

DATE: 22 January 2021
TO: Jess Hollis (Contractor, Sustainable Land Use Delivery, MFE)
FROM: Philip Brown (Director, Campbell Brown Planning Limited)
SUBJECT: **FAST TRACK APPLICATION - RESPONSE TO REQUESTS FOR CLARIFICATION**

I refer to your request for clarification of several matters addressed in the application for referral under the COVID-19 Recovery (Fast-track Consenting) Act 2020 (the Act). My responses, prepared on behalf of the applicant, are set out below. I have also reproduced your questions (in italics) for convenience.

1. *Application (part III) refers to the construction of dwellings on 235 of the lots under the project, however the composition of typologies (42 standalone + 72 duplex + 113 terraced) only adds up to 227 dwellings, and only 227 dwellings are shown on the master plan and typologies plan. Please clarify?*

There are 259 lots overall within the proposed development. Houses are to be approved under the resource consent application for 227 of those lots, while 32 will be approved as vacant lots. House designs are being prepared for each of the 227 lots that will be consented with houses. Specific designs are required because each of those lots is less than the minimum permitted lot size of 800m² under the Auckland Unitary Plan (Beachlands Precinct).

Eight of the 32 vacant lots are to be sold to Fletcher Residential Limited (FRL) and that company will build houses on them. Houses on those eight lots will not need to be consented at this stage, as those lots are complying in terms of lot size. The reference to 235 dwellings from the application is comprised of the 227 dwellings to be consented plus the additional eight that do not need to be consented at this time. The remaining 24 vacant lots are to be retained by Neil Construction Limited (NCL) and sold to its builder partners for construction of houses. All 259 lots will have houses built on them, but only 227 of those require land use consent.

2. *Application (part II) details that NCL has entered into a contractual agreement with Fletcher Residential Limited (FRL) to facilitate development of the site by purchasing 219 of the lots and constructing dwellings on each of the lots. Is this agreement finalised (subject to obtaining the required consents) and is any evidence of this available? Should the project be referred, does NCL intend to be the only 'authorised person' for future application to an expert consenting panel or*

has consideration been given to whether FRL will be joint applicants (and therefore should also be joint applicants for the referral application)?

The agreement is commercially sensitive. It is in its advanced stages but is yet to be finalised at the present time. However, NCL and FRL are familiar partners on significant development projects. These companies have worked together on a number of projects and have been working together on this project for around 12 months.

I have discussed the possibility of a joint application with NCL and FRL. Both companies consider that to be a sensible idea. Accordingly, the applicant is now Neil Construction Limited and Fletcher Residential Limited jointly. I assume that this amendment to the application will mean that further information about the agreement is now irrelevant and no longer required.

3. *Application (part III) details the types of consent required – is a water permit also required (s14 of the RMA) for the stormwater diversion as indicated in the rules table?*

I agree that a water permit will likely be required under s14 of the RMA, due to the diversion of water flows across the site. As such, the proposal will require a land use consent, subdivision consent, discharge consent, and water permit.

4. *The PSI provided in support of the application indicates further investigation is required to determine whether consents are required under the National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health 2011 and the Auckland Unitary Plan. Do you wish to include this as a matter for consent as a precaution?*

I agree that it would be sensible to also identify this as a matter of consent, as a precaution. I confirm that consent will be sought on this basis.

5. *Application (part IV) discusses the purpose of the Act, however the question regarding whether the project would be likely to progress faster by using the processes provided by the Act than would otherwise be the case is not answered. Please provide a response.*

If this proposal were to go through a standard consenting pathway, processed by the Council, then it is considered that such a process would take substantially longer to complete than the fast-track process enabled under the Act.

A resource consent application utilising the normal Council process would be submitted with a request for public notification, given the size of the project and the departure from the minimum lot size permitted in the Auckland Unitary Plan (Beachlands Precinct). Within that context, pre-lodgement processes are likely to take six weeks (including arranging and scheduling the pre-application meeting, attending the meeting, and awaiting the written minutes). It is estimated that it would take between nine and 12 months to get to a hearing (39-52 weeks), allowing time for s92 requests and responses. A decision from the hearing panel would be issued in a further

three weeks, followed by a three-week appeal period before a granted resource consent could commence. That results in a consenting timeframe of between 51 weeks and 64 weeks.

There is of course a reasonable prospect of an Environment Court appeal beyond that, given that the application would be fully publicly notified. That might add a further 12 months to the timeframe if it eventuates.

These timeframes are substantially more than those arising from the fast-track process provided for under the Act.

6. *Application (part IV) contains summary details on economic benefits and job creation. It would be useful if you could provide the job numbers that the project will create in FTE's per defined time period/phase over the life of the project, e.g., X new FTE's over X months/years during design, X new FTE's over X months/years during construction, etc. Please also identify (where relevant) between direct and indirect new jobs created.*

NCL has referred this query to its economist (Fraser Colegrave of Insight Economics), to review the employment numbers and ensure that the job estimates are robust and have been prepared using an appropriate and accepted methodology. Below is an updated summary table of jobs that will be created, broken down into FTE's per year over the duration of the project. Construction job estimates (for both the construction of the subdivision and the houses) are derived from construction value multipliers, where 2.4 direct FTE jobs and nine indirect FTE jobs are created for every \$1m of construction spend.

As is evident from the table, the project will result in the creation of a substantial number of FTE jobs.

Beachlands Subdivision – Estimated FTE Employment Numbers

	2021	2022	2023	2024	2025	2026	2027
Subdivision Design & Consents - Direct FTEs	6	10	10	10	10	10	5
Subdivision Construction - Direct FTEs	0	35	35	35	35	5	0
Subdivision - Indirect flow on FTEs	22	169	169	169	169	56	18
Total Subdivision FTEs	28	214	214	214	214	71	23
House Building - Direct FTEs	0	0	48	48	48	48	48
House Building - Indirect flow on FTEs	0	0	180	180	180	180	180
Total House Building FTEs	0	0	228	228	228	228	228
Sales & Marketing – Direct FTEs	0	0	5	5	5	5	5
Total FTE jobs per year	28	214	447	447	447	304	256

Notes:

- House building FTEs are based on current residential construction multipliers for both direct and indirect labour per \$1m of building spend. Direct labour is currently calculated at 2.4 FTE per \$1m and flow on at 9 FTE per \$1m.
- House build numbers are expected to occur at an average annual build spend of approximately \$20 million per year for five years in addition to the land cost.

- Subdivision construction FTEs are based on the projected labour requirement for the civil engineering build programme.
- Indirect subdivision jobs are calculated using the same formula as the residential construction multiplier whereby 1 direct FTE would be 21% of the total FTEs generated by the work.
- Total FTEs per year are based on total Subdivision FTEs plus total House Building FTEs plus Sales FTEs for each year.

7. *Application (part V) refers to a cultural values assessment being prepared by Ngāi Tai Ki Tāmaki, however it is noted that there are a range of iwi whose area of interest extends across the project site and consideration will need to be given to how the CIA requirements of the Act will be addressed and if/how this may affect the timeliness of the project. Please provide further details of all iwi engagement, the intended approach to the CIA requirements of the Act (e.g. will a single CIA be prepared on behalf of all relevant iwi, etc.), and timeframes for completion as applicable.*

NCL has contacted all 10 iwi groups that are identified by Auckland Council as potentially having an interest in the area in which the site is located. To date, NCL has only received responses from three of those (including Ngāi Tai ki Tāmaki). One of the two additional iwi groups has indicated that they may wish to undertake a site visit and the other has deferred to Ngāi Tai ki Tāmaki.

At this stage, it appears that the iwi groups are engaging between themselves to determine who will respond. However, in the event that one of the other iwi groups (in addition to Ngāi Tai ki Tāmaki) wishes to actively engage and also provide a CIA then the applicant is unlikely to attempt to select one over the other and would likely accept the preparation of two cultural assessments. It is assumed that this would not be problematic. In terms of timing, it is expected that CIA preparation could commence in the coming weeks and ideally be completed by the time a formal resource consent application is ready to be submitted. Any key issues or concerns would likely be revealed before then and could be addressed as the application is prepared.

I trust that this information provides the clarification that you require. Please let me know if you require anything further.

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