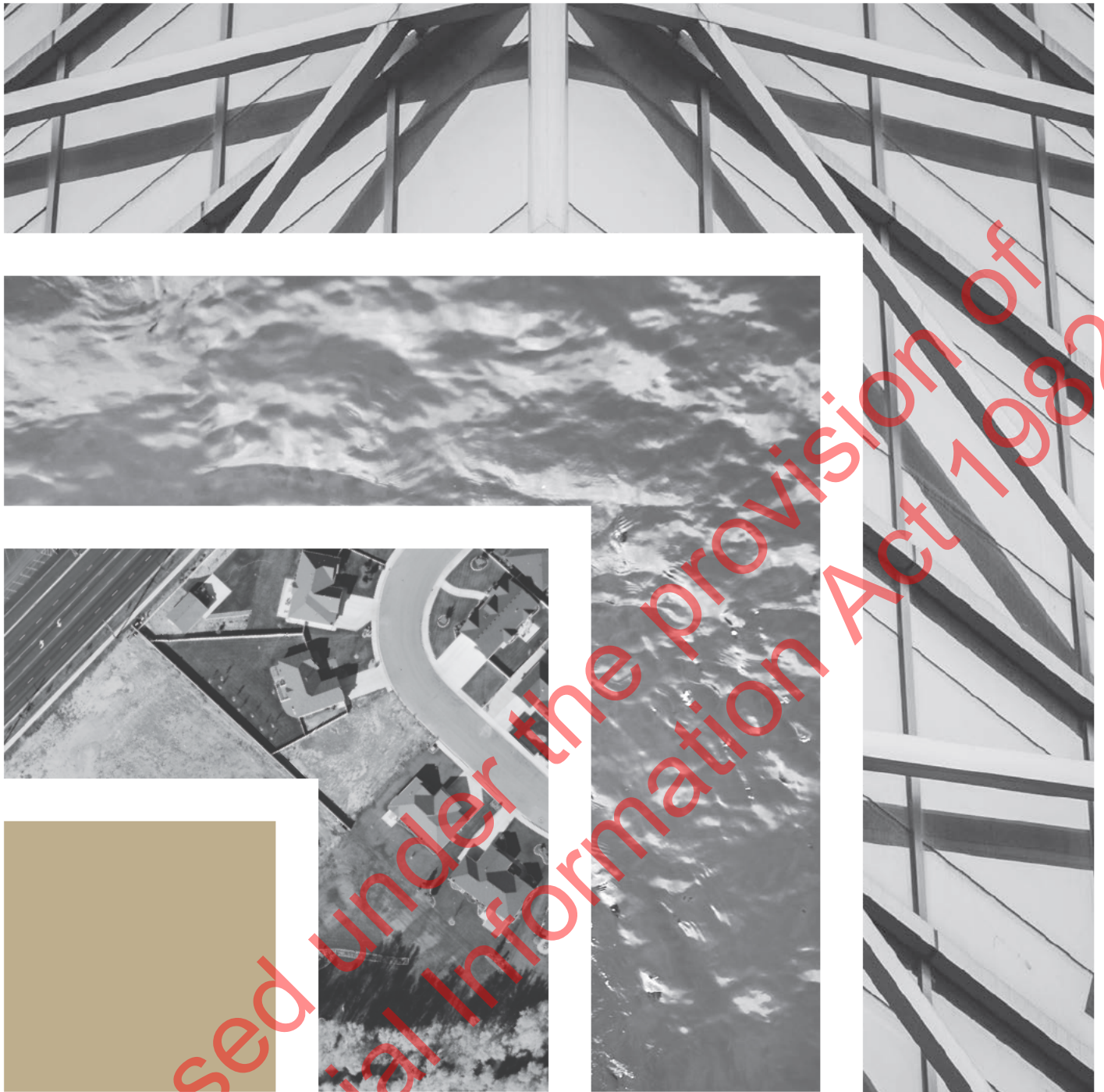




APPLICATION FOR A REFERRED PROJECT

DRURY EAST PRECINCT

COVID-19 RECOVERY (FAST TRACK) ACT 2020 APPLICATION

25-Feb-2021

PREPARED FOR:
FULTON HOGAN LAND DEVELOPMENT LIMITED

B&A
Urban & Environmental

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1.0 INTRODUCTION

This report has been prepared in support of the application by Fulton Hogan Land Development Limited (“Fulton Hogan”) 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 for the development of up to 248 dwellings, 28 residential superlots and supporting roading and servicing infrastructure in the Drury East Precinct (“the project”) which is considered to result in significant public benefit.

These benefits include immediate employment generation in the construction sector for people affected by the economic impacts of Covid-19; increased and accelerated housing supply plus the delivery of ‘ready for development’ superlots 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 the final quarter of 2025.

For these reasons, and others provided in this application, Fulton Hogan 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

Fulton Hogan is one of New Zealand’s largest residential land development companies and has made a significant contribution to housing supply in the Auckland region over the past 20 years through developments such as Dannemora, Millwater, and more recently Milldale. Fulton Hogan is also developing land for housing at Pokeno and One Tree Point in conjunction with Joint Venture partners and in the South Island around Christchurch.

Beyond this extensive experience in the greenfield residential development sector, Fulton Hogan is also highly experienced across a range of sectors including roads and transport infrastructure, through to utilities and resources.

Recent examples of master-planned greenfield residential subdivisions completed by Fulton Hogan in Auckland are given below.

Milldale

Located north of Auckland City, Milldale, the total landholding of this development expands across 300 hectares.

This staged development will deliver a total of 4,500 houses and 40,000m² of commercial area.

The first three stages of Milldale are now complete, which consist of approximately 900 residential sites.



Millwater

Made of five residential communities, Millwater is situated between Silverdale and Orewa. Developed around rivers, rolling parks and open spaces, construction is expected to be complete in 2022 with a projected population of 10,000 people.



3.0 BACKGROUND

3.1 PLAN CHANGE 49

By way of background, the land subject to this application for a referred project forms part of Private Plan Change (PPC) submitted to the Auckland Council (the “Council”) for consideration in December 2019 (and referred to as ‘PC 49 – Drury East Precinct’).

PC 49 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.

Complementing PC 49 (sought by Fulton Hogan) are two other interrelated private plan change requests in the Drury East area for which applications for referred projects on land subject to these respective plan changes have also been submitted to the Minister for consideration. These are:

- ‘PC 48 – Drury Centre’ by Kiwi Property No.2 Limited which seeks to rezone 95 hectares of land in the area generally bound 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 of Open Space: Informal Recreation zone adjoining the Hingaia Stream.
- ‘PC 50 – Waihoehoe Precinct’ by Oyster Capital Limited which 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.

Combined, these three individual private plan changes propose to rezone a total of 327.9 hectares of Future Urban zoned land to a combination of 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 the land.

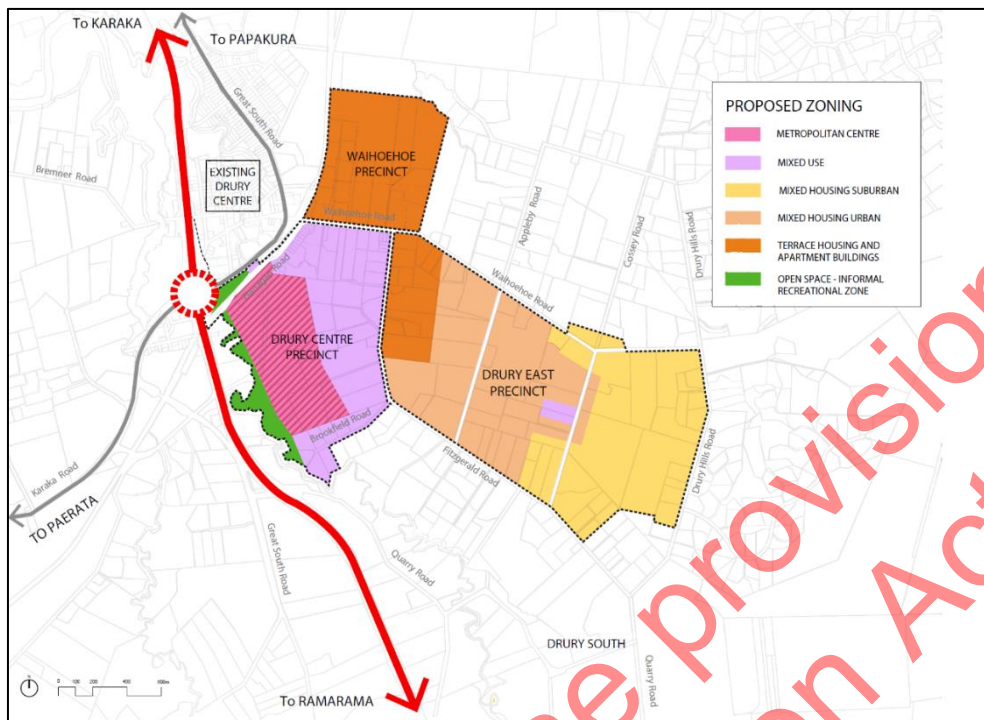


Figure 1: Proposed rezoning in PC 48, 49 and 50.

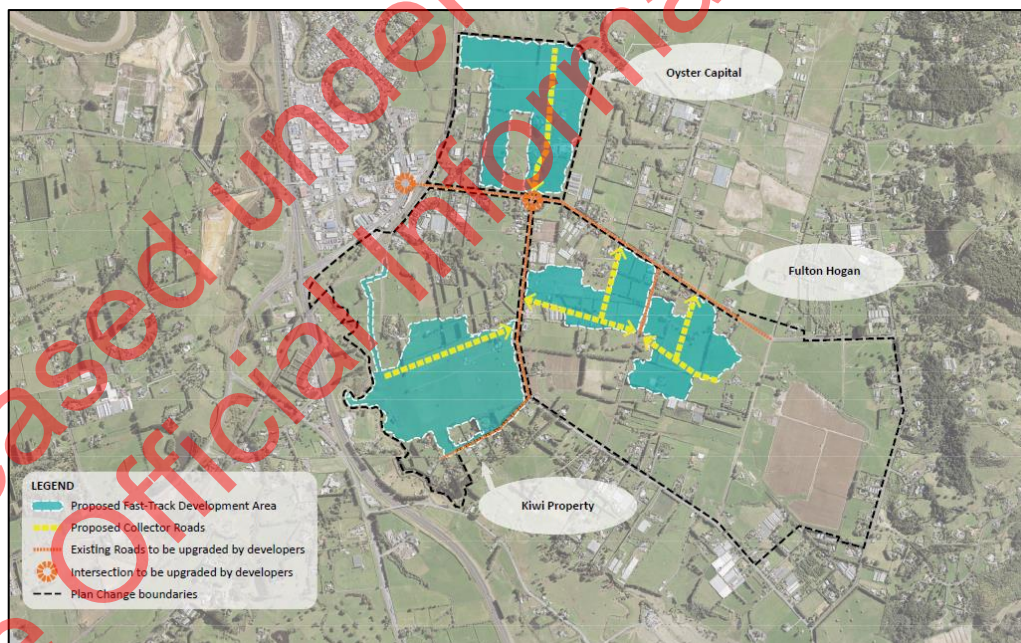


Figure 2: Extent and location of land subject to the applications for referred projects by Kiwi Property, Oyster Capital and FHLDL relative to the private plan change boundaries.

3.2 DRURY-OPAHEKE STRUCTURE PLAN

Underpinning the development of these three private plan changes is the Drury-Opāheke Structure Plan (“Structure Plan”) endorsed by the Council on 6 August 2019. The Drury-Opāheke Structure Plan sets out a pattern of land uses and the supporting infrastructure network for the future urban growth of Drury-Opāheke. 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.

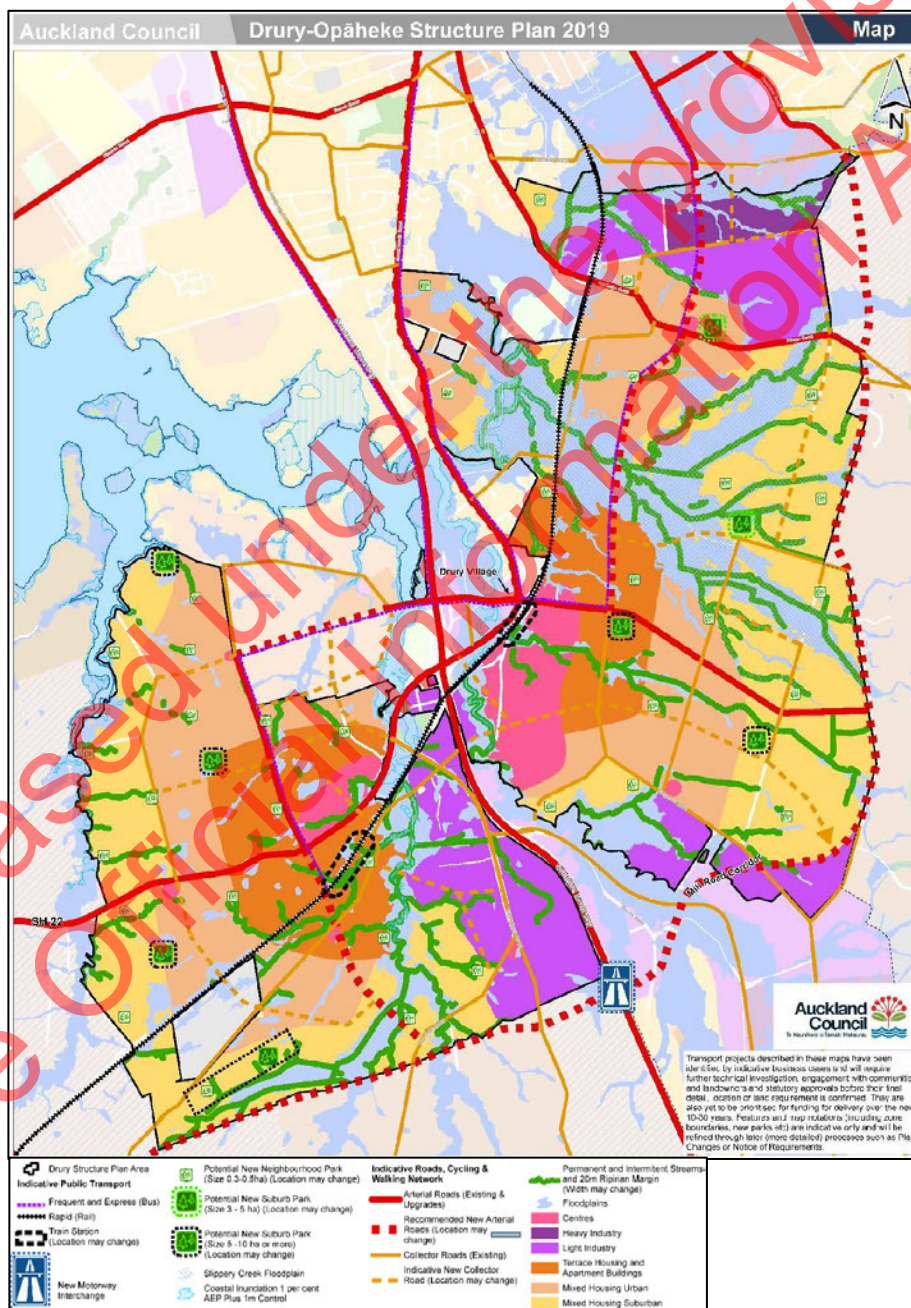


Figure 3: Drury-Opāheke Structure Plan land use map.

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.

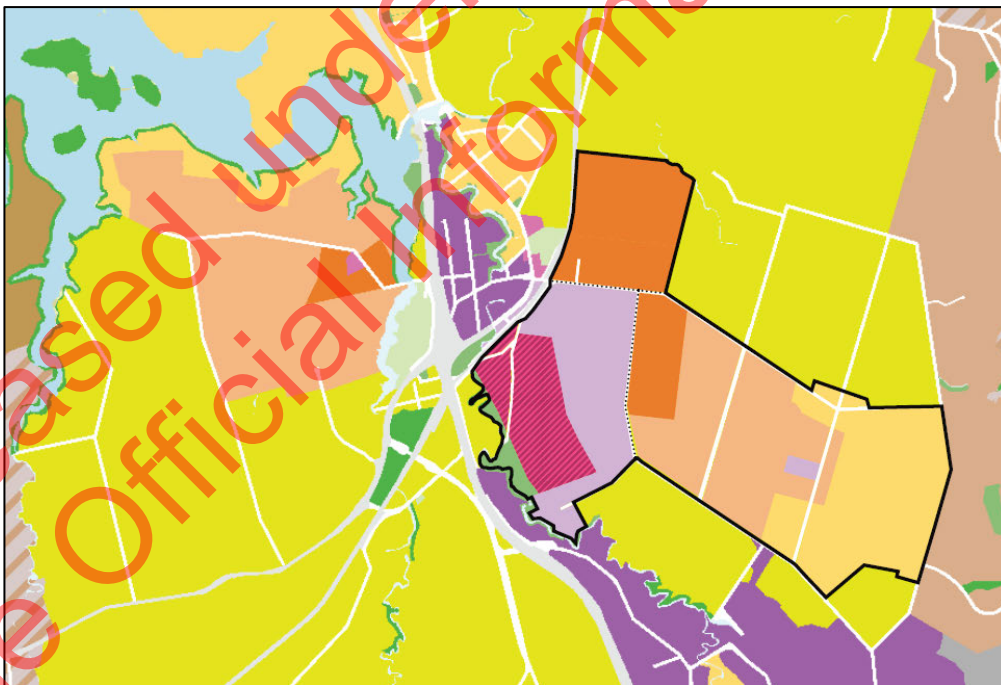


Figure 4: Propose rezoning in PC 48, 49 and 50 in context of existing zoning under the Auckland Unitary Plan.

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.

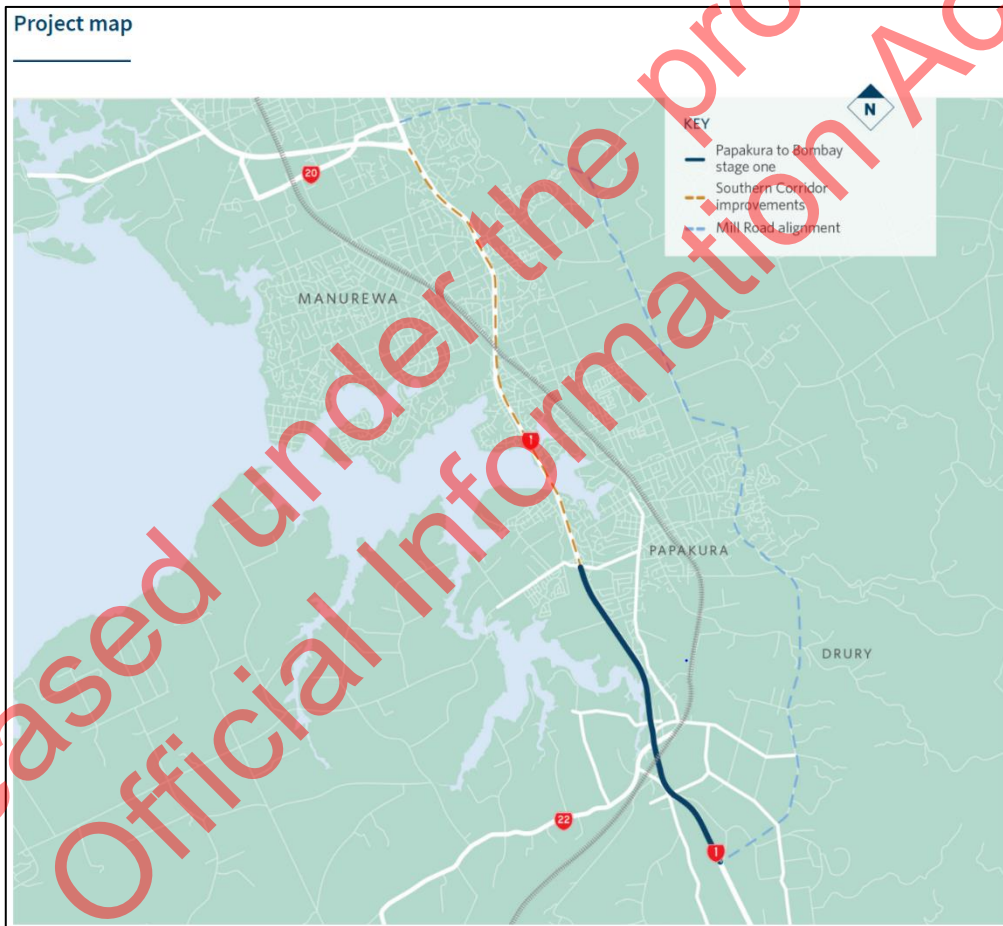


Figure 5: NZ Upgrade Programme, Papakura to Drury South improvements.

3.4 SUMMARY

The proposed works in this application are consistent with the land use and roading pattern as submitted in PC 49 by Fulton Hogan 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 49

4.1 SUBMITTERS

PC 49 was publicly notified on 27 August 2020 and submissions closed on 22 October 2020. Further submissions on PC 49 closed on 29 January 2021. A total of 47 submissions received for PC49 made up of 32 in support, 12 in opposition and 3 of a neutral position. Table 1 below summarises the submissions received in these respective categories.

Plan Change 49 Submitters			
	Support	Oppose	Neutral
Central Government	• The Ministry of Housing and Urban Development Te Puni Kokiri • Department of Corrections • Ministry of Education • Heritage New Zealand Pouhere Taonga • The New Zealand Transport Agency • Kainga Ora	• Firstgas Limited	
Local Government/ CCO's¹		• Auckland Council • Auckland Transport	• Watercare
Organisations	• Fire and Emergency New Zealand • Oyster Capital • Brookfield Road Ltd • Jie's Holding Limited • GM and AA Jones Family Trust • Kiwi Property Holdings No.2 Limited • Fulton Hogan Land Development Limited • Spark Trading New Zealand Limited • Fletcher Residential Limited • Counties Power Limited • Drury South Limited	• Lomai Properties Limited • Ngati Te Ata Waiohua • Ngati Tamaoho	• Dickenson Family Trust • Karaka and Drury Limited
Individuals	• Andrew Wildman • Steve Airey • Danielle Haerewa • Warwick Hill-Rennie	• Doug Signal • Catherine Reid • Ian David Cathcart • Dean Hancock	

¹ Council Controlled Organisations

	• Ian and Sue Gunthorpe • Graham Reid • Lisa Rose Leask • Bruce Lloyd Leask • Wendy Hannah • Rachel and Michael Gilmore • Geoff Yu and Rebecca Mao • Manzi Chien • Tony Chien • George and Agnes Neate • Leith McFadden • Tim John Macwhinney	• Neville Tapp • Matthew Royston Kerr	
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4.2 KEY MATTERS RAISED IN SUBMISSIONS

The key issues raised in the submissions received are in relation to gas transmission line designation, stormwater management, iwi engagement and heritage as follows:

- *Gas Transmission Line:* Firstgas Limited requests involvement in the detailed design to ensure the gas transmission network is maintained.
- *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 Waiohau and Ngati Tamaoho requests on-going iwi participation, consultation and engagement and the incorporation of Te Aranga Principles in design.
- *Heritage:* Further archaeological assessment of the PC 49 area is requested prior to any development or subdivision.

4.3 RESPONSE TO SUBMISSIONS

In response to the key matters raised in the submissions for PC49 summarised above, and in context of this project, we provide the following responses:

- *Gas Transmission Line:* Fulton Hogan have met with Firstgas Limited on 15 December 2020 and consultation is ongoing. The masterplan prepared provides for the full extent of the designation boundaries.

- *Infrastructure:* The technical memo by Crang Civil confirms that there is sufficient infrastructure and capacity in terms of the three waters to service the project.
- *Stormwater:* An integrated stormwater management approach consistent with PC 50 will be successfully implemented for this project to manage the quality and flow of stormwater generated by the development. The stormwater management approach proposed will also maintain the hydrology of wetlands within the project area. Overall, stormwater effects from the project can be managed safely and without adverse impacts to the receiving environment.
- *Iwi Engagement:* Significant iwi engagement has occurred to date and this is ongoing. Further engagement with iwi, including Ngati Te Ata Waiohau and Ngati Tamaoho, will be undertaken. The last formal engagement with Ngati Tamaoho was on 11 February 2021.
- *Heritage:* The applicant intends to undertake archaeological surveys of those parts of the site which were not surveyed as part of PC 49 to inform the resource consent application.

Fulton Hogan continue to consult and engage with the key submitters for PC 49. However, in the context of this project, it is considered that the issues raised in the submissions do not directly apply to the project; instead they are better characterised as wider issues in relation to the plan change. The supporting technical assessments 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 two statutory acknowledgement areas. 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 49 and this project is included as **Appendix 10**.

AUTHORS

Barker & Associates Ltd

Date: 26/02/2021