

Ministry for The Environment | Manatū Mō Te Taiao
PO Box 10362
Wellington 6143
New Zealand

26 October 2022

Dear Sir/Madam,

Covering letter in support of Box Property Investments Limited Apartments and Terraced Housing at 30 & 40 Sandspit Road and 2 & 4 Reydon Place, Howick.

1.0 INTRODUCTION

Civix is pleased to submit this project for fast-tracking on behalf of Box Property Investments Ltd (“Box”).

The proposal is for 70 dwellings at 30 & 40 Sandspit Road and 2 & 4 Reydon Place (“the Site”). The development consists of three apartment buildings, and 12 terraced houses with associated parking and access.

The Site has a total combined area of 5,417m². Box own the land, and there are no other owners involved with the Site.

The design of the development has been led by +MAP Architects (2016) Ltd (“MAP”) in conjunction with Clearwater Construction Ltd who are providing construction advice in alignment with design considerations. The architectural plans are attached as **Appendix C1** to the application and shading diagrams have been prepared and attached as **Appendix C2**.

The purpose of this letter is to introduce the project and outline the key points and issues for fast-tracking in a condensed form, to help the Ministry gain an insight into the project, as set out in the following headings:

- Key features of the site (section 2)
- Zoning (section 3)
- Policy context Medium Density Residential Standards (section 4)
- Policy context Single House Zone (section 5)
- Policy context Mixed Housing Urban – Modified (section 6)
- Planning infringement (section 7)
- History of development applications at the site (section 8)
- Key benefits of the project (section 9)
- Key benefits of the project, including:
 - Housing supply;
 - Contribution to well-functioning urban environment, and social and cultural well-being;

- Economic benefits;
 - Energy efficiency and waste minimisation; and
 - Whether the project would likely progress faster by fast-tracking.
- Auckland Council and Orakei Local Board comments (section 10)
- Conclusion (section 11)

2.0 KEY FEATURES OF THE SITE

The Site includes the former Steward Motors service station and workshop which is now vacant and run-down. It is a large site, with a number of large buildings and has road boundaries on 3 sides. It sits across the road from Howick College and as a result, has little or no 'residential' character.

The large site with 3 road boundaries has allowed a careful development design to protect the residential amenity for dwellings within the same block, while also achieving the kind of high residential intensity anticipated by the MDRS.

The taller buildings on the road frontage do not impact residential amenity as Howick College sits across the road. The terraces provide a more traditional interface where the Site has common residential boundaries.

3.0 ZONING

Under the Auckland Unitary Plan: Operative in Part ("AUP"):

- The site is located within the Residential - Single House Zone ("SHZ"), a lower density residential zone.
- Under the relevant intensification planning instrument required to give effect to the Medium Density Residential Standards ("MDRS") Auckland Council's Plan Change 78 ("PC78") the site is zoned:
 - As MHUZ (i.e. the full MDRS provisions relating to intensification apply); but
 - Subject to the *"Infrastructure – Water and/or Wastewater Constraints Control"* overlay. Auckland Council has classified this as a qualifying matter, which impacts on how the rules of PC78 take effect.

This project has been designed in accordance with the standards introduced through the Medium Density Residential Standards ("MDRS") changes to the Resource Management Act 1991.

4.0 POLICY CONTEXT MDRS

There is yet to be any caselaw on interpretation and application of the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021.

As noted above the site is subject to the RSHZ and the MHUZ-M provisions. Slightly complicating matters is the *"Infrastructure – Water and/or Wastewater Constraints Control"*.

I have carefully considered the plan provisions which relate to this control and it appears that the new rules associated with the Water and/or Wastewater Constraints Control do not directly apply to this application because the relevant MHUZ rules already have provisions which allow the Council to ensure that there is sufficient network capacity, as explained below:

- Auckland Council has proposed two overlays relating to the capacity of the wastewater network¹ these are:
 - Infrastructure – Combined Wastewater Network Control; and
 - Infrastructure – Water and Wastewater Constraints Control.
- It is the latter, Infrastructure – Water and Wastewater Constraints Control, which applies to this site.
- The key land use consent which is being applied for under PC78 is “*four or more dwellings per site*”, Rule H5.4.1(A4).
- Importantly rule H5.4.1(A4) does not include the ‘Water and Wastewater Constraints Control’ as a standard which has to be complied with. See **figure 1** below.
- Rule H5.4.1.A14C specifies that two or more dwellings per site within the Water and Wastewater Constraints Control is a restricted discretionary activity, but no additional standards have to be complied with. This is clearly because the existing standards already provide the consent authority with the power to ensure that the site has adequate servicing. See **figure 2** below.
- The relevant zone already addresses water and wastewater capacity as follows:
 - The matters of discretion (H5.8(2)(c)) which lists “*infrastructure and servicing*”; and
 - Assessment criteria H5.8.2(2)(h) which lists “*whether there is adequate capacity in the existing stormwater and public reticulated water supply and wastewater network to service the proposed development*”.
- As a result, it is unclear what the purpose of identifying “*infrastructure and servicing*” as a matter which the consent authority retains discretion over in H5.8.1(6) - more than one dwelling per site in areas identified on the planning maps as being subject to the infrastructure –Combined Wastewater Network Control or the Infrastructure – Water and Wastewater Constraints Control. That just duplicates existing provisions for a development like what is proposed.
- Likewise, the assessment criteria in H5.8.2(21) duplicate H5.8.2(2)(h). Adequate capacity is listed in both and when water supply capacity is assessed, Watercare always require an assessment of firefighting requirements. Unless there is an ability to connect to wastewater supply, no building consent can issue.
- So the function of the qualifying matter and rule H5.4.1.A14C is to ensure that the consent authority can exercise discretion over 2-3 dwellings per site. It seems immaterial where 4 or more dwellings per site are being proposed.

¹ Auckland Council s32 analysis, section 9.2.1

Qualifying matter as per s77I(j) of the RMA	(A3)	Up to three dwellings per site	P	<p><u>H5.6.21 Residential waste management.</u></p> <p><u>Standard H5.6.3A Number of dwellings per site;</u></p> <p><u>H5.6.3B Dwellings within the Infrastructure – Combined Wastewater Network Control as identified on the planning maps; H5.6.3C Dwellings within the Infrastructure – Stormwater Disposal Constraints Control as identified on the planning maps;</u></p> <p>Standard H5.6.4 Building height;</p> <p>Standard H5.6.5 Height in relation to boundary;</p> <p>Standard H5.6.7 Height in relation to boundary adjoining lower intensity zones;</p> <p>Standard H5.6.8 Yards;</p> <p>Standard H5.6.9 Maximum impervious areas;</p> <p>Standard H5.6.10(1) Building coverage;</p> <p>Standard H5.6.11(3) and (4) Landscaped area;</p>
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H5 Residential – Mixed Housing Urban Zone

Activity	Activity status	Standards to be complied with
		<p>Standard H5.6.12(A1) Outlook space; Standard H5.6.13 Daylight; Standard H5.6.14 Outdoor living space(A1) and (B1); Standard H5.6.15 Front, side and rear fences and walls; Standard H5.6.18(1) Windows to street and private vehicle and pedestrian accessways; Standard H5.6.19 Deep soil area and canopy tree; Standard H5.6.20 Safety and privacy buffer from private pedestrian vehicle accessways; Standard H5.6.21 Residential waste management.</p>
Qualifying matter as per s77I(j) of the RMA	(A4)	<p>Four or more dwellings per site</p> <p>RD</p> <p><u>H5.6.3B Dwellings within the Infrastructure – Combined Wastewater Network Control as identified on the planning maps; H5.6.3C Dwellings within the Infrastructure – Stormwater Disposal Constraints Control as identified on the planning maps;</u></p> <p>Standard H5.6.4 Building height;</p> <p>Standard H5.6.5 Height in relation to boundary;</p> <p><u>Standard H5.6.6 Alternative height in relation to boundary</u></p> <p>Standard H5.6.8 Yards; Standard H5.6.9 Maximum impervious areas; Standard H5.6.10(1) Building coverage; Standard H5.6.11(5), (6) and (7) Landscaped Area; H5.6.12(1) – (9) Outlook space; Standard H5.6.13 Daylight; H5.6.14(1) – (4) Outdoor living space; Standard H5.6.15 Front, side and rear fences and walls; Standard H5.6.16 Minimum Dwelling Size; Standard H5.6.18(2) Windows to street and private vehicle and pedestrian accessways; Standard H5.6.19 Deep soil area and canopy tree; Standard H5.6.20 Safety and privacy buffer from private pedestrian vehicle accessways; Standard H5.6.21 Residential waste management.</p>

Figure 1: Rules H5.4.1(A3) and (A4).

Qualifying matters as per s77I(j) of the RMA	(A14 A)	Two or more per site Dwellings within the Infrastructure – Beachlands Transport Constraints Control;	NC	
	(A14 B)	One dwelling per site in the Infrastructure – Water and Wastewater Constraints Control	P	
	(A14 C)	Two or more dwellings per site in the Infrastructure – Water and Wastewater Constraints Control	RD	

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Figure 2 Rules H5.4.1(A14(A) to (C).

5.0 POLICY CONTEXT SHZ

Without exhaustive listing of the objective and policies, they can be summarised as:

- Complementing established or planned residential character of predominantly one to two storey dwellings.
- Provision of quality on-site and off-site residential amenity through urban design, landscaping, and safety (e.g. encouraging passive surveillance of public spaces).
- Non-residential activities provide for the community's social, economic, and cultural well-being, while keeping in scale with the character of development anticipated by the zone.
- Mitigating adverse effects on water quality through controlling impervious areas.
- To provide for integrated residential development on larger sites.

Notably:

- The reference to planned residential character contains the word “*predominantly*”. This application will not change the overall character of Cockle Bay from being predominantly one to two-storey buildings.
- The residential interface is proposed as a two-storey built form.
- I consider that the term “*planned residential character*” needs to be reconsidered in light of the MDRS and Auckland Council’s decision that the SHZ zone does not apply anywhere in Auckland. Thus, the term “planned residential character” must extend to what the MDRS anticipates. I acknowledge that this necessitates reading down the reference to 1-2 stories.

- The full MDRS / MHUZ-M zone applies on the other side of Sandspit Road, which will strongly influence current and future character (future environment).
- Thus, in light of the MDRS and the changes in zoned development opportunities on both sides of Sandspit Road, it is not clear that the proposal is contrary to the objectives and policies of the zone, nor that it has significant adverse effects in terms of neighbourhood character – taking into account a real-world analysis and the permitted baseline (adjusted for MDRS) and the future environment on both sides of Sandspit Road.

6.0 POLICY CONTEXT PC 78 / MHUZ-M

PC78 Mixed Housing Urban Zone – Modified under the MDRS

The MHUZ-M objectives and policies have now been included in the AUP MHUZ Chapter H5 noting these are to be given legal effect for consideration of applications in that Zone. In this respect, noting that the Site is currently within the operative SHZ there is a weighting exercise required in the consideration of these.

In this regard, noting the fact that the AUP is amended under PC78 to remove the SHZ from all urban areas, it is considered the weighting to be afforded to the proposed MHUZ-M is considerably greater than should be applicable to the SHZ.

The MHUZ-M Chapter H5 under PC78 incorporates the objectives and policies included in the RMA EHSA and is accordingly significantly supportive of the proposal.

Without exhaustive listing of all of these objectives and policies, they can be summarised as:

- Provision of a well-functioning urban environment providing for social, economic, and cultural well-being, and health and safety of people and communities now and into the future.
- Responding to housing demand and the planned urban built character including 3 -storey buildings (note the MDRS provides for up to 11m plus 1m for pitched roof form).
- Land is efficiently used for higher density and high-quality residential living that increases housing capacity and choice with good access to public transport, and that achieves high quality amenity and safety on-site and to the surrounding neighbourhood.
- Development avoids adverse effects on water bodies and ecological areas and does not increase any effects resulting from climate change and is resilient to the effects of climate change.
- Development to be adequately serviced by water, wastewater, and stormwater infrastructure.
- Intensification is avoided in areas with significant transport infrastructure constraints.
- Apply the MDRS across all relevant residential zones except where a Qualifying Matter is relevant.
- Provide for developments not meeting permitted activity status, while encouraging high-quality developments.
- Enable more efficient use of larger sites by providing for integrated residential development.
- Require development of four or more dwellings per site to contribute to a safe urban road environment for pedestrians through improvements to the adjacent road network.
- Avoid developments of more than one dwelling per site in areas identified on the planning maps as subject to significant transport infrastructure constraints.

This type of development is highly consistent with the objectives and policies of MHUZ-M

7.0 PLANNING INFRINGEMENTS

Resource consent triggers

Under the SHZ there are several infringements, including:

- More than one dwelling per site and subdivision below the minimum lot size (**infringes**)
- Maximum height 8m and up to 9m to provide for sloping roofs (proposed up to 13.817m - **infringes**).
- Maximum site coverage 35% (proposed 49.8% - **infringes**).
- Minimum landscaped area 40% of the net site area (proposed 37.6% - **infringes**)
- Front yard of 3m (proposed 1.5m – **infringes**).

While there are the above SHZ infringements, the application and design approach is to acknowledge and respond to the clear policy direction for re-zoning to MHU-M and application of the associated MDRS as notified for this site under PC78. In this regard, it is sensible to design to the MDRS, and on this basis there are only two infringements relating to maximum height and outdoor living space (OLS) being:

- Maximum Height 11m plus 1m to provide for pitched roofs. The proposed apartments utilise the average ground height method for maximum height. This shows compliance for the terrace houses, but for the apartments, there are the following **infringements**:
 - Residential Building One, 2.41m
 - Residential Building Two, 2.817
 - Residential Building Three, 2.182m.
 - It is noted that:
 - The visible height of the rooflines of the apartments is at the leading parapet which is 230mm below these maximum heights.
 - These infringements are related to the 11m height restriction only as the roofs are not pitched, whereas if they were, the maximum height infringement is reduced by a further 1m.
- Minor **infringements** of the ground level OLS control for the Sandspit Road frontage apartments, with the smallest dimension being 2.5m being 0.5m less than the MDRS 3m dimension, and 1.5m less than the Councils prescribed non-MDRS standard for four or more dwellings of 4m. The minimum 20m² area requirement is exceeded however.

The number of 'activities' being triggered are not greater or different than other similar proposals for apartments in the MHU-M. The main relevant infringements are the height and OLS standards. The proposal largely complies with the coverage and other controls for the MHU-M zone under the MDRS, though it is expected that detailed design will result in a number of technical or minor infringements – particularly where new development controls have been proposed (e.g. deep soil area).

The height infringement is relatively modest, considering the setback from other residential properties, with the only adjoining properties to the south being separated significantly, noting the terraced houses located closer to these adjoining properties. It is essentially the relocation of development potential from the only residential interface to the Sandspit Road interface.

The four OLS dimension infringements for the apartments are also modest noting the 1.5m width provided for the ground level apartments coupled with compliance of the 20m² area (exceeded slightly) for these maintains sufficient amenity for outdoor living, especially when considered against what is considered acceptable for above ground living OLS of 8m² area and 1.8m minimum dimension for a balcony, patio, or roof terrace.

To demonstrate the extent to which the design has sought high amenity outcomes for the development as well as the neighbourhood, +MAP Architects has provided comparison permitted baseline plans of dwellings and apartments designed with full utilisation of the MDRS. These are included in the architect plans in **Appendix D** under Drawing Numbers RC4.01 and RC4.02. This shows some 42 residential units of maximum 12m height. This can be compared to the efficiency provided by the additional 28 units under this design to provide a yield of 70 units, noting this design also provides for a variety of housing types compared to a more regimented subdivision first followed by permitted land use application.

Further demonstration of the best balance of use of the MDRS against what a possible MDRS baseline development is also provided in **Appendix G**, relating to an apartment only complex. These could provide:

- 5 blocks.
- 17m wide.
- Basement parking.
- 50% site coverage.
- 8m between blocks (so will meet outlook space requirement).
- 3 larger blocks are 620m² per floor – so 8 apartments per floor.
- 2 smaller blocks are 420m² per floor – so 6 apartments per floor.
- 108 apartments in total.
- Though not fully under the 11m rolling height plane, approx. half the roof projects through which means that each block will comply with the average height plane calculation.

This apartment option is not proposed here, but is a useful demonstration of the full possible extent of effects that could otherwise result, including the effects on neighbours.

The Site is not subject to any Overlay, Precinct or Controls that specifically protect viewshafts or existing landscape qualities associated with the ridgeline location.

Scale and height of the development, and the change to the local area

The Greenwood Associates Landscape Architects and Urban Design Specialist engaged by the applicant are highly qualified and experienced in their fields. While these specialists acknowledge that the proposal will result in a significant change to the landscape being an initial architectural statement under the MDRS in this location, they also note that the areas to the north and west of the site have the greatest potential for the rapid adoption of the MDRS due to views toward the Hauraki Gulf.

The fourth floor of the proposed three apartment blocks has been recessed, reducing the potential for adverse visual effects, particularly on the Eastern Elevation.

The relationship to the street and neighbouring properties provided high quality amenity through a high level landscape and urban design/architectural response, including variation of built form and a landscape response comprising dense shrub and varied tree planting.

Based on the assessments undertaken by the landscape and urban design experts, the adverse visual effects would not be significant when considered against the AUP context.

Based on the zoning and permitted height limits along the Sandspit Road ridgeline, the character of the ridgeline will likely change over time to a collection of multi-level buildings as permitted under the MHUS and MDRS once operative. As you will know, the Court of Appeal² has highlighted that effects can be assessed against a future environment where there is expected to be significant change to the local area – as is happening in Auckland:

“[57] In summary, all of the provisions of the Act to which we have referred lead to the conclusion that when considering the actual and potential effects on the environment of allowing an activity, it is permissible, and will often be desirable or even necessary, for the consent authority to consider the future state of the environment, on which such effects will occur.”

I acknowledge that the MDRS is a new and very unusual policy directive, but the reality is that Parliament has dictated that the built form in this area can change to 3 stories per site as a permitted activity. While the actual permitted level of density might not be the same as it is for other areas of Auckland without the ‘Water and Wastewater Constraints Control’, the built form as seen from public spaces and adjoining neighbors will change to be much more urban.

The building height is proposed to be exceeded because this enables the best design outcome for this location and provides the best balance of yield while controlling adverse effects to acceptable levels, and in fact enabling high visual amenity outcomes through good design. As such, it is important to ensure that the maximum dwelling yield on the site can be achieved by the proposal, noting also the direction of the NPS-UD.

Based on our prior experience with ‘over-height’ apartment applications, exceedances to the building height standard are often opposed by Local Board and Council, despite evidence that may be presented by the applicant’s experts. It is our view that Local Board and Council often overstate the issues and actual adverse effects associated with height exceedances.

8.0 HISTORY OF DEVELOPMENT APPLICATIONS AT THE SITE

The history of development applications on the site is of little direct relevance, other than for the purpose of noting the chilling effect which the SHZ has had on development in Auckland and the necessity of the MDRS to free up development capacity. A land use consent application³ was lodged on 27th July 2018 for an Integrated Residential Development (“IRD”) at the Site.

That development consisted of residential units made up of two components. The first component comprised three, three level buildings (with two levels of basement car parking) located along the Sandspit Road frontage. These buildings contained 44 residential units (12 three-bedroom units, 29 two-bedroom units and three one-bedroom units). A café was proposed on the corner of Sandspit Road and Trelawn Place.

² *Queenstown Lakes DC v Hawthorne Estate Ltd (2006) 12 ELRNZ 299, [2006] NZRMA 424*

³ BUN60324132 & LUC60323963.

The buildings were located above two podium levels situated below the level of Sandspit Road, which were largely for carparking and accessed via Trelawn and Reydon Place. Ten one-bedroom units were located on the terrace podium at the upper parking level, between Trelawn Place and Reydon Place, and were accessed directly from the upper-level car park. The two levels of carparking contained a total of 113 parking spaces, 122 cycle parks and 86 storage units.

The second component comprised of four buildings, containing a total of 16 residential units, located along the north-eastern boundary of the site.

The development had a number of communal facilities including a swimming pool, BBQ/outdoor living area, a common room with facilities for a manager and cleaner and a café open to the public.

The application was limited notified on 1 February 2019 to the following properties:

- 3, 3A & 5 Trelawn Place;
- 1, 5, 6, 6A, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19 and 20 Reydon Place; and
- 37, 39, 41, 43, and 45 Sandspit Road.

In total, 16 submissions were received, all of which opposed the development.

The application was heard by independent commissioners in July 2019 and subsequently consent was refused. The Commissioners raised a number of concerns with the proposal being:

- *“That the application is not for an IRD but for a multi-unit residential development;*
- *Consent cannot be granted as the proposal fails to satisfy the requirements of either the ‘gateway’ tests set out in S104D(1) of the RMA;*
- *The effects on the proposal will be more than minor, particularly effects relating to the amenity of the area in general and on neighbouring residents;*
- *The proposal is contrary to the relevant objectives and policies of the AUP;*
- *There is a high potential for an undesirable precedent to be set if this consent was granted; and*
- *The proposal is not consistent with the purpose of the RMA.”*

The Applicant decided not to pursue that development and instead undertook a re-design which it sought to have directly referred to the Environment Court. That re-design reduced the number of dwellings resulting in a proposal that included:⁴

- 54 residential units across three 3-storey buildings and three 2-storey buildings;
- An on-site café
- Proposed communal facilities include a gymnasium, swimming pool, shared amenity space, common room, WC and manager’s office;
- 84 car parks, 56 bicycle parks and a loading space are provided in the basement. A further eight bicycle parks are provided on Sandspit Road.

While that application was in process, the Government announced the MDRS changes to the RMA, but

⁴ BUN60356953, LUC60356954, DIS60356955

unfortunately there is insufficient scope to amend that application to align with the present proposed design.

9.0 KEY BENEFITS OF THE PROJECT

Clearwater Construction Ltd has provided a letter (**Appendix N** to the Referral Application documents) setting out the consenting and construction program, design and construction resources, financial capacity, and design and construction sustainability, which is relevant to each of the categories assessed below.

Housing Supply

While the proposed 70 new dwellings may be considered small in scale compared to other COVID fast track applications, the scale of development is significant in the locality as set out in the Urban Economic Assessment included in **Appendix F** to this Referral application. The locality assessed for this proposal is identified as the “Study Area” as shown below in **Figure 1**:



Source: Statistics NZ, Google Maps

Figure 1: The Study Area referred in the assessments within the Urban Economic Assessment.

Based on the Economic Assessment, there are currently 8 terrace housing developments and just 1 apartment development, with 49 units remaining for sale across these developments within the Study Area. The Assessment indicates there is a shortage of new dwellings in this location. The Assessment also sets out how dwelling construction between 2017 to 2022 currently has an average of 180 dwellings in the Study Area, with the majority of these trending toward terrace houses, but with apartments accounting for just 10 units consented per annum.

This indicates a shortage of new apartments in this location. It is also noted that there is a rapid increase in terrace housing generally within the Auckland Region. This proposal would increase the number of dwellings on the Site from 2 to 70, with typologies fitting current construction trends and providing further choice for the Study area in the provision of 58 apartment units.

It is also noted in the Assessment that under the current SHZ only 9 stand alone dwellings could be built under the permitted baseline. Notably more could be constructed as an Integrated Residential Development (IRD) in the SHZ, however, as set out above in *Section 2.0 – Application History*, that option has proven very difficult through the Council over the course of several years. This proposed development under the proposed MDRS provisions provides 61 more dwellings than possible under the current SHZ permitted baseline.

Understandably the apartments and terrace houses are not ‘affordable’ against any Auckland-wide metric, however they will be considerably less expensive than stand-alone housing in this part of Auckland.

As a result, this apartment and terrace housing development will perform an important role in facilitating further intensification in Auckland.

Contribution to well-functioning urban environment, and social and cultural well-being

The proposed development is within an attractive location, with a wide range of amenities and services available that support residential development, noting:

- Howick Central, Botany Town Centre and various supermarkets are approximately 5 – 7 minutes drive away.
- There are approximately 32,800 businesses and 125,000 jobs within a 10km radius of the proposed development.
- The residents of the proposed development would have access to a wide range of educational facilities, with several schools and colleges within 5 minutes’ drive away, noting that Howick College is directly across the road.
- The Site is within a 10 – 15 minutes’ drive to several beaches, churches, medical centres, a public library, parks, walkways and playgrounds.

Of particular note, Policy 1 of the NPS-UD seeks for planning decisions to contribute to well-functioning urban environments, which are urban environments that, as a minimum includes (but not limited to):

- Having or enabling a variety of homes that meet the needs, in terms of type, price, and location, of different households;
- Having good accessibility for all people between housing, jobs, community services, natural spaces, and open spaces, including by way of public or active transport.

Economic Benefits

As set out in the Economic Memo of Urban Economics in **Appendix F**, the project would create a considerable number of jobs in the construction industry. It is estimated that the construction of the proposed residential development would generate 177 full time equivalent jobs (FTE) and contribute \$235.5 million to the GDP.

Compared to the permitted baseline scenario under the SHZ of one dwelling per site, the proposed development is likely to net an additional 155 FTE jobs and \$20.7 million to the GDP. More generally, it would support the overall commercial viability of the project and will ensure the economic and employment benefits 12

are realised.

As a result of COVID, more working professionals have shifted to flexible working / 'working-from-home' arrangements. As such, residential intensification in close proximity to existing and proposed centres, would help support the function and vitality of these centres that have been adversely impacted by COVID due to mandated lockdowns and isolations.

The proposed intensity of development would support the commercial feasibility of the project immediately in the short term, by providing economies of scale and additional revenue to offset fixed costs (e.g. land and capital improvements) and also construction costs, noting that the cost of constructing apartments is relatively high (around twice the costs of other types of housing). These economies of scale increase the likelihood that the development proceeds and the resulting economic output and employment contributions occur in the short term.

The developer (like all developers) is subject to financial agreements dependant in part in the ability to commit to timely delivery of construction and completion. Therefore, if this project is not approved for Fast Tracking there would be a significant time delay to amend the proposal for resource consent application to the Council, and to also achieve this consent under a less efficient consenting process. This is due to is a high likelihood the Council would notify the application despite the clear direction set out for this site (and the wider surrounds) under the RMA EHSA to apply the MDRS as notified under PC78. By the time a Council – led notified resource consent process is completed, and the project is constructed and occupied, the opportunity to support employment and GDP growth in the short term would be forgone.

Furthermore and separate to Auckland Council's delays discussed below, if this project is not fast-tracked Box would likely hold off further work on the resource consent application process until the MDRS and PC78 are resolved. That would result in a delay of around 12 months.

Energy efficiency and waste minimization

Initiatives below to achieve energy efficiency include:

- Reuse of Demolition materials, particularly concrete crushing for site aggregates.
- Recycling of 90% of construction waste through CCL's selected waste management provider.
- Onsite environmental management establishment & monitoring systems to mitigate any emissions
- Design and selection of high thermally insulated façade and roof systems to maximise thermal comfort and energy efficiency. Including use of high-performance glass specification and protecting areas of glazing by large overhangs.
- All elements of the external building fabric are carefully selected for durability and maintainability
- Selection of materials where practicable that maximise recycling and energy efficiency and minimise carbon emissions and use of non-renewables (e.g., low E glazing systems, LED lighting).
- Design and selection of Services Systems that maximise passive outcomes and energy efficiency, including full life cycle impact assessment.
- Selection of energy efficient appliances and fittings throughout apartments.
- Sourcing of products and labour through suppliers and contractors in compliance with the Modern Slavery proposed legislation
- The design will include storm water retention tanks.

- Car parks will be EV charging ready (i.e., futureproofed for e-vehicles).

Whether the project would likely progress faster by fast-tracking

I am confident that this application would not be processed under Council resource consenting processes 'relatively quickly and efficiently', for the following reasons:

- There is a shortage in Council processing staff and specialists (particularly urban design, engineering, and landscape architects). Applicants are currently experiencing substantial delays with front-end processing of applications at lodgement, with acknowledgement of lodgement emails advising in some cases that applicants should expect a minimum delay on allocation of at least three weeks, and that the Council may be unable to process the application within the required time frames under the RMA.
- In addition to these allocation delays, once S88 RMA acceptance letters are received, these are typically accompanied with S37A(4)(b)(i) letters to extend the time prior to processing due to complexity, noting the bar for what is considered a 'complex' application is very low – stated to be where more than one resource consent type is needed, which is clearly almost every resource consent application lodged. These front end and allocation delays amount to in the order of 2 months.
- There are applications that have recently been allocated up to three months post lodgement.
- Initial review and comments to confirm any s 92 matters then take up to another month.
- While the regulatory direction and planning frameworks is clear in terms of the anticipated density and associated application of the MDRS for this Site and its surrounds as notified under PC78, as the rules (where resource consent is required) do not have immediate legal effect, the Council may apply substantial weight to the current Single House Zone rules and standards in assessing notification and the proposal's merits. While the objectives and policies relevant to the RMA EHSA and the MDRS have immediate legal effect, it seems unlikely the Council will adequately recognise this and will instead likely notify the application, with the associated timeframe delays.
- The Fast-track process essentially facilitates a fast 'limited notification' process where the concerns of neighbours are heard and responded to, without the associated delays.
- The Howick Local Board has not responded to the consultation letter provided to it on 13 September 2022, so it is not known at this stage if support or opposition is likely. Experience with Fast Track applications regarding responses from Local Boards is that they usually wait for the application to be advised to the Council so that the Board can essentially align its responses to that of the Council. In this regard, we consider a reasonable likelihood of opposition. If this likely opposition is also the case where a resource consent application was to be submitted to the Council, it may affect the process in terms of both notification decisions and also the planning processing being potentially more cautious and complex as a result.

10.0 AUCKLAND COUNCIL AND HOWICK LOCAL BOARD COMMENTS

- Auckland Council does not have capacity to provide pre-application feedback and so their feedback has not been obtained.
- The Howick Local Board were invited to provide initial comments on the proposal on 13 September 2022, however, no response has been obtained as at 11 October 2022.

11.0 CONCLUSION

The proposed development is for the construction of the residential apartment blocks and two terraced housing blocks comprising a total of 70 dwellings. Subject to detailed design and resolution of specialist inputs the consent is considered supportable. The proposal meets the purpose of C19 RFTCA.



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