

FTC #59 Application for referred project under the COVID-19 Recovery (Fast-track Consenting) Act 2020 – Stage 1 decisions

Application 2021-049 – Riverbend Residential Development

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| Date Submitted: | 14 June 2021 | Tracking #: BRF-140 | |
| Security Level | In-Confidence | MfE Priority: | Urgent |

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

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| Actions for Minister's Office Staff | Return the signed briefing to MfE Send attached letters (if agreed and signed) |
| Number of attachments: 2 | Titles of attachments: 1. Letter from the Minister for the Environment to relevant Ministers of the Crown 2. Copy of application and supporting information – to send with letters to Ministers |

Ministry for the Environment contacts

| Position | Name | Cell phone | 1 st contact |
|------------------|----------------------|------------|-------------------------|
| Principal Author | Max Gander-Cooper | | |
| Manager | Stephanie Frame | s 9(2)(a) | ✓ |
| Director | Sara Clarke (Acting) | s 9(2)(a) | |

FTC #59: Application for referred project under the COVID-19 Recovery (Fast-track Consenting) Act 2020 – Stage 1 decisions

Key Messages

1. We seek your initial decisions on an application for referral of the Riverbend Residential Development project (the Project) to an expert consenting panel (a panel) under the COVID-19 Recovery (Fast-track Consenting) Act 2020 (the FTCA), from Tawanui Developments Limited.
2. The Project is located at 195 and 215 Riverbend Road, Meeanee, and 20 Waterworth Avenue, Onekawa, Hawkes Bay.
3. The Project is to undertake subdivision and development of associated roading and servicing infrastructure to create up to 606 residential lots, to construct 380 residential units, and provide for the future development of a further 290 residential units on the balance lots. The application may include an expansion to the existing Maraenui Park but this has not been confirmed with the Napier City Council.

The Project will provide for the following:

- subdivision to create up to 606 residential lots (or 648 lots if the proposed Maraenui Park expansion does not proceed)
 - construction of up to 380 residential units with different housing typologies, ranging from single level to three storeys in height
 - construction of parks and reserves
 - a potential 1.5 hectare expansion of the adjacent Maraenui Park (if sought by Napier City Council)
 - construction of commercial space as part of some of the residential units which may include retail, childcare and other amenities
 - construction of roading and three-waters infrastructure
4. The Project will involve activities such as demolition of existing structures, subdivision of land, earthworks including vegetation clearance (may include works on contaminated land), discharges of stormwater and contaminants to water, diversion and piping of existing drainage structures, construction of residential dwellings and residential/commercial buildings, structures within flood areas, construction of roading and transport infrastructure, construction of three waters services and development of open space including landscaping and planting.
 5. The Project requires resource consents under the City of Napier Operative District Plan (District Plan) and Hawkes Bay Regional Resource Management Plan (Regional Plan).
 6. The subject site is currently zoned Main Rural in the District Plan and is identified in the Regional Policy Statement and Heretaunga Plains Urban Development Strategy for future greenfield residential development. The Regional Plan directs that development in a greenfield growth area should take place in accordance with a comprehensive structure plan rather than on an ad hoc basis.
 7. The applicant is seeking a fast-track resource consent rather than a plan change under the standard Resource Management Act (RMA) process to enable housing supply in a timely manner to address the current pressures on the market.
 8. We have undertaken an initial (Stage 1) analysis of the application, and this is presented along with our recommendations in Table A.
 9. The Project meets all the eligibility criteria in section 18 of the FTCA, but more analysis is

needed to confirm if it meets the purpose of the FTCA and to enable us to advise you on matters in section 23 (5) which may influence your referral decision.

10. We recommend you progress consideration of the application to the next stage of analysis (Stage 2) and invite comments from the following parties as required by section 21(2) of the FTCA:
 - a. Napier City Council
 - b. Hawkes Bay Regional Council
 - c. Ministers listed in section 21(6) of the FTCA
 - d. Associate Minister for the Environment (Urban Development)
11. We also recommend you request further information from the applicant as detailed in Table A.

Statutory Framework Summary

12. You are the sole decision maker for referral of the Project as it will not occur in the coastal marine area.
13. 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 referral criteria in section 18 of the FTCA, (which include you being satisfied the Project meets 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).
14. If you do not decline the referral application at this stage, section 21 of the FTCA:
 - a. requires you to provide the application to, and invite comments from, the relevant local authorities and the relevant Ministers
 - b. permits you to provide the application to and invite comments from any other person.
15. You are also able to request further information from the applicant 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

16. Please indicate your decision on the recommendations in Table A.

Signature

A handwritten signature in black ink, appearing to read 'S. Frame', is written over a light blue rectangular background.

Stephanie Frame
Manager – Fast Track Consenting

Released under the provision of
the Official Information Act 1982

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 the Project help to achieve the purpose of the FTCA? [section 18(2)] | | | | | | Recommendations | Minister's decisions |
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| | | | | 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 the 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)] | | |
| Project name Riverbend Residential Development Applicant Tawanui Developments Limited c/- Development Nous Limited Location 195 and 215 Riverbend Road, Meeanee, and 20 Waterworth Avenue, Onekawa, Napier, Hawke's Bay | <p>The Project is to undertake subdivision and development of associated roading and servicing infrastructure to create up to 606 residential lots, to construct 380 residential units, and provide for the future development of a further 290 residential units on the balance lots. The application may include an expansion to the existing Maraenui Park but this has not been confirmed with the Napier City Council.</p> <p>The Project will provide for the following:</p> <ul style="list-style-type: none"> subdivision to create up to 606 residential lots (or 648 lots if the proposed Maraenui Park expansion does not proceed) construction of up to 380 residential units with different housing typologies, ranging from single level to three storeys in height construction of parks and reserves a potential 1.5 hectare expansion of the adjacent Maraenui Park (if sought by Napier City Council) construction of commercial space as part of some of the residential units which may include retail, childcare and other amenities construction of roading and three-waters infrastructure <p>The Project will involve activities such as:</p> <ol style="list-style-type: none"> demolition of existing structures subdivision of land earthworks including vegetation clearance (may include works on contaminated land) discharges of stormwater and contaminants to water diversion and piping of existing drainage structures | <p>The applicant has verbally advised that they have the funding to complete this Project if the application is referred.</p> <p>The applicant has not provided supporting information about how the Project will be funded or what equity is available for the delivery of the Project.</p> <p>As the Project involves the subdivision and construction of residential units for private development capital will be available once the subdivided sites go on the market, so the costs are primarily associated with the civil works required for subdivision.</p> | <p>Based on available information, we consider the Project does not:</p> <ul style="list-style-type: none"> include any prohibited activities include land returned under a Treaty settlement occur in a customary marine title area or protected customary rights area under the Marine and Coastal Area (Takutai Moana) Act 2011. <p>The applicant has not provided information on how the 1645 jobs will be distributed amongst planning, construction and operational retail, or how many jobs will be created per year. We recommend that this information be sought from the applicant.</p> | <p>The applicant estimates that the Project will:</p> <ul style="list-style-type: none"> provide approximately 1645 Full Time Equivalent (FTE) jobs over a five year period provide up to 670 homes of various types. <p>The applicant has not provided information on how the 1645 jobs will be distributed amongst planning, construction and operational retail, or how many jobs will be created per year. We recommend that this information be sought from the applicant.</p> | <p>The Project has the potential for positive effects on social wellbeing of current and future generations as it will:</p> <ul style="list-style-type: none"> provide additional housing supply in an area that has been rapidly growing and has a projected housing capacity shortfall in the medium term provide a range of short-term and longer-term employment opportunities provide a diverse range of housing types <p>The applicant has not provided information on cultural wellbeing generated by the proposal.</p> <p>We recommend</p> | <p>The applicant is seeking a fast-track resource consent rather than a plan change process required by the Regional Policy Statement in order to enable housing supply in a timely manner to address the current pressures on the market.</p> <p>The applicant states that the proposed development is larger and more complex than Napier City Council ordinarily process and that this is likely to cause significant delays in the processing of the application. The applicant has not provided an estimate of how much time will be saved by the use of the fast track process as opposed to the standard RMA consenting pathway. This information will be sought from the applicant.</p> <p>Feedback on the use of the FTCA or standard</p> | <p>Based on the information provided we consider the Project may result in the following public benefits:</p> <ul style="list-style-type: none"> generating employment throughout construction and through the operation of the commercial buildings increased housing supply with a range of different types. <p>The applicant states that if there is not sufficient demand for commercial operation, the commercial space can be re-allocated to provide for additional housing supply. The application does not identify whether the site is located within walkable distance of any transport</p> | <p>The applicant states that the Project has the potential for adverse effects, including on:</p> <ul style="list-style-type: none"> loss of productive land character and appearance residential amenity infrastructure archaeological and cultural values flood hazards noise and dust climate change <p>The applicant states that the adverse effects arising from the Project will be no more than minor and has provided details of mitigation measures to address potential adverse effects.</p> <p>The application is for a non-complying activity under the City of Napier District Plan and the applicant has not provided an assessment of how it will pass</p> | <p>The applicant states that the Project will deliver approximately 670 residential units. The application only includes detailed designs for 380 residential units and seeks consents on the balance lots to allow for increased density, coverage and setbacks to enable further residential development. It is not clear from the application whether any additional consents will be required to deliver housing on these lots and whether that will delay delivery of the associated housing and jobs.</p> <p>We recommend that additional information is sought from the applicant on the scope of the development and whether additional consents will be required to realise the public benefits associated with the Project.</p> <p>The applicant states that the Project will contribute to well-functioning urban environments. This is defined in Policy 1 of the National Policy Statement for Urban Development (NPS-UD), but the application does not reference the components of this definition in the application.</p> <p>We recommend that additional analysis against the objectives and policies of the NPS-UD is sought from the applicant.</p> <p>The applicant states that the land level of the development will be raised to improve resilience to flood events. This is not supported by a flood hazard assessment, and no assessment is made of the</p> | <ol style="list-style-type: none"> 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. Note that the application has not been provided to, nor have any comments been sought 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. Note that section 21(3) of the FTCA permits you to forward an application to, and invite written comments from, any other person. Note that section 22 of the FTCA permits you to request further information from the applicant or relevant local authorities at any time before you decide whether to accept or decline an application. Agree to progress the Riverbend Residential Development 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. Agree to provide the application to, and invite comments from: <ul style="list-style-type: none"> the Ministers listed in section 21(6) of the FTCA Associate Minister for the Environment relevant local authorities Agree to seek the following further information from the applicant: <ul style="list-style-type: none"> How many jobs will be created | <p>Yes/No</p> <p>Yes/No</p> <p>Yes/No</p> |

| Project details | Project description | Project funding | Is Project eligible for referral? [section 18(3)] | Will the Project help to achieve the purpose of the FTCA? [section 18(2)] | | | | | | Recommendations | Minister's decisions |
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| | | | | 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 the 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)] | | |
| | <p>f. construction of residential dwellings and residential/commercial buildings</p> <p>g. structures within flood areas</p> <p>h. construction of roading and transport infrastructure</p> <p>i. construction of three waters services</p> <p>j. development of open space including landscaping and planting</p> <p>The Project includes an area at the North of the site which is flagged for the expansion of Maraenui Park, which has been requested by Napier City Council. The applicant has provided an alternative residential layout for this area in the event that the Council do not purchase the land for the park expansion.</p> <p>The Project requires subdivision and land use consents from Napier City Council and discharge permits from Hawkes Bay Regional Council.</p> <p>The applicant has advised that a small area of the site may have contaminant concentrations higher than allowed under the National Environmental Standards for Assessing and Managing Contaminants in Soil to Protect Human Health (NES-CS). The applicant has stated that more investigation will be undertaken prior to lodgement with the EPA and if necessary consent will be sought under the NES-CS.</p> | <p>We recommend information on funding be sought from the applicant.</p> | | | <p>that additional information on the Project's effects on Te Ao Māori cultural wellbeing be sought from the applicant.</p> <p>The applicant has not yet engaged with all relevant iwi authorities.</p> <p>We recommend that further information is sought on the applicant's plans to engage with iwi authorities (particularly in relation to cultural impact assessment) and whether they foresee any issues relating to this.</p> | <p>RMA processes will be sought from Napier City Council and Hawkes Bay Regional Council.</p> <p>As the application has a non-complying activity status there is a reasonable chance that it would be notified under the standard RMA consenting framework.</p> | <p>networks, and the development the Project is likely to require residents to rely on vehicle transport more heavily.</p> <p>We recommend that additional information be sought from the applicant on how the development will contribute to a low-emissions economy.</p> | <p>the tests in section 104D of the RMA.</p> <p>We recommend that an assessment of how the application meets the section 104D tests is sought from the applicant.</p> <p>We note that you do not require a full Assessment of Environmental Effects and supporting evidence to make a referral decision, and that a panel will consider the significance of effects should the Project be referred.</p> | <p>wider effects of raising this ground level.</p> <p>We recommend that additional information on flood hazard is sought from the applicant.</p> <p>The applicant states that Napier City Council has informed them that an expansion to Maraenui Park is necessary and the application has allocated land to allow for this. However, the Council has not provided a commitment to purchase the land to enable the Maraenui Park expansion. The applicant has provided an alternative subdivision scheme with an additional 64 residential units if the Maraenui Park expansion doesn't go ahead.</p> <p>The applicant notes that the site is subject to a Council Designation for the Cross Country Drain. The applicant states that this is incorrectly identified on the Council GIS as crossing the site, and that the site is not actually subject to the designation.</p> <p>We recommend that information on the extent of the Designation is sought from Napier City Council.</p> | <p>per year and how these will be allocated (e.g. planning, construction, retail)</p> <ul style="list-style-type: none"> • how the Project will be funded • how the Project will progress faster under the FTCA process than under the standard RMA process • how the Project contributes to well-functioning urban environments • analysis of flooding effects • analysis of Te Ao Māori cultural effects • economic analysis of commercial demand in this location • how the applicant sees the project passing the 'gateway' tests in section 104(d) of the RMA • whether additional consents would be required for delivery of housing on the balance lots • further information on plans to engage with the remaining iwi (particularly in relation to cultural impact assessment) and whether the applicant foresees any issues relating to this. <p>h. Sign the attached letters to Ministers listed in section 21(6) of the FTCA.</p> <p>i. Note that while awaiting these comments 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.</p> | Yes/No |

Signed:

Hon David Parker
Minister for the Environment

Date