

ENCLOSURE Q

Heretaunga Plains Urban Development Strategy 2017

2017



Heretaunga Plains Urban Development Strategy



ADOPTED in 2017 by:

Hastings District Council

Hawke's Bay Regional Council

Napier City Council

Heretaunga Plains Urban Development Strategy 2017

PREAMBLE

The Heretaunga Plains Urban Development Strategy 2017 ('HPUDS2017') was adopted by the three partner councils (i.e. Hastings District Council, Hawke's Bay Regional Council and Napier City Council) in early 2017. HPUDS2017 is a refreshed version of the original Strategy adopted in 2010, which has been the subject of a review process during 2016.

Much of the detailed context that was documented in the original 2010 HPUDS remains relevant to this day. For reasons of simplification and achieving a more succinct document, much of this context is not carried through into this HPUDS 2017 document.

For a full understanding of the context and the drivers for the Strategy, it is important to refer back to the original 2010 HPUDS document. However, if there is a conflict between the original 2010 Strategy and the 2017 Strategy, the most recent prevails.

NPS on Urban Development Capacity

In December 2016, the National Policy Statement on Urban Development Capacity ('NPSUDC') came into effect. The NPSUDC is a national policy statement prepared under the Resource Management Act 1991. The new NPSUDC will have an influence on the way urban development and development capacity is managed within the Heretaunga Plains sub-region over the short, medium and long terms.

Timing of the NPSUDC's release (just a few months after the hearings and recommendations had been completed following the 2016 HPUDS Review process) meant the 2016 HPUDS Review did not specifically consider implications of the [then soon to be] new NPSUDC. Those charged with overseeing implementation of HPUDS2017 (i.e. the joint council 'HPUDS Implementation Working Group') will need to bear in mind this new NPS.

***Te Wai Ora o Karamu
Te Ipu o Taraia
Te Wai U o te Muriwai Hau
Tihei Mauri Ora!***

This is just a first stage approach to the kaupapa before us but captures a cultural and historic perspective from the discussions and wananga held in the whare and houses of Ngati Hori in my time.



Te Whare Korero O Waipatu

Paraire Tomoana, composer of songs such as E Pari Ra, I Runga o Nga Puke and Pokarekare Ana also produced a monthly newspaper in the early 1900s called He Toa Takitini. In it he recited the Maori cosmogony of how Papatuanuku and Ranginui were separated by Tane and Tupai. Such was their grief at being parted that copious tears flowed from one to the other, the fears of Ranginui being, the Uamairangi, personification of the rains, while the tears of Papatuanuku upwards were the Haukunui, personification of the dews, mists and fogs. The creation of the waterways and so on were termed Te Arohanui o Ranginui me Papatuanuku. From this separation came the birth of new life with all sources of new life emanating from water. New life in a womb is surrounded by water, and then the water breaks preceding the new born baby. This is followed by the afterbirth which is called the Whenua.

The Ngati Hori Tikanga is that one cannot talk about lands or plains or whenua until one first considers the waters that give life and ongoing nourishment to those lands, that whenua. So water is intimately associated with Papatuanuku and is also referred to as the lifeblood of the Papatuanuku. And once that has been considered, then the people become important, not the other way round. We are descendants of that relationship; we belong to the waters and the lands and have an inter-generational duty of Tiaki or guardianship and care over them forever.



Heretaunga Haukunui - Heretaunga of the life-giving dews or waters.

This refers to the lifeblood that the rivers-awa, streams-manga, swamps-reporepo, lakes-roto; aquifers muriwai hou including the heavy mists-haukunui. This is what gives the Heretaunga Plains the fertility that is amongst the best growing lands on the planet. The tiakitanga that must be exercised over Heretaunga is one of ensuring the water quality endures at a premium level so that the benefits from the lands can be optimised providing the food that is second to none in the world, which is Ngati Hori's manaakitanga to the world that is the provision of the best hospitality to visitors.



Heretaunga Ararau - Heretaunga of Arcadian Pathways

Heretaunga of converging pathways of industry and diversity. This refers to the productivity from the Haukunui, which lends itself to great diversity and production from the lands of Heretaunga. The converging pathways are from all comers of the world where people have brought their talents and expertise to develop the best technology and science and from these methods have been able to export out to the four comers of the world. Heretaunga Ararau talks of diversity, challenge, continued new cross roads and thresholds, but mainly the bustling human activities that are created from the fertile soils.



Heretaunga Haro Te Kahu

Heretaunga the beauty of which can only be seen by a hawk in full flight. This is a statement of our kaitiakitanga as a hapu as iwi – the Kahu is us therefore it is our duty to protect the waterways, lands, and peoples to ensure that what the Kahu saw 1,000 years ago will still be able to be recognised in 1,000 years' time.



Heretaunga Takoto Noa - Heretaunga of the Departed Chiefs

Heretaunga heritage sets the scene for greater leadership over the challenges ahead. Prior to pakeha settlement it was considered a waste of resources to build a Pa on the plains as firstly it was difficult to defend and secondly it was an imposition on the bounty of Heretaunga - the food sources mainly tuna at that time and kumara cultivations. The plains was the common domain for all hapu although specific areas were the preserve of specific hapu or rangatira. Approximately 90% of all food collected was from Heretaunga waterways or bodies in the form of fish, water fowl, kaimoana and so on.

**Ngahiwi Tomoana
for Ngati Hori and Ngati Kahungunu (2010)**

MESSAGE: HERETAUNGA PLAINS URBAN DEVELOPMENT STRATEGY 2010

PARTNERS

Creating a strong and sustainable future for the Heretaunga Plains has been the focus of the Heretaunga Plains Urban Development Strategy development.

This Strategy looks out to 2045 and has been worked on jointly by the partner councils – Napier City Council, Hastings District Council and Hawke's Bay Regional Council – and by mana whenua. The New Zealand Transport Agency has been a strong supporter of and involved in its development.

The purpose of the Heretaunga Plains Urban Development Strategy is to assist, in a collaborative manner, the local authorities to plan and manage growth on the Heretaunga Plains while recognising the value of water and soil as a significant resource for ongoing food production and as a major contributor to the regional economy. One aim is to quantify the level of growth over the 30 year period, commencing from 2015, and how that growth is to be effectively managed through regulatory and infrastructure plans.

This Strategy takes a long-term approach to how we address the key issues facing the Heretaunga Plains in a more integrated way, and focuses on a preferred settlement pattern that will lead us to compact development. To get there we will include a transitional period which will gradually restrict urban development boundaries allowing for proper planning and design work.

This new approach means some changes in the current way growth is managed but we believe that long-term leadership and strong growth management leads to a more sustainable Heretaunga Plains.

Many factors are taken into account and social cohesion is one of these. In 30 years many things will add change that we cannot foresee and the strategy will be reviewed, ideally every five years, to incorporate current issues. The vision of the people will always be the basis. The Strategy has been through one review since HPUDS was adopted by the three Partner Councils in 2010.

The ongoing challenge for us all is to ensure we continue to talk and work together. Let us look forward, continue to work with our communities to create the kind of region we all love to live, work and play in. Many thanks to all of those who have had input into strategy development and review process and have made a contribution through the informal and formal consultation process. We look forward to your continued input during strategy implementation and future reviews.

Fenton Wilson

Chair: Hawke's Bay Regional Council



Bill Dalton

Mayor: Napier City Council



Lawrence Yule

Mayor: Hastings District Council



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EXECUTIVE SUMMARY

“The Ngati Hori Tikanga is that one cannot talk about lands or plains or whenua until one first considers the waters that give life and ongoing nourishment to those lands, that whenua. So water is intimately associated with Papatuanuku and is also referred to as the lifeblood of the Papatuanuku. And once that has been considered, then the people become important, not the other way round. We are descendants of that relationship, we belong to the waters and the lands and have an inter-generational duty of Tiaki or guardianship and care over them forever.”

Ngahiwi Tomoana
for Ngati Hori and Ngati Kahungunu.

The Heretaunga Plains is resource rich and the value of the water and soil resource to the economy and the wellbeing of the community has changed little over time. Ongoing growth in the residential and industrial sectors has led to increasing competition for the water and soil resources.

The Heretaunga Plains Urban Development Strategy (HPUDS) is a collaborative approach by the Hastings District Council, Napier City Council and Hawke's Bay Regional Council to plan for urban growth on the Plains for the period 2015-2045. HPUDS takes a long-term view of land-use and infrastructure, and is regularly reviewed to ensure it is kept up-to-date and relevant. The Strategy went through its first review cycle during 2016 and was adopted by the three partner councils in early 2017.

STRATEGY VISION

The Strategy Vision is as follows:

“In 2045, the Heretaunga Plains is a place where there are thriving communities, quality living environments with high levels of amenity, and where mana whenua values and aspirations are recognised and provided for, and where:

- a) There is a growing and resilient economy which promotes opportunities to live, work, play and invest.***
- b) The productive value of its soil and water resources are recognised and provided for, and sustainable use is promoted.***
- c) The urban centres of Napier and Hastings have distinct identities and provide complementary living, working and learning opportunities.***
- d) Community and physical infrastructure is integrated, sustainable and affordable.”***

KEY ASPECTS OF THE STRATEGY

The Strategy is based on a preferred settlement pattern of ‘compact design’¹ for the Heretaunga Plains. In particular, this recognises the community’s preference to maintain the versatile land of the Heretaunga Plains for production purposes.

The direction for growth through to 2045 relies on Napier and Hastings having defined growth areas and urban limits, with a need to balance increased intensification and higher densities close to the commercial nodes and higher amenity areas in the districts, against the provision of lifestyle choice.

Defined growth areas are a key element of the settlement pattern. They are more efficient and cost effective from an infrastructure and servicing point of view, and ensure land use and infrastructure can be co-ordinated, development well planned, and growth on the versatile land of the Heretaunga Plains avoided as much as possible.

Significant levels of increased density and intensification will occur under the compact development scenario. There are issues relating to public acceptance of moving quickly to more-dense living environments and in some cases potentially higher costs of funding intensification of existing areas and for these reasons a slow transition from the current approach through to a full compact settlement scenario has been adopted.

¹ Three growth scenarios were considered in the initial consultation on the Strategy in 2009, these were: the then current approach (no change), consolidation with growth off the plains, and compact development.

INTENSIFICATION

In the move towards more compact urban form for the Heretaunga Plains sub-region, an increasing proportion of the residential growth will need to take place through intensification, by redevelopment within existing residential and rural residential areas,

Development is expected to transition from current development allocation levels to the following by 2045:

- a) 60% intensification (10 – 20% intensification of brownfields)
- b) 35% greenfield
- c) 5% in rural areas.

The Strategy was also developed on the basis of achieving balanced supply between Napier and Hastings.

Density

In order to achieve the 'compact design' settlement pattern, and still accommodate projected growth, it is essential to increase the density of dwellings in existing settlements and greenfield growth areas within the Heretaunga Plains sub-region.

HPUDS aspires to achieve higher minimum net densities, where appropriate, within greenfield growth or intensification development areas, in a staged manner by 2045. This higher density aspiration is as follows:

- a) An average yield of 15 lots or dwellings per hectare in each greenfield growth area developed post 31 December 2015;
- b) An average yield of 20 lots or dwellings per hectare within each intensification development area.

RESIDENTIAL GREENFIELD GROWTH AREAS

The settlement pattern is made up of key residential greenfield growth areas that have been identified within Napier City and Hastings District. A key aspect of the compact design settlement pattern is defined urban areas. This allows for more cost effective and efficient servicing and creates definite boundaries between the urban and rural environments.

The following are the growth areas², and associated reserve areas, for the Heretaunga Plains sub-region to 2045³.



Napier:

- Bay View
- Parklands
- Park Island
- Riverbend / The Loop
- Te Awa
- Western Hills

Reserve Area(s):

- South Pirimai



Hastings:

- Brookvale Road / Romanes Drive
- Clive South
- Flaxmere
- Haumoana (south of East Road) / Te Awanga
- Howard Street (to Awahou Stream)
- Irongate / York
- Kaiapo Road
- Lyndhurst
- Lyndhurst Extension
- Maraekakaho settlement
- Middle Road / Iona / Havelock North hills (lower)
- Murdoch / Copeland
- Murdoch Road West
- Northwood
- Waimarama

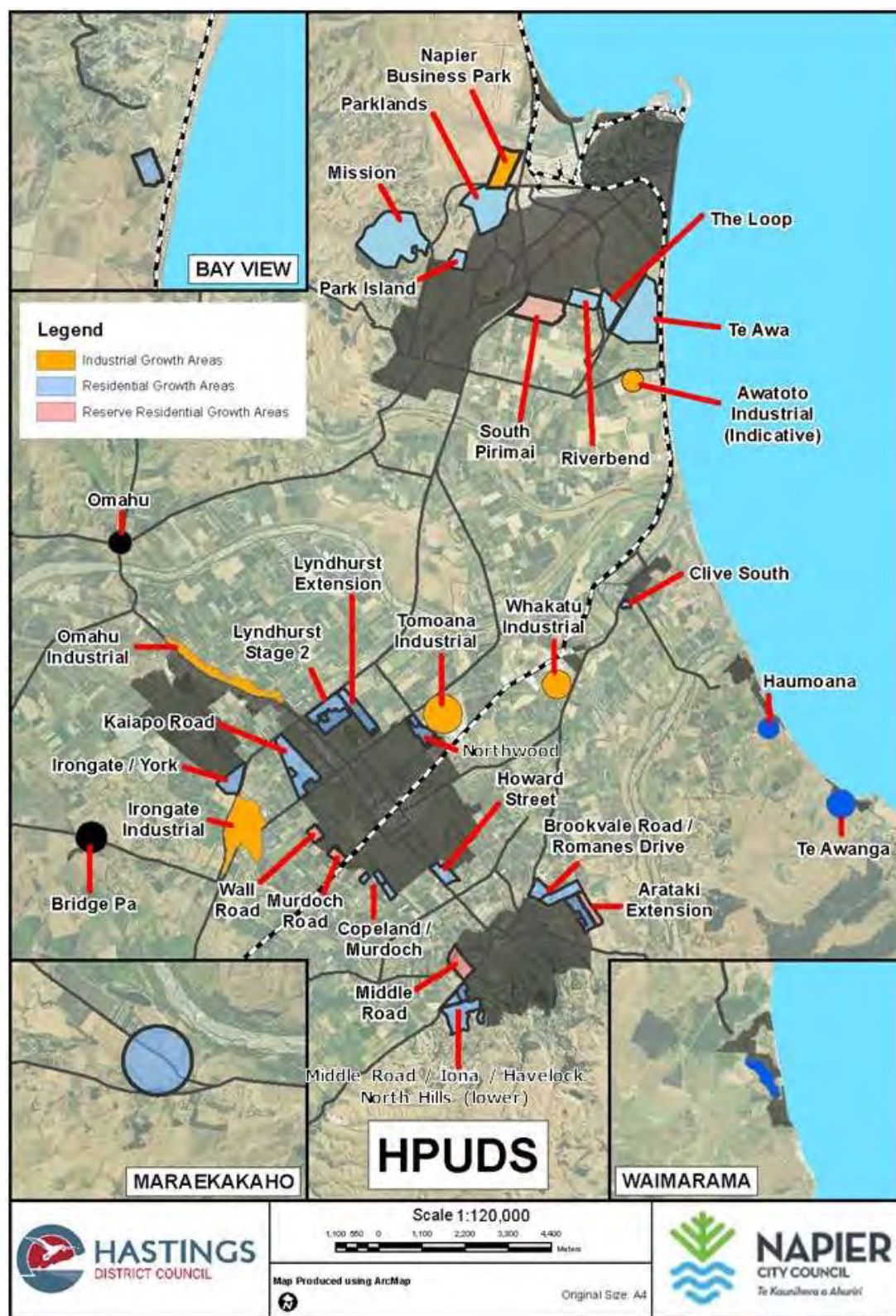
² Refer section 2.2.

³ Updated in response to 2016 HPUDS Review findings. 'Reserve areas' have been included in response to current and emerging issues with some of the identified greenfield growth areas, and will act as replacements for those, and may also be advanced if there is a rapid and significant change in growth demand, or retirement village needs cannot reasonably be met within the preferred greenfields areas.

Reserve Area(s):

- Arataki Extension
- Middle Road (in part)
- Murdoch Road
- Wall Road (in part)

Map 1: Heretaunga Plains Settlement Pattern 2017



IMPLEMENTATION, MONITORING AND REVIEW

The Heretaunga Plains Urban Development Strategy covers a thirty year timeframe between 2015 and 2045. It takes a long term approach to how we address the key issues facing the Heretaunga Plains, and is based on a number of assumptions about likely future development and infrastructure trends that will likely change over the next thirty years.

It is important that regular review of the information used (particularly in the forecasting of growth, funding of infrastructure etc. and the underlying assumptions) is undertaken, to ensure the strategy is kept up to date and relevant. The monitoring of the strategy, the demographic projections upon which it is based and projected against actual uptake rates, will continue to occur following each census, and this monitoring will feed into the 5-yearly HPUDS review cycle.

The success of HPUDS is in the long-term formal commitment to collaboration between the key agencies and authorities. Collaboration and liaison with government agencies will also ensure success. The 2010 Strategy outlined a number of recommended actions by the governing authorities in an implementation plan as part of the strategy. These actions will also be assessed during each 5 yearly HPUDS review cycle.

The first review of HPUDS took place in 2016, following the release of the 2013 Census results and projections, and is the basis for the revised HPUDS document. The strategy now consists of a simplified and more succinct document, with the implementation plan contained in a separate companion document. The implementation plan does not mirror the 2010 implementation plan as many of these actions have been progressed and, in many cases, completed.

The 2016 HPUDS Review is discussed in more detail below, and later in Section 4.3 of this document.

2016 REVIEW FINDINGS

The HPUDS Review findings generally confirm that the 2010 HPUDS assumptions and directions around urban growth remain sound. In essence, the outcome of the Review confirms that growth is able to be accommodated within the current HPUDS settlement pattern, and there is no significant change in the underlying assumptions that would necessitate a radical change to the overall settlement pattern.

While the updated projections showed a significant population increase over the 30-year period and an associated 30% increase in dwelling growth, largely as a result of adopting a medium to high projection scenario, the 2016 Review confirmed this increase is generally still able to be accommodated within the HPUDS identified growth areas and the infill growth projections, albeit with the inclusion of some expansion of greenfield growth options and the inclusion of reserve areas to accommodate immediate greenfields supply issues.

Of particular note however, is the increasing number of older people – especially those over the age of 75 (the usual starting age for entry to a retirement village). Forecasts for retirement sector housing demand based on existing uptake of retirement villages in the Strategy area points to the significant shift in age-profile over the next 30 years, and even further beyond, which sees the 65+, 75+ and 90+ age groups increasing by 94%, 172% and 286%, respectively.

The retirement sector analysis suggests retirement units will represent 30-40% of all future new-build housing in the Heretaunga Plains sub-region between now and 2045 (~3,340 of the total 9,960), with half of these (~1,770) likely in 'traditional' retirement villages. The average size of existing villages of this kind, in the Strategy area, is about 6.25ha. Sites of this size are only likely to be found on greenfield land. The likely future trend toward increasing numbers of retirement villages, and toward compact retirement housing in general, suggests a need to reflect on future housing density rules and ways in which greater densities can be achieved without compromising (and ideally enhancing) the urban living environment.

If retirement housing (with associated higher housing densities) becomes an increasingly significant factor in the overall housing market it is possible that current predictions for the amount of land required for future housing development in the HPUDS study area could be reduced. It is, however, a complex balance. On the one hand, retirement housing generally requires less land for the same number of housing units. On the other hand, unless inner city retirement apartment housing becomes popular in Hawke's Bay, it is likely that the vast majority of future retirement village development will occur on greenfield land.

Following further analysis of potential uptake of rural residential/lifestyle development opportunities, the 2016 HPUDS review concluded that sufficient supply should be available to meet the demand of 850 rural lifestyle living lots over the period of the Strategy (2015 to 2045) – essentially concurring with the original findings.

In responding to immediate greenfields supply availability issues to 2025, the 2016 HPUDS Review confirms the replacement of Arataki Extension with Brookvale, and inclusion of additional 'reserve' growth areas, as follows:

- a) Arataki Extension (with the intention that this area may be reintroduced (e.g. as part of any HPUDS Review process in the future) as a greenfield growth area ahead of other growth areas, should the odour and reverse sensitivity issues due to proximity of the mushroom farming operations, be overcome)
- b) South Pirimai
- c) Middle Road (in part)
- d) Murdoch Road
- e) Wall Road (in part)

Reserve areas will act as replacements, and may also be advanced if there is a rapid and significant change in growth demand, or retirement village needs cannot reasonably be met within the preferred greenfields areas. It is not deemed necessary to have 'reserve growth areas' for every identified greenfield growth location in HPUDS, but it is prudent to have them available for the main urban areas of Napier City and Hastings District. Part of the Romanes Drive area was originally suggested as a reserve area option for Havelock North, but it has instead been enlarged and included as a development area extension to Brookvale Road to help meet concerns about whether supply is sufficiently matched to demand preferences for Havelock North and to help cater for retirement village development in particular. Together with the enlargement of the greenfields development node in Napier's Western Hills, this increase in greenfields supply is likely to be reflected in a slower transition to intensification over the earlier parts the 30 year strategy implementation. The housing allocation targets have been adjusted slightly as a result.

In addition, two areas identified in the 'Inappropriate Areas for development' list in HPUDS have had some of the issues that might preclude development addressed since the adoption of HPUDS in 2010. These are:

- a) Clive South (an area off the end of Read Crescent between SH2 and Muddy Creek); and
- b) Whirinaki.

Both were originally identified as inappropriate areas because of servicing issues. The Whirinaki area also has potential issues in respect of reverse sensitivity. The 2016 HPUDS Review concludes that both areas warrant removal from the 'inappropriate' list, however only the smaller South Clive area warranted inclusion as a greenfield growth area (or reserve areas) in HPUDS. It is noted that removing an area from the 'inappropriate' list doesn't suggest that it is necessarily appropriate for greenfield development. That would still require further assessment.

In terms of industrial land, the 2016 HPUDS Review concludes that, while acknowledging the difficulties in delivering market ready industrial land, there would appear to be sufficient short to medium term supply (and even long term supply) either available or in the planning process, particularly with the re-development of existing stock, and current (2016) plan changes to rezone additional land in the Omaha and Irongate industrial areas in Hastings.

1. HERETAUNGA PLAINS URBAN DEVELOPMENT STRATEGY

1.1. BACKGROUND

The Heretaunga Plains Urban Development Strategy (HPUDS) is a joint initiative by the Hastings District Council, Napier City Council and Hawke's Bay Regional Council to plan collectively, and in a collaborative way, for long term urban growth on the Heretaunga Plains.

HPUDS was adopted by all three Councils in August 2010 and covers a thirty-year timeframe between 2015 and 2045. The Strategy remains a living document. The Strategy takes a long term approach to addressing the key issues facing the Heretaunga Plains, in particular seeking to achieve a 'compact design' settlement pattern which limits encroachment onto the versatile land of the Heretaunga Plains and encourages strategic integration of land use and infrastructure.

Implementation of the Strategy has commenced, with a number of the actions contained in the Implementation Plan being progressed, or in many cases completed. Of particular note, is the insertion of Chapter 3.1B Managing the Built Environment into the RPS⁴ which specifically embeds the principles of HPUDS into regional policy. Both Napier City Council and Hastings District Council have also amended their District Plans⁵ to ensure consistency with HPUDS and Chapter 3.1B of the RPS. HPUDS is also progressively guiding Councils' long term plans (LTPs), the Regional Land Transport Strategy, and infrastructure development planning (including both policy and social infrastructure networks).

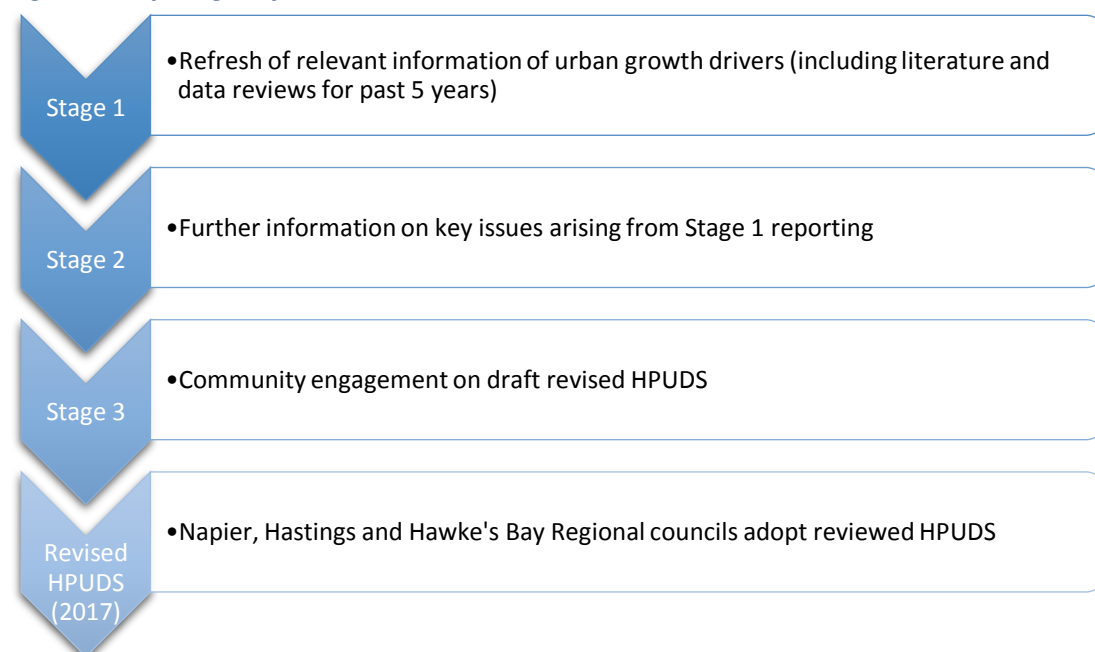
The development and ongoing implementation and review of HPUDS is documented on its own dedicated website www.hpuds.co.nz.

1.2. THE 2016 HPUDS REVIEW

The first review of HPUDS took place in 2016, following the release of the 2013 Census results and projections. The 2016 Review revolved largely around the urban growth aspects of the strategy, taking into account a range of local and national factors influencing the Strategy's implementation since 2010.

This revised Strategy document is the result of the first 5-year stocktake of HPUDS. It reflects updated data on population and household growth and future projections, and market trends and preferences. The review process is outlined in Figure 1 below:

Figure 1: Key Stages of the 2016 HPUDS Review



⁴ Change 4 to the Hawke's Bay Regional Policy Statement (operative 2014)

⁵ Plan Change 10 to the City of Napier District Plan and through the recent Hastings District Plan Review.

It should be noted that the original 2010 HPUDS contains much of the detailed context that remains relevant to this day. For reasons of simplification and achieving a more succinct document, much of this context is not carried through into the HPUDS2017 document.



For a full understanding of the context and the drivers for the Strategy, it is important to refer back to the original 2010 HPUDS document.

However, if there is a conflict between the original 2010 Strategy and the 2017 Strategy, the most recent prevails.

1.3. STRATEGY AREA

The Heretaunga Plains covers an area which embraces Waipatiki to the North, Waimarama to the South, Maraekakaho to the west and the Pacific Coast to the East as detailed in Map 2. The boundaries of the strategy area were established to coincide with transport considerations, encompassing the Heretaunga Plains Transportation Study.

The area includes the small rural settlements on the fringes such as Maraekakaho, Puketapu, and Paki Paki. The coastal settlements of Waimarama, Ocean Beach, Te Awanga and Haumoana also fall into the strategy area as does Waipatiki on the northern boundary.

It was recognised at the time when HPUDS was first developed, that while Central Hawke's Bay and Wairoa sit outside the strategy area, there are a number of people who live in these areas and work within the Heretaunga Plains or vice versa.

Map 2: Heretaunga Plains Sub-Region



1.4. PURPOSE AND SCOPE

The purpose of the Strategy is to assist local authorities to plan and manage growth in the Heretaunga Plains sub-region while recognising the value of soil and water as a significant resource for ongoing food production and as a major contributor to the Region's economy. HPUDS provides a comprehensive, integrated and effective growth management strategy for the Heretaunga Plains. It takes a long-term view of land-use and infrastructure, and the integration required for such a strategy will also be useful to seek funding from government or other agencies.

Each of the partner councils has made a commitment to the development and implementation of the Strategy and the way growth will be managed across the Heretaunga Plains for the 30 years from 2015 to 2045. The partner councils have always acknowledged that this Strategy will need to adapt and take into account changing circumstances over the 30-year timeframe. The Strategy is part of a process of working together for each of the partners, and relies on strong and integrated strategies, policies and processes that manage the future growth of the Heretaunga Plains, together with effective leadership in a collaborative manner.

1.5. STRATEGY VISION

The Vision provides a focus on matters to be addressed as part of the Strategy and what is to be achieved by implementation of the strategy.

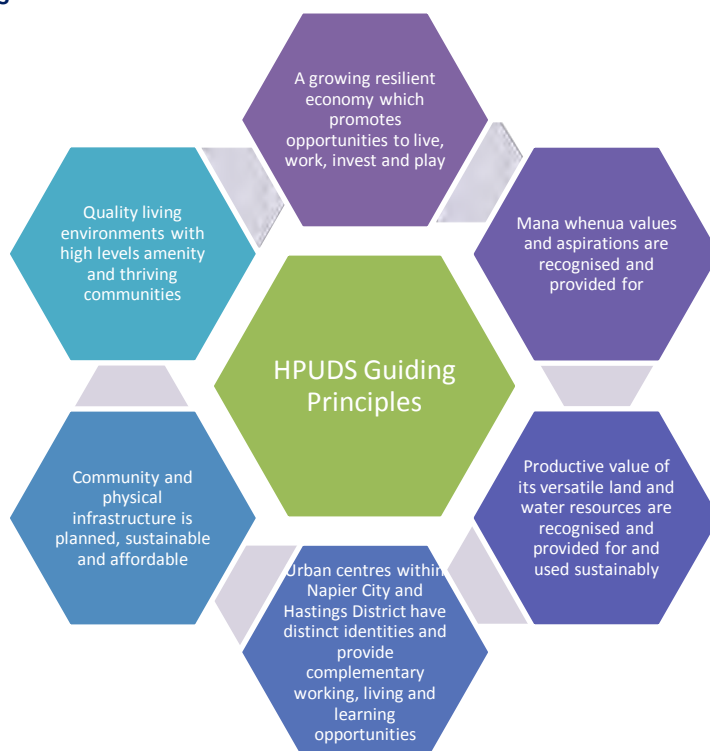
"In 2045, the Heretaunga Plains is a place where there are thriving communities, quality living environments with high levels of amenity, and where mana whenua values and aspirations are recognised and provided for, and where:

- a) There is a growing and resilient economy which promotes opportunities to live, work, play and invest.***
- b) The productive value of its soil and water resources are recognised and provided for, and sustainable use is promoted.***
- c) The urban centres of Napier and Hastings have distinct identities and provide complementary living, working and learning opportunities.***
- d) Community and physical infrastructure is integrated, sustainable and affordable."***

1.6. GUIDING PRINCIPLES

HPUDS focuses on how the Heretaunga Plains should develop and encourage growth in the future. Figure 2 below summarises the key guiding principles that underpin the Strategy:

Figure 2: Key Principles



The principles support achievement of the Strategy Vision and its ongoing implementation, and are further expanded below:



Quality Living Environments with High Levels of Amenity and Thriving Communities

- a) Ensure that the settlement pattern avoids sensitive natural environments, (streams, wetlands, lakes, and rivers) and significant landscapes, and versatile land for productive purposes.
- b) Ensure development is directed away from potential and known hazard areas.
- c) Maintain, enhance and create important ecological areas for the protection and enhancement of indigenous biodiversity.
- d) A range of densities in new residential development and more intensive redevelopment of existing urban areas that will continue to meet amenity values.
- e) Provide housing and lifestyle choice within defined locations with greater emphasis on good urban design outcomes as well as recognising an ageing population.
- f) Maintain and enhance the cultural and heritage values of the Heretaunga Plains.
- g) Maintain the separation of defined urban areas by green and open space.
- h) Recognise that the amenity of the Plains environment is characterised by the openness to the sky, and significant landscapes including skylines clear of development.
- i) Recognise and provide for the growth of towns and communities within agreed urban limits.
- j) Provide for development of marae settlements, including associated amenities for employment, education, sports and leisure.
- k) Provide for Papakāinga development on Maori owned land recognising the aspirations of local hapu.
- l) Promote partnerships (government, local government and community) to assist in the delivery of a range of housing choices
- m) Ensure that collaborative implementation arrangements are in place for effective strategy governance and implementation.
- n) Ensure that the Strategy is integrated into the partners' and other implementation agencies' policy documents and plans.
- o) Encourage the partners to be advocates for HPUDS to central government and other implementation agencies.
- p) Encourage the community to have the opportunity to participate in key implementation actions and initiatives.



A Growing and Resilient Economy which Promotes Opportunities to Live, Work, Invest, and Play

- a) Encourage investment to grow the Heretaunga Plains economy and opportunities for wealth creation.
- b) Recognise opportunities to utilise the versatile land resource of the Heretaunga Plains for production while minimising the loss of versatile land for productive purposes to urban development.
- c) Recognition of the significance of the land based economy and encourage its further development.



Mana Whenua Values and Aspirations are Recognised and Provided For

- a) Ensure that the aspirations, and responsibilities and the place of mana whenua are reflected and incorporated in strategy governance and implementation.
- b) Recognise the unique relationship that mana whenua have with the land, waterways and other people (manaakitanga)



Productive Value of its Land and Water Resources are Recognised and Provided for and Used Sustainably

- a) Recognise versatile land for productive purposes through minimising the need for urban development on such land and providing for rural lifestyle development in other locations.
- b) Ensure that the allocation and use of the water resource is efficient and sustainable.
- c) Protect the Heretaunga Plains aquifer system.
- d) Protect and enhance the water quality of streams, rivers, lakes and wetlands.



Urban Centres within Napier City and Hastings District have Distinct Identities and Provide Complementary Working, Living and Learning Opportunities

- a) Ensure a cohesive commercial and retail strategy is maintained which recognises existing infrastructural and building investment, the social and cultural fabric of the existing CBD's, commercial and industrial centres, towns and communities within the Heretaunga Plains, so these places are vibrant and valued.
- b) Ensure there is choice in the supply and location of residential living, commercial and industrial opportunities.
- c) Encourage the enhanced provision of local tertiary education delivery and opportunities.



Community and Physical Infrastructure is Planned, Sustainable and Affordable

- a) Recognise the development potential of existing settlements where it is possible to extend or provide infrastructure.
- b) Protect existing and future infrastructure and transport corridors from development that could constrain or compromise the efficiency of infrastructure and transport corridor operation.
- c) Ensure development supports efficient transport infrastructure, including public transport provision and reduced dependence on motor vehicles.
- d) Avoid duplication of large scale community facilities and services.
- e) Recognise the potential effects of climate change.
- f) Promote communities with services and amenities to reduce reliance on transport.
- g) Promote the successful delivery of social infrastructure such as new schools and affordable housing.
- h) Ensure that infrastructure servicing development is integrated with existing networks.
- i) Ensure the development of telecommunication initiatives that support people, living, working, and learning in the Heretaunga Plains.

1.7. LEADERSHIP, PARTNERSHIP & COLLABORATION

HPUDS is administered and implemented by the partner Councils in collaboration with mana whenua, and with the support of various other agencies and stakeholders. Successful implementation of the Strategy is directly related to the quality of the working relationships between the partners. It is essential that there is a long term formal commitment to collaboration between the key implementation agencies. Ongoing collaboration and liaison with government agencies is also key to its ongoing success.

Governance and leadership on growth issues must be implemented through the management structures and systems of the partner agencies. Each organisation has its own way of working and organisational culture. The aim was always to provide for efficient, effective joint delivery of outcomes while maintaining the strength that diversity brings. The approach for this Strategy is a voluntary, co-operative approach built on understanding, agreement and commitment.

On this basis, a Memorandum of Agreement (MOA) signed by the partner Councils and mana whenua in 2010, established the principles and approach to implementation, monitoring and review between the parties in order to facilitate co-operation, collaboration and co-ordination of growth management responsibilities across the Heretaunga Plains. This MOA represents the foundation commitment by all the signatory parties to endorse and support the aims of the Strategy, and details their individual and collective responsibilities in this regard. The partners remain committed to this Agreement.

Following adoption of HPUDS, a Working Group was formed to oversee its implementation. The HPUDS Working Group includes representatives from Hastings District Council, Napier City Council, and Hawke's Bay Regional Council. The Working Group is supported by a Technical Advisory Group (TAG) of senior staff from each of the three councils. This commitment is ongoing, for the length of the Strategy period.

1.8. VALUES AND EXPECTATIONS

The Strategy aims to address a range of values and expectations, including

- a) Choice in where you live
- b) Protection of land resources for production
- c) An adaptive and innovative approach over time in dealing with growth management issues
- d) Regarding growth as making a positive contribution to the Heretaunga Plains community and maximising its benefit for the greater community good.
- e) Giving effect to the unique relationship that mana whenua have with their land waterways and other people
- f) Better management of rural residential development, its location and nature.
- g) Need for efficient and effective transport corridors which provide for a range of transport modes to operate.
- h) Protection of natural landscapes and views of the skyline.

1.9. STATUS OF THE STRATEGY

HPUDS is a broad scale, long-term, integrated land-use and infrastructure strategy prepared under the framework of the Local Government Act 2002. It is used as a guide for the future development of the Heretaunga Plains. HPUDS provides an overall framework for aligning the plans and strategies of organisations that deal with growth, along with other local and central government agencies.

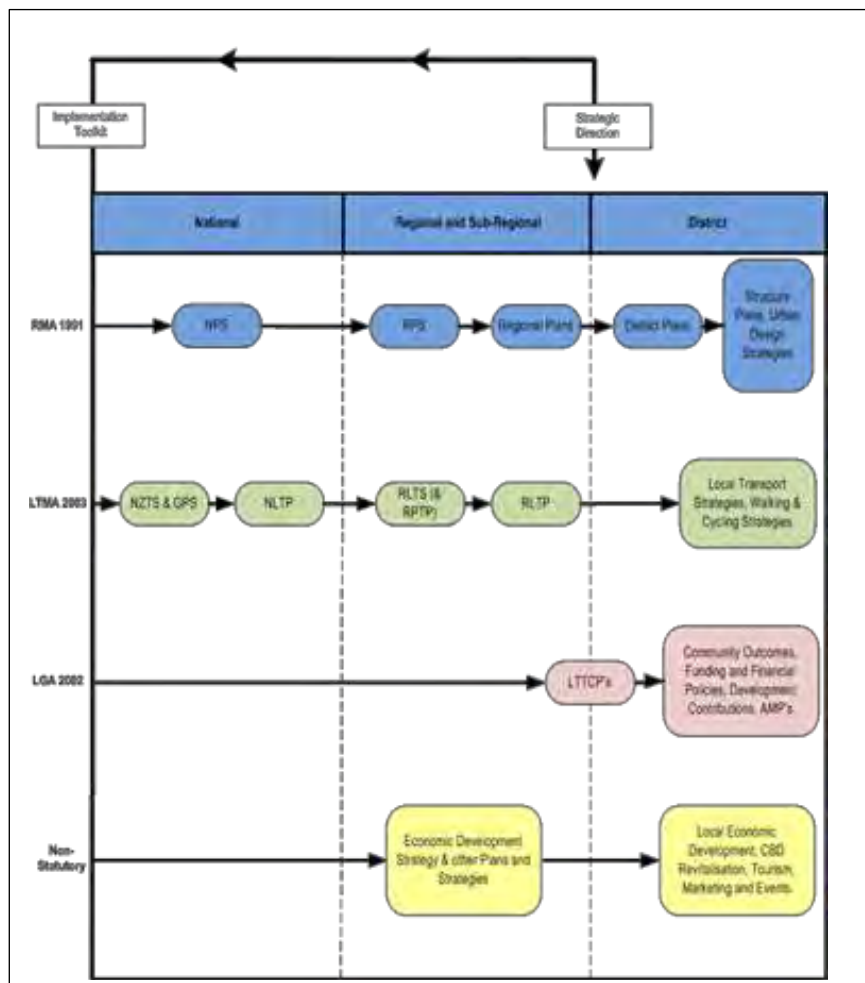
The Strategy is being implemented through tools such as the Regional Policy Statement, the Regional Land Transport Strategy and the Regional Land Transport Programme, the Regional Public Transport Plan, Long Term Plans, district plans, and other partner plans and strategies, including economic development strategies such as REDS⁶. Implementation is supported by the Heretaunga Plains Partners, Central Government and other applicable agencies.

As a strategy partner, mana whenua treaty settlements, programmes, plans and strategies will also both influence, and be influenced by, HPUDS.

Therefore, HPUDS cannot be seen as a strategy that stands alone; it is a key component of a range of programmes and plans aimed at achieving a more sustainable area over the next 30 years, and does not operate in isolation. It cannot be regarded as a 'one-stop-shop' strategy for everything regarding urban development and infrastructure within the Heretaunga Plains sub-region. For example, HPUDS needs to co-exist alongside other strategies for infrastructure, biodiversity, freshwater management, natural hazards and so on.

⁶ HBRC's Regional Economic Development Strategy

Figure 3: Relationship of the HPUDS to the Statutory and Non-Statutory Documents and Processes of the Strategy Partners



1.10. MONITORING AND REVIEW

Monitoring the implementation of HPUDS is a key activity to gauge its effectiveness and to determine whether, over time, there needs to be a review or a change in particular actions or approaches.

The preferred settlement pattern for future growth in the Heretaunga Plains sub-region is based on certain assumptions about likely future development trends and requirements in the Heretaunga Plains sub-region. It is important that there is a regular review of the information used, particularly in the forecasting of growth, funding of infrastructure and assumptions to ensure the Strategy is kept up to date and relevant.

The partner Councils have agreed to review the Strategy every 5 years after the results of the national census are available. In addition, if there is a substantial change affecting the assumptions that underlie the Strategy, then a review of the Strategy actions can commence at the discretion of the Strategy partners.

Some matters which might prompt a review of the Strategy (outside of the regular 5-yearly reviews) could include:

- Household and/or population growth varies by more than 10% over 5 consecutive years from the household and population predictions in HPUDS; or
- HPUDS partners agree that insufficient land exists within the identified greenfield growth areas to cater for household and business growth anticipated within 10 years of the analysis; or
- HPUDS partners agree that exceptional circumstances have arisen such that a review is necessary to achieve the objectives around intensification, business land provision, and planned urban development in particular.

2. HERETAUNGA PLAINS SETTLEMENT PATTERN

The adopted settlement pattern in HPUDS is based on a compact development scenario which necessitates moving to a more compact approach to development over time.

In order to achieve compact development, the HPUDS settlement pattern identifies key growth areas consolidating around existing settlements. This is more efficient and cost effective from an infrastructure and servicing point of view. Defined urban limits are also a key element of the settlement pattern so that land use and infrastructure is coordinated, development is well planned, and encroachment onto the plains is avoided as much as possible.

That settlement pattern aims to:

- a) Avoid encroaching onto the versatile land of the Heretaunga Plains;
- b) Increase densities and intensification in suitable locations;
- c) Reduce the spread of both Napier and Hastings;
- d) Provide for a range of housing types; and
- e) Encourage walking, cycling and public transport as an alternative to the private motor vehicle.

Updated demographic and economic growth information arising from the various technical reports commissioned as part of the 2016 HPUDS Review, and current population data and future projections from the 2013 census, results in a significant population increase over the 30-year period and a 30% increase in dwelling growth⁷, than originally anticipated in 2010.

Further, targeted review of retirement sector housing demand to 2045, and of the supply of rural residential lifestyle sites against projected demand, has also resulted in small adjustments. The results of the review of demographic and economic growth assumptions impacting on the strategy area are summarised in Section 4 of this Strategy.

The 2016 HPUDS Review generally confirms that the key assumptions and directions around urban growth contained in the original 2010 HPUDS document remain sound. In essence, the outcome of the Review confirms that growth is generally able to be accommodated within the current HPUDS settlement pattern, and the Review has not identified any significant change in the underlying assumptions that would necessitate a radical change to the overall settlement pattern, albeit with the inclusion of some expansion of greenfield growth options and the inclusion of reserve areas to accommodate immediate greenfields supply issues.

2.1. SETTLEMENT PATTERN

2.1.1 *Key Elements of the Settlement Pattern*

The key elements of the settlement pattern are;

- a) Providing for an increase in households within a smaller land footprint.
- b) Ensuring that there are incentives to provide more intensive forms of housing.
- c) Providing the same housing choices in both Napier and Hastings to maintain a balanced market.
- d) Providing housing locations that make efficient use of servicing and transport infrastructure.

2.1.2 *Development Allocation*

An increasing proportion of the residential growth of the Heretaunga Plains sub-region is expected to take place through intensification, by redevelopment within existing residential areas, in the move towards more compact urban form for the Heretaunga Plains sub-region.

The following are the target development type allocations that were adopted for the Strategy:

- a) 60% intensification (10 – 20% intensification of brownfields)
- b) 35% greenfield
- c) 5% in rural areas.

⁷ Based on Statistics New Zealand medium/high growth projections

The following table outlines the expected transition from current development allocation levels to a 60% intensification, 35% greenfields and 5% rural distribution by 2045, reflecting the aging of the population and an increasing acceptance of compact housing forms as a desirable and viable housing option, but at a slower rate initially than was anticipated in 2010.

The Strategy was also developed on the basis of achieving a relatively balanced supply across Napier and Hastings.

Table 1: Additional Households for the Heretaunga Plains 2015 - 2045⁸

Type of Development	Current (2015) Development [%]	Proposed Additional Households [No.]			
		2015-2025	2025-2035	2035-2045	2015-2045
Intensification	[35]	40% [2140]	51% [1705]	60% [1150]	47% [4995]
Greenfields	[40]	50% [2670]	42% [1405]	35% [670]	45% [4745]
Rural Residential	[25]	10% [535]	7% [235]	5% [100]	8% [870]
Total	[100]	5345	3345	1920	10610

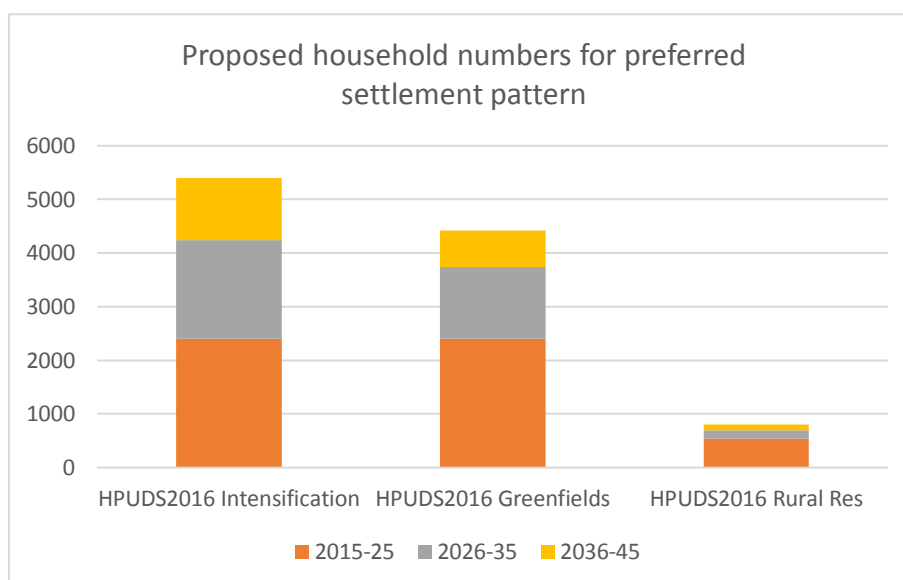
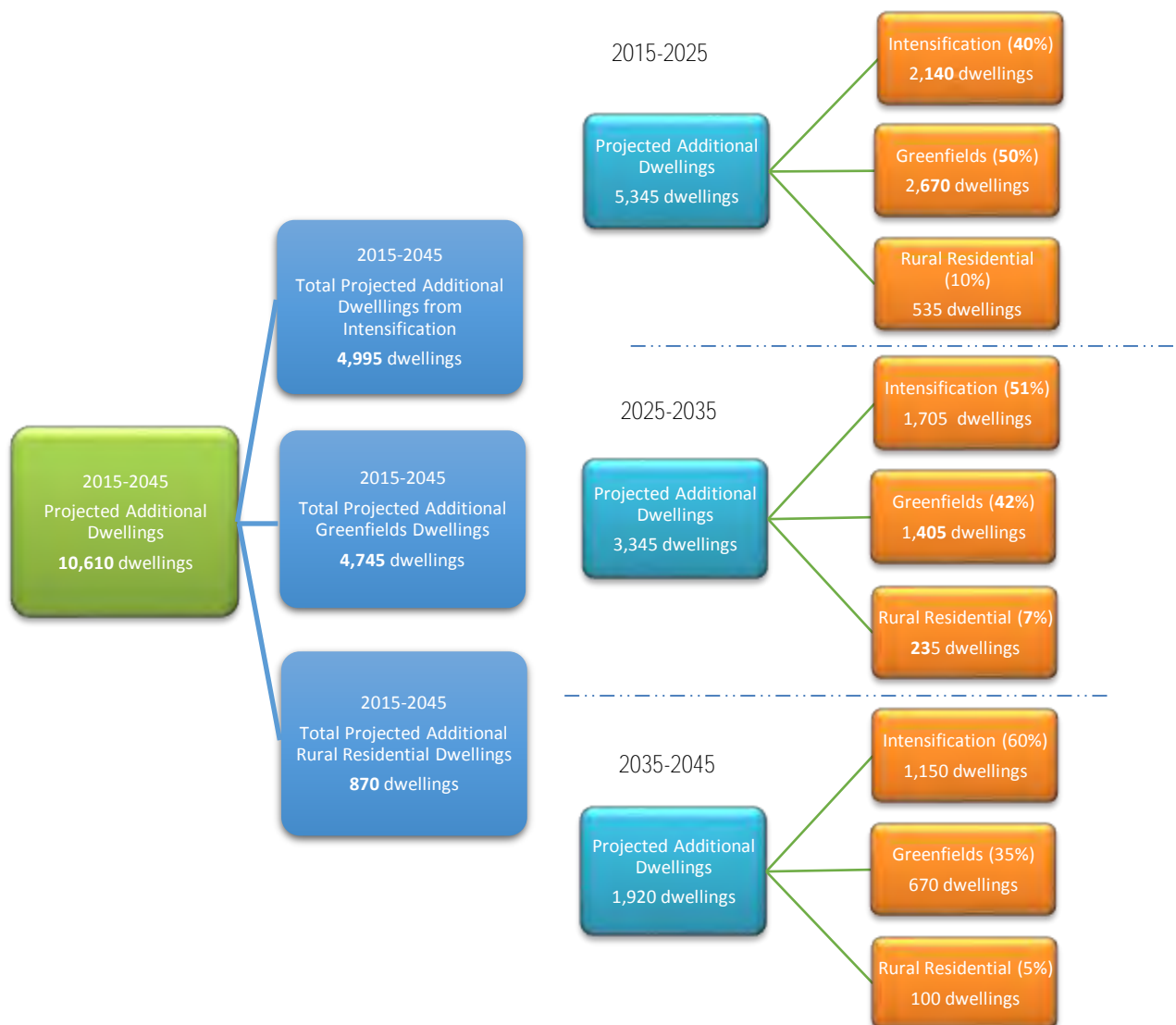


Figure 4 depicts the above data graphically, and identifies the total additional dwellings over the Strategy period to 2045 that are expected to be provided for through greenfield growth, intensification and rural residential.

⁸ During hearing of Submissions on the 2016 Review the Implementation Working Group added more land for greenfields development, particularly in the Napier Western Hills and around the Brookvale area in Havelock North. This reflects an expectation of a slower transition towards intensification during the earlier periods of the HPUDS timeframe than originally intended in 2010. The HPUDS targets have been therefore altered to reflect this change in expectations, while still allowing a buffer of supply to expected demand of 20% in the short term and 15% in the medium to long term as signalled in the National Policy Statement on Urban Development Capacity.

Figure 4: Household Growth Allocation



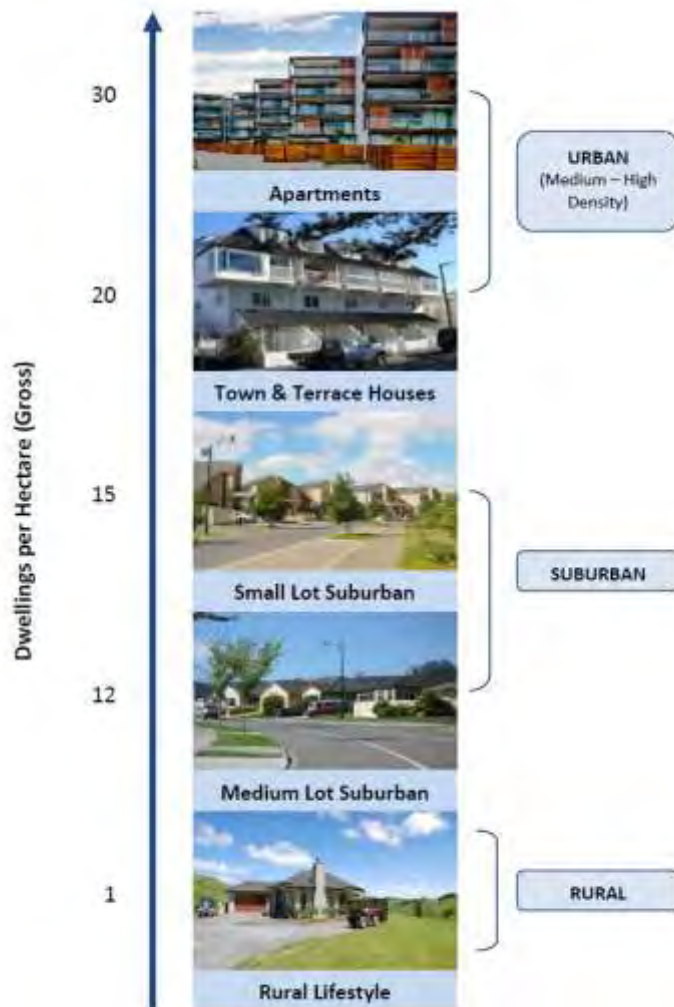
2.1.3 Density

To achieve the intensification targets above, the Strategy aspires to a general residential density target of 15 households per hectare for greenfields/suburban development, and 20-30 households per hectare for intensification areas by the end of the Strategy period.

Specifically, the Strategy aims to achieve the following minimum net densities, where appropriate, within greenfield growth or intensification development areas, in a staged manner by 2045:

- An average yield of 15 lots or dwellings per hectare in each greenfield growth area developed post 31 December 2015;
- An average yield of 20 lots or dwellings per hectare within each intensification development area.

Figure 5: Density Examples



There is acknowledgement that achievement of these densities may be constrained by various limiting factors, such as orientation, topography and geology, which may lead to areas achieving lower or higher density yields. The above densities are therefore targets which reflect the promotion of more intensive developments over time, as opposed to directing a minimum requirement that all developments must achieve from 2016.

A slow transition is essential to the success of HPUDS. HPUDS purposely leaves the mechanism of how and when to achieve density targets to the relevant territorial authority. This will ensure increased densities gain public and market acceptance, and enables territorial authorities to determine the speed at which intensification occurs and to develop appropriate design guidelines for influencing intensive development. Both are crucial in making compact housing a desirable and viable housing option in Hawke's Bay.

2.1.4 Key Assumptions

The key assumptions which underpin the settlement pattern were updated following the 2016 HPUDS Review to reflect the latest demographic and economic growth information (refer Section 4.3.2 of this Strategy), and are as follows:

- a) There will be slow but steady population increase to 2045.
- b) The total population growth for the Heretaunga Plains sub-region is projected to increase by 16,455 over 2015-2045 as a result of adopting a medium – high growth scenario, as well as more optimistic base projections and growth since 2009⁹.
- c) There will be a more rapid rate of household formation due to changing lifestyle patterns and decreasing housing size.

⁹ 'Heretaunga Plains Urban Development Strategy 2015-2045, Review of Base Demographic and Economic Growth Trends and Projections Since 2009', Economic Solutions Ltd (March 2016), paragraph 5.10.

- d) An additional 10,610 households will be needed over 2015-2045 adopting a medium – high growth scenario.
- e) The majority of the demand will come from the urban areas.
- f) The average number of persons per household was 2.55 in 2015, and is expected to fall to 2.38 in 2045.
- g) The population of the region is ageing. There is a significant shift in age-profile over the next 30 years, and even further beyond, which sees the 65+, 75+ and 90+ age groups increasing by 94%, 172% and 286% respectively.
- h) Projecting forward, about a third of all future new-build housing in the Heretaunga Plains sub-region between now and 2045 will be retirement units. About 1,770 (i.e. half) of the 3,340 future forecast retirement units will be in 'middle-to-upper end' villages (the classic 'retirement village').
- i) Increasing residential densities are an essential part of containing urban development.
- j) An adequate supply of zoned land will be maintained.
- k) Commercial demand will increase with population growth.
- l) An additional 225 hectares of industrial land is required by 2045. With 10 years considered the limit of meaningful industrial growth projections, the additional industrial land required over the 10-year period to 2026 is 64 hectares.
- m) Higher greenfield residential densities are achieved.
- n) Sufficient supply should be available to meet the demand of 850 rural lifestyle living lots over the period of the Strategy (2015 to 2045) – essentially concurring with the original findings.
- o) Growth emphasis is on the existing urban area of Napier and Hastings and town centres and nodes.
- p) Key transport projects are completed.
- q) Increased public transport, park and ride, walking and cycling in urban areas are provided.

2.1.5 Amendments to the Settlement Pattern

As a result of the 2016 HPUDS Review the Heretaunga Plains Settlement Pattern was amended and a new concept of 'reserve areas' was introduced to ensure that if an identified greenfield growth area could not be progressed following further detailed assessment, it could be easily and quickly replaced by similarly suitable 'back-ups'.

Brookvale Road was introduced as a short to medium term replacement for the Arataki Extension and the Arataki Extension¹⁰ was removed from the list of 2010 HPUDS greenfield growth and placed on the reserve areas list. A number of other 'reserve' growth areas were introduced to enable a ready supply response if other greenfield growth areas prove unviable or unable to meet their assumed capacity (e.g. if servicing cost issues affect the viability of Kaiapo Road in Hastings, and the completion of Te Awa in Napier).

An independent evaluation¹¹ was undertaken to assess the comparative suitability of the sites put forward as reserve areas. This was commissioned as part of the 2016 HPUDS Review, and supports the inclusion of the 'reserve' growth areas listed in Section 2.1.7.

Part of the Romanes Drive area was originally suggested as a reserve area option for Havelock North, but it has instead been enlarged and included as a development area extension to Brookvale Road to help meet concerns about whether supply is sufficiently matched to demand preferences for Havelock North and to help cater for retirement village development in particular.

In addition the Western Hills area of Napier has been expanded more in line with its potential for development for a comprehensive design led greenfield option with higher densities, rather than for rural residential.

¹⁰ Removed due to odour issues relating to its proximity to Te Mata Mushroom.

¹¹ 'Alternative Greenfield Sites and Review of the HPUDS Settlement Pattern', Opus International Consultants Ltd, May 2016.

2.1.6 Replacement Greenfield Growth Areas

In response to issues associated with progressing Arataki Extension, Hastings District Council assessed alternative greenfield growth areas resulting in a recommendation to promote Brookvale as a replacement.

The independent evaluation as part of the 2016 HPUDS review process, confirmed the replacement of Arataki Extension with Brookvale as appropriate, having regard to the growth area selection criteria in HPUDS (refer Section 3.2.1). As a result, Brookvale has been added to the Heretaunga Plains Settlement Pattern as a Greenfield Growth Area, and Arataki Extension has been removed.

The Arataki Extension has been placed on the reserve list should the mushroom farm odour reverse sensitivity issue preventing its delivery in the short to medium term be resolved. This recognises that apart from the odour issue, the Arataki Extension represents an attractive development option both in terms of the market, but also in terms of the HPUDS principles and greenfield selection criteria and is therefore otherwise appropriate for development as signalled in HPUDS 2010. It also demonstrates an ability to readily meet the structure planning criteria in the RPS.

For Arataki Extension to be progressed as a greenfield growth area in the future, it will need to replace another HPUDS greenfield growth area, unless growth projections exceed current projections.

2.1.7 Reserve Greenfield Growth Areas

A 'reserve' growth area approach was deemed an appropriate way of ensuring the necessary flexibility is secured to ensure adequate supply of new sites, while still avoiding difficulties associated with oversupply and ad hoc development contrary to HPUDS.

Reserve areas will act as replacements if any greenfield growth areas identified in HPUDS are deemed unviable for residential development, or in circumstances where the area is not able to be progressed in a timely fashion when required, or when other issues become insurmountable. These reserve areas may also be advanced if there is a rapid and significant change in growth demand.

It is not deemed necessary to have 'reserve growth areas' for every identified greenfield growth location in HPUDS, but is it prudent to have them available for the main urban areas of Napier City and Hastings District.

Areas evaluated and recommended as appropriate 'reserve' growth areas are as follows¹².



Napier:

- South Pirimai



Hastings:

- Arataki Extension
- Middle Road (in part)
- Murdoch Road
- Wall Road (in part)

2.1.8 Marae Based Settlement

As identified in 2010 HPUDS, the changing demographics of Maori over the period has considerable implications for housing needs. Corresponding with the national trend there is a marked increase in the 65 plus age cohort. Alongside this, and going against the national trend, is a significant growth in the 15-24 age group population.

Maori aspirations seek to provide for these housing needs and economic activity around the marae and on other Maori owned land. However, these areas are not serviced and the strategy has identified marae (Bridge Pa and Omahu) where the potential for servicing might be more practically achieved both from a physical and cost viewpoint.

As Marae Based Settlements Bridge Pa and Omahu represent but two locations where that may be appropriate for providing choice in the housing needs for Maori. Their identification and inclusion in the growth target allocations does not preclude development of other marae and Maori owned land, providing that they can independently meet the servicing requirements and the district plan provisions. Papakainga housing is not included within the quantities of projected housing demand and housing needs so is not limited by HPUDS. District Plans may need to consider Maori

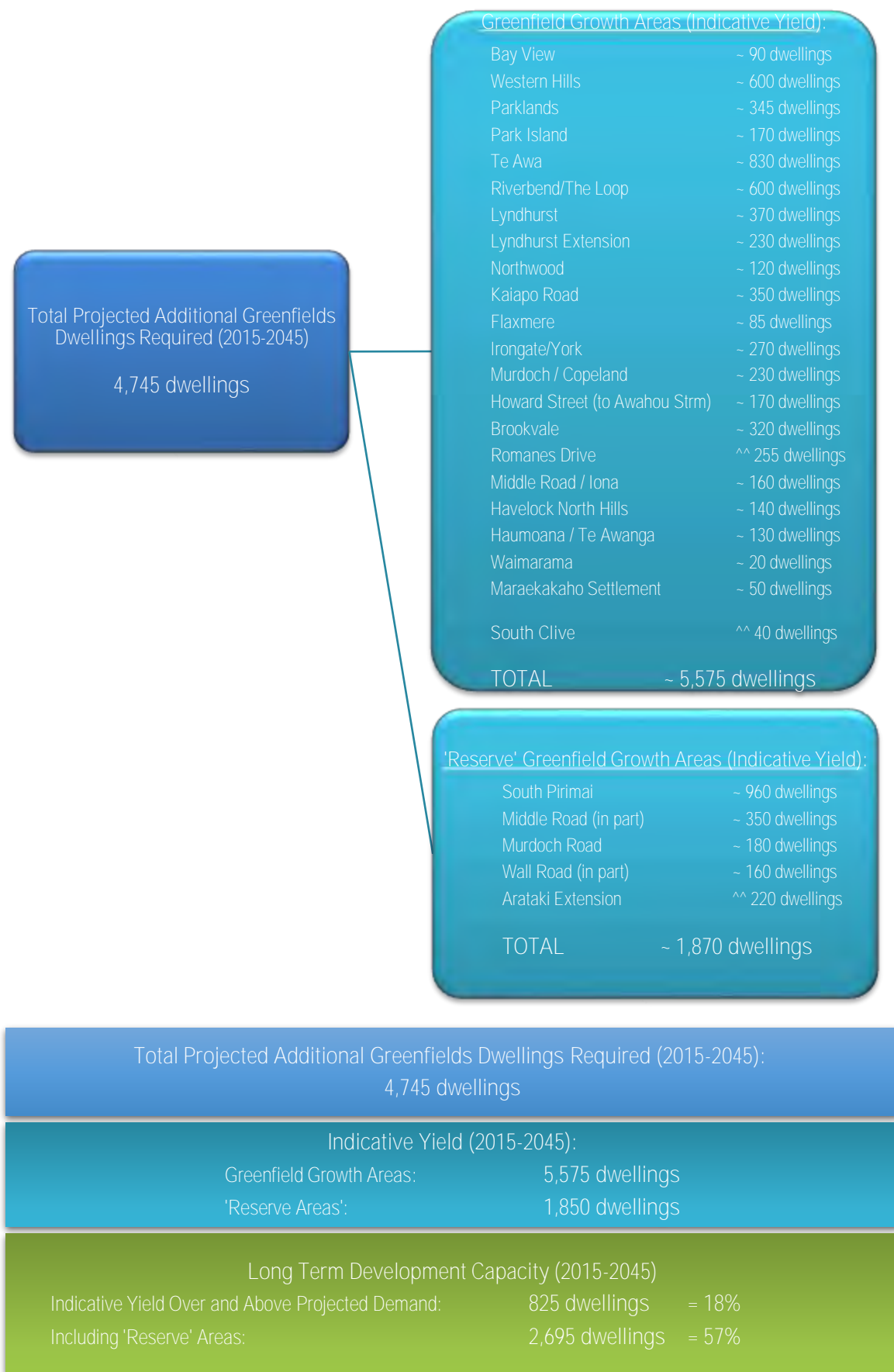
¹² 'Alternative Greenfield Sites and Review of the HPUDS Settlement Pattern', Opus International Consultants Ltd, May 2016.

aspirations in this regard. Indeed, in the period 2010 to 2015, multiple unit papakainga developments have been constructed in the Waipatu and Waiohiki areas.

2.1.9 Long Term Development Capacity

Figure 6 compares additional dwellings required for the Strategy period to 2045, against the indicative yields for the identified greenfield growth areas. This enables calculation of long term development capacity over the 30-year period, which is the indicative yield over and above projected demand. The indicative yield suggests there is an 18% capacity over and above projected demand, and 57% over and above projected demand when including the 'reserve areas'. It should be noted that the yields below are 'indicative only' and are subject to further refinement as part of future structure planning and formal District Plan Change processes, following further assessment.

Figure 6: Long Term Development Capacity



2.2. GROWTH AREAS

The HPUDS settlement pattern is made up of key growth areas that have been identified within Napier City and Hastings District. The settlement pattern out to 2045 will involve an increase in the number of households within a smaller land area. This is achieved by focusing development into the greenfield growth areas identified, and controlled intensification of the existing urban area in Napier and Hastings.

HPUDS 2010 identified areas suitable for the provision for growth, being:

- a) Bay View – low level growth to be sequenced when servicing issues resolved.
- b) Napier – intensification of existing residential environment 2015-2045 and some expansion in identified locations 2015-2045
- c) Western Hills - future greenfield growth area 2015-2045.
- d) Hastings City / Havelock North - intensification of existing residential environment and some expansion in identified locations 2015-2045.
- e) Havelock North Hills - future greenfield growth area 2015-2045
- f) Haumoana / Te Awanga – limited growth away from the coast and flooding hazards to provide for choice within coastal locations.
- g) Waimarama / Maraekakaho – low level growth when servicing issues resolved.

Refer to Section 4.3.4 for an overview on the various areas and the assessment undertaken for each growth option site.

Future growth options cannot be considered without direct reference to the servicing implications of that growth. There is an affordability issue to be considered as part of identifying future growth options. This is applicable both for greenfield development and intensification. While developers pay for a proportion of the servicing costs of new development through development levies, these costs must both meet the cost of servicing development but also be affordable for developers so as not to inhibit development.

Servicing costs have therefore been one of the assessment criteria for the growth areas identified in the strategy. It is also an important issue for the consideration of intensification. Intensification has the potential for considerable upgrade requirements of the existing infrastructure and these are costs that cannot be fully recouped from developers. Councils will be unable to afford to upgrade the infrastructure for intensification to happen everywhere. Intensification will therefore need to be targeted so that the costs to Councils are affordable.

2.2.1 *Greenfield Growth Area Characteristics*

Growth areas were selected on the basis of exhibiting the following characteristics:

- a) Soils are of lesser versatility, or
- b) Productive capacity is compromised by:
 - Size and shape of land parcels that mitigates against productive use
 - Surrounding landuses and reverse sensitivity
 - Lack of water/poor drainage
- c) Clear natural boundaries exist, or
- d) Logical urban edge greenbelts could be created, or
- e) Greenbelts could provide opportunities for walking and cycling connections, or
- f) Sites support compact urban form, can be serviced at reasonable cost and integrated with existing development.

2.2.2 *Greenfield Growth Areas*

Areas where future residential greenfield growth has been identified as appropriate sometime during the Strategy's 2015-2045 study period, are as follows:



Napier:

Location	Estimated Land Area (ha)
Bay View	~ 16
Parklands	~ 42
Park Island	~ 16
Riverbend / The Loop	~ 60
Te Awa	~ 100
Western Hills	~ 43 ¹³
Reserve Areas:	
- South Pirimai	~ (64)
Total	~ 277 ha (excl. 64ha Reserve Areas)



Hastings:

Location	Estimated Land Area (ha)
Brookvale Road / Romanes Drive	~ 36
Clive south	~ 4
Flaxmere	~ 9
Haumoana (south of East Road) / Te Awanga	~ 15
Howard Street (to Awahou Stream)	~ 18
Irongate / York	~ 27
Kaiapo Road	~ 73
Lyndhurst	~ 28
Lyndhurst Extension	~ 34
Maraekakaho settlement	~ 17
Middle Road / Iona / Havelock North hills (Lower)	~ 67
Murdoch / Copeland	~ 23
Murdoch Road West	~ 1
Northwood	~ 4
Waimarama	~ 11
Reserve Areas:	
- Arataki Extension	~ (16)
- Middle Road (in part)	~ (27)
- Murdoch Road	~ (11)
- Wall Road (in part)	~ (11)
Total	~ 367 ha (excl. 65ha Reserve Areas)

2.3. ALLOCATION OF BUSINESS LAND

Both Napier and Hastings Councils have implemented Commercial Strategies. Based on accepted population growth/floor area models there would be a need for additional land over the study period. However specific on the ground assessment that has been done as part of the commercial strategies and Large Format Retail plan changes signal that the allocation of additional Commercial land is not considered to be necessary within the strategy period as it is considered that this can be accommodated within the existing commercial environments.

¹³ A significantly larger area than 43ha is identified on the settlement pattern Map 3, with the larger area including land set aside for low impact stormwater treatment, and also including land that will be available for rural residential development below the 43ha of ridges and spurs that will accommodate full urban residential development.

As part of the 2016 HPUDS Review process, updated projections of the consumption of land by industrial activities within Hastings District and Napier City for the period from 2016 to 2025 inclusive was sought, and indicates around 64ha is likely to be consumed over the 10-year period to 2026, with an average projected uptake of 1.6ha and 5.2ha per annum for Napier and Hastings, respectively. Ten years is considered the limit of meaningful industrial growth projections¹⁴.

Napier is in the process of implementing its Business Park which will provide for technology industries. Possible further expansion of the Awatoto Industrial Zone along its western boundary may be a future option provided major road upgrading is undertaken including a road link between Awatoto and the Meeanee Overpass and Hawkes' Bay Expressway, appropriate engineering solutions are developed and funded to resolve flooding and stormwater issues, and all other potential effects are satisfactorily addressed. Hastings capacity identifies it as being the logical choice for wet industry, and zone expansions for dry industry are currently (2016) underway at Irongate and Omahu Road.

Industrial development within Napier is somewhat constrained and the expansion outlined in the Hastings Strategy is likely to meet the majority of the development needs on the Heretaunga Plains. However, some of the expansion will conflict with recognised versatile land values, particularly the Tomoana/Whakatu expansion. This is an issue that will require careful consideration as much of the infrastructure that is suited to 'wet industry' is already in place in these areas. There has been a developing trend for processing industries to want to locate within the rural areas and it is more appropriate that this industry should locate in established industrial zones. This would offset to some degree the effect of industrial zones on the soil resource.

Issues with high servicing costs in the Omahu and Irongate Industrial areas have resulted in these areas being revised. The outcome has been to rezone larger areas in association with a change in approach to stormwater servicing. This has resulted in significant areas of land resource becoming available for dry and service industries in these locations.

There is the possibility that a Business Park may be developed within the Airport Zone at some stage in the future. However, any such development would need to demonstrate that it is an appropriate form of development in that location, that all relevant infrastructural servicing issues can be resolved and all other potential effects are satisfactorily addressed as part of normal RMA processes.

The table below indicates the industrial areas, their capacity, timing and potential activities. This is deemed sufficient to cater for growth needs out to 2045.

Table 2: Business Land Staging 2015-2045

Location	Capacity (ha)	Timing	Potential Activities
Napier Business Park – north of Prebensen Drive and west of the Hawke's Bay Expressway	30	2009 -	Technology
Napier – Redevelopment of existing sites and Awatoto area	36	2009-	Service Industry
Irongate	99.5	2015 -	Dry Industry
Omahu Road	56	2015 -	Service Industry
Tomoana / Whakatu	60	After Whakatu full	Wet Industry
Total¹	281.5 ha		

¹ This is approximately 56.5 hectares more than projected demand for the 30-year period, and four times the projected demand over the next 10 years. At the average projected uptake rate, this represents around 40-45 years supply.

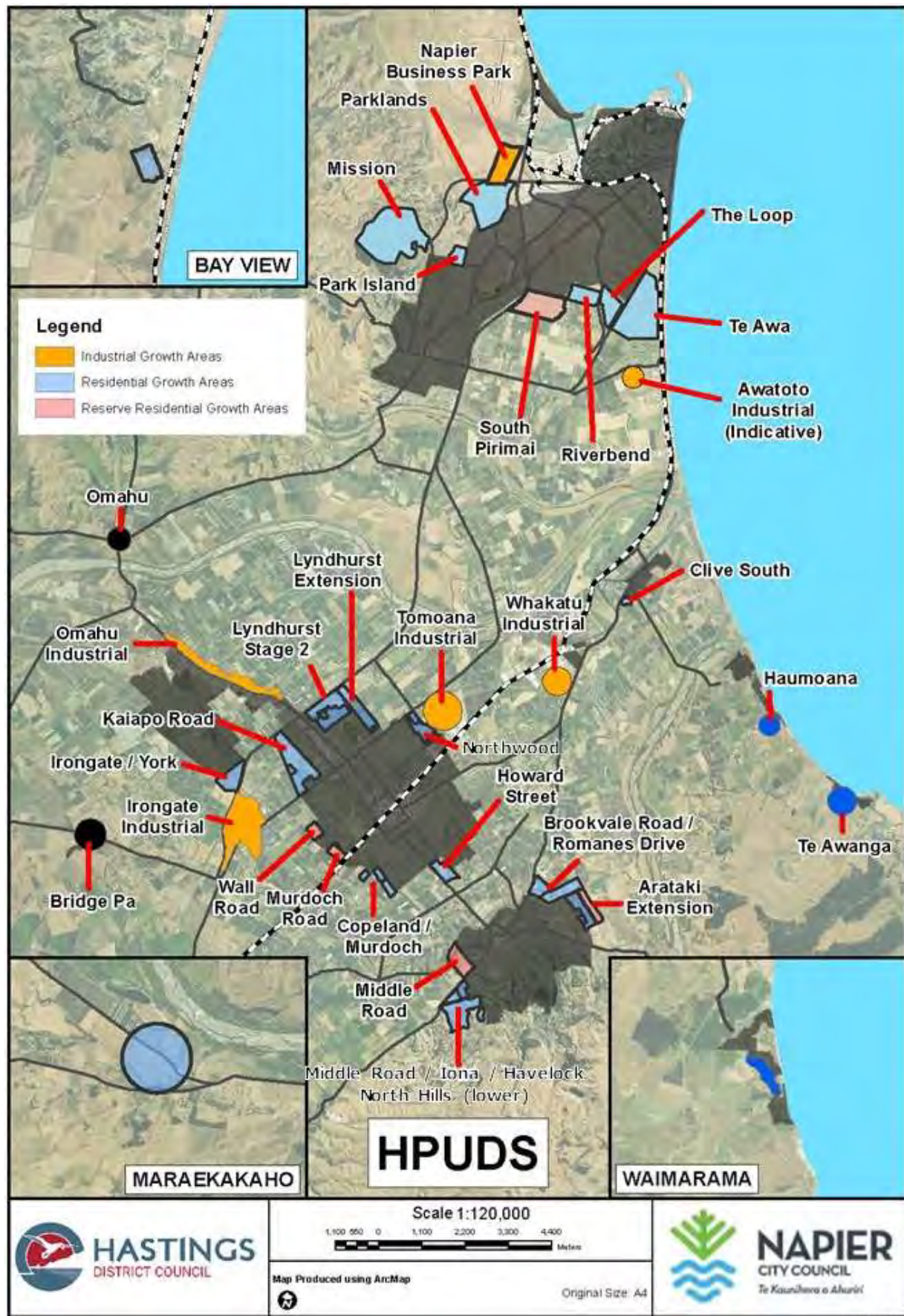
2.4. HERETAUNGA PLAINS SETTLEMENT PATTERN MAP

Map 3 shows the indicative greenfield growth areas, and reserve greenfield growth areas, for the Heretaunga Plains sub-region to 2045.

Detailed maps of the indicative extent of the individual growth areas are in Section 5 of this Strategy.

¹⁴ 2016-2025 Industrial Land Demand Projection, Logan Stone (February 2016).

Map 3: Heretaunga Plains Settlement Pattern



Note: the spatial areas and yields shown on the above map, and in the individual growth area maps in Section 5, as well as Figure 6, are 'indicative only' and are subject to further refinement as part of future structure planning and formal district plan change processes, following further assessment.

2.5. AREAS WHERE GREENFIELD GROWTH IS DEEMED INAPPROPRIATE

The Strategy identifies a number of areas which are inappropriate for future residential growth beyond existing settlements¹⁵. These are:

- a) Waipatiki Beach
- b) Tangoio
- c) Puketapu
- d) Clive (except for the areas off the end of Read Crescent, between Main Rd (SH2) and Muddy Creek; and between Main Road and the Clive River opposite the Mill Road intersection).
- e) Clifton
- f) Ocean Beach (excepting that there is potential for growth of the existing Waipuka beach settlement on Maori land beyond the coastal hazard zones).
- g) Jervoistown / Meeanee / East Clive
- h) Natural detention areas (50 year flood ponding areas)
- i) Haumoana (north of East Road).

Note: as part of the 2016 HPUDS Review process, Whirinaki and an area of land in South Clive (off the end of Read Crescent and opposite the Main Road (SH2) / Mill Road intersection) were removed from the list of inappropriate greenfield growth areas. An independent review of the Heretaunga Plains Settlement Pattern carried out as part of the 2016 HPUDS review process¹⁶ supported their removal from HPUDS' list of inappropriate greenfield growth areas, but didn't go as far as recommending inclusion on the list of appropriate residential greenfield growth areas nor reserve area list for the 2015-2045 period (excepting a 4ha property located off the end of Read Crescent, Clive which has been added as a residential greenfield growth area).

¹⁵ This does not apply to areas already identified in existing growth strategies, or zoned for some form of residential development in existing district plans at 31 December 2015.

¹⁶ 'Review of Alternative Greenfields Sites and Review of the HPUDS Settlement Pattern', Opus International Consultants Ltd (June 2016)

3. SETTLEMENT PATTERN IMPLEMENTATION

3.1. SEQUENCING

The sequencing of land use, infrastructure and funding is fundamental to successful growth management and integrated planning. Sequencing involves identifying timeframes for land use which has regard to infrastructure servicing and funding availability. The aim is to balance the need for orderly development that is well supported by infrastructure while retaining enough flexibility to ensure that land is not overly restricted.

The market has not always delivered infrastructure or a development pattern in a way that is efficient and cost-effective for the community. Addressing the timing and sequencing of development is designed to ensure, within broad limits, that development proceeds in a way that gives infrastructure service providers time to match demand, and the ability to fund that service delivery, and also to ensure sufficient locational choice.

Sequencing will provide more certainty to the community, developers and infrastructure providers about when and where development is likely to occur. The overall purpose is to provide a broad framework that signals to the market the importance of integrating public and private development decisions.

Having development sequencing in place will:

- a) Assist with infrastructure and servicing timing
- b) Underpin development contributions calculations
- c) Guide Long Term Council Community Plan budgeting for infrastructure
- d) Assist with the Regional Land Transport Programme in terms of transport infrastructure needs and timing
- e) Provide direction for District Plans.

HPUDS leave sequencing decisions to the individual territorial authorities to decide, as a matter of policy and programming through the LTPs and District Plans, given the considerable infrastructure spends involved. Factors influencing local authorities' sequencing choices will typically include:

- a) Availability and costs of infrastructure services (water, wastewater, stormwater, transport and electricity distribution)
- b) The operational capacity of strategic infrastructure (particularly strategic transport networks) and
- c) Balanced supply and locational choice across the Heretaunga Plains sub-region.

Other factors that may be taken into account, include (but are not limited to):

- d) The accessibility and capacity of social infrastructure (particularly community, education, sport and recreation facilities and public open space)
- e) The sustainable management of natural and physical resources
- f) The availability of employment opportunities in and near the greenfield growth areas
- g) The willingness and timeframe of landowners to participate in greenfield growth plans
- h) The opinion of developers regarding land for greenfield growth to ensure the sequencing is feasible and will result in positive growth and investment.

3.2. PROCESS FOR INTRODUCING ADDITIONAL GREENFIELD GROWTH AREAS

Greenfield growth areas are a key element of the 'compact design' settlement pattern by providing choice around existing settlements while accommodating higher density development. Appropriate residential greenfield growth areas are identified in Section 2.2.2 and appropriate business land greenfield growth areas are identified in Section 2.3.

Notwithstanding this, while the greenfield growth areas are identified as 'appropriate' in Sections 2.2.2 and 2.3, they are still subject to fuller and more rigorous assessment to determine their appropriateness and may not be viable after further screening. In addition, higher than expected population growth within the region may require more greenfield land than that initially anticipated.

3.2.1 Process for Introducing Additional Greenfield Growth Areas

HPUDS provides for the consideration of additional residential greenfield areas via the 'HPUDS review process'. Any additional greenfield growth area not already included in the HPUDS Settlement Pattern (either as a greenfield growth area or 'reserve' area) must, however, promote the overall transition to the compact design settlement pattern; be economically, socially and environmentally sustainable; and provide for locational choice.

The HPUDS review process is applicable to both private and Council-initiated plan changes and requires any such growth areas to be decided in collaboration with Hawke's Bay Regional Council, Napier City Council and Hastings District Council, prior to re-zoning taking place.

This ensures the consequences and actions of re-zoning greenfields land that differs from those signalled in HPUDS are adequately considered in the context of the whole Heretaunga Plains, and will ensure one area is not inappropriately developed at the expense of others.

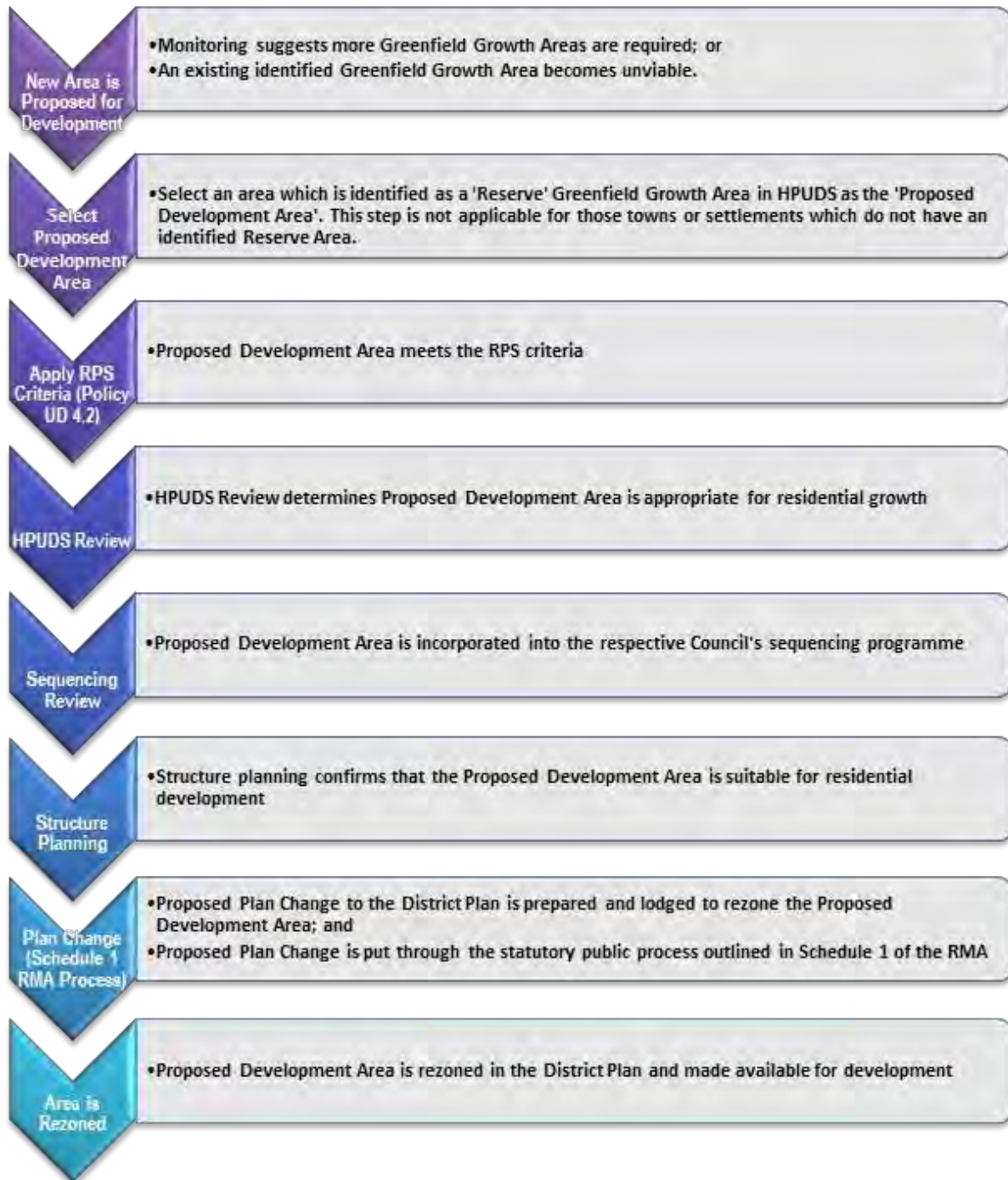
The HPUDS review process was agreed to by all partner councils, and anticipates that the inclusion of additional greenfield areas is only likely to occur in the following circumstances:

- a) Firstly, if one of the identified greenfield growth areas is deemed unviable for development, a new area will need to be proposed to compensate for the 'lost lots' in that area.
- b) Secondly, if a monitoring and review process suggests the future development trends for the Heretaunga Plains sub-region have changed, and more growth areas are required than initially anticipated.

A landholder might choose to promote a residential development through a subdivision consent or land use consent application on land not identified in HPUDS, rather than via a plan change. In such circumstances, consent authorities are required to have particular regard to the same criteria to which a rezoning assessment would consider. Those criteria are outlined below. All greenfield growth areas, other than those areas already deemed appropriate in Section 2.2.2 (residential) or Section 2.3 (business land) of this Strategy, will be assessed against the criteria listed below:

- a) Must form an extension contiguous with existing urban areas and settlements.
- b) Land is identified as having low versatility, and/or productive capacity has been compromised by:
 - i. Size and shape of land parcels that mitigates against productive use
 - ii. Surrounding land uses and reverse sensitivity
 - iii. Lack of water and/or poor drainage.
- c) Clear natural boundaries exist, or logical greenbelts could be created to establish a defined urban edge.
- d) Supports compact urban form.
- e) Can be serviced at reasonable cost.
- f) Can be integrated with existing development.
- g) Can be integrated with the provision of strategic and other infrastructure (particularly strategic transport networks in order to limit network congestion, reduce dependency on private motor vehicles and promote the use of active transport modes).
- h) An appropriate separation distance from electricity transmission infrastructure should be maintained in order to ensure the continued safe and efficient operation and development of the electricity transmission network.
- i) Promotes, and does not compromise, social infrastructure including community, education, sport and recreation facilities and public open space.
- j) Avoids or mitigates the following locational constraints:
 - i. projected sea level rise as a result of climatic changes
 - ii. active coastal erosion and inundation
 - iii. stormwater infrastructure that is unable to mitigate identified flooding risk
 - iv. flood control and drainage schemes that are at or over capacity
 - v. active earthquake faults
 - vi. high liquefaction potential
 - vii. nearby sensitive waterbodies that are susceptible to potential contamination from on-site wastewater systems or stormwater discharges
 - viii. no current wastewater reticulation and the land is poor draining
 - ix. identified water short areas with the potential to affect the provision of an adequate water supply.

Figure 7: Process for Introducing Greenfield Growth Areas Not Already Identified in the HPUDS Settlement Pattern



Note: if the assessment of the Proposed Development Area were to fail against any one of the above, the process would cease at that stage.

3.2.2 Process for Introducing Additional ‘Reserve’ Greenfield Growth Areas

HPUDS provides for the consideration of additional ‘reserve’ greenfield growth areas in the same manner as introducing new greenfield growth areas not already included in the HPUDS Settlement Pattern. Before an area can be introduced as a ‘reserve’ greenfield growth area, it must also be assessed as promoting the overall transition to the compact development scenario adopted, and consider matters such as:

- a) the likely delivery to the market of sufficient numbers of new sites;
- b) proximity to the site to be replaced;
- c) the type of sites (market choice) able to be delivered relative to that needed by the community;
- d) the ability to deliver a quality urban environment;
- e) criteria listed above in Section 3.2.1.

The process for introducing a new ‘reserve’ greenfield growth area requires applying the criteria outlined in the HPUDS review process to the area concerned. Any new ‘reserve’ areas will be decided in collaboration with Hawke’s Bay Regional Council, Napier City Council and Hastings District Council.

The inclusion of new ‘reserve’ greenfield areas is only likely to occur if existing ‘reserve’ areas have already been taken up, or have been deemed unviable for development.

Once adopted as a ‘reserve’ area, it will act as an alternative greenfield growth area in circumstances where issues are such that a growth area is not able to be progressed in a timely fashion, when required, or constraints are identified that are insurmountable.

3.3. PROCESS FOR REVIEW OF AREAS IDENTIFIED AS INAPPROPRIATE FOR FUTURE RESIDENTIAL GROWTH

HPUDS has specifically identified those areas determined as inappropriate for further residential greenfield development (for various reasons) beyond existing settlements. These areas are not eligible for consideration as a future greenfield growth area under the HPUDS review process.

However, if in the future, the constraints identified as limiting suitability of these areas for residential development can be overcome, then future reviews of HPUDS may alter the preferred settlement pattern currently adopted in HPUDS allowing consideration for growth to occur in these areas.

If a location listed as ‘inappropriate’ for future residential development was ultimately identified as potentially suitable through an HPUDS review process, then the process outlined in Section 3.2.1 above would then be able to be applied to determine if the area warrants introduction as an ‘alternative’ or ‘reserve’ greenfield growth area.

4. BASE DEMOGRAPHIC AND ECONOMIC GROWTH ASSUMPTIONS

HPUDS is based on a number of assumptions about future development and infrastructure trends, comprehensively covered in the original HPUDS strategy document. There has always been an expectation that these trends are likely to change over the next thirty years. As such, HPUDS specifically provides that the Strategy be reviewed every five years after the results of the national census are available to ensure that it is kept up to date and relevant.

The following outlines the growth drivers and influences, and the underlying constraints, that underpin HPUDS, followed by a summary of the findings of the 2016 HPUDS Review for the base demographic and economic growth assumptions.

4.1. GROWTH MANAGEMENT ASSUMPTIONS, DRIVERS AND INFLUENCES

The assumptions that underpin HPUDS provide the basis for implementation.

4.1.1 Growth Drivers and Influences

There are a number of underlying influences and drivers of economic and employment growth in the strategy area over the long-term projection period 2015-2045. These include:

- a) The underlying natural resource base and strengths of the area should ensure a continuation of its major primary production and processing specialisation, and related support servicing, as well as its important visitor sector
- b) The international market importance of “food” should also ensure the region’s continued important specialisations in this sector
- c) The area’s major primary commodity export orientation means that it will remain prone though to fluctuating international market and exchange rate conditions, which will significantly impact the range and timing of primary production and related processing carried on in the area
- d) Changing climatic conditions will also continue to significantly impact the activities of the primary sector
- e) Ongoing access to appropriately skilled labour, the necessary seasonal workforce, science and technology applications, and an efficient and effective transport /communications infrastructure (including the Port of Napier’s services) will continue to be critical to the overall performance of the local economy and increasing the level of “added value” from its production base
- f) The forecast demographic growth, changing population characteristics and general economic growth over the projection period should assist the economic performance of the broad services sector over the period.

4.1.2 Future Growth Opportunities

Key specific future business and economic development opportunities in Hawke’s Bay predominately relate to the primary production sector, and include activities such as agribusiness, boutique food processing, freight services, infrastructure construction and support, health and aged care, tourism, wine, and farm services and equipment manufacturing.

Whilst a generally positive long-term economic environment is forecast for the Heretaunga Plains, particularly for the primary production and commercial-services sectors, due cognisance still needs to be given to the threat to this scenario of adverse external changes impacting on the local economy, such as the influence of international markets, exchange rate and climatic volatility.

4.1.3 Growth Management Drivers

Successful growth management relies on the early identification and careful monitoring of the key growth drivers. Taking this approach helps avoid “surprises” in the future. The following are some key drivers influencing growth in the Heretaunga Plains.



Lifestyle

- a) Live the country life and commute to the city or work from home (technology has and will continue to make this easier)
- b) Increasing number of events which attract people to the area
- c) Urban dwellers tired of a city lifestyle (traffic, growing costs)
- d) Expat Kiwis who are returning home and wanting a better lifestyle
- e) Retirees, including retiring baby boomers, cashing up and leaving larger centres

- f) Mana whenua increasingly wanting to live, work and play as mana whenua
- g) Attractive urban environments where people want to live, work and play



Land and Housing

- a) Capacity/available land
- b) Property owners subdividing their land
- c) Land and housing is more affordable than in other places (e.g. Auckland and Tauranga)
- d) Option to build a 'dream home'

4.1.4 Conclusion

These factors are forces that need to be understood and their influence on development monitored carefully. If monitoring shows that the impact of any of these factors, or any others that may not have been anticipated, are significant then it will be taken into account and addressed in any strategy review.

It is important that the Heretaunga Plains has a strong future settlement pattern and that there is infrastructure and services to support it. If this is in place then the Heretaunga Plains is in a good position to address and anticipate the influences from surrounding regions.

4.2. GROWTH MANAGEMENT SUPPLY – LOCATIONAL CONSIDERATIONS/CONSTRAINTS

In developing the adopted settlement pattern, growth drivers were also considered in the context of the ability to supply the growth both in terms of physical constraints that are encountered in some locations and the ability to realistically overcome some of the servicing issues that are apparent in certain areas. The issues of housing affordability and travel distances may also arise as restraints against certain location options.

4.2.1 Versatile land

The importance of the land values associated with the Heretaunga Plains is one of the primary locational constraints for growth options. There is a clear message that the soils should be protected from on-going development.

The outcome for avoiding development on the versatile land for productive purposes is that future growth must either be managed within existing boundaries (including identified greenfield growth areas) or located off the Plains. There are however, counterbalancing considerations and consequences associated with adopting such a direction too rigidly. These include the increased costs to the community associated with intensification as a result of upgrading existing infrastructure, increased travel distances with growth areas off the Plains and increased development costs on the hills.

4.2.2 Physical Constraints

There are a number of areas that have constraints to development such as flooding, earthquake fault lines, coastal hazards and water supply. The major locational constraints are as follows:



Hazards

- a) Sea level rise as a result of climatic changes may impact on groundwater levels in coastal communities such as Clive and Haumoana.
- b) Active earthquake faults in the Havelock Hills and between Haumoana and Te Awanga.
- c) Very high liquefaction risks over the Napier area with the exception of the hills.



Wastewater

- a) All wastewater on the western side of Hastings has to be pumped to the eastern side and the hump is in the general location of Omahu Road and Heretaunga Street.
- b) Waimarama has sensitive receiving surface waters and there is potential impact of this from on site wastewater systems.
- c) Bay View, Jervois town, and Meeanee are not currently reticulated for wastewater and are poor draining leading to increased development costs.



Stormwater

- a) Seventy five percent of all Napier's urban stormwater is pumped requiring on-going energy use.
- b) Awatoto Industrial area is constrained by stormwater disposal.
- c) Natural detention areas (50 year Flood Ponding Areas) need to be protected e.g. Paki Paki, North Twyford, Parts of the Lagoon and Landcorp Farms.



Water

- a) Water short areas (shown as Water Management Zones in the Schedule VI and VIa of the Regional Resource Management Plan) show a potential for water supply constraints for future growth. They include the Bay View and Poraiti Hills in terms of surface and groundwater, the tributaries of the Havelock North Hills and the hills to the south of the Heretaunga Plains, the Maraekakaho Stream and the southern margins of the Heretaunga Plains Aquifer system.
- b) Shortage of water may impact on the versatility of the land for productive purposes.
- c) The current water supply for Havelock North is constrained and a new source is in the process of being sought.

4.2.3 Conclusion

The locational constraints have all been factored in to the decision making criteria for the preferred growth settlement pattern. The constraints are not necessarily fatal flaws but they are factors that must be balanced against the positives associated with location options and the guiding principles.

4.3. 2016 REVIEW FINDINGS

A high level synopsis of the outcomes of the 2013 census and Statistics New Zealand subnational population projections carried out in September 2015, prior to commencement of the 2016 HPUDS Review, found little evidence of a change in growth drivers of population and household growth to suggest the HPUDS projections were widely out of date or inaccurate (that is, under a Statistics New Zealand medium growth scenario).

To further test the assumptions upon which HPUDS is based, the 2016 HPUDS Review carried out a more detailed review of demographic and economic growth drivers and trends, with a particular focus on the five years to 2015. A number of reports were commissioned to inform this Review, including:

Report Title
Heretaunga Plains Urban Development Strategy 2015-2045, Review of Base Demographic and Economic Growth Trends and Projections Since 2009
Heretaunga Plains Urban Development Study – Market Demand Report
Heretaunga Plains Urban Development Strategy – Phase 2 Infrastructure Reviewed
2016 – 2025 Land Demand Projection, Hastings District and Napier City
Residential Uptake and Distribution of Actual Growth
Relative Housing Affordability & Greenfields Land Availability
Review of Rural Lifestyle Subdivision 2000 – 2015
HPUDS Update Residential Intensification Capacity
Literature Review - Natural Hazards
Literature Review - Urban Growth & Land Use
HPUDS Actions Implemented

The 2016 HPUDS Review identified the need for further information and a better understanding around rural residential / rural lifestyle growth, retirement sector housing demand, and immediate greenfields supply availability issues to 2025. In response, further reports were commissioned as follows:

Report Title
Retirement Sector Housing Demand Forecasts 2016-2045 – A report for the Heretaunga Plains Urban Development Strategy Review (2016)
Review of Rural Residential Lifestyle Sites
Alternative Greenfield Sites and Review of the HPUDS Settlement Pattern

The 2016 HPUDS Review generally confirms that the 2010 HPUDS assumptions and directions around urban growth remain sound.

The following summarises the key findings of the 2016 HPUDS Review in terms of trends and growth from 2009 to 2015, and updates the forecasts and projections for the study period, 2015 – 2045.

4.3.1 Trends and Growth (2009 – 2015)

Key findings from a review of demographic and economic growth information since 2009, indicates that population and household numbers since 2009 have exceeded the Statistics New Zealand 'medium' growth projections on which 2010 HPUDS was based, and that a medium – high projection should be adopted.

The main points are summarised below.

Demographic and Economic Growth¹⁷:

- Population growth within the study area from 2009 – 2015, was 5,500 people, or an increase of 4.4% to a population of 131,400. This was higher than that projected in 2009 (by 1,080) and was driven by both natural population increase (4,594) and net migration gain (1,106).
- The total number of 'households' in the study area increased by 3,063 to 51,455 between 2009 and 2015. This is an increase of 6.3% and exceeded the projections made six years ago by 545 households.
- The average number of people per household reduced from 2.6 in 2009 to 2.55 in 2016.
- Real GDP growth of approximately 10% has occurred in the region since 2009, therefore exceeding the population and household growth rates for the study area.
- Over the period since 2001 however there have been large fluctuations in annual GDP growth, peaking in 2003 at 6%, falling to -7% in 2008 and recovering to over 3% in 2015 and increasing steadily since 2013.
- The primary production and manufacturing sectors continue to provide the key economic underpinning for the overall performance of the Hawke's Bay economy (30 - 40% of total GDP).
- With regards to employment, there has been an annual average increase in total employment in Hawke's Bay over the past 15 years of approximately 1 - 1.5%.

Residential Uptake and Distribution of Actual Growth¹⁸

- The 15 year period before 2000 was characterised by unbalanced supply of greenfields land resulting in most of the new development occurring first in Taradale and Greenmeadows and then in Havelock North.
- The 15 years from 2000 covered a period of high subdivision and building activity until 2009 then fell back to pre 2000 levels.
- A lack of greenfields options in Hastings and Napier until the mid 2000's after Knightsbridge reached capacity, is reflected in high growth in the Havelock North market. Northwood, Clive and Lyndhurst in Hastings and Citrus Grove, Parklands and Te Awa in Napier becoming available, has subsequently reduced building rates in Arataki.
- Market demand for locations is much more varied than it would appear during periods of constrained supply. Once the supply side diversifies, it appears that people can and do make different choices.

¹⁷ 'Heretaunga Plains Urban Development Strategy 2015-2045, Review of Base Demographic and Economic Growth Trends and Projections Since 2009', Economic Solutions Ltd (March 2016).

¹⁸ 'Residential Uptake and Distribution of Actual Growth', Hastings District Council (February 2016).

- e) Infill consents rose during the property market boom even with an ample supply of greenfields residential sections and rising land prices. The proportion of greenfields development however, has been trending upwards.
- f) Overall, there are signals that the new housing market is on the rise recently and accordingly it is important that the pinch points in residential land supply are addressed as soon as possible.
- g) Despite lower overall medium incomes, Hawke's Bay fairs comparatively well with the rest of New Zealand in terms of housing affordability¹⁹.

Industrial Uptake²⁰

- a) The 10-year actual (as far as can be ascertained) industrial land consumption to 2014 was 66.94 hectares (an average of 6.69 hectares per annum) – 43.94 hectares of that was in Hastings District, and 23 hectares in Napier City.
- b) A peak in Napier uptake of 9 hectares in 2014 relates to development in Pandora.
- c) At the end of the period, there is evidence of some pent up demand which appears to be the result of low confidence and deferred decision making due to a lack of competitive and operational pressures.

4.3.2 Updated Projections and Forecasts 2015 – 2045

Household Growth and Population²¹

Key findings from an update of household growth and population projections from Statistics New Zealand based on 2013 Census indicates that:

- a) Adoption of a 'Halfway Medium to High' growth projection scenario (rather than the 'Medium' scenario adopted for 2010 HPUDS) is appropriate.
- b) Projected total population growth for the Strategy area of 16,455 or 12.5% over 2015-2045.
- c) Projected total additional dwellings across the Strategy area for the 2015-2045 study period is 10,610 dwellings (2010 HPUDS projections estimated a requirement for an additional 8,014 dwellings, based on a 'medium' growth projection scenario).
- d) The average number of persons per household was 2.55 in 2015, and is expected to fall to 2.38 in 2045.
- e) The population of the region is ageing, with a strong increase in the 65+ population – expected to increase by 19,580 or 81% between 2015 and 2043. There is a significant shift in age-profile over the next 30 years, and even further beyond, which sees the 65+, 75+ and 90+ age groups increasing by 94%, 172% and 286% respectively²².

Market Demand²³

Key findings from the updated residential market analysis indicates that:

- a) The projected growth rate is 480 houses per annum up to 2025 but then reducing to give an average over the period 2016-2045 of 322 houses per annum, or a total of 9,660 new houses. This is an increase on the 2009 prediction of 243 houses per annum average over the whole study period²⁴.

In terms of Greenfields:

- a) There appears to be sufficient greenfields residential supply to cater for anticipated demand beyond 2045 (assuming all identified growth areas are able to be developed to their capacity).
- b) Demand for new residential sites within the medium to upper medium price brackets appears likely to continue.

¹⁹ 'Relative Housing Affordability & Greenfields Land Availability, Hastings District Council (February 2016).

²⁰ 2016-2025 Industrial Land Demand Projection, Logan Stone (February 2016).

²¹ 'Heretaunga Plains Urban Development Strategy 2015-2045, Review of Base Demographic and Economic Growth Trends and Projections Since 2009', Sean Bevin, Economic Solutions Ltd (March 2016).

²² 'Retirement Sector Housing Demand Forecasts 2016-2045 – A report for the Heretaunga Plains Urban Development Strategy Review (2016)', Environmental Management Services Limited, May 2016.

²³ 'Heretaunga Plains Urban Development Study Market Demand Report', Telfer Young Hawke's Bay Ltd (March 2016).

²⁴ Note: this is a projected growth rate of new dwellings constructed and is different to 'household growth' as referred to in terms of demographic projections.

- c) Projecting forward, about a third of all future new-build housing in the Heretaunga Plains sub-region between now and 2045 will be retirement units.
- d) About 1,770 (i.e. half) of the 3,340 future forecast retirement units will be in middle-to-upper end villages (the classic 'retirement village'). If so, this will account for about 17% of all future 'new build' housing construction over the next 30 years.
- e) The average size of existing villages of this kind, in the Strategy area, is about 6.25ha. Sites of this size are only likely to be found on greenfield land.
- f) If retirement housing (with associated higher housing densities) becomes an increasingly significant factor in the overall housing market it is possible that current predictions for the amount of land required for future housing development in the HPUDS study area could be reduced²⁵.

In terms of the rural residential lifestyle market:

- a) Sufficient supply should be available to meet the demand of 850 rural lifestyle living lots over the period of the Strategy (2015 to 2045) – essentially concurring with the original findings²⁶.
- b) Demand is projected to be higher up until 2026 and to fall thereafter. Lessening demand is anticipated mainly from demographics with an aging population expected to lessen demand for lifestyle blocks, as access to amenities and services is needed²⁷.

Forecast Commercial and Industrial Growth

A review of industrial demand projections indicates²⁸:

- a) Economic growth and industrial demand will be based on primary production and associated processing, distribution and marketing, and the resurgence in the pipfruit sector will be the key driver of industrial growth over the next 3 years (2016 – 2019).

Key findings from the review of demographic and economic growth since 2009 indicates that²⁹:

- a) Forecast additional commercial sector floor space demand over 2015-2045 of an estimated 700,000m², the same level as forecast in 2009.
- b) Total land requirement for commercial growth is approximately 110 hectares (the assumption remains that this land requirement will be absorbed through redevelopment and intensification of existing zoned land, rather than displacing existing housing stock or using greenfields land).
- c) Forecast additional industrial sector floor space demand over 2015-2045 of an estimated 900,000m².
- d) An additional 225 hectares of industrial land is required by 2045.
- e) With 10 years considered the limit of meaningful industrial growth projections, the requirement for additional industrial land over the 10-year period to 2026 is for 64 hectares (the supply available in zoned industrial areas is well in excess of this).

4.3.3 2016 HPUDS Review Conclusions

The HPUDS Review findings generally confirm that the 2010 HPUDS assumptions and directions around urban growth remain sound. In essence, the outcome of the Review confirms that growth is generally able to be accommodated within the current HPUDS settlement pattern with the recommended additions, and the Review has not identified any significant change in the underlying assumptions that would necessitate a radical change to the overall settlement pattern albeit with the inclusion of some expansion of greenfield growth options and the inclusion of reserve areas.

The additions to the settlement pattern are largely to help meet stronger current demand in particular locations resulting from issues in implementing existing greenfield areas.

Overall, the updated projections result in a significant population increase over the 30-year period, and around a 30% increase in dwelling growth, largely as a result of adopting a medium to high projection scenario and as a result of an

²⁵ 'Retirement Sector Housing Demand Forecasts 2016-2045 – A report for the Heretaunga Plains Urban Development Strategy Review (2016)', Environmental Management Services Limited, May 2016.

²⁶ 'Review of Rural Residential Lifestyle Sites', Cheal Consultants Ltd (June 2016)

²⁷ 'Market Demand Report', Telfer Young (February 2016)

²⁸ 'Industrial Land Demand Projection 2016 – 2025', Logan Stone, (February 2016).

²⁹ 'Heretaunga Plains Urban Development Strategy 2015-2045, Review of Base Demographic and Economic Growth Trends and Projections Since 2009', Sean Bevin, Economic Solutions Ltd (March 2016).

aging population, but the 2016 Review confirms this increase is still able to be accommodated within the HPUDS identified growth areas and the infill growth projections, particularly with the additional capacity provided by new greenfield and additions to existing greenfield areas in the Review.

Of particular note however, is the increasing number of older people – especially those over the age of 75 (the usual starting age for entry to a retirement village). Forecasts for retirement sector housing demand³⁰ based on existing uptake of retirement villages in the Strategy area points to the significant shift in age-profile over the next 30 years, and even further beyond, which sees the 65+, 75+ and 90+ age groups increasing by 94%, 172% and 286% respectively.

Retirement Sector

The retirement sector analysis³¹ suggests retirement units will represent 30-40% of all future new-build housing in the Heretaunga Plains sub-region between now and 2045 (~3,340 of the total 9,960), with half of these (~1,770) likely in 'traditional' retirement villages. The average size of existing villages of this kind, in the Strategy area, is about 6.25ha. Sites of this size are only likely to be found on greenfield land. The likely future trend toward increasing numbers of retirement villages, and toward compact retirement housing in general, suggests a need to reflect on future housing density rules and ways in which greater densities can be achieved without compromising (and ideally enhancing) the urban living environment.

If retirement housing (with associated higher housing densities) becomes an increasingly significant factor in the overall housing market it is possible that current predictions for the amount of land required for future housing development in the HPUDS study area could be reduced. It is, however, a complex balance. On the one hand, retirement housing generally requires less land for the same number of housing units. On the other hand, unless inner city retirement apartment housing becomes popular in Hawke's Bay, it is likely that the vast majority of future retirement village development will occur on greenfield land.

Rural Residential

Following further analysis of potential uptake of development opportunities, the 2016 HPUDS Review concludes that sufficient supply should be available to meet the demand of 850 rural lifestyle living lots over the period of the Strategy (2015 to 2045) – essentially concurring with the original findings.

This conclusion relies on ongoing subdivision to create new lots however, particularly in areas of market preference. In this regard, while a sufficient rate of further subdivision is anticipated, this nature of reliance presents a risk that the initial conclusions in HPUDS that "there will be a predicted surplus in supply of rural residential sites over the period" may not hold true. Consequently, regional and district planning documents might require a review over the longer term to revisit Policies based on the 2010 HPUDS initial conclusions. Further review of actual and potential supply during programmed reviews of the Strategy is therefore recommended³².

Amendments to the Settlement Pattern

Following further analysis of the Settlement Pattern, the 2016 HPUDS Review concludes that some small alterations are appropriate in response to a number of current and emerging issues with HPUDS greenfield growth areas³³.

Specifically, the Arataki Extension³⁴ was removed from the list of 2010 HPUDS greenfield growth areas, and a number of 'reserve' growth areas were introduced to enable a ready supply response if other greenfield growth areas prove unviable or unable to meet their assumed capacity (e.g. if servicing cost issues affect the viability of Kaiapo Road in Hastings, and the completion of Te Awa in Napier). Whirinaki and a small area in South Clive³⁵ were also removed from the list of areas identified as being inappropriate for further residential greenfield development.

An independent evaluation was undertaken to assess the comparative suitability of the sites put forward as reserve areas. This was commissioned as part of the 2016 HPUDS Review, and supports the inclusions of the 'reserve' growth areas listed below.

³⁰ 'Retirement Sector Housing Demand Forecasts 2016-2045 – A report for the Heretaunga Plains Urban Development Strategy Review (2016)', Environmental Management Services Limited (June 2016).

³¹ 'Retirement Sector Housing Demand Forecasts 2016-2045 – A report for the Heretaunga Plains Urban Development Strategy Review (2016)', Environmental Management Services Limited (June 2016).

³² 'Review of Rural Residential Lifestyle Sites', Cheal Consultants Ltd (June 2016)

³³ 'Current & Emerging Issues with HPUDS Greenfields Growth Areas', Hastings District Council & Napier City Council (March 2016)

³⁴ Removed due to odour issues relating to its proximity to Te Mata Mushrooms.

³⁵ The area off the end of Read Crescent and between Main Road (SH2) and Muddy Creek.

In responding to immediate greenfields supply availability issues to 2025, the 2016 HPUDS Review confirms the replacement of Arataki Extension with Brookvale and Romanes Drive, and inclusion of the following 'reserve' growth areas:³⁶:

- a) Arataki Extension (with the intention that this area may be reintroduced (e.g. as part of regular HPUDS Review process in future or similar) as a greenfield growth area ahead of other growth areas, should the odour and reverse sensitivity issues due to proximity of the mushroom farming operations, be overcome)
- b) South Pirimai
- c) Middle Road (in part)
- d) Murdoch Road
- e) Wall Road (in part)

Reserve areas will act as replacements, and may also be advanced if there is a rapid and significant change in growth demand, or retirement village needs cannot reasonably be met within the preferred greenfields areas. It is not deemed necessary to have 'reserve growth areas' for every identified greenfield growth location in HPUDS, but it is prudent to have them available for the main urban areas of Napier City and Hastings District.

Part of the Romanes Drive area was originally suggested as a reserve area option for Havelock North, but it has instead been enlarged and included as a development area extension to Brookvale Road to help meet concerns about whether supply is sufficiently matched to demand preferences for Havelock North and to help cater for retirement village development in particular. Together with the enlargement of the greenfields development node in Napier's Western Hills, this increase in greenfields supply is likely to be reflected in a slower transition to intensification over the earlier parts the 30 year strategy implementation. The housing allocation targets have been adjusted slightly as a result.

Business Land

In terms of industrial land, the 2016 HPUDS Review concludes that, while acknowledging the difficulties in delivering market ready industrial land, there would appear to be sufficient short to medium term supply (and even long term supply) either available or in the planning process, particularly with the re-redevelopment of existing stock, and current (2016) proposals to rezone additional land in the Omahu and Irongate industrial areas in Hastings.

Similarly, the HPUDS approach of accommodating commercial expansion through redevelopment within existing commercial boundaries is reaffirmed, consistent with current council strategies and experience.

4.3.4 Assessment of Growth Option Sites

The preliminary new growth scenarios in 2010 were identified largely from sites that had been previously identified in strategic studies undertaken by the Council's such as the Hastings Urban Development Strategy Coastal Strategy and Low Density Strategy and the Napier Urban Growth Strategy, or which had been put forward through the HPUDS submission process.

The scenarios were assessed having regard to a number of factors:

- a) The impact on versatile land for productive purposes.
- b) The ability to establish a defined urban edge.
- c) Engineering infrastructural issues including flooding.
- d) Land use compatibility.
- e) Impacts on landscape quality.
- f) Impact on heritage sites.
- g) The ability to meet compact settlement objectives.
- h) The impact on the road network and energy efficiency.
- i) The ability to provide for balanced growth across the Plains.

Where there are recommendations for no growth, this is based on the premise that activities that are permitted by the district plans will continue.

³⁶ 'Review of Alternative Greenfields Sites and Review of the HPUDS Settlement Pattern', Opus International Consultants Ltd (June 2016)

Coastal Settlements

■ **Waipatiki Beach**

Waipatiki Beach is located approximately 45 minutes travelling distance north of Napier City and is a popular beach for day trippers and campers. The Hastings Coastal Strategy identifies it as a bach settlement and provides for modest growth in recognition of its high levels of natural amenity. This growth has largely been undertaken and no additional growth should be undertaken in the period 2015-2045 in recognition of its relatively remote location and to protect the scale and natural character of the settlement.

■ **Tangoio Beach**

Tangoio Beach previously housed a number of original baches located on the foreshore reserve. These were removed in the mid 2000's. The area is also in a flood hazard zone of the Te Ngarue Stream and in an area of high landscape and natural character values. An area of land capable of containing 30-40 new baches was rezoned in 2008 as a result of a private plan change. District Plan rules relating to the new zoning require flood mitigation, an effluent treatment system and tight building and design controls to protect a coastal bach settlement character. Due to the aforementioned development constraints there is no additional growth outside of the newly rezoned land proposed over the strategy timeframe.

■ **Whirinaki Beach**

Whirinaki Beach is located approximately 5 km north of Bay View. It is an established coastal settlement located between State Highway 2 and the coast and is adjacent to the Pan Pac Pulp Mill and Contact Energy's electricity generation site. There were limited water supply services, but those could be overcome by expansion of HDC's Esk/Whirinaki water Supply scheme. While this allows Whirinaki to be removed from the 'inappropriate' list in HPUDS2017, there is insufficient basis or need at this time to include all or part of it as an appropriate residential greenfield growth area (or reserve area) as part of the HPUDS Settlement Pattern.

■ **Haumoana**

Haumoana is a popular coastal settlement located approximately 9km east of Hastings. The settlement is low lying and parts of it have been subject to flooding coastal inundation, and coastal erosion. Infrastructure limitations and topographical considerations generally make the settlement unsuitable for further growth. There is however a small area of land located off the southern side of East Road and contiguous to the existing Coastal Residential Zone and close to the Suburban Commercial Zone off Clifton Road, that is free of flooding and coastal hazard constraints and suitable for residential growth.

There is also an area of approximately 20ha on the corner of Raymond Road/Parkhill Road opposite the Haumoana School on 'Ruataniwha f' soils (also described as 'Waipukurau 30' soils), free of flooding and coastal hazard restraints that could be suitable for coastal growth choices. This would be subject to further assessment through the proposed Masterplan process to commence after the completion of the Clifton – Tangoio Hazards Strategy. This assessment would include matters such as:

- a) The productive versatility of this area and the Ruataniwha f soil type;
- b) Reverse sensitivity with nearby horticultural/viticultural and poultry farm activities; and
- c) Appropriateness in terms of contributing to the Haumoana / Te Awanga development options as part of the HPUDS preferred settlement pattern.

■ **Te Awanga**

Te Awanga is situated approximately 2 km to the south of Haumoana. For the most part it is not as low lying as Haumoana and as such is better suited as a growth option to provide for that segment of the market seeking a coastal location. There are however a number of issues that point to any growth being limited in this area. This includes land use compatibility with the area being a valued viticulture area. The landscape in this area also has special qualities. Any future growth must be away from coast in recognition of climate change and the potential for coastal erosion.

■ **Clifton**

Clifton is the gateway to Cape Kidnappers and settlement is limited to the long established camp ground at the site. The area is severely affected by coastal erosion and no development should be permitted in recognition of the coastal hazard and natural character issues.

■ **Ocean Beach**

Ocean Beach is recognised by the wider community as a natural coastal environment of significance. Previous development proposals at Ocean Beach were met with considerable resistance from the community as result of the effect on the landscape quality of the area. There are also considerable infrastructure issues for any development at this location. Notwithstanding the Resource Management Act merits or otherwise of urban development at Ocean Beach, the Hastings District Council's preference is that there be no subdivision and development for residential or other significant development activities on the Haupouri Flats, including around and north of the Haupouri Woolshed area. Accordingly it is not proposed to encourage or facilitate further housing development at Ocean Beach beyond the existing Waipuka settlement and consideration should be given to appropriate mechanisms for retaining this value for future generations. Accordingly no allocation of projected demand has been made for Ocean Beach.

■ **Waimarama**

The Hastings Coastal Environment Strategy recommended that provision be made for future growth at Waimarama. The natural coastal character of Waimarama has already been impacted on by the existing level of development.

It is recommended that in order to provide for a range of living environments, low level growth be provided for at Waimarama. This is contingent on planning for infrastructure as the water supply is already fully committed and the surface waters in the area are sensitive to any development. The settlement may also provide an opportunity for further holiday home development once servicing constraints are overcome and depending upon demand this should be considered in the planning for Waimarama.

Rural Settlements

■ **Bay View**

Bay View is located approximately 10km north of Napier City and has been a popular alternative to suburban living. Bay View is characterised by large sites and this is due to the area not previously being serviced. Since becoming part of Napier City in 1989 a water supply has been provided but this has placed additional strain on the onsite wastewater systems upon which the community relies. There is a proposal for a serviced wastewater system with cost implications for residents. In order to provide residential choice growth of the area is recommended at a low level to recognise the infrastructure limitations which include development adjacent to the State Highway. This growth must be sequenced to occur when the servicing issues are resolved.

■ **Puketapu**

Puketapu was identified in the Hastings Low Density Strategy as a potential growth option. While the area is located in relatively close proximity to both Napier and Hastings there are parts of the settlement that are susceptible to flooding and servicing in the long term would be problematic. It is recommended that no further growth be provided for due to the natural character of the area and servicing issues.

■ **Clive**

The Clive Development Strategy which was undertaken in 2002 looked at the servicing aspects of future growth to ascertain the potential for future development. Stormwater is the major issue for Clive and a number of sites were identified for future growth that were outside the potential flood hazard areas. Since that time these sites have largely been developed. There has been no stormwater upgrading and therefore it is recommended that no growth be provided for in Clive due to stormwater servicing issues, apart from some smaller parcels in Clive South where stormwater effects can be managed on site.

■ **Maraekakaho Settlement**

In considering the future of the Maraekakaho settlement consideration was given to a number of factors. It has an existing level of settlement and established social infrastructure including a school. The area is popular in the market but this must be balanced against the energy efficiency principles with the settlement located some distance from the main employment opportunities in Hastings. Previous flood hazards have been mitigated. However constraints around access to water are recognised and will need to be resolved. Maori have reservations about development west of Bridge Pa due to potential effects on the aquifer.

Overall it is recommended that low level growth be provided at Maraekakaho to ensure that there is rural settlement choice for Hastings.

Residential Greenfield Sites

(Note: those greenfields growth areas carried forward from existing (pre-2015) growth strategies for Hastings and Napier are not discussed here).

■ **Western Hills**

This area is the area of land that immediately adjoins includes the Mission Special Character Zone District Plan Change fronting Puketitiri Road. This area can be readily serviced, and is beyond also if developed in association with replanting of the Western Hills backdrop to the City so there are no landscape issues can be addressed. The area is in close proximity to established residential areas for energy efficiency considerations. It is an appropriate location for a future greenfield growth area 2015-2045.

■ **Jervoistown**

Jervoistown is zoned rural but is largely residential in character with smaller lots dating back to the establishment of the early settlement pattern of the Taradale area. The area is not serviced and has a high water table. If the servicing issues are overcome it is a logical extension of the residential zone but development would be more intensification rather than greenfields development. There should be a clear boundary on the Napier Rd properties to demarcate residential from Rural. No further growth should be provided beyond this point to protect versatile land for productive purposes. It is recommended that Jervoistown not form part of the Strategy unless the servicing issues are overcome.

■ **Wall Road**

This is an area of approximately 40 ha lying between Wall Road and the Upper Southland Drain. This area therefore has a strong long term physical boundary with some urbanization and lifestyle lot development at the Southland Road end. The soils are silt/clay loam with imperfect drainage like the Murdoch Road West site and the majority of the site is in cropping and some orchard use. It has not therefore been included under the current growth assumptions as other sites are available which are more compromised for production and it is not considered as being necessary within the planning period.

A smaller area of land at the eastern end has had its productive values compromised by other uses. This area may be suitable for development if there is a pressing need, provided a strong boundary is artificially created to separate it from the balance of the productive area. It has been identified a reserve area in HPUDS 2017 on this basis.

■ **Te Aute Road/Middle Road**

There were two areas of land considered in this area. The first is an approximate 10ha area of land between Te Aute Road and the Karamu Stream and the second a block between Te Aute Road and Middle Road which is approximately 55 ha in area. The smaller area of land was previously considered as a plan change request and rejected on the basis of it being a finger of residential development into the Plains Zone and consequently should not be considered alone as it would not be an efficient use of the land and would not create a defined urban boundary in the south-eastern sector of Havelock North.

The soils in this area are in three bands running parallel with the Karamu Stream. Closest to the stream they are classified as Hastings clay loam on silt loam with imperfect drainage, then Te Awa clay loam on Taupo pumice sand with imperfect drainage and then Poporangi ashy sandy loam on sandy(loes) on pan over gravel with poor drainage. The area has traditionally been cropped and there are a few smaller producing orchards and grazed lifestyle lots. There are a number of producing orchards to the south west on similar Hastings and Te Awa soils.

The land was considered unsuited for greenfield development for a number of reasons. Firstly it is Plains zoned land that has been used productively and it would set a new direction for the development to the south of Havelock North. It is also such a large area of land it would provide for greenfield land well in excess of what is needed for the area in the time period and could reduce the incentive to intensify within the Havelock North area which under the strategy assumptions, is not necessary at the present time. Finally, the Brookvale/Romanes/Arataki area is a better alternative providing a smaller area of land and creating a defined urban edge.

If however there are problems with developing northwards in Havelock North, such a new direction may be justified. A smaller area has therefore been identified as a reserve site in HPUDS 2017, which largely aligns with the existing urban boundary at this time and would extend across Te Aute Road to the Karamu stream. A strong artificial urban buffer would be needed to signal the limit to further urban sprawl to the south. The area between Te Aute Road and the Karamu stream will be around half of the finger of development referred to above, and would make an attractive location for a retirement village development.

■ **Kaiapo Road**

This area of land was identified in the Hastings Low Density Strategy as an area suitable for large lot residential and was identified in the draft strategy as an area which may be required beyond the planning period. The relaxation of the intensification target timeline has meant more greenfield areas will be required within the 2015-2045 planning period. Kaiapo Road has been identified as a site to be included. The site consists of a series of small holdings located on Plains zone land which backs onto the suburb of Camberley. There is therefore an incompatibility between rural use of the land and the adjoining residential activities. The soils are silt/clay loam with imperfect drainage and held in small titles with dwellings and therefore mainly in rural lifestyle use. It is appropriate to mitigate the incompatibility of those land uses and use the opportunity to square up the urban boundary and create a clearly defined urban edge by means of a reserve held in the ownership of the Council. There is a potential natural boundary to the south west in the form of the Southland Drain and to the northwest in the form of the Southern Expressway.

■ **Havelock North Hills (Lower)**

This area of land is located between Breadalbane Ave, Lane Road and Endsleigh Road Middle Road/Te Aute Road Block. It has a number of locational advantages being close to existing development for services, not impacting on versatile soils for productive purposes, not conflicting with adjacent land uses, not impacting on landscape qualities and not impacting of transport infrastructure. It may be marginally more expensive to develop due to the rolling nature of the topography. It is recommended as a greenfield growth area for the period 2015-2045. For map, refer to 'Middle Road / Iona Road' map.

■ **Brookvale/Davidson Road**

This area of land is located on the western side of Brookvale Road opposite the existing Arataki subdivision. The availability of services to the site would not be an issue for growth considerations. There may be issues with compatibility with adjacent land uses and this growth would not form a natural urban edge to further development, although a partial low river terrace could be reinforced by a wide planted greenbelt and buffer in public ownership.

This site is located on land currently zoned Plains and although the soils are identified as having some limitations a large portion has been and is in productive uses. Development of this area under the strategy assumptions and principles could undermine public confidence in terms of promoting the protection of versatile soils land for productive purposes, but is considered necessary within the planning period, due to reverse sensitivity issues impacting on Arataki Extension in the short to medium term at least. A consideration for this site is the need to buffer against productive use on land to the north. Also a consideration is the need to address the potential for reverse sensitivity from the significant Te Mata Mushrooms facility to the south east.

■ **Romanes Drive**

This site is located on land currently zoned Plains and although the soils are identified as having some limitations a large portion of the area back to Thompson and Davidson Road has been, and is, in productive use. Being on the north side of Havelock North this area would be reasonably attractive to the market and is of a size scale that would be attractive for developers. It has good transport links to the north and good vehicle and cycle links to Hastings and Havelock North. The likely replacement of Arataki Extension with the Brookvale area (referred to above) would mean that Romanes would become a logical extension to Havelock North if needed. Including an enlarged Romanes Drive as a full greenfields area in addition to Brookvale Road would help meet concerns about whether supply is sufficiently matched to demand preferences for Havelock North and for retirement village development in particular.

Overall this site would be appropriate for inclusion in HPUDS, in conjunction with the Brookvale area. If developed in isolation from Brookvale the physical separation from the remainder of the urban area would make the establishment of a defined urban edge more difficult. In this case Napier Road would become a natural urban edge, but a further buffer area would need to be developed to the north of the development area. An extension of Russell Robertson Drive through to Thompson Road could help define a northern extent of urban development and better distribute traffic from the wider area and for the Brookvale/Romanes growth area. This would need to be specifically considered as part of the structure planning for this area. For map, refer to 'Brookvale/Romanes' map.

■ **Arataki Extension**

The Arataki extension is located on the eastern side of Arataki Road running from the Arataki Honey property to Brookvale Road. It covers an area of 16 hectares. The site is a terrace that sits above the orchard and vineyards

to the east. As such it would form a natural boundary for the eastern urban edge of Havelock North. The infrastructure for future development is immediately adjacent and this includes the intention to build a new school on the former Arataki Camp Ground immediately opposite. Constraints include the value of the soils and the potential conflict with the Mushroom Farm that is sited immediately below the terrace. The market for land in Havelock North particularly for the retirement sector and the ability to form a definitive urban edge lead to a recommendation for this land to form part of the greenfield growth requirements in the period 2015-2045 if and when the conflict with the nearby Mushroom farming operations has been resolved.

■ **Akina Extensions**

There are a number of smaller landholdings on the southern side of Copeland Road in Akina that back onto the Southland Drain and on Murdoch Road East comprising a total land area of approximately 13.5 ha. These sites are principally lifestyle properties that have not been used for productive purposes. The land is zoned Plains but the soils have been identified as having drainage limitations. The Hastings Christian School also occupies part of the subject area. The land is suited to residential development as it could be readily serviced and the Southland Drain would form a natural urban edge that would act as a definitive boundary for urban development and provide a natural buffer between urban and rural use. The Murdoch Road site would create a logical southern boundary but in order to ensure that no further extension could be achieved, reserves should be created on the boundaries that interface with the rural boundaries.

■ **Murdoch Road West**

This small area of land of approximately 1 ha bridges a gap between existing residential development on this section of Murdoch Road. It would create a natural boundary for any development and infrastructure would be readily available. The soils are silt/clay loam with imperfect drainage. An extension of this area to the Upper Southland Drain and Railway Road was considered, which would also form a sensible round off with strong boundaries and encompassed a further 10ha. It has not been included under the current growth assumptions as it has an existing producing orchard and grazing land and is not considered as being necessary within the planning period, however, it has been included as a reserve greenfields growth area should it be needed due to a change in circumstances of the nature described in HPUDS.

■ **Howard Street**

The site in Howard Street is an 18ha area of land which is immediately adjacent to the Parkvale School and surrounded by existing urban development on three sides. There is therefore an incompatibility between rural use of the land and the adjoining school. The soils are silt/clay loam with imperfect drainage and held in small titles with dwellings and therefore mainly in rural lifestyle use. It is appropriate to mitigate the incompatibility of those land uses and use the opportunity to square up the urban boundary. There is a natural boundary further to the east in the form of the Awahou Stream, but a less distinct boundary to the north if development were to encroach that far, which will need to be managed. The area will be attractive to the market and is well placed in terms of the roading network and services.

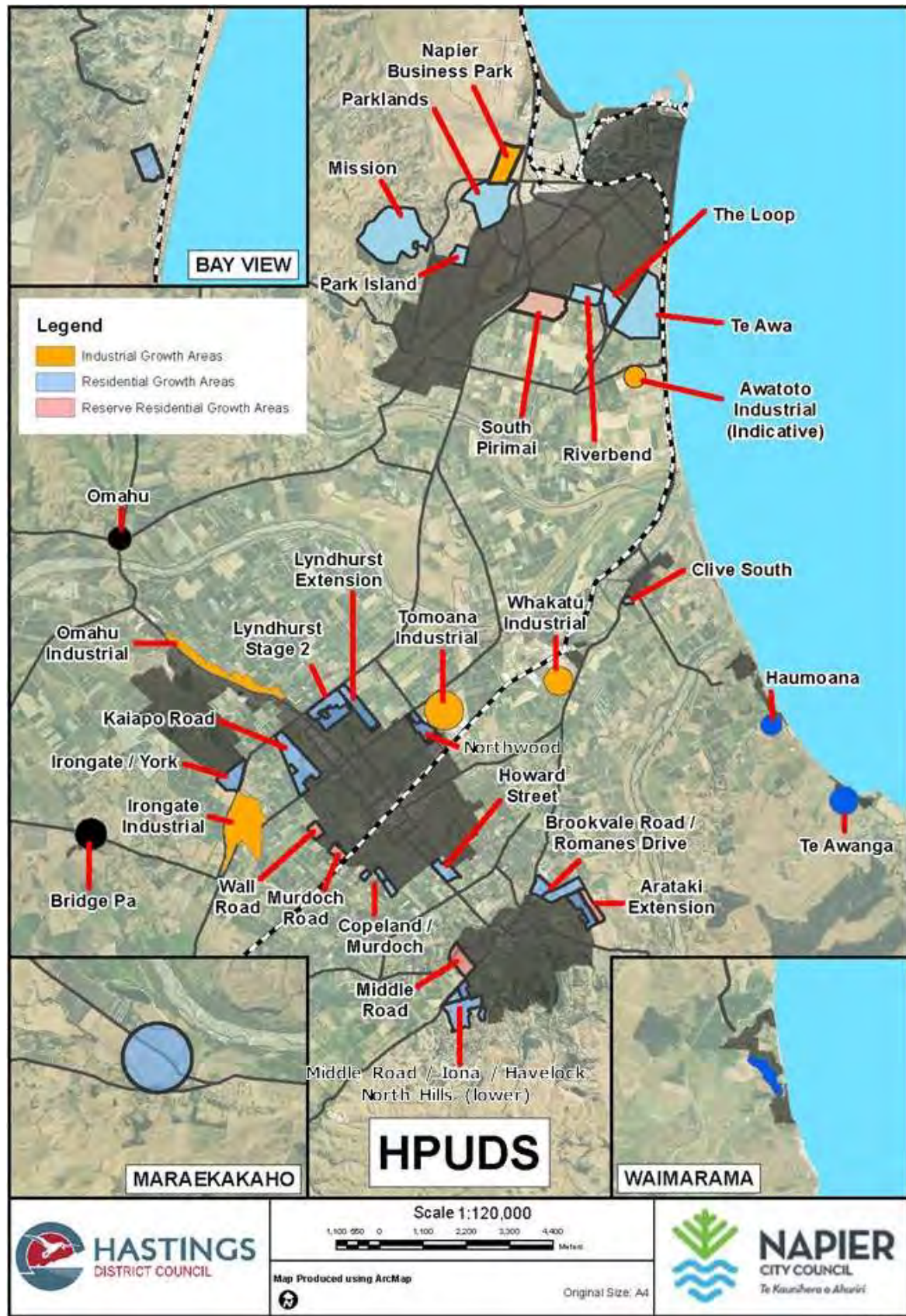
■ **Lyndhurst Road**

The area of land is located on the northern side of Lyndhurst Road, running from the Gracelands Retirement Village through to the expressway and comprises approximately 20 hectares in total. The land is compromised by a large number of lifestyle properties, land owned by Lindisfarne College and could be considered for future sports use, and also the Westmount School and associated church at the western end of the road. It is acknowledged that the soils are some of the most versatile on the Plains but their future use is largely compromised by the existing land uses. Servicing of the land is readily achievable. There is the need for a clearly established urban edge to prevent future 'creep' of the urban environment into the versatile soils. This would require the establishment of a greenbelt buffer zone to run the full length of the proposed growth area's north eastern edge, which will be in public ownership and provide a clearly defined boundary. Ideally it should extend from Pakowhai Road to Percival Road.

5. LOCATION MAPS – INDICATIVE ONLY

Note: the spatial areas shown on the following series of maps are 'indicative only' and are subject to further refinement as part of future structure planning and formal district plan change processes, following further assessment.

5.1. OVERVIEW MAP



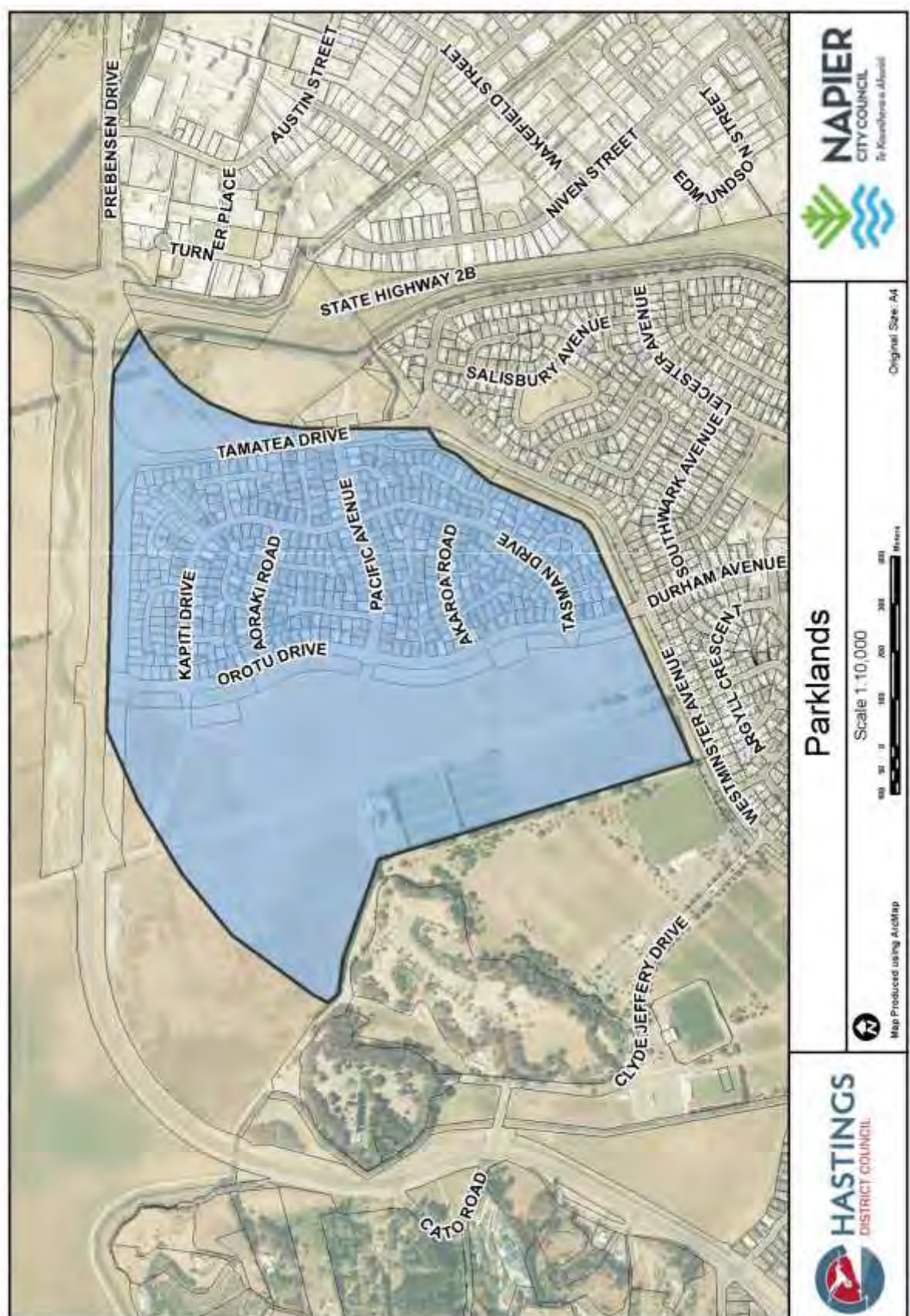
5.2. MAP INDEX

 <p>Napier:</p> <p>Residential Growth Areas</p> <ol style="list-style-type: none"> 1. Bay View 2. Parklands 3. Park Island 4. Riverbend / The Loop 5. Te Awa 6. Western Hills. <p>Residential Reserve Area(s)</p> <ol style="list-style-type: none"> 7. South Pirimai 	 <p>Hastings:</p> <p>Residential Growth Areas</p> <ol style="list-style-type: none"> 8. Bridge Pa settlement 9. Brookvale Road / Romanes Drive 10. Clive south 11. Haumoana (south of East Road) / Te Awanga 12. Howard Street (to Awahou Stream) 13. Irongate / York 14. Kaiapo Road 15. Lyndhurst 16. Lyndhurst Extension 17. Maraekakaho settlement 18. Middle Road / Iona / Havelock North hills (lower) 19. Murdoch / Copeland 20. Murdoch Road West 21. Waimarama <p>Residential Reserve Area(s)</p> <ol style="list-style-type: none"> 22. Arataki Extension 23. Middle Road (in part) 24. Murdoch Road 25. Wall Road (in part).
<p>Industrial / Business Greenfield Growth Areas</p> <ol style="list-style-type: none"> 26. Awatoto 27. Napier Business Park 	<p>Industrial / Business Greenfield Growth Areas</p> <ol style="list-style-type: none"> 28. Irongate 29. Omahu 30. Tomoana 31. Whakatu

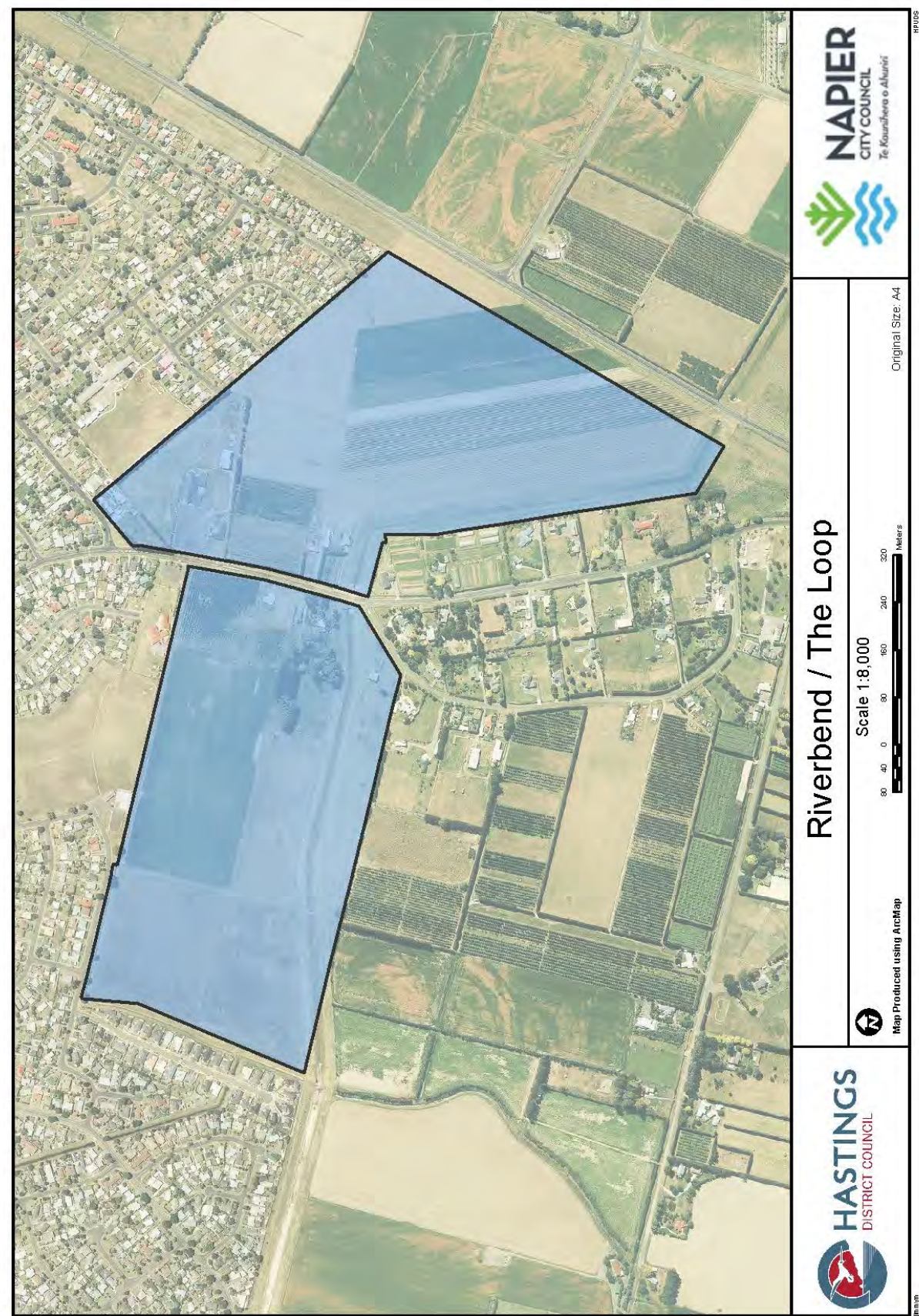
1. BAY VIEW



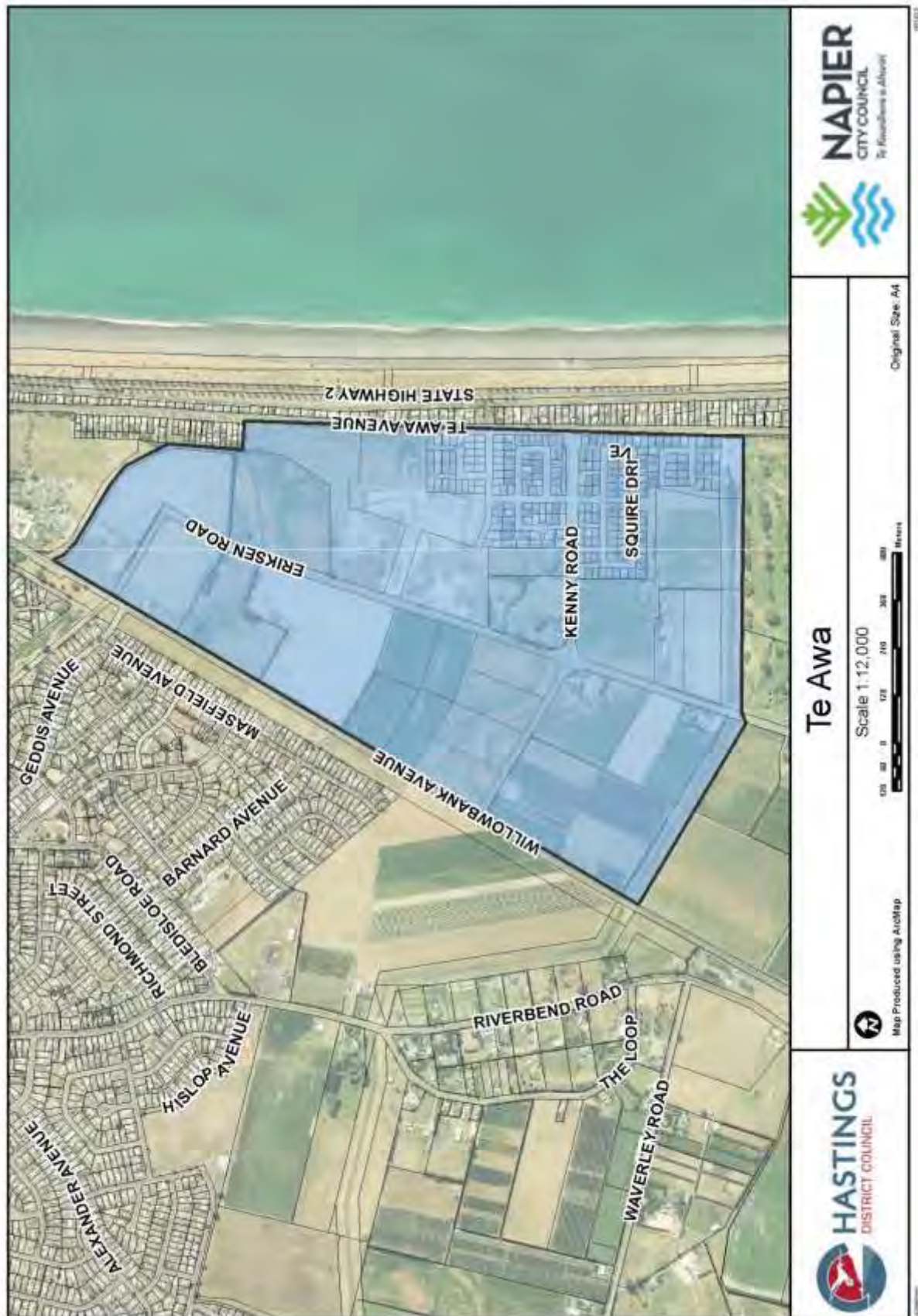
2. PARKLANDS



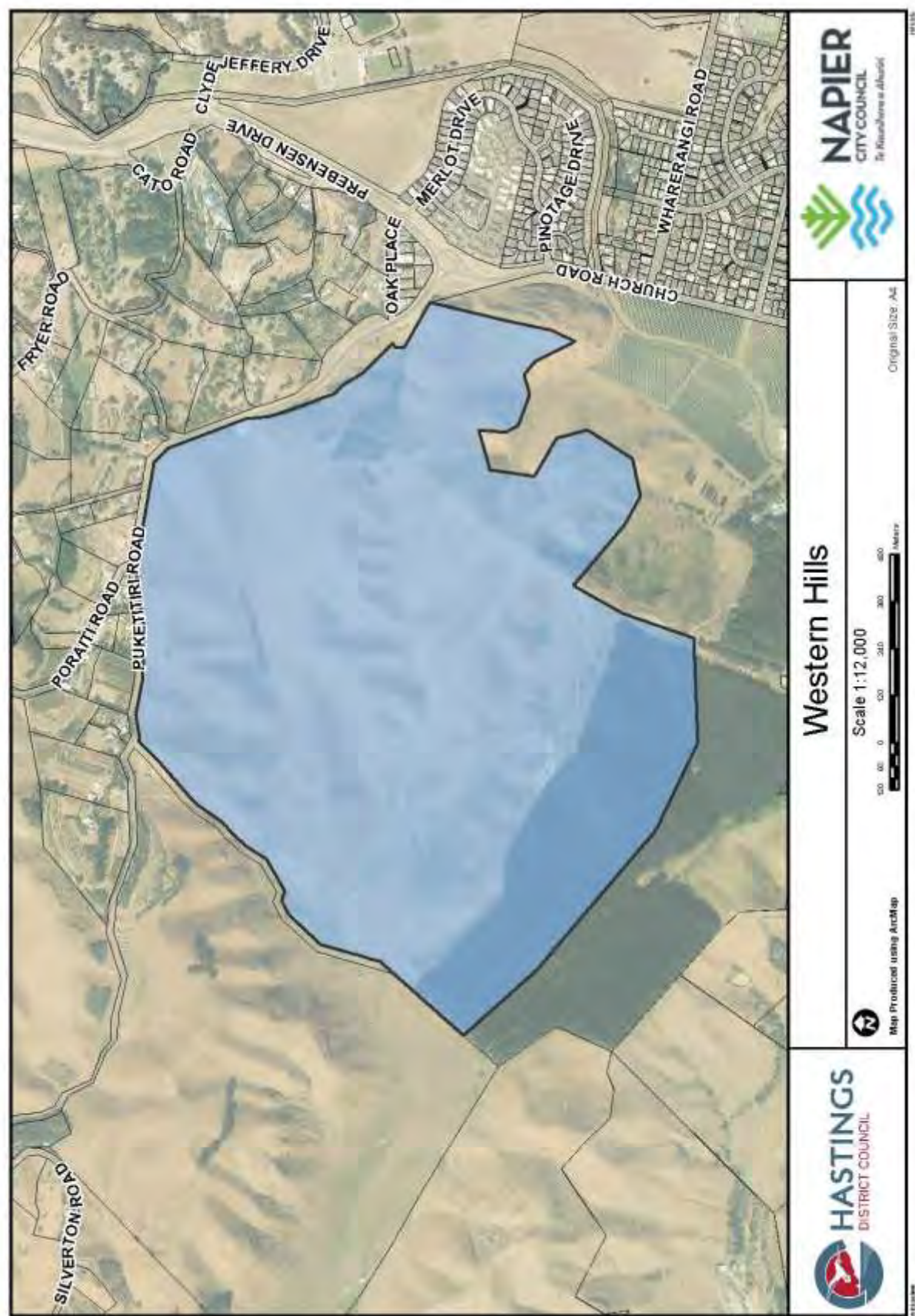
4. RIVERBEND / THE LOOP



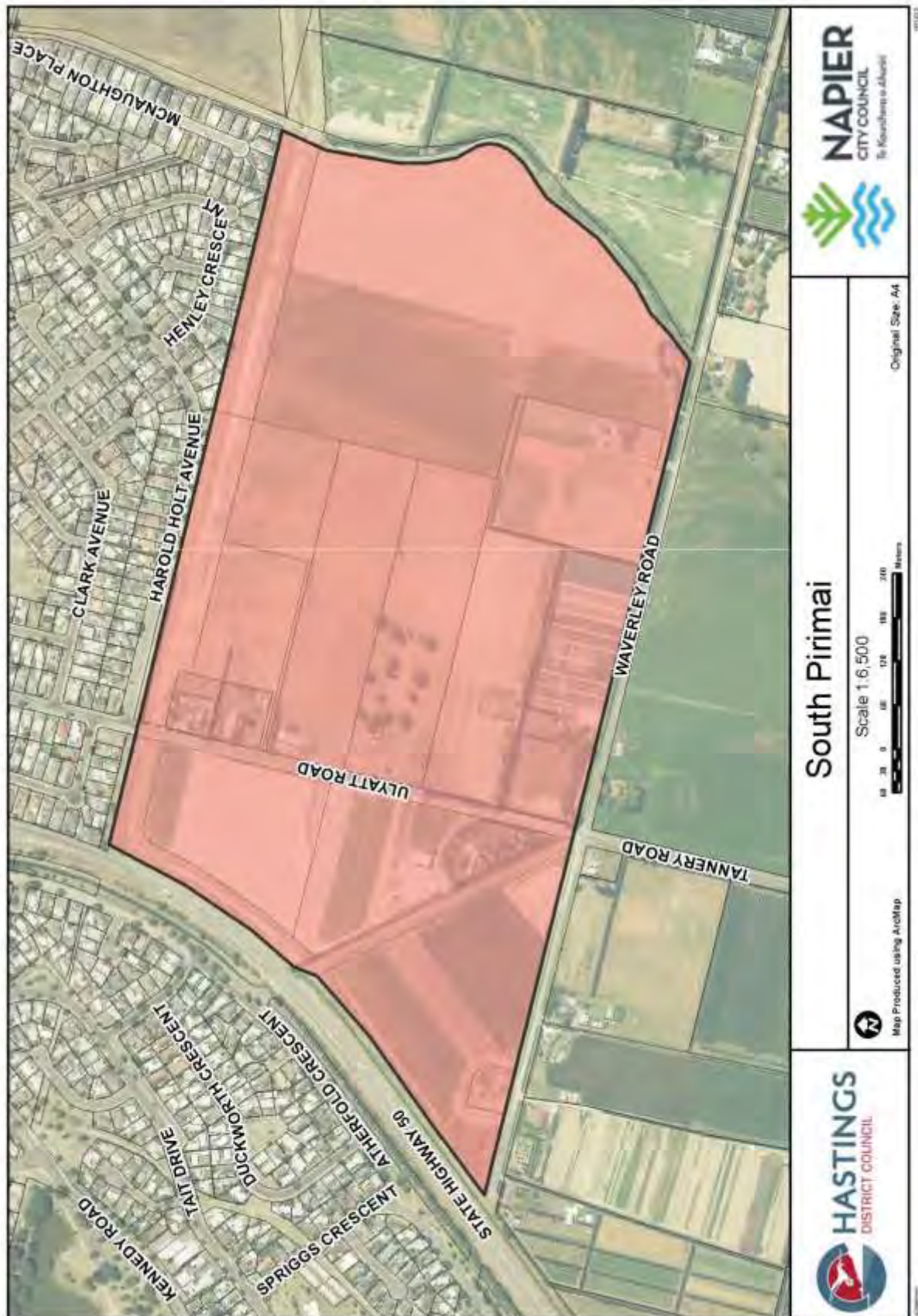
5. TE AWA



6. WESTERN HILLS



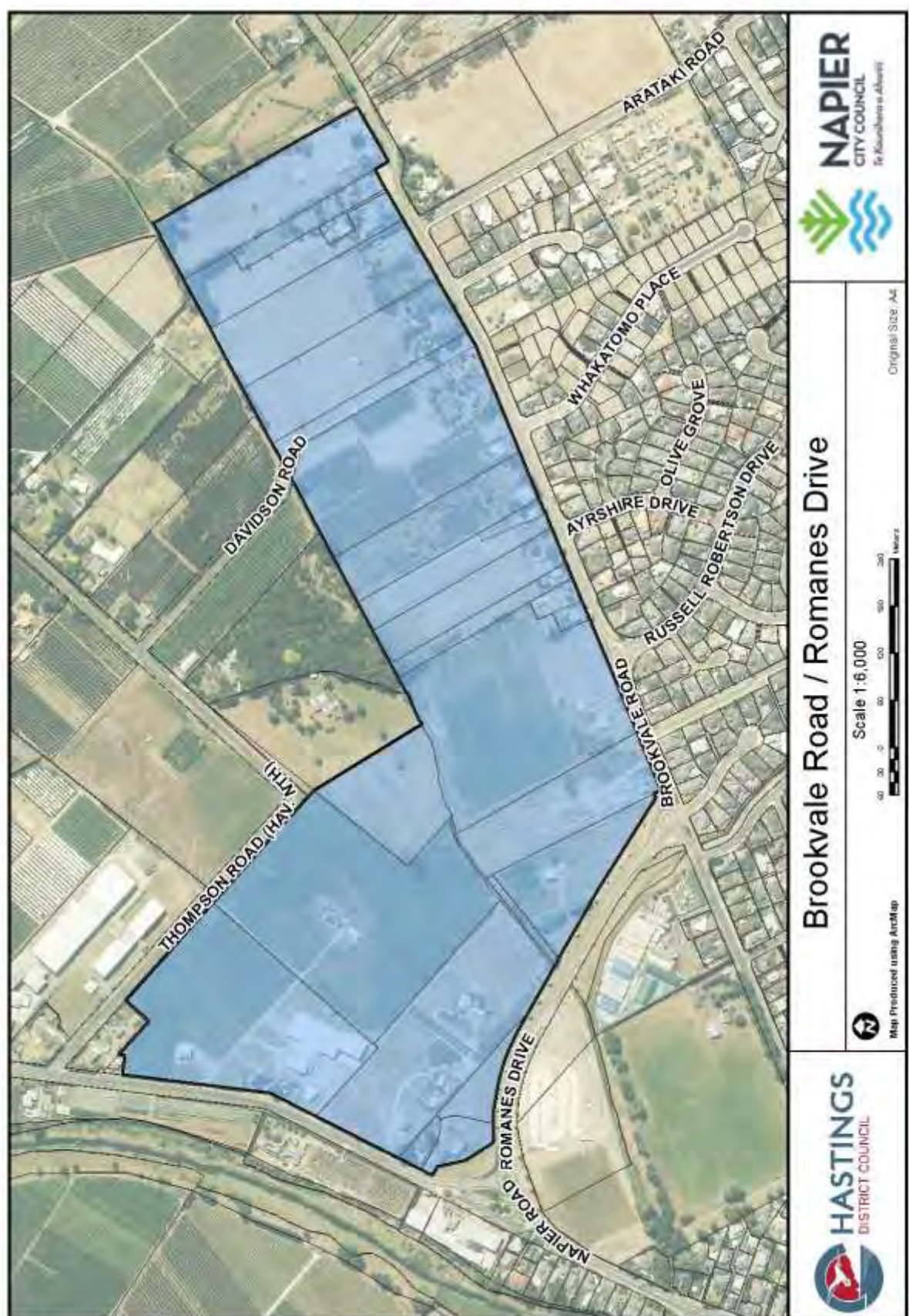
7. SOUTH PIRIMAI (RESERVE AREA)



8. BRIDGE PA SETTLEMENT



9. BROOKVALE ROAD / ROMANES DRIVE



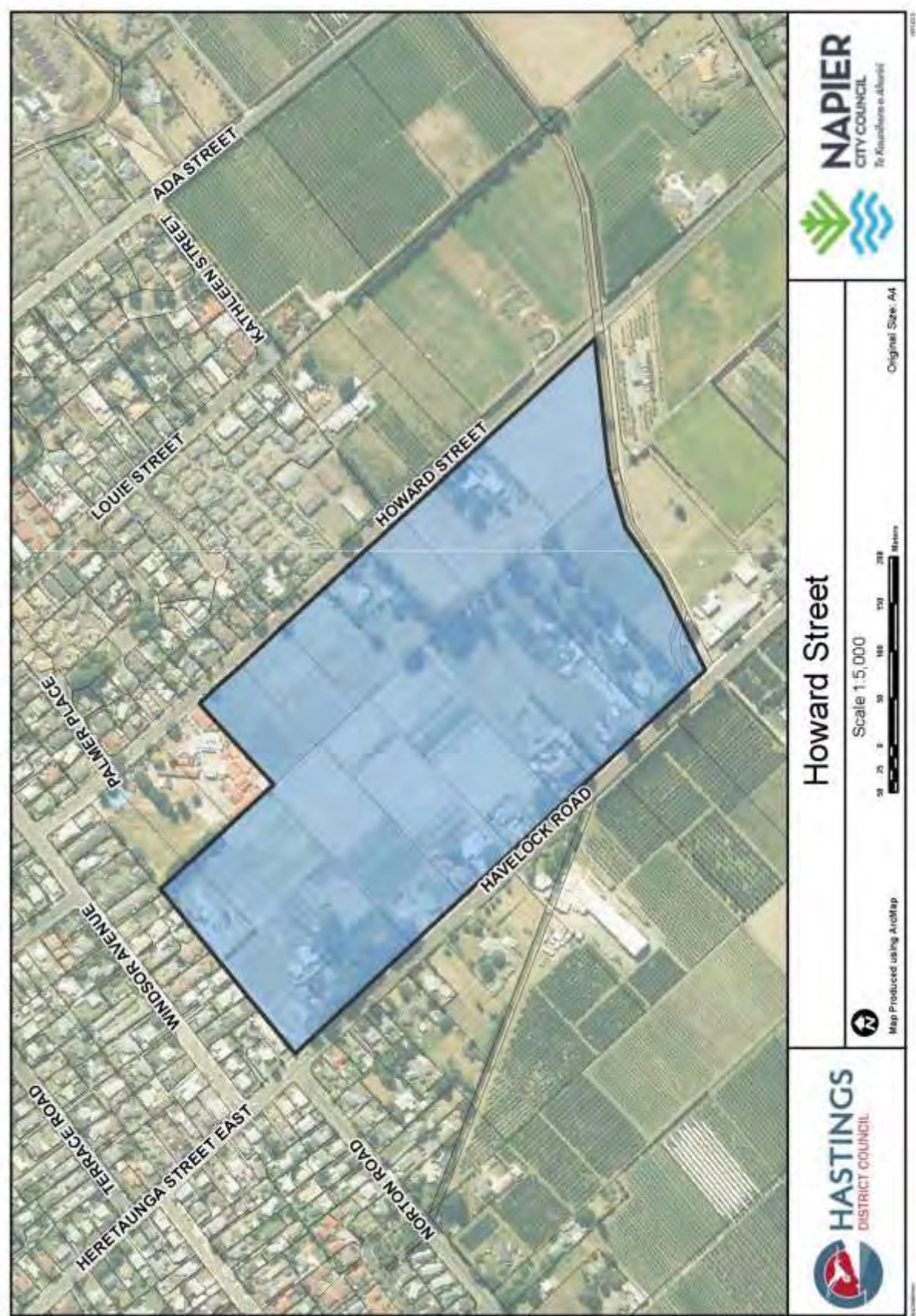
10. CLIVE SOUTH



11. HAUMOANA (SOUTH OF EAST ROAD) / TE AWANGA



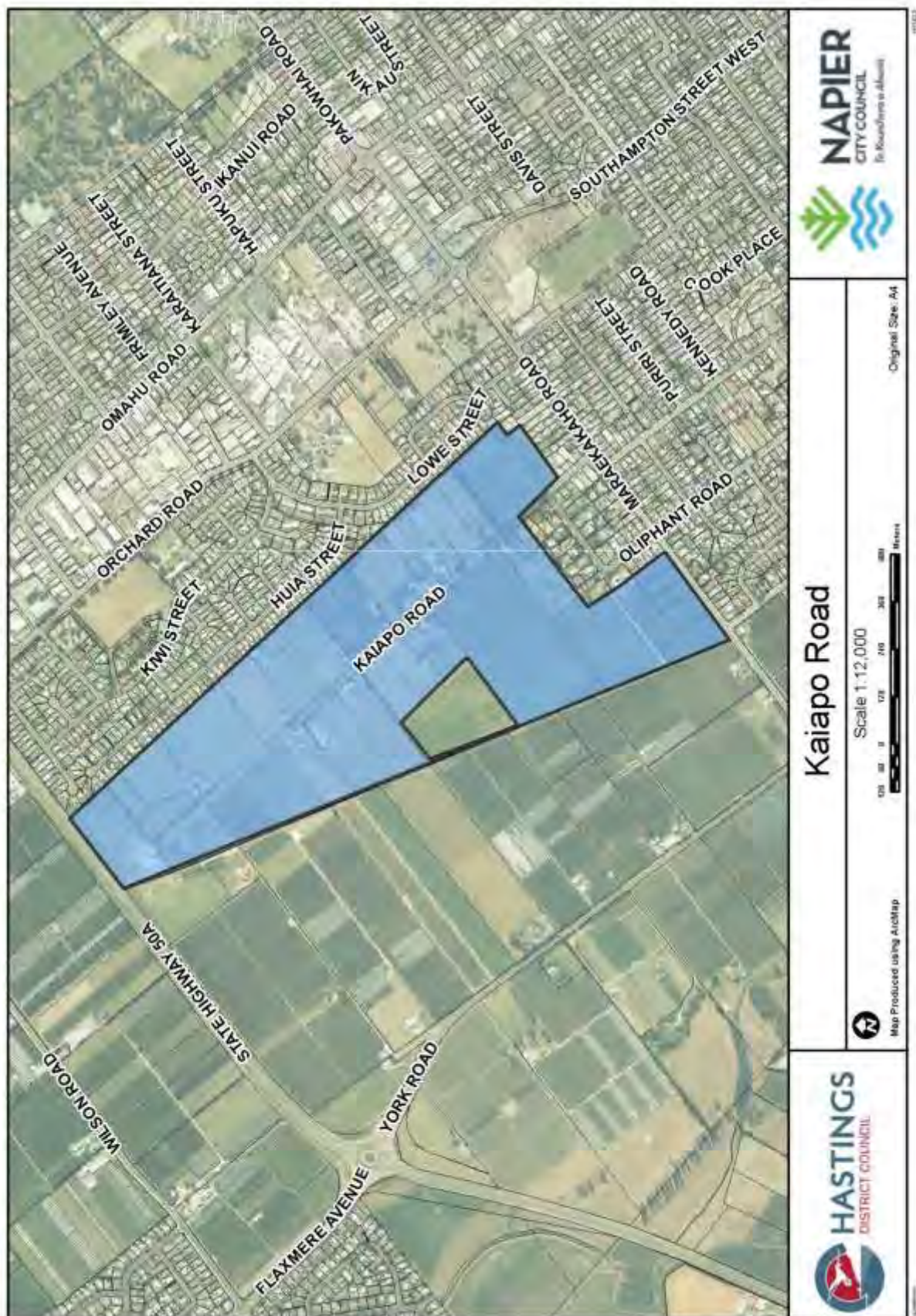
12. HOWARD STREET (TO AWAHOU STREAM)



13. IRONGATE / YORK



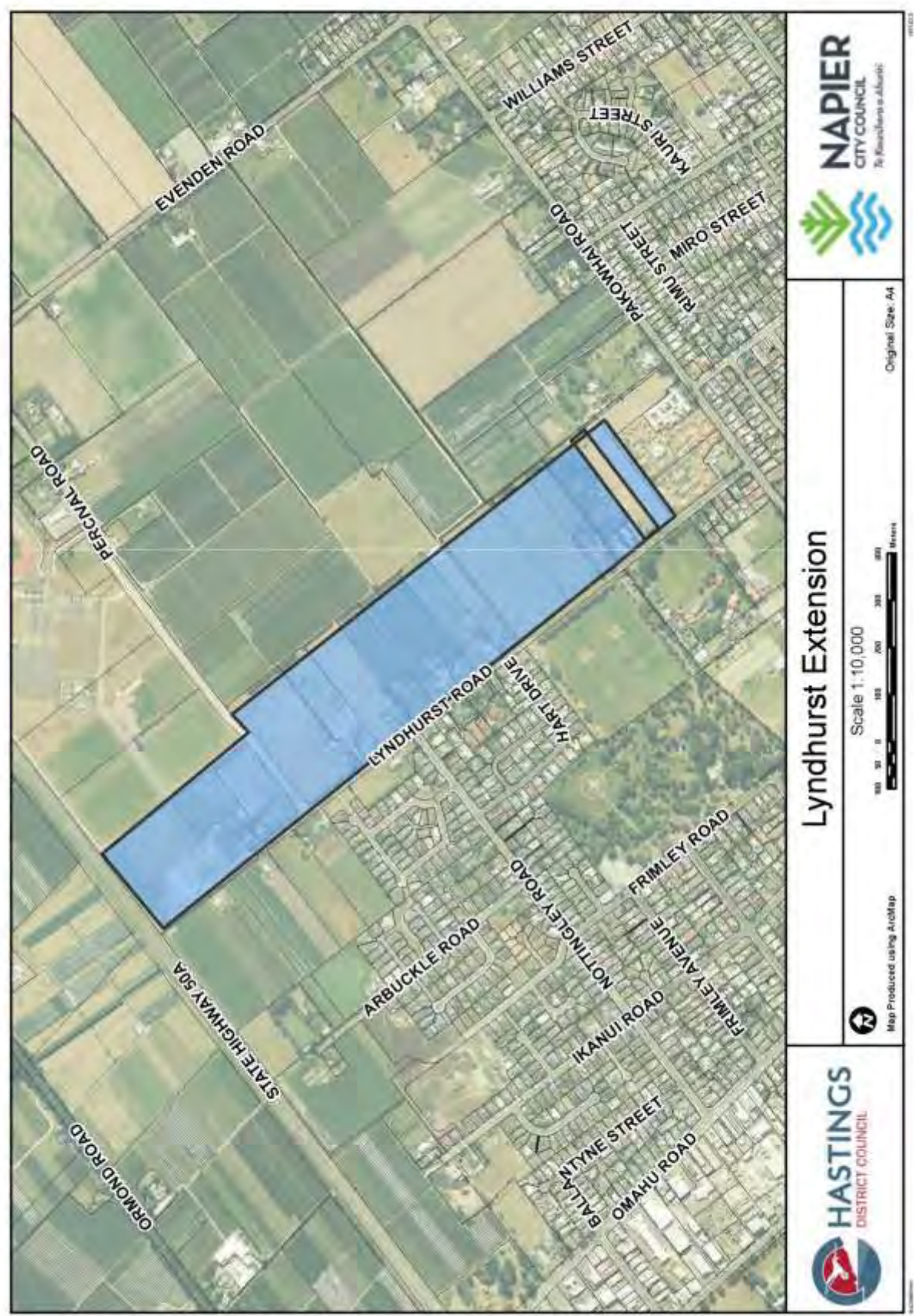
14. KAIAPO ROAD



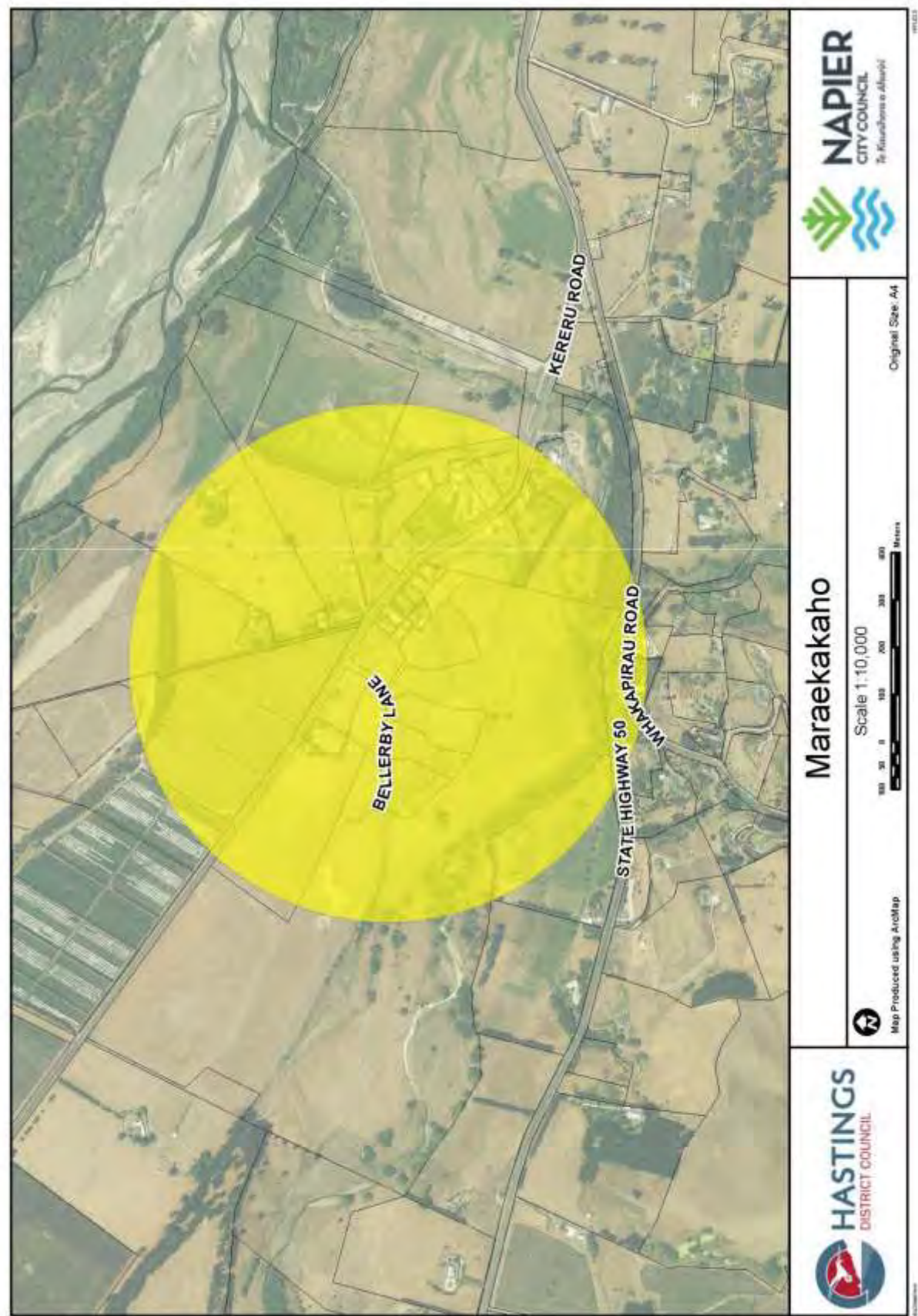
15. LYNDHURST



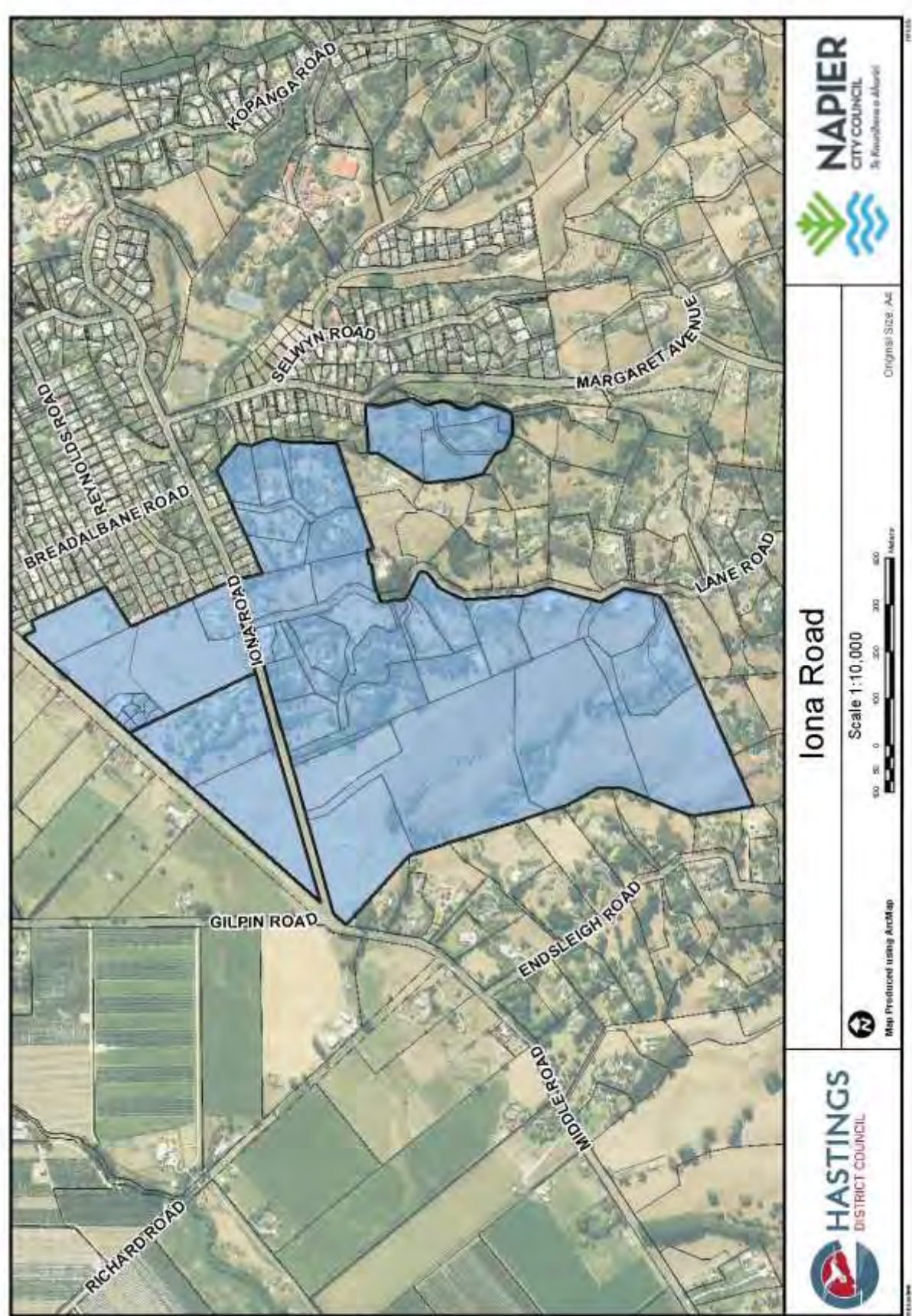
16. LYNDHURST EXTENSION

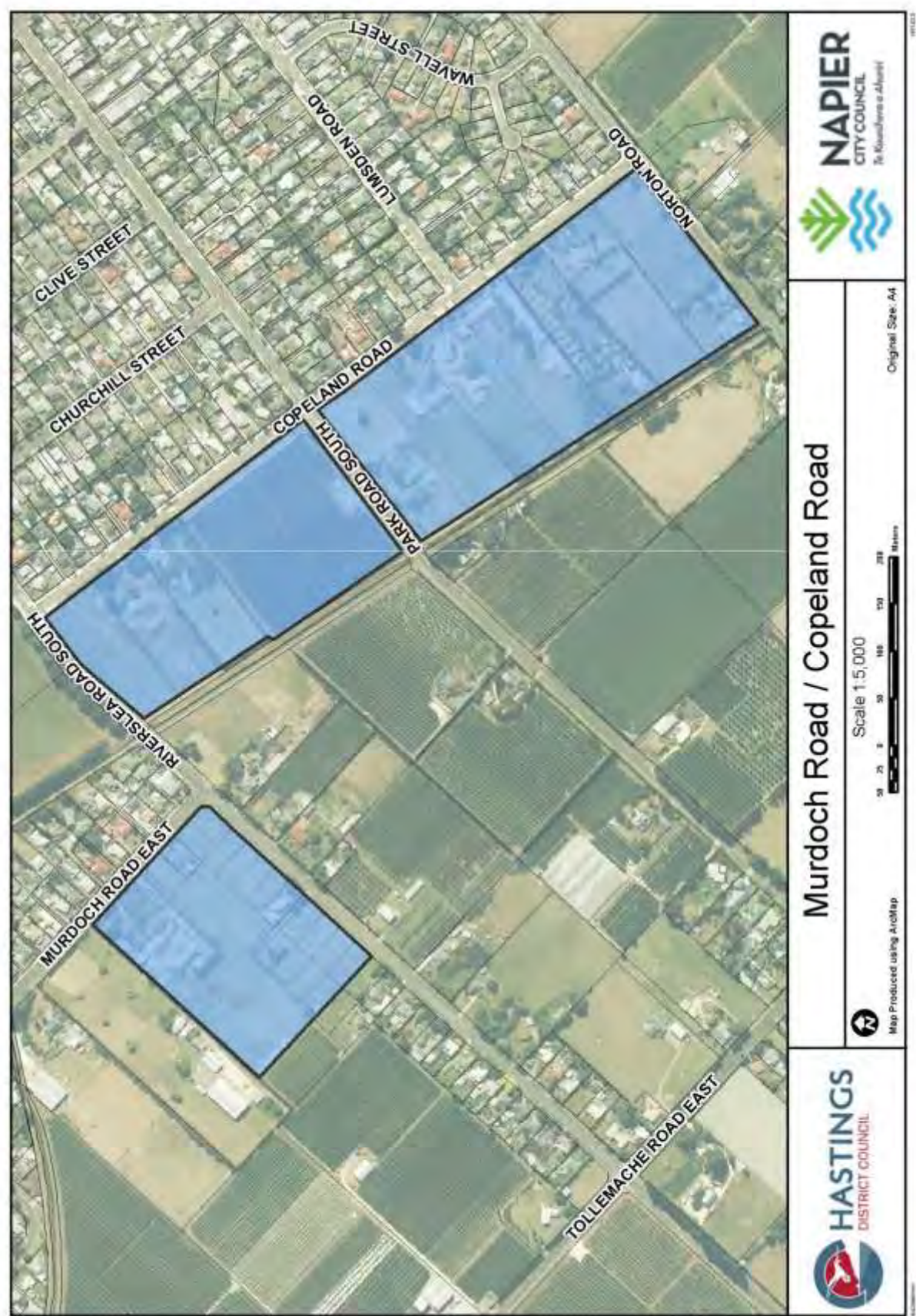


17. MARAEKAKAHO SETTLEMENT



18. MIDDLE ROAD / IONA / HAVELOCK NORTH HILLS (LOWER)



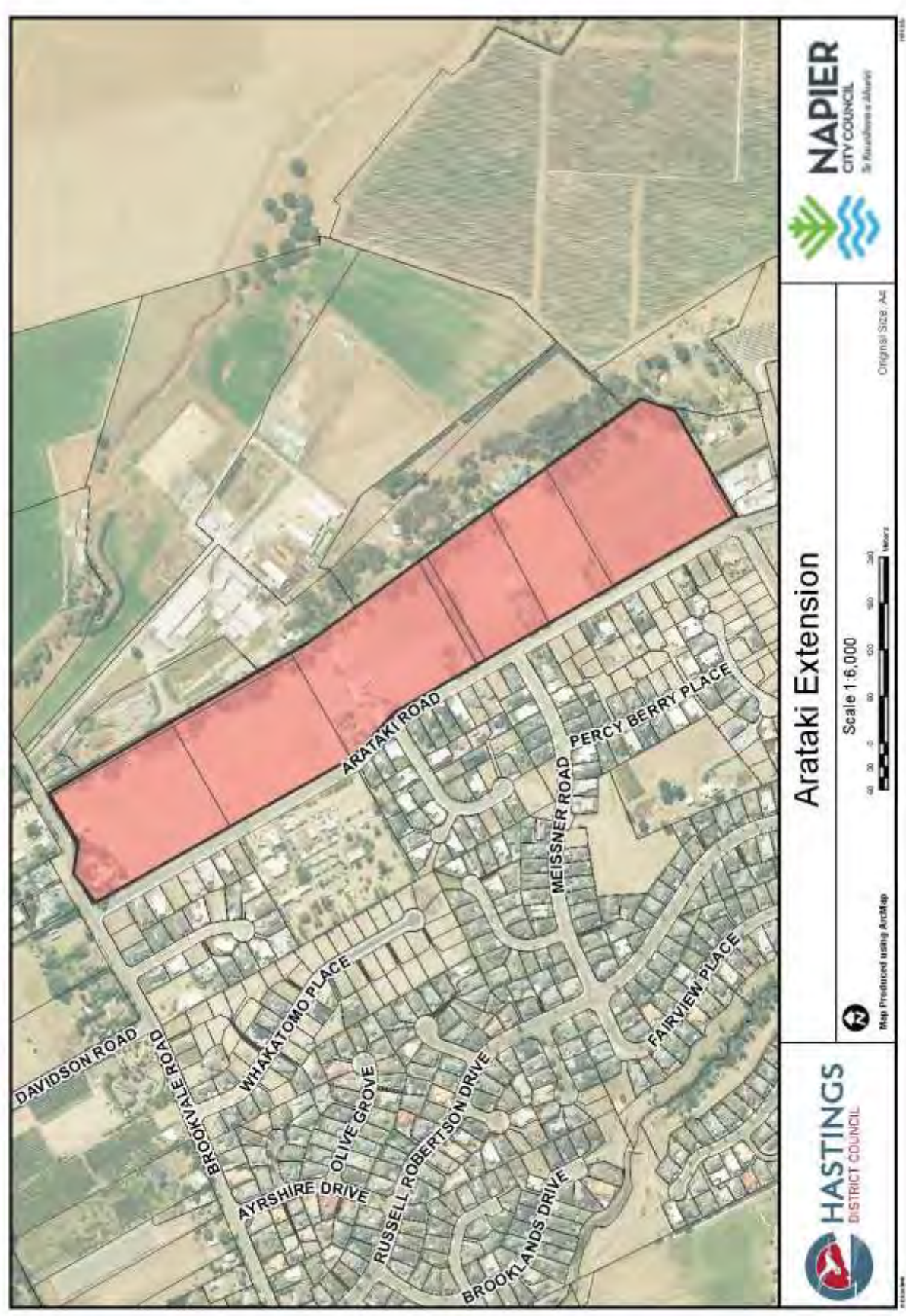


20. MURDOCH ROAD WEST

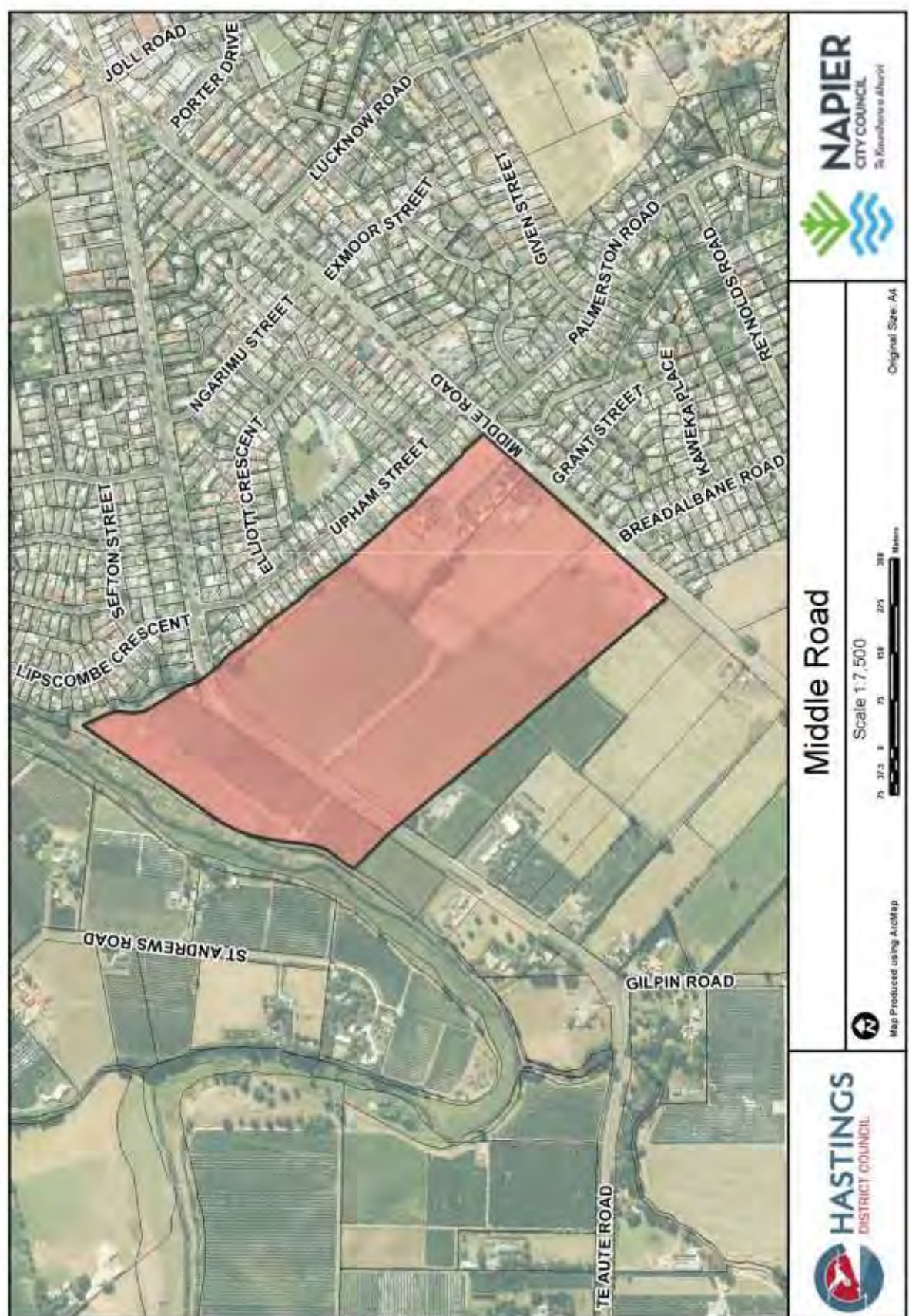




22. ARATAKI EXTENSION (RESERVE AREA)



23. MIDDLE ROAD, IN PART (RESERVE AREA)

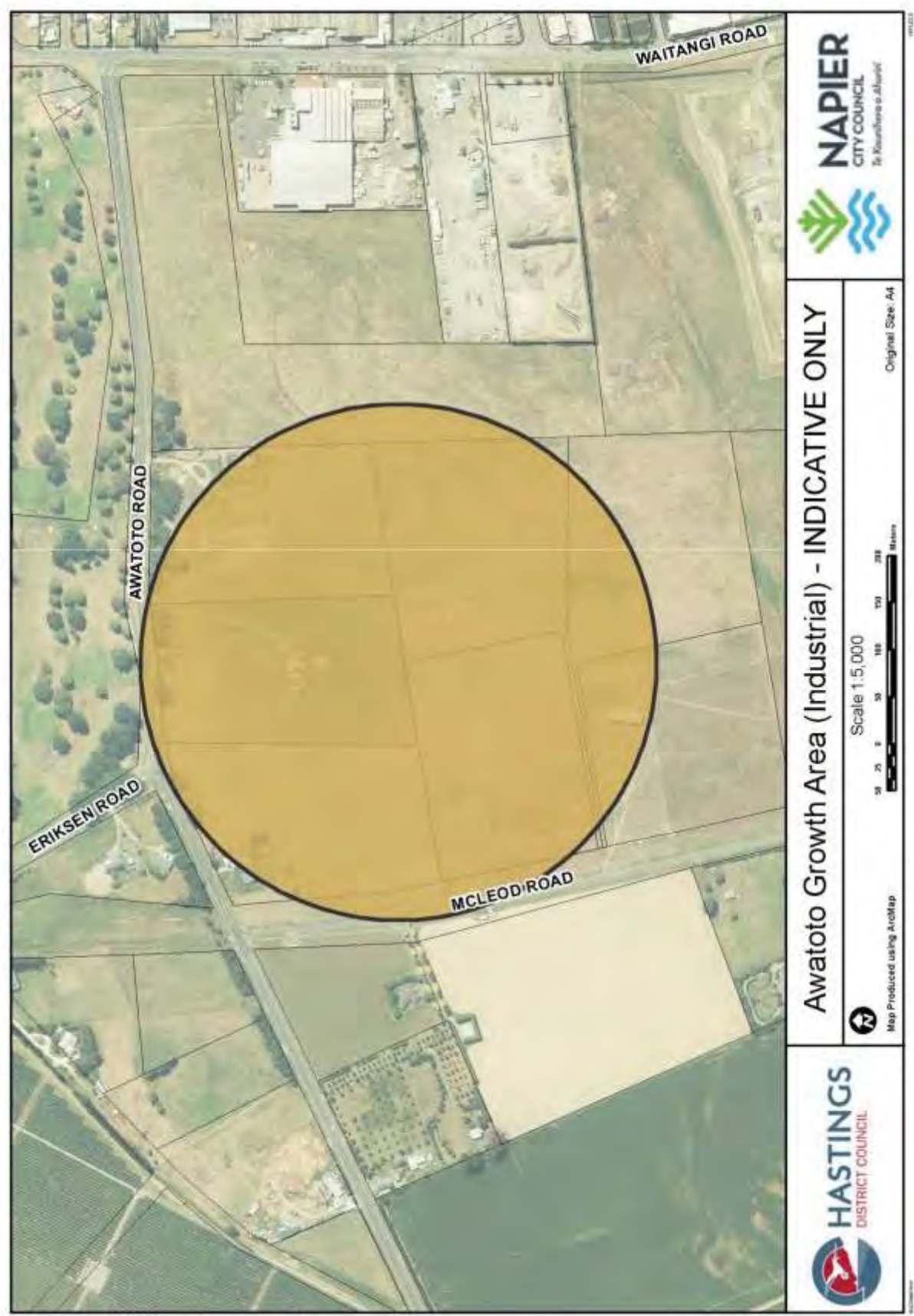


24. MURDOCH ROAD (RESERVE AREA)



25. WALL ROAD, IN PART (RESERVE AREA)





27. NAPIER BUSINESS PARK

