

FTC #139: Application for referred project under the COVID-19 Recovery (Fast-track Consenting) Act 2020 – Stage 1 decisions

Application 2022-88 East Coast Heights–Silverdale Project

Date submitted:	7 July 2022	Tracking #: BRF-1823	
Security level:	In-Confidence	MfE priority:	Urgent

	Action sought:	Response by:
To Hon David Parker, Minister for the Environment	Decision on recommendations in Table A	To be advised

Actions for Minister's Office staff	Return the signed briefing to MfE. Send attached letter (if signed) with accompanying template and links to application documents.
Number of attachments: 3	Attachments: - Application documents for East Coast Heights–Silverdale Project (Databox link) - Letter to Ministers – inviting comments on referral application for the East Coast Heights–Silverdale Project - Template for ministerial comment

Ministry for the Environment contacts

Position	Name	Cell phone	1 st contact
Principal Author	Samantha Maxwell		
Manager	Stephanie Frame	s 9(2)(a)	✓
Director	Caroline Hart	s 9(2)(a)	

FTC#139: Application for referred project under the COVID-19 Recovery (Fast-track Consenting) Act 2020 – Stage 1 decisions

Key messages

1. This briefing seeks your initial decisions on an application from Build Rich Limited and Nation Shine Holdings Limited to refer the East Coast Heights–Silverdale Project (project) to an expert consenting panel (panel) under the COVID-19 Recovery (Fast-track Consenting) Act 2020 (the FTCA).
2. The project is to subdivide a 10.6-hectare site located at 1 Silverwater Drive and 2150 East Coast Road, Silverdale, Auckland and construct approximately 303 residential units (26 of which may be constructed by third parties) and supporting infrastructure including roads, accessways and three-waters services. The project includes the restoration and planting of a natural wetland on the site and will involve earthworks extending onto small areas of the adjacent properties at 17, 39 and 53 Small Road, Silverdale.
3. The project comprises the third and fourth stages of a residential development being undertaken by the applicants between East Coast Road and State Highway 1 at Silverdale. Stages one and two lying immediately to the north of the project site are currently under construction.
4. The project will require subdivision and land use consents, and water and discharge permits under the Auckland Unitary Plan (AUP), and resource consents under the Resource Management (National Environmental Standard for Freshwater) Regulations 2020 (NES-F).
5. The land to be subdivided is in the Residential - Mixed Housing Urban Zone and Sub-precinct B of the Silverdale 3 Precinct, under the AUP, while the neighbouring properties affected by earthworks are in the Business – General Business Zone and Silverdale 2 Precinct. The purpose of Sub-precinct B of the Silverdale 3 Precinct is to enable a range of residential opportunities within a high-quality urban environment with a visually strong vegetated framework. The proposed activities have overall non-complying activity status due to the vegetation clearance and earthworks within 10 metres of, and diversion of water within 100 metres of, a natural wetland.
6. We have undertaken an initial (Stage 1) analysis of the referral application and this is presented along with our recommendations in Table A.
7. The project meets all the eligibility criteria in section 18(3) of the FTCA, but more analysis is needed before we can advise you if it meets the purpose of the FTCA (thus satisfying section 18(2) of the FTCA) and advise you on matters in section 23(5) which may influence your referral decision.
8. We recommend you progress consideration of the application to the next stage of analysis (Stage 2) and invite comments from Auckland Council and specific Ministers listed in section 21(6) of the FTCA.
9. We recommend you invite comments from the Associate Minister for the Environment (urban policy) as an additional Minister under section 21(6)(n) of the FTCA, and Watercare Services Limited, Auckland Transport and Waka Kotahi NZ Transport Agency as additional parties under section 21(3) of the FTCA.
10. We also recommend that you request further information from the applicants as detailed in Table A.

Statutory framework summary

11. You are the sole decision maker for the referral application as the project will not occur in the coastal marine area.
12. You may decline the referral application before seeking comments from the relevant local authorities and any relevant Ministers:
 - a. if you are satisfied the project does not meet the referral criteria in section 18 of the FTCA, (which include helping to achieve the purpose of the FTCA) (see sections 18(2) and 23(1) of the FTCA)
 - b. for any other reason (see section 23(2) of the FTCA).
13. If you do not decline the referral application at this stage:
 - a. you must provide the application to, and invite comments from, the relevant local authorities and the relevant Ministers prescribed by section 21(6) of the FTCA
 - b. you may provide the application to and invite comments from any other person.
14. You are also able to request further information from the applicants or any relevant local authority at any time before you decide to decline or accept the referral application (see section 22 of the FTCA).

Action sought

15. Please indicate your decisions on the recommendations in Table A.

Signature



Stephanie Frame
Manager – Fast-track Consenting

Table A: Stage 1 initial assessment of project eligibility – projects where the Minister for the Environment is the only decision maker

Project to progress

Project details	Project description	Project funding	Is project eligible for referral? [section 18(3)]	Will project help to achieve the purpose of the FTCA? [section 18(2)]						Recommendations	Minister's decisions
				Economic benefits and costs for people or industries affected by COVID-19 [section 19(a)]	Effect on social and cultural wellbeing of current and future generations [section 19(b)]	Likelihood project will progress faster under the FTCA than would otherwise be the case [section 19(c)]	Public benefit [section 19(d)]	Potential for significant adverse environmental effects, including greenhouse gas emissions [section 19(e)]	Any other relevant matters [section 19(f)]		
Name East Coast Heights – Silverdale Applicants Build Rich Limited and Nation Shine Holdings Limited c/- Campbell Brown Planning Limited Location 1 Silverwater Drive, 2150 East Coast Road, and 17, 39 and 53 Small Road, Silverdale, Auckland	The project is to subdivide a 10.6-hectare site located at 1 Silverwater Drive and 2150 East Coast Road, Silverdale, Auckland and construct approximately 303 residential units (26 of which may be constructed by third parties) and supporting infrastructure including roads, accessways and three-waters services. The project includes the restoration and planting of a natural wetland on the site and will involve earthworks extending onto small areas of the adjacent properties at 17, 39 and 53 Small Road, Silverdale. The project comprises the third and fourth stages of a residential development being undertaken by the applicants between East Coast Road and State Highway 1 at Silverdale. Stages one and two lying immediately to the north of the project site are currently under construction. The project will require subdivision and land use consents, and water and discharge permits under the Auckland Unitary Plan (AUP), and resource consents under the Resource Management (National Environmental Standard for	The applicants advise that ANZ bank is their strategic funding partner, however they have the capacity to fund the project without bank funding. At this stage we do not have any concerns about the applicants' ability to finance the project.	Based on available information at this stage, we consider the project is eligible for referral because: • it does not include any prohibited activities • it does not include land returned under a Treaty settlement • it does not occur in a customary marine title area or protected customary rights area under the Marine and Coastal Area (Takutai Moana) Act 2011.	Based on the information provided by the applicants we consider the project may result in the following economic benefits: • provide approximately 740 direct full time equivalent (FTE) jobs over a 5-year design and construction period • contribute approximately \$172 million to regional GDP, and \$232 million to national GDP.	The project has the potential for positive effects on the social wellbeing of current and future generations as it will: • generate employment by providing approximately 740 direct FTE jobs over a 5-year period • increase housing supply through the construction of approximately 303 residential units in a range of typologies.	The applicants consider that the fast-track process will allow the project to progress approximately 12-18 months faster than under standard Resource Management Act 1991 (RMA) processes, by avoiding the delays associated with Auckland Council's consenting processes. We recommend requesting further information from the applicants to support their statement and seeking comment from Auckland Council on the appropriateness of using the FTCA process.	Based on the information provided by the applicants we consider that the project may result in the following public benefits: • generating employment • increasing housing supply • restoring a natural wetland.	The applicants have advised that the project has the potential for adverse environmental effects arising from: • earthworks • stormwater disposal • construction activities (including traffic, noise and vibration) • works affecting vegetation and a natural wetland (ecological effects) and may include adverse effects on: • visual, amenity, urban design and neighbourhood character • existing infrastructure, including the road network. The applicants have provided a number of preliminary technical assessments in support of their view that the project will not have any significant adverse effects. We note that you do not require a full Assessment of Environment Effects and supporting evidence to make a referral decision and a panel can consider this and any appropriate mitigation, offsetting or compensation to manage adverse effects of the development.	Other matters relate to: the applicants' ability to deliver the project in a timely manner; the ability to access all the land affected by the project; and the possible need for Overseas Investment Office (OIO) approval. One of the applicants owns the land at 1 Silverwater Drive. 2150 East Coast Road is owned by Yang and Ho Limited, a company that is under the control of a director of Build Rich Limited. The ultimate holding company for both Build Rich Limited and Nation Shine Holdings Limited is registered overseas. The applicants have a sales and purchase agreement in place for 53 Smalls Road. The applicants have an agreement with the owner of 39 Small Road to complete the necessary earthworks on their land, which involves construction of a road to vest to Auckland Council. They also have an infrastructure funding agreement for 17 Small Road. There are some outstanding matters in regards to the titles for the project site that we recommend you clarify with the applicant. On 7 June 2022 we sent a request for further information to the applicants, which included seeking clarification on whether any OIO approvals were required for the project. The applicants stated they have obtained OIO approval, and we recommend you seek further information, specifically the certificate of OIO approval. The project site is located near to Penlink, the new proposed	a. Note that section 23(3) of the FTCA permits you to decline the referral application without inviting comments from the relevant local authorities and any relevant Ministers. b. Note that you have not yet provided the application to, nor sought any comments on it from, relevant local authorities or relevant Ministers but that you are required to do so if you do not decline the application under section 23(3) of the FTCA. c. Note that section 21(3) of the FTCA permits you to forward an application to, and invite written comments from, any other person. d. Note that section 22 of the FTCA permits you to request further information from the applicants or relevant local authorities at any time before you decide whether to accept or decline an application. e. Agree to progress the East Coast Heights-Silverdale Project to our Stage 2 analysis. The project warrants further analysis because it has potential to achieve the purpose of the FTCA but we need to consider some matters further before providing you with our final advice on the referral application. f. Agree to provide the application to, and invite comments from: • the Ministers listed in section 21(6)(a)–(m) of the FTCA • the associate Minister for the Environment (urban policy) as an additional relevant Minister • under section 21(6)(n) of the FTCA • the relevant local authority – Auckland Council • Watercare Services Limited, Auckland Transport and Waka Kotahi NZ Transport Agency as additional entities under section 21(3) of the FTCA	Yes/No Yes/No

Project details	Project description	Project funding	Is project eligible for referral? [section 18(3)]	Will project help to achieve the purpose of the FTCA? [section 18(2)]						Recommendations	Minister's decisions
				Economic benefits and costs for people or industries affected by COVID-19 [section 19(a)]	Effect on social and cultural wellbeing of current and future generations [section 19(b)]	Likelihood project will progress faster under the FTCA than would otherwise be the case [section 19(c)]	Public benefit [section 19(d)]	Potential for significant adverse environmental effects, including greenhouse gas emissions [section 19(e)]	Any other relevant matters [section 19(f)]		
	Freshwater) Regulations 2020 (NES-F).								toll road, which will be managed by Waka Kotahi NZ Transport Agency. The applicants have offered a condition of consent that the proposed dwellings are not occupied prior to the construction of the Penlink road commencing, as per the requirements of the Precinct Plan. We recommend you seek comment from Waka Kotahi NZ Transport Agency and Auckland Transport on this matter.	g. Agree to seek further information from the applicants on the agreement with the owners of 17 Small Road to undertake earthworks, encumbrances on the records of titles, and further clarification on whether any Overseas Investment Office approvals are in place for the project to proceed. h. Sign the attached letters to Ministers. i. Note that while awaiting comments from invited parties and further information, the Ministry for the Environment will, in consultation with the Office of Māori Crown Relations – Te Arawhiti, prepare a report for the purpose of section 17 of the FTCA.	Yes/No

Signed:

Hon David Parker
Minister for the Environment

Date: