



# *Hastings District Council*

Civic Administration Building  
Lyndon Road East, Hastings

Phone: (06) 871 5000

Fax: (06) 871 5100

[WWW.hastingsdc.govt.nz](http://WWW.hastingsdc.govt.nz)

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## OPEN A G E N D A

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### **ECONOMIC DEVELOPMENT & URBAN AFFAIRS COMMITTEE MEETING**

Meeting Date: **Tuesday, 13 February 2018**

Time: **1.00pm**

Venue: **Council Chamber  
Ground Floor  
Civic Administration Building  
Lyndon Road East  
Hastings**

<b>Committee Members</b>	Chair: Councillor Harvey Mayor Hazlehurst Councillors Barber, Dixon, Heaps, Lyons, Kerr, Nixon (Deputy Chair), O'Keefe, Poulain, Redstone, Schollum, Travers and Watkins ( <i>Quorum</i> = 8)
<b>Officer Responsible</b>	Group Manager: Economic Growth & Organisation Improvement
<b>Committee Secretary</b>	Carolyn Hunt (Ext 5634)

## **Economic Development & Urban Affairs Committee – Terms of Reference**

### **Fields of Activity**

The development of policy and the oversight of operations in the area of the social, economic, cultural and environmental wellbeing and development of the District, including (but not limited to) the following activities:

- Development of the Council's overarching strategies for Environmental Management, Economic Development, Growth Management and Urban Development;
- District development and land use planning (high level strategy)
- Urban design and development (including CBD planning)
- Hastings City Centre Development
- Landmarks Activities
- Parks and Reserves
- Economic & Business Development programmes
- Regional development

Other roles of a strategic overview nature including:

- Oversight of sustainability and climate change projects and partnerships for the delivery of and measuring sustainability performance (including the State of the Environment Reporting jointly with the Planning and Regulatory Committee)
- Other policy development not otherwise provided for

### **Membership**

Chairman appointed by Council

Deputy Chairman appointed by Council

The Mayor

All Councillors

**Quorum** – 8 members

### **DELEGATED POWERS**

#### **General Delegations**

1. Authority to exercise all of Council powers, functions and authorities (except where prohibited by law or otherwise delegated to another committee) in relation to all matters detailed in the Fields of Activity.
2. Authority to re-allocate funding already approved by the Council as part of the Long Term Plan/Annual Plan process, for matters within the Fields of Activity provided that the re-allocation of funds does not increase the overall amount of money committed to the Fields of Activity in the Long Term Plan/Annual Plan.
3. Authority to develop and adopt goals, strategies and policies on behalf of the Council for matters within the Fields of Activity.
4. Responsibility to monitor Long Term Plan/Annual Plan implementation within the Fields of Activity set out above.

#### **Parks, Reserves and Walkways**

5. Authority to exercise all of the Council's powers and functions under the Reserves Act 1977 in respect of parks and reserves other than the review of bylaws.
6. Authority to hear submissions under s120 (1)(c) of the Reserves Act 1977 in relation to all reserves or to appoint a commissioner or commissioners to hear submissions and to make a recommendation in respect of those objections or submissions to the Committee.
7. Authority to determine names for or to change the name of, parks and reserves owned or administered by the Council.

8. Where the Council is appointed as the controlling authority of a walkway under the New Zealand Walkways Act 1990, authority to exercise the powers of the controlling authority.

**Bylaws**

9. Authority to monitor any Council bylaws relating to matters within the Fields of Activity and to recommend any amendments or additions to those bylaws to the Planning and Regulatory Committee for review and consideration.



**HASTINGS DISTRICT COUNCIL**  
**ECONOMIC DEVELOPMENT & URBAN AFFAIRS**  
**COMMITTEE MEETING**

**TUESDAY, 13 FEBRUARY 2018**

**VENUE:** Council Chamber  
Ground Floor  
Civic Administration Building  
Lyndon Road East  
Hastings

**TIME:** 1.00pm

**A G E N D A**

**1. Apologies**

At the close of the agenda no apologies had been received.

Leave of Absence had previously been granted to Councillor Lyons

**2. Conflict of Interest**

Members need to be vigilant to stand aside from decision-making when a conflict arises between their role as a Member of the Council and any private or other external interest they might have. This note is provided as a reminder to Members to scan the agenda and assess their own private interests and identify where they may have a pecuniary or other conflict of interest, or where there may be perceptions of conflict of interest.

If a Member feels they do have a conflict of interest, they should publicly declare that at the start of the relevant item of business and withdraw from participating in the meeting. If a Member thinks they may have a conflict of interest, they can seek advice from the Chief Executive or Executive Advisor/Manager: Office of the Chief Executive (preferably before the meeting).

It is noted that while Members can seek advice and discuss these matters, the final decision as to whether a conflict exists rests with the member.

**3. Confirmation of Minutes**

Minutes of the Economic Development & Urban Affairs Committee Meeting held Tuesday 5 December 2017.  
(Previously circulated)

<b>4.</b>	<b>Central Government Urban Development Initiatives</b>	<b>7</b>
<b>5.</b>	<b>Hastings CBD Karamu Road - Street Upgrade</b>	<b>19</b>
<b>6.</b>	<b>Marketing Communications Update</b>	<b>33</b>
<b>7.</b>	<b>Economic Development Activities for the Quarter Ending 13 February 2018</b>	<b>39</b>
<b>8.</b>	<b>Additional Business Items</b>	
<b>9.</b>	<b>Extraordinary Business Items</b>	
<b>10.</b>	<b>Recommendation to Exclude the Public from Item 11</b>	<b>49</b>
<b>11.</b>	<b>Completion of the Economic Development Assistance Agreement</b>	

**REPORT TO: ECONOMIC DEVELOPMENT & URBAN AFFAIRS COMMITTEE**

**MEETING DATE: TUESDAY 13 FEBRUARY 2018**

**FROM: PRINCIPAL ADVISOR: DISTRICT DEVELOPMENT MARK CLEWS**

**SUBJECT: CENTRAL GOVERNMENT URBAN DEVELOPMENT INITIATIVES**

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## **1.0 SUMMARY**

- 1.1 The purpose of this report is to inform the Council about current government initiatives with actual and potential implications for Council's urban development activities in the future. These include the National Policy Statement on Urban Development Capacity (NPSUDC) and a proposal advanced by the previous government to enable the establishment of Urban Development Authorities (UDAs) with special powers to undertake large scale urban regeneration projects and a few broader ranging inquiries.
- 1.2 This issue arises from the previous government's Resource Management Reform agenda, particularly in relation to urban development and their concerns about housing affordability in particular. This represents a baseline position from which the new governments as yet unknown policy programme around urban development will evolve.
- 1.3 The Council is required to give effect to the purpose of local government as prescribed by Section 10 of the Local Government Act 2002. That purpose is to meet the current and future needs of communities for good quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses. Good quality means infrastructure, services and performance that are efficient and effective and appropriate to present and anticipated future circumstances.
- 1.4 The objective of this decision relevant to the purpose of Local Government is to ensure Council has information and advice relevant to regulatory functions and legislative opportunities for the provision of land and infrastructure to enable urban development that meets the community's current and future needs.
- 1.5 This report concludes by recommending that the report be received and that the HPUDS Implementation Working Group be asked to monitor and advise on implementation issues relating in particular to the NPSUDC, but also other government initiatives affecting urban development within the Heretaunga Plains.

## **2.0 BACKGROUND**

- 2.1 The previous Government had been pursuing a business growth agenda since its election in 2008 and a key component of this has been a reform of the Resource Management Act (RMA). Amendments to the RMA were

introduced in 2009 to streamline and shorten resource consent and plan change timeframes. A second phase in 2012 was designed to boost the quality of local decision-making through hearings Commissioner accreditation and generally improve the RMA processes.

- 2.2 In March 2011 the Government asked the Productivity Commission to evaluate the factors influencing the affordability of housing and examine potential opportunities to increase housing affordability in the aftermath of the house price boom between 2001 and 2007.
- 2.3 Despite the significant global macro-economic factor influences in propagating this period of real house price appreciation, the Commission's 2012 recommendations revolved largely around local authority planning to speed up the release of greenfield and brownfield land in urban areas and consenting processes.
- 2.4 In 2014 the government asked the Commission to examine ways to improve the way local authorities regulate to make land available for housing. This new inquiry named 'Using Land for Housing' built upon the 2012 inquiry, but focussed on improving the supply and development capacity of land for housing in New Zealand cities, especially in areas of high population growth.
- 2.5 The Commission's 2015 report suggested that a national policy statement could help address the constraints on development capacity in the resource management system. It also suggested that urban development authorities could be established in order to enable faster and better quality regeneration of existing areas in major cities.

### 3.0 CURRENT SITUATION

#### National Policy Statement on Urban Development Capacity (NPSUDC)

##### Aims

- 3.1 In 2015 the RMA was amended to make both regional and local territorial authorities responsible for the establishment, implementation, and review of objectives, policies, and methods to ensure that there is sufficient development capacity in relation to housing and business land to meet the expected demands of the region and district. This was a forerunner to the NPSUDC.
- 3.2 The National Policy Statement on Urban Development Capacity 2016 (NPSUDC) came into force on 1 December 2016 directing local authorities to provide sufficient development capacity in their resource management plans for housing and business growth to meet demand.
- 3.3 The NPSUDC contains objectives and policies that local authorities must give effect to in their resource management decisions that provide direction on:
  - the outcomes that urban planning decisions should achieve;
  - the evidence underpinning these decisions;
  - responsive planning approaches;
  - coordination between local authorities and providers of infrastructure.



- 3.4 The objectives apply to all decisions that affect an urban environment, but the NPSUDC also establishes a tiered policy approach between areas deemed to be high growth, medium growth and low growth. These were based on Statistics New Zealand urban areas classification and population projections at the time, but a number of additional urban areas were defined as either a high or medium growth urban area when it revised its population projections earlier this year. As a result the Hastings/Napier Urban area now qualifies as a medium-growth area.
- 3.5 The High and Medium Growth Areas are now as set out in the table below:

High Growth	Medium Growth
<ul style="list-style-type: none"> <li>• <b>Whangarei</b></li> <li>• Auckland</li> <li>• Hamilton</li> <li>• Tauranga</li> <li>• <b>New Plymouth</b></li> <li>• Christchurch</li> <li>• Queenstown</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Gisborne</b></li> <li>• <b>Napier/Hastings</b></li> <li>• <b>Rotorua</b></li> <li>• Palmerston North</li> <li>• Kapiti</li> <li>• Wellington</li> <li>• <b>Blenheim</b></li> <li>• Nelson</li> <li>• <b>Dunedin</b></li> </ul>

*Bolded Areas added in 2017.*

*Obligations for all local authorities expected to experience growth*

- 3.6 All local authorities have a general obligation to ensure sufficient development capacity to meet demand. Development capacity refers to the amount of development allowed by zoning and regulations in plans that is supported by infrastructure. This development can be “outwards” (on greenfield sites) and/or “upwards” (by intensifying existing urban environments).
- 3.7 In providing development capacity, local authorities have differing obligations over the short-term, the medium-term and the long-term. In the short-term (within the next three years), development capacity must be feasible, zoned **and serviced with development infrastructure**.
- 3.8 In the medium-term (between three and 10 years), the development capacity must be feasible, zoned and either serviced with development **infrastructure or funding for the development infrastructure must be identified** in a Long Term Plan required under the Local Government Act 2002 (LGA).
- 3.9 In the long-term (between 10 and 30 years), development capacity must be feasible, identified in relevant plans and strategies, and the development **infrastructure** required to service it must be identified **in the relevant Infrastructure Strategy** required under the LGA. For the development capacity to be 'feasible', the development must be commercially viable, taking into account the current likely costs, revenue and yield.
- 3.10 When making planning decisions Councils must have particular regard to providing for choices that will **meet the needs for a range of dwelling types**

**and locations**, as well as working environments and places to locate businesses.

*Additional obligations in medium-growth and high-growth urban areas*

- 3.11 The additional obligations of faster growing areas include evidence and monitoring requirements to support planning decisions. Local authorities are required to carry out a Housing and Business Development Capacity Assessment on at least a three-yearly basis. This can align with the LTP cycle, but does not match the five year HPUDS reviews. These assessments must use information about demand, including information obtained from the mandatory quarterly monitoring of a range of indicators, which include:
- Prices and rents for housing, residential land and business land by location and type; and changes in these prices and rents over time;
  - The number of resource consents and building consents granted for urban development relative to the growth in population; and
  - Indicators of housing affordability.
- 3.12 The assessment is required to estimate the sufficiency of development capacity provided by the relevant resource management plans, Long Term Plan and Infrastructure Strategy. It must estimate the additional development capacity needed if capacity is not likely to meet demand in the short, medium or long-term.
- 3.13 There are also 'responsive planning' obligations for local authorities with medium-growth or high-growth urban areas to provide an additional margin of feasible development capacity over and above the projected demand of at least 20% in the short and medium terms and 15% in the long-term (3-5 years and 10+ years).
- 3.14 Where development capacity is not sufficient in any of the short, medium or long terms, local authorities are required to initiate a response within 12 months to provide further development capacity and enabling development.
- 3.15 In addition, there is an expectation that there will be 'coordinated planning evidence and decision making' for medium-growth and high-growth urban areas. Local authorities that share jurisdiction over an urban area are therefore encouraged to work together to implement the **National Policy Statement on Urban Development Capacity** (NPSUDC).

*Further obligations in high-growth urban areas*

- 3.16 The NPSUDC policies impose further obligations on local authorities that have a high-growth urban area within their district or region and local authorities with a medium-growth urban area within their district or region are encouraged, but not required, to comply with these further obligations as well.
- 3.17 The further obligations involve the requirement for regional councils to set minimum targets for sufficient, feasible development capacity for housing and to incorporate these targets into their regional policy statements (e.g. Chapter 4 of the Hawke's Bay Regional Resource Management Plan dealing with Managing Urban Environments, introduced after HPUDS 2010). Where the three yearly assessments required by the NPS-UDC show that the minimum

targets are not sufficient, they must be revised and the revised targets incorporated into the regional policy statement.

- 3.18 Similarly, territorial authorities with high-growth urban areas are then required to set minimum targets for sufficient, feasible development capacity for housing as a portion of the regional minimum target e.g. Napier and Hastings as part of the HPUDS totals. These minimum targets must be incorporated as an objective in the relevant district plan and revised where a minimum target in a regional policy statement is revised.
- 3.19 Local authorities in high growth areas must also produce a future development strategy which demonstrates that there will be sufficient, feasible development capacity in the medium and long term. This must set out how the capacity targets will be met, including the broad location, timing and sequencing of future development capacity over the long-term in greenfields environments and intensification opportunities within existing urban environments. In this respect Council's Greenfields Prioritisation report and Medium Density Housing Strategy go some way to fulfilling these obligations (although they are not legally required at this stage).

#### Implementation timeframes

- 3.20 The NPC-UDC sets out the timeframes for giving effect to it. Notably, the objectives and policies applying to all local authorities – the responsive planning policies and the policies relating to coordinated planning, evidence and decision making – needed be taken into account and given effect in planning decisions from 1 December 2016. Again the HPUDS Review goes some way towards demonstrating achievement of these obligations.
- 3.21 Local authorities such as Hastings and Napier with urban areas newly defined as either high or medium growth urban areas due to Statistics New Zealand revisions in 2017 have extra time to complete some of the requirements as follows:
- Begin monitoring indicators under policy PB6 and using indicators of price efficiency under policy PB7 by 31 March 2018.
  - Complete the housing and business development capacity assessment under policy PB1 by 30 June 2018.
- 3.22 The Ministry for the Environment (MfE) and Ministry of Business, Innovation and Employment (MBIE) have developed guidance and support to Council's for the implementation of the NPSUDC.
- 3.23 In June guidance was published on:
- Monitoring market indicators (see <https://mbienz.shinyapps.io/urban-development-capacity/>);
  - Housing demand and development capacity;
  - Business demand and development capacity;
  - Business and housing interactions.

3.24 Further guidance on the use of indicators of price efficiency and competition was published in September and advice is pending on:

- Developing a future development strategy (Dec 2017);
- Requirements for minimum targets, and the form of the targets (Dec 2017);

*Implications for Hastings/Napier/HPUDS*

- 3.25 The NPSUDC is premised on the assumption that the long-term root cause of New Zealand's housing affordability problems is insufficient land supply. It essentially requires or encourages Council's to respond by having long term urban development strategies that reflect market catchments rather than local authority boundaries, testing the commercial feasibility of identified growth areas, have in place sequencing and scheduling plans for releasing enough land and enabling redevelopment at higher densities in a way that is responsive to projected demand in the short, medium and long term.
- 3.26 In this respect HPUDS did and does lay out a 30 year supply programme for urban development including greenfields areas, so from that perspective the region is well placed to give effect to the NPS from a planning and strategy perspective. HPUDS 2017 also incorporated the supply buffers for greenfields required by the NPS and Hastings at least has established and is reviewing the sequencing and timing of development for greenfield growth areas. A strategy to encourage and promote intensification through redevelopment of older housing stock is also promoted through the Medium Density Housing Strategy.
- 3.27 HPUDS however, seeks to affect a change in the nature of housing supply over time by transitioning away from an emphasis on larger homes on greenfields sites to redevelopment of older housing stock to higher densities, while still maintaining market choice. This is in order to protect versatile soils and landscape values while, promoting efficient use of infrastructure and energy through more compact urban form and transport choices. The NPS however, seems to require a more demand driven approach, with less recognition of these other important aspects of sustainable management under the RMA, so the greenfield/infill splits **may** be harder to justify in the future.
- 3.28 It is at least arguable that the broader effects management and policy directions enabled under the RMA can still be part of the decision making (implied not stated), so at this stage the strategic direction encapsulated in HPUDS can remain intact, but the need to balance this with housing choice in terms of location and type is now stronger. Without some clarity about the ability for planning strategies to account for these other matters, and incentivising changes in demand preferences over time, officers expect the NPSUDC to give rise to more, rather than less potential for litigation.
- 3.29 Councils will now need to collect and analyse more commercial property information to inform their planning decisions and this will come at a cost and involve more internal resource and/or a shared approach with the HPUDS partners locally. While some, but not all of the information required by the

NPS is already collected and analysed as part of the HPUDS review and structure planning processes, this data will need to be gathered more frequently and possibly to a higher standard.

- 3.30 Commercial feasibility has previously been assessed in depth for greenfields at the structure planning stage, but this may need to be done more rigorously at site selection stage within strategy formulation. Similarly some commercial feasibility work was undertaken for the intensification areas, but some costly models developed for larger cities may become the standard for smaller centres.
- 3.31 It is worth noting that the NPS is not solely concerned with residential development. Projecting industrial and commercial (Business Land) demand by location and type over 30 years is much harder. This implies the need to ensure currency of commercial and industrial strategies sitting behind HPUDS is maintained, with reviews scheduled following completion of the Irongate and Omaha North Plan Changes.
- 3.32 There will be a lot of work required around implementation and understanding the implications of the NPS. Locally the HPUDS framework and Joint Implementation Working Group would appear to be an appropriate vehicle to undertake the assessments and recommend response actions to the three partner Council's. In that respect the Working Group could also be asked to look into increasing the frequency of the HPUDS monitoring and review cycle from 5 to 3 years, even if the scope of the 3 year review is limited and a more extensive review undertaken every 6-9 years.
- 3.33 The Hawke's Bay Regional Council, in adopting HPUDS2017, resolved that the HBRC's representatives on the HPUDS Implementation Working Group will encourage the Group to re-prioritise strategy implementation planning to:
- focus on actions required by HPUDS Partner Councils to give effect to the 2016 NPSUDC;
  - review HPUDS 2016 to align with the first three-yearly assessment of housing needs as required by the NPSUDC;
  - recognise the urgency in ensuring environmental effects are considered in all planning.
- 3.34 The NPS will necessarily include consideration of short and longer term resourcing requirements. In this respect to date HPUDS implementation has been undertaken using existing internal resources supplemented when required by consultancy support. With the NPS and the need to review HPUDS possibly every three years, this is increasingly looking like being insufficient and a more dedicated shared resource may be necessary to coordinate and manage resources and programmes.

## **URBAN DEVELOPMENT AUTHORITIES**

### **Aims**

- 3.35 In February 2017 the government released a discussion document proposing new legislation that would allow nationally or locally significant urban development projects to be built more quickly. It would enable a tool-kit of

powers to be used to streamline and speed up government sanctioned large scale projects, such as suburb-wide regeneration by publicly-controlled urban development authorities, potentially in partnership with private companies and/or landowners.

3.36 The proposals are a response to a number of issues of concern to the government relating to the urban environment as follows:

- Low housing supply;
- Rising house costs;
- Difficulties in meeting expected population growth;
- The impacts of housing market imbalances on national economic performance;
- Challenges of increasing productivity in cities;
- Declining urban areas;

3.37 The key challenges when addressing these issues identified by the government include:

- the lack of statutory authority for Crown involvement in regional or local urban planning;
- territorial authorities are not required to take into account the national interest when making decisions about urban development;
- limited coordination of planning at national through to local scales for large scale urban development;
- the difficulties of assembling fragmented land;

3.38 The growth of New Zealand cities has predominantly occurred by expansion of the urban footprint into the surrounding countryside and our development framework and rules have been designed for this approach. However, like many developed countries, New Zealand is entering a new phase of city development involving substantial redevelopment of existing urban areas. Recognising this, the Productivity Commission recommended in 2015 that UDAs be set up to assemble sites, master-plan large residential developments and to partner with private sector groups to deliver them.

#### Powers of UDAs

3.39 The proposed legislation that was being promoted was intended to allow UDAs to be set up to oversee urban development projects, which could be for housing or commercial purposes, supported by the necessary infrastructure such as roads and water supply, and amenities like parks, community spaces and shopping centres.

3.40 Types of projects on which UDAs could focus include the development of:

- areas of regional or national importance;
- areas where the public owns significant land-holdings, such as suburbs with high concentrations of Housing New Zealand land;

- areas where government is investing significantly in public services or amenities, such as health or educational institutions;
  - areas along new or revitalised transport corridors, or around centres identified for growth;
  - inner-city brownfield areas and under-utilised commercial and residential neighbourhoods where land ownership is fragmented;
  - under-utilised areas where there is potential for urban transformation to support local economic development.
- 3.41 UDAs would be formed to oversee a development project for a certain period of time. For larger projects, this could be up to 20 years. Only land already within an urban area, or that is sufficiently close to an urban area that it may in future service or become part of that area, will be affected by the proposed legislation.
- 3.42 Central government or a territorial authority, or both, can propose a UDA, but **both** would need to agree on whether to progress it after an initial assessment. There would be public consultation; firstly before any development project could be established and secondly on a development plan prepared for the area affected.
- 3.43 The Government would decide which enabling powers could be used for particular projects and these could relate to:
- Land – powers to assemble parcels of land, including existing compulsory acquisition powers under the Public Works Act 1981;
  - Planning and resource consenting – powers to override existing and proposed district plans and regional plans, and streamlined consenting processes;
  - Infrastructure – powers to plan and build infrastructure such as roads, water pipes and reserves;
  - Funding – powers to buy, sell and lease land and buildings; powers to borrow to fund infrastructure; and powers to levy charges to cover infrastructure costs.

#### Implications for Council

- 3.44 UDAs are likely to be suitable for a small number of significant projects, such as suburb-wide regeneration like what is currently underway in Tamaki, Auckland and officers suspect they will find only limited use in New Zealand. While there may be few situations where the government would see the need for an urban development authority within the Heretaunga Plains sub-region local Councils can propose these.
- 3.45 If the NPS-UDC does indeed have the effect of limiting Council's ability to control greenfields expansion at the urban periphery, then Council might

consider taking a more hands on approach in stimulating a market shift to intensification in order to reduce demand for urban expansion. A UDA of the nature proposed could be an important tool in doing so. Other situations could include strategic land purchase and development within the CBD as part of the City Centre Strategy.

- 3.46 In this case the compulsory acquisition powers would be a significant advantage. Councils however, tend to be very reluctant to use compulsory acquisition powers except as a last resort and where a high standard of necessity for the work has been established.
- 3.47 Submissions on the proposals closed earlier this year, but the government remained silent on the next steps and timetable for change. The new governments election policy referred to creating an affordable housing authority to work with the private sector to undertake greenfields and revitalisation projects quickly, but it remains to be seen how much of the UDA concept consulted on will form part of the new governments approach.

### **OTHER GOVERNMENT INITIATIVES**

- 3.48 The previous government also implemented two other allied initiatives around housing development that are worth a brief mention. The first was the Housing Accords and Special Housing Areas Act 2013. This was aimed at facilitating an increase in land and housing supply in regions or districts identified as having housing supply and affordability issues in addition to Auckland<sup>1</sup> through the creation of agreements with the Government where “Qualifying Developments” are provided with a more streamlined consenting process, including no public notification and no right to appeal to the Environment Court.
- 3.49 The second is the \$1 billion Housing Infrastructure Fund established in 2016 which is available as an interest-free loan of up to 10 years, but only those councils which are in, or part of, high growth urban areas<sup>2</sup> qualify for interest free loans.
- 3.50 While on a national scale this area does not have a significant ongoing housing affordability or supply issue, Council should keep an open mind on approaching government to become eligible for these initiatives if the situation were to change markedly.
- 3.51 The Council should also be aware of the Productivity Commission’s broader review of the planning regime under the banner “Better Urban Planning”. For this inquiry the Government asked the Commission to identify the most appropriate system for allocating land use in cities.

<sup>1</sup> *Tauranga City, Western Bay of Plenty District, Hamilton City, Hutt City, Kapiti Coast District, Porirua City Council, Upper Hutt City, Wellington City, Nelson City, Tasman District, Christchurch City, Waimakariri District, Selwyn District, and Queenstown–Lakes District.*

<sup>2</sup> *Auckland City, Hamilton City, Waikato District, Waipa District, Tauranga City, Western Bay of Plenty, Christchurch City, Selwyn District, Waimakariri District, Queenstown–Lakes District*



- 3.52 The Commission's 64 recommendations were released in March 2017. They include having one law that supports and governs both the built and natural environments, but making a distinction between the built and natural environments with clear objectives and principles for each. Key elements include:
- making spatial plans (in the form of Regional Spatial Strategies) a mandatory component of the planning hierarchy;
  - requiring local authorities to develop together, as a package, the Regional Spatial Strategy, a Regional Policy statement for the Natural Environment, and District Plans, for review by an Independent Hearings Panel;
  - providing councils in high-growth cities with better funding and financing tools (e.g. value capture) and more sophisticated procurement tools.
- 3.53 Local Government New Zealand also released its “Blue Skies: Planning and Resource Management” think-piece in December 2015, reviewing the performance of the RMA and suggesting a more ambitious approach to reform through blue sky thinking. The final report released in June 2016 recommended an eight point plan as follows:
- A regional spatial planning process with statutory teeth;
  - ‘Special economic zones’ to enable tailored solutions;
  - Local ‘national’ direction developed through partnerships between central and local governments;
  - A framework to evaluate the performance of the resource management system;
  - Standard tools to assess benefits and costs;
  - Prioritise investment to establish environment states and trends;
  - A two tier framework of “go and no-go” for resource management decision-making;
  - Meet the costs of rights to access and use resources held in common.
- 3.54 At about the same time a joint report “Evaluating the Environmental Outcomes of the RMA” by the The Environmental Defence Society, the New Zealand Council for Infrastructure Development, the Northern Employers and Manufacturers Association and the Property Council of New Zealand has also concluded that more fundamental reform is needed.
- 3.55 At this point there is no indication from the new government on its intended approach to these initiatives or on urban development generally, although Phil Twyford has been appointed Minister of Housing and Urban Development.

#### **4.0 PREFERRED OPTION/S AND REASONS**

- 4.1 This report is largely for Council’s information as part of the broader context around urban development. Accordingly no recommendation is made other than that the report be received and that council; like the Hawke’s Bay Regional Council, ask the HPUDS Implementation Working Group, which Council is a member of, to monitor and advise on implementation issues

relating in particular to the NPSUDC, but also other government initiatives affecting urban development within the Heretaunga Plains.

## **5.0 RECOMMENDATIONS AND REASONS**

- A) That the report of the Principal Advisor: District Development titled “Central Government Urban Development Initiatives” dated 13/02/2018 be received.**
- B) That the Heretaunga Plains Urban Development (HPUD) Implementation Working Group be requested to monitor and advise Council on Implementation issues relating in particular to the National Policy Statement on Urban Development Capacity and other government initiatives affecting urban development within the Heretaunga Plains.**

**With the reasons for this decision being that the objective of the decision will contribute to ensuring that Council has information and advice relevant to regulatory functions and legislative opportunities for the provision of land and infrastructure to enable urban development that meets the community’s current and future needs.**

### **Attachments:**

There are no attachments for this report.

**REPORT TO:** ECONOMIC DEVELOPMENT & URBAN AFFAIRS COMMITTEE

**MEETING DATE:** TUESDAY 13 FEBRUARY 2018

**FROM:** PROJECTS AND PUBLIC SPACE MANAGER  
RUSSELL ENGELKE

**SUBJECT:** HASTINGS CBD KARAMU ROAD - STREET UPGRADE

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## **1.0 SUMMARY**

- 1.1 The purpose of this report is to seek the Committee's adoption of the proposed streetscape treatment for Karamu Road between St. Aubyn Street and Eastbourne Street East.
- 1.2 This proposal arises following Council's desire to continue with the implementation of Council's adopted CBD Ten year programme.
- 1.3 The Council is required to give effect to the purpose of local government as prescribed by Section 10 of the Local Government Act 2002. That purpose is to meet the current and future needs of communities for good quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses. Good quality means infrastructure, services and performance that are efficient and effective and appropriate to present and anticipated future circumstances.
- 1.4 The objective of this decision relevant to the purpose of Local Government is the provision of good quality local and public infrastructure which meets the needs of our community by contributing towards establishing vibrant, functional and high amenity urban centres.
- 1.5 This report concludes by recommending that the Committee adopt the proposed streetscape treatment for Karamu Road between St. Aubyn Street and Eastbourne Street East for delivery in 2018.

## **2.0 BACKGROUND**

- 2.1 While both the Hastings and Havelock North CBD's have gone through extensive street improvement programmes over the last 20 years, both Council and the business community recognise the need to maintain investment in the CBD areas for them to remain a vibrant and attractive place to do business.
- 2.2 The CBD Upgrade Programme is funded substantially (80%) via a targeted rate on properties within the Hastings CBD, and equates to \$300,000 per annum.
- 2.3 Following ongoing consultation with the Hastings Business Association, Council adopted a revised ten year CBD Street Upgrade Programme in October 2017. This strategy sets out an agreed street upgrade programme, that seeks to deliver a considered series of projects that will add to the

vibrancy of the CBD, while responding to other related projects in an integrated fashion.

- 2.4 Officers have been progressing a streetscape design for Karamu Road that seeks to reinforce the importance of this key route and the linkage between Kmart and Civic Square.

### **3.0 CURRENT SITUATION**

- 3.1 Officers have been progressively developing the urban design plan for Karamu Road. The design builds on Council's adopted design features for Hastings as well as incorporating new features that have been suggested in the consultation phase.
- 3.2 The developed design is now ready to be brought to Council for final approval, prior to tendering and construction.

### **4.0 OPTIONS**

Council has three options to consider:

Option 1: Adopt the proposed Karamu Road streetscape design

Option 2: Amend the Karamu Road streetscape design

Option 3: Do nothing

### **5.0 SIGNIFICANCE AND ENGAGEMENT**

- 5.1 While the total work programme proposed by officers is of a considerable value, at an estimated cost of \$1,000,000 it does not challenge any of Council's significance thresholds.
- 5.2 One of the key features of the formulation of the CBD Programme and the supporting funding streams, has been the strong supporting consultation undertaken. The CBD upgrade programme has been the subject of ongoing LTP and Annual Plan reviews since 2000. The plan has been open to public comment and has been well supported by the community. The plans before the Committee are but the next stage of the ongoing revitalisation process.
- 5.3 Officers have worked closely with the Hastings Business Association (HBA) on the formulation of the programme and in particular the priority of works to be advanced. This consultation culminated in the adoption of the programme in February 2017 and a subsequent minor review in October 2017.
- 5.4 Ongoing targeted consultation with the Hastings Business Association has also been carried out and they support the design and timings as the proposed plan meets their wider CBD streetscape aspirations for CBD vibrancy.
- 5.5 The proposed work programme seeks to deliver an already agreed suite of urban streetscape enhancements. This plan has been formulated in partnership with the Hastings Business Association and Landmarks Advisory Group, whose ongoing feedback and recommendations have been integrated into the design.

- 5.6 While the upgrade design covers four blocks of Karamu Road, the work planned is primarily a cosmetic enhancement as it will not include major road works. This reduced scope of work will help ensure disruption to businesses is minimised. A meeting of all the affected property owners and retailers will be held to discuss the design and likely work programme. This will give officers opportunity to make minor adjustments to the design. Bearing in mind the support for the design from the HBA, officers are not expecting any major changes that might affect the design.
- 5.7 Officers have also discussed the design with service providers to ensure forward renewal programmes coincide with the project implementation. Consultation has occurred regarding the condition of existing kerb and channel, street lighting improvements, CCTV coverage and parking demand in the CBD.

## 6.0 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

### Proposed streetscape design

#### 6.1 Trees

- 6.2 The Landmarks Development Plan identifies Karamu Road as a key road axis of similar importance to that of Heretaunga Street. From a landscape perspective, the ideal treatment for Karamu Road would be to implement an avenue effect along its entire length, using trees of a scale and look that identify this road as a major routeway and entranceway to Hastings.
- 6.3 The proposed plan (**Attachment 1**) continues with the recently completed planting of *Rata* species on both sides of Karamu Road North. The CBD section of Karamu Road covers approximately 500 metre section. The proposed plan identifies potential locations for street trees to be installed. These locations take into account under and above ground infrastructure, parking demand and usage in the street, and recommended close spacing between trees.
- 6.4 Officers have studied underground service information and the planting of street trees in pits in footpaths and or parking lanes and barring unforeseen circumstances, the preferred design layout is achievable for this section of Karamu Road. It is also proposed to undertake potholing at key locations to confirm the siting of underground services prior to construction to ensure they are not compromised. Where underground services can cause issues, there exists scope to shift the proposed locations of trees within the existing footpath to ensure the paired avenue effect is achieved.
- 6.5 All trees would also be located in standard HDC tree pits to protect infrastructure. These pits would be installed either in the footpaths, close to the kerb edge, or in the parking lane. This would still allow two metres of footpath width for pedestrians. With trees set 0.5 metres back from the kerb, no issues would be experienced with parked vehicles opening their doors.

#### 6.6 Banners

- 6.7 The plan proposes the use of banner type flags on the light poles to help create a special street scene and provide a visual impact for traffic entering the Hastings CBD. It proposed to use the same system that is seen outside

the Opera House (**Attachment 2**) These banners can be changed to promote community or district events. The effect of multiple banners creating a repetitive avenue type appearance will help reinforce the priority of the Hastings central commercial heart.

#### 6.8 Proposed Paving

- 6.9 In addition to new street lights, banners and trees, the plan also proposes the laying of new asphaltic concrete (AC) paths with paving bands across the footpaths from the kerb or the tree pit edge, to the private property boundary. Where the existing AC surface is in a good condition, it will be retained to help reduce construction costs. Where sections require total pavement renewal, a whole section will be replaced during construction. The proposed style of AC footpaths, with paving bands to create an attractive repetitive element, has already been used in the outer Hastings CBD and in the recently completed Karamu Road North section from St. Aubyn Street to Frederick Street. For the proposed paving layout, see **Attachment 3**.

#### 6.10 Lighting

- 6.11 The style of lighting used in Hastings Street alongside the Opera House have been highly successful in providing a visual presence and sense of arrival. (See **Attachment 2**) Officers recommend the use of lights and poles of a similar design in all four blocks of Karamu Road. Six to eight poles are proposed per block, opposite each other where possible to reinforce the repetitive avenue effect. The system would also be installed for enhanced visual impact.

#### 6.12 On-road parking

- 6.13 In order to accommodate the desired tree-lined avenue, the proposed landscape design will impact on parking provision. The following table shows the changes in street tree numbers and parking space provision:

CBD Block	Existing number of trees	New number of trees	Existing parking spaces	Proposed parking spaces
St Aubyn to Avenue	3	10	13	11
Avenue to Queen	4	16	17	15
Queen to Heretaunga	6	12	19	17
Heretaunga to Eastbourne	3	14	14	12
<b>Total</b>	16	52	63	55
<b>NETT CHANGE</b>		<b>+36</b>		<b>-8</b>

- 6.14 While the introduction of 40 new trees, new lights and banners will seek to create an impressive streetscape statement as vehicles and pedestrians enter from the north it will also result in the loss of eight carpark spaces.
- 6.15 Feedback from Councils parking managers advises that the occupancy of these blocks is moderate and they are also adequately served by off road

public car parks. Essentially the plan reduces parking in each block by only two spaces. Officers believe the minimal loss of car parks in each block is balanced out by the creation of an attractive streetscape that adds to the overall vibrancy of the CBD. Final targeted retailer consultation will flesh out any concerns over the parking loss. Council could reduce the amount of rata trees recommended and thereby retain the car parks. From an urban design viewpoint, it is recommended to retain the trees and surrender eight car parks, for the benefit of achieving an improved town centre streetscape amenity.

#### 6.16 **Budget**

6.17 The Economic Development and Urban Affairs Committee only has the authority to approve the urban design component of this project. While the funding approvals are delegated to the Works and Services Committee, officers have included an assessment of the proposed budget, for fullness.

6.18 As referred to earlier, Council has included funding for a ten year CBD programme in the current Long Term Plan. Essentially \$300,000 is set aside annually for this purpose.

6.19 Currently the fund contains \$950,000 with an additional \$300,000 due in July 2018. The current estimate for the proposed street works is \$1,000,000. This amount includes fees and a 12.5% contingency. As the project is tentatively programmed to commence in the middle of the year, there is sufficient funds available to undertake the project and to cater for the planned Eastbourne Street works set to be advance in the 2018/19 year. It is noted that work related to the new Police headquarters is due for completion in 24 months so funding for this key project can also be appropriately catered for as planned in the CBD strategy.

#### 6.20 **Option 1**

By adopting Option 1, the Committee will be giving approval to the planned streetscape design that both Council and community has supported and signalled for a number of years. It will also see Council sending a clear message to our community that we support stakeholders' aspirations of creating a vibrant town centre and we are serious about progressing this significant project.

6.21 The design is supported by Landmarks and the Hastings Business Association so Council can be assured that the adoption of Option 1 will be well supported.

#### 6.22 **Option 2**

If the Committee wishes to seek alternative or additional elements within the streetscape, it can adopt option 2 and the plans can be changed and returned to Landmarks for feedback and then returned to the next Committee meeting for subsequent adoption. This would delay the project. There is a slight risk that any delay may attract some negative feedback for Council as key stakeholders are keen to push ahead with this work, as with other CBD vibrancy actions.

### 6.23 Option 3

Council could also reject the plans and do nothing. This, Option 3, is not recommended as the plan has been drafted after widespread consultation, and has gathered strong support. Any move away from this project will likely draw strong criticism unless there are very compelling reasons to the contrary.

## 7.0 PREFERRED OPTION/S AND REASONS

- 7.1 The preferred Option is Option 1. – Adopt the proposed Karamu Road streetscape design
- 7.2 Council has an adopted Hastings CBD Strategy that it has consulted on via targeted consultation and Long Term Plan engagement. This streetscape plan and project is set to deliver an enhancement of the key CBD routeway that is Karamu Road. Council has already completed the rata tree routeway project and this CBD project will complete the upgrade of Karamu Road as a key entry way to Hastings.
- 7.3 The plan has been well consulted and has strong support so Council can feel confident that this landscape plan enables CBD vibrancy and attractiveness.
- 7.4 There is sufficient funds in the CBD budget area to complete this project and as such, Council and Hastings City Business Association are eager to get works started as soon as possible.
- 7.5 Officers recommend the adoption of Option 1 and that the Committee adopt the proposed Karamu Road streetscape design, meaning that the four blocks of Karamu Road between St Aubyn Street and Eastbourne Street East be now undertaken.

## 8. RECOMMENDATIONS AND REASONS

- A) That the report of the Projects and Public Space Manager titled “Hastings CBD Karamu Road - Street Upgrade” dated 13/02/2018 be received.**
- B) That the Committee adopt Option 1, the proposed Karamu Road streetscape design as outlined in the report.**
- C) That the Committee direct that plans and project documents be completed to allow for the tendering process and construction to commence in mid - 2018.**

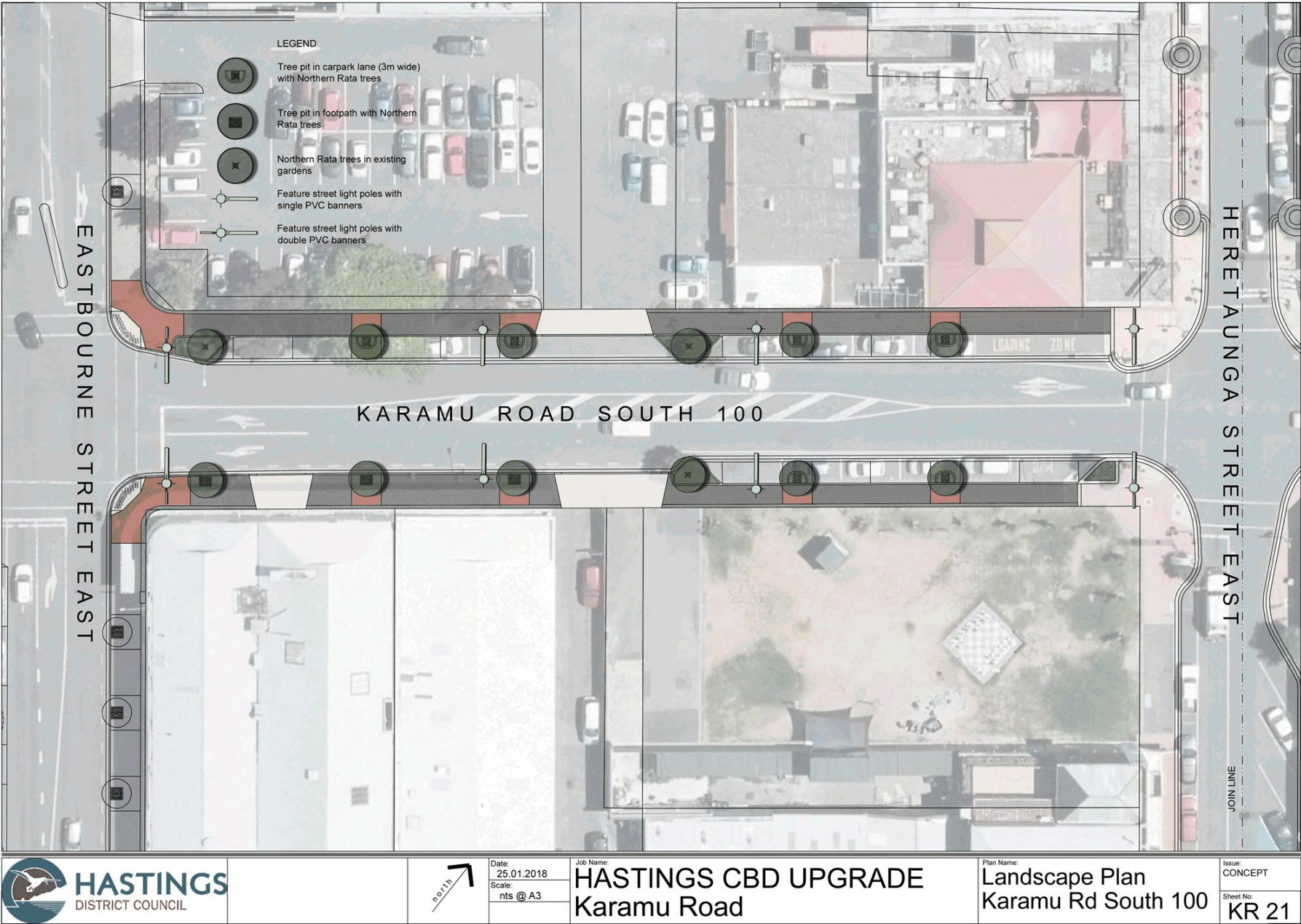


**With the reasons for this decision being that the objective of the decision will contribute to the provision of good quality local and public infrastructure by;**

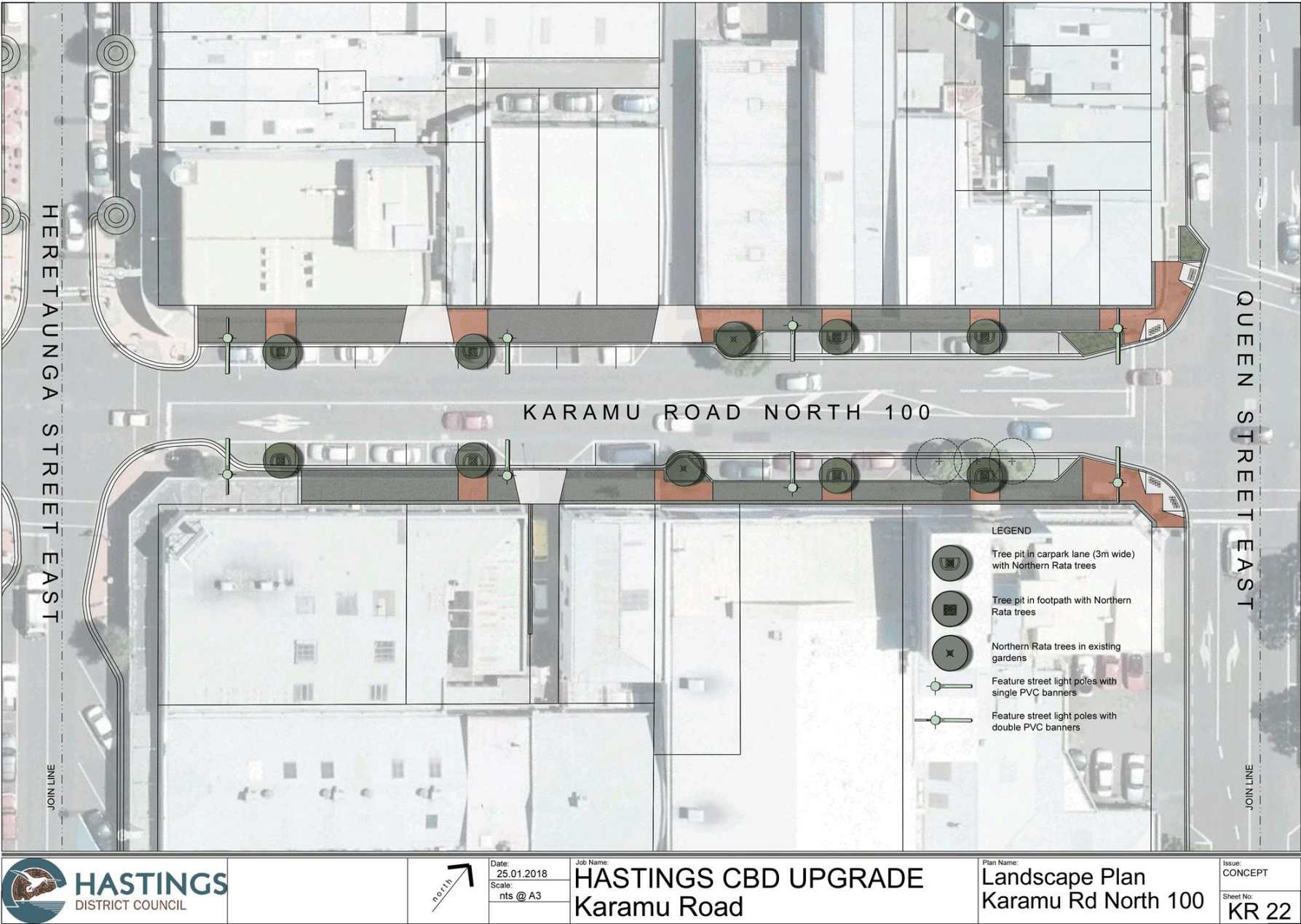
- i) meeting the needs of our community by creating infrastructure that supports economic growth and contributes towards vibrant, functional and high amenity urban centres.***

**Attachments:**

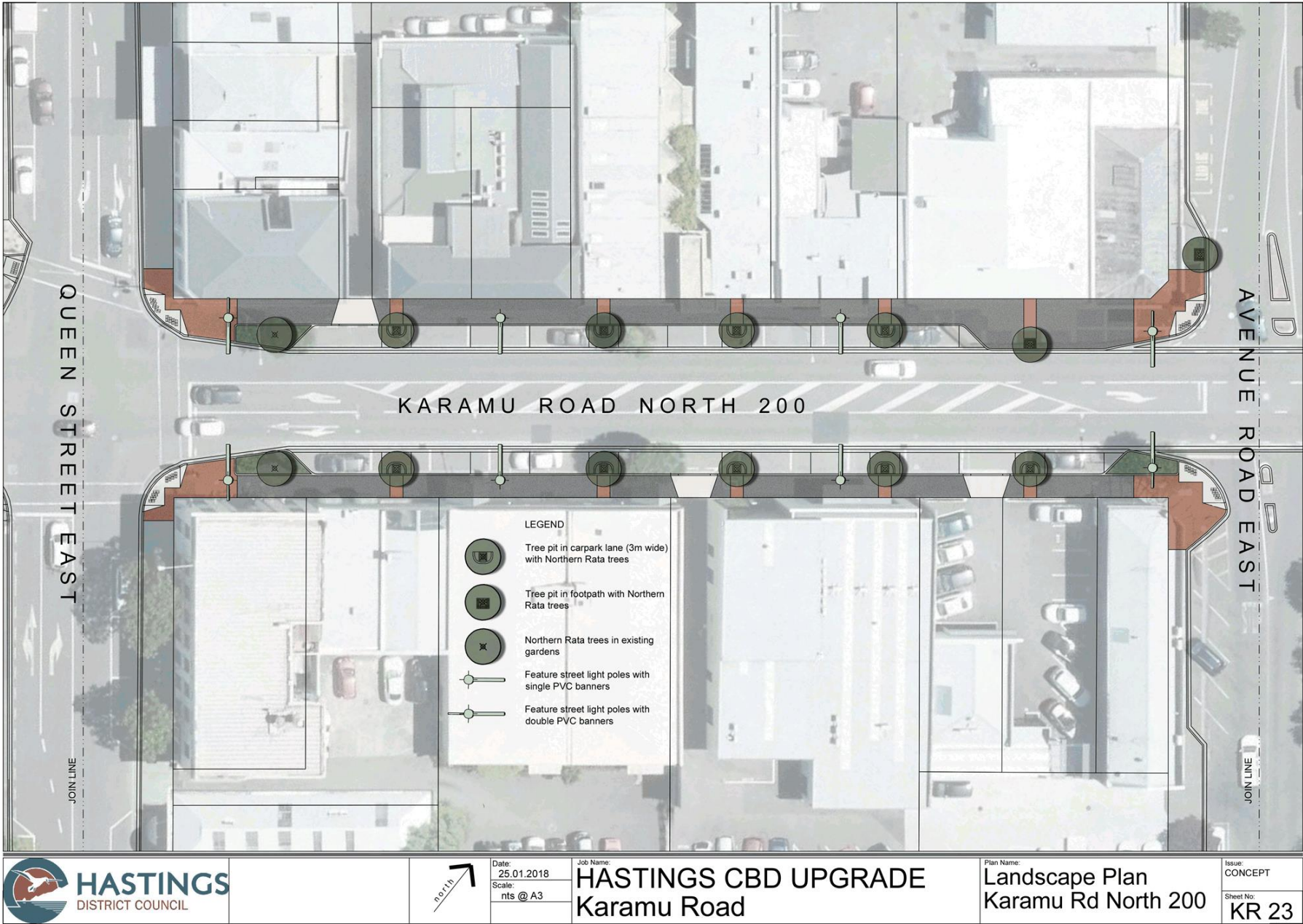
- |   |  |               |
|---|--|---------------|
| 1 | Karamu Road aerial   | CG-14-3-00053 |
| 2 | Karamu Road lighting poles pdf                                 | PRJ17-96-0003 |
| 3 | Plantings (Including Street Trees) - Karamu Road paving detail | PRJ17-96-0020 |

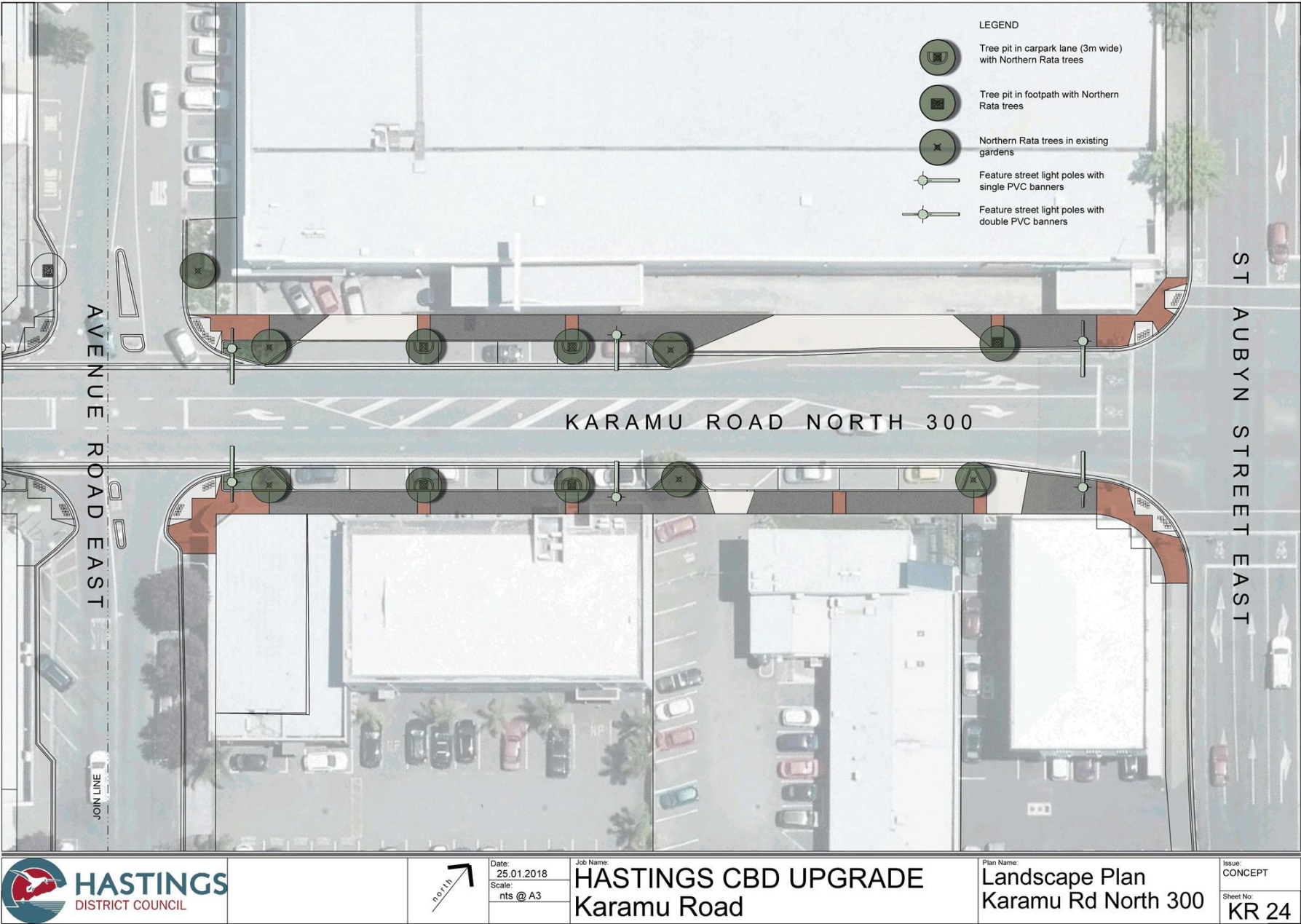




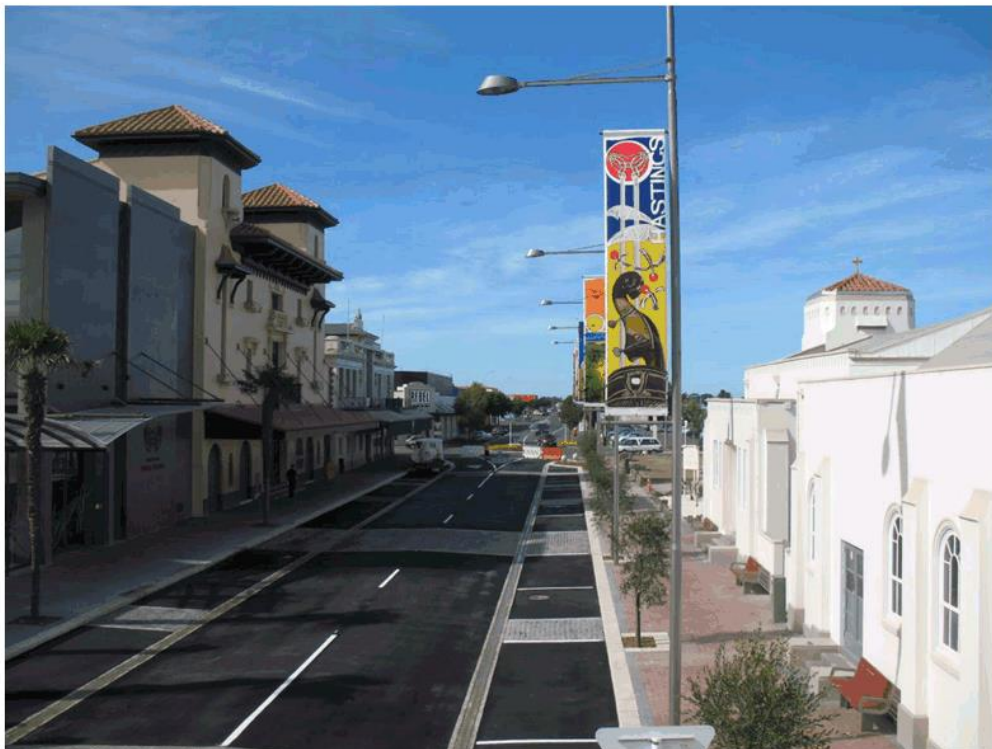












Attachment 3: Lighting Pole Proposal for Karamu Road 100 South and 100 North.



Attachment 3: Rata trees in paving bands (Karamu Road)





**REPORT TO: ECONOMIC DEVELOPMENT & URBAN AFFAIRS COMMITTEE**

**MEETING DATE: TUESDAY 13 FEBRUARY 2018**

**FROM: MARKETING & COMMUNICATIONS MANAGER  
JANE MACKAY**

**SUBJECT: MARKETING COMMUNICATIONS UPDATE**

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## **1.0 SUMMARY**

- 1.1 The purpose of this report is to provide an update on the delivery of Marketing Communications Services.
- 1.2 This request arises from a directive from the EGOI Group Manager to report to the Economic Development and Urban Affairs Committee.
- 1.3 The Council is required to give effect to the purpose of local government as prescribed by Section 10 of the Local Government Act 2002. That purpose is to meet the current and future needs of communities for good quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses. Good quality means infrastructure, services and performance that are efficient and effective and appropriate to present and anticipated future circumstances.
- 1.4 This report concludes by recommending this report be received from the Marketing Communications Manager.

## **2.0 BACKGROUND**

- 2.1 Marketing Communications was reviewed in late 2015 and since May 2016 has been repositioned as an internal agency service provider across all areas of Council. This client focussed delivery model of all marketing communications and events has resulted in significant uptake across Council of this internal service. This translates to cost saving and more consistent and higher standard of work across the organisation.

## **2.2 CURRENT SITUATION**

- 2.3 Marketing Communications are now actively engaged across an estimated 95% of Council areas with a steadily increasing workload. Levels of engagement with individual client areas are noticeably increasing as more advice is sought as well as actual delivery of campaigns/tasks/projects.

### **KEY DELIVERABLES**

#### **Report period 15 November 2017 – 23 January 2018**

- 2.4 This **9 week** period includes the Xmas holiday period with staff on leave, council operations closed for one/two weeks and the resulting low activity period.

**Key deliverables include:**

- Issues/crisis communications management and media management on a day to day basis
- Organisational and ongoing campaigns/projects in key areas of Civic Pride, brand management/audits, website project phase two, internal communications and other smaller areas
- Production of three My Hastings publications
- Engaged with and delivered work across 56 business areas within Council
- Initiated/delivered approximately 252 marketing communications campaigns or tasks which included approximately 119 graphic design jobs of varying sizes
- 19 events have been engaged/supported/assisted over this period of varying sizes. This includes a combination of either funding and/or in kind support. In addition to formal event support, all events are actively promoted through Council channels. The Hastings Ambassador has been involved in 6 planned events over this period
- 44 media releases have been written and distributed to local and national media based on good news stories as well as operational announcements e.g. roading projects. These are published across HDC Facebook and website as well as internal intranet. 36 [92%] were published externally which is considered a high publication result
- Significant resource heavy areas of activity include the 11 roading /water pipe projects currently active, 5 consultations active or planned, Splash Planet, Aquatics, Youth, Water conservation, Water Change Programme, iWAY, Community centres, Opera House Precinct project, City Centre enhancements/Vibrancy initiatives, Industrial and residential land
- **Attachment 1** summarises digital activity and results achieved across website, digital communications and social media. This activity highlights the ongoing growth in engagement and the increasing importance of these tools. The new HDC website launched in November is demonstrating significant user improvement results. Whilst the website continues to be an evolving project with Phase Two launched, ongoing content revision is a priority for Phase Two
- An internal operational review of the i-SITES has resulted in a new business plan currently being formulated which will include a new marketing and retail plan. A brand refresh will be executed over coming months. The i-SITES continue to receive high levels of positive feedback from visitors which directly relates to their key objective of enhancing the visitor experience to increase the visitor spend and facilitate economic growth in the Hastings District/Hawkes Bay region. The launch of the new HBT website and the redirection of [www.visithastings.co.nz](http://www.visithastings.co.nz) to this site has been successful. Analytics reports from HBT demonstrate the following which is a significant improvement from the old site and ongoing enhancements to content for Hastings will improve further. High level analytics show:

- Hastings District Neighbourhood landing page views: 5,212 (8th most visited page on website)
- Havelock North Neighbourhood landing page views: 915
- 26 Accommodation listings between Hastings District and Havelock North
- 38 Eat listings and 25 Drink listings (some repetition of businesses across these two categories)
- Cape Kidnappers listing had 4,673 page views - #1 article or listing page across entire site (i.e. not a section landing page)
- Splash Planet is the #1 viewed attraction (first equal)
- Waimarama is the #1 viewed beach

### **Future Projects**

2.5 Known **key/significant** activities over and above business as usual for the next period will include ongoing or new work on:

- Consultations –Long Term Plan , Waste Management and Minimisation, Plan, Speed Zones and others
- Roading/water pipe projects – 11 projects at the time of writing the report.
- Industrial developments
- Water –restrictions, community engagement campaign, change programme
- Opera House redevelopment project
- iWay
- Events including Earthquake Commemoration, Waitangi celebrations, Art Deco, iWay Go By Bike, International cultures day, Horse of the Year

## **3.0 RECOMMENDATIONS AND REASONS**

**A) That the report of the Marketing & Communications Manager titled “Marketing Communications Update” dated 13/02/2018 be received.**

**With the reason for this decision being that effective and efficient delivery of marketing and communications services contributes to meeting the current and future needs of communities in a way that is cost effective for households and business**

### **Attachments:**

- |   |   |               |
|---|---|---------------|
| 1 | HDC Marketing and Communications Digital Highlights | CG-14-3-00049 |
|---|---|---------------|



## DIGITAL HIGHLIGHTS

15 NOVEMBER 2017-23 JANUARY 2018



## FACEBOOK

The Team manages  
14 Council Facebook Pages

**TOP PERFORMERS**



**10,867**  
PAGE LIKES

**4.5%**  
GROWTH



**22,157**  
PAGE LIKES

**10.8%**  
GROWTH



**958**  
AUDIENCE GROWTH

**29%**  
GROWTH



FACEBOOK PAGE

**OUR AUDIENCE**

**4.5%** GROWTH OVER THIS PERIOD

**71%** FEMALE

**17,838**  
ENGAGEMENTS  
(LIKES, COMMENTS, SHARES)

**51%** LIVE IN HASTINGS DISTRICT

**29%** MALE

**25-34** YEARS  
MOST POPULAR AGE GROUP

**OUR POSTS**

**333** POSTS

POST IMPRESSIONS  
(TOTAL NUMBER OF TIMES OUR POSTS  
HAVE SHOWN IN SOMEONE'S NEWSFEED)

**1,734,611**

### WHAT WE'RE POSTING:

- #hastingsproud – promoting Civic Pride
- Havelock North Most Beautiful Suburb – regularly shared by Havelock North Business Assoc.
- Promotion of council facilities – strong focus on school holiday programmes
- Event promotions
- Council consultations
- Council project updates – Pipe and Road projects
- Emergency messages
- Educational posts – What council does
- Water restriction notices and conservation tips
- Youth Council grants and applications



**MARKETING & COMMUNICATIONS**



**HASTINGS**  
DISTRICT COUNCIL





## DIGITAL HIGHLIGHTS

15 NOVEMBER 2017-23 JANUARY 2018



## WEBSITE

OUR AUDIENCE



**40,892**

VISITORS  
DAILY AVERAGE OF 584

**80,792**

SESSIONS  
DAILY AVERAGE OF 1154

**326,920**

PAGE VIEWS  
DAILY AVERAGE OF 3187

**56%**

OF OUR AUDIENCE  
LIVE IN HAWKE'S BAY

We did notice a slight decrease in website visitors over the Christmas/New Year period however recent analytics show the audience has risen to its peak over the last couple of weeks. Despite Christmas period, the new website that launched on 17 October 2017, remains more popular than the old website.



1. My Property

3. District Plan

5. Cemetery Database

7. Water Conservation

9. Pay it

2. Rates

4. Collection Days

6. Transfer Stations

8. Find it

10. Fire Restrictions

ONLINE FORMS

Since the new website launched in October 2017, 708 online forms have already been completed (7.1 per day) compared to 8-10 forms per month on the old website.

TOP 5 FORMS

• Email Us (General Enquiries)

• Fix It

• Youth Council applications & Youth Grants

• Hastings Sports Centre School Holiday Programmes

• Nelson Street/Eastbourne Street roundabout consultation

## MAILCHIMP

47 e-newsletters sent since 15 November

### WHAT WE'RE SENDING:

- Road work updates to affected residents
- Event invitations
- Facilities newsletters – Splash Planet, Hastings District Libraries, iWay and Aquatics Hastings
- 'What's on in the school holidays' newsletter
- Building consents process updates
- Waste Management newsletter
- Residential Development newsletters
- Industrial Development newsletters

**45%**

OUR AVERAGE  
OPEN RATE

**26%**

GOVERNMENT  
AVERAGE



MARKETING & COMMUNICATIONS





**REPORT TO: ECONOMIC DEVELOPMENT & URBAN AFFAIRS COMMITTEE**

**MEETING DATE: TUESDAY 13 FEBRUARY 2018**

**FROM: ECONOMIC DEVELOPMENT MANAGER  
LEE NEVILLE**

**SUBJECT: ECONOMIC DEVELOPMENT ACTIVITIES FOR THE  
QUARTER ENDING 13 FEBRUARY 2018**

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## **1.0 SUMMARY**

- 1.1 This report arises from a request by Councillors to receive a regular update on Economic Development activities.
- 1.2 The Council is required to give effect to the purpose of local government as prescribed by Section 10 of the Local Government Act 2002. That purpose is to meet the current and future needs of communities for good quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses. Good quality means infrastructure, services and performance that are efficient and effective and appropriate to present and anticipated future circumstances.
- 1.3 The objective of Economic Development activity relevant to the purpose of Local Government is the provision of quality public services which are efficient and cost effective for households and businesses.
- 1.4 This report concludes by recommending that the report of the Economic Development Manager titled "Economic Development Activities for the Quarter Ending 13 February 2018" be received.

## **2.0 BACKGROUND**

- 2.1 The purpose of this report is to provide an update on economic activity for the quarter ending 13 February 2018.
- 2.2 Council Economic Development activity areas focus on:
  - Increased inwards investment
  - Support Hastings District and Hawke's Bay business
  - Improved export opportunities for business
  - Attract the skilled labour resources in demand by business
  - Connect with Education
  - Support businesses in the City Centre and Industrial zones.
  - Hastings District Productivity Project
  - China Cultural
  - Business Hawke's Bay

### 3.0 CURRENT SITUATION

#### 3.1 Increased Inwards Investment

- 3.1.1 The Hastings District Council is the lead for activity 6.2 of the Matariki Regional Economic Development Strategy (REDS), to attract business, investment and migrants to Hawke's Bay. Regional stakeholders are working on a work plan to attract Investment and businesses to Hawke's Bay.
- 3.1.2 The new recruitment support brochure for the region 'Our Hawke's Bay' content is being reviewed by stakeholders before a final draft is produced.
- 3.1.3 The Think Hawke's Bay brochure has 3 key case studies and these are being researched for the updated brochure.

#### 3.2 Support Businesses

- 3.2.1 Hawke's Bay Regional Council (HBRC) has received a business case to support Great Things Grow Here and this is being considered by HBRC.
- 3.2.2 The next Brand Champions meeting is on Tuesday 8<sup>th</sup> February at Vidal Restaurant with the following speakers:
- Mayor Sandra Hazlehurst - new directions in Hastings
  - Fabian Yukich - The Vidal Estate story and its future
  - John Harland - LIFT Social Enterprise
  - Dean Prebble - Hawke's Bay Angels Investors
- 3.2.3 Brand Champion membership sign-ups

Month	J	F	M	A	M	J	J	A	S	O	N	D
2016						41	47	24	20	12	9	14
2017	5	10	11	10	7	8	4	7	5	6	4	3

#### 3.3 Improved Export Opportunities for Business

- 3.3.1 Parkers Beverage Company (PBC) has been operating commercially from its base in Whakatu since March 2016 and has grown to employ 11 full time staff and 4 full time factory staff at Whakatu. The PBC products are sold into approximately 650 stores in New Zealand and exports to USA, UK, Europe and China. Further products including beer, tea and flavoured water that have export potential are being developed.
- 3.3.2 Council has supported PBC to generate export opportunities for a Hastings manufacturer by having a trade stand at the FHC China 2017 14<sup>th</sup> –16<sup>th</sup> November 2017 which was attended by more than 77,000 trade buyers. The benefits for PBC include:
- Raise the profile of PBC
  - Support existing distributors
  - Connect with new distributors



- Build new relationships and channels
- Display the GTGH brand platform and China connect portfolio.



New business from the trade stand at the FHC China 2017 has resulted in new product being shipped into China. The first container from orders went in December 2017. Estimated new orders will have approximately NZD \$600,000 of value over a year.

The trade stand at the FHC China 2017 orders have resulted in 2 new permanent staff one in marketing management and another in production and 3 extra factory staff.

### 3.4 Connect with Education

#### Learning Hawke's Bay

The Regional Manager of Learning Hawke's Bay Wenhua Yang (Wendy) started in the role in early January 2018.

Wendy has worked in the international policy team at the Ministry of Education for over a decade as an international engagement advisor at the Ministry, advising Ministers and the senior management team on their international representation and engagement activities. She brings to this role a wide network of academia, officials, diplomats, education providers and practitioners in New Zealand and abroad and is fluent in Chinese mandarin and Shanghainese, and also has some knowledge about Cantonese, Japanese and French.

### 3.5 Support Businesses in the City Centre and Industrial Zones

#### 3.5.1 The Economic Development and Urban Affairs Committee requested officers undertake a project to inform businesses and stakeholders on the Hastings City Centre activity in the first quarter of 2018.

Activity Plan for the Hastings City Centre first quarter 2018:

1. E-Newsletter to businesses and stakeholders including-

- a. Laneways update
  - b. Changes to the District Plan
  - c. Marketview Statistics
  - d. Opera House timeline
- 2. Vision Boards Eat Street – proposed changes after Long Term Plan process.
- 3. Screen Building Sites-beautify unsightly sites during the sale or construction period and communicate a positive message about Hastings continuing growth and promote a positive image.
- 4. Inform Building owners about residential conversions, facade enhancement, earthquake strengthening and District Plan changes.
- 5. Building owner's feedback – prepare and distribute an easy to complete, multiple-choice questionnaire seeking opinion and desired options for a vibrant city centre.
- 3.5.2 The Icons public portraits that were on paper had become degraded and will be replaced with ACM board commencing in February 2018.
- 3.5.3 The inaugural 2018 Hastings Sculpture Symposium will be held from the 24<sup>th</sup> to 27<sup>th</sup> January in Albert Square. There will be 9 local artists present working in a variety of media including Oamaru stone, wood, clay and other materials.

Each artist will work for a minimum of 6 hours per day allowing public viewing. Works will be offered for sale by private negotiation or through an auction process.

### **3.5.4 The Food Innovation Hub**

The discovery phase which interviewed over 50 businesses is to proceed with a Feasibility study. The Ministry of Business Innovation and Employment (MBIE) are supporting the feasibility study. MBIE will co-fund this stage along with the regional councils and industry participation. The feasibility study will investigate which of the identified options can then proceed to a business case.

### **3.5.5 Tomoana Food Hub**

There has been an increase in container handling at the new food grade warehouse for onward transport to the southern North Island following the damage to Centreport in Wellington.

The new James Strong packaging and can making building has been completed and the business has transferred from Hamilton to Hastings. This has created 22 new jobs.

A new Fonterra Brand distribution centre has started construction with May 2018 as the completion date, this will create 10 new jobs.

Negotiations with 2 food producers for new build facilities are underway. These are new businesses to Hastings and will be export businesses.

### 3.6 Hastings District Productivity Project

3.6.1 This project is to increase business productivity in the Hastings District that will result in increasing the number of jobs. Three businesses are currently engaged in the programme which is jointly funded by the business and Council.

3.6.2 The projects identified for the businesses include:

- Production processes
- Purchasing processes and costs
- Workplace organisation using lean manufacturing principles
- Standard operating procedures

Two more Hastings based businesses are considering joining the project and are reviewing budget available to co-fund with Council.

### 3.7 China Cultural

3.7.1 The New Zealand China Mayoral Forum (NZCMF) was held in Wellington on 3 and 4 December 2017. At the Forum 12 Chinese mayors and vice-mayors were joined by 33 New Zealand mayors to further strengthen relationships between regions of both countries.

The showcase event was attended by 7 Hastings businesses and enquiries have been received from participants at the NZCMF.

The Guilin Sister City forum was held at Hastings District Council Chambers on Monday 18 December 2017. There was an update on the NZCMF and a presentation on Hastings-Guilin student exchanges by Sue Padfield from the Education Link Group (copy attached).

### 3.8 Business Hawke's Bay and Business Hub

Business Hawke's Bay (BHB) Food and Beverage Manager is working with Economic Development Manager on:

- Sheep Dairy business relocated to Hastings District
- Business relocation into Hastings District industrial zones
- Hospitality businesses in Hastings city centre.

HUB Connect - Let's Get You Started has two part time staff and is engaging with a range of businesses that are contacting the Business Hub for assistance. This is providing support for businesses starting and looking for assistance to grow.

## 4.1 RECOMMENDATIONS AND REASONS

**That the report of the Economic Development Manager titled "Economic Development Activities for the Quarter Ending 13 February 2018" dated 13/02/2018 be received.**

**With the reasons for this decision being that the objective of the decision**

**will contribute to meeting the current and future needs of communities in a way that is most cost-effective for households and business.**

**Attachments:**

1 Notes of the Guilin Sister City Forum 18 December 2017

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Item 7

**HASTINGS DISTRICT COUNCIL****NOTES OF THE GUILIN SISTER CITY FORUM HELD IN THE COUNCIL CHAMBER, GROUND FLOOR, CIVIC ADMINISTRATION BUILDING, LYNDON ROAD EAST, HASTINGS ON MONDAY, 18 DECEMBER 2017 AT 4.30PM**


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<b>PRESENT:</b>	Mayor Hazlehurst (Chair) Economic Development Manager (Mr L Neville) Events Manager (Ms G Miller) Committee Secretary (Mrs C Hunt)
<b>IN ATTENDANCE:</b>	Councillors Travers and Watkins Dave Bromwich (New Zealand China Friendship Society) Mrs Sue Padfield (Education Link Group); Mrs Gail Reid; Karen Cowley; Rizwaana Latiff and Daya Dayatilake (Multicultural Association Hawke's Bay); Mrs Charlotte van Asche
<b>APOLOGIES:</b>	Councillor Dixon, Mr Jonathan Brownrigg; Jenny Too (Hawke's Bay Chinese Association); Catherine Bentley and Jill Frizzell (Hastings Girls' High School)

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Attachment 1

**WELCOME AND UPDATE ON NEW ZEALAND/CHINA MAYORAL FORUM**

Mayor Hazlehurst welcomed and thanked everyone for coming to the Guilin Forum.

Mayor Hazlehurst said that she had attended the New Zealand China Mayoral Forum held in Wellington on 3-4 December 2017 and China had named 2019 the Year of Tourism to New Zealand, and Hawke's Bay. China would be making every effort to attract as many of those tourists as possible to the region.

The Forum was led by Local Government New Zealand (LGNZ) with three Economic Development Exchange sessions on Tourism, Education and Primary Industries and the Business Forum. Investigating trade, investment and educational opportunities, innovation and potential partnerships were all on the agenda.

Mayor Hazlehurst together with Councillors Kevin Watkins, Geraldine Travers and Damon Harvey, were among the delegates from more than 30 towns and cities across New Zealand. Council's officer, Jay Xu also attended the Mayoral Forum in the role of Chinese interpreter. Mayor Hazlehurst said that this enabled her and the other

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Council representatives from Hastings to have a greater understanding of the issues that had been raised by their Chinese counterparts.

Central Hawke's Bay Mayor Alex Walker also attended. Mayors from 13 Chinese cities were at the forum.

Mayor Hazlehurst said that one of the many highlights was meeting the Mayors of the Chinese cities. "Meeting one-to-one allows us to build new relationships. That meant when we want to discuss trade, tourism or educational opportunities between Hawke's Bay and regions in China we already have a relationship that provides an excellent starting point for those conversations."

Eleven Hawke's Bay businesses accompanied the mayoral delegation, with space allocated to display their products.

"The NZCMF has been an enormous opportunity for Hastings to showcase our region's high quality produce," Mrs Hazlehurst said.

"Four Hastings wine companies helped sponsor the wine for the banquet on Sunday night at Te Papa and the Chinese and New Zealand mayors all loved our region's wines," she said.

Te Mata Estate was among the businesses to accompany the Hastings mayoral contingent to the inaugural forum in China two years ago, and attended again this year.

"We want to attract as many of the tourists as we can to Hawke's Bay and will be working with our partners, including the district's councils and Hawke's Bay Tourism, to make that happen."

The China-New Zealand relationship has continued to rapidly strengthen. According to Local Government New Zealand trade had nearly tripled over the past decade. Business between the two countries climbed to \$23 billion for the June 2016 financial year, from \$8.2b for the year ended June 2007.

The relationship between Hastings and China goes back more than 36 years. In 1981, Hastings and the city of Guilin formed a sister city relationship from which strong trade and cultural ties had grown.

#### **PRESENTATION : HASTINGS-GUILIN STUDENT EXCHANGES**

Mrs Padfield, Education Link Group, displayed a powerpoint presentation (*HDC Ref CG-14-10-00017*) of photos from the schools visited:

- Kuiguang Junior High – Sister school of Heretaunga Intermediate
- Gaoxin Kindergarten – Sister school to Havelock North Central Kindergarten
- Minzhu Primary School (Confucius Principles School) – Sister school to Havelock North Intermediate
- Zhang Yimou Art School who were looking at a relationship with Iona College and Te Aute College

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- Zhong Shan Middle School – Sister school to Hastings Girls' High School and Havelock North High School

*Councillor Watkins left the meeting at 4.50pm*

- Beichuan School had 3500 students, a lot of whom went through the trauma of the 2008 earthquake and were dealing with flashbacks. They had long hours of study which were very regimented and this style was not working. They wanted teachers to come to New Zealand to view the curriculum.
- A Memorandum of Understanding with Havelock North High School had been undertaken but there had been no progress. Councillor Watkins and Sue Padfield were to follow up with the Havelock North High School on the Memorandum of Understanding for Beichuan High School.

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The Mayor, responded to questions, and at the conclusion Mayor Hazlehurst thanked everyone for attending and invited everyone to partake of some Christmas cheer refreshments.

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Forum closed at 5.00pm

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**GUILIN FORUM 5 DECEMBER 2017 – ATTENDEES**

Sue Padfield	<a href="mailto:suepadfield1@gmail.com">suepadfield1@gmail.com</a>
Charlotte van Asch	<a href="mailto:charvanasch@gmail.com">charvanasch@gmail.com</a>
Rizwaana Latiff	<a href="mailto:rlatiff@xtra.co.nz">rlatiff@xtra.co.nz</a>
Dave Bromwich	<a href="mailto:dbchinz@xtra.com">dbchinz@xtra.com</a>
Gail Reid	<a href="mailto:ri@hastingsgirls.com">ri@hastingsgirls.com</a>

Item 7

Attachment 1



# HASTINGS DISTRICT COUNCIL

## ECONOMIC DEVELOPMENT & URBAN AFFAIRS COMMITTEE MEETING

**TUESDAY, 13 FEBRUARY 2018**

### RECOMMENDATION TO EXCLUDE THE PUBLIC

#### SECTION 48, LOCAL GOVERNMENT OFFICIAL INFORMATION AND MEETINGS ACT 1987

THAT the public now be excluded from the following part of the meeting, namely:

#### **11 Completion of the Economic Development Assistance Agreement**

The general subject of the matter to be considered while the public is excluded, the reason for passing this Resolution in relation to the matter and the specific grounds under Section 48 (1) of the Local Government Official Information and Meetings Act 1987 for the passing of this Resolution is as follows:

<b><i>GENERAL SUBJECT OF EACH MATTER TO BE CONSIDERED</i></b>	<b><i>REASON FOR PASSING THIS RESOLUTION IN RELATION TO EACH MATTER, AND PARTICULAR INTERESTS PROTECTED</i></b>	<b><i>GROUND(S) UNDER SECTION 48(1) FOR THE PASSING OF EACH RESOLUTION</i></b>
<b>11 Completion of the Economic Development Assistance Agreement</b>	<b>Section 7 (2) (h)</b> The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities. Information contained in the report is commercially sensitive .	<b>Section 48(1)(a)(i)</b> Where the Local Authority is named or specified in the First Schedule to this Act under Section 6 or 7 (except Section 7(2)(f)(i)) of this Act.