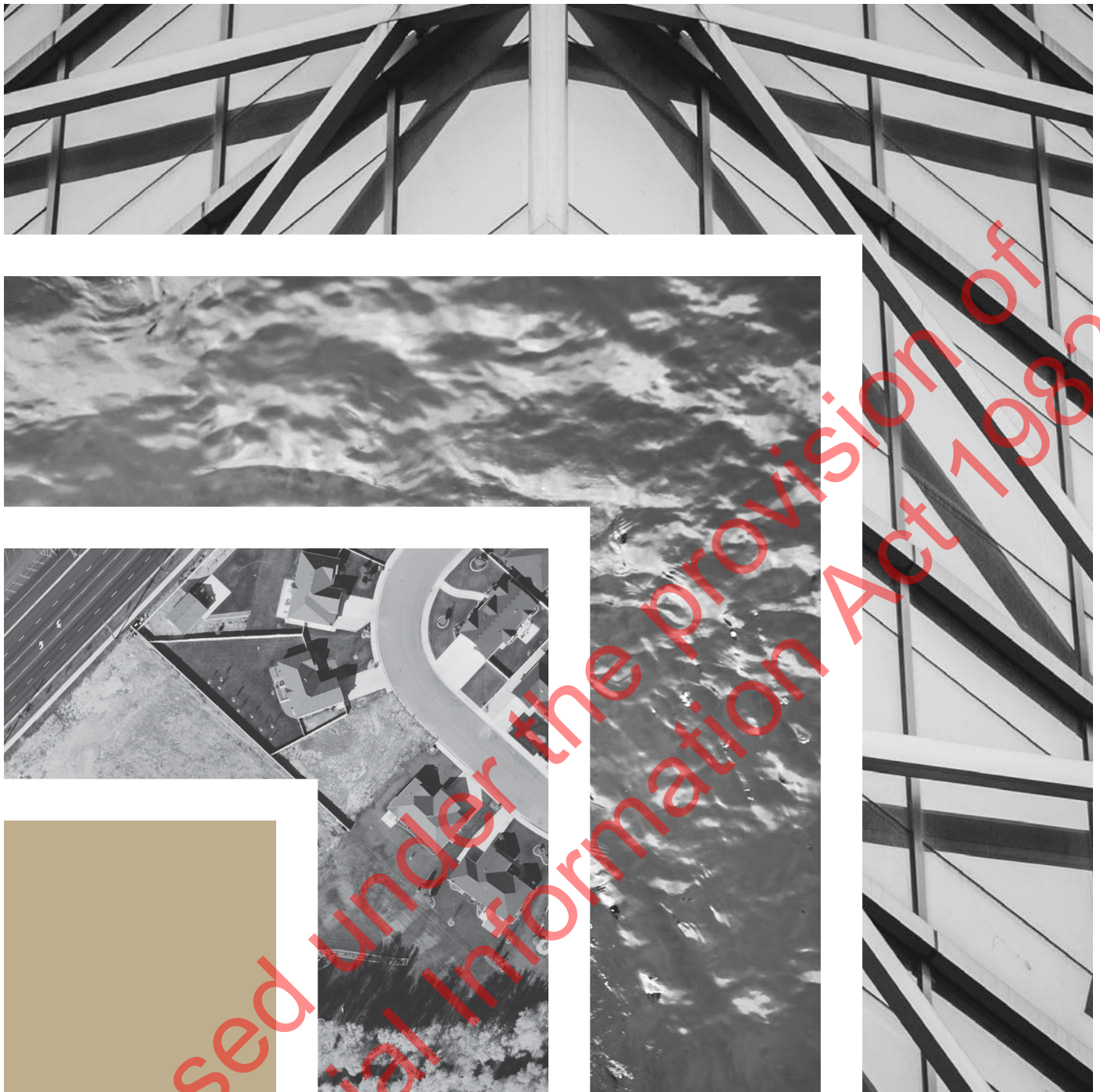




APPLICATION FOR A REFERRED PROJECT

DRURY CENTRE

COVID-19 RECOVERY (FAST TRACK) ACT 2020 APPLICATION

PREPARED FOR:
KIWI PROPERTY NO.2 LIMITED

Feb-2021

B&A
Urban & Environmental

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1.0 INTRODUCTION

This document has been prepared in support of the application by Kiwi Property No.2 Limited ("Kiwi Property") for a referred project under section 20 of the Covid-19 Recovery (Fast Track Consenting) Act 2020 ("the Act"). This application for a referred project under the Act is to enable the accelerated construction and delivery of a large portion of the planned Drury Centre ("the project") which is considered to result in significant public benefit.

These benefits include employment generation in the immediate to short term of the construction sector and long-term employment in operations and maintenance of this centre; the enablement of increased housing supply through the delivery of 'ready for development' superlots providing the opportunity for medium to high density residential developments and a well-functioning urban environment in the form of an integrated, sustainable and transit oriented centre to be established around the new Drury Central train station programmed for completion in 2025 as part of the New Zealand Upgrade Programme.

For these reasons, and others provided in this application, Kiwi Property are of the view that the project will achieve the purpose of the Act to urgently promote employment to support New Zealand's recovery from the economic and social impacts of COVID-19 and to support the certainty of ongoing investment across New Zealand, while continuing to promote the sustainable management of natural and physical resources.

2.0 THE APPLICANT

Kiwi Property is proudly New Zealand owned and operated for more than 25 years with significant expertise in property development. Developments by Kiwi Property are diverse environments that connect and engage people through the creation of spaces where people can work, shop, live and play enabling communities to come together. In Zealand Kiwi Property is the leading owner and manager of retail property.

Kiwi Property is the largest property company on the New Zealand Stock Exchange and is a member of the S&P/NZX 20 Index. Kiwi Property also proudly own and manage \$3.2 billion in direct property investments. This comprises a mix of diverse property assets from direct retail and office investments, to larger properties that are continued to be developed into mixed-use communities over time. The objective for these communities is to support a complementary range of uses including retail, office, entertainment, personal services, civic buildings and more.



Figure 1: Kiwi Property portfolio overview in New Zealand.



Figure 2: Select examples of retail portfolio in New Zealand developed by Kiwi Property.

Top left to right: Sylvia Park, Lynmall and Westgate Lifestyle Centre.

Bottom left to right: The Base Hamilton, Centre Place North Hamilton and The Plaza Palmerston North.

3.0 BACKGROUND

3.1 PLAN CHANGE 48

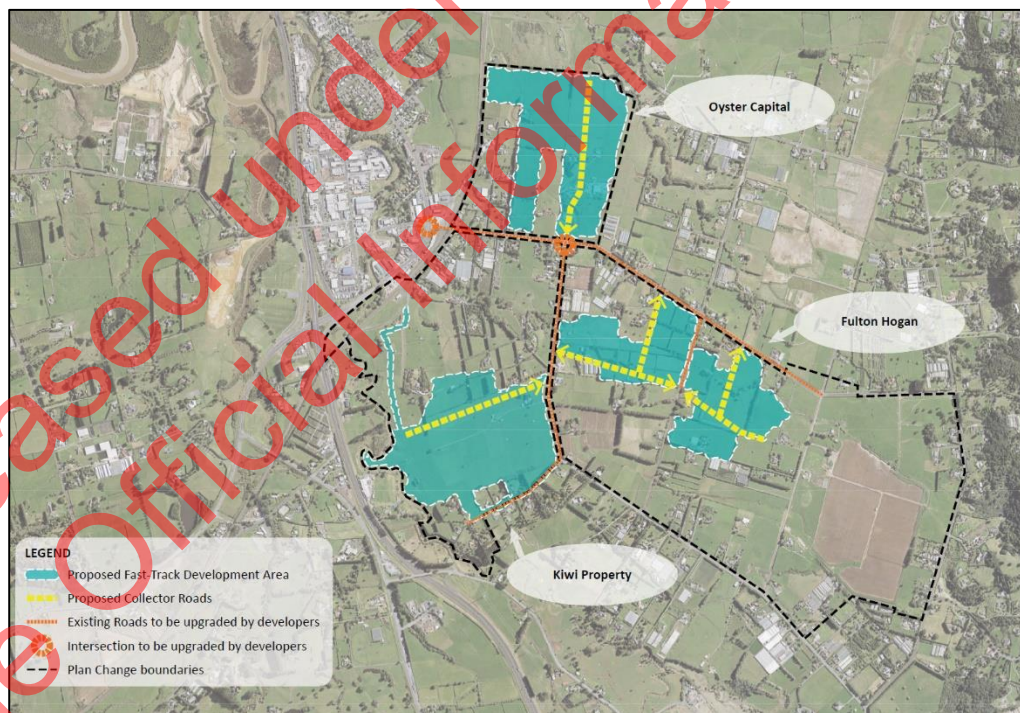
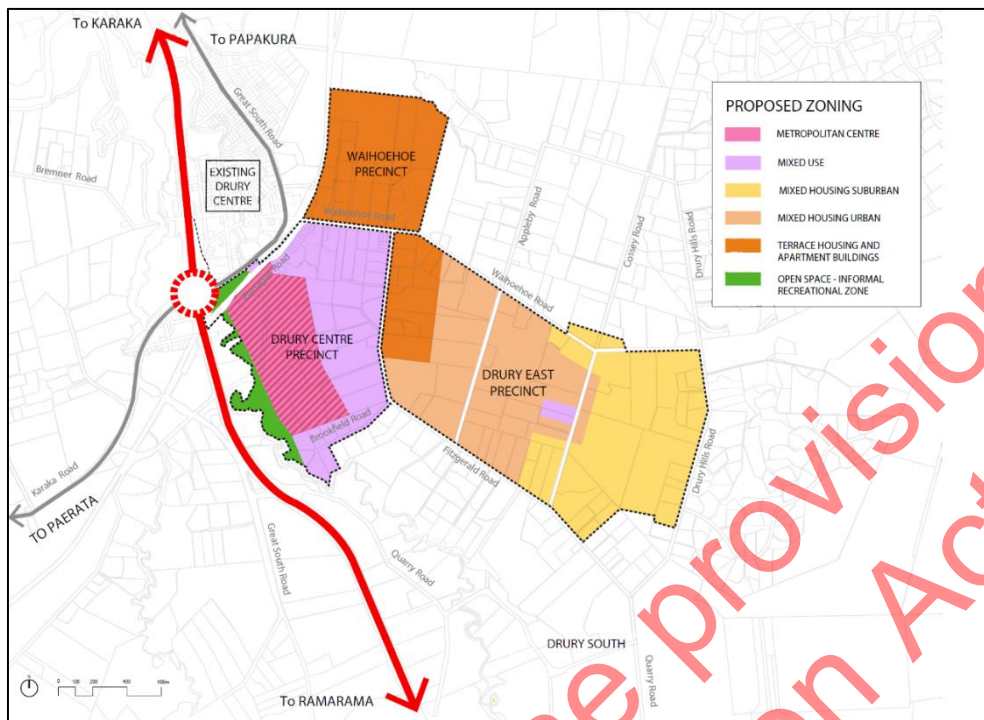
By way of background, the land subject to this application for a referred project form parts of Private Plan Change (PPC) submitted to the Auckland Council (the “Council”) for consideration referred to as ‘PC 48 – Drury Centre Precinct’.

PC 48 seeks to rezone 95 hectares of land in the area generally bounded by Great South Road, Waihoehoe Road, Fitzgerald Road and the Hingaia Stream, from Future Urban Zone to approximately 35 hectares of Business: Metropolitan Centre zone, approximately 51.5 ha of Business: Mixed Use zone surrounding the Metropolitan Centre and approximately 8.5ha Open Space: Informal Recreation zone adjoining the Hingaia Stream.

Complementing PC 48 sought by Kiwi Property are two other interrelated private plan change requests in Drury for which applications for referred projects on land also subject to the respective plan changes have also been submitted to the Minister for consideration. These are:

- ‘PC 50 – Waihoehoe Precinct’ by Oyster Capital Limited which seeks to rezone 48.9 hectares of land located to the north of Waihoehoe Road and east of the North Island Main Trunk Railway, from Future Urban to Residential: Terrace Housing and Apartment Buildings zone; and
- ‘PC 49 – Drury East Precinct’ by Fulton Hogan Land Development Limited (FHLDL) which seeks to rezone 184 hectares of land in the area generally bounded by Waihoehoe Road, Drury Hills Road and Fitzgerald Road, from Future Urban to 2 hectares of Business: Mixed Use zone, 22 hectares of Residential: Terrace Housing and Apartment Buildings zoning; 65 hectares of Residential: Mixed Housing Urban zoning and 95 hectares of Residential: Mixed Housing Suburban zoned land.

Combined, these three individual private plan changes propose to rezone a total of 327.9 hectares of Future Urban zoned land to a combination business, residential and open spaces to enable urban development and well-functioning urban environments. Also included with each private plan change request are a bespoke suite of precinct provisions that have been developed in an integrated manner to guide future development of land.



3.2 DRURY-OPAHEKE STRUCTURE PLAN

Underpinning the development of these three private plan changes is the Drury-Opaheke Structure Plan ("Structure Plan") endorsed by the Council on 6 August 2019. The Drury-Opaheke Structure Plan sets out a pattern of land uses and the supporting infrastructure network for the future urban growth of Drury-Opaheke. The Structure Plan was developed by the Council over a two year period and finalised over three phases of public consultation commencing with the exploration of issues and opportunities in September 2017, preparation of a draft land use plan in October 2018 and the draft Structure Plan in April 2019.

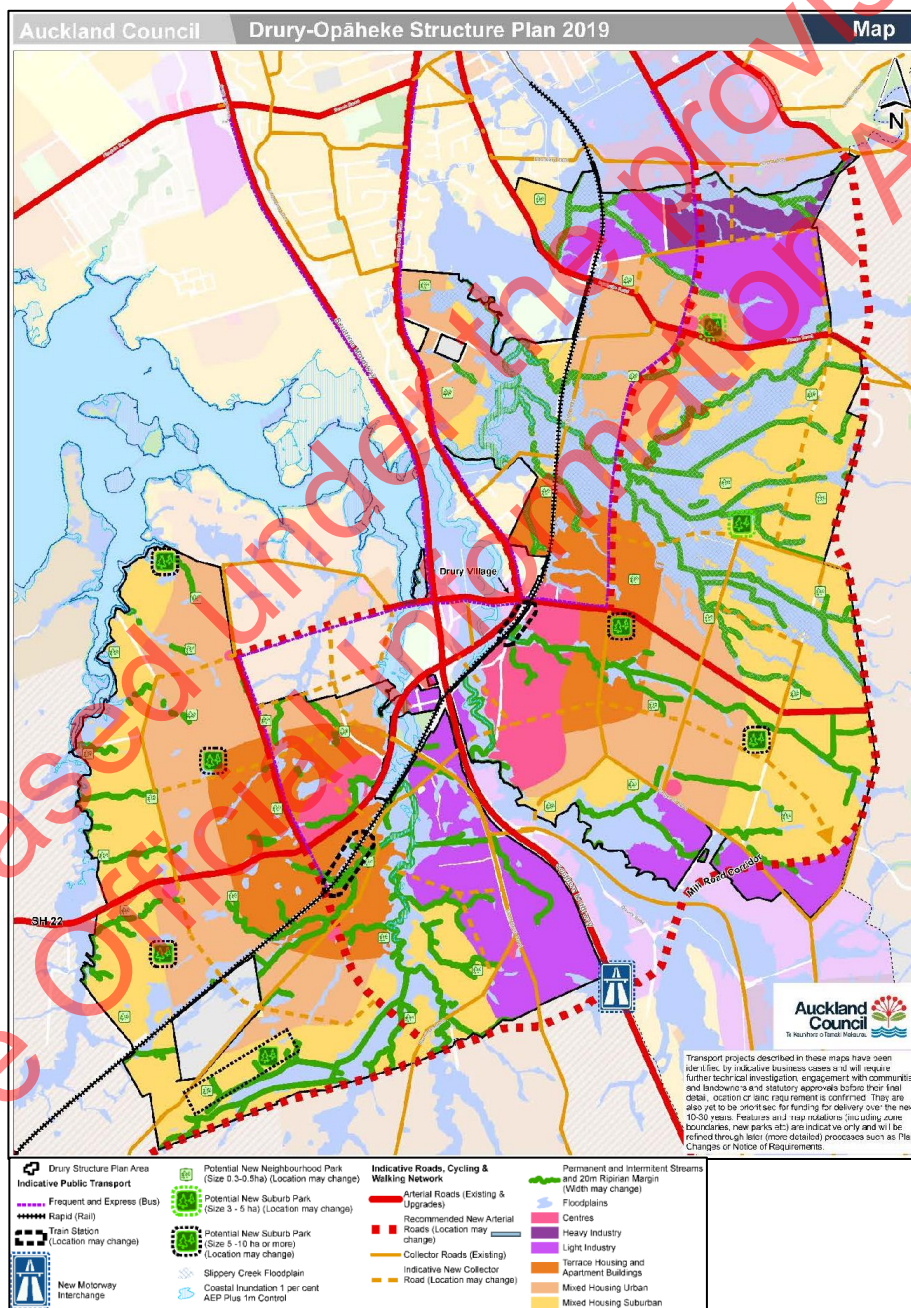


Figure 5: Drury-Opaheke Structure Plan land use map.

As illustrated on the land use map of the Structure Plan, the development of a metropolitan centre in Drury East is earmarked and strategically planned directly adjacent to the existing railway network and the planned Drury Central train station that is fully funded under the New Zealand Upgrade Programme for Drury. Supporting the success and economic viability of this new metropolitan centre is residential land made up of a combination of the Terrace Housing and Apartment Building zone, and the Mixed Housing Urban and Mixed Housing Suburban zones which provide the opportunity for medium to high density residential development. The metropolitan centre will support the vitality and provide for everyday needs of what will be a significant emerging residential community which, as a whole, will form well-functioning urban environments. The Structure Plan also provides for an integrated and connected roading pattern while respecting the blue-green network of streams, ecological corridors and indigenous biodiversity.

The proposed rezoning of these plan changes creates a logical zoning framework and is contiguous with the existing live zoned areas in Drury Village to the north-west and Drury South; the three plan changes (PC 48, PC 49 and PC 50) effectively fill the void between these two existing urban areas. Each of the individual plan changes have been developed in cognisance of the Structure Plan and they are generally consistent with the land use, transport and blue-green networks set out in the Structure Plan document.

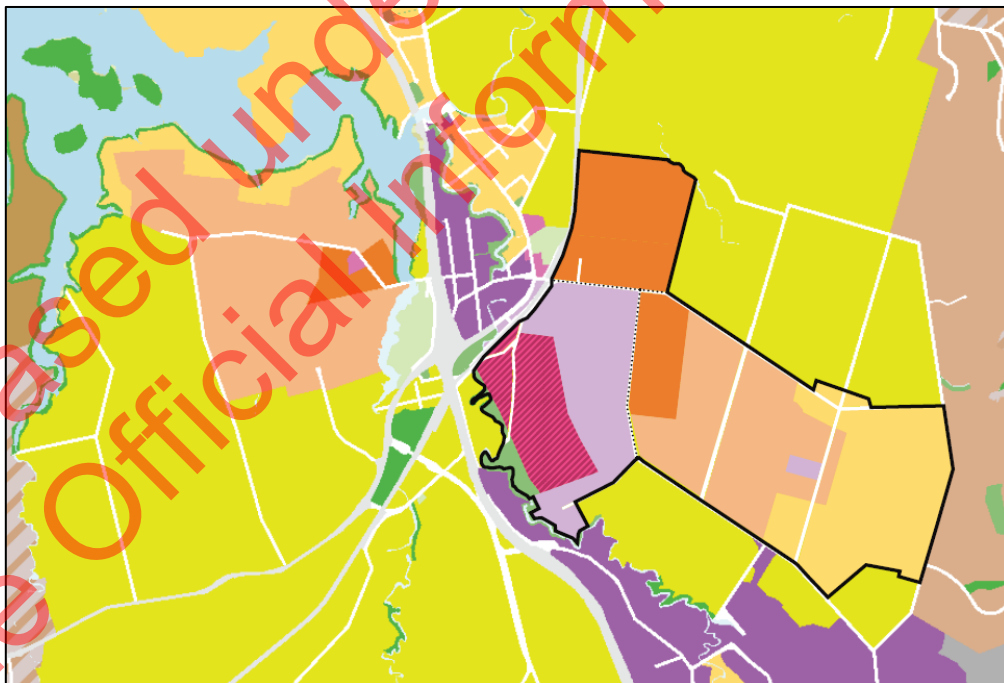
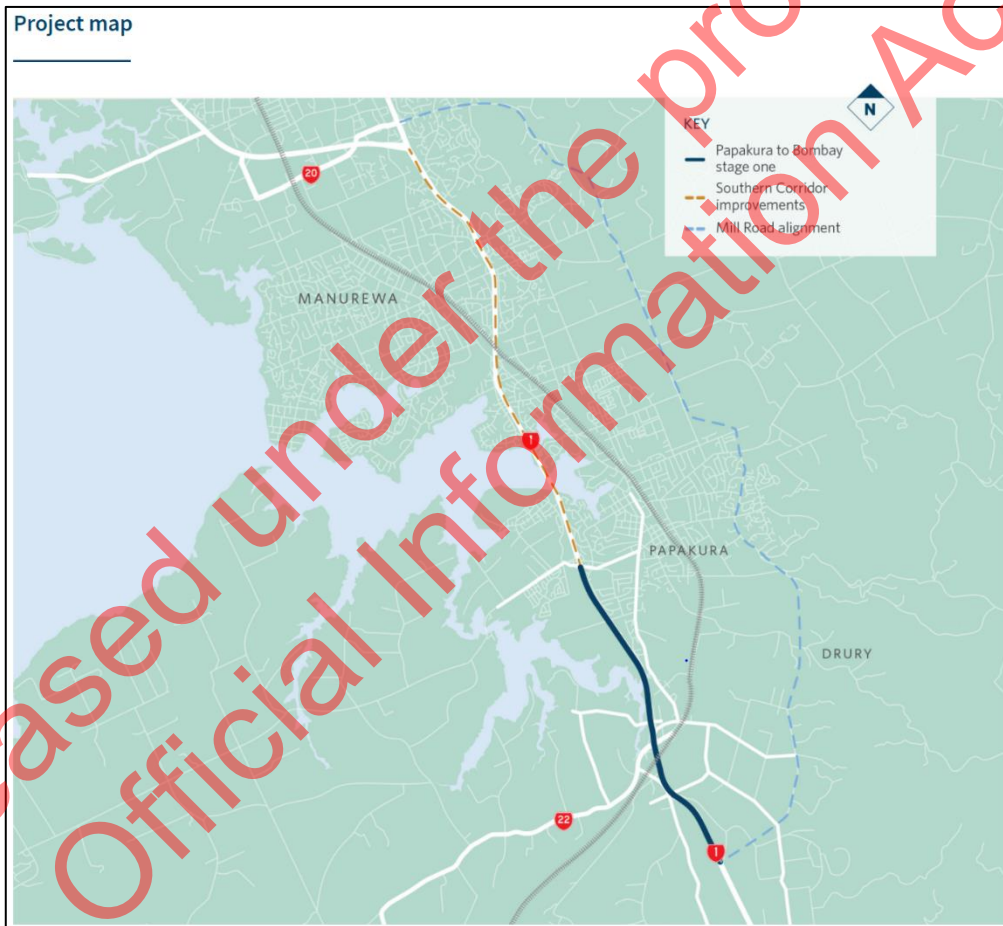


Figure 6: Propose rezoning in PC 48, 49 and 50 in context of existing zoning under the Auckland Unitary Plan.

3.3 NEW ZEALAND UPGRADE PROGRAMME

The New Zealand Upgrade Programme reflects the Government's balanced transport policy with \$6.8 billion being invested across road, rail, public transport and walking and cycling infrastructure. The Auckland package comprises \$3.48 billion of the total NZ Upgrade Programme budget to deliver on the Government's commitment to support the transformation of Auckland's transport system to manage growth.

The NZ Upgrade Programme will provide an estimated \$423 million to fund improvements on SH1 between Papakura and Drury South to improve travel reliability. This suite of improvements (fully funded and delivered by the Government) will support urban development and enables significant residential and employment growth in South Auckland.



3.4 SUMMARY

The proposed works in this application are consistent with the land use and roading pattern as submitted in PC 48 by Kiwi Property and is therefore also generally consistent with the Council approved Drury-Opaheke Structure Plan. The works proposed through the referred project do not undermine the overall objectives and aspirations of the Structure Plan developed through an extensive public consultation process. Rather, they positively give effect to the vision and objectives of the Structure Plan by bringing forward development in an integrated manner and accelerated timeframe.

The three plan changes (PC 48, PC 49 and PC 50), and this application for a referred project, will bring forward development with the necessary infrastructure and local transport upgrades to support the development proposed. The upgrades identified through this referred project can be successfully implemented and delivered by developers with a proven track record and an ability to deliver high quality projects on time. The project will also provide the benefit of enabling infrastructure funding to be secured for local upgrades that would complement the Government's investment as part of the NZ Upgrade Programme.

In this regard, the individual plan changes have been developed in an integrated manner with a high degree of coordination and what is considered to be an exemplary level of collaboration between the three plan change applicants to ensure the coordinated delivery of successful and complimentary outcomes.

The three plan changes were all publicly notified in August 2020 and have advanced through the primary and further submissions processes, with the latter recently closing on 29 January 2021. These plan changes will continue to progress through the normal processes under the Resource Management Act (RMA) 1991. Should this application for a referred project be accepted it is considered it will complement the plan change by enabling development to progress (and give effect to the purpose of the Act), while the plan change will facilitate development of the wider areas once it has completed the associated statutory process.

4.0 SUMMARY OF SUBMISSIONS FOR PC 48

4.1 SUBMITTERS

PC 48 was publicly notified on 27 August 2020 and submissions closed on 22 October 2020. Further submissions on PC 48 subsequently closed on 29 January 2021 as noted above. A total of 37 submissions received for PC 48 made up of 27 in support, 8 in opposition and 2 of a neutral position. Table 1 below summarises the submissions received in these respective categories.

Plan Change 48 Submitters			
	Support	Oppose	Neutral
Central Government	• Transpower • Ministry of Housing and Urban Development • Te Puni Kokiri • Department of Corrections • NZTA • KiwiRail • Ministry of Education • Heritage New Zealand Pouhere Taonga • Kainga Ora		
Local Government/ CCO's¹		• Auckland Council • Auckland Transport	• Watercare
Organisations	• Fire and Emergency NZ • Brookfield Road Limited • Oyster Capital Limited • Kiwi Property Holdings No. 2 Limited • Fulton Hogan Land Development Ltd • Spark New Zealand Trading Limited • Fletcher Residential Limited • Counties Power • Drury South Limited	• Papakura Business Association • Lomai Properties Limited • Ngati Te Ata Waiohua • Pukekohe Business Association • Ngati Tamaoho	• Karaka and Drury Limited
Individuals	• Danielle Haerewa • Jack Philip Burton • Wendy Hannah • Michael and Rachel Gilmore • Geoff Yu and Rebecca Mao • Phil Hogan • Rodney Bremner • Tony Chien • Leith McFadden	• Doug Signal	

¹ Council Controlled Organisations

4.2 KEY MATTERS RAISED IN SUBMISSIONS

The key issues raised in the submissions received are in relation to transport and infrastructure, the extent of the proposed Business – Metropolitan Centre Zone, stormwater management, iwi engagement and heritage as follows:

- *Transport and Infrastructure:* Uncertainty around the funding, timing and delivery of required transport and other infrastructure upgrades to support 'out of sequence' development, reliance on development triggers to stage the provision of transport infrastructure and that the upgrading of all roads and intersections should precede urban rezoning to avoid adverse traffic effects on local residents.
- *Stormwater:* Additional provisions required to give full effect to the direction in the National Policy Statement for Freshwater Management 2020 (NPSFM), and improvements are required to stormwater management and treatment;
- *Iwi Engagement:* Ngati Te Ata Waiohū and Ngati Tāmāhō requests on-going iwi participation, consultation and engagement and the incorporation of Te Aranga Principles in design.
- *Heritage:* Further archaeological assessment of the PC 48 area was requested prior to any development or subdivision.

4.3 RESPONSE TO SUBMISSIONS

In response to the key matters raised in the submissions for PC48 summarised above, and in context of this project, we provide the following responses:

- *Transport and Infrastructure:* The transport upgrades required to support the development in this project can be delivered by Kiwi Property in conjunction with the other landowners (i.e. Oyster Capital and Fulton Hogan) and within the existing road corridors without requiring any private third party land to achieve this. The localised transport upgrades funded by Kiwi Property and other the other landowners will be complementary to the NZ Upgrade Programme that is fully funded and will be delivered by the Government. There is also sufficient infrastructure and capacity in terms of the three waters to service the project.
- *Stormwater:* An integrated stormwater management approach based on water sensitive design principles to deliver water quality, conveyance, hydrological and flood mitigation outcomes is proposed to manage stormwater.
- *Iwi Engagement:* Significant iwi engagement has occurred to date and this ongoing. Further engagement with iwi, including Ngati Te Ata Waiohū and Ngati Tāmāhō, will be undertaken.

- *Heritage:* A site walkover of the land area for this project has already been carried out Clough and Associates as part of their archaeological assessment for PC 48. This assessment confirms that there are no objects of heritage or archaeological value, and protected under the HNZPT Act 2014, within the project area.

Kiwi Property continue to consultant and engage with the key submitters for PC 48. However, in the context of this project, it is considered that the issues raised in the submissions do not directly apply to the project but are wider issues in relation to the plan change. The supporting technical assessment and investigations undertaken to date confirm that the project can be feasibly implemented without any fundamental issues.

5.0 SUMMARY OF IWI CONSULTATION

The project location is in a mana whenua area of interest and is subject to a statutory acknowledgement area. Significant and extensive consultation has occurred to date from 2017 on an ongoing basis with a hui most recently held on 29 March 2021. A record of the minutes from the hui held to date on PC 48 and this project are as **Appendix 10**.

AUTHORS

Barker & Associates Ltd
Date: 26 February 2021