



Notice of Meeting:

I hereby give notice that an ordinary Meeting of the Strategic Growth Committee will be held on:

Date: Thursday 11 April 2024
Time: 9:30 am
Meeting Room: Council Chamber and Audio-Visual Link
Venue: Municipal Building, Garden Place, Hamilton

Lance Vervoort
Chief Executive

Strategic Growth and District Plan Committee

Te Komiti Rautaki Tipu me te Maahere Rautaki aa Rohe

OPEN AGENDA

Membership

Chairperson Cr Sarah Thomson
Heamana

Deputy Chairperson Cr Geoff Taylor
Heamana Tuarua

Members	Mayor Paula Southgate	Cr Mark Donovan
	Deputy Mayor Angela O’Leary	Cr Louise Hutt
	Cr Kesh Naidoo-Rauf	Cr Andrew Bydder
	Cr Anna Casey-Cox	Cr Ewan Wilson
	Cr Maxine van Oosten	Cr Emma Pike
	Cr Moko Tauariki	Cr Melaina Huaki
	Maangai Jaydene Kana	Cr Tim Macindoe

Quorum: A majority of members (including vacancies)

Meeting Frequency: Two monthly

Amy Viggers
Mana Whakahaere
Governance Lead

3 April 2024

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Purpose

The Strategic Growth and District Plan Committee is responsible for:

1. Guiding sustainable physical development and growth of Hamilton to meet current and future needs, including oversight of strategic land-use planning, boundary alignment, and existing and alternative planning, funding and financing models for growth-related projects.
2. Driving collaboration with neighboring Councils, Iwi, private sector, and central government to meet Hamilton's growth ambitions.
3. Providing Governance leadership and direction to staff to develop amendments to the Hamilton City Operative District Plan 2017.

In addition to the common delegations on page 10, the Strategic Growth and District Plan Committee is delegated the following Terms of Reference and powers:

Terms of Reference:

4. To monitor and provide advice on the overall development and implementation of urban growth and development strategies, strategic land use, and spatial plans (e.g. Hamilton to Auckland Corridor and Hamilton-Waikato Metropolitan Spatial Plan), and long-term network infrastructure planning in line with national policy requirements.
5. To provide direction and monitor Council's approach to the levying and use of rates for growth, as well as development contributions.
6. To provide direction on and assess proposals for seeking alternative funding models, such as special purpose vehicles and infrastructure funding and financing.
7. To provide direction on strategic priorities for network infrastructure aligned to city development, and oversight of strategic projects associated with those activities.
8. To provide advice on the development and implementation of the Long Term Infrastructure Strategy.
9. To assess proposals for Private Developer Agreements that exceed the Chief Executive's delegations for Unfunded Growth Projects¹ and, if appropriate for Unfunded Growth Projects¹, to recommend such agreements to the Council for approval.
10. To provide direction regarding Council's involvement in and with Urban Development Authorities, regional alliances, plans, initiatives, and forums for spatial planning (for example, Future Proof, strategic boundary land use agreements and joint council growth related discussions).
11. To consider the impacts of land use and urban development on the environment.
12. To provide clear direction on Council's strategic priorities to organisations and groups, for which Council facilitates funding, aligned with these Terms of Reference, and to oversee those funding arrangements and receive their strategic and business plans and annual performance reports.
13. To provide and approve broad strategic direction to inform and guide the development of the District Plan amendments programme of work.
14. To prepare and approve a draft set of District Plan amendments for the purpose of obtaining initial feedback and comment from the community, stakeholder, and tangata whenua groups.
15. To recommend any proposed District Plan amendments to the Council for adoption and release for formal notification.
16. To provide regular updates to the Council on the progress of the District Plan amendments programme of work.
17. To appoint representation to relevant regional strategy groups as required.

The Committee is delegated the following powers to act:

- Approval of purchase or disposal of land for network infrastructure, or parks and reserves for works and other purposes within this Committee's area of responsibility that exceeds the Chief Executive's delegation and is in accordance with the Annual plan or Long Term Plan.
- Approval of matters determined by the Committee within its Terms of Reference.

The Committee is delegated the following recommendatory powers:

- Adoption of the Long Term Infrastructure Strategy to the Council.
- Approval of additional borrowing to the Finance and Monitoring Committee.
- Approval of city boundary changes to the Council, including in respect of Strategic Boundary Land Use Agreements.
- The Committee may make recommendations to Council and other Committees.

Recommendatory Oversight of Strategies and Plans:

- Hamilton Urban Growth Strategy
- Central City Transformation and River Plan(s)

Recommendatory Oversight of Policies and Bylaws:

- Development Contributions Policy
- Growth Funding Policy
- Sale and Disposal of Council Land Policy

¹ Unfunded Growth Projects are defined in the Growth Funding Policy as:

- a) Not funded projects
- b) Funded projects but which are proposed to commence earlier than the sequencing and timing established in the Long Term Plan; and/or
- c) Funded projects but which are now proposed to occur beyond the scale, scope and cost prescribed or anticipated for those projects in the Long Term Plan.

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1 Apologies – *Tono aroha*

2 Confirmation of Agenda – *Whakatau raarangi take*

The Committee to confirm the agenda.

3 Declaration of Interest – *Tauaakii whaipanga*

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as an elected representative and any private or other external interest they might have.

4 Public Forum – *Aatea koorero*

As per Hamilton City Council's Standing Orders, a period of up to 30 minutes has been set aside for a public forum. Each speaker during the public forum section of this meeting may speak for five minutes or longer at the discretion of the Chair.

Please note that the public forum is to be confined to those items falling within the terms of the reference of this meeting.

Speakers will be put on a Public Forum speaking list on a first come first served basis in the Committee Room prior to the start of the Meeting. A member of the Council Governance Team will be available to co-ordinate this. As many speakers as possible will be heard within the allocated time.

If you have any questions regarding Public Forum please contact Governance by telephoning 07 838 6699.

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Council Report

Committee: Strategic Growth and District Plan Committee **Date:** 11 April 2024

Author: Keryn Phillips **Authoriser:** Michelle Hawthorne

Position: Governance Advisor **Position:** Governance and Assurance Manager

Report Name: Confirmation of the Strategic Growth and District Plan Committee Open Minutes 27 February 2024

Report Status	Open
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Staff Recommendation - *Tuutohu-aa-kaimahi*

That the Strategic Growth and District Plan Committee confirms the Open Minutes of the Strategic Growth and District Plan Committee Meeting held on 27 February 2024 as a true and correct record.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Strategic Growth and District Plan Unconfirmed Open Committee Minutes 27 February 2024

Strategic Growth and District Plan Committee 27 FEBRUARY 2024 - OPEN



Item 5

Strategic Growth and District Plan Committee
Te Komiti Rautaki Tipu me te Maahere Rautaki aa Rohe
OPEN MINUTES

Minutes of a meeting of the Strategic Growth and District Plan Committee held in Council Chamber and Audio-Visual Link , Municipal Building, Garden Place, Hamilton on Tuesday 27 February 2024 at 9:30 am.

PRESENT

Chairperson Cr Sarah Thomson
Heamana

Deputy Chairperson Cr Ewan Wilson
Heamana Tuarua

Members: Deputy Mayor Angela O’Leary
Cr Anna Casey-Cox
Cr Maxine van Oosten
Cr Mark Donovan
Cr Louise Hutt
Cr Andrew Bydder
Cr Geoff Taylor
Cr Melaina Huaki
Cr Tim Macindoe (via audio-visual link)
Maangai Jaydene Kana

In Attendance: Lance Vervoort – Chief Executive
Blair Bowcott - General Manager, Growth and Planning
Andrew Parsons – General Manager, Infrastructure and Assets
Janet Carson – General Manager, Communication, Partnerships and Maaori
Chris Allen – Executive Director Development
Mark Davey - City Planning Unit Manager

Governance Staff: Amy Viggers - Governance Lead
Keryn Phillips and Arnold Andrews - Governance Advisors

The Chair opened the meeting with a karakia

- 1. Apologies – Tono aroha**
Resolved (Cr Thomson/ Cr van Oosten)
That the apologies for absence from Cr Tauariki (Council Business), and Cr Naidoo-Rauf; for partial attendance from Cr Huaki and Cr Macindoe and for lateness from Mayor Southgate and Deputy Mayor O’Leary are accepted.
- 2. Confirmation of Agenda – Whakatau raarangi take**
Resolved: (Cr Thomson/Cr Wilson)
That the agenda is confirmed noting the addition of Item C4 (242-266 Victoria Street – Victoria on the River Southern Edge Activation Project). This item was referred to the Committee by the

Attachment 1

Attachment 1

Item 5

Strategic Growth and District Plan Committee 27 FEBRUARY 2024 - OPEN

Council at its 20 February 2024 meeting.

3. **Declarations of Interest – *Tauaakii whaipanga***
Prior to the discussion of the item Cr Wilson and Cr Donovan declared an interest in Item 9 (District Plan Update – February 2024) of the agenda, in particular Plan Change 9 and 13. They did not take part in the discussion or vote on the matter.
4. **Public Forum – *Aatea koorero***
No members of the public wished to speak.
5. **Confirmation of the Strategic Growth and District Plan Committee Open Minutes 10 October 2023**
Resolved: (Cr van Oosten/Cr Casey-Cox)
That the Strategic Growth and District Plan Committee confirms the Open Minutes of the Strategic Growth and District Plan Committee Meeting held on 10 October 2023 as a true and correct record.
6. **Chair's Report**
The Chair took the report as read.
Resolved: (Cr Thomson/Cr Wilson)
That the Strategic Growth and District Plan Committee receives the report.
7. **General Manager's Report**
The General Manager Strategy, Growth and Planning took the report as read.
Resolved: (Cr Wilson/Cr Taylor)
That the Strategic Growth and District Plan Committee receives the report.
8. **Strategic Issues**
The General Manager Strategy, Growth and Planning took the report as read.
Resolved: (Cr Hutt/Cr Casey-Cox)
That the Strategic Growth and District Plan Committee receives the report.

Prior to the discussion of the item below Cr Wilson and Cr Donovan declared an interest, in particular Plan Change 9 and 13. They did not take part in the discussion or vote on the matter.

9. **District Plan Update - February 2024**
The City Planning Manager highlighted the risks of the programme in the report including funding and central government decisions. Staff responded to questions from Members concerning learnings from the Plan Change 9 process, possible changes to Central Government's position on medium density residential standards and any ramifications, timing of inclusionary zoning notification with neighbouring councils, and waters connections policy.
Resolved: (Cr Taylor/Maangai Kana)
That the Strategic Growth and District Plan Committee receives the report.

*Deputy Mayor O'Leary joined the meeting (9.45am) during the discussion of the above item, she was present when the matter was voted on.
Councillor Macindoe left the meeting (10.00am) during the discussion of the above item, he was not present when the matter was voted on.*

Strategic Growth and District Plan Committee 27 FEBRUARY 2024 - OPEN

10.

General Updates

The report was taken as read.

Resolved: (Cr Thomson/Cr Wilson)

That the Strategic Growth and District Plan Committee receives the report.

11.

Resolution to Exclude the Public

Resolved: (Cr Thomson/Cr Casey-Cox)

Section 48, Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Confirmation of the Strategic Growth and District Plan Committee Public Excluded Minutes 10 October 2023) Good reason to withhold) information exists under) Section 7 Local Government) Official Information and) Meetings Act 1987	Section 48(1)(a)
C2. Strategic Issues - Public Excluded		
C3. Rotokauri North PDA Assignment		
C4. 242-266 Victoria Street – Victoria on the River Southern Edge Activation Project		

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

Item C1.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C2.	to enable Council to carry out commercial activities without disadvantage to enable Council to carry out negotiations to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (h) Section 7 (2) (i) Section 7 (2) (j)
Item C3.	to enable Council to carry out commercial activities without disadvantage to enable Council to carry out negotiations	Section 7 (2) (h) Section 7 (2) (i)

Attachment 1

Strategic Growth and District Plan Committee 27 FEBRUARY 2024 - OPEN

- | | | |
|----------|---|-------------------|
| Item C4. | to enable Council to carry out commercial activities without disadvantage | Section 7 (2) (h) |
| | to enable Council to carry out negotiations | Section 7 (2) (i) |

The meeting moved into public excluded session at 10.08am.

The meeting was declared closed at 1.23pm.

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Council Report

Item 6

Committee: Strategic Growth and District Plan Committee

Date: 11 April 2024

Author: Keryn Phillips

Authoriser: Michelle Hawthorne

Position: Governance Advisor

Position: Governance and Assurance Manager

Report Name: Chair's Report

Report Status	<i>Open</i>
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Recommendation - *Tuutohu*

That the Strategic Growth and District Plan Committee receives the report.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Chair's Report

Chair's Report

11 April 2024



Since our last committee meeting, I've been part of a number of meetings with neighbouring councils regarding growth matters, which I'd like to briefly update the committee on.

At our regular governance meetings with Waipa District Council and Waikato District Council, we have been updating both councils on the 'emerging areas' process HCC is undertaking, aimed primarily at opening up more industrial land on the edges of the city. Collaboration is important given the areas that we're considering sit within both Waipa and Waikato District Council territories and, while some are already subject to strategic boundary agreements, not all of them are. We also discussed the potential for the government's Fast-Track Approvals regime to necessitate greater urgency around some of these boundary transfers.

We have also had very constructive discussions with both councils about waters and working together on a new delivery model. Waikato District Council has had an arrangement for Watercare to deliver their water services for a number of years. However, Watercare has informed WDC that from June 2026 onward it will be terminating this arrangement. This means WDC has a tight timeframe to put an alternative arrangement in place and the elected members and staff we spoke to stressed their keenness to collaborate. At the recent Mayoral Forum, which I attended on behalf of Mayor Paula, Mayor Susan O'Regan from Waipa spoke strongly about the importance of collaboration on water delivery.

Mayor Paula and I also recently represented council at the Future Proof Implementation Committee with our partner councils. Key topics included preparing for conversations with government on a sub-regional deal, joint Future Proof submissions on the Fast Track Approvals Bill and the Draft Government Policy Statement on Land Transport, priority development areas including Fairfield-Enderley, and a water strategy for the sub-region.

These various forums will become ever more important as the rubber hits the road with boundary changes, waters reform and 'regional deals.' I'd like to acknowledge the positive and constructive relationship we have with our neighbours and the commitment I have seen from all parties to work together across boundaries.

Chair's Recommendation

That the Strategic Growth and District Plan Committee receives the report.

Sarah Thomson

Chairperson

Council Report

Committee: Strategic Growth and District Plan Committee
Date: 11 April 2024
Author: Blair Bowcott
Authoriser: Blair Bowcott
Position: General Manager Strategy, Growth and Planning
Position: General Manager Strategy, Growth and Planning
Report Name: General Manager's Report

Report Status	<i>Open</i>
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Purpose - *Take*

1. To inform the Strategic Growth and District Plan Committee on Council's submission to the Waikato Regional Council's 2024-2034 Draft Long-Term Plan, and potential submissions to the 2024-25 Draft Annual Plans of Waikato District Council and Waipā District Council.
2. To update the Strategic Growth and District Plan Committee Committee on City/Regional deals following recent conversations with the Minister for Infrastructure and senior government officials.

Staff Recommendation - *Tuutohu-aa-kaimahi*

3. That the Strategic Growth and District Plan Committee:
 - a) receives the report;
 - b) delegates authority to the members of the Waikato Regional Council/Hamilton City Council Governance Group to work with staff to develop and approve a Council submission to the Waikato Regional Council's 2024–2034 Draft Long-Term Plan;
 - c) delegates authority, following analysis of the 2024–25 Draft Annual Plans of Waikato District Council and Waipā District Council, if a Council submission is considered to be required, to the members of the Waikato District Council and Waipā District Council/Hamilton City Council Governance Groups to work with staff to develop and approve a Council submission to the respective council(s); and
 - d) notes that recommendations b) and c) are being sought as there are no suitable Committee or Council meeting dates available to consider and approve draft Council submissions on these Draft Plans before the submission closing dates.

Executive Summary - *Whakaraapopototanga matua*

4. This report provides an update and direction on two key areas of focus in our Strategic Growth space based on very recent discussions and information.
5. The National-led coalition government has prioritised its commitment to entering City/Regional deals with local government or growth partnerships as one of its election promises.

6. This report also covers Council's submission to the Waikato Regional Council's 2024–2034 Draft Long-Term Plan, and potential submissions to the Waikato District Council and Waipā District Council 2024–25 Draft Annual Plans.
7. Staff consider the decisions in the report are of low significance and that the recommendations comply with Council's legal requirements.

Discussion – *Matapaki*

City/Regional Deals

8. Any city deal will need to be an innovative long-term funding partnership, focused on economic outcomes, between Central and Local government, the private sector, iwi, and include revenue streams that fund new infrastructure. The government has stated clearly that City/Regional deals will not be based on large-scale government grants or similar.
9. City/Regional deals are closely linked to several other Council workstreams underway, including the recently released fast-track approvals legislation and Council's Long-Term Plan, and its own emerging areas process (which are discussed in more detail on today's agenda).
10. There have been early conversations with key government stakeholders over the last few months, which have confirmed that City/Regional deals are likely to be based in locations that can demonstrate clear economic development and productivity benefits at scale, with links to growth areas, and willing developers with the capital to make corresponding sized investments. The government has been clear that “nice-to-have” projects or proposals that are not strategically linked to one another are not favoured.
11. These priorities were re-iterated in a discussion between Minister for Infrastructure, Chris Bishop, and senior staff at the recent Infrastructure Funding and Financing Conference in Wellington. That discussion centred on the opportunity that the Southern Links, Stage 2 of the Ruakura Superhub, and airport precincts presented and the benefits to the (sub)region. This included key projects such as the southern wastewater treatment plant, the proposed medical school, and the Southern Links transport corridor, enabling infrastructure (the latter being an identified Road of National Significance). Addressing water allocation was also discussed as necessary for the success of such a deal.
12. Minister Bishop also suggested, given the long consenting process for needed large public infrastructure projects, that Hamilton or members of the sub-region consider applying to have those major projects in that precinct for consideration to be placed on the schedule within the new fast-track approvals legislation coming through parliament.
13. A critical success factor will be a strong and appropriate governance structure across the (sub)region for a City/Regional deal that provides aligned advocacy and certainty, and the progression of agreed priorities with a level of pace and flexibility. While a Southern Links City/Regional proposal is emerging as a strong possibility based on the government's priorities, Future Proof and the region have identified other potential areas whose benefits and outcomes need to be investigated in more detail and be considered in relation to, for example the Southern Links / Ruakura possibility.
14. Staff will work closely with the Mayor and Chair and Deputy of the Strategic Growth and District Plan Committee to advance this (sub)regional opportunity.

Waikato Regional Council's 2024–2034 Draft Long Term Plan

15. Representatives from the Waikato Regional Council outlined several of the key issues and proposed programmes that will feature in their 2024–2034 Draft Long-Term Plan at the 20 March 2024 Elected Members Briefing. Consultation on [WRC's 2024–2034 Draft Long Term Plan](#) commenced on 2 April and closes on 2 May 2024.

16. Waikato Regional Council will be consulting on five topics in their 2024–2034 Draft Long-Term Plan:
 - i. Increasing the natural heritage rate;
 - ii. Collecting a region-wide public transport rate;
 - iii. Discontinuing the Regional Development Fund;
 - iv. Funding for Te Waka; and
 - v. Changes to the funding of primary industry compliance.
17. There was general consensus by attendees at the 20 March 2024 Elected Members Briefing that Council should make a submission to WRC's 2024–2034 Draft Long-Term Plan, with the submission to focus on a number of key issues, including the Te Huia train service and public transport in Hamilton.

Waikato District Council and Waipā District Council – 2024–25 Draft Annual Plans

18. Waikato District Council commenced consultation on its [2024–25 Draft Annual Plan](#) on 25 March, with submissions closing on 26 April 2024.
19. Consultation on Waipā District Council's 2024–25 Draft Annual Plan commenced on 5 April, with the submission closing date being 26 April 2024. A web link to Waipā's Draft Annual Plan was not available at the time of writing this report.

Next steps

20. Staff have yet to analyse the Waikato District Council and Waipā District Council 2024–25 Draft Annual Plans to determine if a Council submission is required.
21. There are no suitable Committee or Council meeting dates available to consider and approve potential draft Council submissions to the above Draft Plans before the submission closing dates.
22. Therefore, staff recommend that the Waikato Regional Council/Hamilton City Council Governance Group have delegated authority to work with staff to develop and approve a Council submission to the Waikato Regional Council's 2024–2034 Draft Long-Term Plan.
23. Staff also recommend that – following analysis of the 2024–25 Draft Annual Plans of Waikato District Council and Waipā District Council – if a Council submission is required, the members of the Waikato District Council and Waipā District Council/Hamilton City Council Governance Groups have delegated authority to work with staff to develop and approve a Council submission to the respective council(s).

Financial Considerations - *Whaiwhakaaro Puutea*

24. The activities and projects described in this report are funded through existing budgets.

Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

25. Staff confirm that this matter complies with Council's legal and policy requirements.
26. Staff have considered the key considerations under the Climate Change Policy and have determined that an adaptation assessment and emissions assessment is not required for the matter(s) in this report.

Climate Change Impact Statement

27. Staff have assessed this option and determined that no adaptation assessment is required for the matters in this report.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

28. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental, and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
29. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report. The recommendations set out in this report are consistent with that purpose.
30. There are no specific social, economic, environmental, or cultural considerations associated with the matters covered in this report.
31. However, the Strategic Growth and District Plan Committee supports the wider organisation in delivering key objectives that enhance the 4 wellbeings by being responsible for:
- i. guiding sustainable physical development and growth of Hamilton to meet current and future needs, including oversight of strategic land-use planning, boundary alignment, and existing and alternative planning, funding, and financing models for growth-related projects; and
 - ii. driving collaboration with neighbouring councils, iwi, private sector and central government to meet Hamilton's growth ambitions; and
 - iii. providing governance leadership and direction to staff to develop amendments to the Hamilton City Operative District Plan 2017.

Risks - *Tuuraru*

32. There are no known risks associated with the decision being sought in this report.

Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

Significance

33. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the matter(s) in this report has/have a low level of significance.

Engagement

22. Given the low level of significance determined, the engagement level is low. No engagement is required.

Attachments - *Ngaa taapirihanga*

There are no attachments for this report. .

Council Report

Item 8

Committee: Strategic Growth and District Plan Committee **Date:** 11 April 2024

Author: Blair Bowcott **Authoriser:** Blair Bowcott

Position: General Manager Strategy, Growth and Planning **Position:** General Manager Strategy, Growth and Planning

Report Name: Strategic Issues

Report Status	<i>Open</i>
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Purpose - *Take*

1. To inform the Strategic Growth and District Plan Committee issues of high significance and areas of concern that need to be brought to Members' attention, but do not warrant a separate report.

Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Strategic Growth and District Plan Committee receives the report.

Executive Summary - *Whakaraapopototanga matua*

3. This report provides information to the Strategic Growth and District Plan Committee on issues grouped under the following themes:

Theme	Topic
Land use planning	New Government policy –
	i. Fast-track Approvals Bill
	ii. Significant Natural Areas
	iii. Medium Density Residential Standards
	iv. Draft Government Policy Statement on Transport
	Future Proof and Future Development Strategy (FDS)
	Housing and Business Capacity Assessment (HBA)
Funding / financing	City Deals
Other	Building consent timeframes

4. The report provides updates regarding the commitments of the Coalition Government, some of which form part of the 100-day plan. Key shifts since the 27 February 2024 report include:
 - i. the introduction of the Fast Track Approvals Bill for locally, regionally and nationally significant infrastructure and developments;

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- ii. the announcement by Government for local authorities to suspend requirements to advance further work to protect Significant Natural Areas (SNAs) (subject to legislative change);
 - iii. the Government's announcement regarding the Medium Density Residential Standards (MDRS) being optional for councils (subject to legislative change);
 - iv. the release of the Draft Government Policy Statement on Transport.
- 5. This report also outlines submissions relevant to Hamilton City Council on the Proposed Future Development Strategy, which are seeking a change to the settlement pattern.
- 6. Staff consider the decisions in the report are of low significance and that the recommendations comply with Council's legal requirements.

Discussion – Matapaki**LAND USE PLANNING****New Government policy*****Fast Track Approvals Bill***

- 7. On 7 March 2024, Minister Bishop introduced a new Fast Track Approvals Bill for major infrastructure and urban development projects, as foreshadowed in the 27 February 2024 Strategic Issues Report. We expect this Bill to move through the Select Committee phases with some urgency and be passed into law mid-2024.
- 8. Hamilton City Council's draft submission on the Fast Track Approvals Bill is covered in this agenda in a separate report.
- 9. The strategic impacts of this legislation are twofold:
 - i. First, there are likely to be several major developers in and around the city who seek to have their projects considered for fast-tracking. We will need to work with these developers and input into their proposals where possible so that matters that impact the city can be accounted for at an early stage.
 - ii. Second, there is the opportunity to push to include Hamilton City Council projects to be fast-tracked either as standalone projects or projects related to urban development proposals that will help enable development.
- 10. The implications and opportunities arising from the Bill for Hamilton are being considered as part of our significant resource consenting projects, in particular the Southern Wastewater and Pukete Wastewater Treatment Plant activities and discharges. Staff will investigate advocating for inclusion of these projects in consultation with iwi and mana whenua.

Changes to Significant Natural Areas

- 11. On 14 March 2024, Andrew Hoggard, Associate Environment Minister, announced that work on Significant Natural Areas (SNAs) would be suspended under the National Policy Statement: Indigenous Biodiversity (NPS:IB). The Government has confirmed that legislative change to give effect to this announcement will be released in the coming months as part of a suite of Resource Management Act amendments.
- 12. The NPS:IB was released in July 2023, making the identification and protection of SNAs mandatory across the country; prior to this, some regional plans already required direction from local authorities to protect SNAs.
- 13. There has been significant push-back from the farming community in response to SNAs, given the impact on agricultural production and private property rights. There has been similar criticism in an urban context, but not as far reaching as in rural parts of the country.

14. Hamilton City Council's Plan Change 9 specifically identifies SNAs which predominantly follow the city's gully and river networks. The Plan Change 9 SNA rules propose to expand the geographic extent of gully network protection that currently exists and strengthen the rules related to it.
15. Hamilton City Council commenced the work into identifying and protecting SNAs as part of our requirements to "give effect" to the Waikato Regional Policy Statement and Section 6 of the Resource Management Act, which already contains requirements to protect areas if significant flora and fauna exist. While Plan Change 9 SNAs align with the NPS:IB, we are required to give effect to the Waikato Regional Policy Statement.
16. From a resource consent perspective, Plan Change 9 had immediate legal effect and therefore Council must continue to process any applications applying the provisions of Plan Change 9.
17. The Hearing Panel on Plan Change 9 is due to release its decision on SNAs in the coming weeks. We do not believe the announcement from Associate Minister Hoggard changes what Hamilton City Council is doing under Plan Change 9 to protect SNAs.

Changes to Medium Density Residential Standards

18. On 27 February 2024, Minister Bishop announced that councils would be provided the ability to 'opt out' of the requirements to implement the Medium Density Residential Standards (MDRS) provided enough capacity to meet 30 years of demand is available. Minister Bishop acknowledged the legal complexity of this and committed to legislative change by the end of March 2024. Minister Bishop acknowledged that various Tier 1 local authorities were in various stages of the planning process.
19. Christchurch City Council, which opted to not notify its intensification planning instrument by the stipulated deadline in 2022, has since been declined an extension to the decision-making deadline. Minister Bishop has been clear in his press releases that he expects all Tier 1 local authorities to proceed with their intensification planning instruments within the deadline set.
20. Hamilton City Council's approach to these announcements is outlined in more detail in the District Plan Report.

Draft Government Policy Statement on Transport

21. As anticipated, the Government has released its [Draft Government Policy Statement on Land Transport 2024](#). As expected, there are changes in priorities for transport funding and some continuation of existing priorities from the previous Government Policy Statement (GPS), including a focus on safety and economic productivity. There is also significant system reform being introduced including establishing a National Infrastructure Agency.
22. Other areas of legislative reform include a shift away from fuel excise duty, development of 10-year investment plans, a move towards further tolling and road network charging and updates to the Emissions Reduction Plan.
23. The draft GPS signals:
 - i. a continuing priority around road safety, value for money and economic growth and productivity, with new priority areas related to maintenance and resilience featuring. In this respect, there is still alignment with key outcomes of Access Hamilton;
 - ii. a return to the Roads of National Significance, with 15 projects being signalled including SH1 Cambridge to Piarere and Southern Links;
 - iii. a reduction to funding priorities for walking and cycling schemes and a reduction in public transport infrastructure outside Auckland and Wellington.

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24. Regarding the last point, given the advanced works around rapid transit planning in several major cities nationally (including Hamilton), we would hope this omission is changed in the final GPS. The draft document does highlight the need to focus growth on key transport corridors linking housing to where people work.
25. The pace and scale of transport and water infrastructure related to the extent of intensification along these corridors may need to be reconsidered in light of funding availability. Part of this can be addressed through Plan Change 12 and through the current and planned stages of the Hamilton-Waikato Metro Spatial Plan transport work.
26. The signalled intention to fund Southern Links (noting we still need to understand the extent of the Southern Links network the Government intends to fund), coupled with the Overseas Investment Office approval for Stride Property to acquire 60ha within the SL1 area in Waipa District Council control, does seem to signal Government's direction to unlock urban development in this location, amongst others.
27. Consultation on Draft GPS 2024 is being coordinated by the Ministry of Transport (MOT). Following consultation, the MOT will use the submissions received to provide advice to the Minister of Transport on the final GPS, which will come into effect by July 2024.
28. A draft staff submission was circulated to Elected Members and Maangai Maaori for feedback on 22 March 2024. Comments received will then be analysed for inclusion in the final version, which needs to be lodged with MOT by the 2 April 2024 closing date.

Future Proof and Future Development Strategy (FDS) work programme

29. The Future Proof Strategy (FPS) is a 30-year growth management and implementation plan specific to the Hamilton, Waipā, Waikato and Matamata-Piako districts, referred to as the sub-region. The Future Proof Strategy satisfies the requirements under the National Policy Statement on Urban Development (NPS-UD) to have a Future Development Strategy (FDS).
30. All Tier 1 high-growth councils are required to produce a Future Development Strategy that shows there will be sufficient, feasible development capacity to support projected growth needs over the short, medium, and long term. The strategy provides a framework to manage growth in a collaborative way both from a community and a physical perspective. This approach allows growth management to be handled in a staged and coordinated manner, addressing complex planning issues and cross-boundary matters.
31. The Future Proof Strategy is currently being updated to comply with the legislative requirements of the NPS-UD and to reflect Matamata-Piako District joining the partnership.
32. The draft Future Proof Strategy – FDS Update was publicly notified on 15 January 2024 for a five-week period until 19 February 2024. A total of 49 submissions were received. See **Attachments 1 and 2** for the submissions relevant to Hamilton City Council.
33. In terms of the large-scale changes to the Future Proof settlement pattern sought:
 - i. 9 large urban extensions are proposed at or close to the Hamilton Urban boundary.
 - ii. Of these, three are currently under consideration through the Emerging Areas process: Te Kowhai East, SL1, and R2.
 - iii. Of these three, R2 is identified in the notified Future Proof Strategy 2024 as within the Urban enablement area. SL1 is identified as a Future Strategic Industrial Node for Investigation. Te Kowhai is accorded no status.
 - iv. Another submission has been received seeking recognition of Brymer Farms as an area for urban expansion. This is not identified as an Urban Enablement Area under the notified Future Proof Strategy 2024. This submitter also sought inclusion during the 2022 review of the Strategy.

- v. Several other submissions have been received seeking urban expansion for areas more distant from the Hamilton urban boundary –
 - a) Gordonton;
 - b) Puuaawai Estate to the south-west of the airport;
 - c) to the immediate east of the airport;
 - d) to the northwest of the airport;
 - e) to the east of R2 on the eastern side of the Waikato Expressway.
- 34. The proposals at Gordonton and the eastern side of the Expressway are unlikely to be supported because:
 - i. there is sufficient zoned land within Hamilton for residential;
 - ii. the developing insufficiency of industrial land will be dealt with through the Emerging Areas process.
- 35. The proposals around the airport are proposed to be dealt with a concept plan process under development for strategic corridors around Waikato, one of which will deal with the long-term strategic planning of the area to the south of Hamilton and around the Airport. This proposed work could be usurped by projects that might be included in the Fast Track Approvals Bill.
- 36. In addition to these submissions around the Hamilton's boundary, there are also requests to change the settlement pattern, extending urban development in areas around Ohaupo, Taupiri, Meremere, Matamata, and Te Awamutu. There are several other submissions which relate to the overall direction of the strategy.
- 37. Hearings occurred on 21 and 22 March 2024. Staff will provide ongoing advice to Hamilton City Council's Future Proof FDS Hearing Panel member(s). Deliberations are set down for early May 2024.

Housing and Business Assessment – Update

- 38. The Housing and Business Assessment (HBA) Residential was delivered late 2023. The HBA Business is still being finalised. Work during early 2024 has focused on validating the results against reporting Council and Future Proof received in April 2023 (refer **Attachment 3**) that examined industrial land sufficiency from a development sector perspective.
- 39. The draft HBA Business has considered of an alternative scenario where a sensitivity analysis is applied to industrial land in Ruakura, reflecting its leasehold status, the removal of large areas for infrastructure, particularly stormwater, and the possible delayed construction of the Eastern Transport Corridor, on which much development in the area is tied to through gateways inserted through the Ruakura Structure Plan.
- 40. Application of the Ruakura sensitivity test results in an insufficiency of industrial land beginning in the medium term (4-10 years), which aligns with market feedback and the rapid rise in 10-years of industrial per sqm land rates in established areas such as Te Rapa.
- 41. The final HBA Business is targeted for early April 2024, and is a key input into the Emerging Areas process.

FUNDING / FINANCING

City Deal

- 42. The Future Proof Chief Executive Advisory Group (CEAG) has established a sub-group to further investigate City/Regional Deals and has identified a technical team to progress this thinking.
- 43. Hamilton City Council staff are leading this work alongside representatives from Waipa and Waikato District Councils.

Item 8

44. The Government has signalled its interest in working with regions who have aligned their thinking on deals, and the group will be progressing with this in mind.

OTHER

Building consent timeframes

45. The Building Control Manager will attend the meeting to respond to any questions regarding building consent timeframes.

Financial Considerations – *Whaiwhakaaro Puutea*

46. The topics covered in this report are funded by existing budgets. There are no financial implications in relation to the information provided in this report.

Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

47. Staff confirm that these matters comply with Council's legal and policy requirements.

Climate Change Impact Statement

48. Staff have assessed this option and determined that no adaptation assessment is required for the matters in this report.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

49. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
50. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report. The recommendations set out in this report are consistent with that purpose.

Social

51. As more people live and work in the city, we need to make sure the benefits of living in Hamilton Kirikiriroa grow alongside the new homes and businesses. While we don't determine how much growth occurs in Hamilton, we can determine what kind of city Hamilton Kirikiriroa aspires to be. We want to create a liveable city, an attractive lifestyle and improve the wellbeing of current and future residents.
52. This means creating accessible, equitable quality spaces and places for our communities such as parks, green space, playgrounds, education, health, libraries, pools and other community facilities. It also means expanding opportunities for people to engage in arts, culture and creativity in diverse and meaningful ways.
53. A key consideration for growth is ensuring that growth is planned close to places where people can access their daily needs, with genuine travel choices.

Economic

54. As part of delivering economic growth outcomes, Council proactively works with existing and prospective businesses to expand or establish operations creating investment and employment opportunities.
55. As our city grows, so too do opportunities for expanding and attracting tourism and economic growth while continuing to raise the city's reputation and profile as a great place to live and visit.

- 56. In order to attract more jobs to our city, more industrial land is required. Studies are underway to help determine the needs, best locations and actions required.
- 57. Delivery of key growth areas contributes to economic wellbeing through delivery of major infrastructure and residential and commercial construction activities.

Environmental

- 58. As we grow, it's important that we balance the need for housing alongside the need to protect and enhance our biodiversity. It's also important that we make the best use of our limited natural resources such as water.
- 59. Nature in the City strategy outcomes is a key consideration for growth. Access to nature, parks and open spaces and protection and restoration of significant natural areas key outcomes alongside delivering new homes and jobs.
- 60. The Waikato River is at the heart of Hamilton Kirikiriroa. It supports life throughout the city and region, it is central to our culture and has shaped the form of our city. As we continue to grow, we must put the health and wellbeing of the River at the heart of everything we do.
- 61. As the city grows, this means we need to promote investment that protects and restores the Waikato River and delivers on our obligation under Te Ture Whaimana o Te Awa o Waikato and targeting growth areas services by, or planned to be serviced by, high quality three waters infrastructure.
- 62. Our approach to growth needs to enable our city to reduce carbon emissions while adapting to the changing climate to improve our resilience. This means enabling growth of homes and jobs in areas that can easily access public and/or active transport modes. It also means guiding growth that builds our resilience to climate change impacts, such as avoiding areas where there are flooding and other natural hazards.

Cultural

- 63. Effective partnership with iwi is integral to the success of the growth programmes. We respect the special status of Tangata Whenua, are committed to the principles of Te Tiriti O Waitangi and further Maaori aspirations through building mana-enhancing partnerships.
- 64. Our Iwi partners, Waikato-Tainui, are engaged under the Joint Management Agreement (JMA), with a shared responsibility to achieve the vision and strategy for the Waikato River.
- 65. Staff place a high level of importance on the Vision and Strategy for the Waikato River when planning projects that impact the river and tributaries and staff consider relevant sections of the Waikato-Tainui Environmental Plan when planning growth projects.
- 66. The Council continues to meet its legislative responsibilities under the Resource Management Act by providing opportunities for iwi and hapuu to contribute to local government decision-making processes and exercise of kaitiakitanga over the natural and physical aspects within growth programmes areas.

Risks - *Tuuraru*

- 67. There are no known risks associated with the matters covered in this report, other than those relating to specific items in the body of the report.

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Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

Significance

68. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the matter(s) in this report has/have a low level of significance.

Engagement

69. Given the low level of significance determined, the engagement level is low. No engagement is required.

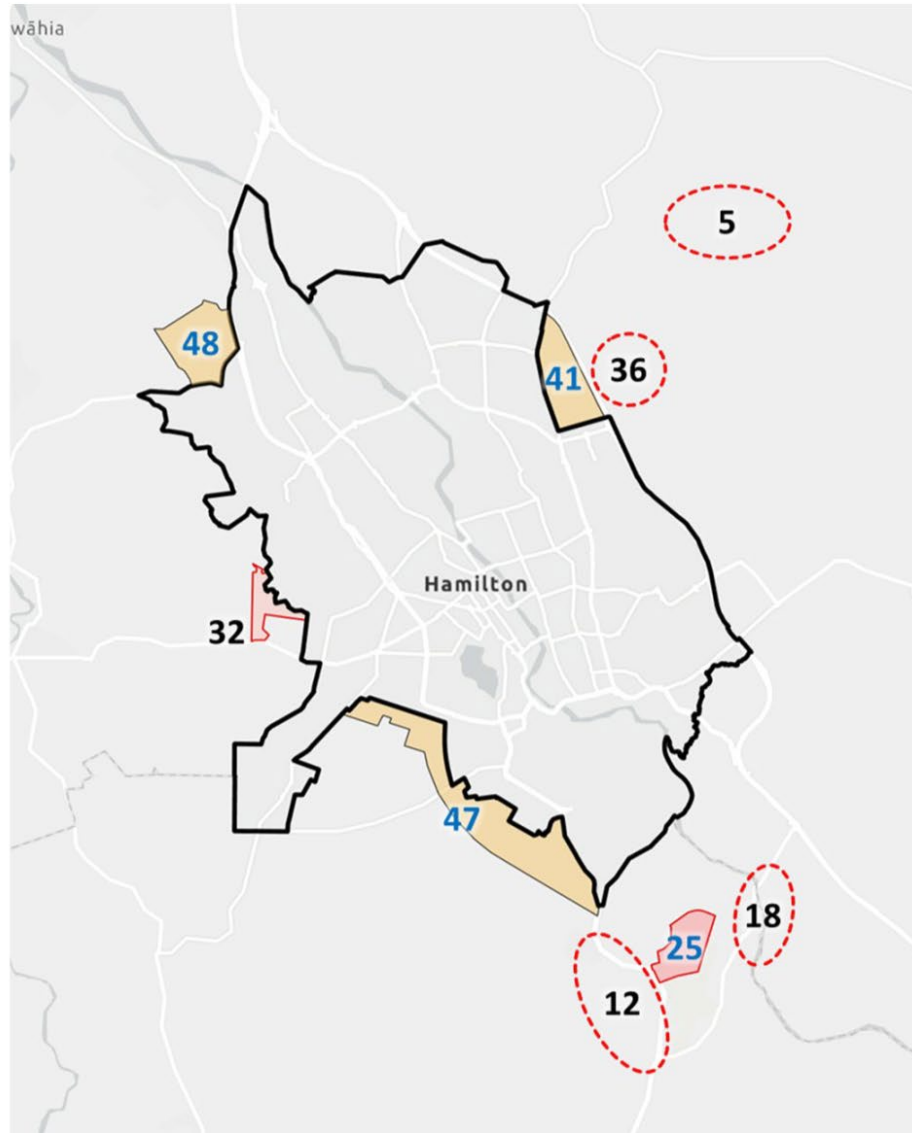
Attachments - *Ngaa taapirihanga*

Attachment 1 - FDS Submissions in relation to Hamilton

Attachment 2 - Analysis of FDS Submissions

Attachment 3 - Hamilton City Council - Industrial Land Scoping Study

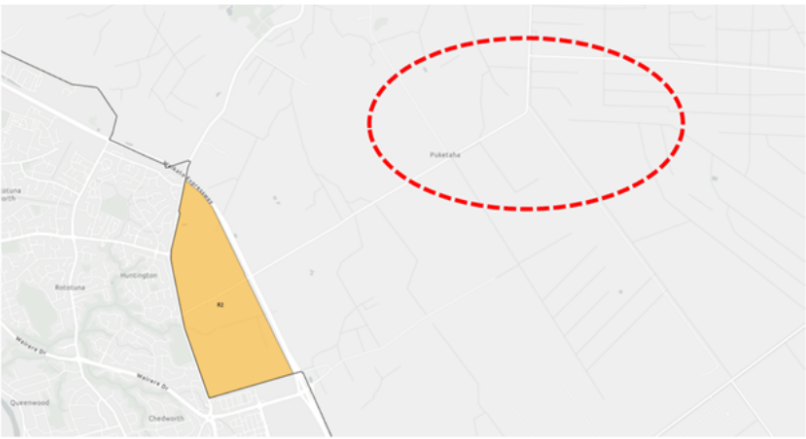
Attachment 1 - FDS Submissions in relation to Hamilton.



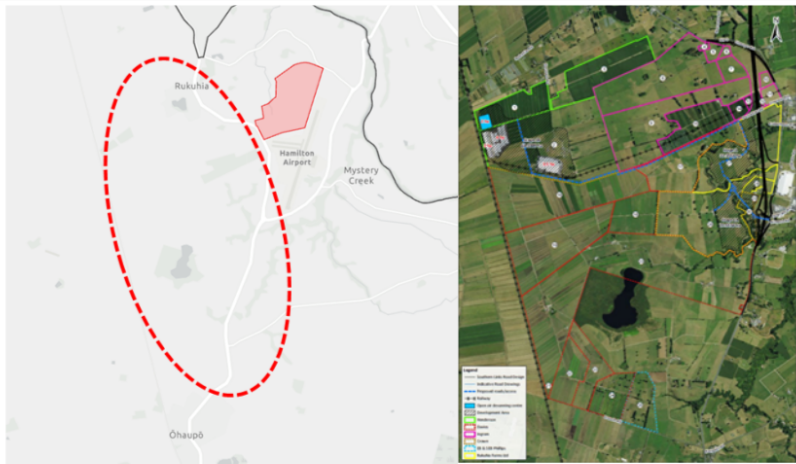
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Attachment 1

Attachment 2 - Analysis of FDS Submissions

No.	Name	Summary
5	D.Morell	<p><u>Hamilton fringe, near R2</u> Requests that the boundary of Hamilton be extended in the northern eastern areas to provide additional residential land. Subdivision around the school would encourage local use of the school instead of children being transported from the city. There is already power and water on road frontages of Puketaha and Sainsbury Roads and it is only 7km from existing services.</p> <p><u>Location:</u> Unknown (submitter provided no images). WRC's guess is around the circled area.</p>  <p><u>Comments:</u> (Sought zoning: judging by the description, residential.) <u>FP identified challenges:</u></p> <ul style="list-style-type: none"> • Highly productive land • Within the lower Waikato drainage scheme area • Water and wastewater <p><u>Possible HCC response:</u></p> <ul style="list-style-type: none"> - HBA Residential has not identified need for significant expansion as that sought by submitter. - Distant from the urban boundary, and submission catalyses significant precedent and disruption to the settlement pattern, with insufficient evidence produced in support.

No.	Name	Summary
12	Puaawai Estate Ltd (ex-Western Developments)	<p><u>Near the airport</u> PEL has development interests in the "Rukuhia Block", approximately 960 hectares within the Hamilton-Waikato Metro Area and located to the west of Hamilton Airport and adjacent to designated Southern Links routes. The block currently extends between State Highway 3 in the east and the North Island Main Trunk Railway in the west. PEL proposes staged development of the Rukuhia Block for commercial, and industrial land particularly large lot heavy industrial use opportunities</p> <p><u>Location:</u></p>



Comments:
 (Sought zoning: commercial and industrial, no detailed land use map at this stage.)

FP Identified challenges:


- Highly productive land
- Peat/peat lakes
- Impact on SH network

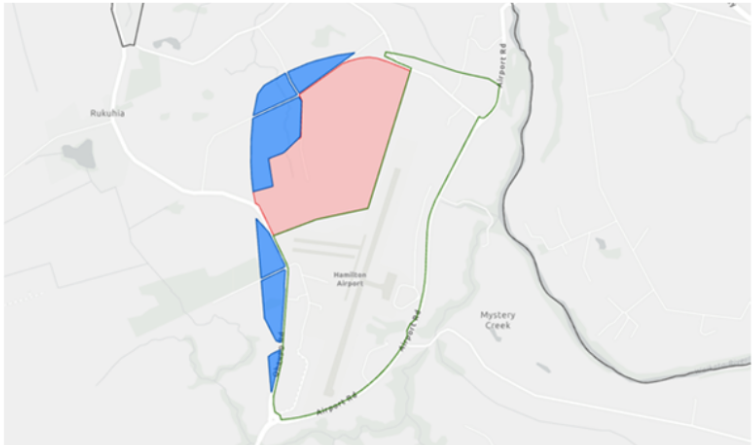
Possible HCC response

- Delay until FP strategic concept plan process for Hamilton south/north Waipa completed.
- Significant, relatively isolated expansion, significant disruption and change to settlement pattern.

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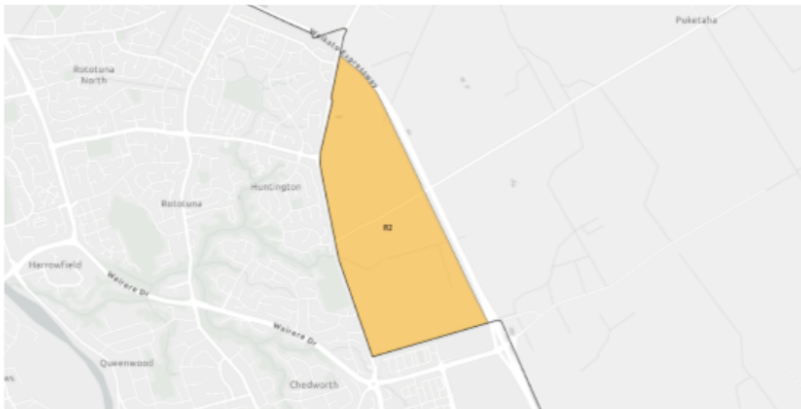
No.	Name	Summary
18	Tabby Tiger Ltd	<p><u>Near the airport</u></p> <p>Submitter seeks recognition of the Tabby Tiger land interests as a logical extension to the Airport Business Zone and as a mixed-use development (commercial and industrial) area in the Future Proof Strategy.</p> <p><u>Location:</u></p>  <p><u>Comments:</u></p> <p>(Sought zoning: commercial and industrial, no detailed land use map at this stage.)</p> <p><u>FP Identified challenges</u></p> <ul style="list-style-type: none"> • HPL • Te Ture Whaimana • Bat habitat • Access to SH21 and SL <p><u>HCC possible response:</u></p> <ul style="list-style-type: none"> - Delay until FP strategic concept plan south Hamilton North Waipa completed. - Breaks out development from immediately around the airport to across bounding roads, and precedent. - Disruption to Hamilton Centres strategy. - Topography in area is constraining, restricting development to near road, with rear of sites difficult to develop. - Infrastructure issues – need to require them to connect to the SWWTP

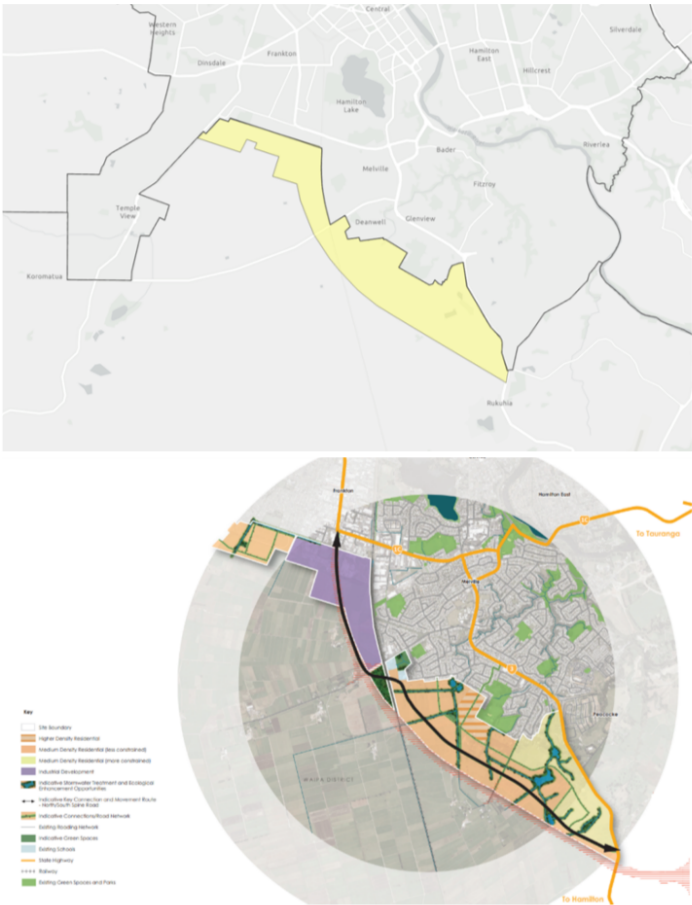
No.	Name	Summary
25	Titanium Park Ltd (TPL) and Rukuhia Properties Ltd (RPL) (N.Grala - Harrison Grierson)	<p><u>Near the airport</u></p> <p>Submitter seeks that finalising the Draft Strategy is deferred until the planned Business Development Capacity and Demand Assessment 2024 is produced; and in the interim, Table 4 of the Draft Strategy is updated to include both the full extent of the Northern Precinct approved in PC20 and an additional Northern Precinct Expansion Area.</p> <p>(Blue areas are the additional land the submitter seeks to be added.)</p>
<p><u>Location:</u></p> 		
<p><u>Comments:</u></p> <p>(Sought zoning: mostly industrial according to Denzil, no detailed land use plans yet. Unsure about the blue areas.)</p> <p><u>FP identified challenges:</u></p> <ul style="list-style-type: none"> • Highly productive land • Infrastructure • Access to SH3 and Southern Links (longer term area in blue) <p><u>HCC possible response:</u></p> <ul style="list-style-type: none"> - Should consult Waipa District Council on this (they're unusually silent during the WRPS PC1 appeals) - Logically extends the industrial zoning to the edge of the Southern Links Designation which was sought through HCCs submission on PC20. 		

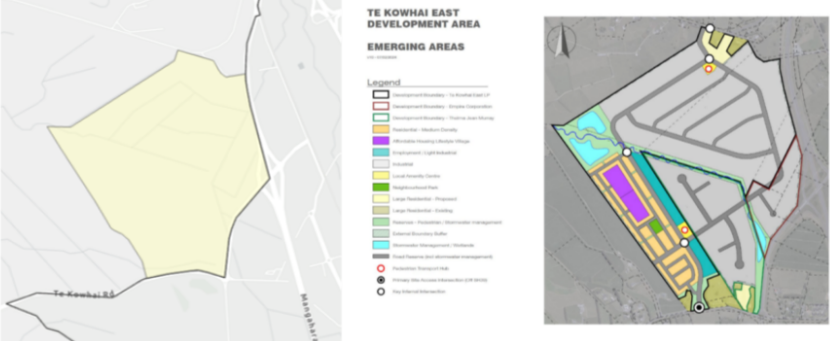
Attachment 2

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No.	Name	Summary
36	Blue Wallace Surveyors Ltd	<p>Hamilton fringe, near R2 Submitter seeks that a Future Strategic Industrial Node over the submitter's land is annotated on Map 1: Settlement Pattern.</p> <p>Location:</p>  <p>Comments: (Sought zoning: industrial.) FP identified challenges:</p> <ul style="list-style-type: none"> • Highly productive land • Three waters • WEX as barrier to infrastructure • Interchange limitations <p>HCC possible response:</p> <ul style="list-style-type: none"> - Breaks out past WEX as barrier to further urban growth - Impact on WEX - Infrastructure such as S/W - Interchange - HCC has recently settled an appeal to the Proposed Waikato District Plan for a Motorway Service Centre at this location. The submitter was seeking 15,000GFA which through mediation was reduced to 1,800GFA. - Part of HCCs concern was lack of servicing and that this was breaching the settlement pattern boundary

No.	Name	Summary
41	CDL Land New Zealand	<p>R2</p> <p>Submitter opposes and seeks deletion of the paragraph on page 71 which refers to Strategic Boundary Agreements for the following reasons:</p> <ul style="list-style-type: none"> - The R2 growth cell has been identified in planning related decisions and documents for almost 20 years. - R2 is already identified as an urban enablement area in the Strategy. - It means development of R2 would now be both out of sequence and unanticipated. <p>As alternate relief, the submitter seeks amendment to the paragraph to clarify it does not apply to R2.</p> <p>In addition, submitter seeks identification of R2 as an area for development in the short-medium term.</p>
<p>Location:</p> 		
<p>Comments:</p> <p>(Sought zoning: industrial, details are run through EA process.)</p> <p>FP identified challenges:</p> <ul style="list-style-type: none"> • Infrastructure <p>HCC possible response:</p> <ul style="list-style-type: none"> - Emerging Area, dealt with through that process 		

No.	Name	Summary
47	SL1 (F.McNutt)	<p>SL1 Submitter seeks that the full development site is included as a 'Future Urban Area' that is subject to a Strategic Boundary Agreement 2022. Submitter also seeks inclusion of SL1 as a PDA and in the Development Infrastructure table.</p>
<p>Location:</p>  <p>Comments: (Sought zoning: residential, see concept plan above.) <u>FP identified challenges:</u> Uncertainty around Southern Links Deep peat Carbon emissions Mudfish <u>HCC possible response:</u> Emerging Area, dealt with through that process</p>		

No.	Name	Summary
48	Te Kowhai East (C.Batchelar - Cogito Consulting Ltd)	Te Kowhai East Submitter seeks that the Te Kowhai East Development Area is included in the Strategy as a potential Future Growth Area.
Location:		
		
Comments: (Sought zoning: primarily industrial, see concept plan above.) FP identified challenges: Highly productive land Water allocation Lack of connectivity Interchange limitations HCC possible response: Emerging Area, dealt with through that process.		



frequency

Hamilton City Council - Industrial Land Scoping Study

For Hamilton City Council – March 2023

Attachment 3 - Hamilton City Council - Industrial Land Scoping Study



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- Summary

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Purpose of the report

Frequency have been engaged by Hamilton City Council (HCC) to undertake a review of Industrial Land Supply in the **Hamilton metro sub-region**. This has encompassed a review of current and future land supply together with a sense check of previous land supply assessments, notably that provided in the 2021 Business Development Capacity Assessment (HBA) for the Future Proof partners of HCC, Waikato and Waipa District Councils. The review also identifies and considers potential options where future industrial land supply could be made available subject to more detailed investigation, plan enablement and infrastructure enablement in due course.

As noted above this review has been commissioned specifically to consider the supply and demand for Industrial Land within the **Hamilton 'metro' area** and not the wider Future Proof region as covered by the 2021 HBA.

For the purpose of the report, we have defined the **Hamilton metro** area as the area from Ohinewai to Hautapu Cambridge. The northern part of Waikato, areas such as Pokeno & Tuakau are excluded as they are considered part of Auckland's supply. Many of the other smaller areas covered by the HBA, such as Raglan or Pirongia, are excluded as they have different market dynamics to the 'metro' area.

As requested by Waikato District Council, we have also included a version of the analysis where the areas of Pokeno, Mangatangi/Maramarua, Te Kauwhata(South-West), Ohinewai (North) and Huntly (North East) are included.

Scope of the review

This review broadly encompassed the following areas of consideration, this scope reflects the original brief provided and as modified through the course of the review. The key aspects of the review are as below:

- Considering whether to accelerate the release of Te Rapa North deferred industrial zone
- Providing a "sense check" of the HBA industrial land findings based on recent market insights and developer feedback
- Cross checking findings with input from commercial real estate and development sector and gaining their views on supply and demand drivers
- Assessing current levels of supply and demand
- Consideration of locational and other factors affecting likely demand for future industrial land
- Identification of potential areas for future industrial land supply including a potential shortlist for further investigation
- Consideration of the demand and potential locations for future wet industrial uses



Part 1 - Te Rapa North Deferred Industrial Area

frequency

Te Rapa North Deferred Industrial Area

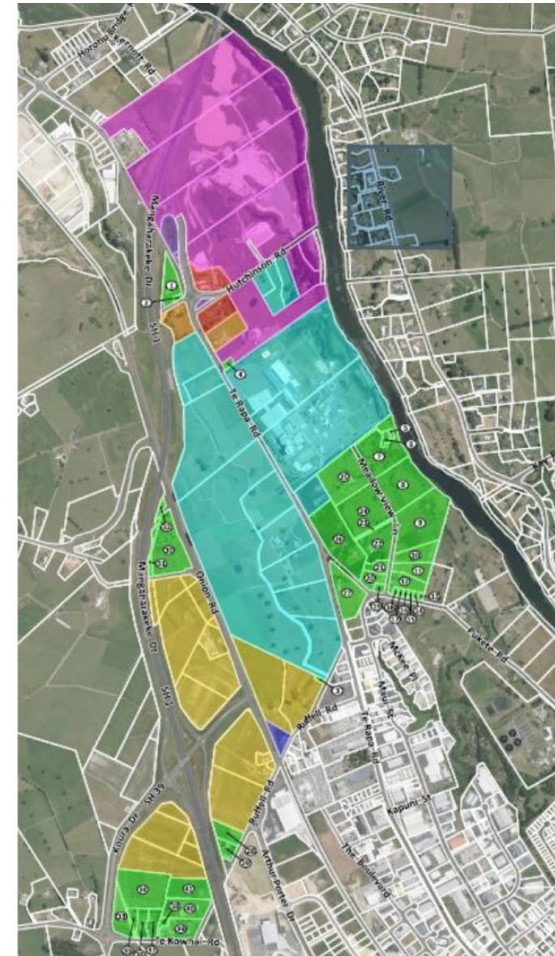
Significant factors affect industrial land supply timing in the Te Rapa North area.

- **Fonterra** – Note approx. 33-40% of Fonterra area is already developed, the remainder is buffer land or a potential logistic HUB expansion. Fonterra is not a developer, and its future intentions are unclear, however recent conversations between HCC and Fonterra indicate possible development interest.
- **Northern River Crossing (NRC)** – the uncertainty of designation and limited options to protect the route without designation poses risks to NRC if the land is rezoned for development would pose risk to NRC
- **Empire Group (EG)** – land impacted by NRC alignment, the uncertainty of such impacts on the development of remaining land and EG's appetite to develop until NRC resolved
- **Northern Horotiu Farms Limited** – rezoned to residential and thus no longer available
- **Other land owners** largely comprise 'lifestyle' lots close to the river – the high value of existing lifestyle blocks and difficulty to amalgamate make development challenging and uncertain as to timing/outcome
- **High cost/uncertainty** of who pays for bulk infrastructure and when – currently unfunded in LTP

Based on the above, **the preliminary recommendation** from the review is not to progress with the re-zoning unless there is a commitment from Fonterra and other landowners to develop in a reasonable time frame and protection of NRC alignment agreed and provided for in any Plan Change process. Clarity on infrastructure timing cost and funding is also required.

This also provides the opportunity to review Te Rapa North in the context of wider land supply options and to weigh them against Te Rapa North

However, we have included this in our land supply pool at the request of the Council.



Item 8

Attachment 3



Part 2 – Review/Sense Check Industrial Land Supply And Demand

frequency

Methodology

This report has taken the following steps in sense-checking the industrial land supply and demand:

1. High-level review of overall HBA findings
2. Review of industrial land demand
 - a) Interviews with the commercial real estate sector (developers and agents) to compare HBA findings against what market participants are experiencing and to establish the basis for demand scenarios (low, medium, high) for further assessment
 - b) Engaging Market Economics (ME), via HCC, to undertake an updated review of the current/forecast demand specifically for the 'metro' area and to provide a breakdown of such demand by industrial uses and location.
(Note: this is currently being undertaken by ME and will be provided at a later date and can be incorporated into a further version of this report). ME have also been requested to consider future demand for Wet Industry uses within the area.
3. Review of industrial land supply
 - a) Verifying short to medium term (within 10 years) industrial land supply by focusing on the major industrial land supply areas (plan change areas and live zone undeveloped areas) and comparing this against supply levels shown in the HBA report

High level review of overall HBA findings

The 'mathematical' population growth-driven approach taken in the 2021 HBA has led to demand outcomes that are not necessarily practical or reflect market realities and preferences. This approach has led to it:

- Suggesting demand for areas where there should be little or no demand e.g. Hamilton CBD
- Industrial land supply that is not real due to physical constraints and general assumptions made for zoned land that is not plan or infrastructure enabled and unlikely to be so within the foreseeable future
- In assessing future supply, HBA has a theoretical approach of identifying supply based on future Council zoning and/or growth aspirations that are not necessarily available within the foreseeable future or market attractive.

Based on the above findings, we dive deeper into the demand and supply figures included in the HBA

- This review has taken an approach of physically identifying the industrial land supply that is potentially available within the short to medium term (within 10 years)

Example of Demand Mismatch

Using the below HBA Hamilton data as an example of the demand allocation mismatch:

Hamilton	Demand			Supply			Shortfall in red		
Land (ha)	Short Term	Medium Term	Long Term	Short Term	Medium Term	Long Term	Short Term	Medium Term	Long Term
Te Rapa	51.4	177.0	328.7	99.3	99.3	278.0	0	1	1
Chartwell	0.5	1.8	4.7	0.0	0.0	0.0	1	1	1
Frankton	0.8	25.8	92.3	21.1	21.1	21.1	0	1	1
CBD	5.2	21.0	64.5	0.0	0.0	0.0	1	1	1
Ruakura	0.4	6.0	22.1	145.8	212.6	336.6	0	0	0
Other	4.4	34.2	108.2	4.1	4.1	4.1	1	1	1
Total	62.6	265.8	620.5	270.3	337.1	639.8	0	0	0

- Demand in Frankton, CBD and other are higher than expected, given the nature of the area. This is likely due to how the HBA demand is calculated (e.g. no. job x area)
- HBA shows minimal industrial land demand from Ruakura, implying there would be an oversupply in this location and contrary to TGHL expectations.

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Attachment 3

Example of Supply Mismatch

Using the below HBA Hamilton data to show a high level of industrial land supply that is unlikely to be actual supply:

Waikato	Demand			Supply			Shortfall in red		
Land (ha)	Short Term	Medium Term	Long Term	Short Term	Medium Term	Long Term	Short Term	Medium Term	Long Term
Pokeno	0.0	5.0	22.7	15.5	17.5	53.3	0	0	0
Tuakau	9.1	16.9	24.0	97.9	103.0	103.0	0	0	0
Te Kauwhata	1.3	9.6	15.8	14.0	14.0	14.0	0	0	1
Huntly	2.3	5.2	10.9	2.0	3.3	3.3	1	1	1
Ngaruawahia	-2.0	0.1	6.2	68.4	222.8	258.8	0	0	0
Raglan	2.6	7.8	19.6	1.2	1.2	1.2	1	1	1
Rest of Waikato	1.8	21.4	67.5	216.4	343.1	740.8	0	0	0
Total	15.1	66.0	166.6	415.4	704.9	1174.4	0	0	0

- Majority of the identified supply is located in Ngaruawahia and Rest of Waikato. Many of these industrial land supply areas are not zoned, are unserved and/or are in locations that are not considered market attractive.

Summary of Industry interviews

After discussion with market participants, both active developers and real estate agents, the following key points are identified:

- Market participants suggested a high uptake of up to 100ha per year (based on recent market conditions), with a low uptake of 30-40 ha in the Hamilton region in a slow or down cycle market. A long term demand average of 50-60 ha p.a. is suggested by the industry
- Ruakura demand/land take up is assessed as c. 15-20ha per year. Focus is on developing for building lease and holding as long term investments rather than developing for land sale to others – TGHl advice
- Airport precinct to provide circa 130ha land coming online in short/medium term (Note: of this 130 ha, 41 ha is already zoned as Airport Business but included within PC20 application for alignment of development controls)
- General feedback is 'no larger land parcels available' especially if the land user is seeking to purchase the land
- Market split is 65:35/70:30 Owner Occupier to Tenant for new development – Colliers and others

The above could suggest that industrial development activity in 'Hamilton metro' is suppressed due to lack of supply

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Attachment 3

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Available/known pipeline supply

This report undertakes a review of supply by identifying the short and medium term industrial land available (within 10 years) and comparing it to the supply included in the HBA report.

Current supply

Areas (ha)	Short term 1 -3 yr	Medium term 4-10 yr	Long term 11-30 yr
Cambridge current*	2	0	0
Hamilton current*	37	0	0
Ohinewai - Sleepy head	5	25	0
Ruakura	39	68	88
Airport current portion remaining	0	27	0
Total	83	120	88

Known pipeline supply

Areas (ha)	Short term 1 -3 yr	Medium term 4-10 yr	Long term 11-30 yr
Ruakura East	0	0	65
Airport	0	29	29
Hautapu C9&C10	0	51	102
Te Rapa North: Deferred Industrial zone	0	0	124
Total	0	80	320

- The above supply is allocated into short, medium and long term periods. These numbers are compiled from multiple sources, ranging from Collier's current market data to information from developers on potential plan changes. The result is significantly less than the amount of forecast supply (2,045ha) in the HBA report. Of the supply of 690ha, over 260ha is coming from Ruakura & Ruakura East which only cater to a certain market segment.

*Based on market data provided by Colliers of land currently available for sale November 2022

Market Economics update demand assessment

At the time of writing the ME updated demand assessment is not yet available. As and when that becomes available we will update our assessment and report to reflect that as a further scenario to those modelled and contained within this report.

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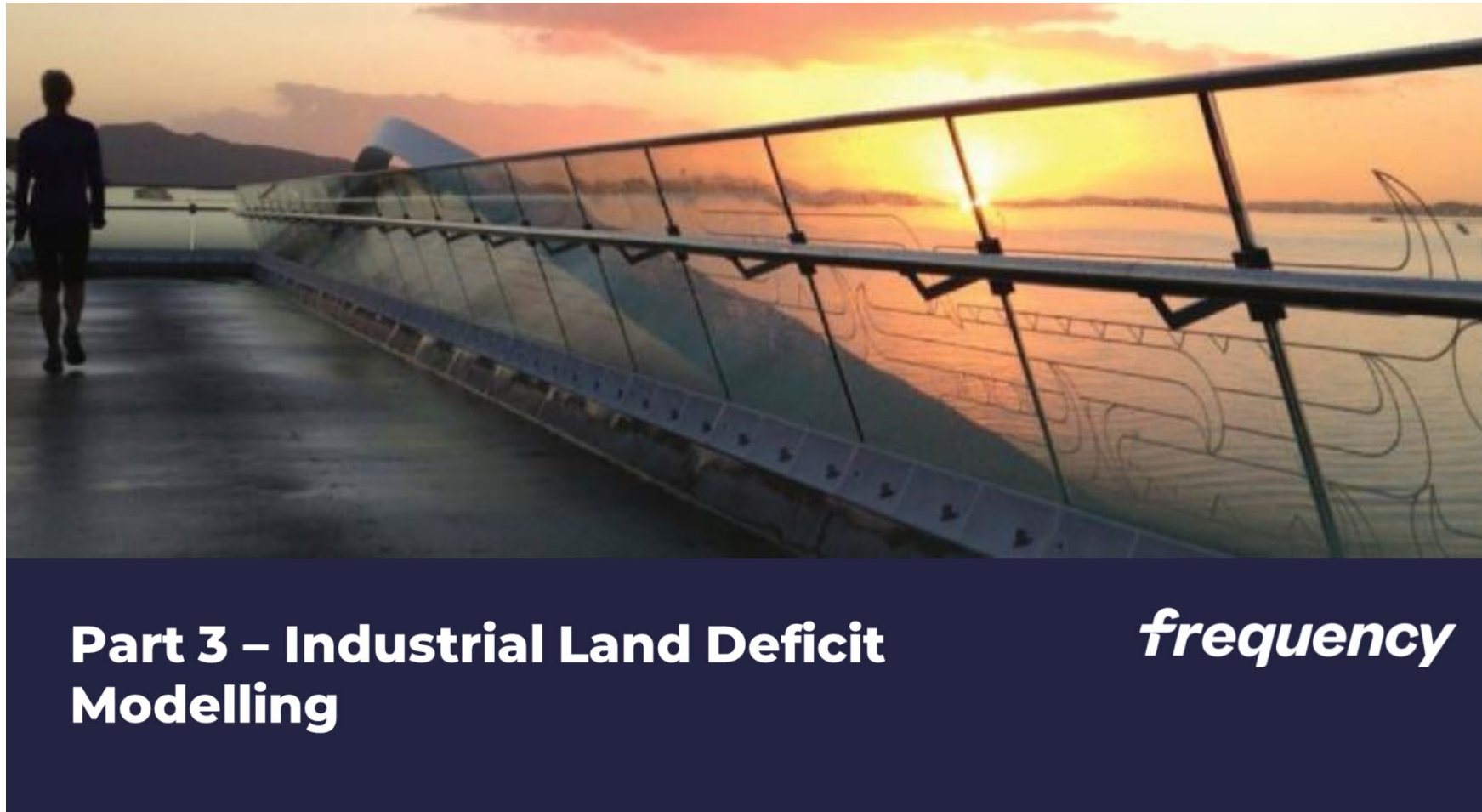
Attachment 3

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Part 2 – In Summary

- This analysis leads us to conclude that the actual supply of industrial land is significantly lower than the supply identified in the HBA report
- As noted, the demand section will be updated based on ME-updated findings when available
- The next section of this report then quantifies the potential industrial land demand/supply over different time horizons and by assuming different demand scenarios



Item 8

Attachment 3

Methodology

The purpose of the modelling is to demonstrate the amount of industrial land supply required based on various demand scenarios. Based on discussion with market participants, and pending the further ME demand analysis, we have assumed the below demand uptake scenarios:

- Base demand case: 50ha uptake p.a. (based on the suggested long-run average)
- Low demand case: 30ha uptake p.a.
- High demand case: 80ha uptake p.a. (based on high recent uptake of up to 100ha per year)

The demand figures are grouped up into 3-time horizons as per the HBA report. Short term: up to 3 years measured from the base year; Medium term: 4-10 years measured from the base year, and Long term: 11-30 years measured from the base year

Methodology Continued

The demand pool is then set against the estimated 'known' supply for each time horizon period

We have generally grouped supply into short, medium and long term periods. These numbers are compiled from multiple sources, ranging from Collier's current market data to information on potential plan changes and discussions with developers. In creating the table below, we have made assumptions as to the annual supply amount per location.

Areas (ha)	Short term 1 -3 yr	Medium term 4-10 yr	Long term 11-30 yr
Cambridge current*	2	0	0
Hamilton current*	37	0	0
Ohinewai - Sleepy head	5	25	0
Ruakura	39	68	88
Airport current portion remaining	0	27	0
Ruakura East	0	0	65
Airport	0	29	29
Hautapu C9&C10	0	51	102
Te Rapa North: Deferred Industrial zone	0	0	124
Total	83	200	407

*Based on market data provided by Colliers of land currently available for sale

Gross Land Supply v. Net Land Supply

In this report, all demand listed is net demand which is the amount of developed land available to meet end users requirements

However, there are two supply figures used, gross supply and net supply. Gross supply is the total area of an industrial/to-be-zoned industrial area. Net supply is the aforementioned area minus a % for provision for roads, wetlands, topography and other similar needs.

The net supply figure is used to compare against net demand. We have adopted a 35% reduction as a prudent conservative estimate. (with the exception of Ohinewai, where a higher 50% is used to reflect the nature of the low lying land and geotechnical conditions)

ha	Gross	Reduction	Net	Net land developed
Ruakura	300	35%	195	195
Airport current portion remaining	41	35%	27	27
Ruakura East	100	35%	65	65
Airport	89	35%	58	58
Hautapu C9&C10	236	35%	153	153
Te Rapa North: Deferred Industrial zone	190	35%	124	124
R2	47	35%	31	31
HT1	120	35%	78	78
Te Kowhai East	200	35%	130	130
R3	741	35%	482	321
SL1	153	35%	99	99
Horotiu West	215	35%	140	140
Airport West	199	35%	129	129
Taupiri	160	35%	104	104
Hopuhopu	52	35%	34	34
Pokeno	67	35%	44	44
Mangatangi/Maramarua	486	50%	243	49
Te Kauwhata(South-West)	66	35%	43	21
Ohinewai (North)*(sleepyhead removed)	601	50%	300	150
Huntly (North East)	101	35%	66	66

Demand Calculation (net land area)

Demand by time period

Demand scenarios (ha)	Short term 1 -3 yr	Medium term 4-10 yr	Long term 11-30 yr
Low Demand (30ha per year)	90	210	600
Base Demand (50ha per year)	150	350	1,000
High Demand (80ha per year)	240	560	1,600

Demand by time period (cumulative)

Demand scenarios (ha)	Short term 1 -3 yr	Medium term 4-10 yr	Long term 11-30 yr
Low Demand (30ha per year)	90	300	900
Base Demand (50ha per year)	150	500	1,500
High Demand (80ha per year)	240	800	2,400

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Buffer Required

We have included a 'buffer' provision in our analysis to account for two types of inefficiencies:

1. To account for market 'rigidities' and inefficiencies and to provide choice and competition in land supply
 2. To account for inefficiencies in the plan-making process and uncertainty as to infrastructure-timing, cost and funding arrangements
- The need for a buffer is validated by the Infrastructure Commission report on housing supply showing that, for example, the Auckland Unitary Plan is designed to provide 2.5x capacity of the forecast population growth and demand for residential housing in Auckland.
 - The 2 types of inefficiencies had been aggregated into a buffer level for each time horizon below

Buffer required

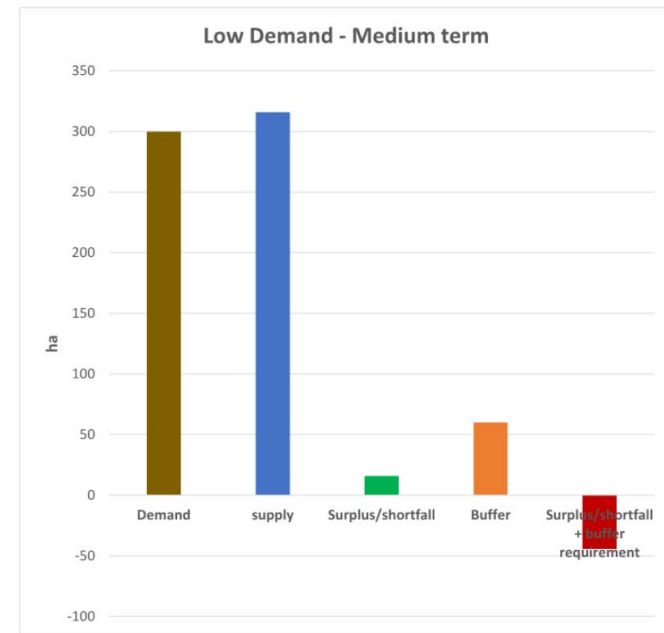
Demand scenarios (ha)	Short term 1 -3 yr	Medium term 4-10 yr	Long term 11-30 yr
Low Demand (30ha per year)	30	60	180
Base Demand (50ha per year)	50	100	300
High Demand (80ha per year)	80	160	480

Short term 1 -3 yr	Medium term 4-10 yr	Long term 11-30 yr
1 x yearly demand	2 x yearly demand	6 x yearly demand

Graph explanation

Using the graph on the left as an example:

1. Industrial land demand (cumulative)
2. Industrial land supply (cumulative)
3. Surplus/shortfall (supply-demand)
4. Buffer required as per the last slide
5. Surplus/shortfall with buffer requirement subtracted in (3 - 4)



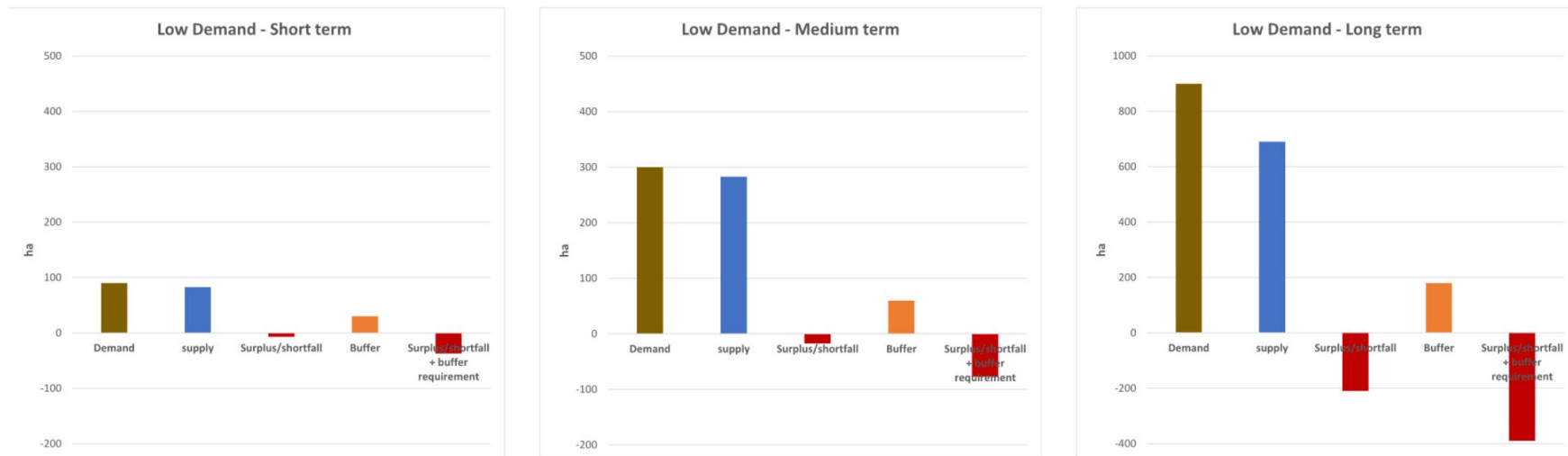
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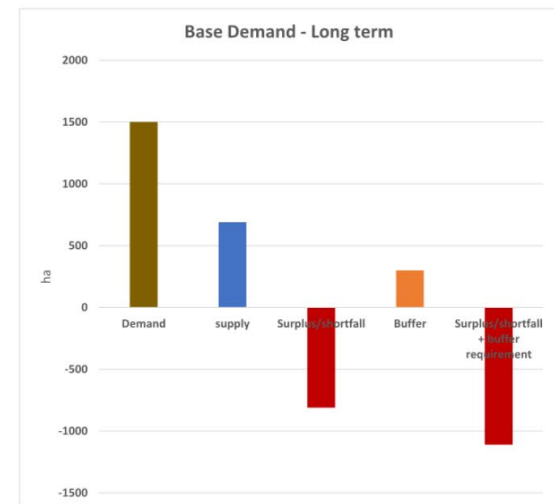
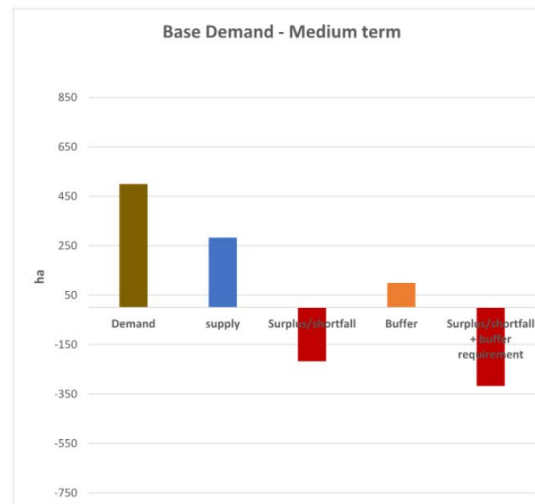
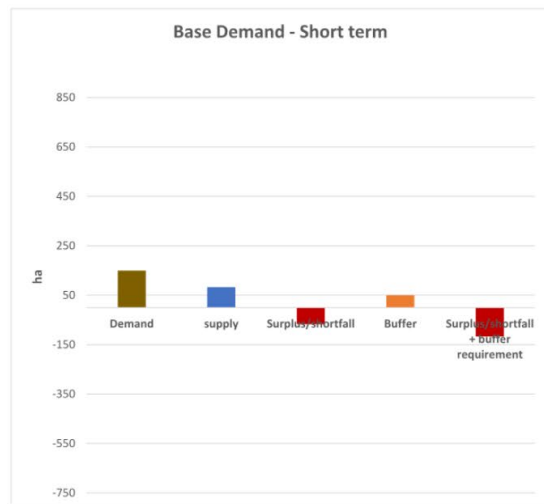
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Attachment 3

Industrial Land Deficit Based on Scenarios: – Low Demand



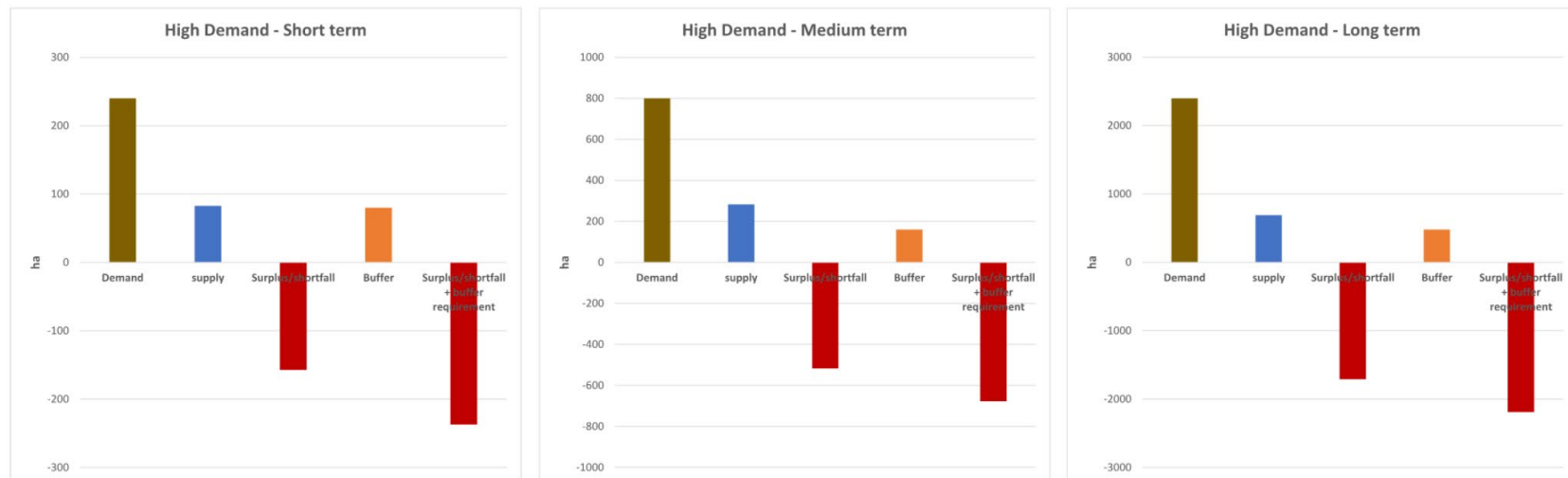
Industrial Land Deficit Based on Scenarios: – Base Demand



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Attachment 3

Industrial Land Deficit Based on Scenarios: – High Demand



Part 3 - Summary

- Based on the industrial deficit calculated, it is clear that there is likely to be an industrial land shortage in almost all scenarios and time horizons. In particular, it is clear that even within the immediate next 10 years, there will be a significant shortfall of supply without other supply being brought forward.
- In the next section of this report, potential areas are identified that could provide additional capacity to fulfil the demand in the FPP area.

ha	Without Buffer			With Buffer		
Demand/Timing	Short	Medium	Long	Short	Medium	Long
Low	(7)	(17)	(210)	(37)	(77)	(390)
Base	(67)	(217)	(810)	(117)	(317)	(1,110)
High	(157)	(517)	(1,710)	(237)	(677)	(2,190)

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Attachment 3

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Part 4 – Identifying Potential Areas Of Future Supply

frequency

Part 4 - Identifying potential areas of future supply

- As outlined in the previous part of this report, additional industrial land is required to meet the forecast demand. Working in conjunction with HCC, Waipa DC and Waikato DC staff, the below areas are identified as potential future supply. Two sets of potential areas of future supply are used. One includes the areas in *Italic*, one excludes these as being outside the defined area of this review being the **Hamilton metro area**
- Please note that these areas are neither plan-enabled nor infrastructure-enabled - we refer to these as 'Blue Sky' areas

- | | | |
|------------------|-----------------|----------------------------------|
| ◦ R2 | ◦ SL1 | ◦ <i>Pokeno</i> |
| ◦ HT1 | ◦ Horortiu West | ◦ <i>Mangatangi/Maramarua</i> |
| ◦ Te Kowhai East | ◦ Airport West | ◦ <i>Te Kauwhata(South-West)</i> |
| ◦ R3 | ◦ Taupiri | ◦ <i>Ohinewai (North)</i> |
| | ◦ Hopuhopu | ◦ <i>Huntly (North East)</i> |

A note about potential supply

Given these identified 'Blue Sky' areas are neither plan/infrastructure enabled, it is likely that a reasonable timeframe for these to be brought online is in the order of 8 - 10 years +/-

- Plan-making process : 3-5 years
- Infrastructure enablement: 2-3 years
- Land and building development: 2-3 years
- Total period c. 7 - 11 years to bring new supply online
- It is possible these timelines could be accelerated (for example, for Horoitu West) but would require appropriate priority and resourcing by Councils to do so
- It is unlikely all the Blue Sky land will be brought into supply for various reasons – thus, these and or other lands will need to be brought into future supply
- It would be desirable to have a number of development 'cells' available at any one time to provide choice and competition in the market
- All Blue Sky land falls within the Highly Productive Land category under NPS-HPL. Therefore a case will need to be made to bring this land into urban development.

Methodology

We have taken the below factors into consideration to identify potential areas of land supply:

- Market attractiveness - proximity to transport, customer/supply, labour
- Land ownership
- Soil classification
- Geotechnical condition
- Topography
- Environmentally sensitive area

We have undertaken a preliminary assessment of locations using a multi-criteria analysis applying green/amber/red for each criterion and then allocating a score of 1.0/0.5/0.0, respectively.

Item 8

Attachment 3

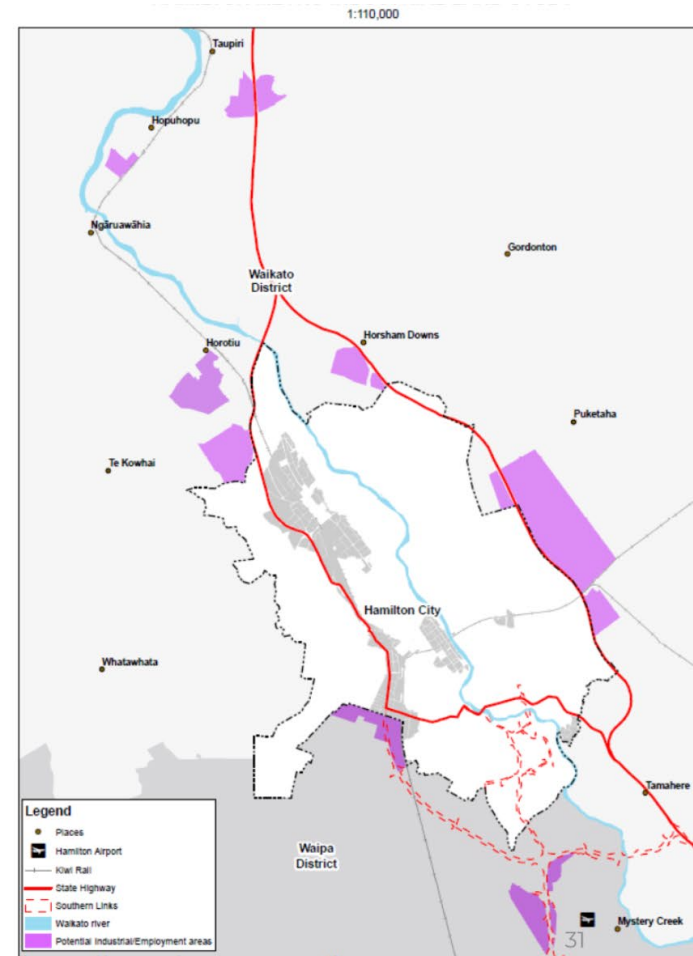
29



Multi-criteria Analysis of Blue Sky Areas

	R2	HT1	Te Kowhai East	R3	Ruakura East	SL1	Horotiu West	Airport West	Hopuhopu	Taupiri	Pokeno	Mangatangi/Marama	Te Kauwhata(South-West)	Ohinewai (North)	Huntly (North East)
Approximate Extent (ha) (Gross)	47ha	120ha	200ha	741 ha	100 ha	153 ha	215 ha	199 ha	52ha	160ha	67.4 ha	486.1 ha	65.7 ha	630.7 ha	101.1 ha
Majority Land owner/Representative	CDL	Colin Litt	Kilgoy Group, Blue Haven Hounsell ,(GD Jones & Nathan York)	TBC	Tainui Group Holdings	Colin Litt / Litt family	Colin Raymond Dixon	Rukuhia Land Holdings, and Ingram Family	TBC	TBC	No majority land owner Future indust sites consist of multiple landowners. refer to map	No majority land owner Future indust sites consist of multiple landowners. refer to map	One majority landowner* refer to map	Future indust sites consist of multiple landowners* refer to map	One majority landowner* refer to map
Soil classification: HPL-LUC	LUC Class 1 & 2 refer to map	LUC Class 1, 2 & 3 refer to map	LUC Class 1 & 2 refer to map	LUC Class 2 refer to map	LUC Class 1 & 2 refer to map	LUC Class 2 refer to map	LUC Class 1, 2 & 3 refer to map	Predominantly LUC Class 1 refer to map	Predominantly LUC Class 2 refer to map	Partially LUC 1 refer to map	LUC Class 2 & 3 refer to map	LUC Class 2 & 3 refer to map	Predominantly LUC Class 2 refer to map	Predominantly LUC Class 3 refer to map	Predominantly LUC Class 2 refer to map
Geotechnical condition e.g. peat soil	Nothing identified	Nothing identified	Peat	Nothing identified	Nothing identified	Peat	Nothing identified	Nothing identified	Nothing identified	Nothing identified	Nothing identified	Partially defended area	Nothing identified	Nothing identified	Defended areas and possible subject subsidence
Topography	Predominantly flat.	Predominantly flat, with undulating and rolling portions.	Part Flat, Part Undrefer to mapulating.	Predominantly flat. refer to map	Predominantly flat. refer to map	Predominantly flat. refer to map	Predominantly flat, with undulating and rolling portions. refer to map	Predominantly flat. refer to map	Predominantly flat. refer to map	Topographical concerns, Refer to map	Predominantly flat, with undulating and rolling portions. refer to map	Predominantly undulating and rolling portions. refer to map	Topographical concerns, Refer to map	Predominantly flat, with undulating and rolling portions. refer to map	Predominantly flat. refer to map
Environmentally sensitive items/areas	Nothing identified at a high level	Nothing identified at a high level	Nothing identified at a high level	Nothing identified at a high level	Nothing identified at a high level	Nothing identified at a high level	Nothing identified at a high level	Nothing identified at a high level	Nothing identified at a high level	Nothing identified at a high level	Nothing identified at a high level	Nothing identified at a high level	Small portion SNA	Nothing identified at a high level	Small portion SNA
Proximity to transport infrastructure/labour/suppliers/customers	Adjacent to SH1	Adjacent to SH1	Adjacent to SH1c	Adjacent to SH1	Adjacent to SH1	Adjacent to future southern link	Near to SH1c	Near to SH3	Adjacent to Thermal Explore Hwy	Adjacent to SH1	Adjacent to SH2	Adjacent to SH2	Adjacent to SH1	Adjacent to SH1	Adjacent Great South Road
Overall score	5.5	5	4	5.0	5.5	4	4.5	5	4.5	4	4.5	4	4	4.5	3.5

Potential Blue Sky supply areas for Hamilton Metro area

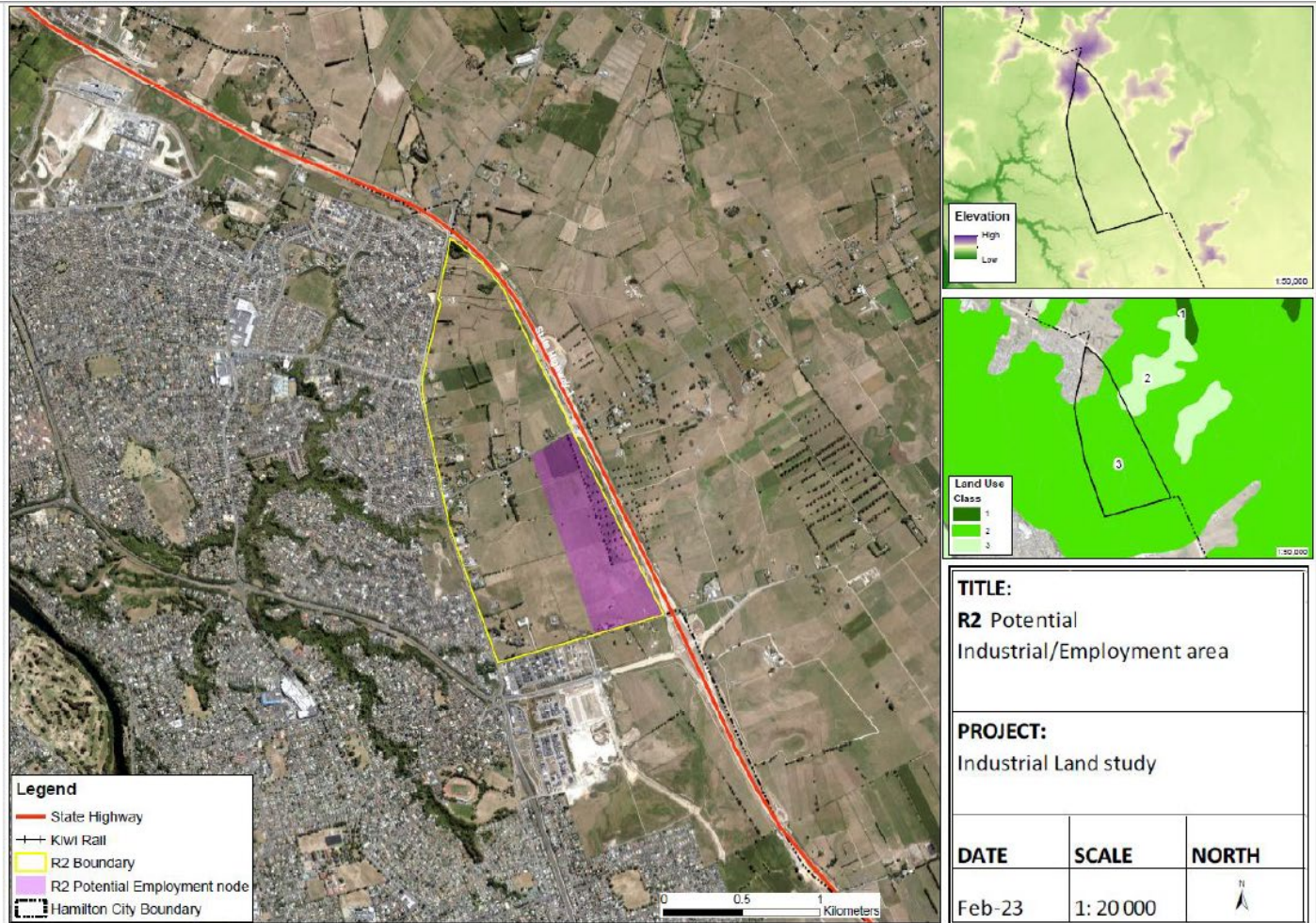


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Attachment 3

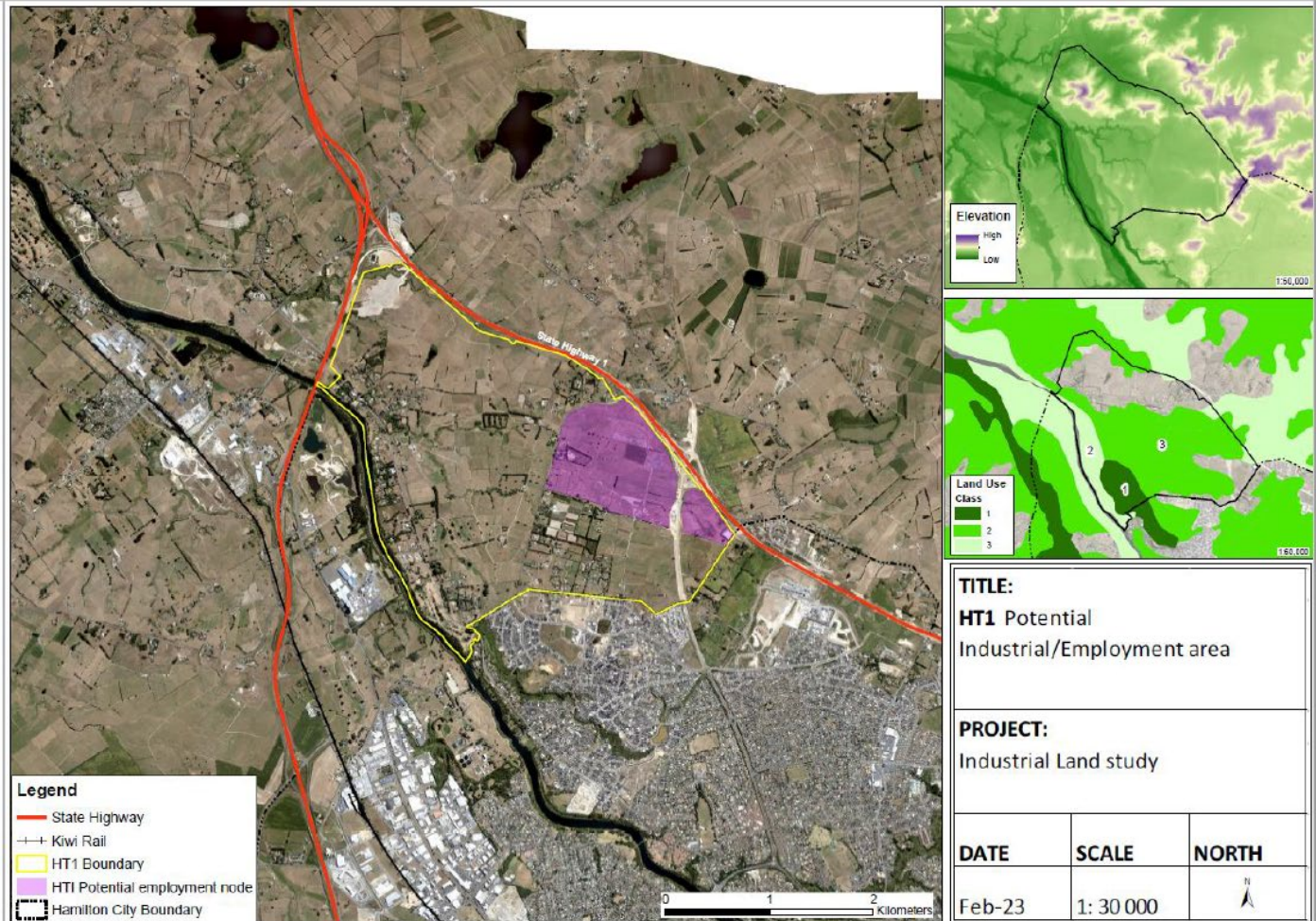
R2

We have included a subset of the full 213ha, the purple highlighted 47ha in our analysis



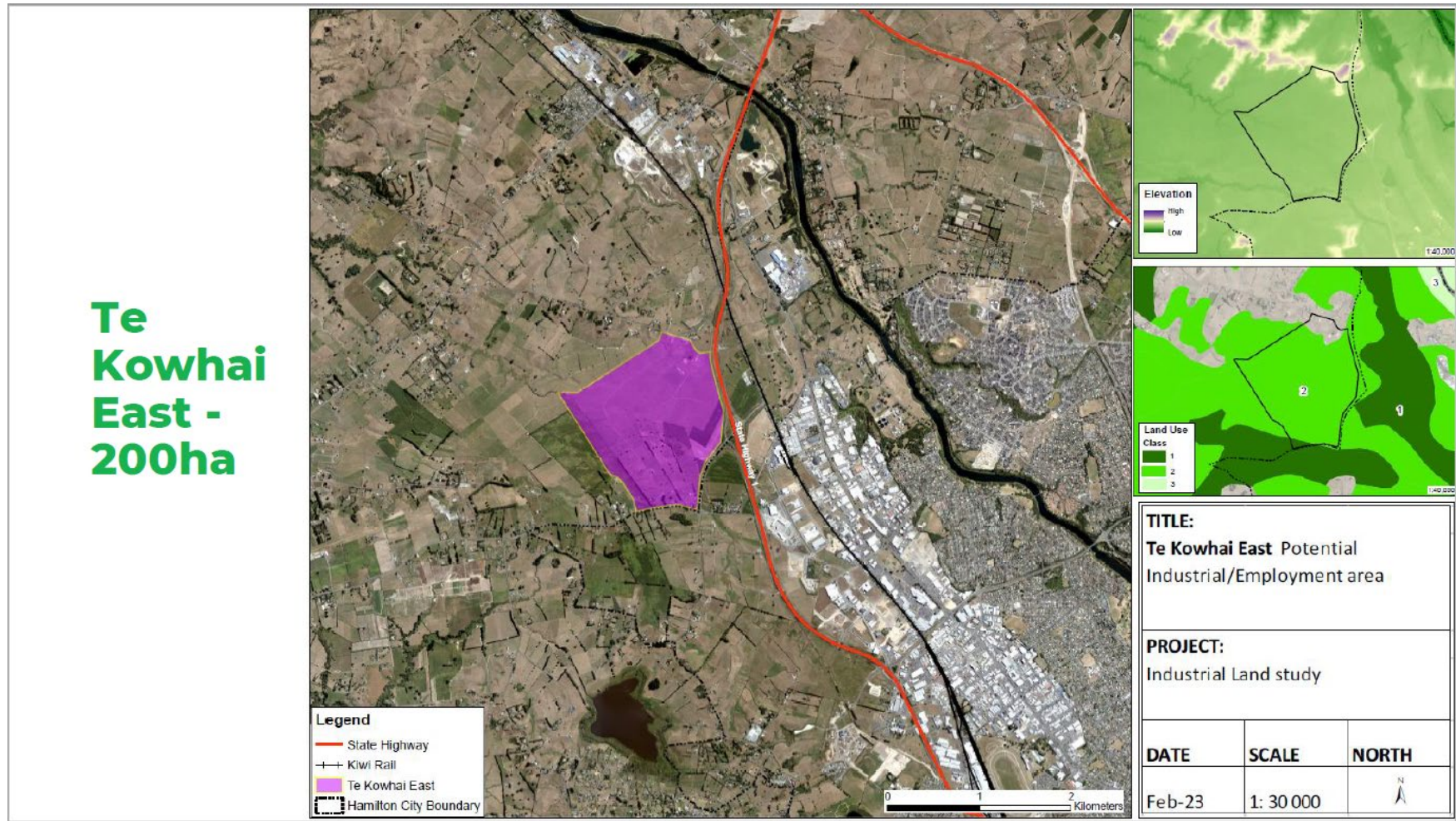
HT1

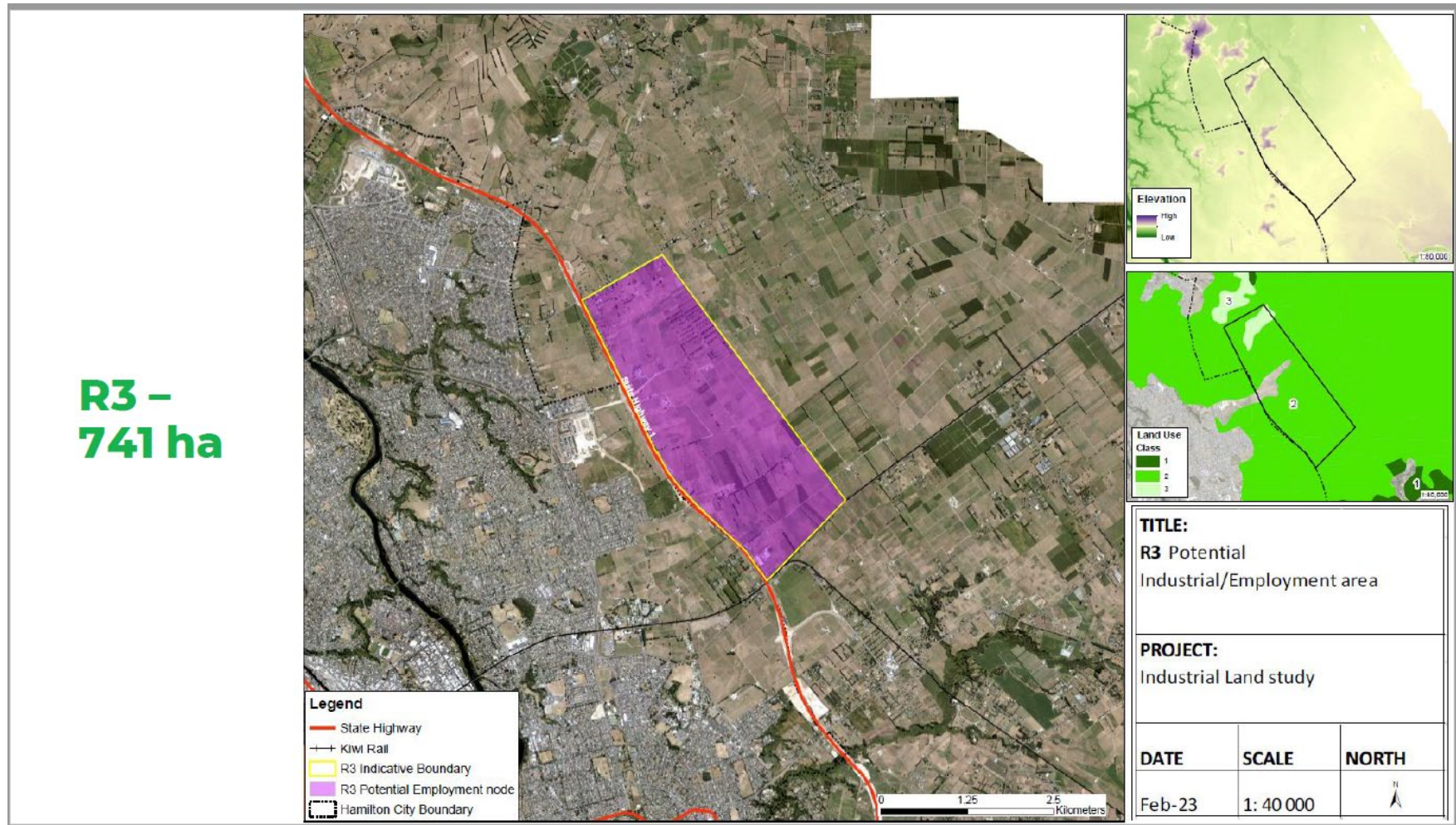
We have included a subset of the full 808ha, the purple highlighted 120ha in our analysis



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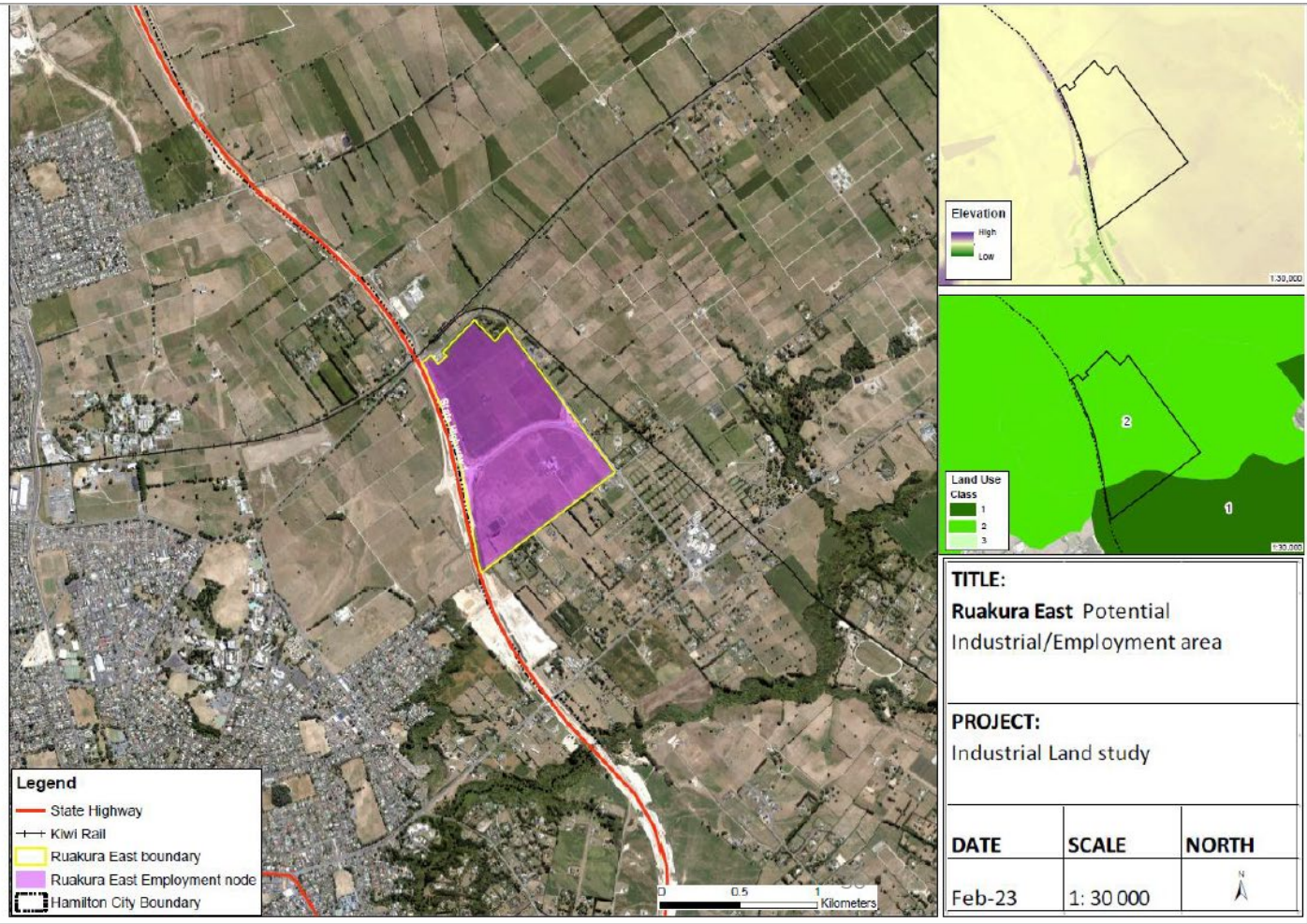




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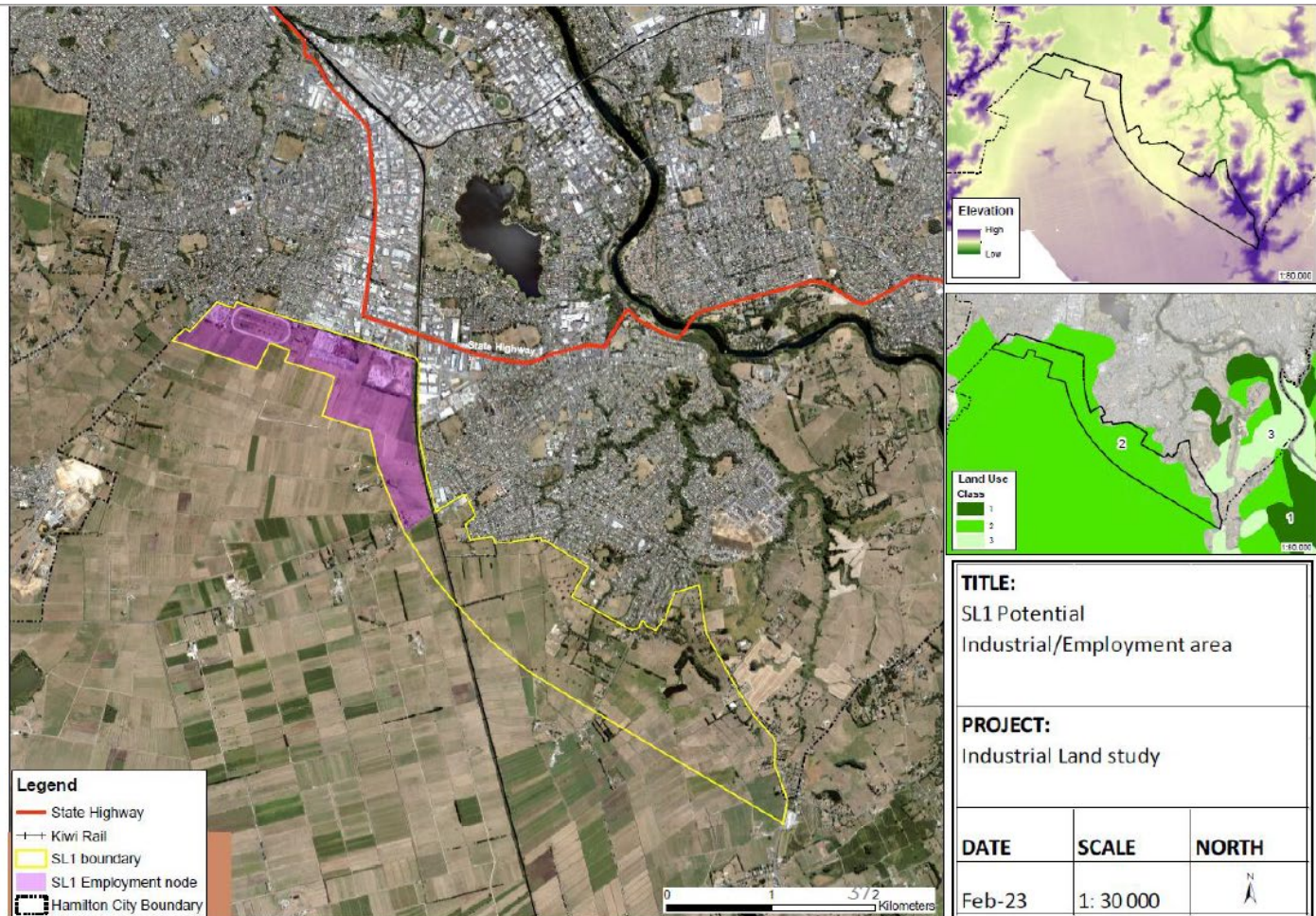
Attachment 3

Ruakura East – 100 ha



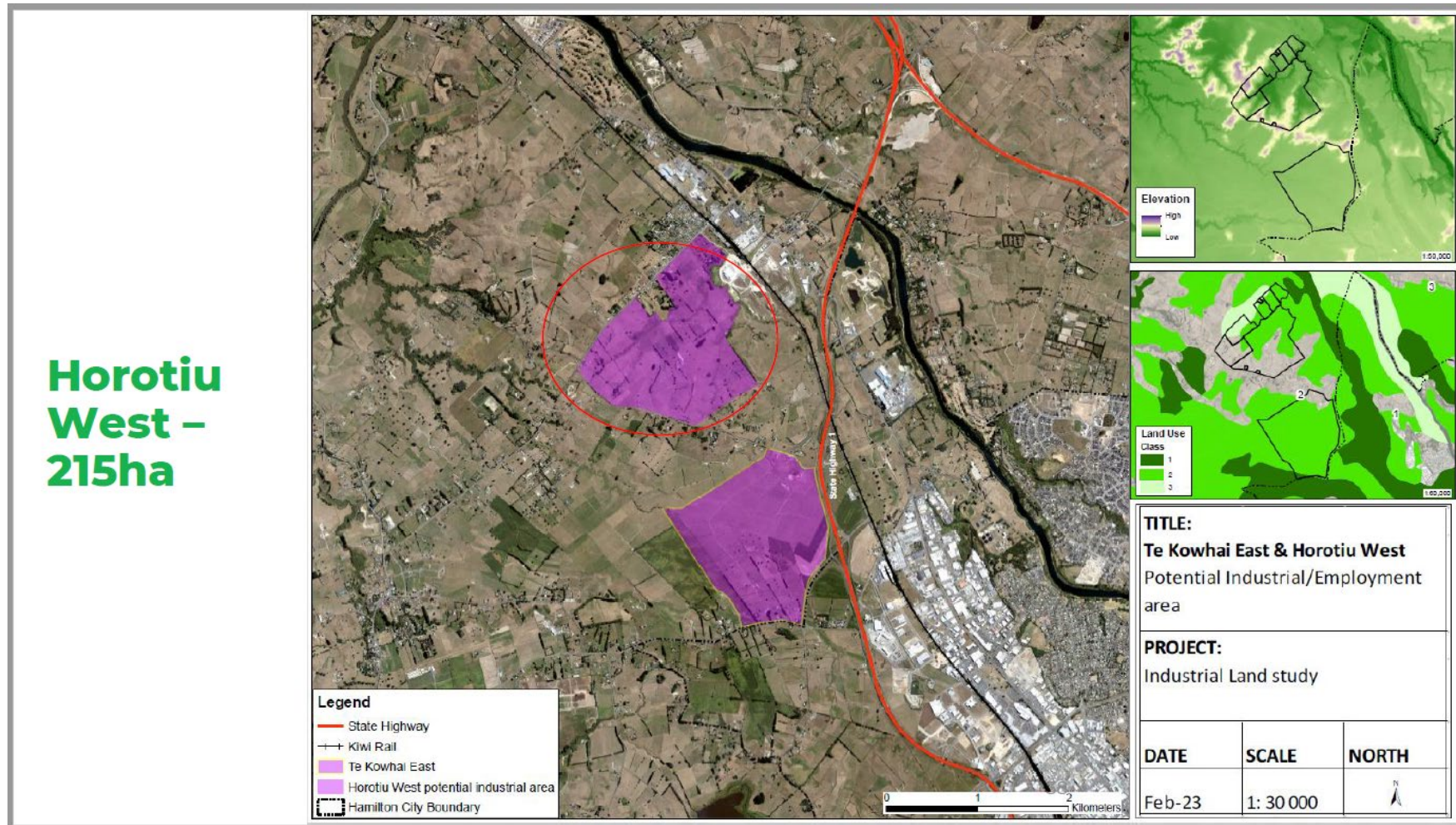
SL1

We have included a subset of the full 500ha, the purple highlighted 153ha in our analysis



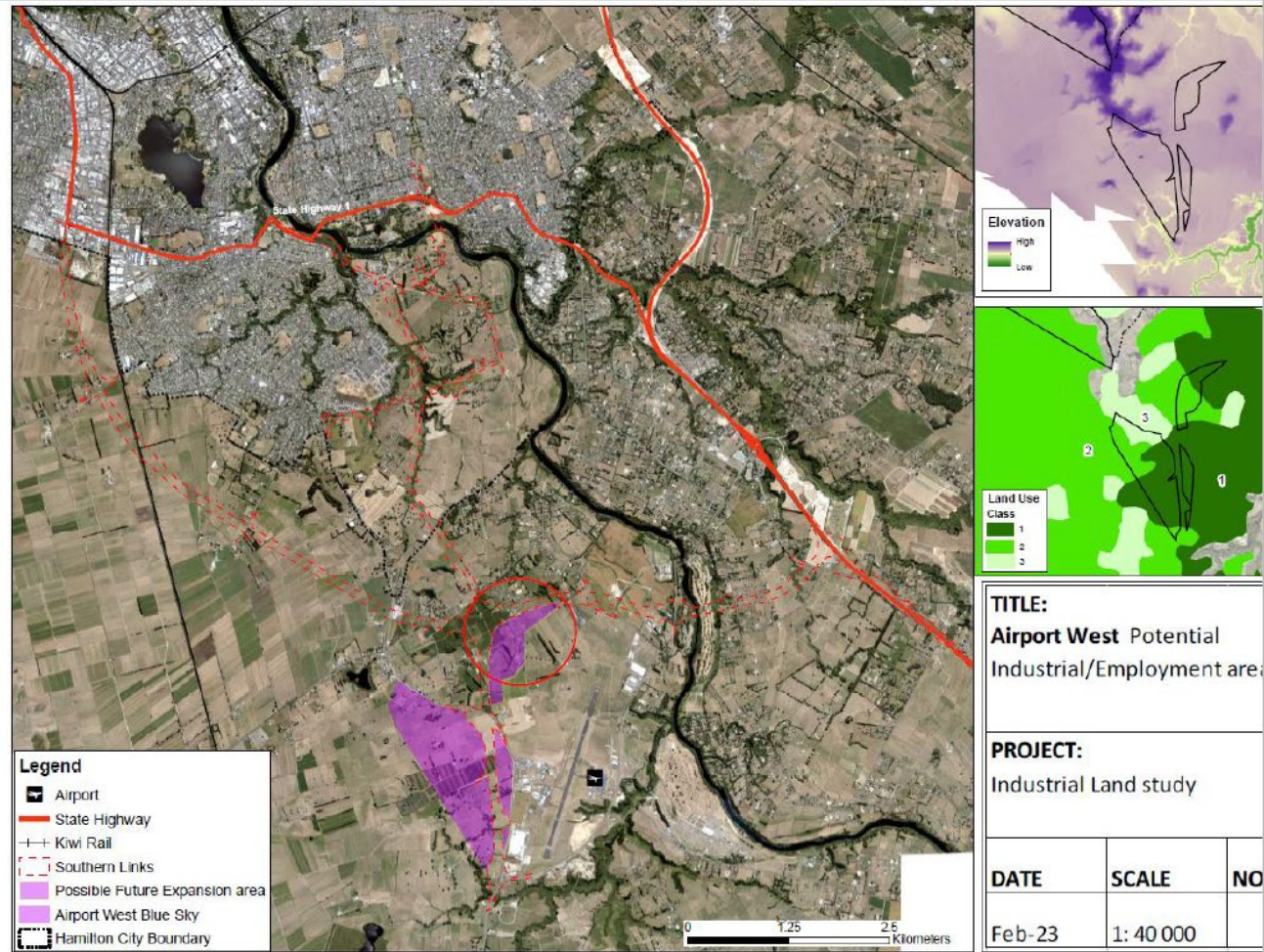
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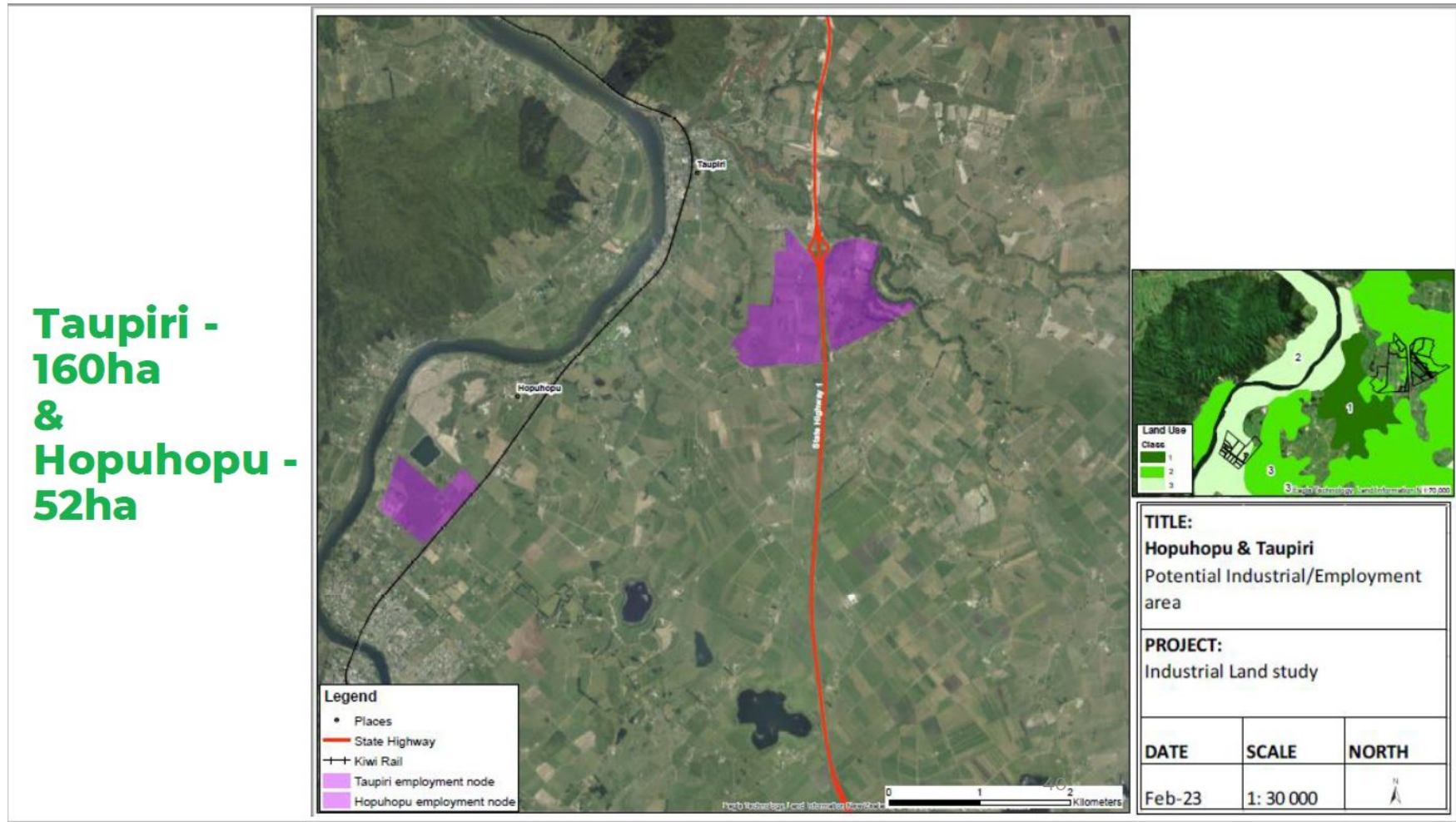
Airport West

- Potential to include additional 42 ha in PC20 for 'early win'



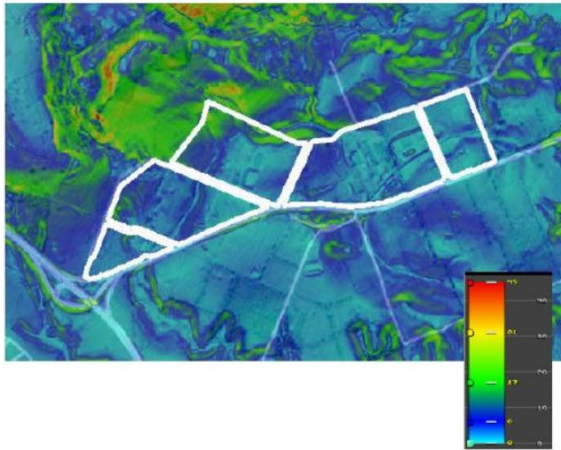
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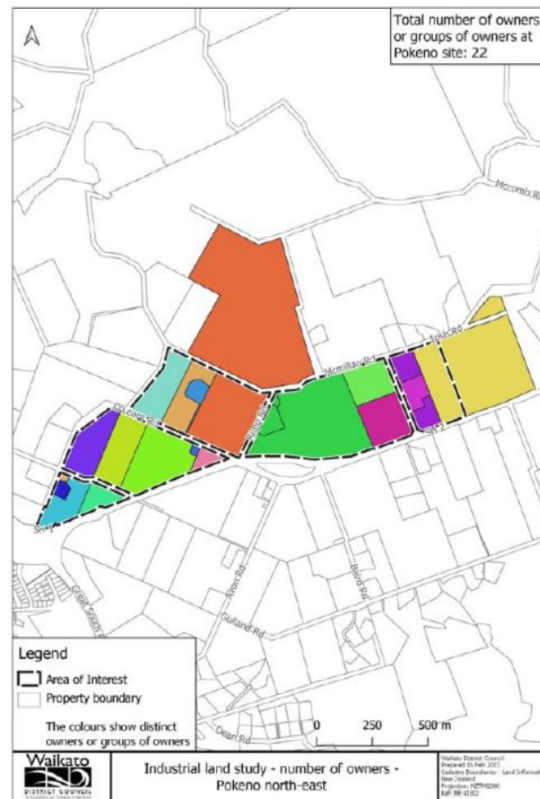
POKENO (North-East) – future industrial land

Topography



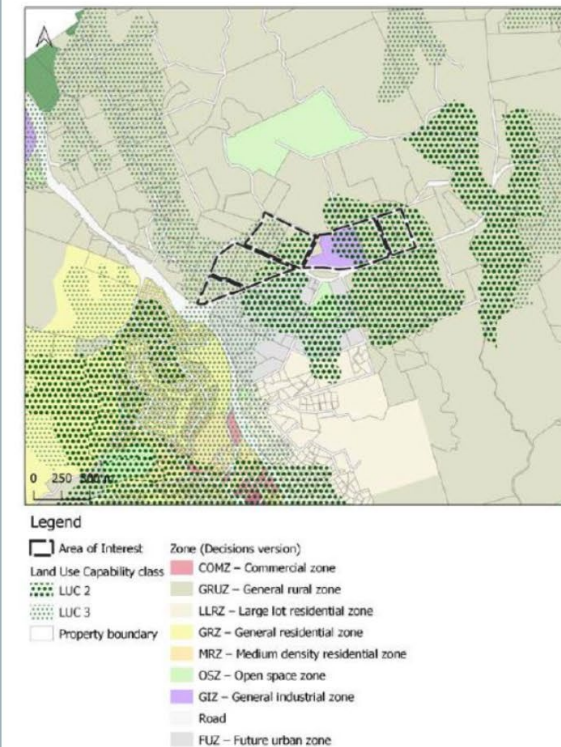
Background: The Pokeno East Commercial Cluster is located at the intersection of SH1 and SH2, therefore providing access to the Auckland, Hamilton and Tauranga markets. Further investigations regarding the land suitability, transport connectivity and availability of waters infrastructure for this future node need to be undertaken.

Ownership



Each colour indicates a different land owner/group of owners

HPL-LUC



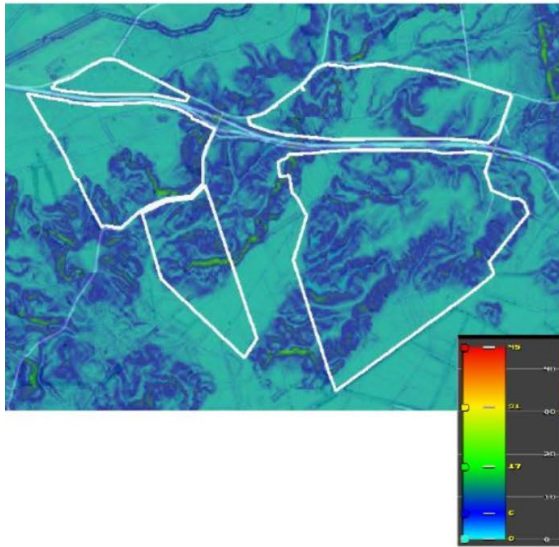
41

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Attachment 3

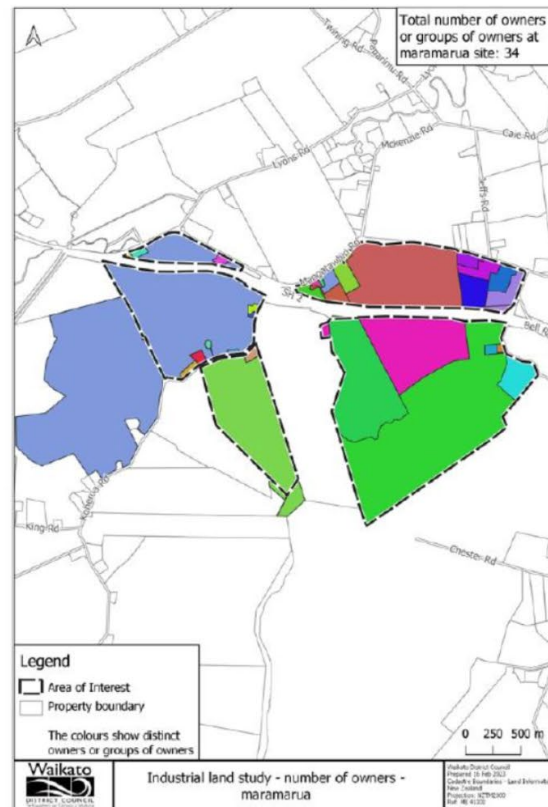
MANGATANGI/MARAMARUA - future industrial land

Topography



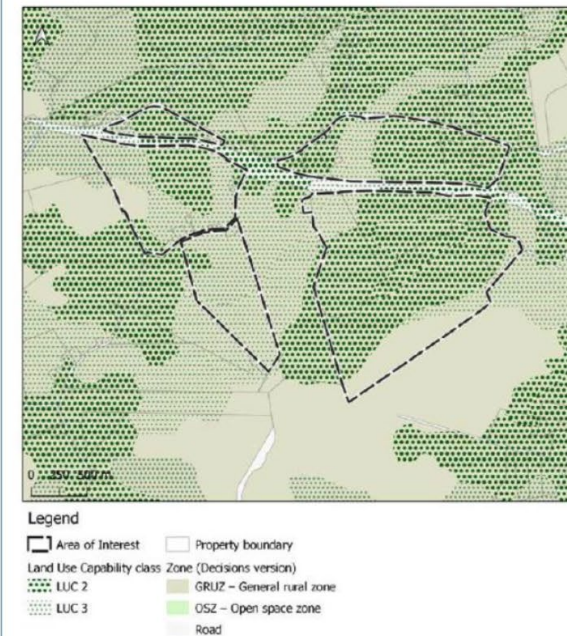
Background: This growth node is situated on SH2 and within close proximity to SH1, Pokeno and the Waikato Expressway. Further investigations regarding the land suitability, transport connectivity and availability of waters infrastructure for this future node need to be undertaken.

Ownership



Each colour indicates a different land owner/group of owners

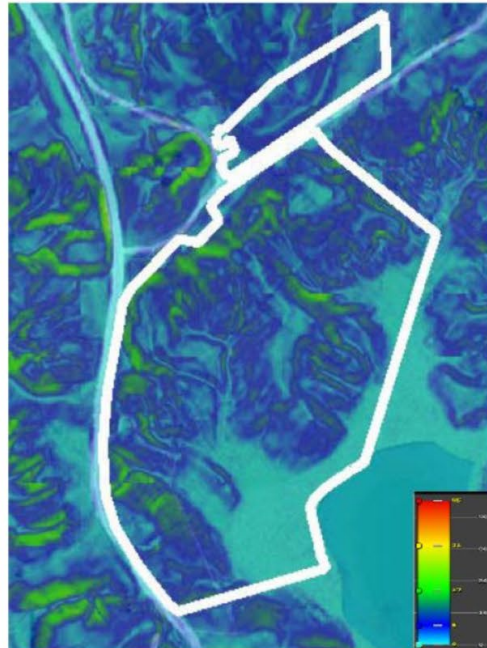
HPL-LUC



42

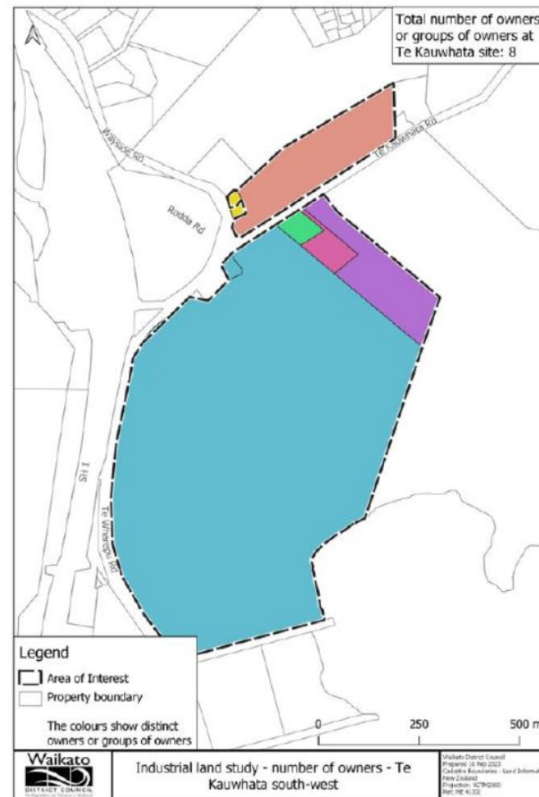
Te Kauwhata (South-West) – future industrial land

Topography



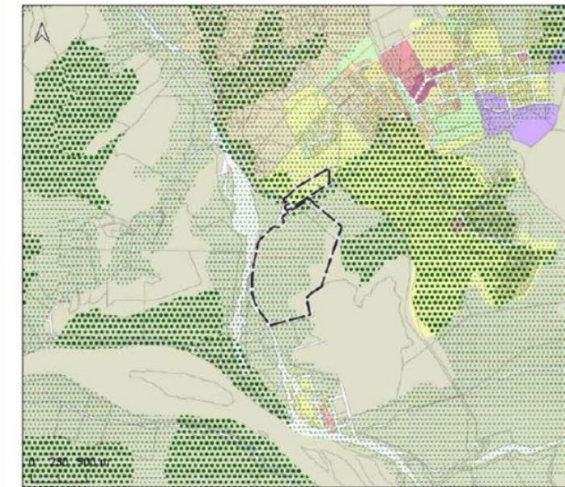
Background: This growth node is situated on SH1 and on the outskirts of the Te Kauwhata village. Further investigation regarding land suitability the provision of waters infrastructure is to yet to be undertaken.

Ownership



Each colour indicates a different land owner/group of owners

HPL-LUC



- Legend**
- Area of Interest
 - Land Use Capability class
 - LUC 2
 - LUC 3
 - Property boundary
 - Zone (Decisions version)
 - COMZ – Commercial zone
 - TCZ – Town centre zone
 - LCZ – Local centre zone
 - GRUZ – General rural zone
 - RLZ – Rural lifestyle zone
 - GRZ – General residential zone
 - MRZ – Medium density residential zone
 - OSZ – Open space zone
 - GLZ – General industrial zone
 - Road

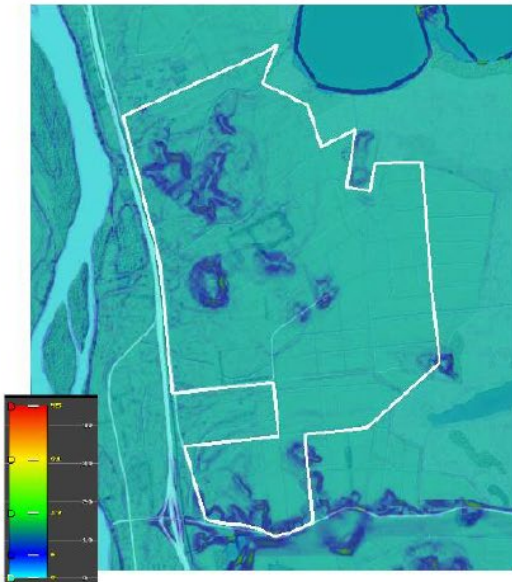
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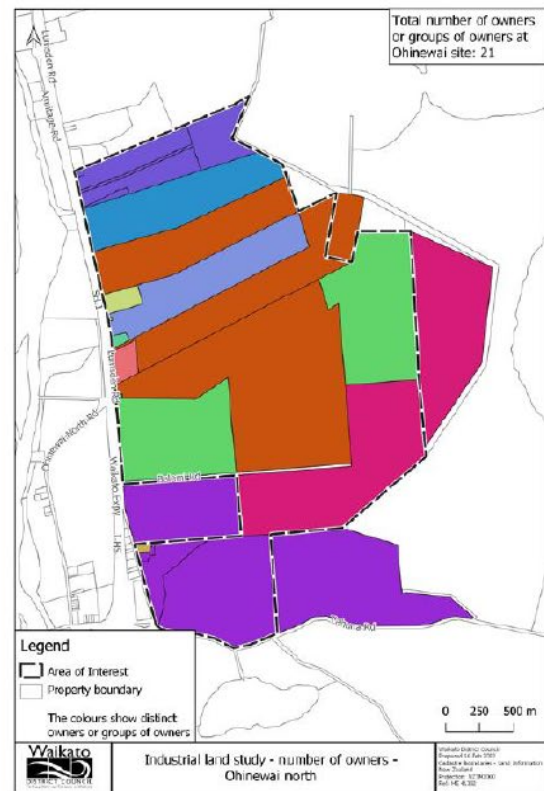
OHINEWAI (North) – future industrial land

Topography



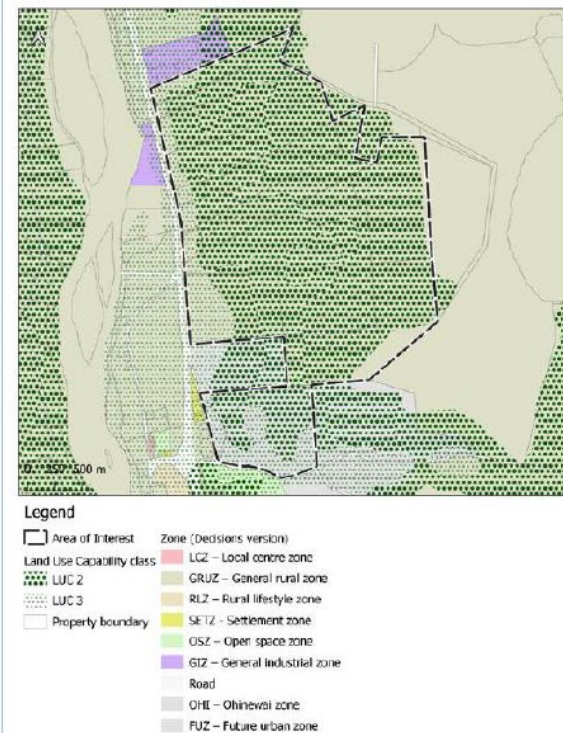
Background: This growth node is situated on SH1 Ohinewai, in close proximity to Raahui Pookeka and surrounding communities. As part of the PDP (Appeals version), a Special Purpose Zone- for part of the growth area enables the provision of industrial/commercial activities within this growth node. Waikato District Council and Sleepyhead are currently working towards enabling water infrastructure connections. Further landuse change to extend the growth node needs to be investigated.

Ownership



Each colour indicates a different land owner/group of owners

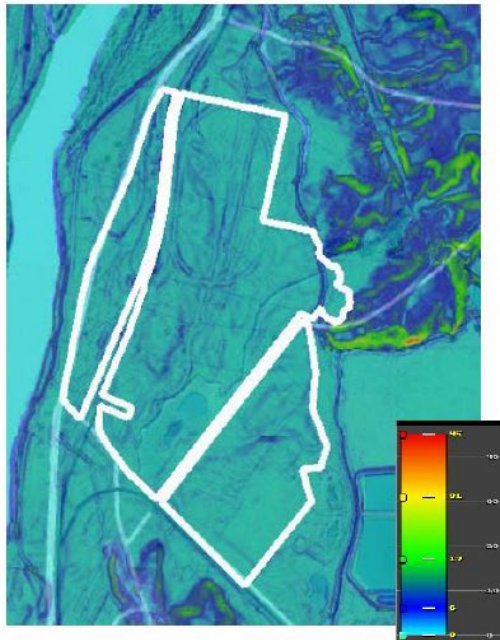
HPL-LUC



44

HUNTLY (North East) – future industrial land

Topography



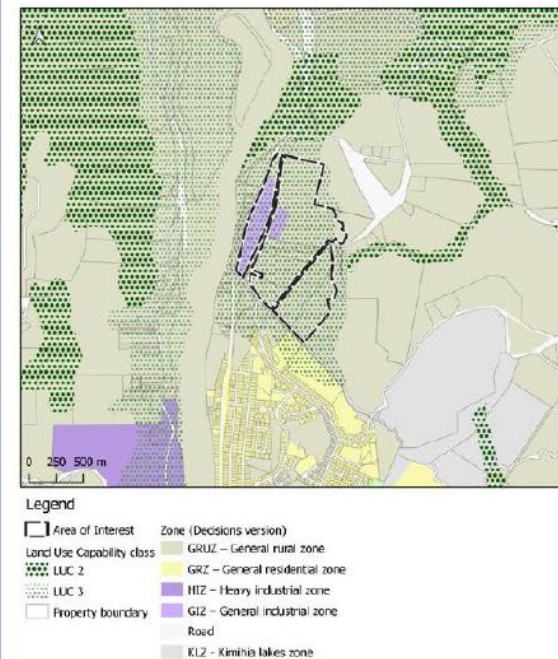
Background: This growth node is situated within close proximity to SH1 and on the outskirts of Raahui Pookeka. This industrial growth node has been partially live zoned under the PDP(Appeals version). Further investigation regarding land suitability and the provision of waters infrastructure is to yet to be undertaken.

Ownership



Each colour indicates a different land owner/group of owners

HPL-LUC



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Part 4 – identifying potential areas of future supply

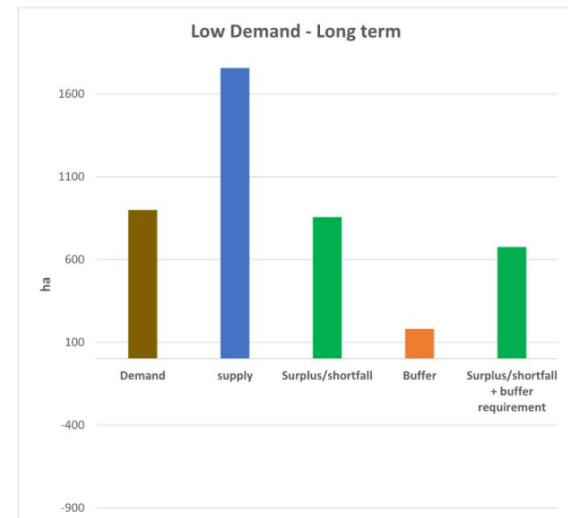
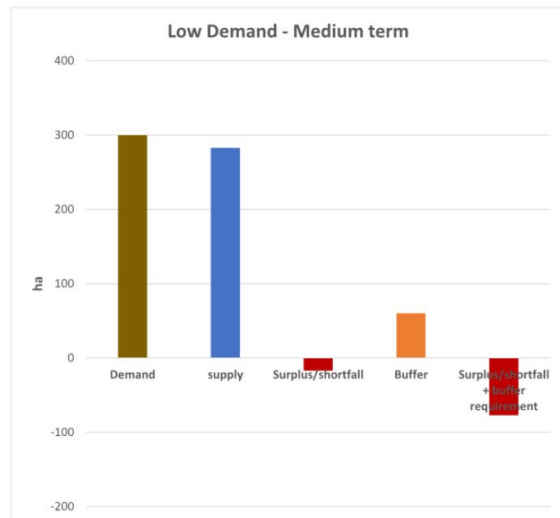
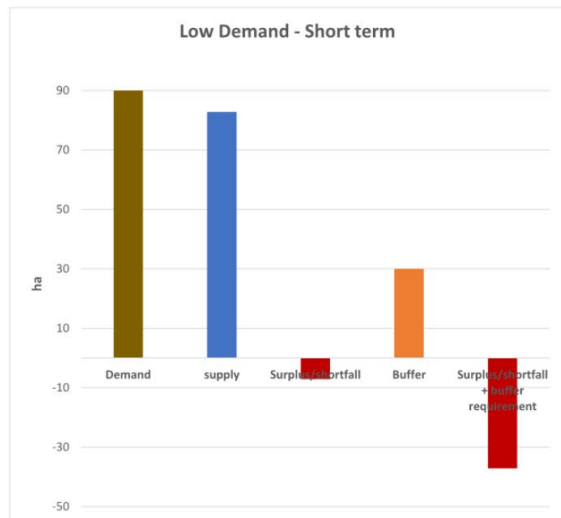
Excluding * areas

Areas (ha)	Short term 1-3 yr	Medium term 4-10 yr	Long term 11-30 yr
Cambridge current	2	0	0
Hamilton current	37	0	0
Ohinewai - Sleepy head	5	25	0
Ruakura	39	68	88
Airport portion zoned but included in PC20	0	27	0
Ruakura East	0	0	65
Airport	0	29	29
C9 & C10	0	51	102
Te Rapa North: Deferred Industrial zone	0	0	124
R2	0	0	31
HT1	0	0	78
Te Kowhai East	0	0	130
R3	0	0	321
SL1	0	0	99
Horotiu West	0	0	140
Airport West	0	0	129
Taupiri	0	0	104
Hopuhopu	0	0	34
Pokeno*	0	0	0
Mangatangi/Maramarua*	0	0	0
Te Kauwhata(South-West)*	0	0	0
Ohinewai (North)*(sleepyhead removed)*	0	0	0
Huntly (North East)*	0	0	0
Total	83	200	1,473

Including * areas

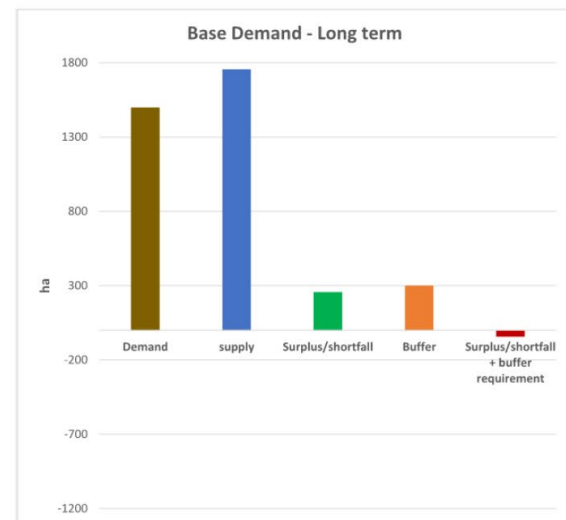
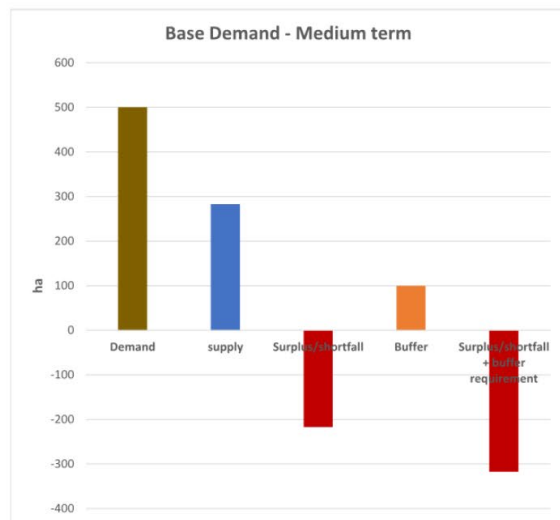
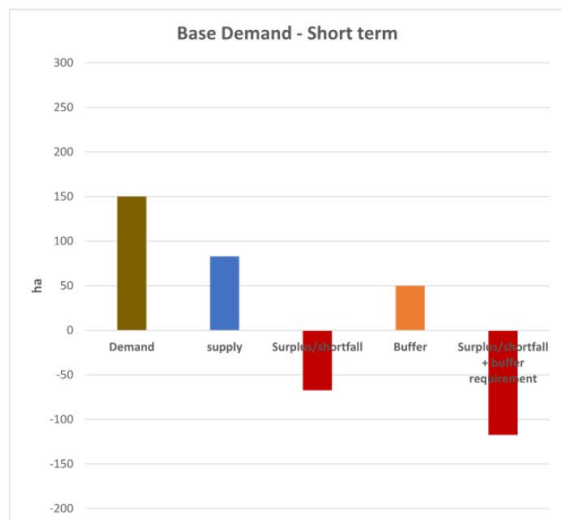
Areas (ha)	Short term 1-3 yr	Medium term 4-10 yr	Long term 11-30 yr
Cambridge current	2	0	0
Hamilton current	37	0	0
Ohinewai - Sleepy head	5	25	0
Ruakura	39	68	88
Airport current portion remaining	0	27	0
Ruakura East	0	0	65
Airport	0	29	29
Hautapu C9&C10	0	51	102
Te Rapa North: Deferred Industrial zone	0	0	124
R2	0	0	31
HT1	0	0	78
Te Kowhai East	0	0	130
R3	0	0	321
SL1	0	0	99
Horotiu West	0	0	140
Airport West	0	0	129
Taupiri	0	0	104
Hopuhopu	0	0	34
Pokeno*	0	0	44
Mangatangi/Maramarua*	0	0	49
Te Kauwhata(South-West)*	0	0	21
Ohinewai (North)*(sleepyhead removed)*	0	0	150
Huntly (North East)*	0	33	33
Total	83	233	1,770

Supply and demand with Blue Sky Areas – low demand (exc.*)



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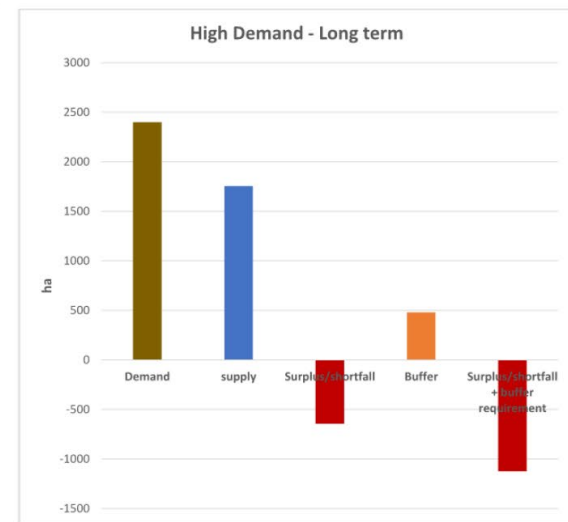
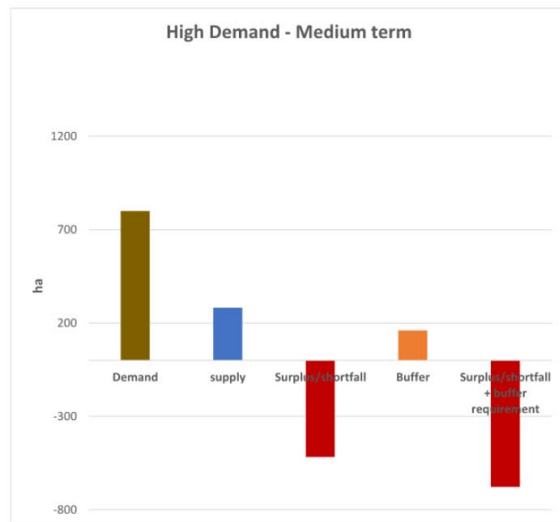
Supply and demand with Blue Sky Areas – base demand (exc.*)



48

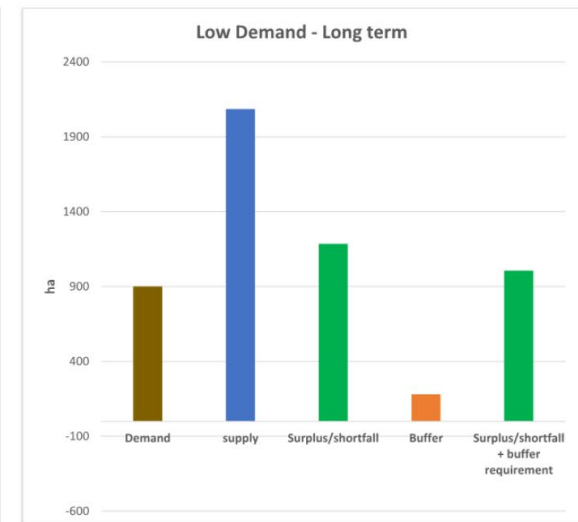
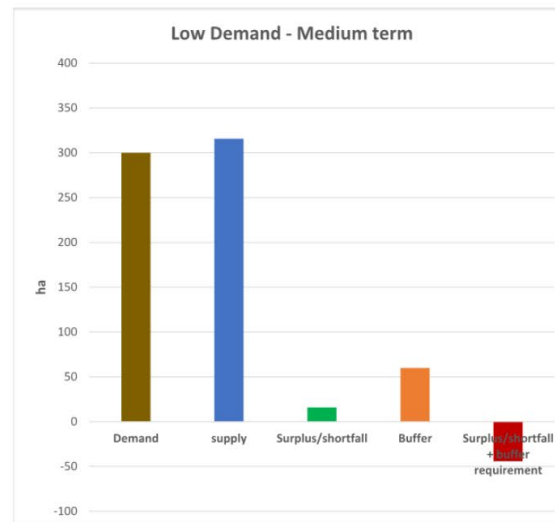
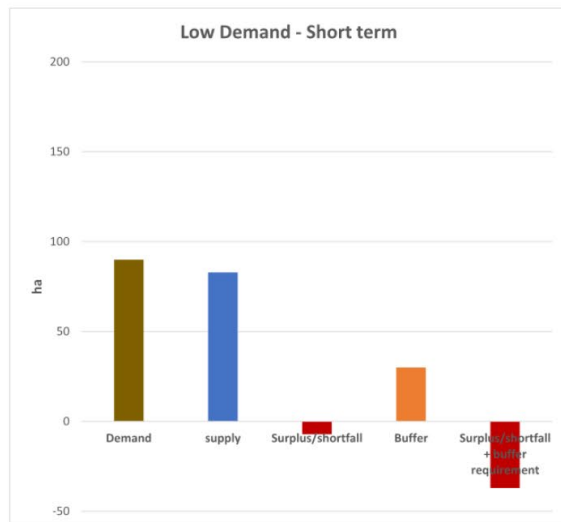
Supply and demand with Blue Sky Areas – high demand (exc.*)

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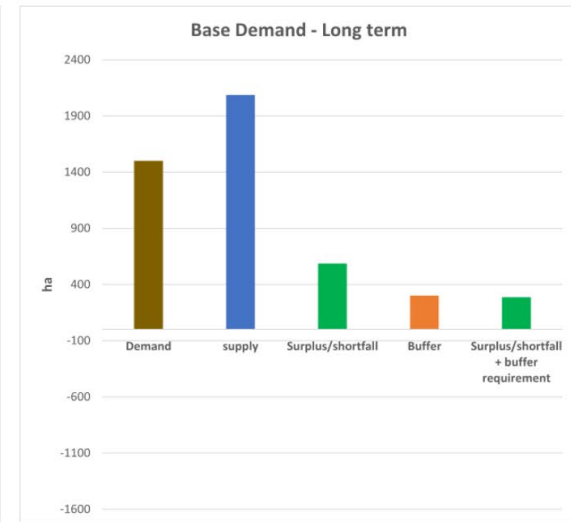
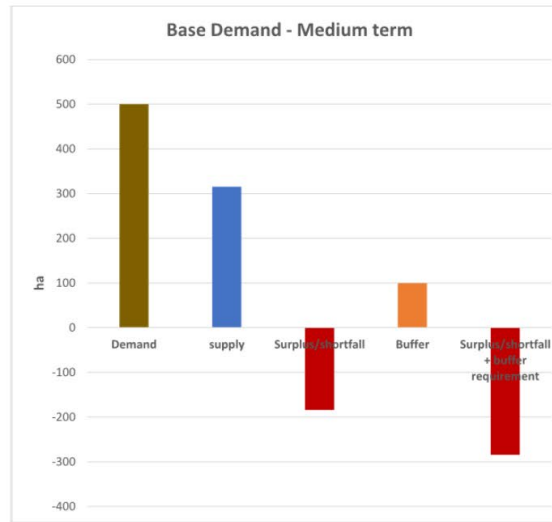
Attachment 3

Supply and demand with Blue Sky Areas – low demand (inc.*)



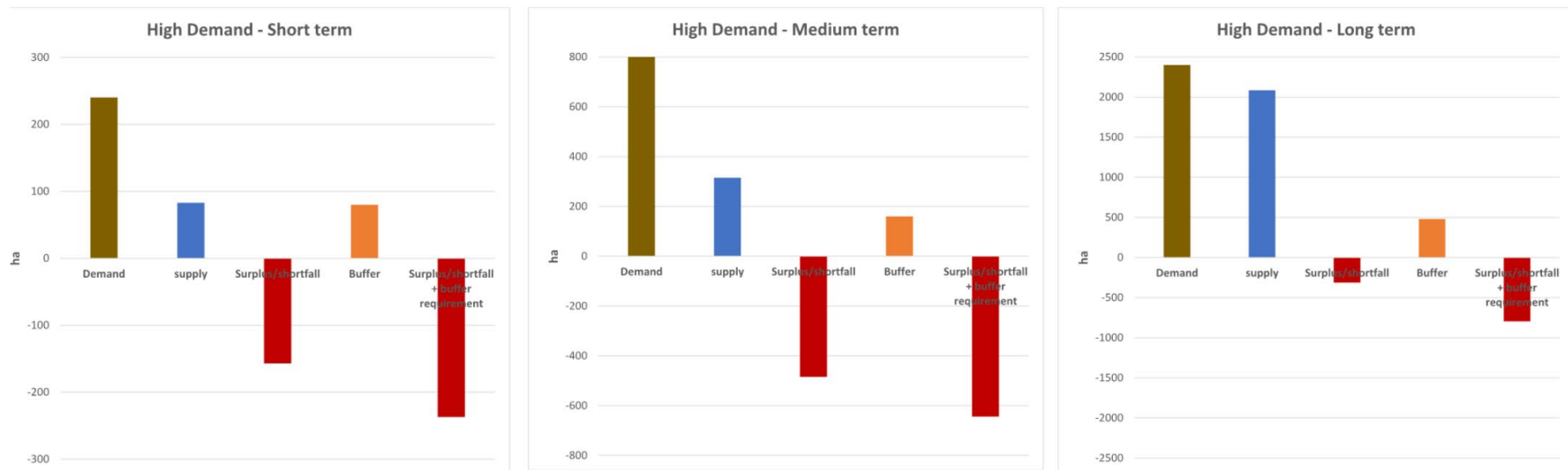
50

Supply and demand with Blue Sky Areas – base demand (inc.*)



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Supply and demand with Blue Sky Areas – high demand (inc.*)



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Summary tables

Excluding * areas

ha	Without Buffer			With Buffer		
Demand/Timing	Short	Medium	Long	Short	Medium	Long
Low	(7)	(17)	856	(37)	(77)	676
Base	(67)	(217)	256	(117)	(317)	(44)
High	(157)	(517)	(644)	(237)	(677)	(1,124)

Including * areas

ha	Without Buffer			With Buffer		
Demand/Timing	Short	Medium	Long	Short	Medium	Long
Low	(7)	16	1,186	(37)	(44)	1,006
Base	(67)	(184)	586	(117)	(284)	286
High	(157)	(484)	(314)	(237)	(644)	(794)

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Part 4 - Summary

- Given that the Blue Sky areas are likely to be up to 10+ years away from delivery of developed land, the shortfall in the next 10 years will need to be addressed by accelerating the rate at which industrial land becomes available to the market (existing areas, PC areas and/or Blue Sky areas)
- In the base demand scenarios (50ha p.a.), there is potentially sufficient land supply in the long term if we include all of the Blue Sky areas and accelerate the development programme as highlighted in the above point. Noting there is still a shortfall in the medium and short term. Without the * areas, the overall long term supply is slightly less than the demand, and with * areas, supply exceeds demand.
- In the low demand scenarios (30ha p.a.), industrial land is sufficient in long term, potentially a shortfall in the medium and short term scenarios with provision of the buffer requirement.
- For the high demand scenario (80ha p.a.), the supply is insufficient in all scenarios. Additional areas need to be identified, or identified Blue Sky areas expanded
- Given the lead time required to bring these areas online, Councils should consider starting to undertake infrastructure needs analysis and programming for future industrial areas and prioritise which areas to plan, and infrastructure enable first based on the above filters, infrastructure preferences and market/demand requirements.
- Industrial Land supply requires focus from councils due to the 'immediate' looming shortage.

Recommendations

Timing	Recommendation
Immediate – (0-6 months)	<p>There is a shortfall in short-medium term across all supply scenarios, Council(s) should consider accelerating the rezoning of some Blue Sky areas to bring forward industrial land supply. It is recommended that Council(s) take advantage of the current suppressed market and bring forward land supply to be available within 3-5 years.</p> <p>We recommend focusing on 4 to 5 areas to provide sufficient medium term supply giving choice and competition in the market.</p> <p>Next step: FPP partners agree strategic approach, identify/agree likely candidate area, develop an implementation plan, progress and monitor</p>
short term (6-12 months)	<p>Execute on short term wins including:</p> <ul style="list-style-type: none"> • Advance the inclusion of the 42ha of land adjoining PC20 Airport precinct to provide additional short to medium term supply; complete plan change/live zoning of deferred industrial land at Hautapu Cambridge; advance discussions with Fonterra/others to determine decision to advance or not any Te Rapa North plan change • Accelerate Horotiu West structure plan/plan change processes and develop necessary land use and infrastructure plans to support future development, determine funding options to support infrastructure delivery,
Longer-term (12-24 months)	<p>Reconsider and agree what should be land use definitions for Industrial Land – meet future needs/protect supply</p> <ul style="list-style-type: none"> ◦ What uses should be permitted/excluded within a future Industrial zone definition ◦ Employment zone vs Industrial zone to reflect changing business needs and practice <ul style="list-style-type: none"> • Given that there is likely to be more demand for industrial land than supply determine the desirable level of industrial growth that is appropriate based on the strategic direction of the region
Longer-term (12-24 months)	<p>Initiate structure planning and other requirements to support the acceleration and rezoning of preferred Blue Sky areas</p> <p>Accelerate processes to bring land to market within 5 years +/-</p>

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Part 5 – Suggestion On Which Blue Sky Areas To Advance

frequency

Acceleration candidate considerations

Council has requested we identify 4 - 5 areas as candidates for plan change acceleration as per the recommendation in the previous section of this report. We note that any areas selected are subjective based on current information and will require further detailed analysis to verify suitability.

The short-list candidate areas have been selected based on the characteristics below:

- Market attractiveness – how attractive is the area to the industrial land user?
- Developer(s)/owner(s) intention – is the current owner(s) willing to develop if the opportunity arises/is the land/location viable to develop?
- Potential timing of the possible enable – what is a realistic timeframe of which the land can be enabled?
- Infrastructure requirement – infrastructure requirements, access and potential timing (noting no HCC infrastructure programme or plans are current to support future industrial land supply)?

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Suggested 'Blue Sky' Shortlist

	Te Kowhai East	R2	R3	Horotiu West	Te Rapa North Deferred Industrial Area
Market attractiveness	Adjacent to SH1c, adjoins developed area	Adjacent to SH1	Adjacent to SH1	Adjacent to existing developed areas, close to SH1	Established logistics / industrial area.
Developer intention	Key owners are likely to be interested to develop. Would consider industrial for part/all of landholding	Single owner, with potential intention to develop. Currently identified for residential but could become part /all industrial	Multiple owners, but large area will provide significant supply in long term	WCC structure planning underway, General support from landowners	Require negotiation with Fonterra/key owners to confirm development commitment and key agreements – eg NRC corridor
Potential supply timing	Within 5 years	Within 5 years	10 years +	Within 5 years	Within 5 – 8+ years subject to agreements with landowners
Infrastructure requirement	TBA. Potential infrastructure connection within proximity but capacity unknown	TBA	TBA	TBA	TBA
Overall comment	Willing and capable development counter-party	Consider HT1 as alternative – landowner has approached HCC to bring land in to HCC boundary	Needs long term planning horizon if to be realised – large but likely complex area	Possible alternate to R2	Established area – likely strong take up if became available

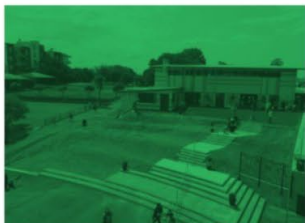
*As the Airport West area is identified as a potential early win area, it is excluded from this analysis

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Next Steps

As evident from this report, there is an immediate next decade shortage of industrial land supply, this needs to be addressed as a matter of priority. We propose the next steps are:

- Ensure current supply pipeline delivered – eg Airport PC20 (plus); Hautapu deferred land
- Agree and confirm areas for acceleration – undertake further investigations as to suitability
- Confirm landowner intentions and viability
- Undertake necessary land use and infrastructure planning
- Agree infrastructure funding arrangements; Undertake Plan Change(s) to enable
- Bring 'early' Blue Sky areas online for development within 5 years



Appendix

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Wet Industry

We understand that Councils are interested in deep diving into the demand and supply implications of wet Industry. We envision this will involve the following:

- ME current demand review to include consideration of 'wet industry' demand levels.
- Discussion with market participants regarding their view on the demand for wet industry land
- Working closely with councils' water engineers and infrastructure teams to identify current available supply and potential supply areas
- Highlight dependency on the availability of water to allocate – preliminary advice from Councils suggests little or no such availability – if so, suggest little or no capacity in the region to accommodate further wet industry development

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Council Report

Committee: Strategic Growth and District Plan Committee **Date:** 11 April 2024

Author: Mark Davey **Authoriser:** Blair Bowcott

Position: City Planning Manager **Position:** General Manager Strategy, Growth and Planning

Report Name: District Plan Update - April 2024

Report Status	<i>Open</i>
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Purpose - *Take*

1. To inform the Strategic Growth and District Plan Committee of District Plan matters that need to be brought to the Members' attention.

Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Strategic Growth and District Plan Committee:
 - a) receives the report; and
 - b) notes that staff are revisiting the notified approach to Plan Change 12 given recent Government announcements, with hearings expected in September 2024 and decisions due by 20 December 2024.

Executive Summary - *Whakaraapopototanga matua*

3. This report provides updates to the Strategic Growth and District Plan Committee on aspects of the District Plan Change Programme (DP Programme), private plan changes, and other planning matters, with a focus on:
 - i. Plan Change 9 – Historic Heritage and Natural Environments;
 - ii. Plan Change 12 – next steps;
 - iii. Plan Change 13 – Te Rapa Racecourse Re-zoning Decision;
 - iv. Plan Change 14 – Flood Hazards;
 - v. Plan Change 16 – Inclusionary Zoning.
4. Staff are awaiting interim decisions on Plan Change 9 related to Significant Natural Areas (SNAs), Archaeological and Cultural Sites, Historic Heritage Areas (HHAs) and Notable Trees. Partial decisions have been received on some HHAs and Built Heritage items. Through the process related to HHAs, nine of the proposed HHAs are not being pursued for protection as they are no longer deemed to meet the required heritage threshold and the Hearing Panel has released their decision on this. There will likely be a final hearing mid-2024 to address Built Heritage items; this will be followed by a final decision.

5. Regarding Plan Change 12, staff have received direction from the Government on changes to the Medium Density Residential Standards (MDRS) (referred to colloquially as the 'three-by-three' legislation). These changes comprise part of the Government's [100 Day Action Plan](#). While law changes to give effect to ministerial announcements are yet to come, Minister Bishop has stated that MDRS will only be optional if 30-years' worth of supply to meet demand is zoned. Staff are progressing with Plan Change 12 on this basis.
6. Decisions on Private Plan Change 13 have been received and notified with the appeal window closing mid-April 2024. The decision approves the rezoning of part of the Te Rapa Racecourse land area to medium density residential allowing for approximately 250 homes.
7. Development of Plan Change 14 (Flood Hazards) is progressing with pre-notification consultation closing at the end of March 2024. We have received feedback from Kainga Ora, WEL, the Property Council, the Insurance Association and Waikato-Tainui. Currently Plan Change 14 is on track to seek approval from Council to notify mid-2024.
8. The recent decision on the update to the Waikato Regional Policy Statement removes references to inclusionary zoning. Hamilton City Council has appealed this decision as, in our view, it is not aligned to the Future Proof strategy. Work will continue on preparing Plan Change 16 – Inclusionary Zoning to the District Plan. However, given other workload pressures and the Waikato Regional Policy Statement appeal, target notification will be early 2025.
9. Staff consider the decisions in the report to be of low significance and that the recommendations comply with Council's legal requirements.

Discussion – *Matapaki*

10. Council has a wide-reaching District Plan work schedule currently underway, which includes eight plan changes to the District Plan. Two of these changes have been requested from parties outside of Council – Tainui Group Holdings (TGH) and the Waikato Racing Club Incorporated (WRCI), Private Plan Changes 13 and 15 respectively.
11. All plan changes and other key District Plan related matters specific to the Hamilton District Plan are listed below, and explained in more detail in the [23 February 2023 District Plan update](#) to Council (Item 8).
12. This report focuses on key updates, given the minor changes to timeframes and deliverables since the February 2024 report.
13. Key updates to District Plan work schedule include:

Plan Change/project	Status	Commentary
Plan Change 5 (Peacocke)	<p>Appeal period closed 14 April 2023. Commissioners' decisions and appeals received are available here.</p> <p>Currently developing a Peacocke residential urban design guide and bat management plan</p>	<p>Five appeals to the plan change have been lodged with the Environment Court, along with an additional two s274 parties. Staff have settled three of the appeals and have reached agreement on one of the two remaining appeals. Following court assisted mediation on the final appeal no resolution was reached, and it is now likely that this appeal will be set down for Environment Court proceedings in later 2024 – this relates to the provision and location of supermarkets in the town centre.</p> <p>A residential urban design guide for the Peacocke growth area is being developed and is intended to be made available to the development community by the end of May 2024. It will be a non-statutory, educational tool used to help</p>

Plan Change/project	Status	Commentary
		<p>show how developers can contribute to Council's aspiration for Peacocke to be a well-designed and attractive neighbourhood for future Hamiltonians.</p> <p>A city-wide Bat Management Plan is being developed to achieve better monitoring and management, and therefore better ecological outcomes, for long-tailed bats across the city. This plan connects with Council's wider Nature in the City (NITC). The plan is currently out for key stakeholder consultation with the final document to be available mid-2024</p>
Plan Change 9 (Historic Heritage and Natural Environment)	<p>Still awaiting interim decisions on SNAs, Notable Trees, Archaeological, and remaining HHA sites.</p> <p>Progressing towards final hearing on Built Heritage items by mid-2024.</p>	<p><u>Built heritage items</u></p> <p>On 1 March 2024 the categorisation report for Built Heritage items was filed by staff. This report revisited the notified list of built heritage items for protection in the district plan. Resultant from the amendment in threshold Council are now pursuing a reduced list of approximately 60 places.</p> <p>Currently, the project team is reviewing the categorisation reports submitted by Plan Change 9 submitters. The main objective is to identify proposed built heritage places within the report that Council may support progressing. The results of this initial analysis will be included in a memorandum due in April. This memorandum will also recommend procedural steps leading to a final hearing on heritage-related matters in 2024.</p>
Plan Change 10 (Te Rapa Deferred Industrial land)	On hold	Staff are expecting a private plan change from one of the major landowners in this area. Until their position is known, Council will not progress this plan change.
Plan Change 12 (Enabling Housing)	Hearing postponed to mid-2024, awaiting Government direction.	<p>With the recent change in Government, there is an anticipated shift in national direction on housing growth. Included in this change is to make the MDRS rules optional provided a 30-year supply of housing growth is enabled in the District Plan.</p> <p>In responding to this change in Government direction Staff are now beginning the process of reviewing the proposed Plan Change 12 provisions. These changes will also be informed by public submissions made on Plan Change 12 in 2022, and any new information relevant to the plan change such as updated flood mapping and infrastructure planning.</p> <p>Based on the latest information provided by the Government, staff are considering the following changes:</p>

Plan Change/project	Status	Commentary
		<ul style="list-style-type: none"> Revisit how many centres we are intensifying around with a view to rationalising based on concentrating intensification in the centre city and walkable catchment where there is infrastructure capacity. Refine the central city walkable catchment and the level of density that is being applied relative to market demand. Revisit high density and medium density planning rules to more easily enable terraced housing typologies based on market feasibility and look to streamlined development pathways within the resource consenting process. Retain, refine, or enhance green policies, Financial Contributions, and urban design controls. Adjust MDRS controls in the general residential zone including the number of permitted units allowed on a site, set back controls, and giving more focus on design standards. <p>Hearings for Plan Change 12 were due to be completed by the end of 2022; however, a delay was granted by the Government to allow Council to update its flooding information following the Auckland Floods and Cyclone Gabrielle. In responding to the latest changes in Government direction, the deadline for decisions on PC12 still remains 20 December 2024, following hearings in early September 2024.</p>
Private Plan Change 13 (Te Rapa Racecourse private plan change)	A decision was received from the Commissioners on 4 March 2024 and notified on 6 March 2024. The plan change is subject to an appeal period which concludes on 19 April 2024.	<p>The Commissioners' decision confirmed the rezoning of 6.5 ha to Medium Density Residential and a small lot to Industrial on the corner of Sir Tristram Avenue and Te Rapa Road.</p> <p>On the key issue of reverse sensitivity, the commissioners agreed that combination of a earth bund and fence to reach a 4m height was effective as a noise screen as part of a suite of provisions addressing reverse sensitivity.</p>
Plan Change 14 (Flood Hazards)	Pre-notification consultation Is being undertaken.	Staff are on-track to notify mid-2024. A summary of the pre-notification consultation will be provided at the June 2024 meeting.
Private Plan Change 15 (Tuumata private plan change by Tainui Group Holdings)	Further submissions period closed 10 July 2023. 12 submissions were received including a submission on behalf of Hamilton City Council. HCC are awaiting confirmation from TGH if they are proceeding.	<p>Key matters raised in the Council's submission have mostly been worked through, such as stormwater impact. Remaining matters are for TGH to provide to HCC further information, to determine whether complete resolution is possible prior to hearing.</p> <p>A hearing date has not yet been confirmed.</p>
Plan Change 16	At the 14 June 2023 Strategic	Council is continuing to work with Waipa and

Plan Change/project	Status	Commentary
(Inclusionary Zoning plan change)	Growth and District Plan Committee, resolutions sought the prioritising of an inclusionary zoning plan change.	<p>Waikato district councils to ensure alignment with the policy approach and timing of notifying a plan change. The notification is dependent on a number of outstanding matters, including further reporting on the affordable housing problem and definition, completion of a Districts housing strategy and staff resourcing.</p> <p>Staff are developing supporting documentation and an options analysis which includes consideration of outcomes that can be achieved through Plan Change 12.</p> <p>Council has appealed Plan Change 1 to the Regional Policy Statement in respect of Affordable Housing and will ideally address the appeal before the notification of Plan Change 16. Hamilton City Council has been joined in this appeal by Waipa and Waikato District Councils along with the Waikato Housing Initiative. Several developers are party to the appeal in opposition.</p>
Rototuna Town Centre Plan Change	Progressing	Staff are considering a revised work programme to delay work on the plan change to ensure priority workstreams such as Plan Change 14 and Plan Change 12 advance.
Fairfield-Enderley Urban Development Partnership	Progressing	Council Staff continue to work with Kainga Ora staff regarding the master plan, possible yields and how this aligns with the Draft 2024-2034 Long-Term Plan and Plan Change 12.
Central city development, including internal planning, land use and infrastructure alignment to support the delivery of the Central City Transformation Plan (CCTP).	On-going	Meetings are shortly to start with key developers, real estate agents and government entities to help determine key factors constraining development of multi storey building and higher density residential in the Hamilton CBD.
National Planning Standards	On hold	The implementation of National Planning Standards into district plans is required by 2024. Staff are seeking an exemption from this deadline due to the process constraints of implementing these standards at the same time as significant changes are being made to the District Plan under Plan Change 12 and Plan Change 9.
Sites and areas of significance to Maori	On hold	Awaiting input from Waikato-Tainui. Council will then start a review of work undertaken to date and will work with Waikato-Tainui regarding possible options for progressing.

Plan Change 9 – Historic Heritage and Natural Environment

21. Plan Change 9 (PC9) consists of five topics:
 - i. significant natural areas (SNAs);
 - ii. notable trees;
 - iii. historic heritage areas (HHAs);
 - iv. archaeological and cultural sites; and
 - v. built heritage.
22. The first three topics went to a hearing before independent commissioners in May/June 2023. The second hearing was held in November 2023 on the archaeological and cultural sites and built heritage topics. The hearing in November also addressed outstanding matters related to SNAs and HHAs.
23. A third hearing relating to individual built heritage items will be held mid-2024.
24. The first hearing panel decision was received and notified on 6 December 2023, which removed 33 built heritage items from the notified PC9. On 8 February 2024, the Panel released an interim decision related to nine HHAs removing protection from these with approximately 20 still under consideration.
25. Staff are awaiting interim decisions from the Panel on SNAs, Notable Trees and archaeological and cultural sites.
26. Between now and June staff will continue to work with submitters to refine the number of built heritage items sought for scheduling, we anticipate a final hearing mid-2024.

Plan Change 12 – next steps***Background***

27. On 8 December 2020, the Council approved the approach and scope for making changes to the District Plan in September 2022. This involved undertaking a Plan Change to give effect to the National Policy Statement on Urban Development 2020 (NPS-UD).
28. The NPS-UD directs Tier 1 Councils, such as Hamilton, to allow building heights of at least 6 storeys within a walkable catchment area that is well serviced by public transport, at the edge of city centre zones and metropolitan zones. Outside these areas, the NPS-UD enables building heights and densities of urban development commensurate or similar with the level of accessibility with public transport, commercial activities, community services and demand.
29. On 19 October 2021, the Government introduced the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act (Amendment Act) came into force on 20 December 2021. The Amendment Act seeks to rapidly accelerate the supply of housing by enabling greater intensification in urban areas. This goes further than the NPS-UD and enables 3 storeys and 3 dwellings on all residential sites as of right (except for sites with an identified qualifying matter where the rules can be less permissive).
30. The Amendment Act requires councils to undertake a plan change to incorporate specific Medium Density Residential Standards (MDRS) using an intensification streamlined planning process (ISPP). This process removes some consultation requirements, has legal effect from the date of notification in most cases and removes any appeal rights.
31. Existing and planned infrastructure (both funded and unfunded in the Draft 2024-2034 LTP) will be insufficient to support the realisation of current planned enabled densities. The additional densities proposed by the Amendment Act would further exacerbate the infrastructure challenges and exacerbate existing negative effects of growth on the Waikato River.

32. To maintain Te Ture Whaimana outcomes, staff proposed the use of an 'Infrastructure Capacity Overlay' zone. **Attachment 1** – Map 1 Plan Change 12 Notified Infrastructure capacity Overlay and Stage 1 Area shows the zoning map of the notified version of Plan Change 12 from 2022. The overlay would create trigger points for resource consent requirements. This overlay would apply regardless of the base zoning that sits underneath the overlay zone. To direct development into priority areas, a Stage 1 area was proposed in Plan Change 12 *outside* the overlay to become the priority enablement area for intensifications and future integrated infrastructure investment by Council. This Stage 1 area encompasses the Central City, the walkable catchment from the Central City and along Ulster Street North, and parts of Hamilton East.
33. In summary, in neither the overlay area nor Stage 1 area are existing infrastructure planning and investment commitments sufficient to support the densities proposed. However, the delineation of Stage 1 enables a more focused response to infrastructure investment commensurate with density. In areas covered by the overlay, a more precautionary approach to enabling additional density will be required.
34. Because of the infrastructure risks that the blanket-style intensification approach that the MDRS posed, the Area Plans prepared for the NPS-UD were largely dropped, and only two - Central City North and Hamilton East were incorporated into Plan Change 12.

Plan Change 12 as proposed in 2022

35. The Amendment Act combined with the NPS-UD required that Tier 1 councils notify changes to their district plans by 20 August 2022. Council notified Plan Change 12 on that date, which:
 - i. applies Medium Density Residential standards (MDRS) across existing residential zones. These standards enable, as a permitted activity, up to 3 storeys and 3 dwellings on existing sites, provided specific bulk and location requirements are met. They do not include any minimum density controls;
 - ii. intensifies residential zoning around neighbourhood, local and town centre zones commensurate with the size of that centre;
 - iii. applies a high-density residential zone where 6 or more storeys is enabled 800m from the Central City, and further north along Ulster Street. This is known as the Stage 1 area; and
 - iv. adds an 'infrastructure capacity overlay' across the city, excluding the Stage 1 area, requiring three-waters capacity assessments for new developments.
36. Plan Change 12 was publicly notified on 20 August 2022 and 350 public submissions were received. (See **Attachment 2** – Map 2 Plan Change 12 Notified Zoning Map, showing medium and high-density zoning around centres). Initial 'strategic' topic hearings were held in December 2022, and specific topic and District Plan chapter-based hearings were due to occur after that. Following the Auckland Floods and Cyclone Gabrielle in 2023, a delay to Plan Change 12 was requested and approved by the then Minister David Parker while Council updated its Flood Hazard mapping as a part of Plan Change 14. The delay to Plan Change 12 came with the requirement to have decisions on Plan Change 12 made by 20 December 2024.
37. Since the extension to Plan Change 12 was approved, Central Government elections have been held and a shift in Government policy on housing and intensification has been signalled by the National-led Government and Minister Chris Bishop. We understand that this policy shift includes the MDRS becoming optional provided Councils have 30 years of zone enabled capacity for housing. It is also understood that the NPS-UD will remain largely unchanged, but with additional detail on how a 30-year supply of land for housing should be calculated. These changes are expected to be formally announced in the coming months. Regardless of the anticipated shift in Government direction, the 20 December 2024 deadline for Plan Change 12 decisions remains.

Zoned enabled capacity

38. As at 2022, Hamilton had 62,700 dwellings, expected to increase by 61% over the long term (30-years) amounting to a net increase of 44,400 dwelling. This equates to a city comprising around 100,800 dwellings by 2052.
39. To inform the notification of Plan Change 12 in August 2022, an update to the 2021 Housing Business Capacity Assessment (Update) was carried out. Two scenarios were run:
- i. first, against the Operative District Plan rules;
 - ii. second against the proposed Plan Change 12 rules.
40. Under both scenarios the report found sufficient headroom between demand and the zone-enabled supply across each time-period, short (0-3 years), medium (4-10 years) and long-term (11-30 years).

Modelling	Zone enabled-capacity Long term - 2052	Zone enabled-capacity impacted by flooding	Revised zone-enabled capacity (accounting for impacts of flood modelling)	Latent zone-enabled capacity (accounting for total demand till 2052)
	Dwellings	Dwellings	Dwellings	Dwellings
Scenario 1: HBA 2023 - Operative District Plan	139,600	Not modelled	139,600	38,802
Scenario 2: 2023 HBA - Plan Change 12	242,500	57,261	185,239	84,439

41. Based on this analysis, staff are confident that Hamilton City Council will have the zone-enabled capacity to achieve the requirement of 30-years of zone-enabled capacity requirement. Staff will undertake further modelling to reflect any updates to proposed Plan Change 12.
42. The 'latent zone enabled capacity' under both scenarios illustrate surplus zone enabled supply at 2052 once demand has been accounted for. It is important to note that Scenario 1 does not take account of the impacts for the flood modelling data. If it was to take account for the flood modelling, the quantum of latent capacity under Scenario 1 would be closer to zero. This demonstrates that there is a need for intensification under Plan Change 12 to provide sufficient zone-enabled capacity to meet 30-years of demand.
43. It is important to note that the modelling is based on maximising the plan-enablement. In reality, once infrastructure, market feasibility, consumer preferences are taken into account the actual realised uptake is closer to the demand figure as opposed to the much higher zone enabled figure.

Next Steps

44. Staff will respond to the most recent Government directions related to implementing MDRS - ensuring a 30-year supply of zoned land for housing. Staff will prepare evidence for reconvened hearings in September 2024 allowing for the Independent Hearings Panel to issue its recommendations to Council, and for Council to make its final decision by 20 December 2024.

45. Firstly, and most importantly, staff will consider any changes to the notified version of Plan Change 12 and re-test the zone-enabled supply of housing. Subject to the outcomes of this test, and the extent of additional supply required to meet the 30-year target, staff will consider the following:
- i) How many suburban centres are intensified around as Medium Density Residential zoning with a view to rationalising the number of centres down.
 - (a) Any reduction in Centres will be based on the desire to concentrate intensification in the City Centre and its walkable catchment (the Stage 1 area), and where there is either infrastructure capacity, or a greater ability to concentrate new development and direct infrastructure investment into discrete areas.
 - (b) Centres that are intensified around need to meet a range of criteria for intensification. The criteria include having good access to local amenities such as open space, schools, grocery stores and existing or planned frequent public transport routes.
 - ii) The Central City walkable catchment and the level of density that is permitted in this area.
 - (a) An 800m walkable catchment was measured from the Central City zone edge outwards. Within this area, a high-density residential zone was proposed. Staff will ensure that the catchment's distance and where it is measured from remains suitable and aligns with market feasibility studies, creating logical extents for intensification aligned infrastructure and urban design matters.
 - iii) High density and medium density planning rules. We will revisit opportunities to streamline the development pathway and remove unnecessary barriers for housing developers.
 - (a) Staff will look to make the District Plan more easily allow terraced housing typologies that are two to three storeys in the Medium and High-Density Residential Zones. Based on market feasibility feedback, it is understood that terraced typologies are currently more feasible to develop compared to five to six storey apartment buildings.
 - (b) Where appropriate, staff will continue to explore how to make the consenting process as simple as possible to help reduce complexities, time delays and higher costs within the development process.
 - iv) Based on the 30-year housing supply testing, adjust the MDRS (3 storeys and 3 units) controls proposed in the General Residential Zone.
 - (a) Staff will reconsider the permitted number of residential units on a site as well as building heights (storeys), set back controls, and giving more focus on urban design standards.
 - v) Retain, refine, and enhance green policies, financial contributions, and urban design controls.
 - (a) Based on new information and a growing body of evidence, staff will explore any additional green policies and urban design standards that are appropriate for inclusion.

46. Since the notification of Plan Change in 2022, the Planning Guidance Unit has received resource consent applications for housing developments that utilise the Plan Change 12 standards that were notified. Internal feedback on these consent applications and their use of the Plan Change 12 provisions has allowed for improvements in site layout designs, and improved urban design outcomes due to the flexibility afforded compared to the Operative District Plan general residential zone rules. The resource consents received have been required to implement the notified green policies which are also achieving improved built-form outcomes. Learnings and insights from these consents issued under the Plan Change 12 rules will be used to review and re-test the notified provisions further to ensure the best urban design outcomes are achieved.

A reminder

47. By way of background to intensification in Hamilton, the city has had a form of MDRS, the 'duplex policy', since 2015. This has allowed intensification to occur citywide down to 200m², subject to design criteria; rarely have any applications been declined.
48. The duplex policy has helped the city achieve a 50% intensification rate, delivering approximately 2,234 infill duplex dwellings since 2015 (the equivalent of 23% of new housing growth). This demand would have otherwise materialised in greenfield growth cells or outlying towns and villages. The duplex typology has also led to better land use in greenfield areas with 837 duplexes consented since 2015. Combined, this typology accounts for 32% of new house construction in the city since 2015 (total of 9,746; 2015-2021). This policy has also yielded alternate housing typologies supporting affordability.
49. It is important to emphasise the infrastructure challenges to even maintain the current level of plan enabled housing development in the Operative District Plan. The existing infrastructure challenges and currently planned infrastructure does not support the full realisation of duplex densities currently enabled by the Operative District Plan, let alone the additional development that is expected to be enabled under the NPS-UD and MDRS.
50. Permitting ad hoc growth citywide to the densities envisaged under the Resource Management (Enabling Housing Supply and Other Matters) Amendment Bill will hinder the ability for the Council to invest commensurately to support growth. The Council is fiscally constrained and cannot invest in upgrading networks on a citywide basis to support further intensification. This has been further evidenced through the most recent Draft 2024-2034 Long-term Plan process.
51. Council must ensure networks are not overwhelmed, creating an adverse knock-on effect to the Waikato River, as this would equate to a breach of the Council's obligations under Te Ture Whaimana. Investment must occur to support growth, but the Council can only afford this if it is undertaken in a targeted and judicious manner – focused in certain areas.
52. Notwithstanding the above, Council is required, by law, to increase density enablement in the District Plan. The question is by how much and where, subject to qualifying matters and now the added test as to whether there is sufficient supply to meet demand over 30 years. It is expected that the anticipated Government policy changes to housing policy will make it easier for Council to tailor a more nuanced Plan Change 12 response to the MDRS and NPS:UD requirements for housing growth subject to infrastructure constraints and other local urban growth aspirations.

Next steps

53. Council has a reporting deadline to the Independent Hearing Panel of 26 April 2024. At this time staff will confirm Hamilton City Council's intent to recommence hearings in September 2024, filing evidence late June 2024. In advance of filing evidence in June, Council will update all submitters of their position on Plan Change 12 accounting for any changes from that which was notified as noted above.

Plan Change 13 – Te Rapa racecourse Decision

54. Private Plan Change 13 (**PPC13**) was notified in February 2023 and progressed to a hearing by chaired by Bill Wasley. On 4 March 2024, the Hearings Panel provided their decision on submissions to Hamilton City Council which was notified to submitters and the applicant on 6 March 2024.
55. The Hearings Panel decision confirmed the rezoning of 6.5ha of Major Facilities Zoned land to Medium-Density Residential and a small lot to Industrial zoning on the corner of Sir Tristram Avenue and Te Rapa Road. The Hearing Panel also confirmed the concept plan (Figure 4.5-1 in the District Plan), with one change to the roading layout to remove the loop road on the area behind the retirement village.
56. As notified, the Te Rapa Racecourse Medium-Density Residential zone reflects that of the MDRS standards in the RMA. Additional provisions to ensure vacant lots could accommodate multi-unit development in the future and comply with the MDRS.
57. The notified flood hazard provisions are retained and if any update to these is required then this will occur as part of the city-wide Plan Change 14.
58. Regarding reverse sensitivity, issues through submissions and at the hearing were raised on the existing industrial zoned land surrounding the site. The Hearing Panel agreed that a combination of an earth bund and fence up to a combined height of 4m was effective as a noise screen as part of suite of provisions, including landscaping and setbacks, to address the reverse sensitivity.
59. The decision is subject to an appeal period to the Environment Court which concludes on 19 April 2024.

Plan Change 14 – Flood Hazards

60. Plan Change 14 – Flood Hazards aims to enhance Hamilton’s resilience to flood risks. Plan Change 14 entails revising some chapters and appendices of the 2017 Operative Hamilton City District Plan (ODP), with a focus on flood hazard management. These amendments are necessitated by increased urbanisation challenges, driven by the National Policy Statement on Urban Development (NPS-UD) and the Resource Management (Enabling Housing Supply and other Matters) Amendment Act 2021.
61. By removing detailed flood hazard maps from the District Plan, Plan Change 14 moves towards leveraging the best available information, which is currently represented by the Council's GIS Floodviewer. This shift ensures that our approach to managing flood hazards remains agile and informed by the latest data.

Background

62. Recent updated flood modelling has shown that there are multiple areas in the city susceptible to flooding, including flood hazards (low, medium and high), overland flow paths and flood depressions. These areas require careful consideration to mitigate potential impacts on the community and infrastructure.
63. While the risk to people and property in some of these areas can be relatively low, the overall geographic impact is large, with potential flow-on effects on adjacent properties from unconstrained development. There are areas of the city where current flood mapping information shows development without appropriate mitigation could present a significant risk.

Purpose of Plan Change 14

64. Plan Change 14 aims to update the District Plan by removing the detailed flood hazard maps and instead utilising the most current and reliable information available, which is presently the Council's GIS Floodviewer. Additionally, Plan Change 14 intends to enhance the objectives, policies, and regulations concerning development in areas with moderate to high flood hazard levels, with an emphasis on increasing the resilience of developments in areas classified as low hazard.
65. Pre-notification consultation with key stakeholders on draft provisions commenced on 4 March 2024 and closed on 22 March 2024. As part of this process, a draft of Plan Change 14 provisions went out for consultation to a small number of stakeholders including relevant Ministers, relevant Local Authorities, Tangata Whenua, the Insurance Council, the Property Council, Kāinga Ora, and several other affected organisations.
66. The table below summarises the drafted changes as part of Plan Change 14 which predominantly propose changes to Chapter 22 of the District Plan. A full list of detailed changes will be presented to the Committee at the time of seeking resolution for Council to approve notification.

Chapter	Summary of key proposed changes
Chapter 22	<ul style="list-style-type: none"> a. Change objectives and policy approach to prioritise hazard avoidance and minimisation; give priority to non-structural solutions; and enhance consideration of climate change. b. List new buildings and vulnerable activities in the Low Flood Hazard Areas as Restricted Discretionary Activities (previously Permitted) due to difficulty in ensuring standards are met. c. Change Culvert Block Flood Hazard to Depression Areas and expand it to capture blockage of any stormwater infrastructure and reflect natural contours where there is no stormwater infrastructure. Minimum floor level of 150mm above flood level or non-habitable rooms below the flood level applies. d. New provision for on-site compensatory earthworks to show how to achieve no reduction to on-site floodwater storage capacity. e. New provisions managing overland flow paths including maintaining the entry and exit points. f. Ensure water can pass beneath, through or around fences during 1% AEP event in all flood hazard areas and overland flow paths (previously only captured in medium and high flood hazard areas). g. Include minimum floor levels for areas of the city that may experience shallow flooding (identified as flood extent areas). h. Surface parking areas for 10 spaces to be located where flood levels do not exceed 200mm in 1% AEP. i. New provisions to ensure buildings are built on parts of site free of flooding hazards (currently only included in objectives and policies). j. New provision to prevent buildings from making flooding worse on other properties. k. Safe access to roads or open spaces be provided for vulnerable activities during 1% AEP (access routes with no more than 300mm depth of flooding and 1.0m/s velocity).

Direction/Feedback/Input Required from Elected Members

67. Staff will consider feedback received on draft provisions as part of the pre-notification consultation and update proposed provisions where appropriate. Following this, staff will seek approvals to notify Plan Change 14 in the following months.

Plan Change 16 – Inclusionary zoning

68. Inclusionary zoning is a focus of the recently established Housing Working Group and is included in their draft work programme.
69. Staff have been working with Future Proof councils who are also investigating Inclusionary Zoning. We have not been able to reach any agreed indicative notification timetable. The reasons for this vary between the councils and range from resourcing through to needing to develop a housing strategy first.
70. As has been reported previously, we advise notifying a plan change jointly between Future Proof councils. Before this occurs, ideally we need to first address appeals to the Regional Policy Statement related to Inclusionary Zoning.
71. On this basis, staff will work towards an early 2025 notification subject to resolving appeals, collaboration with neighbouring councils and workload. We will continue to refine our policy approach to Inclusionary Zoning and work with the Housing Working Group to do so.

Risks - Tuuraru

72. Risks are tracked at both project and programme level and are reviewed and updated regularly with the wider team and key stakeholders.
73. Key risks to the Urban & Spatial Planning programme are outlined below.

Risk ID	Risk Description	Likelihood (residual)	Consequence (residual)	Risk rating	Owner
1	Funding Work programme is fully funded but there is no contingency, any new work or any change to programme work (e.g. scope change, timing change or new work) would require re-allocation and re-prioritisation.	Almost Certain	Major	Extreme	Mark Davey
2	Resourcing Planned workload is so close to resource capacity that there is no contingency, any increase in work would exceed capacity. Situation cannot be remedied by external resource due to set unit budget.	Likely	Major	Very High	Mark Davey
3	Political (Local) Elected Members may make changes to prioritise or work programme. This affects program delivery.	Possible	Major	Very high	Mark Davey
4	Political (National) Central Government changing policy direction	Likely	Major	Extreme	Mark Davey

Risk ID	Risk Description	Likelihood (residual)	Consequence (residual)	Risk rating	Owner
5	Legal Challenge to the RMA Legal challenge to The Resource Management Act processes	Possible	Major	Very high	Mark Davey
6	Retention and Recruitment Due to tight market there is a risk we have retention and recruitment issues which could lead to impact on service delivery and people. Burnout of staff from increased work pressure.	Possible	Major	Very high	Mark Davey

Financial Considerations - *Whaiwhakaaro Puutea*

74. The District Plan Programme is funded through the 2021-31 Long-Term Plan. The overall budget for the 10-year period is \$13 million, noting that Plan Change 5 (Peacocke) is separate to the approved District Plan Programme funding. Council recoups most costs incurred for processing private plan changes, after lodgement from the applicants.
75. A financial update for Financial Year 2024 is presented below as at March 2024. Staff have increasing risk on budgets and these will be reassessed in 2024-34 Long-Term Plan. Currently we are forecasting an unfavourable variance in through to the end of FY24, which we are constantly monitoring and taking steps to improve. Cost variances within this funded programme are offset by savings across the wider Urban and Spatial Planning Unit. From 1 July 2024 (FY2025) we will be reporting on the overall budget performance of the Unit.
76. It is important to note that the delay of hearings on Plan Change 12 will result in the associated hearing costs in turn being delayed to a subsequent year. This will likely lead to a budget variance in that given year.

FY24	YTD Actuals (as at March 2024)	Sum of Annual Budget (FY2024)
District Plan Change Programme	\$904,845	\$855,251

Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

77. Staff confirm that these matters comply with Council's legal and policy requirements. Overall, staff operate within the Resource Management Act 1991 for these plan changes and comply with the relevant processes.
78. Staff confirm that the District Plan Programme responds to the National Policy Statement on Urban Development (NPD-UD) (2020) and the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act (HSAA) (2021). Council has received an extension to the decision-making deadline on Plan Change 12 from 31 March 2024 to 20 December 2024.
79. Council, along with Future Proof partners, sought legal advice on the correct application of Te Ture Whaimana – the Vision and Strategy for the Waikato River as a qualifying matter related to Plan Change 12. Staff have considered this advice in the context of Hamilton, and this is reflected in the proposed planning approach through Plan Change 12.
80. The change in Government creates uncertainty for the District Plan programme, given their stated policy positions. This will impact Plan Change 12 in particular. Staff await further clarity from the Government. Once this is received, we will advise the Committee of options.

81. Staff note that advice is being sought from the Ministry for the Environment officials regarding the requirement to implement the National Planning Standards by 2024 and we still have not received a formal update.
82. Staff have assessed Council's compliance with the new National Policy Statement for Indigenous Biodiversity (NPS-IB) and have found a high level of compliance.
83. Two-years following the notification of a plan change decisions are required to be made. Mid-2024 will be the two-year anniversary for Plan Change 9 since notification. Council are on track to enable decisions to be complete within this statutory time-frame.
84. While Minister Bishop has announced the policy changes related to Resource Management (Enabling Housing Supply and other Matters) Amendment Act 2021 the Government has not yet enacted a law change. Given the tight timeframes to make decisions on Plan Change 12, staff are needing to advance work on the basis that the law changes will be made.

Climate Change Impact Statement

85. Staff have assessed this option and determined that no adaption assessment is required. However, climate change is addressed in each of the plan changes referred to in this report.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

86. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
87. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report.
88. The recommendations set out in this report are consistent with that purpose.

Social

89. Social wellbeing is defined as the capacity of individuals, their families, whaanau, iwi, haapu and a range of communities to set goals and achieve them.
90. The proposed approach aligns with 'Our vision for Hamilton Kirikiriroa', which provides direction for shaping a city that's easy to live in, where people love to be, a central city where people love to be, and a fun city with lots to do.

Economic

91. Economic wellbeing is defined as the capacity of the economy to generate employment and wealth necessary for present and future financial security.
92. The NPS-UD recognises the national significance of providing sufficient development capacity to meet the different needs of people and communities and adequate opportunities for land to be developed to meet community business and housing needs.
93. The NPS-UD and the HSAA require that district plans make room for growth both 'up' and 'out', and that rules are not unnecessarily constraining growth. The intensification directed by Central Government will have a direct impact on housing pressure in Hamilton.
94. Significant investment in infrastructure to support the ongoing growth and development of the city will be required. Decisions which confer additional development rights and enable growth (e.g. Plan Change 12), must take into account key factors including environmental limits, legal/policy obligations and infrastructure current and planned capacity which are fundamental considerations to support and enable this growth.

Environmental

- 95. Factors that make our cities more liveable (e.g. accessible public transport, great walking and cycling opportunities, ample green spaces and housing with access to services and amenities) can also help reduce our carbon footprint, increase resilience to the effects of climate change and protect ecosystems.
- 96. Elected Members have agreed the vision to shape Hamilton as a green city.
- 97. The increases in intensification directed through the HSAA, given effect to through Plan Change 12, will place greater pressure on the city's 3-water networks which in turn will necessitate increased investment. Without commensurate levels of investment to support intensification, adverse effects on the Waikato River are likely, which in turn will breach the City's obligations under Te Ture Whaimana.
- 98. Increases in intensification directed through the HSAA will also lead to greater urban stormwater generation and its effects. PC14 seeks to implement a new management regime to specifically address how new development responds to flood hazards. Plan Change 12 introduces new 'green policies' that aim to mitigate the effects of intensification with respect to urban runoff.

Cultural

- 99. The NPS-UD and HSAA require councils to plan well for growth and ensure a well-functioning urban environment for all people, communities, and future generations. This includes ensuring urban development occurs in a way that considers the principles of the Treaty of Waitangi (te Tiriti o Waitangi) and issues of concern to hapū and iwi e.g. Te Ture Whaimana – the Vision & Strategy for the Waikato River.
- 100. Hamilton City Council, under the Joint Management Agreement with Waikato-Tainui, has a process in place for collaborating and engaging with Waikato-Tainui in the preparation on plan changes.

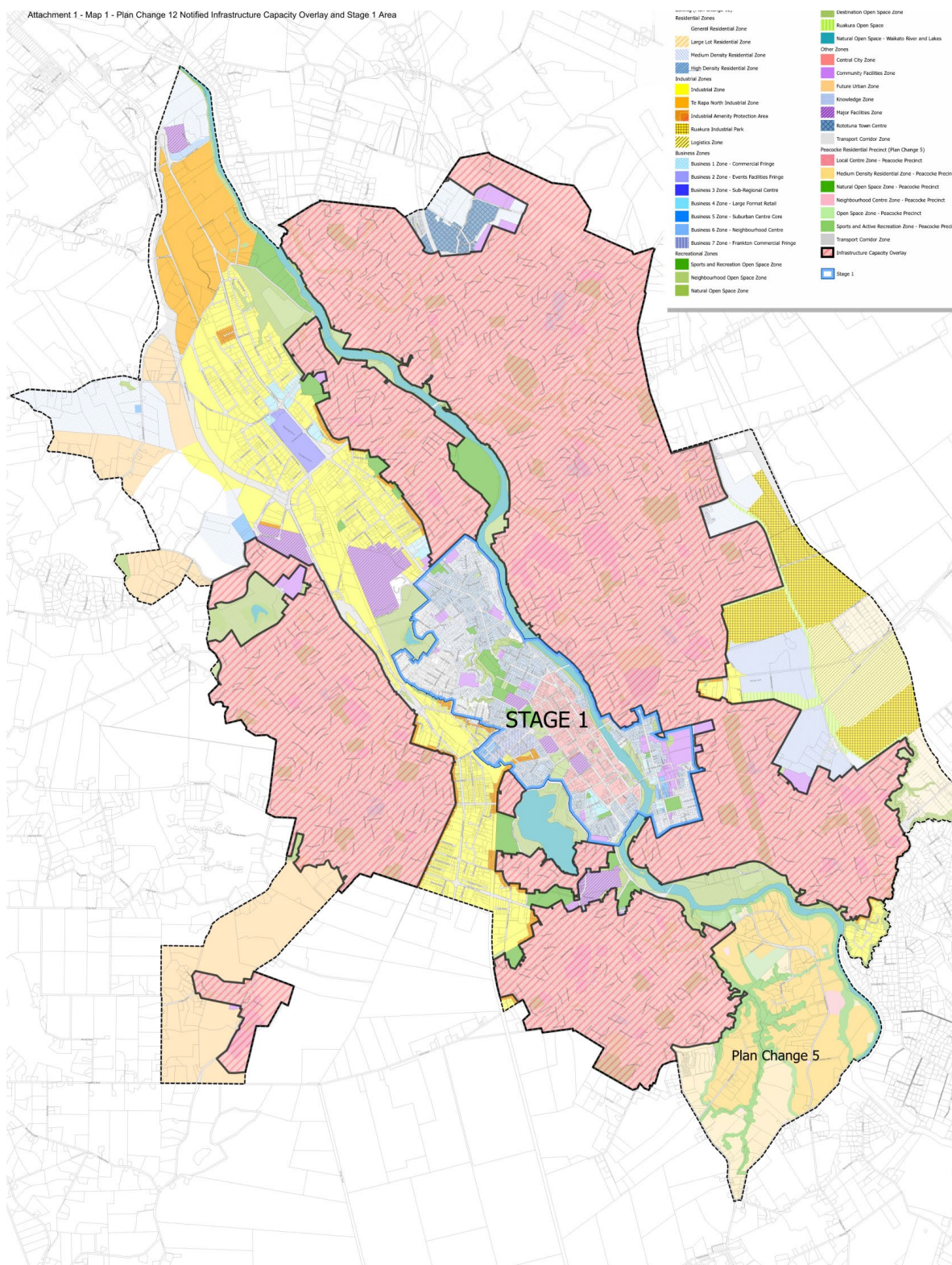
Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

- 101. Having considered the Significance and Engagement Policy, staff have assessed that the report has a low significance, and no engagement is required.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Map 1 Plan Change 12 Notified Infrastructure Capacity Overlay and Stage 1 Area

Attachment 2 - Map 2 Plan Change 12 Notified Zoning Map



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Attachment 1

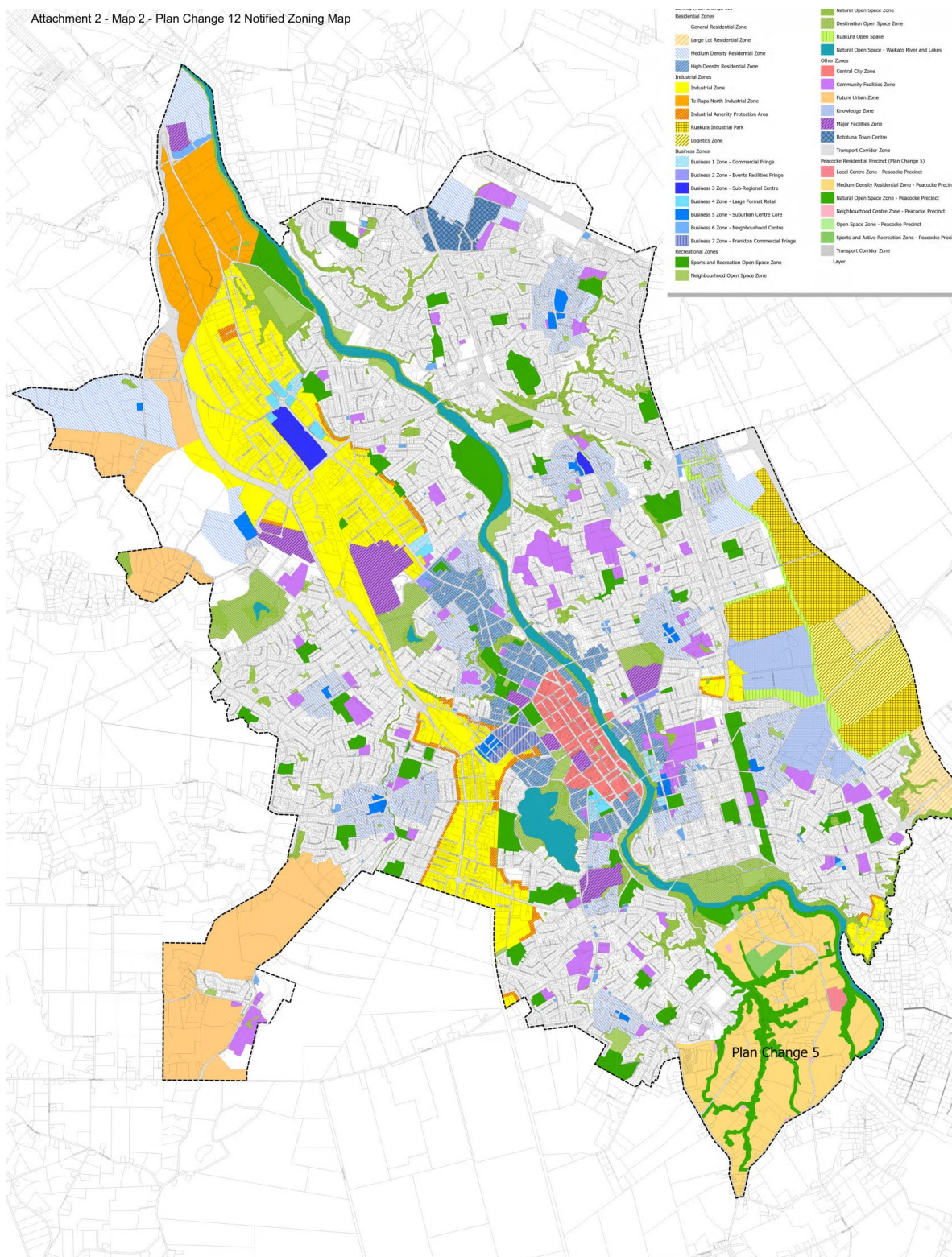
DISTRICT PLAN

Proposed Zoning Map
Plan Change 12

18 July 2022

Attachment 2

Item 9



18 July 2022

DISTRICT PLAN

**Proposed Zoning Map
Plan Change 12**

Council Report

Item 10

Committee: Strategic Growth and District Plan Committee **Date:** 11 April 2024

Author: Mark Davey **Authoriser:** Blair Bowcott

Position: City Planning Manager **Position:** General Manager Strategy, Growth and Planning

Report Name: Hamilton City Council's Draft Submission to the Fast-track Approvals Bill

Report Status	<i>Open</i>
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Purpose - *Take*

1. To inform the Strategic Growth and District Plan Committee on Hamilton City Council's draft submission to the Fast-track Approvals Bill.

Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Strategic Growth and District Plan Committee:
 - a) receives the report;
 - b) delegates authority to the Chair and Deputy Chair of the Strategic Growth and District Plan Committee to work with key staff to finalise the submission should substantive changes be required prior to lodging it with Parliament's Environment Committee by 19 April 2024;
 - c) notes that **Draft 1** of the Council's submission to the Fast-track Approvals Bill (**Attachment 1** of the staff report) was circulated to Elected Members and Maangai Maaori for feedback on 28 March 2024, with feedback due by 4 April 2024;
 - d) notes that the submission will request representatives to speak in support of Council's written submission at the hearings of Parliament's Environment Committee;
 - e) notes that Hamilton City Council's representatives at the hearings may include the Mayor, the Deputy Mayor, the Chair and Deputy Chair of the Strategic Growth and District Plan Committee, the General Manager Strategy, Growth and Planning, and the Urban and Spatial Planning Manager;
 - f) notes that the final approved submission will be sent to Parliament's Environment Committee by 19 April 2024, and subsequently uploaded to Hamilton City Council's website.

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Executive Summary - *Whakaraapopototanga matua*

3. The Fast Track Approvals Bill was introduced to the House under urgency on 7 March 2024 (refer [here](#) and [here](#)). Parliament's Environment Select Committee is now calling for submissions, with the closing date being 19 April 2024.
4. The Fast Track Approvals Bill is an omnibus Bill. It would enable the decision-making process to be fast-tracked for infrastructure and development projects that are considered to have significant regional or national benefits, such as major transport infrastructure, urban development, or solar energy projects.
5. Under the Bill, the ability for local authorities to provide input into the fast-track processes is severely limited. This is similar to the issues Council has previously identified in its Resource Management Act 1991 (RMA) related submissions. See **Attachment 2** for a comprehensive list of submissions made by Council in recent years.
6. The report covers the following key areas of attention in relation to the Bill:
 - i. the reduced role and function of local government in plan making;
 - ii. the balance and consideration for environmental matters;
 - iii. the potential backlash related to removing public submission and hearings; and
 - iv. the ambiguity surrounding the criteria for an eligible project.
7. It also provides a comparison between a fast-tracked project and a standard procedure, and the criteria for a project to be listed for fast-tracking.
8. Staff consider the decisions in the report are of low significance and that the recommendations comply with Council's legal requirements.

Background - *Koorero whaimaarama*

9. New Zealand faces significant long-term economic, social, and environmental challenges. After the 2023 General Election, The National, ACT, and the New Zealand First Parties committed to form a Coalition Government that focuses on providing prosperity, delivering better infrastructure, and boosting social cohesiveness among many other objectives.
10. To achieve this, Coalition Agreements were entered into the [100 Day Action Plan](#), which includes a number of the National Party's "going for housing growth" policies along with fast-track consenting.
11. Under the current RMA, seeking approvals for major projects in New Zealand is complex. The Infrastructure Commission/Te Waihanga estimates that current consenting processes cost infrastructure projects \$1.29 billion every year, and the time taken has nearly doubled recently.
12. On 23 January 2024, Cabinet agreed to progress a one-stop-shop fast-track consenting regime. The Government, through Minister Bishop, committed to introduce the Fast-track Approvals Bill by March 2024, to be enacted later in 2024 for regionally and nationally significant projects.
13. The Bill specifies protections and obligations for Treaty settlements and other Treaty-related arrangements and commitments; it also contains information, engagement, and other procedural requirements for applicants, Ministers, and the Expert Panel in relation to particular Maaori groups or interests at various application and decision-making points in the process.
14. The Select Committee is due to report back to Parliament, including on any recommended changes to the Bill by 7 September 2024. If passed, a standalone Fast-track Approvals Act could become law in late 2024.

Discussion – Matapaki

15. The purpose of the Fast-track Approvals Bill is to provide a streamlined decision-making process to facilitate the delivery of infrastructure and development projects with significant regional or national benefits.
16. There are two pathways available under the Fast-track Approvals Bill for infrastructure and development projects with significant regional or national benefits.
 - i. The first route is as a listed project in the legislation. A range of projects will be considered by an expert panel against a set of criteria; this will occur concurrently as the Bill is progressing through Select Committee and inserted into Schedule 2A.
 - ii. The second route is by lodging an application, which is then referred to the Expert Panel by the ministers of Infrastructure, Regional Development and Transport (referred to as 'the Joint Ministers'). Those projects which are named on Schedule 2A will be the priority for processing.
17. *Figure 1* compares a fast-tracked project (listed in Schedule 2A) with a standard procedure. Listed projects are automatically referred to an Expert Panel without needing to be referred from the Joint Ministers. The legislation does not currently include any listed projects.
18. *Figure 2* illustrates the procedure for a fast-tracked project by lodging an application.
19. *Figure 3* demonstrates the criteria for a project to be listed. Note that in its current form, the Bill contains ambiguous phrases and reasoning, which leads to uncertainty surrounding certain clauses. It could be assumed that this will be refined through the various Select Committee stages and reflects the short amount of time in which the Bill was drafted.
20. Staff support the overall purpose of the Bill as a way of unlocking infrastructure delivery and urban development but have several areas where we believe it could be improved.
21. The Bill – by its inherent nature of what it seeks to achieve – will likely polarise different viewpoints within the community.
 - i. First, for example, the push to enable development will likely come at some cost to the environment.
 - ii. Second, to fast-track anything in an RMA context requires truncating long-established processes. As a result, the Bill significantly impacts public participatory rights in plan-making and development.
 - iii. Lastly, decision-making powers rests with ministers. Again, this is a departure from conventional decision-making under the RMA where typically decision-making has rested with suitably qualified and experienced independent planning commissioners.
22. We recommend the key areas of attention related to the Bill are:
 - i. the reduced role and function of local government in plan making;
 - ii. the balance and consideration for environmental matters;
 - iii. the potential backlash related to removing public submission and hearings; and
 - iv. the ambiguity surrounding the criteria for an eligible project.

Figure 1: Comparison between a Fast-tracked and Standard Procedure

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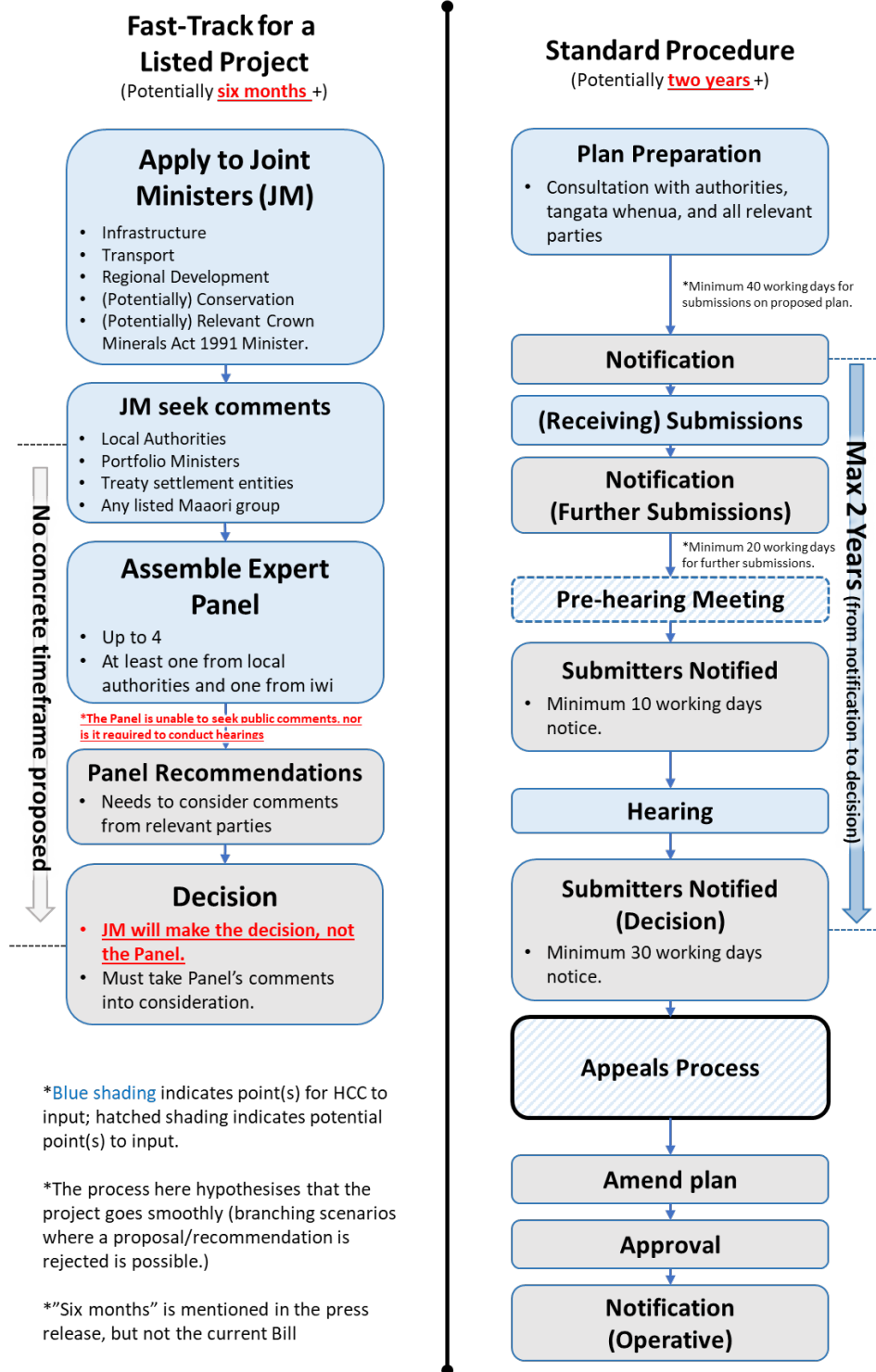
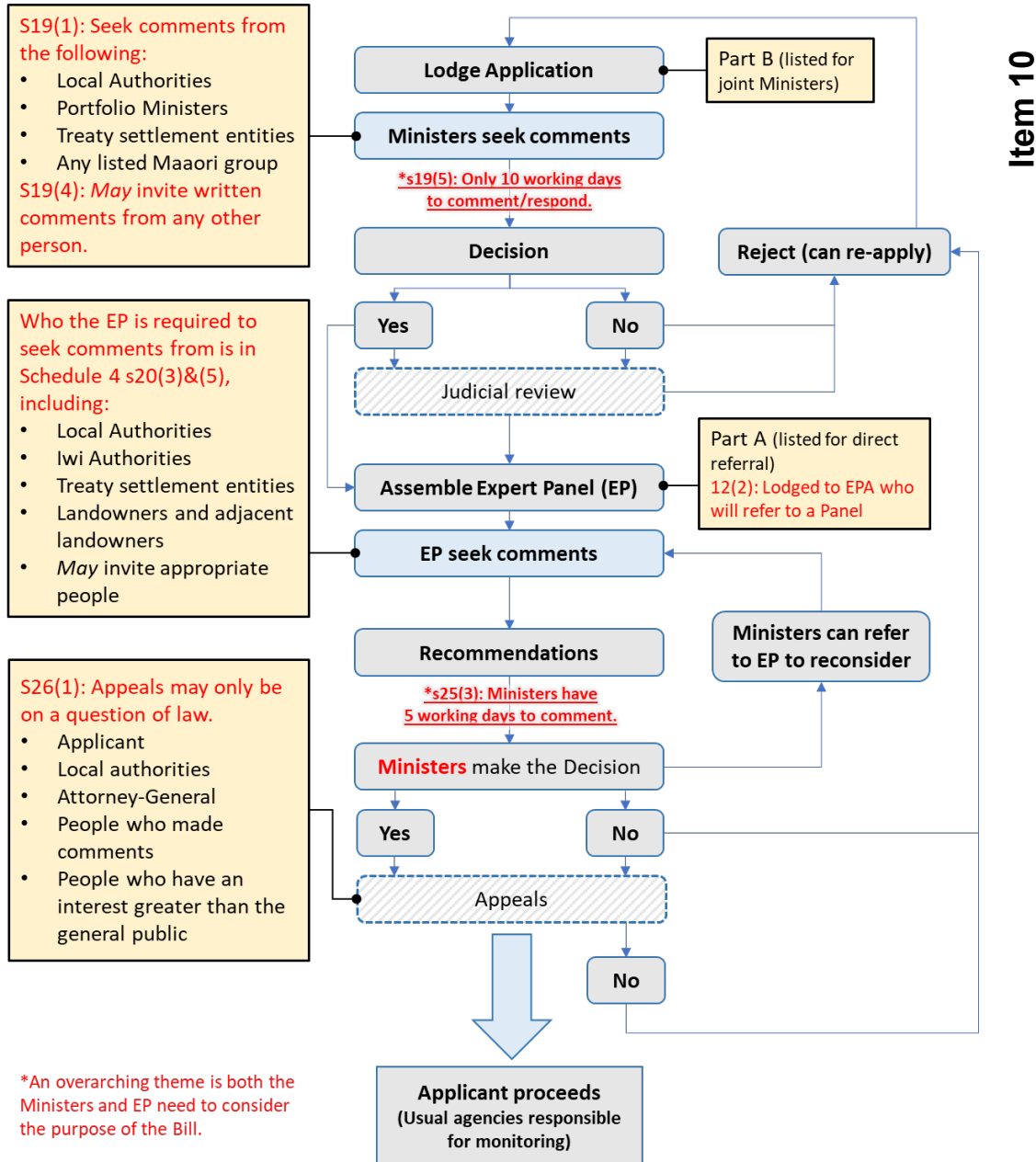
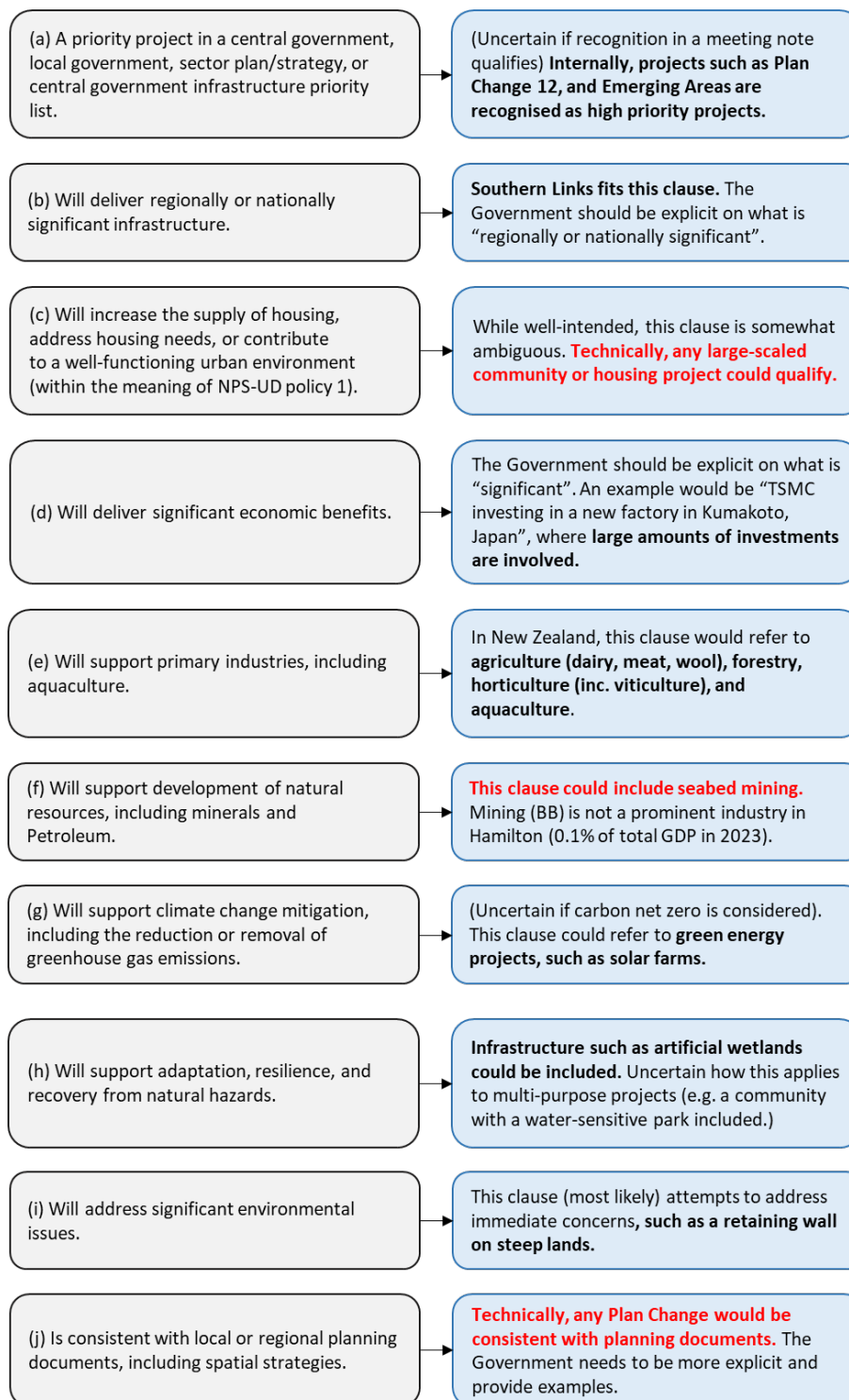


Figure 2: Detailed Procedure for a Fast-tracked Project



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Figure 3: Criteria for a “Listed” Project (Schedule 2)
(Based on s17(3))



23. While the overall procedure is significantly faster and streamlined, two immediate concerns have caught our attention:
- i. Hamilton City Council's ability to influence and provide input on a project is severely limited, as the Expert Panel is the primary formal pathway to provide feedback. Additionally, the Expert Panel does not have the final say on the decision.
 - ii. The "streamlined" process primarily involves the removal of public consultation and hearing, which limits public participatory rights in the planning process. The public's need to air and address their concerns could result in criticism being incorrectly redirected towards local authorities.
24. Key themes of concern include:

Key Theme	Details(s)
i. The detail, workability, and implementation of the Fast-track Approvals process (FTA).	<ul style="list-style-type: none"> a) Despite the press release suggesting six months maximum, the Bill did not include an explicit timeframe. b) Many procedures in the Bill remain ambiguous in its current state.
ii. Removal of public submission and hearings	The "streamlined" process primarily involves the removal of public consultation and hearing, which limits public participatory rights in the planning process.
iii. Representation and function of proposed Expert Panels.	<ul style="list-style-type: none"> a) The Expert Panel only consists of 4 people, which includes one local authority representative. b) The Expert Panel does not have the final say in the decision. c) The Bill did not include a procedure, meaning the Expert Panel must regulate itself with little guidance.
iv. Role of Local Government.	<ul style="list-style-type: none"> a) HCC's ability to provide input is severely limited, as the Expert Panel is the primary formal pathway to provide feedback. b) The public's need to air and address their concerns could result in criticism being incorrectly redirected towards local authorities.
v. Whether the proposals will deliver on the reform objectives of less complexity and better outcomes.	While we support the purpose and concept of having an alternative tool to streamline infrastructure planning processes, the Bill contains aspects that may result in an inefficient process and significant community opposition.

Development of Hamilton City Council's Draft 1 Submission

25. The staff have developed Council's draft submission (**Draft 1** – see **Attachment 1**). The content is currently focusing on three tangents:
- i. **What exactly is the Bill streamlining?** The Bill limits public participatory rights in the planning process which would cause further complications. The lack of transparency and interaction could undermine the overarching purpose of the Bill.
 - ii. **What are the criteria for a "fast-tracked" project?** The Bill is introduced with the omission of the project list (Schedule 2). When examining s17 and s18 of the Bill, concerns were raised around the description being overly ambiguous and the range for "significant benefits" being overly broad.

Item 10

iii. **Is the Bill limiting the methods/pathways local authorities can express their opinions?** The primary pathway is through the appointee by the local authority to the Expert Panel (EP), which is required to seek comments from relevant parties. Joint Ministers may also request comments from relevant parties (this could include stakeholders and Councils) but the wording in Part 2 s20 suggests it is not mandatory.

26. In addition to Council's individual submissions, the key themes that have been developed will be shared with Waikato-Tainui, Future Proof local government partners and other growth metros outlining key points of interest in relation to the issues and opportunities that Hamilton City Council consider need to be recognised in the new legislation.
27. Hamilton City Council is also liaising with Local Government New Zealand (LGNZ) and Taituarā. Both organisations will be making significant submissions to the Bill on behalf of their members.
28. The **Draft 1** submissions also note that Hamilton City Council would like to speak in support of its submissions at the hearings of Parliament's Environment Committee.

Options

29. Although the Council has no obligation to make a submission, staff have developed a submission to the Fast-track Approvals Bill to ensure Council's views are considered by Government.

Financial Considerations - *Whaiwhakaaro Puutea*

30. The staff cost to develop the draft submissions has been met within existing budgets.

Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

31. Staff confirm that the recommendations in this report comply with the Council's legal and policy requirements.
32. Staff have considered the key considerations under the Climate Change Policy and have determined that an adaptation assessment and emissions assessment is not required for the matter(s) in this report.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

33. The purpose of Local Government changed on 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
34. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report as outlined below.
35. The recommendations set out in this report are consistent with that purpose. Council's submission to the Bill is intended to assist Parliament's Environment Committee and the Ministry for the Environment in refining the Fast-track Approvals Bill.
36. In its current form, the Bill contains ambiguous linkages to other legislation, particularly the Local Government Act 2002. This issue has been noted in the draft submission, and it is recommended that staff provide comments on how the Bill can achieve better integration.

Social

37. The proposed new system facilitates a streamlined procedure that affects infrastructure and urban development. We are optimistic that the Bill will support the outcomes in the Hamilton Urban Growth Strategy (HUGS) and contribute towards the city's strong growth.

38. Collaborative relationships between the Council, the community, and the Central Government enables the sharing of ideas, work programmes and the identification of opportunities to deliver better outcomes for communities.

Economic

39. The Bill's purpose on delivering "regionally or nationally significant" infrastructure could potentially facilitate positive economic impact.
40. Collaborative relationships between the Council, the community, and Central Government can identify opportunities for shared services or work programmes, which save the local government sector, and therefore ratepayers', money.

Environmental

41. Initial analysis has raised concerns about how the Bill handles cross-boundary projects. The ambiguous linkages may challenge the outcomes for *Our Climate Future: Te Pae Tawhiti o Kirikiriroa*, particularly when our climate is at a fragile state.
42. Collaborative relationships between the Council, the community, and the Central Government allow for cross-boundary and sub-regional discussions regarding big-picture issues such as inter-regional transport, water quality and allocation and emissions reduction.

Cultural

43. Initial analysis has raised concerns about how our strategy *He Pou Manawa Ora (Pillars of Wellbeing)* will be affected. Particularly, while the Bill made several references to uphold Treaty settlements, some inconsistencies and conflicts remain according to iwi representatives. This, in turn, could impact our Maaori community and their rights.
44. Collaborative relationships between the Council, the community, and Central Government will promote cultural wellbeing, ensuring recognition and support for shared cultural attributes.

Risks - Tuuraru

45. There are no known risks associated with the decisions required for this matter.

Significance & Engagement Policy - Kaupapa here whakahira/anganui

Significance

46. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the matter(s) in this report has/have a low level of significance.

Engagement

47. Given the low level of significance determined, the engagement level is low. No engagement is required.

Attachments - Ngaa taapirihanga

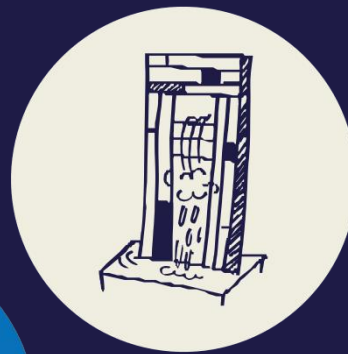
Attachment 1 - Draft 1 Council Submission - Fast-track Approvals Bill

Attachment 2 - Council's submissions on resource management matters

HAMILTON CITY COUNCIL – DRAFT 1 COUNCIL SUBMISSION

FAST TRACK APPROVALS BILL

Parliament's Environment Committee



19 April 2024



**Hamilton
City Council**
Te kaunihera o Kirikiriroa

Improving the Wellbeing of Hamiltonians

Hamilton City Council is focused on improving the wellbeing of Hamiltonians through delivering to our five priorities of shaping:

- **A city that's easy to live in**
- **A city where our people thrive**
- **A central city where our people love to be**
- **A fun city with lots to do**
- **A green city**

The topic of this submission is aligned to all five priorities.

Council Approval and Reference

This Council submission was approved by Hamilton City Council's Strategic Growth and District Plan Committee at its meeting held on 11 April 2024.

Submission # 760.

Key Messages and Recommendations

1. Hamilton City Council **supports** the intent of the **Fast-track Approvals Bill (FTA)** but **seeks changes to improve its ability to deliver on the desired outcomes**. While we support the purpose and concept of having an alternative tool to streamline infrastructure planning processes, the FTA contains aspects that may result in an inefficient process and significant community opposition.
2. We outline below eight areas for improvement which will lead to better implementation and will also ensure against long-term negative outcomes. These are:
 - i. **Ambiguous eligibility and criteria for Schedule 2:** The ambiguity surrounding the criteria may lead to unintentional projects overloading the process. Additionally, the criteria should clarify how a “regionally or nationally significant” infrastructure is determined.
 - ii. **Rigid timeframes:** The FTA’s 10 working day limit with no clauses for extension is overly rigid for Local Authorities operating on a lean structure. Development proposals often require technical assessments in relation to existing and planned infrastructure.
 - iii. **The approval of a project does not guarantee development:** It is not clear what safeguards exist to ensure that development proposals are granted. Development should only occur when there is adequate existing infrastructure for that purpose.
 - iv. **Issues related to cost-recovery:** To achieve the intended outcomes of the FTA, projects need to move through the process quickly. For this to occur, and for consent conditions to be reasonable and not overly onerous, more time and investment is required up-front with the relevant authorities, in our case local government. We seek that the Bill provides for cost-recovery from developers so that early in the process we can collaborate and refine proposals. This will make the Expert Panels role easier and ultimately lead to more robust outcomes.
 - v. **Issues related to value-capture:** Conveyance of property rights through consenting leads to significant value up-lift. It is important that this increase in value is “captured” at the time of conferring these property rights through requiring the development to fund, deliver or contribute towards the enabling infrastructure.
 - vi. **Issues related to infrastructure funding and financing:** Currently, rates and development contributions cannot be levied on land outside of a territorial authority’s jurisdictional control. It is possible that there will be developments considered for fast tracking that fall into this category – local government needs a way to levy for costs in a cross-boundary context.
 - vii. **Limitation of public participatory rights:** While we acknowledge the time and resource intensive process for hearings, the complete removal of public consultation has caused significant discontent. The local discontent against a project could likely remain for a long time into the future. We propose an option for public feedback to be received by the Expert Panel. This will provide local communities an avenue to share their views and will provide the Expert Panel additional feedback that they may or may not consider.
 - viii. **Lack of concern on environmental impacts:** In an urban context, we have very real environmental limits, for example water take allocations from the Waikato River. These considerations must be factored into any fast-tracking approvals. We request that solutions to these factors are provided for through the consenting process and/or are automatically added to the next tranche of fast-track projects. This might include re-allocation of water-takes, consenting of new water source (e.g., dams).

3. We believe if cost-recovery can be provided for up-front in the process then issues around limiting the public and Local Authorities' ability to input into the process could be partially resolved. However, there are long-run matters to consider, particularly with regards to urban development for which this truncated process may inadvertently not consider
4. Hamilton City Council recommends that the Government provides more clarity on the composition procedure, and authority of the Expert Panel. If the Ministers can overturn the Expert Panel's recommendations under s25(5), there should be an explicit criterion.
5. Hamilton City Council seeks that more input points should be provided for Local Authorities. Alternatively, the FTA should provide more safeguards to ensure that our concerns will be addressed.
6. Considering the purpose of the FTA is for "delivery of infrastructure and development projects with significant regional or national benefits," explicit criteria would be advantageous. The legislation should only serve as a pathway for large-scale infrastructure (e.g., major road network upgrades or green energy projects.)
7. Hamilton City Council recommends that the Government consider and establish a 30-year or long-term Infrastructure Plan. Certain infrastructure projects will be inherently more urgent than other developments (e.g., a large road network or water plant is needed before more out-of-sequence housing can be enabled). This type of lens would be helpful when considering the criteria for projects.
8. While Hamilton City Council understands the time and resource intensive process for public participation through submissions and hearings and acknowledges the Government's intentions, we oppose the complete removal of public consultation. We ask that a truncated submission process is available where the Expert Panel can receive submissions, but it is at their sole discretion as to if they seek further information from them. This would provide an avenue to take account of matters that others involved in the process might have overlooked.
9. We recommend more consideration is placed on environmental-related issues. Given the negative feedback from environmental groups, the lack of strong safeguards may undermine the delivery of the FTA, and in turn ultimately undermine the Government's intentions. One example in a Hamilton context is our ability to service new urban development with potable water; another is our wastewater discharge limits with respect to the Waikato River – the consenting of major urban development proposals must confront these matters either directly through conditions, and/or by possibly adding these required projects into the second tranche of fast-tracking projects.

Introduction

10. Hamilton City Council welcomes the opportunity to make a submission on the **Fast Track Approvals Bill (FTA)**.
11. Hamilton City Council **supports** the purpose and concept of having an alternative tool to streamline infrastructure planning processes, and **while we support the FTA, we believe there are a number of refinements required**.
12. We understand the FTA was introduced to the House under urgency and acknowledge it will contain inconsistencies with other existing legislations, policies, or planning documents. Notwithstanding this, the FTA contains several critical issues which we outline in this submission as “themes” that should be addressed, or at least carefully considered, before it becomes operative.
13. Failing to address these issues could lead to long-term negative unintended consequences of the FTA.

Previous Submissions Made by Hamilton City Council in the Resource Management Reform Space

14. Hamilton City Council takes a considerable interest in matters regarding resource management reform and has made several submissions in this space in recent years.
15. Key examples include:
 - Hamilton City Council’s 13 December 2023 staff submission to the **Engagement Draft of the Transitional National Planning Framework Proposal** – [Weblink](#)
 - Hamilton City Council’s 16 November 2023 staff submission to the **Proposed National Policy Statement for Natural Hazard Decision-Making Discussion Document (September 2023)** – [Weblink](#)
 - Hamilton City Council’s 17 February 2023 submission to the **Natural and Built Environment Bill** – [Weblink](#)
 - Hamilton City Council’s 17 February 2023 submission to the **Spatial Planning Bill** – [Weblink](#)
 - Hamilton City Council’s 13 July 2022 staff submission to the **Exposure Draft of Proposed Changes to the NPS–FM 2020 and NES–F 2020 (Including Wetland Regulations)** – [Weblink](#)
 - Hamilton City Council’s 7 June 2022 submission to the **Draft National Adaptation Plan (April 2022)** – [Weblink](#)
 - Hamilton City Council’s 24 February 2022 submission to **Transforming Aotearoa New Zealand’s Resource Management System - Our Future Resource Management System - Materials for Discussion - November 2021 Discussion Document** – [Weblink](#)
 - Hamilton City Council’s 16 November 2021 submission to the **Resource Management (Enabling Housing Supply and Other Matters) Amendment Bill** – [Weblink](#)
 - Hamilton City Council’s 4 August 2021 submission to the **Inquiry on the Parliamentary Paper on the Exposure Draft – Natural and Built Environments Bill** – [Weblink](#)
 - Hamilton City Council’s 3 August 2021 submission to the **Government Policy Statement on Housing and Urban Development (GPS–HUD) – June 2021 Discussion Document** – [Weblink](#)
 - Hamilton City Council’s 2 July 2021 submission to the Discussion Document **Infrastructure for a Better Future Aotearoa New Zealand Infrastructure Strategy** – [Weblink](#)
 - Hamilton City Council 21 May 2021 staff feedback to the **Early Engagement on Resource Management Reform – Opportunities to Improve System Efficiency** – [Weblink](#)

- Hamilton City Council's 13 February 2020 submission to the **Urban Development Bill**
- Hamilton City Council's 17 October 2019 submission to the June 2021 Discussion Document **Proposed National Policy Statement for Urban Development (NPS-UD)**.

16. All submissions made by Hamilton City Council can be [accessed here](#)

Key Submission Feedback/Points

17. The following feedback is structured by Hamilton City Council's key areas of concerns – noting that we have only provided responses on the sections that are most relevant to Council.
18. While Hamilton City Council **supports** the concept of having an alternative tool to deliver infrastructure using a streamlined process, **we seek changes to the FTA in its current form.**
19. One of Hamilton City Council's concerns revolves around the roles, functions, and responsibilities of participants in the FTA process. The ability not just for the public, but for the Local Authority to input appears to be severely limited. The limitation may inadvertently lead to aspects of a proposal not being sufficiently addressed by the Expert Panel.
20. The importance of linkages between the FTA and other legislation, particularly the Local Government Act (2002) is particularly important for Hamilton City Council. We anticipate that there might be listed urban development projects on the edge of Hamilton City that are not within Hamilton City Council's jurisdictional control.
21. These proposals would, in our view, necessitate boundary change to transfer this land into Hamilton City Council. On this same theme, it is critical that the Bill addresses funding and financing of infrastructure in a cross-boundary scenario. As such, we seek changes to enable the collection of development contributions and rates to pay for the servicing solutions required to enable urban development.
22. Hamilton City Council seeks some form of value capture within the FTA. In an urban development context, the fast-tracking could take rurally zoned land and up-zone to urban – significant value is conferred at this decision-making point. Value capture mechanisms are crucial for ensuring costs required to enable urban development rests with the developers who are benefiting. This is often best achieved through private development agreements prior to land-use rights being conferred (e.g., commercial negotiations or a new form of direct contribution).
23. The practical application of the eligibility criteria remains uncertain. The ambiguity of the eligibility criteria, particularly considering the purpose of the Bill, will undermine the purpose of the FTA to create a streamlined process for significant development and infrastructure. Additionally, the overly broad criteria may unintentionally encourage out-of-sequence or minor projects to overload the system.
24. While we understand the arduous process of preparing for hearings and acknowledge the need for revision, removing any channel for the public's rights to be aired could increase the community resistance to projects – having a channel for local communities to express their views and opinions is critical – this will help reduce long-term community resentment of certain projects.
25. Finally, the FTA is lacking integration with other legislations, Future Development Strategies, and Long-Term Plans. We seek that any approval under the FTA must be subject to adequate infrastructure.

Theme One – Roles, Functions, and Responsibilities

Composition and Expertise

26. In its current form, the Expert Panel (EP) has several issues related to its composition, authority, and procedure. According to Schedule 3 s3(1), the EP may only have up to four people. These four members will need to have an extensive understanding of vastly differing expertise, some of which may not overlap outside of a project.
27. To cover all aspects within four people is virtually impossible. While we are aware the EP can request knowledge from the EPA and Local Authorities, the potential unfamiliarity with unexplored aspects may lead to poor decision-making.
28. Hamilton City Council also seeks clarification on an explicit limit of four people. In Schedule 3 s3(6), the following is stated:
- Despite the limit specified on the membership by subclause (1), that number may be exceeded (including by the appointment of more than 1 person nominated under subclause (2)(a) or (b)), at the discretion of the panel convener, if warranted by, or required to accommodate, —*
- (a) the circumstances unique to a particular district or region; or*
- (b) the number of applications that have to be considered in that particular district or region; or 10*
- (c) the nature and scale of the application under consideration; or*
- (d) matters unique to any relevant iwi participation legislation; or*
- (e) the collective knowledge and experience needed under clause 7(1).*
29. Which implies the EP can go beyond the stated limit and will likely be the case most of the time. This makes the limit potentially redundant.
30. In addition, criteria for the skills and knowledge needed to be part of an EP is ambiguous. The current guidance in Schedule 3 s7 (*Skills and experience of members of panel*) is unclear about what expertise is “relevant”.

Authority

31. The authority that the EP holds over the decision of a project remains ambiguous. Particularly, s25(4) states the joint Ministers must not deviate from the recommendations, but s25(5) suggests that the joint Ministers can refer the entire recommendation back to the EP to reconsider.
32. The current wording implies that the joint Ministers hold full power over a project’s approval or disapproval, making the role of the EP potentially redundant.
33. In addition, the EP has no ability to reject a project. Limiting the ability to decline a project does not provide certainty to projects, particularly for developments with significant environmental impacts involved. The lack of transparency could result in poor environmental outcomes and undermine the effectiveness of the process.

Functions and Responsibilities

34. The guidance on an EP’s procedures is absent. The lack of guidelines in s10 may severely undermine the purpose of the FTA, leading to an obtuse and ineffective outcome.
35. In addition, the FTA should be explicit about who the EP seeks comments from. For example, a regionally significant project would affect more than adjacent landowners, it could also impact neighbouring Local Authorities.
36. Hamilton City Council is also concerned about how the proposed FTA severely limits our ability to provide meaningful input and support a project:

- i. The EP is the primary formal pathway where Local Authorities can provide any meaningful input. In comparison, a standard plan change procedure has multiple points for stakeholders.
 - ii. While the joint Ministers will also seek comments from Local Authorities under s19, the time limit under s19(5), compounded with the possibility to reject the EP recommendations under s25(5), leaves us with little confidence that our comments will be adequately considered.
 - iii. Planning-related issues are often procedural. Concerns are raised as events such as pandemics or natural disasters occur and responding to unanticipated events should be part of the procedure. Limiting formal input points to one creates a rigid outcome that is unable to respond to potential impacts.
37. Finally, the FTA is ambiguous on who will take the stand should the need for an appeal arise. Presumably, the Ministers should defend their own decisions, but the rationale is that participants and commentators are not the ones to carry the costs, as they may end up in a position they fundamentally disagree with.

Recommendation - Composition and Expertise

38. The composition of the EP should be more flexible. EP members need to be able to decipher the comments they receive and given the wide range of aspects involved, there should be more people involved.
39. We recommend the revising or removing Schedule 3 s3(1) and (6) due to redundancy concerns. Schedule 3 should instead allow a flexible composition that is tailored according to each project's need.
40. In terms of the relevant knowledge and expertise needed, we recommend the following to be mandatory:
- i. Strategic/environmental planners.
 - ii. Funding/financing experts.
 - iii. Representatives from Māori groups.

Recommendation - Authority

41. We recommend the FTA granting the EP more influence on the final decision.
42. If the Ministers can overturn the EP's recommendations, there should be an explicit criterion on why. The current wording would imply the Ministers can reject professional opinions on even trivial matters, which in turn undermines the purpose of the FTA.

Recommendation - Functions and Responsibilities

43. We recommend that the FTA outlines the procedures for how an EP should be run.
44. We recommend that the FTA be explicit on *how* Ministers and the EP should consider comments. A summary of the comments received and the rationale for approving/rejecting such comments should be transparent. Additionally, the Ministers or the EP should provide a rationale on why someone other than a specified person/entity is allowed to comment under s19(4) or Schedule 4 s20(6).
45. In addition, the FTA needs to be explicit on what a "relevant" Local Authority is. Regionally significant developments will impact multiple authorities as opposed to where the project is situated.
46. We recommend that the FTA outlines how the appeal process should be dealt with.

Theme Two – Criteria for Schedule 2

Explanation

47. Overall, Hamilton City Council appreciates criteria that are supportive of developing infrastructure. Specifically, s17(3a), (3b), (3h), (3i), and (3j). We believe projects that facilitate growth fit the FTA's purpose and would benefit from avoiding a conventional consenting process.
48. However, the practicality and the reasoning for the eligibility criteria is a concerning matter. The ambiguity of the eligibility criteria, particularly considering the purpose of the Bill, presents the following problems:
- i. An overarching issue is that the criteria is overly broad. For example, developers may contest that any housing project would contribute towards s17(3c), which states *"increase the supply of housing"* as part of the criterion.
 - ii. Applicants or Requiring Authorities may spend immense resources on pursuing a fast-track approval, where the reality is that their projects may not be of the intended nature or scale. This, in turn, undermines the purpose of the FTA to create a streamlined process for significant development and infrastructure.
 - iii. In its current form, what a "regionally significant" infrastructure or a "significant economic benefit" would be remains unchallenged. The phrase "significant" should be defined in the FTA.
 - iv. The ambiguity surrounding s17(3a) requires clarification:
"(a) has been identified as a priority project in a central government, local government, or sector plan or strategy (for example, in a general policy statement or spatial strategy) or central government infrastructure priority list."
The "identification" needed for a priority project could range from minor recognition (e.g., a vocal agreement or an unofficial meeting note) to explicit announcements (e.g., public notification). The Government should be transparent on the identification needed.
 - v. The ambiguity surrounding s17(3j) requires clarification:
"(j) is consistent with local or regional planning documents, including spatial strategies."
Technically, any Plan Change released would be consistent with local plans and strategies. While Hamilton City Council is open to streamlining such processes, a drastic change could result in significant public pushback.
 - vi. Enabling Plan Changes to go through the process could potentially encourage out-of-sequence developments. Any large-scale proposal for urban development will need to have strong linkages back into Long-Term Plans, with linkages to development contributions, rates and possibly alternate funding and financing levers.
 - vii. In addition, large-scale urban development proposals will need to consider the lifecycle of the development and the ability for the relevant Local Authority to deal with building consenting and environmental monitoring and enforcement, without taking account of this it risks overloading our current planning system.
49. Without clarification and reconsideration, ambiguity surrounding the FTA will remain. Consequently, ministers will be inundated with multiple applications, which will either be rejected for not meeting the criteria (thereby wasting resources of those applying for fast tracking), or approved, inundating the process. Either outcomes will undermine the purpose of the FTA to create a streamlined process for significant development and infrastructure.

Recommendation

50. Given the purpose of the FTA is for “delivery of infrastructure and development projects with significant regional or national benefits,” the Government should be explicit on the criteria.
51. We recommend that the Government consider capital investment as a guideline for a “significant” project. For instance, the New South Wales government has [explicit guidelines](#) on what is “regionally significant”. Alternatively, we recommend that the Government examine the potential capital a project can generate (e.g., 3% of a region’s GDP) to provide guidance.
52. We recommend that the FTA being paved only as a path to “regionally or nationally significant” infrastructure projects.
53. We seek clarification on what “identification” is needed in s17(3a). An explicit explanation will grant Local Authorities more guidance and reduce concerns surrounding the lack of transparency.
54. We recommend more consideration being placed on s17(3c), as the current description may lead to unintentional projects overloading the process.
55. While Hamilton City Council welcomes s17(3j) as an alternative pathway for streamlined Plan Changes, we recommend more caution as it could potentially encourage out-of-sequence development. Any large-scale proposal for urban development will need to have strong linkages back into existing plans and procedures.
56. We recommend that the Government publicly notify the projects to be proposed for Schedule 2 and provide rationale for their listing, regardless of their notification history. This would support early engagement between the project sponsor and the relevant Local Authorities that by the time it reaches the EP, a number of technical matters can have been at least identified, if not resolved, paving the way for a more efficient process.

Theme Three – Timeframes

Explanation

57. Given the purpose of the FTA is streamlining the process, we recommend providing more explicit timelines about the overall procedure. While the press release suggested the overall process would be around six months, it is difficult to estimate the time needed in the current proposal.
58. The current time limits for Local Authorities to input may represent a particular hurdle, noting the lack of flexibility around the 10 working days in s19(5). Specifically, development proposals require technical assessments in relation to existing and planned infrastructure.
59. Successful projects will have more up-front input from local authorities and their subject matter experts. As such, the sooner Local Authorities can be made aware of projects, the sooner staff can start to work with the respective developers to work through relevant matters. However, it is important to note that Local Authorities are not resourced to do this, so we therefore seek a cost-recovery mechanism be inserted.
60. Given how most Local Authorities already operate with a lean structure, the lack of flexibility places significant stress on a delicate system.
61. In addition, there is a risk relating to the lack of resources of those supporting the EP during the FTA process. For example, development engineers will be required to provide assessments against relevant design standards to the EP, as well as the Local Authority who are still required to meet their own time limit.

Recommendation

- 62. The Government should be explicit on the overall time needed for a listed project. This would provide confidence to stakeholders and encourage people to participate, fulfilling the purpose of facilitating delivery in a streamlined process.
- 63. There should be either more flexibility on working days or more input points to compensate for the limited time. A rigid procedure may turn away potential participants if they struggle to meet the demanded time limits.
- 64. We recommend at least 20 working days for specified parties listed in s19. Alternatively, we recommend permitting commentators the ability to seek additional time where the application involves multiple areas of expertise.
- 65. We recommend that cost-recovery provisions are inserted into the Bill to allow Local Authorities to engage up-front in the process with developers – this will ultimately help expedite the process and lead to less conditions by the Expert Panel.

Theme Four – Planning-Related Concerns

Explanation

- 66. In its current form, there is no guarantee that a project will opt for the FTA's processes. The comprehensive and streamlined nature of fast-track consenting could potentially place Hamilton City Council in a predicament where misaligned objectives, values, or responsibilities (e.g., relationships with Tangata Whenua, special interest groups, and stakeholders) present significant hurdles for us to proceed.
- 67. The approval of a project does not guarantee development. It is not clear what safeguards exist to ensure that development proposals are granted only when there is adequate existing infrastructure for that purpose (e.g., housing and growth that is out of sequence with planned strategic infrastructure). Certainty on the provision of infrastructure, including funding, is a critical factor in decision-making.
- 68. In addition, it is unclear how the FTA considers wastewater discharges or water allocation. With Local Authorities now having more responsibility to maintain their three waters infrastructure, drastic changes may lead to further pushback or hinder a project's deliverance.
- 69. Infrastructure planning, as well as delivery and funding considerations, may need to extend beyond simply the immediate needs of an individual proposal. Failure to consider the wider network, delivery, and funding leads to adverse effects on existing and future strategic network, causing increased costs, negative environmental outcomes, and missed opportunities for additional growth.
- 70. In addition, the FTA is ambiguous in terms of its integration with other legislation. Interactions and an appropriate hierarchy must be considered before a project can proceed, or it would stagnate due to looming concerns.

Recommendation

- 71. We would reinforce our position where we support the intent of the FTA but request more caution with certain provisions.

- 72.** We recommend that the Government consider and establish a 30-year or long-term Infrastructure Plan. Certain infrastructure projects will be inherently more urgent than other developments (e.g., a large road network or water plant is needed before more out-of-sequence housing can be enabled).
- 73.** We recommend that the Government clarify how the FTA will integrate with other legislation. Specifically, a proper hierarchy on which legislations have priority and the relationship to a Specified Development Project (under the Urban Development Act 2020).
- 74.** We seek that the FTA enables expedited boundary changes between local authorities to occur to enable integrated servicing, including the collection of rates and development contributions.

Theme Five – Cost Recovery

Explanation

- 75.** Given the rigid time limit for Local Authorities to respond to joint Ministers, there should be some form of cost recovery. Most Local Authorities already operate at their limits, combined with the fact that Ministers can override recommendations from the EP, which could result in minimal incentive to participate.
- 76.** Successful projects will have more up-front input from local authorities and their subject-matter experts. As such, the sooner Local Authorities can be made aware of projects, the sooner staff can start to work with the respective developers to work through relevant matters. However, it is important to note that Local Authorities are not resourced to do this, so we therefore seek a cost-recovery mechanism be inserted.
- 77.** In addition, the FTA appears to be silent on direct contributions or financial contributions. Hamilton City Council seeks some form of value capture within the FTA. In an urban development context, the fast-tracking could take rurally zoned land and up-zone to urban – significant value is conferred at this decision-making point. Value capture mechanisms are crucial for ensuring costs required to enable urban development rest with the developers who are benefiting. This is often best achieved through private development agreements prior to land-use rights being conferred (e.g., commercial negotiations or a new form of direct contribution).

Recommendation

- 78.** We recommend that cost-recovery provisions are inserted into the Bill to allow Local Authorities to engage up-front in the process with developers – this will ultimately help expedite the process and lead to less conditions by the EP.
- 79.** We request that the EP should be required to place conditions for such commercial arrangement to be entered into and/or provide new funding and financing powers through existing Acts.

Theme Six – Public Rights

Explanation

- 80. Under the FTA, the EP is unable to seek public submissions and is not required to conduct a hearing. The proposed wording limits public participatory rights in the planning process, which in turn has caused public distress (an example can be seen [here](#)).
- 81. While Hamilton City Council understands how time consuming and costly for all parties' submission and hearing processes can be and is open to some form of revision, we oppose the complete removal of public consultation.
- 82. In an attempt for the public to vent their discontent or distress, we believe it would be more pragmatic for a pathway for public feedback to be received but with no requirement on the EP to hear or take account of this feedback, unless they believe it is relevant to them consider the most appropriate conditions to apply. This allows the relevant communities to voice their concerns and for the EP to draw on the possible insights that would come through.
- 83. Without an outlet for public feedback, this risks further intrenching opposing views and long-term community resentment over projects long into the future.

Recommendation

- 84. Should the FTA choose to exclude the public, there should at least be an opportunity for the public to provide feedback.
- 85. We recommend that the Government reconsider the wording in the FTA (e.g., Schedule 4 s23) to reduce public discontent and provide an avenue for this to be aired, regardless of if the EP take it into account or not.

Theme Seven – Environmental and Biological Impacts

Explanation

- 86. The wording in s17(5) excludes a prohibited activity from being ineligible. However, in s21(2f), it is stated "The Ministers may decline an application, even if they are satisfied that it meets the eligibility criteria, if the Ministers consider that ... (f) the project includes an activity that is a prohibited activity under the Resource Management Act 1991." The contradicting description sends an unclear message, causing confusion and discontent among the public.
- 87. Guidance on sustainable management of natural and physical resources appears to be absent from the FTA. Shifting focus when our biodiversity and climate is at a fragile state requires a precautionary approach, the FTA should provide explicit guidelines about the balance between development and resource management.
- 88. The absence of biodiversity appears to be silent within the FTA. For instance, Hamilton is one of the only cities to support a resident population of long-tailed bats, and guidance on how their habitat should be managed if the site clashes with a "regionally significant" infrastructure is ambiguous.
- 89. In an urban context, we have very real environmental limits, for example water take allocations from the Waikato River. These considerations must be factored into any fast-tracking approvals. We request that solutions to these factors are provided for through the consenting process and/or are automatically added to the next tranche of fast-track projects. This might include reallocation of water-takes, consenting of new water source (e.g., dams).

Recommendation

90. We recommend that more consideration is placed on environmental-related issues. The environmental assessment (listed in s13) should be equal to, rather than subordinate to meeting the purpose of the FTA.
91. We request that the powers of the EP are extended to enable other required consents to be provided and for reallocation of consents to occur, which will allow for the primary project to be enabled.

Further Information and Hearings

92. Should Parliament's Environment Committee require clarification of this submission from Hamilton City Council, or additional information, please contact **Blair Bowcott** (General Manager Strategy, Growth and Planning), phone **07 838 6742** or **021 775 640**, or email blair.bowcott@hcc.govt.nz in the first instance.
93. Hamilton City Council representatives **do wish to speak** at the Environment Committee hearings in support of this submission.

Yours faithfully

Lance Vervoort
CHIEF EXECUTIVE

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Hamilton City Council takes a considerable interest in matters regarding resource management reform and has made a number of submissions in this space in recent years. Key examples include:

- Hamilton City Council's 13 December 2023 staff submission to the **Engagement Draft of the Transitional National Planning Framework Proposal** – [Weblink](#)
- Hamilton City Council's 16 November 2023 staff submission to the **Proposed National Policy Statement for Natural Hazard Decision-Making Discussion Document (September 2023)** – [Weblink](#)
- Hamilton City Council's 7 November 2023 staff feedback to **Managing the Use and Development of Highly Productive Land - Discussion Document (September 2023)** – [Weblink](#)
- Hamilton City Council's 17 February 2023 submission to the **Natural and Built Environment Bill** – [Weblink](#)
- Hamilton City Council's 17 February 2023 submission to the **Spatial Planning Bill** – [Weblink](#)
- Hamilton City Council's 15 February 2023 submission to the **Waikato Regional Policy Statement Change 1 – NPS on UD 2020 and Future Proof Strategy Update – Further Submissions** – [Weblink](#)
- Hamilton City Council's 16 December 2022 submission to the **Waikato Regional Policy Statement Change 1 – NPS on UD 2020 and Future Proof Strategy Update** – [Weblink](#)
- Hamilton City Council's 26 July 2022 staff submission to the **Exposure Draft of the National Policy Statement for Indigenous Biodiversity** – [Weblink](#)
- Hamilton City Council's 13 July 2022 staff submission to the **Exposure Draft of Proposed Changes to the NPS-FM 2020 and NES-F 2020 (Including Wetland Regulations)** – [Weblink](#)
- Hamilton City Council's 7 June 2022 submission to the **Draft National Adaptation Plan (April 2022)** – [Weblink](#)
- Hamilton City Council's 10 March 2022 submission to **Enabling Local Voice and Accountability in the Future Resource Management System – Proposal for Consideration (February 2022)** – [Weblink](#)
- Hamilton City Council's 24 February 2022 submission to **Transforming Aotearoa New Zealand's Resource Management System - Our Future Resource Management System - Materials for Discussion - November 2021 Discussion Document** – [Weblink](#)
- Hamilton City Council's 16 November 2021 submission to the **Resource Management (Enabling Housing Supply and Other Matters) Amendment Bill** – [Weblink](#)
- Hamilton City Council's 27 October 2021 staff submission to **Managing our Wetlands – A Discussion Document on Proposed Changes to the Wetlands Regulations (September 2021)** – [Weblink](#)
- Hamilton City Council's 4 August 2021 submission to the **Inquiry on the Parliamentary Paper on the Exposure Draft – Natural and Built Environments Bill** – [Weblink](#)
- Hamilton City Council's 3 August 2021 submission to the **Government Policy Statement on Housing and Urban Development (GPS-HUD) – June 2021 Discussion Document** – [Weblink](#)
- Hamilton City Council's 2 July 2021 submission to the Discussion Document **Infrastructure for a Better Future Aotearoa New Zealand Infrastructure Strategy** – [Weblink](#)
- Hamilton City Council 21 May 2021 staff feedback to the **Early Engagement on Resource Management Reform – Opportunities to Improve System Efficiency** – [Weblink](#)
- Hamilton City Council's 13 February 2020 submission to the **Urban Development Bill**
- Hamilton City Council's 17 October 2019 submission to the June 2021 Discussion Document **Proposed National Policy Statement for Urban Development (NPS-UD)**.

All submissions made by Hamilton City Council can be [accessed here](#).

Item 11

Council Report

Committee: Strategic Growth and District Plan Committee **Date:** 11 April 2024

Author: Hannah Windle **Authoriser:** Blair Bowcott

Position: Special Projects Manager **Position:** General Manager Strategy, Growth and Planning

Report Name: General Updates

Report Status	<i>Open</i>
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Purpose - *Take*

1. To inform the Strategic Growth and District Plan Committee of general updates and matters that staff want to bring to Members' attention, but that do not require discussion.

Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Strategic Growth and District Plan Committee receives the report.

Executive Summary - *Whakaraapopototanga matua*

3. This report provides general updates to Strategic Growth and District Plan Committee Members on activities, actions or projects for which this Committee and the relevant General Managers have responsibility.
4. Topics are grouped under themes as follows:

Theme	Topic
Collaborative relationships	Regional round-up
Growth programmes	<ul style="list-style-type: none"> • Central City Transformation • Greenfield Growth <ul style="list-style-type: none"> ○ Rotokauri-Northwest ○ Ruakura ○ Peacocke ○ Emerging areas
Data and Analytics	Insights into migration in/out of Hamilton and New Zealand from the Integrated Data Infrastructure research lab.

5. Members and staff continue to participate in several collaborative forums across the sub-region, region and at a national level.
6. These meetings consider a range of topics, including central government reform, opportunities for shared work programmes (related to the upcoming Long-term Plan), and information sharing.

7. This report includes a new section – Data and Analytics – with migration as the focus for this meeting.
8. Staff consider the decisions in this report have low significance and that the recommendations comply with Council’s legal requirements.

Discussion - *Matapaki*

COLLABORATIVE RELATIONSHIPS

9. Elected Members and staff continue to participate in several collaborative forums across the sub-region, region and at a national level.
10. These meetings consider a range of topics, including central government reform, opportunities for shared work programmes, cross-boundary land use issues, and information sharing.
11. The groups in which Council participates include:
 - i. Waikato Mayoral Forum
 - ii. Upper North Island Strategic Alliance (UNISA)
 - iii. Zone 2
 - iv. Metro Sector
 - v. National Council
 - vi. Cross-boundary discussions with Waikato District Council, Waipa District Council and Waikato Regional Council.

Regional relationships

Waikato Mayoral Forum

12. The last Mayoral Forum was held on 11 March 2024.
13. The minutes from this meeting were unavailable at the time of writing this report but a verbal update can be provided at the meeting.

UNISA

14. There is a Mayors and Chairs meeting on 25 March 2024, which is the first meeting with Hamilton City Council acting as secretariat.

Zone 2

15. The last Zone 2 meeting was held on 8 March 2024.
16. There were updates provided by Local Government New Zealand and the Department of Internal Affairs, a presentation on the new Government Policy Statement transport by NZTA, and presentation on the work Queenstown Lakes District Council are doing to reduce the carbon footprint of their infrastructure programme.
17. The next Zone 2 meeting is scheduled for 24 May 2024.

Metro Sector

18. The last Metro Sector meeting was held on 11 March 2024 and a verbal update can be provided if required.

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National Council

19. The last National Council meeting was held on 1 March 2024 and a verbal update can be provided if required.

Cross-council governance meetings

20. The first cross-council governance meetings for 2024 have been held. A summary of the key topics discussed at the meetings is outlined below:
21. All meetings focussed on each Council's Long-Term Plans and the potential impacts on rates. Both Waipa and Waikato District Councils have opted to prepare and consult on enhanced Annual Plans and will develop full Long-Term Plans in 2025. This is due to the impacts of including three waters in future budgets.
22. Waikato Regional Council is developing and consulting on a Long-Term Plan, with a proposed average proposed rates rise of approximately 6% in year 1.
23. Changing Central Government direction and the impact on councils was also discussed, with conversation about the recently released Fast-track Bill for consenting. Councils noted the need to align on areas of common concern in their submissions.
24. The need to speak to shared priorities and a consistent sub-regional/regional story was also raised, especially when considering the potential for a City/Regional Deal between Local and Central Government, and the early signals from the Government that they will not be looking to engage with individual councils.
25. There was discussion regarding the Future Proof Strategy consultation that is underway, and the hearings on these submissions that were held on 21-22 March 2024.
26. Hamilton City Council noted the relationship of our Emerging Areas work programme with both Future Proof and City/Regional Deals, and the need to keep these aligned with each other.
27. All councils agreed that there is a need for more frequent cross-council governance meetings noting the quickly shifting national landscape.

GROWTH PROGRAMMES

28. This section provides an update of key strategic growth areas including the Central City Programme and Greenfield Growth Areas (Rotokauri-northwest, Ruakura and Peacocke).
29. These updates provide strategic growth-related activities. For a comprehensive view of activities and projects taking place in the growth programmes areas visit the programme webpages:
- i. Central City: www.hamilton.govt.nz/centralcity
 - ii. Peacocke: www.hamilton.govt.nz/Peacocke
 - iii. Rotokauri: www.hamilton.govt.nz/Rotokauri
 - iv. Ruakura: www.hamilton.govt.nz/Ruakura

Central City Transformation

30. The vision for the central city is *Ahuahungia te pokapuu o teetehi taaone e arohaina ai e te tangata* 'to shape a central city where people love to be'.
31. The [Central City Transformation Plan](#) identifies a number of key projects to deliver transformational outcomes. The [Hamilton Urban Growth Strategy](#) (HUGS) was adopted in April 2023 and identifies the Central City as a key priority strategic growth area.

32. \$150.6 million in central government funding was contracted to Council from the Infrastructure Acceleration Fund (IAF) in November 2022, to support the delivery of homes in the central city.
33. An update on the IAF project delivery is included in the Public Excluded agenda of this Strategic Growth and District Plan Committee.
34. Along with being a place for commercial, cultural and economic growth, the central city will be a place to call home for around 4,000 homes for up to 10,800 people by 2035.
35. A number of transport, community and economic development activities have taken place or are underway in the central city and 800m walkable catchment, including the Ferrybank Park enhancement project, transport project revocations, and the Templeton Hotel development announcement. These are reported through the relevant committees.
36. Key Central City Transformation Programme risks include:
 - i. Market conditions may impact on the timing of developers delivering homes and commercial builds in the central city. Staff are closely monitoring the growth activity and continue to regularly engage with key developers alongside seeking solutions to enable growth. Agreements are in place with key developers to support Infrastructure Acceleration Fund (IAF) housing outcomes; and
 - ii. Misaligned or lack of investment into the central city may affect the timing, quality, or delivery of the Central City Transformation Plan outcomes. Staff are working to align investment to strategic outcomes through the Long-Term Plan and working with government agencies and partners to ensure alignment and funding is directed to the right projects at the right time.

Central City Housing Outcomes

37. Residential development activity since January 2022, as at the end of March 2024, in the central city and 800m walkable catchment includes:

Strategic Growth Area	From date	Getting sections ready			Construction of homes	
		Subdivision consents In Progress (sections)	Sections Granted Subdivision Consent	Sections Titled	Homes granted building consent but not yet completed	Homes completed (granted Code of Compliance)
Central City & 800m Walkable Catchment*	January 2022	7	70	73	71	155
Stage One Area **	January 2022	23	209	123	263	277

*The IAF Infrastructure supports delivery of housing in the central city and 800m walkable catchment area, commencing from January 2022. We have aligned our reporting to this area and time period.

** Includes Central City and 800m walkable catchment

Notable Central City Residential Developments

38. Works for the construction of One Cook Street began in February 2024. This six-storey mixed-use development will house a restaurant, three storeys of commercial tenancy, six apartments and three penthouses, plus two storeys of underground carparking.
39. As noted in the previous report, works for the construction of Eastbank, located at 1 Puutikitiki Street, are underway. The site is now level, and the new five-storey apartment building is due to be completed in late 2026. Council is taking the opportunity to widen the footpath alongside the site, in line with the development, to reduce disruption to the community.
40. These developments, alongside Hills Village, are creating a precinct of riverfront living in Hamilton East, providing better connections for the public to the river walk, and are working to help turn Hamilton around to face the Waikato River.
41. Construction of several Kāinga Ora housing developments are well underway throughout the 800m walkable catchment area, across Hamilton East in particular. By the end of 2024, these developments will contribute just under 50 more much-needed public homes for central Hamilton.
42. Refer to the attached central city development activity map (**Attachment 1**).

Central City Employment/Commercial Outcomes

43. Commercial developments since January 2022, as at March 2024 include:

Building	Developer	Completion date (actual or expected)	Gross Floor Area & Levels	# workers
Completed				
Made of Hamilton East	Stark Property	Opened November 2023	5,000 m ² over two storeys	200
Union Square – Building E Apex House	Fosters	Opened October 2023	4,000 m ² over five storeys	Approx. 400
NZ Blood Service 109 London Street	Stark Property	Opened August 2023	2,000 m ² over three storeys	200
Basecorp Finance 467 Anglesea Street	BCD Group	Opened August 2023	300 m ² single storey	10
Panama East 469 Grey Street	Stark Property	Opened August 2023	1,500 m ² over three storeys	Approx. 50
Union Square – 350 space Car Park	Fosters	Opened April 2023	2,500 m ²	-
Amohia Ake – ACC 79 Collingwood Street	Tainui Group Holdings	Opened April 2023	8,500 m ² over four storeys	800
K'aute Pasifika Trust Community Hub	K'aute Pasifika	Opened January 2023	900 m ² fale, as well as staff offices and community space	-
Crest Clean 189 Collingwood Street	Fosters	Opened 2023	1,095 m ² over two storeys	Approx. 50
In Progress				
Surgeons on Clarence Endoscopy Clinic 101 Clarence Street	Surgeons on Clarence Ltd	Mid-2024	Approx. 1,000 m ² across two storeys, with an underground carpark.	7
Waikato Regional Theatre	Momentum Waikato / Fosters	Opening early 2025	1,300 seat theatre with 2,200 m ² of commercial/retail space	TBC

44. Notable commercial development activity in the central city since August 2023 includes:
- i. Several commercial spaces are undergoing refurbishment throughout the central city, including the six-storey **Westpac House** at 426 Victoria Street. This will feature a new ground floor café and lobby entrance, to tie in with a new canopy and street front on the prominent central city building.
 - ii. **Waikato Regional Theatre** – The development of the Waikato Regional Theatre development represents a significant opportunity to realise transformational outcomes in the central city. Most recently, works have included pouring of the walls of the atrium, installation of structural steel for the second floor of the commercial space, installation of pre-cast stairs across the site, and further restoration works to the heritage façade. Council is currently planning the work to rejuvenate the surrounding areas of the theatre precinct including the adjacent park.
45. A map showing locations of planned or actual development activity is in **Attachment 1**.

Greenfield Growth

46. Our greenfield growth programme areas include Peacocke, Rotokauri-northwest and Ruakura. Greenfield growth areas, while requiring significant investment to unlock, offer an opportunity to deliver great communities from the start.
47. For greenfield communities to deliver good community outcomes they must provide increased diversity of housing typologies and local needs, and efficient high-quality transport options to support emissions reduction. Alongside delivery of key strategic infrastructure, it's important Council enables accessible, quality spaces and places for our communities including parks, green space, playgrounds, education, health, and community facilities and vibrant local centres that provide opportunities for employment and services for the community.

Greenfield Housing Outcomes

48. Greenfield growth currently represents 27% of new homes (73% infill) as per the September 2023 [Quarterly Economic Update](#).
49. Greenfield consenting has slowed with the recent downturn in the residential housing market and the current economic climate in New Zealand. However, staff are working with several developers who are ready to move once the market improves and key strategic infrastructure projects are either completed or underway.
50. Residential Development Activity in the greenfield growth areas as at the end of March 2024 includes:

Strategic Growth Area	From date	Getting sections ready			Construction of homes	
		Subdivision consents In Progress (sections)	Sections Granted Subdivision Consent	Developer Ready land (sections)	Homes granted building consent but not yet completed	Homes completed (granted Code of Compliance)
Rotokauri-northwest	2014	79	359*	275	24	244
Ruakura	2015	0	432	576	69	720
Peacocke	2018	488	1249	168	77	376

*Note there are a number of sections in Rotokauri Stage 1 awaiting strategic infrastructure to be in place before subdivision works can commence.

51. Refer to attached development activity maps for Rotokauri-Northwest and Ruakura and Peacocke (**Attachments 2, 3 and 4**).

Greenfield Employment Outcomes

52. Highlight commercial developments in the greenfield growth areas since 2022, as at September 2023 include:

Building	Greenfield area	Completion date (actual or expected)	Gross Floor Area and Levels	# workers
Completed				
PBT	Ruakura	Oct 2022	10,000 m ²	20
Waitomo Service Centre	Ruakura	Dec 2022	16,000 m ²	100
Kmart Distribution Centre	Ruakura	Sept 2023	40,000 m ²	150
Big Chill	Ruakura	Oct 2023	13,000 m ²	25
Maersk	Ruakura	Stage 1 completed Nov 23	16,000 m ²	25
In Progress				
United Industries	Rotokauri-northwest	Mid 2024	6,885 m ²	8

Rotokauri-northwest

53. The vision for Rotokauri-northwest is to enable the development of connected, vibrant, attractive, and prosperous northwest community. When complete, Rotokauri-northwest will have up to 8,500 homes for up to 21,000 people in the next 50 years.
54. Overall, programme activity across Rotokauri-northwest continues to focus on working with developers to unlock new development.

Rotokauri-Northwest Strategic Infrastructure Delivery Update

55. **Rotokauri Greenway** – Hounsell Holdings is progressing well with the detailed design for this project. The COVID-19 Fast Track Consent process is underway following the Environmental Protection Authority (EPA) acceptance of the consent application.
56. **Onion Road** – A private development agreement (PDA) with Empire has been signed to undertake the detailed design work for the Onion Road realignment that joins up the Waikato Expressway and Koru drive, which is based off the existing designation. Work is underway to determine timelines for this piece of work.

Ruakura

57. The vision for Ruakura is to ensure Hamiltonians enjoy a connected, vibrant, attractive, and prosperous Ruakura community. Ruakura is an engine for economic growth, providing thousands of jobs alongside approximately 1,600 homes for up to 4,000 people in the next 40 years.
58. Greenhill Park is progressing well, with Stages 25A and 20 complete and ready for new homes to be built. Masterplanning for the Neighbourhood Centre is underway, and consenting work will be undertaken over 2024, with Stage 1 construction commencing in 2025/26.
59. As part of the Webb Drive Extension construction works, a new stormwater swale network is being constructed. Swale 5 runs along the eastern boundary of Greenhill Park and measures 40m wide by 900m long. This will eventually be planted like the other swales in Greenhill Park creating new habitat while effectively managing stormwater from the catchment.

- 60. Stage One of Ruakura Superhub is well advanced, with 31ha of development land already committed by a range of national and international tenants spanning the inland port, large scale distribution centres and cold store facilities, logistics operators and service centre.
- 61. Refrigafreighters Ltd (RFF), a leading New Zealand operator in temperature-controlled transport, storage, and distribution, is coming to the Waikato region, with its first depot to open at Ruakura Superhub in late 2024.
- 62. Pragma Ltd have commenced earthworks to develop their 46-lot industrial subdivision. The site is located within the Ruakura Park Industrial Zone where industrial activities are anticipated.

Ruakura Strategic Infrastructure Delivery Update

- 63. **Eastern Transport Corridor Detailed Business Case** – an update will be provided in the Strategic Issues report to the 25 June 2024 meeting of the Strategic Growth and District Plan Committee.

Peacocke

- 64. The vision for Peacocke is to enable the development of an attractive and sustainable community. Enabled by the Housing Infrastructure Fund, Peacocke will provide up to 7,400 homes for up to 20,000 people in the next 40 years.
- 65. With Plan Change 5 mostly operative and construction of the new Waikato River bridge and wastewater pump station approaching completion, the programme focus is shifting to support developers through the pre-application and consent process to ensure best practice urban design and community outcomes are achieved.
- 66. Staff have settled three of the five appeals to Plan Change 5 and are currently engaged in court-assisted mediation with the remaining two appellants over the next two months with the intent to settle these appeals if agreement can be reached.

Peacocke Housing Infrastructure Fund (HIF) Strategic Infrastructure Delivery Update

- 67. The Waikato River bridge and Peacocke wastewater transfer station projects are progressing towards completion this financial year (2023/24). Despite weather-related challenges through 2023, staff now have more programme certainty for completion. Road surfacing is now under way along with street furniture placement and signs and markings. This timing of strategic infrastructure essential for enabling development in Peacocke is still being delivered in line with developer expectations.
- 68. Financial reporting continues to report on the 50th percentile estimates. Uncertainty remains in relation to the full financial impacts of the extremely wet 2023 construction season and Cyclone Gabrielle. Continued cost escalation remains an issue, and a substantial increase in cost indices published late in 2023 will affect remaining costs to complete. Staff shortages in key high-skill roles across the construction industry is increasing pressure on progress and maintaining quality. Further details are reported through the Finance Committee as part of the Capital Projects Report.
- 69. Council has acquired all 39 properties required to deliver the Peacocke Network Infrastructure. In March 2024, the Land Valuation Tribunal (LVT) released its decision on the Shaw property compensation, agreeing with Council's valuation and compensation position and recognising the impact of the works on the property and its owners. Of the 39 properties, full and final settlement is yet to be reached now for three properties and further LVT hearings are expected in 2024/25 where final settlement and any compensation will be determined. Staff continue to seek agreement with the three owners while awaiting LVT instructions for scheduling hearings.

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70. **Waikato River bridge and surrounding transport network** – The bridge balustrades are now in place presenting a final side profile view of the bridge structure. Work continues within and on the approaches to the bridge connecting strategic services and key structural interface aspects. Kerbing and pavement construction work is in full swing across the project site making the most of the periods of fine weather, noting these are works originally programmed in the previous summer season.
71. **Peacockes Road urban upgrade and Whatukooruru Drive - Stage 2A** – Despite a winter period that was less productive than expected due to the weather, gully bridge beams are now installed on the eastern bridge. Works are well under way along Peacockes Road with earthworks, service relocation work and lower pavement layers being constructed. Although some delays have been realised, overall, the works are still on programme for 2025 completion.
72. **Whatukooruru Drive - Stage 3** – Tenders are currently being evaluated following an open public tender process following a Lowest Price Conforming procurement method. Works are anticipated to begin onsite in mid-2024.
73. **Peacocke Sports Park** – The acquisition of the 14ha Adare block has now been completed. Staff are pursuing options to purchase the remainder of the land within the Peacocke Sports Park designation.

Rototuna

74. **Rototuna Village** - Kirkdale, a key developer in Rototuna North is in the process of rebranding and renaming their development at Rototuna Village to Kinfields. This includes the office and retail hub, two residential neighbourhoods that have been completed so far and their new developments that are under way.
75. Pragma Ltd is an extensive developer in the Rototuna area with several developments under construction. Larger sized developments include 70 lots off Horsham Downs Road, 90 units at Horsham Village and 75 units within Pragma Rise.

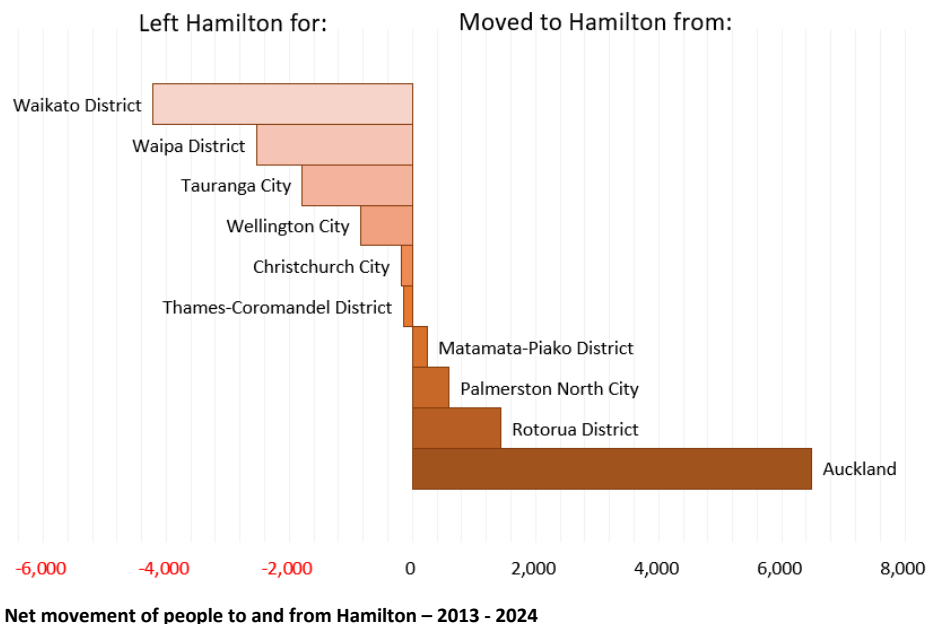
DATA AND ANALYTICS

76. This is the first inclusion of a dedicated 'Analytics' section in a report for the Strategic Growth and Planning Committee.
77. The purpose of the section is to provide Elected Members with easily accessible strategic data and insights, to enhance decision-making, and to give a better understanding of the type of information that is available through the Growth Analytics Unit.

Migration

78. The area of analytics discussed in this report is migration within New Zealand, sourced from the Government's Integrated Data Infrastructure (IDI) database.
79. The graph below gives a high-level introduction to this migration data. Broadly speaking, it shows that over the last decade by far the greatest number of people left Hamilton and re-located to Waipa or Waikato District. This is 'net' migration, meaning it is the total that left minus the total that moved from there to Hamilton. This is counter to some narratives that Hamilton attracts more people from the sub-region. There is further data available that shows which parts of the sub-region people are moving to and from, for example, close to the city boundary or further into the region.
80. The graph also shows that the greatest (net) number of movements of the people who moved to Hamilton came from Auckland. This is in large part because of its size. Interestingly, the second and third largest in-migration to Hamilton is from Rotorua and Palmerston North, whereas Wellington and Christchurch were net out-migration.

81. While not covered in detail in this introductory section, the application of this data and the broader migration datasets, to which staff have access, can provide insights into a number of the domains the Council is currently grappling with, including for example areas such as cross-boundary matters, demographic trends, use of Hamilton City Council-provided services and infrastructure, jobs and commuting patterns, and much more.



What is the Integrated Data Infrastructure (IDI) database?

82. The Integrated Data Infrastructure (IDI) is a large and powerful research database. It holds a vast database of information, including sensitive data about individual New Zealanders and their householders, which is held in strict confidence. That confidence is maintained partly through restricted access, and because those using the database can only take data out of the database at an 'aggregated' or summed-up level, so that reducing it to the individual level is very hard or impossible.
83. The data is about life events, like education, income, benefits, migration, justice, and health. It comes from Government agencies such as the IRD, medical centres, schools, Statistics NZ surveys, and non-government organisations (NGOs). The data is linked together, or integrated, to form the IDI. It was also used to 'infer' the significant gaps in the 2018 Census, and has many other research applications.
84. In 2022 staff entered a lengthy and confidential process to access the IDI to undertake research on migration to and within New Zealand, and were granted limited access on that topic only earlier this year.

Financial Considerations - *Whaiwhakaaro Puutea*

85. There are no financial implications in relation to the updates provided in this report.

Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

86. Staff confirm that this matter complies with Council's legal and policy requirements.

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Climate Change Impact Statement

87. Staff have considered the key considerations under the Climate Change Policy and have determined that an adaptation assessment and emissions assessment is not required for the matter(s) in this report.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

88. The purpose of Local Government changed on 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
89. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report. The recommendations set out in this report are consistent with that purpose.

Social

90. Collaborative relationships between councils and other groups enable the sharing of ideas, work programmes and the identification of opportunities to deliver better outcomes for communities.

Economic

91. Collaborative relationships between councils and other groups can identify opportunities for shared services or work programmes which save the local government sector, and therefore ratepayers, money.

Environmental

92. Collaboration between councils and other groups allows for cross-boundary and sub-regional discussions regarding big-picture issues such as inter-regional transport, water quality and allocation and emissions reduction.

Cultural

93. Cultural wellbeing is enabled by projects that acknowledge and support their local communities' shared cultural attributes.

Risks - *Tuuraru*

94. There are no known risks associated with the matters contained in this report.

Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

95. Having considered the Significance and Engagement Policy, staff have assessed that the report has a low significance, and no engagement is required.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Central City

Attachment 2 - Rotokauri-northwest

Attachment 3 - Ruakura

Attachment 4 - Peacocke



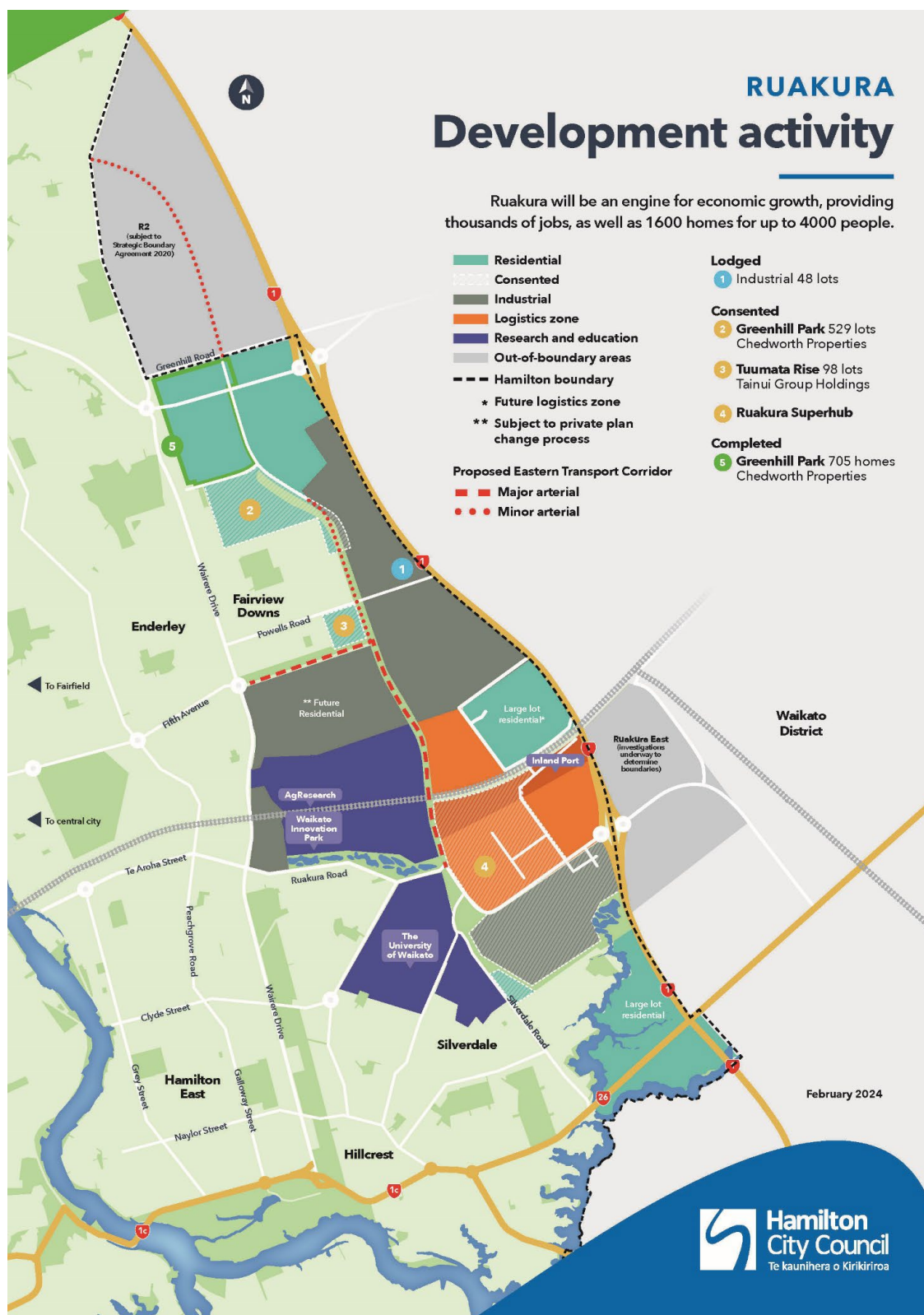
Item 11

Attachment 1

Attachment 2

Item 11





Item 11

Attachment 3

Attachment 4

Item 11



Item 11

Attachment 4

Resolution to Exclude the Public

Section 48, Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Confirmation of the Strategic Growth and District Plan Committee Public Excluded Minutes 27 February 2024) Good reason to withhold) information exists under) Section 7 Local Government) Official Information and) Meetings Act 1987	Section 48(1)(a)
C2. Rotokauri Arterial Designation Land Update		
C3. Strategic Issues - Public Excluded		

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

Item C1.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C2.	to protect the privacy of natural persons to enable Council to carry out commercial activities without disadvantage to enable Council to carry out negotiations	Section 7 (2) (a) Section 7 (2) (h) Section 7 (2) (i)
Item C3.	to enable Council to carry out commercial activities without disadvantage to enable Council to carry out negotiations to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (h) Section 7 (2) (i) Section 7 (2) (j)

Hamilton City Council
- Draft 2 Council Submission

Fast Track Approvals Bill

Parliament's Environment
Committee

19 April 2024



Hamilton
City Council
Te kaunihera o Kirikiriroa

Improving the Wellbeing of Hamiltonians

Hamilton City Council is focused on improving the wellbeing of Hamiltonians through delivering to our five priorities of shaping:

- **A city that's easy to live in**
- **A city where our people thrive**
- **A central city where our people love to be**
- **A fun city with lots to do**
- **A green city**

The topic of this submission is aligned to all five priorities.

Council Approval and Reference

This Council submission was approved by Hamilton City Council's Strategic Growth and District Plan Committee at its meeting held on 11 April 2024.

Submission # 760.

Key Messages and Recommendations

1. Hamilton City Council welcomes the intent of the **Fast-track Approvals Bill (FTA)** but seeks changes to improve its ability to deliver on the desired outcomes. The FTA contains aspects that may result in an inefficient process and could lead to poor long-term outcomes. The purpose of this submission is to focus on Hamilton-specific recommendations to improve the Bill and its implementation.
2. Hamilton and our neighbouring councils have a history of collaboratively working to plan our subregion in a boundaryless fashion. If a fast-track application located outside of Hamilton's jurisdictional boundary but contiguous with its urban area is progressed Hamilton would need to work with our neighbouring councils to progress a boundary change prior to development starting. This would help mitigate the overarching infrastructure and planning impacts of development.
3. We outline below five themes for improvement which will lead to better implementation and will also ensure against long-term negative outcomes. These are:

Theme	Key Recommendation(s)
<p>i. Planning-Related Concerns</p> <p>(a) Cross-boundary: Hamilton City faces significant growth pressure from within and outside the city. If this pressure materialises into fast-track applications located outside of Hamilton's jurisdictional control (but yet contiguous with the City), we need to offset or embrace the potential impacts.</p> <p>While these projects and/or activities are out of Hamilton City Council's jurisdiction, they will still need to be factored into our infrastructure network.</p>	<ul style="list-style-type: none"> • We recommend inserting a new schedule which enables the joint Ministers or Expert Panel to give approval for any necessary underlying territorial boundary adjustment. • We seek that the FTA enables expedited boundary changes between local authorities to occur to enable integrated servicing, including the collection of rates and development contributions.
<p>(b) Pre-Consultation and Delivery: Pre-consultation is a critical aspect for a project's delivery. Should a project receive approval under the FTA's procedure, it would still be subject to existing limitations (e.g., capacity for local networks, absence of required infrastructure). In its current form, the FTA appears to underestimate pre-consultation requirements, which could result in unsynchronised timing and inefficient delivery.</p>	<ul style="list-style-type: none"> • S16 should contain explicit references to the infrastructure issues concerning affected Local Authorities and must be the subject of pre-consultation. • Activities which fail to adequately address infrastructure in the proposal should be a clause within s18.
<p>(c) Infrastructure: Out-of-boundary developments (developments outside the jurisdictional control of Hamilton City) do not pay Hamilton City Council development contributions or rates, but will be reliant on and feed off our infrastructure, absorbing network capacity without properly contributing to its upfront funding or the long-term provision of services.</p>	<ul style="list-style-type: none"> • The initial screening for eligibility within the FTA process must have strengthened criteria addressing infrastructure capacity and integration. Sections 14 and 17 must be strengthened to ensure that any project approved has fully addressed infrastructure capacity, expansion, and integration issues, including funding issues arising. • S14 should contain a provision that includes consideration for utilities and their legislative

<p>While an alternative would be denying access and enforce self-sufficiency, it would lead to inefficiency, lack of integration, and derail Hamilton City Council's ability to plan for long-term infrastructure demands.</p> <p>Infrastructure such as three waters or major road networks are needed to support most proposals or projects. The lack of safeguards could force authorities to be more reactive, leading to inefficient and unoptimised infrastructure being rushed, while further burden is placed on ratepayers.</p>	<p>requirements (e.g., Water Services Act 2021 for drinking water suppliers) as required information. The provision would assist in alleviating pressure on subject matter experts and streamline the overall procedure.</p> <ul style="list-style-type: none"> • A bundled consenting approach to urban development projects should be taken, which consents the urban development project itself along with the associated enabling infrastructure and environmental consents required.
<p>ii. Timeframes:</p> <p>The FTA's 10 working day limit with no clauses for extension is overly rigid for Local Authorities operating on a lean structure. Development proposals often require technical assessments in relation to existing and planned infrastructure.</p>	<ul style="list-style-type: none"> • There should be either more flexibility on working days or more input points to compensate for the limited time. A rigid procedure may turn away potential participants if they struggle to meet the demanded time limits. • If the timeframes are to be retained in their current form, the pre-lodgment requirements must be strengthened within s16. This will ensure a streamlined process without compromising quality.
<p>iii. Cost Recovery:</p> <p>Council consenting processes work on a cost recovery basis, with the developer reimbursing Local Authorities for costs incurred in accordance with the Fees and Charges Policy.</p> <p>The FTA should be no different, particularly where Local Authorities are expected to engage actively in both the pre-consultation and comments phase. Without cost recovery or a budget allocated, there is a risk that quality engagement will not occur.</p> <p>While Clause 14 of Schedule 3 provides an opportunity for Local Authorities to recover costs incurred, it appears limited to where they are performing functions prescribed by the Expert Panel.</p> <p>In addition, the FTA appears to be silent on development contributions or financial contributions. In an urban development context, the fast-tracking could take rurally zoned land and up-zone to urban – significant value is conferred at this decision-making point. Value capture mechanisms are crucial for ensuring costs required to enable urban development rest with the developers who are benefiting.</p>	<ul style="list-style-type: none"> • Clause 14 of Schedule 3, and any related provisions, should be updated to make express reference to Local Authority cost recovery for pre-consultation, comments, and condition writing phases. Cost recovery should not be limited to where Local Authorities perform functions at the Expert Panel's directive. • Currently, rates and development contributions cannot be levied on land outside of a territorial authority's jurisdictional control. It is possible that there will be developments considered for fast tracking that fall into this category – Local Government needs a way to levy for costs in a cross-boundary context. • We request that clear provision is made within the FTA to enable all the Local Government Act 2002 Development Contributions provisions and Council Development Contribution Policies to apply as if the consent was granted under the RMA so that the true development costs are levied.

<p>iv. Eligibility and Criteria for Schedule 2: The ambiguity surrounding the criteria may lead to unintentional projects overloading the process. Additionally, the criteria should clarify how a “regionally or nationally significant” infrastructure is determined.</p> <p>Being too broad in the criteria will lead to a greater number of proposals being advanced, for which the sector will have limited capacity to address in a timely manner, thus working against the stated intent of the Bill to “fast-track” proposals.</p>	<ul style="list-style-type: none"> Given the purpose of the FTA is for “delivery of infrastructure and development projects with significant regional or national benefits,” the Government should be explicit on the criteria. The FTA should only serve as a path to “regionally or nationally significant” infrastructure and urban development projects. For instance, the current description in s17(3c) may lead to unintentional projects overloading the process. While we welcome s17(3j) as an alternative pathway for streamlined Plan Changes, we recommend more caution as it could potentially encourage out-of-sequence development. Any large-scale proposal for urban development will need to have strong linkages back into existing plans and procedures and the underlying zoning needs to be addressed.
<p>v. Roles and Responsibilities: In its current form, the Expert Panel’s composition may hinder the FTA’s purpose. The role and responsibilities of a “relevant” Local Authority is ambiguous within the FTA.</p>	<ul style="list-style-type: none"> The composition of the Expert Panel should be more flexible. Given the wide range of expertise needed, there should be more people involved. The FTA needs to be explicit on what a “relevant” Local Authority is. Regionally significant developments will impact multiple authorities as opposed to where the project is situated.

4. We believe if cost recovery can be provided for up-front in the process, then issues around limiting the public and Local Authorities’ ability to input into the process could be partially resolved. However, there are long-run matters to consider, particularly with regards to urban development for which this truncated process may inadvertently not consider.

5. Hamilton City Council seeks that more input points should be provided for Local Authorities. Alternatively, the FTA should provide more safeguards to ensure that our concerns will be addressed.

6. Hamilton City Council recommends that the Government consider and establish a 30-year or long-term Infrastructure Plan. Certain infrastructure projects will be inherently more urgent than other developments (e.g., a large road network or water plant is needed before more out-of-sequence housing can be enabled). This type of lens would be helpful when considering the criteria for projects.

Introduction

7. Hamilton City Council welcomes the opportunity to make a submission on the **Fast Track Approvals Bill (FTA)**.
8. Hamilton City Council welcomes the purpose and concept of having an alternative tool to streamline infrastructure planning processes. However, we believe there are several refinements required.
9. We understand the FTA was introduced to the House under urgency and acknowledge that it will contain inconsistencies with other existing legislation, policies, or planning documents. Notwithstanding this, the FTA contains several critical issues which we outline in this submission as “themes” that should be addressed, or at least carefully considered, before it becomes operative.
10. Failing to address these issues could lead to long-term negative unintended consequences of the FTA.
11. Hamilton City Council takes a considerable interest in matters regarding resource management reform and has made several submissions in this space in recent years.
12. All submissions made by Hamilton City Council can be [accessed here](#)

Key Submission Feedback/Points

13. The following feedback is structured by Hamilton City Council’s key themes – noting that we have only provided responses on the sections that are most relevant to Council.
14. **Hamilton City Council seeks changes to the FTA in its current form.**
15. Hamilton is New Zealand’s fourth most populous city, yet the footprint is just 110km². It is New Zealand’s fastest growing city, located within the ‘golden triangle’ where more than half of New Zealand’s population live, and two-thirds of its recent population growth has occurred.
16. Hamilton and our neighbouring councils have a history of collaboratively working to plan our subregion in a boundaryless fashion. Hamilton relies on new greenfield growth areas, alongside enabling brownfields intensification to enable growth and drive competitive land markets. Hamilton’s long term identified and sequenced greenfield growth areas are currently outside Hamilton City’s boundary and are subject to strategic agreements to bring them into Hamilton City boundary prior to development.
17. If a fast-track application located outside of Hamilton’s jurisdictional boundary, but contiguous with its urban area is progressed, the importance of linkages between the FTA and other legislation, particularly the Local Government Act 2002, is particularly important for Hamilton City Council. Hamilton City Council would need to work with our partners to progress a boundary change prior to development starting. This would help mitigate the overarching infrastructure and planning impacts of development. For example, a boundary change would be required for Hamilton City Council to charge development contributions in relation to the project. The current land transfer process is slow and time consuming. A fast-track application for urban development on the periphery of the City requires a boundary change to enable integrated servicing and cost recovery. We seek an expedited boundary change process as part of the FTA.
18. In the FTA’s current form, there is no safeguard to ensure that if an urban development project is fast-tracked, there will be corresponding infrastructure to service it. We seek that a bundled consenting approach is taken, whereby the urban development project is consented along with the required infrastructure and environment consents to service it. For example, housing and growth that is out-of-sequence with planned strategic infrastructure will unlikely be serviced. Coupled with this, funding certainty on the provision of infrastructure is a critical factor in decision-making.

19. The FTA appears to underestimate pre-consultation requirements with local authorities and infrastructure provided, which could result in unsynchronised timing and inefficient delivery. Pre-consultation is a critical aspect for a project's delivery. Should a project receive approval under the FTA's procedure, it would still be subject to existing limitations (e.g., capacity for local networks, absence of required infrastructure).
20. Infrastructure such as three waters or major road networks are needed to support most proposals or projects. The lack of safeguards could force authorities to be more reactive, leading to inefficient and unoptimised infrastructure being rushed, while further burden is placed on ratepayers.
21. The FTA needs to address funding and financing of infrastructure in a cross-boundary scenario. As such, we seek changes to enable the collection of development contributions and rates to pay for the servicing solutions required to enable urban development. Conversely, there might be infrastructure projects which Hamilton City Council seek to have fast-tracked that will service urban growth beyond Hamilton City Council's boundaries - there is no ability for Hamilton City Council to recoup the costs.
22. Hamilton City Council seeks some form of value capture within the FTA. In an urban development context, the fast-tracking could take rurally zoned land and up-zone to urban – significant value is conferred at this decision-making point. Value capture mechanisms are crucial for ensuring costs required to enable urban development rests with the developers who are benefiting. This is often best achieved through private development agreements prior to land use rights being conferred (e.g., commercial negotiations or a new form of development contribution). The Bill would benefit from explicit clauses which direct the Expert Panel to require this as part of any conditions associated with a project.
23. The practical application of the eligibility criteria remains uncertain. The ambiguity of the eligibility criteria, particularly considering the purpose of the Bill, will undermine the purpose of the FTA to create a streamlined process for significant development and infrastructure. Additionally, the overly broad criteria may unintentionally encourage out-of-sequence or minor projects to overload the system.
24. Finally, Hamilton City Council is concerned about the limited opportunities for Local Authorities to provide meaningful input. The limitation may inadvertently lead to aspects of a proposal not being sufficiently addressed by the Expert Panel.

Theme One – Planning-Related Concerns

Cross-Boundary Effects

25. Projects that are regionally and nationally significant will from time to time affect more than one local authority. This raises concerns regarding who the “relevant” Local Authority is, an issue further detailed in Theme Five. We seek that this is addressed, and a mechanism provided so that when required, multiple “relevant” territorial authorities can be involved.
26. The FTA provides machinery for a panel to grant a range of different approvals as per the various schedules (e.g., under the Wildlife Act, HNZPT etc.) There needs to be a similar extension of this approval process, so that it can include an additional schedule, enabling any necessary territorial boundary adjustments where transfer is agreed by all relevant Local Authorities. This, in turn, would ensure a project's delivery and proper integration with the required infrastructure networks to service the development.

Pre-Consultation and Delivery

27. Pre-consultation is a critical aspect for a project's delivery. Should a project receive approval under the FTA's procedure, it would still be subject to existing limitations (e.g., capacity for local networks, absence of required infrastructure). In its current form, the FTA appears to underestimate pre-consultation requirements which could result in unsynchronised timing and inefficient delivery.

28. The approval of a project does not guarantee development. It is not clear what safeguards exist to ensure that development proposals are granted only when adequate infrastructure exist for that purpose (e.g., housing and growth that is out of sequence with planned strategic infrastructure). Certainty on the provision of infrastructure, including funding, is a critical factor in decision-making.
29. Finally, the lapse period proposed in s39(9) may be overly optimistic. An approved resource consent for large infrastructure projects provides the certainty required to secure financing and funding to enable the project to proceed, a procedure which requires more than two years' time.
30. In addition, for greenfield development, other matters such as external infrastructure delivery can sit outside the control of the applicant which would take longer to resolve. We also encourage the Committee consider stronger requirements for consented developments to proceed within certain timeframes – this will help ensure the benefits are realised and opportunistic proposals are avoided.

Infrastructure

31. Out-of-boundary developments do not pay Hamilton City Council development contributions or rates but will be reliant on and feed off our infrastructure, absorbing network capacity without properly contributing to its funding. While an alternative would be denying access and enforce self-sufficiency, this would lead to inefficiency, lack of integration, and derail Hamilton City Council's ability to plan for long-term infrastructure demands. Any development must be considered in a cross-boundary and integrated manner which takes full account of the infrastructure to service it – including matters such as water allocation.
32. Infrastructure such as three waters or major road networks are needed to support most proposals or projects. The lack of safeguards could force authorities to be more reactive, leading to inefficient and unoptimised infrastructure being rushed, while further burden is placed on ratepayers.
33. In addition, it is unclear how the FTA considers wastewater discharges or water allocation. With Local Authorities now having more responsibility to maintain their three waters infrastructure, drastic changes may lead to further pushback or hinder a project's delivery.
34. In a Hamilton context, water allocation, discharge consents and treatment plant upgrades are all critical for enabling further urban development. Currently, our water supply and wastewater consents only cater towards known or planned growth (e.g., existing and planned development in the Hamilton Urban Growth Strategy). New fast-tracked projects necessitate new allocation and discharge consents; otherwise, the consented urban development projects will lack essential resources and utilities to function.
35. We seek a bundling approach to consents for urban development projects, which provide consents not only for the urban development proposal itself, but also for the required enabling infrastructure and associated consents. Depending on the nature of the proposal, this might also include transport upgrades, such as road widening and intersection upgrades.
36. Infrastructure planning, as well as delivery and funding considerations, may need to extend beyond simply the immediate needs of an individual proposal. As indicated in paragraph 45, the FTA is ambiguous on a "relevant" Local Authority. The need for collaboration with Local Authorities and utility providers is critical for a project's delivery.
37. Failure to consider the wider network, delivery, and funding leads to adverse effects on existing and future strategic network, causing increased costs, negative environmental outcomes, and missed opportunities for additional growth.

Integration with Other Legislation

38. The FTA is ambiguous in terms of its integration with other legislation. Interactions and an appropriate hierarchy must be considered before a project can proceed, or it would stagnate due to looming concerns.

39. Hamilton City Council is committed to giving effect to *Te Ture Whaimana o te Awa o Waikato* and welcomes its inclusion within the FTA. However, the FTA should consider that we may need to offset impacts from any proposal that can affect the Waikato River. This needs to be considered at a project level and links back to issues such as water allocation from and discharges to the Waikato River.

Recommendation - Cross-Boundary Effects

40. Where all relevant local councils agree, we recommend inserting a new schedule which incorporates either the joint Ministers or Expert Panel giving approval for any necessary underlying territorial boundary adjustment.
41. We seek that the FTA enables expedited boundary changes between local authorities to occur to enable integrated servicing, including the collection of rates and development contributions.

Recommendation - Pre-Consultation and Delivery

42. We recommend revising s16 to contain explicit references to the infrastructure issues concerning affected Local Authorities, which should be a mandatory consultation subject, reporting item, and assessment criteria for any FTA applicant. Additionally, the position on draft conditions, and whether that is agreed or not, should be a mandatory reporting requirement. Activities which fail to adequately address infrastructure in the proposal should be a clause within s18.
43. We recommend that the Government consider and establish a 30-year or long-term Infrastructure Plan. Certain infrastructure projects will be inherently more urgent than other developments (e.g., a large road network or water plant is needed before more out-of-sequence housing can be enabled).
44. We recommend reviewing s39(9) and revise or introduce a provision that provides large greenfield or infrastructure projects with a longer consent lapse time. We also recommend that for certain scale projects they have key delivery milestones to ensure the benefits of the projects are realised within a timely manner in line with the intent of the legislation.

Recommendation - Infrastructure

45. The initial screening for eligibility within the FTA process must have strengthened criteria addressing infrastructure capacity and integration. Sections 14 and 17 must be strengthened to ensure that any project approved has fully addressed infrastructure capacity, expansion, and integration issues, including funding issues arising.
46. We recommend inserting a provision in s14 that includes consideration for utilities and their legislative requirements for (e.g., Water Services Act 2021 for drinking water suppliers) as required information. The provision would assist in alleviating pressure on subject matter experts and streamline the overall procedure.
47. We seek a bundled consent approach for urban developments that also includes the consents related to the enabling infrastructure, for example, potable water, wastewater discharges and treatment plan upgrades.

Recommendation - Integration with Other Legislation

48. We recommend that the Government clarify how the FTA will integrate with other legislation. Specifically, a proper hierarchy on which legislation has priority and the relationship to a Specified Development Project (under the Urban Development Act 2020).
49. We recommend that any fast-tracked project, if relevant, must consider the impacts on the ability for Local Authorities to meet their obligations regarding the *Te Ture Whaimana o te Awa o Waikato*, as opposed to Schedule 2 projects only as the FTA currently implies.

Theme Two – Timeframes

Explanation

50. The timeframes imposed within the FTA are strict. The pre-consultation with affected Local Authorities is critical for fast and successful delivery. Currently, the first early touch point with councils is a consultation requirement under s16, prior to lodging a referral application. There should be a more directive requirement to engage with the affected Local Authorities, seeking feedback and agreement, if possibly on draft conditions.
51. Key issues concerning infrastructure connections, funding etc should be prescribed as mandatory discussion points during pre-consultation. Additionally, unresolved infrastructure related issues must be fully reported on by the applicant in their application for eligibility.
52. The current time limits for Local Authorities to input may represent a particular hurdle, noting the lack of flexibility around the 10 working days in s19(5). Development proposals require timely technical assessments, in relation to existing and planned infrastructure. Additionally, the FTA only allows a total (including suspension rights) of around 50 working days after comments, when the decision must be made. For complex technical matters, this may lead to compromised decision-making.
53. Given how most Local Authorities already operate with a lean structure, the lack of flexibility places significant stress on a delicate system.
54. In addition, there is a risk relating to the lack of resources of those supporting the Expert Panel during the FTA process. For example, development engineers will be required to provide assessments against relevant design standards to the Expert Panel, as well as the Local Authority who are still required to meet their own time limit.

Recommendation

55. There should be either more flexibility on working days or more input points to compensate for the limited time. A rigid procedure may turn away potential participants if they struggle to meet the demanded time limits.
56. We recommend permitting commentators the ability to seek additional time where the application involves multiple areas of expertise.
57. If the timeframes are to be retained in their current form, the pre-lodgment requirements must be strengthened within s16, so that applications are well understood and engaged with by Local Authorities ahead of the processing timeframes beginning. This will ensure a streamlined process without compromising quality.
58. We recommend that cost recovery provisions are inserted into the Bill to allow Local Authorities to engage upfront in the process with developers – this will ultimately help expedite the process and lead to less conditions by the Expert Panel.

Theme Three – Cost Recovery

Explanation

59. Council consenting processes work of a cost recovery basis, with the developer reimbursing Local Authorities for costs incurred in accordance with the Fees and Charges Policy. The FTA should be no different, particularly where Local Authorities are expected to engage actively in both the pre-consultation and comments phase, which can often involve engaging its own experts and technical advice. This can be a costly process and without cost recovery or a budget allocated, there is a risk that quality engagement will not occur.
60. Given the rigid time limit for Local Authorities to respond to joint Ministers, there should be some form of cost recovery. Most Local Authorities already operate at their limits, combined with the fact that Ministers can override recommendations from the Expert Panel, which could result in minimal incentive to participate.
61. Successful projects will have more upfront input from local authorities and their subject-matter experts. As such, the sooner Local Authorities can be made aware of projects, the sooner staff can start to work with the respective developers to work through relevant matters. However, it is important to note that Local Authorities are not resourced to do this, so we therefore seek that a cost recovery mechanism be inserted.
62. While Clause 14 of Schedule 3 provides an opportunity for Local Authorities to recover costs incurred, it appears limited to where they are performing functions prescribed by the Expert Panel. There is no reference to cost recovery for the pre-consultation phases, comment phases, and the reviewing/drafting of conditions. These wider processes are where the significant costs will be incurred.
63. In addition, the FTA appears to be silent on direct contributions or financial contributions. Hamilton City Council seeks some form of value capture within the FTA. In an urban development context, the fast-tracking could take rurally zoned land and up-zone to urban – significant value is conferred at this decision-making point. Value capture mechanisms are crucial for ensuring costs required to enable urban development rest with the developers who are benefiting. This is often best achieved through private development agreements prior to land-use rights being conferred (e.g., commercial negotiations or a new form of development contribution).
64. The FTA provides for activities (including housing and urban development) that would often attract a development contribution charge in accordance with a Council's Development Contributions Policy. The statutory provisions around Development Contributions are set out in the Local Government Act 2002. These provisions provide for Development Contributions to be required on resource consents under the Resource Management Act.
65. These provisions do not extend to cover resource consents granted under the FTA. We anticipate that this is an oversight, and that the intention is not for development progressed this way to be exempt from Development Contributions.

Recommendation

66. Clause 14 of Schedule 3, and any related provisions should be updated to make express reference to Local Authority cost recovery for pre-consultation, comments, and condition writing phases. Cost recovery should not be limited to where Local Authorities perform functions at the Expert Panel's directive.

67. We recommend that cost recovery provisions are inserted into the Bill to allow Local Authorities to engage upfront in the process with developers – this will ultimately help expedite the process and lead to less conditions by the Expert Panel.
68. We request that the Expert Panel should be required to place conditions for such commercial arrangement to be entered into and/or provide new funding and financing powers through existing Acts.
69. We request that clear provision is made within the FTA to enable all the Local Government Act 2002 Development Contributions provisions and Council Development Contribution Policies to apply as if the consent was granted under the RMA.

Theme Four – Criteria for Schedule 2

Explanation

70. Overall, Hamilton City Council appreciates criteria that are supportive of developing infrastructure. Specifically, s17(3a), (3b), (3h), (3i), and (3j). We believe projects that facilitate growth fit the FTA's purpose and would benefit from avoiding a conventional consenting process.
71. However, the practicality and the reasoning for the eligibility criteria is a concerning matter. The ambiguity of the eligibility criteria, particularly considering the purpose of the Bill, presents the following problems:
 - i. An overarching issue is that the criteria is overly broad. For example, developers may contest that any housing project would contribute towards s17(3c), which states “*increase the supply of housing*” as part of the criterion.
 - ii. Applicants or Requiring Authorities may spend immense resources on pursuing a fast-track approval, where the reality is that their projects may not be of the intended nature or scale. This, in turn, undermines the purpose of the FTA to create a streamlined process for significant development and infrastructure.
 - iii. In its current form, what a “regionally significant” infrastructure or a “significant economic benefit” would be remains unchallenged.
 - iv. The [Ministry for the Environment](#) states that “nationally significant” proposals are exceptionally large and complex proposals with regional or national impacts, with “impacts” not stated as being positive or negative.
 - v. The [Waikato Regional Policy Statement](#) defines “regionally significant infrastructure” which includes significant transport corridors, lifeline utilities, and their associated essential infrastructure and services; municipal treatment plants, conveyance and storage systems, ancillary infrastructure; etc.
 - vi. The phrase “significant” should be defined in the FTA. Clarity on what constitutes significant national and regional proposals is needed for this process to be used successfully. Additionally, there needs to be clarification on the relationship between the Resource Management (Simplifying and Streamlining) Amendment Act 2009 s142 ([Minister may call in matter that is or is part of proposal of national significance](#)) and the provisions laid out in the FTA.
 - vii. The ambiguity surrounding s17(3j) requires clarification:

“(j) is consistent with local or regional planning documents, including spatial strategies.”

Technically, any Plan Change released would be consistent with local plans and strategies. While Hamilton City Council is open to streamlining such processes, a drastic change could result in significant public pushback.

- viii. Enabling Plan Changes to go through the process could potentially encourage out-of-sequence developments. Any large-scale proposal for urban development will need to have strong linkages back into Long Term Plans, with linkages to development contributions, rates and possibly alternate funding and financing levers.
 - ix. We support changes to the underlying zoning being within scope of the FTA when urban development projects are being considered, provided that a comprehensive approach to conditioning is taken which addresses upfront costs and long-term servicing costs, upstream, and downstream infrastructure requirements. The approach of also addressing underlying zoning (where appropriate) will save councils time and cost in the future.
 - x. In addition, large-scale urban development proposals will need to consider the lifecycle of the development and the ability for the relevant Local Authority to deal with building consenting and environmental monitoring and enforcement, without taking account of this it risks overloading our current planning system.
72. Without clarification and reconsideration, ambiguity surrounding the FTA will remain. Consequently, Ministers will be inundated with multiple applications, which will either be rejected for not meeting the criteria (thereby wasting resources of those applying for fast tracking), or approved, inundating the process. Either outcomes will undermine the purpose of the FTA to create a streamlined process for significant development and infrastructure.

Recommendation

- 73. Given the purpose of the FTA is for “delivery of infrastructure and development projects with significant regional or national benefits,” the Government should be explicit on the criteria.
- 74. We recommend that the Government consider capital investment as a guideline for a “significant” project. For instance, the New South Wales government has [explicit guidelines](#) on what is “regionally significant”. Alternatively, we recommend that the Government examine the potential capital a project can generate (e.g., 3% of a region’s GDP) to provide guidance.
- 75. We recommend that the FTA being paved only as a path to “regionally or nationally significant” infrastructure projects. The current description for s17(3) may lead to unintentional projects overloading the process.
- 76. While Hamilton City Council welcomes s17(3j) as an alternative pathway for streamlined Plan Changes, we recommend more caution as it could potentially encourage out-of-sequence development. Any large-scale proposal for urban development will need to have strong linkages back into existing plans and procedures to address long-term effects.

Theme Five – Roles and Responsibilities

Composition and Expertise

- 77. According to Schedule 3 s3(1), the Expert Panel may only have up to four people. These four members will need to have an extensive understanding of vastly differing expertise, some of which may not overlap outside of a project.
- 78. To cover all aspects within four people is virtually impossible. While we are aware the Expert Panel can request knowledge from the Environmental Protection Authority and Local Authorities, the potential unfamiliarity with unexplored aspects may lead to poor decision-making.
- 79. Hamilton City Council also seeks clarification on an explicit limit of four people. In Schedule 3 s3(6), the following is stated:

Despite the limit specified on the membership by subclause (1), that number may be exceeded (including by the appointment of more than 1 person nominated under subclause (2)(a) or (b)), at the discretion of the panel convener, if warranted by, or required to accommodate, —

(a) the circumstances unique to a particular district or region; or

(b) the number of applications that have to be considered in that particular district or region; or 10

(c) the nature and scale of the application under consideration; or

(d) matters unique to any relevant iwi participation legislation; or

(e) the collective knowledge and experience needed under clause 7(1).

80. This implies the Expert Panel can go beyond the stated limit and will likely be the case most of the time, which makes the limit potentially redundant.

Roles and Responsibilities

81. As stated in Theme One, the FTA is ambiguous on what a “relevant” Local Authority is. The FTA should be explicit about who the Expert Panel seeks comments from. For example, a regionally significant project would affect more than adjacent landowners, it could also impact neighbouring Local Authorities.
82. In addition, it is unknown if these clauses recognise Council Controlled Organisations. This issue also corresponds with our previous concern regarding composition, where the number of “relevant” Local Authorities can already exceed the stated limit. For instance, a “regionally significant” will at least involve Hamilton City Council, Waikato District Council, Waipa District Council, and Waikato Regional Council in a Hamilton-metro context.
83. Hamilton City Council is also concerned about how the proposed FTA severely limits our ability to provide meaningful input and support a project:
- i. The Expert Panel is the primary formal pathway where Local Authorities can provide any meaningful input. In comparison, a standard plan change procedure has multiple points for stakeholders.
 - ii. While the joint Ministers will also seek comments from Local Authorities under s19, the time limit under s19(5), compounded with the possibility to reject the Expert Panel recommendations under s25(5), leaves us with little confidence that our comments will be adequately considered.
 - iii. Planning-related issues are often procedural. Concerns are raised as events such as pandemics or natural disasters occur and responding to unanticipated events should be part of the procedure. Limiting formal input points to one creates a rigid outcome that is unable to respond to potential impacts.
84. Finally, the FTA is ambiguous on who will take the stand should the need for an appeal arise. Presumably, the Ministers should defend their own decisions, but the rationale is that participants and commentators are not the ones to carry the costs, as they may end up in a position they fundamentally disagree with.

Recommendation

85. The composition of the Expert Panel should be more flexible. Expert Panel members need to be able to decipher the comments they receive and given the wide range of aspects involved, there should be more people involved.
86. We recommend the revising or removing Schedule 3 s3(1) and (6) due to redundancy concerns. Schedule 3 should instead allow a flexible composition that is tailored according to each project's need. Alternatively, Schedule 3 should include a clause where a joint nominee can be selected.
87. We recommend that the FTA be explicit on *how* Ministers and the Expert Panel should consider comments. A summary of the comments received and the rationale for approving/rejecting such comments should be transparent. Additionally, the Ministers or the Expert Panel should provide a rationale on why someone other than a specified person/entity is allowed to comment under s19(4) or Schedule 4 s20(6).
88. In addition, the FTA needs to be explicit on what a "relevant" Local Authority is. Regionally significant developments will impact multiple authorities as opposed to where the project is situated.
89. We recommend that the FTA outlines how the appeal process should be dealt with.

Further Information and Hearings

90. Should Parliament's Environment Committee require clarification of this submission from Hamilton City Council, or additional information, please contact **Blair Bowcott** (General Manager Strategy, Growth and Planning), phone **07 838 6742** or **021 775 640**, or email blair.bowcott@hcc.govt.nz in the first instance.
91. Hamilton City Council representatives **do wish to speak** at the Environment Committee hearings in support of this submission.

Yours faithfully

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CHIEF EXECUTIVE

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