlement pattern review.

