

3 April 2020



Rebecca Maplesden  
Manager, Places and Partnerships  
Urban Development Branch  
Ministry of Housing and Urban Development  
Level 5, Aon Centre, 1 Willis Street  
**WELLINGTON 6011**

Dear Madam,

**Re : Government Urban Growth Programme**

We write in strong support of the Western Bay of Plenty Sub-region submission to the Government Economic Stimulus Urban Growth Programme.

**Introduction**

The Developers' that are signatories to this letter have completed and are undertaking the following significant developments in Tauranga and the surrounding Western Bay of Plenty sub-region:

<u>Bluehaven Holdings Ltd:</u>	<u>Papamoa East (Wairakei)</u> <ul style="list-style-type: none"><li>• 2,200 residential sections / units to date.</li><li>• 11,500 m2 of commercial &amp; industrial development to date.</li><li>• 2,000 future residential sections.</li><li>• 232,000 m2 of future Town Centre mixed-use development</li></ul>
<u>Carrus Corporation Ltd:</u>	<u>City Wide including The Lakes</u> <ul style="list-style-type: none"><li>• 5,000 residential sections throughout Western Bay of Plenty to date.</li><li>• 110,000 m2 (GFA) of commercial development to date.</li></ul> <u>Papamoa East (Te Tumu)</u> <ul style="list-style-type: none"><li>• 1,400 future residential sections.</li></ul>

<u>Classic Developments Ltd:</u>	<u>City Wide</u> <ul style="list-style-type: none"> <li>• 4,000 residential sections to date.</li> </ul> <u>Tauriko West</u> <ul style="list-style-type: none"> <li>• 3,500 future residential sections.</li> </ul>
<u>Element IMF Ltd:</u>	<u>Tauriko</u> <ul style="list-style-type: none"> <li>• 1,350,000 m2 net industrial development to date.</li> <li>• 910,000 m2 of net future industrial / commercial development.</li> </ul> <u>Tauriko West</u> <ul style="list-style-type: none"> <li>• 700 of future residential sections.</li> </ul>

### **Key Challenges & Issues Facing Tauranga and the Western Bay of Plenty Sub-Region**

The key issues are:

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|--|---|
| a) Re-Zoning and unlocking Land Supply   | There is available land supply in the two large Urban Growth Areas which are currently being planned at Te Tumu and Tauriko West. The re-zoning process is however constrained by uncertainties around the funding and provision of infrastructure and the conventional Resource Management Act (RMA) processes which take many years.        |
| b) Funding and provision of Infrastructure for the Urban Growth Corridors; and | The funding and provision of Infrastructure is critical to unlocking the Urban Growth Corridors, delivering much needed housing and building communities.<br>The TCC balance sheet cannot sustain the level of funding required to plan and deliver the required infrastructure.  |
| c) Regulatory process and restrictions under the RMA                           | The traditional RMA Schedule 1 Plan Change Process combined with the requirements under the Bay of Plenty Regional Policy Statement has considerable regulatory hurdles and time risks. The fast-tracked RMA streamlined regulatory process is required in order to open up the much-needed land supply planned for Te Tumu and Tauriko West. |

## **Developers' Undertakings**

The Developers wish to provide the Government with assurance that economic stimulus investments it makes in the urban growth areas in the Western Bay of Plenty Sub-region will be supported by genuine co-investment by the private sector. This will mean that not only will the Government's initial investment in public infrastructure deliver tangible economic stimulus, but it also will create a second wave of economic stimulus within the private sector with developers proceeding with investment with the view to having market ready land when the economy picks up again post COVID-19.

Furthermore, having been through several property cycles this group of experienced developers recognise that whilst most developers are averse to land development during recessions, we recognise that there are opportunities post Covid-19 to develop more cost-effectively and efficiently by stripping out cost and streamlining what has become an unnecessarily complex construction supply chain in NZ. It is historically the best time to undertake land development so that when the market takes off again no momentum is lost.

In summary:

1. The Developers strongly support the Western Bay of Plenty Sub-region submission.
2. The Developers are ready, willing and able to invest in the Urban Growth Corridors identified in the Western Bay of Plenty Sub-region submission, they are however are unable to do this without commitments by Councils' and/or the Government to fund and provide the key public infrastructure required to service the Urban Growth Corridors.
3. The Developers have delivered a significant amount of the Western Bay of Plenty Sub-region growth over the last 15 years and have and are committed to collaboratively working with the Councils' to deliver communities in the Urban Growth Corridors.
4. The planning carried out in each of the Urban Growth Corridors is centred on multi-modal transport options which the Developers support.

Yours faithfully,

Bluehaven Holdings Limited



Nathan York: CEO

A handwritten signature in blue ink, appearing to read "Nathan York".

Email:

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Carrus Corporation Limited



Scott Adams: Managing Director

A handwritten signature in purple ink, appearing to read "Scott Adams".

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Classic Developments Limited



Peter Cooney: Director

A handwritten signature in black ink, appearing to read 'Peter Cooney', positioned above a horizontal line.

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Element IMF Limited



Bryce Donne: Director

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