

FTC #82: Application for referred project under the COVID-19 Recovery (Fast-track Consenting) Act 2020 – Stage 1 decisions

Application 2021-60 Federal Street Residences

Date Submitted:	9 September 2021	Tracking #: BRF-573	
Security Level	In-Confidence	MfE Priority:	Urgent

	Action sought:	Response by:
To Hon David Parker, Minister for the Environment	Decision on recommendations in Table A	TBA

Actions for Minister's Office Staff	Return the signed briefing to MfE Send attached letters (if agreed and signed)
Number of attachments: 2	Titles of attachments: 1. Letters from the Minister for the Environment to relevant Ministers of the Crown 2. Copy of application and supporting information – to send with letters to Ministers

Ministry for the Environment contacts

Position	Name	Cell phone	1 st contact
Principal Author	Max Gander-Cooper		
Manager	Stephanie Frame	s 9(2)(a)	
Acting Director	Sara Clarke	s 9(2)(a)	

FTC #82: Application for referred project under the COVID-19 Recovery (Fast-track Consenting) Act 2020 – Stage 1 decision

Key Messages

1. We seek your initial decisions on an application for referral to an expert consenting panel (a panel) under the COVID-19 Recovery (Fast-track Consenting) Act 2020 (FTCA) for the Federal Street Residences project (the Project), from P0012 Auckland NZ Pty Limited. The applicant company is registered in New Zealand and its parent company, ICD Control Pty Ltd is registered in Australia. It is likely that the applicant is an overseas person within the meaning of the Overseas Investment Act 2005.
2. The Project is to develop a 55-level building approximately 183 metres high on a 1641 square metre site in the Auckland central business district, that includes:
 - a. approximately 357 residential units
 - b. retail and commercial tenancy space
 - c. public and private communal open space
 - d. car and bicycle parking.
3. The Project is located at 65-71 Federal Street, Auckland Central, Auckland.
4. The Project will involve activities such as:
 - a. demolition of existing buildings and infrastructure
 - b. earthworks (including bulk earthworks and disturbance of contaminated land)
 - c. groundwater takes and diversions
 - d. discharges of groundwater, stormwater and contaminants to land
 - e. construction of three waters services
 - f. construction of a multi-level mixed-use building
 - g. construction of vehicle access, loading and parking areas
 - h. any other activities that are –
 - i. associated with the activities described in a to g; and
 - ii. within the Project scope
5. The Project will require land use consent and water and discharge permits under the Auckland Unitary Plan 2016 (AUP) and land use consent under the Resource Management (National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health) Regulations 2011.
6. The site is located within the Business – City Centre Zone under the AUP. The Project generally aligns with the zone's purpose, which provides for a wide range of activities including commercial, leisure, high-density residential, community and civic services. The permitted height standard in the zone is between 320 and 370 metres, but the permitted height of buildings is controlled by a Maximum Total Floor Area Ratio (MTFAR) of 13:1 (floor area to site area). The proposed building exceeds this standard and will therefore require consent as a non-complying activity.
7. We have undertaken an initial (Stage 1) analysis of the application and this is presented along with our recommendations in Table A.

8. The Project meets all the eligibility criteria in section 18 of the FTCA, but more analysis is needed to confirm if it meets the purpose of the FTCA and to enable us to advise you on matters in section 23(5) which may influence your referral decision.
9. We recommend you progress consideration of the application to the next stage of analysis (Stage 2) and invite comments from:
 - a. Ministers listed in section 21(6) of the FTCA
 - b. Auckland Council.
10. We also recommend you request further information from the applicant as detailed in Table A.

Statutory Framework Summary

11. You are the sole decision maker for referral of the Project as it will not occur in the coastal marine area.
12. You may decline the referral application before seeking comments from the relevant local authorities and any relevant Ministers:
 - a. if you are satisfied the Project does not meet referral criteria in section 18 of the FTCA, (which include you being satisfied the Project meet/s the purpose of the FTCA) (see sections 18(2) and 23(1) of the FTCA)
 - b. for any other reason (see section 23(2) of the FTCA).
13. If you do not decline the referral application at this stage, section 21 of the FTCA:
 - a. requires you to provide the application to, and invite comments from, the relevant local authorities and the relevant Ministers
 - b. permits you to provide the application to and invite comments from any other person.
14. You are also able to request further information from the applicant or any relevant local authority at any time before you decide to decline or accept the referral application/s (see section 22 of the FTCA).

Action Sought

15. Please indicate your decision on the recommendations in Table A.

Signature



Stephanie Frame
Manager – Fast Track Consenting

Project to progress

<p>likely for arral? ction 3])</p>	<p>costs for people or industries affected by COVID-19 [section 19(a)]</p>	<p>wellbeing of current and future generations [section 19(b)]</p>	<p>progress faster under the FTCA than would otherwise be the case [section 19(c)]</p>		<p>environmental effects, including greenhouse gas emissions [section 19(e)]</p>	<p>[section 19(f)]</p>
<p>sed on ailable ormation at stage, we sider the ject is ible for rral ause: does not clude any rohibited ctivities does not clude land eturned nder a reaty ettlement does not ccur in a ustomary marine title area or rotected ustomary ights area nder the marine and Coastal rea Takutai Moana) Act 011.</p>	<p>The applicant estimates that the Project will provide:</p> <ul style="list-style-type: none"> • approximately 1160 direct full-time equivalent (FTE) jobs over a four-year planning and construction period • contribution of approximately \$75 million to regional GDP <p>We recommend that you seek additional information on the number of FTE jobs created per year from the applicant.</p>	<p>The applicant considers that the Project will provide for the social and cultural wellbeing of current and future generations as it will:</p> <ul style="list-style-type: none"> • provide additional housing supply in a location well-served by public transport and which has an identified housing shortfall • provide employment, particularly the targeted employment of under-represented groups and the long-term unemployed • reflect the historical use of the site and the cultural significance of the site in the building design. <p>The applicant has stated that their preferred contractor for construction is Icon Construction. Icon has identified various strategies which they will use to provide positive benefits for the community, including a</p>	<p>The applicant considers that the fast-track process will allow the Project to progress approximately 15 months faster than under standard Resource Management Act 1991 (RMA) processes, due to the likelihood of notification and appeals under standard process.</p> <p>We recommend seeking feedback from Auckland Council on the appropriateness of using the FTCA process.</p>	<p>Based on the information provided we consider that the Project may result in the following public benefits:</p> <ul style="list-style-type: none"> • generate 1140 direct FTE jobs over a four-year planning and construction period • increase housing supply in an area with high housing demand • contribute to well-functioning urban environments by providing a variety of housing sizes with good accessibility to jobs, public transport and open spaces • support a transition to a low-emissions economy, including through the reduction in private vehicle use <p>The applicant has stated that they will be using a construction strategy which includes directing</p>	<p>The Project has the potential for adverse environmental effects including:</p> <ul style="list-style-type: none"> • dominance, privacy and shading effects • noise and vibration effects • transport effects • erosion and sediment discharge effects • contamination effects • groundwater effects <p>The applicant has provided details of mitigation measures to address potential adverse effects and has confirmed that technical experts have been engaged to complete a range of assessments. The applicant considers that the Project will not result in significant adverse environmental effects.</p> <p>The application is for a non-complying activity under the AUP and the applicant has not provided an assessment of how it will pass the tests</p>	<p>The location of the Project site within an urban environment, and the scale of the proposed building is likely to result in high public interest.</p> <p>The applicant did not identify any requirement for unit title subdivision consent. We recommend seeking further information from the applicant on whether or not a subdivision consent is likely to be required.</p> <p>The applicant has provided information on consultation undertaken with Ngāti Whātua Orakei and Ngāti Paoa, that they have both indicated support for the Project, and that a Cultural Impact Assessment (CIA) will not be required. We note that Ngāti Paoa is currently represented by both Ngāti Paoa Iwi Trust and Ngāti Paoa Trust Board and the applicant has only consulted with Ngāti Paoa Trust Board. Additionally, there are numerous other relevant iwi with whom the applicant will need to engage</p>

Project details	Project description	Project funding	Is Project eligible for referral? [section 18(3)]	Will the Project help to achieve the purpose of the FTCA? [section 18(2)]						Recommendations	Minister's decisions
				Economic benefits and costs for people or industries affected by COVID-19 [section 19(a)]	Effect on social and cultural wellbeing of current and future generations [section 19(b)]	Likelihood the Project will progress faster under the FTCA than would otherwise be the case [section 19(c)]	Public benefit [section 19(d)]	Potential for significant adverse environmental effects, including greenhouse gas emissions [section 19(e)]	Any other relevant matters [section 19(f)]		
	<p>loading and parking areas</p> <p>h. any other activities that are –</p> <p>i. associated with the activities described in a to g; and</p> <p>ii. within the Project scope</p> <p>The Project will require land use consent and water and discharge permits under the Auckland Unitary Plan 2016 (AUP) and land use consent under the Resource Management (National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health) Regulations 2011.</p>	applicant to fund the Project.			<p>supply Māori and Pasifika staff, committing to 50% of apprentices being from at-risk groups.</p> <p>The Project site is identified in the AUP as a Site of Significance to mana whenua. The applicant has engaged with Ngāti Whātua Orakei and Ngāti Paoa to incorporate cultural views into the building design.</p>		<p>use of electric instead of diesel generators on site.</p> <p>The applicant has provided a transport assessment which states that the Project will result in less vehicle traffic than the existing land use on site (a commercial car park). This is due to the provision of only 158 carparks, and 320 bike parks on site, and the close proximity to public transport networks.</p>	<p>how the application meets the section 104D tests is sought from the applicant.</p> <p>We note that you do not require a full Assessment of Environmental Effects and supporting evidence to make a referral decision, and that a panel will consider the significance of effects should the Project be referred.</p>	<p>consent applications with the EPA were the project to be referred. We recommend that you seek additional information from the applicant on how long they anticipate it will take to secure the additional CIAs (or agreements that they are not necessary) that are required under the FTCA process.</p> <p>The applicant states that the proposal relies on the transfer of heritage bonus floor space from other (as yet unidentified) sites within the city centre. We recommend that you seek additional information from the applicant on the availability of heritage floor space and any risks associated with not being able to obtain the rights to this space.</p>	<p>in section 104D of the RMA</p> <ul style="list-style-type: none"> whether the Project will include any subdivision the availability of heritage bonus floor area, and any risks if the applicant is unable secure rights to bonus floor area. whether the applicant is an overseas person as defined in the Overseas Investment Act 2005 because its ultimate holding company, ICD Control Pty Ltd (and the entity funding the development), is registered in Australia. If the applicant is an overseas person, whether any Overseas Investment Office approvals or exemptions are required in order for the development to proceed, either because the land is sensitive land, the development is a significant business asset within the meaning of the Overseas Investment Act, or for any other reason. <p>h. Sign the attached letters to Ministers listed in section 21(6) of the FTCA and the Associate Minister for the Environment (Urban Policy).</p> <p>i. Note that while awaiting these comments and further information, the Ministry for the Environment will, in consultation with the Office of Māori Crown Relations – Te Arawhiti, prepare a report for the purpose of section 17 of the FTCA.</p>	Yes/No

Signed:

Hon David Parker
Minister for the Environment

Date