

Monday, 22 July 2024

He hui e whakahaeretia nei e Te Kaunihera ā-Rohe o Heretaunga

Administered by Hastings District Council

Napier-Hastings Future Development Strategy Joint Committee Meeting

Kaupapataka

Agenda

Te Rā Hui:
Meeting date: **Monday, 22 July 2024**

Te Wā:
Time: **1.00pm**

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

Te Hoapā:
Contact: **Democracy and Governance Services
P: 06 871 5000 | E: democracy@hdc.govt.nz**

Te Āpiha Matua:
Responsible
Officer: **Craig Scott - Policy Planner**

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Napier-Hastings Future Development Strategy Joint Committee

The Terms of Reference of the Napier-Hastings Future Development Strategy Joint Committee were adopted by the Hastings District Council, Napier City Council and Hawke's Bay Regional Council in the December 2022 – February 2023 period.

Hastings District Council is the administrating authority for this Joint Committee.

The Terms of Reference can be viewed on the Hastings District Council's website as part of the document titled "Committee and Rural Community Board Register of Delegations 2022-2025" (adopted by the Council on 8 December 2022).

Te Hui o Te Kaunihera ā-Rohe o Heretaunga

Hastings District Council

Napier-Hastings Future Development Strategy Joint Committee Meeting

Kaupapataka

Agenda

Mematanga:

Membership:

Koromatua

Chair: Mayor Sandra Hazlehurst (HDC)

Deputy Chair: Tania Eden (Mana Ahuriri Trust)

Members:

Hawke's Bay Regional Council

Cr Jock Mackintosh (HBRC)

Cr Martin Williams (HBRC)

Cr Sophie Siers (HBRC Alternate)

Napier City Council

Mayor Kirsten Wise (NCC)

Cr Ronda Chrystal (NCC)

Cr Maxine Boag (NCC Alternate)

Hastings District Council

Cr Eileen Lawson (HDC) (Chair of HDC Strategy & Policy Committee)

Cr Alwyn Corban (HDC Alternate)

Tamatea Pōkai Whenua

Dr Darryn Russell (Tamatea Pōkai Whenua)

Second representative - to be appointed (Tamatea Pōkai Whenua)

Alternate – to be appointed (Tamatea Pōkai Whenua)

Mana Ahuriri Trust

Chad Tareha (Mana Ahuriri Trust)

Evelyn Ratima (Mana Ahuriri Trust Alternate)

Maungaharuru Tangitū Trust

Tania Hopmans (Maungaharuru Tangitū Trust)

Mara Andrews (Maungaharuru Tangitū Trust)

Kelly May (Maungaharuru Tangitū Trust Alternate)

Tokamatua:

Quorum:

6 members (being half of the members appointed – with at least one representative from each Partner Council to be present)

Apiha Matua

Craig Scott – Policy Planner

Officer Responsible:

*Te Rōpū Manapori me te
Kāwanatanga*

Caitlyn Dine (Extn 5636)

Democracy &

Governance Services:

*Te Rārangi Take***Order of Business**

Apologies & Leave of Absence – Ngā Whakapāhatanga me te Wehenga ā-Hui

- 1.0** At the close of the agenda no apologies had been received.
At the close of the agenda no requests for leave of absence had been received.
-

2.0 Conflict of Interest– Mahi Kai Huanga

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.

Confirmation of Minutes - Te Whakamana i Ngā Minitī

- 3.0** Minutes of the Napier-Hastings Future Development Strategy Joint Committee held Tuesday 11 July 2023.
(Previously circulated)
-

4.0 Adoption of Draft Future Development Strategy for Notification **7**

5.0 Process to Hear Submissions on the Draft Napier / Hastings Future Development Strategy **19**

6.0 Recommendation to Exclude the Public from Item 7 **27**

7.0 Appointment of Hearings Panel for Consideration of Submissions on the Draft Future Development Strategy

Monday, 22 July 2024

Te Hui o Te Kaunihera ā-Rohe o Heretaunga

Hastings District Council: Napier-Hastings Future Development Strategy Joint Committee

Te Rārangi Take

Report to Napier-Hastings Future Development Strategy Joint Committee

Nā:
From: **Craig Scott, Environmental Planner (Policy)**

Te Take:
Subject: **Adoption of Draft Future Development Strategy for Notification**

1.0 Purpose and Summary - Te Kaupapa Me Te Whakarāpopototanga

- 1.1 This Report seeks a decision from the Napier Hastings Future Development Strategy Joint Committee (Committee) regards a recommendation to the Partner Councils (Hastings District Council, Napier City Council and Hawke's Bay Regional Council) that the draft Napier / Hastings Future Development Strategy (**FDS**) (attached as Attachment 1) be adopted for consultation and calling for submissions under the Special Consultative Procedure in Section 83 of the Local Government Act 2002 (LGA).
- 1.2 The draft FDS has been developed in partnership with Hastings District Council, Napier City Council, Hawke's Bay Regional Council, Maungaharuru Tangitū Trust, Mana Ahuriri Trust and Tamatea Pōkai Whenua.
- 1.3 The draft FDS satisfies the statutory requirements for Future Development Strategies under the National Policy Statement for Urban Development 2020 (**NPS-UD**).
- 1.4 The NPS-UD states that the purpose of an FDS is to promote long term strategic planning by setting out how the Partner Councils intend to:
 - Achieve well-functioning urban environments in existing and future urban areas,
 - Provide at least sufficient development capacity over the next 30 years to meet expected demand, and

- Assist with the integration of planning decisions under the Resource Management Act with infrastructure planning and funding decisions.
- 1.5 The FDS will replace the current Heretaunga Plains Urban Development Strategy 2010 (**HPUDS**).
- 1.6 The Special Consultative Procedure requires Council to prepare and adopt a ‘Statement of Proposal’, (**SOP**) and if Council considers on reasonable grounds that it is necessary to enable public understanding of the SOP a summary of the information contained in the SOP.
- 1.7 The draft FDS serves as the SOP. A ‘Summary of Information’ has been prepared and is attached (as Attachment 2).

2.0 Recommendations - Ngā Tūtohunga

- A) That the Napier-Hastings Future Development Strategy Joint Committee receive the report titled Adoption of Draft Future Development Strategy for Notification dated 22 July 2024.
- B) That the Joint Committee adopt the draft ‘Napier / Hastings Future Development Strategy’ (FDS) attached as Attachment One and ‘Summary of Information’ attached as Attachment Two.
- C) That the Joint Committee adopt the following Objective, to be added to its ‘Strategic Objectives’ for the FDS, which the Joint Committee adopted at its meeting on 11 July 2023, *“The values and aspirations of mana whenua for development are a priority and are recognised and supported”*.
- D) That the Joint Committee recommend to the Partner Councils (Hastings District Council, Napier City Council and Hawke’s Bay Regional Council) that they adopt the FDS and ‘Summary of Information’ for consultation under the Special Consultative Procedure as specified in Section 83 of the Local Government Act 2002 (LGA), and call for submissions in accordance with the Principles of Consultation under Section 82 of the LGA, and provide an opportunity for the hearing of submissions, under section 83 of the LGA.
- E) That the Joint Committee notes that subject to resolution of Recommendation B & D, the Chief Executive will prepare a Report for the Partner Councils, which reports on the recommendations of the Joint Committee.

3.0 Purpose and Background

- 3.1 The Napier Hastings Future Development Strategy is a strategic tool to assist with the integration of planning decisions under the Resource Management Act 1991 (**RMA**) with infrastructure and funding decisions. It shows:
- Where growth will be in Napier and Hastings, in existing and new urban areas over the next 30 years;
 - The infrastructure needed to support and service that growth; and
 - Development constraints.
- 3.2 The FDS has been developed in partnership with Hastings District Council, Napier City Council, Hawke’s Bay Regional Council, Maungaharuru Tangitū Trust, Mana Ahuriri Trust and Tamatea Pōkai Whenua.
- 3.3 The FDS satisfies the statutory requirements for future development strategies under the NPS-UD.

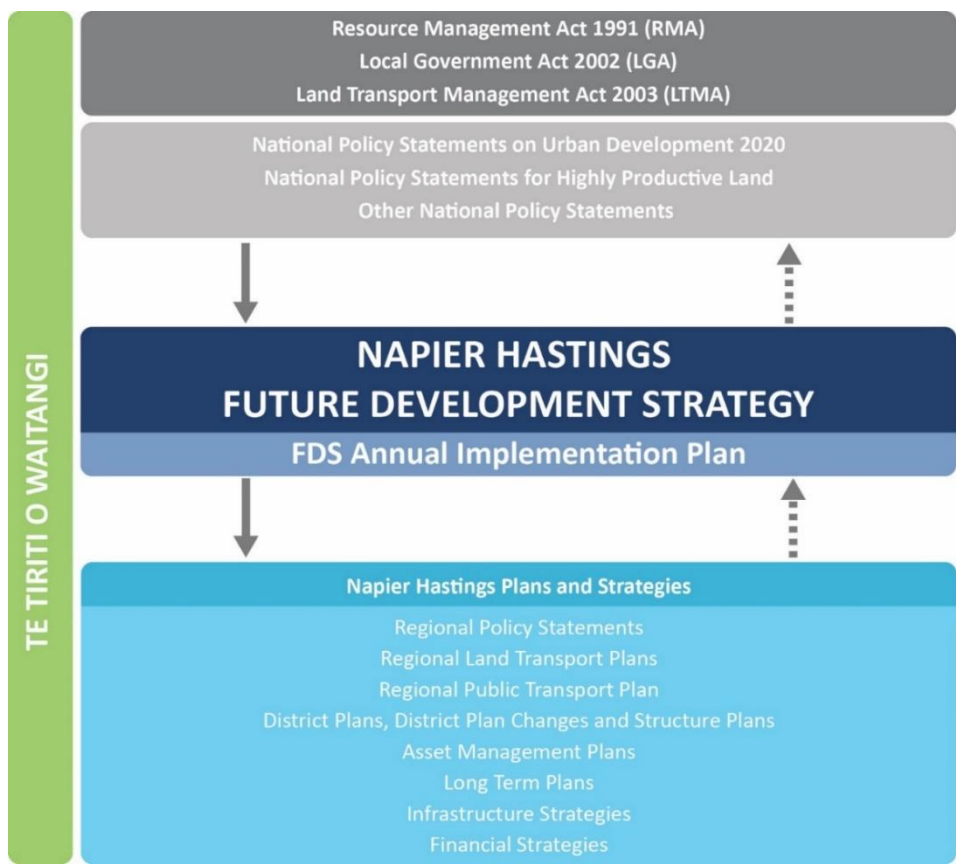
- 3.4 The NPS-UD states that the purpose of an FDS is to promote long term strategic planning by setting out how the Partner Councils intend to:
- Achieve well-functioning urban environments in existing and future urban areas;
 - Provide at least sufficient development capacity over the next 30 years to meet expected demand; and
 - Assist with the integration of planning decisions under the RMA with infrastructure planning and funding decisions.

Heretaunga Plains Urban Development Strategy

- 3.5 HPUDS was initially developed in 2010 and adopted by the Partner Councils to manage urban growth on the Heretaunga Plains over a 30-year timeframe through to 2045. Subsequent updates and amendments to HPUDS were made in 2017.
- 3.6 The FDS builds on and replaces HPUDS, responding to the new requirements of the NPS-UD and other legislative direction, including the National Policy Statement for Highly Productive Land 2022 (NPS-HPL).
- 3.7 In preparing the FDS, all unzoned future growth areas identified within HPUDS have been reconsidered to determine their appropriateness to accommodate future development.
- 3.8 The FDS proposes amendments to the land identified for growth over the next 30 years. The amendments include additional areas considered for development and removal of some existing growth areas from HPUDS. These amendments are detailed in Section 6 of this Report.

FDS Alignment With Other Strategies

3.9 The following chart summarises the law, and policies which influence the FDS.



4.0 Consultation and Engagement (for Draft FDS)

4.1 Development of the FDS has included engagement with mana whenua, elected officials, the community, interested landowners and developers, to inform detailed technical analysis and evaluation.

4.2 The key engagement phases have been:

- Community Engagement on the 'Issues and Options Report' which included the following:
 - 'Call for Opportunities' inviting developers, consultants and interested parties to nominate sites for consideration.
 - A two-week physical 'Shop Front' for the community to call in and engage with staff.
 - Public interactive sessions.
 - Specific meetings with those who nominated opportunities for development.
 - A public questionnaire requesting feedback on the key themes and the preferred options, resulting in approximately 60 responses.
- Ongoing engagement with Mana Whenua, liaising with PSGE Groups Tamatea Pōkai Whenua, Mana Ahuriri Trust and Mangaharuru Tangitū Trust, and discussions with Hāpu and organisations.
- Engagement with infrastructure providers and Government organisations to test the spatial scenarios and supporting analysis. This group included the New Zealand Transport Agency, the Ministry of Education, Kāinga Ora, Transpower, Unison, Hawke's Bay Airport, Port of Napier, and Ministry for the Environment.

4.3 A summary of community engagement feedback is attached as Attachment 3.

5.0 Vision and Objectives

5.1 The Committee at its Committee Meeting, held on 11 July 2023 resolved;

That the Napier-Hastings Future Development Strategy Joint Committee receive the Draft report titled Consideration of Objectives and 'Issues and Options' for the Future Development Strategy dated 11 July 2023 incorporating the feedback received at the meeting.

That a joint report be taken to the three individual councils and Te Kāhui Ōhanga o Takitimu to seek endorsement on the Draft Issues and Options report incorporating the vision and objectives and the engagement policy.

That the Committee endorses the proposed community engagement process including consultation with Marae and hapū groups.

5.2 The FDS Vision and Objectives adopted by the Committee were included within the FDS Issues and Options paper, which was used for public engagement through the September – November period in 2023.

5.3 The overarching Vision to guide the development of the FDS is:

In 2054, Napier and Hastings have thriving, resilient, safe, equitable, sustainable, and connected communities, within a protected and enhanced natural environment.

5.4 The Strategic Objectives set out below describe what the FDS is seeking to achieve to ensure the Vision is realised. These objectives will underpin future implementation and monitoring of the FDS.

- *Mana whenua and Councils work in a genuine Te Tiriti partnership to achieve their shared goals for urban development.*

- *We have a compact urban form, focussed around consolidated and intensified urban centres in Napier and Hastings.*
- *Our communities and infrastructure are resilient to the effects of climate change and risks from natural hazards.*
- *We have a diverse range of housing choices that meet people’s needs in neighbourhoods that are safe and healthy.*
- *We have a strong economy, and businesses can grow in locations that meet their functional needs.*
- *The highly productive land of the Heretaunga Plains is protected for productive uses.*
- *Our communities and business areas are well connected and accessible, particularly by public and active transport.*
- *We have sufficient land for housing and business to meet demand.*
- *Te Taiao / our natural environment is protected and enhanced, including our water bodies, indigenous biodiversity, and outstanding landscapes.*
- *Our infrastructure is planned and designed to efficiently support development.*
- *Urban growth and infrastructure investment supports equitable social outcomes.*

Note the following additional ‘Objective’ has been proposed by Tamatea Pōkai Whenua

- ***“The values and aspirations of mana whenua for development are a priority and are recognised and supported”.***

- 5.5 The additional Objective as requested by Tamatea Pōkai Whenua was not included in the Committees decision on 11 July 2023. It is included as a Recommendation in this Report so the Committee can consider adding the Objective to the draft FDS.
- 5.6 A statement of Iwi and Hapū Values and Aspirations is included in the FDS. This statement provides details of the growth opportunities and protections of whenua desired by Mana Whenua of the Napier and Hastings Area.
- 5.7 A strong theme coming from public engagement and the Committee, was the need to have intensification of development to help avoid development of hazard prone areas, protect productive soils, and generally encourage development in appropriate locations.
- 5.8 An objective of the FDS is to promote a compact urban form. The FDS aims to ensure that 60% of residential growth is through intensification by 2054 and encourages higher levels of intensification if achievable.
- 5.9 To encourage intensification, new greenfield areas in the FDS are limited and should be considered secondary to development within existing urban limits.

6.0 Site Analysis

- 6.1 Over 70 potential future development areas have been assessed and ranked for suitability for future development.
- 6.2 Analysis was undertaken through a Multi Criteria Analysis (MCA). The MCA ranked and assessed each development area in terms of a range of criteria, namely;
- Natural Hazards/Climate Change
 - Māori Cultural values
 - Mana Whenua development aspirations
 - Accessibility

- Biodiversity
- Te Mana o te Wai
- Infrastructure (3 Waters)
- Infrastructure (Transport)
- Infrastructure (Other)
- Outstanding Landscapes
- Health & Wellbeing
- Housing suitability (Site size/topography)
- Housing suitability (Location)
- Business Suitability (Topography)
- Business Suitability (Scale & Location)
- Reverse Sensitivity

6.3 Officers and Consultants have prepared a Technical Report which is a detailed overview of the policy background, research methods, and analysis undertaken to prepare the draft FDS.

It considers the statutory requirements underpinning the FDS and other relevant documents and strategies that can inform decision making regards housing and business growth.

The site assessment process is a major component of the Technical Report. Site constraints and opportunities inform the MCA of sites for the development of the wider spatial scenarios considered for the FDS. The Technical Report goes on to outlines how the refinement of the spatial scenarios was undertaken to arrive at the preferred spatial scenario for the draft FDS. The Technical Report is attached as Attachment 4.

6.4 New residential areas included in the FDS are listed as follows:

Site Ref	Site Name / Location	Approx. Capacity
NC4a	Riverbend Road / Willowbank Avenue, Napier	290 dwellings
NC4b	Riverbend Road, Napier	660 dwellings
NC4d	South Pirimai, Ulyatt Road, Napier	370 dwellings
NC6	Mission Estate [lower] , Church Road, Napier	100 dwellings
H2a	Lyndhurst Road, Hastings	280 dwellings
H3	Kaipoi Road, Hastings	430 dwellings
H4	Murdoch Road, Hastings	120 dwellings
H8	Copeland Road, Hastings	130 dwellings
FM2	Portsmouth Road, Flaxmere	330 dwellings
HN2b	Arataki Road Extension, Havelock North	110 dwellings
HN3a	Middle Road, Havelock North	220 dwellings
HN3b	Middle Road Extension, Havelock North	420 dwellings
HN6	Brookvale Road, Havelock North	125 dwellings
HN10	Oderings Site, Havelock North	35 dwellings
Total		3,620 dwellings

6.5 The following areas within HPUDS are not included in the FDS.

- Wall Rd
- Riverslea Road
- Bay View
- The coastal settlement and industrial expansion options that were identified in HPUDS as a circled area of land, rather than defined sites, have been removed.

- 6.6 Regarding Commercial Land, the only unzoned area of land which has been included is approximately 100 hectares to the West of the existing Industrial Zone at Irongate. Approximately 50 ha at Tomoana identified in HPUDS is not included based on its soil productivity.
- 6.7 The FDS builds upon the intensification objectives of HPUDS and includes a further objective of achieving well-functioning urban environments. This seeks to ensure growth and intensification based on evidence is occurring in the right places where infrastructure is accessible and affordable.
- 6.8 Mana Ahuriri Trust have proposed through the “Call for Opportunities Process” that the Ahuriri Station area be included within the FDS. Ahuriri Station encompasses the existing Pāmu land adjacent to Hawke’s Bay Airport, and south of Onehunga Road. Mana Ahuriri Trust aspire to purchase and redevelop the site into an ecologically sensitive freight, logistics and industrial hub. There are several constraints to redevelopment of the site related to natural hazards, ground conditions and wetlands / significant ecological areas. There are potential constraints related to infrastructure capacity and the state highway network associated with large-scale development in this area.
- 6.9 Ahuriri Station has not been recommended for inclusion in the FDS. Mana Ahuriri Trust has provided additional documentation, including an alternative MCA detailing why this site is suitable for development. These documents have been attached as part of the FDS supporting information, and further analysis for the consideration of the site is included in the ‘Statement of Proposal’.
- 6.10 Officers recommend this approach ensures all relevant information can be considered in the consultation phase, and interested parties have an opportunity to submit on the proposal.
- 6.11 Submissions can be made during the Special Consultative Process regardless of whether the site of interest is in the draft FDS or not.

7.0 Special Consultative Procedure

- 7.1 Clause 3.15 of the NPSUD, requires the Special Consultative Procedure (under section 83 of LGA) is used when preparing or updating an FDS. This process requires public notification and provision for making submissions.
- 7.2 The standard requirements and expectations of the LGA, including Consultation Principles under Section 82 apply to the FDS process. This includes the requirement to adopt a process that is procedurally fair and in accord with principals of ‘natural justice’ - namely people have a right to be heard and have their views/submissions considered impartially with an ‘open mind’.
- 7.3 The Council must prepare and adopt a description of the proposed decision or course of action. This is referred to as the ‘Statement of Proposal’. If Council considers it necessary to enable public understanding, the Council must also prepare and adopt a ‘Summary of Information’ contained in the ‘Statement of Proposal’.
- 7.4 Council must make the ‘Statement of Proposal’ and ‘Summary of Information’ as widely available to the public as is reasonably practicable. Council must also make available a description of how and when interested persons can present their views on the proposal. The submission period must be at least one month from the date the Statement of Proposal is issued.
- 7.5 The draft FDS is the ‘Statement of Proposal’ the Partner Council’s will be consulting on. The draft FDS and ‘Summary of Information’ are attached (as Attachments one and two).

8.0 Government Announcements Which May Have Consequences for the FDS

8.1 Officers initial assessment of recent Government announcements indicate there are three areas which could significantly influence our future growth and possibly conflict with outcomes sought in the draft FDS.

1. The removal of LUC 3 land from the NPS-HPL.

The 'Land Use Capability' - LUC Class is an assessment of the land's capability for use, while allowing for its physical limitations, and its versatility for sustained production. There are eight classes with limitations to land use increasing, and versatility for land use decreasing, from LUC Class 1 to LUC Class 8. LUC 1, 2 or 3 is considered as highly productive land for the purpose of the NPS-HPL.

2. The addition of new development areas through the Fast-Track Approvals Bill.

The purpose of the Fast-track Approvals Bill is to provide a streamlined decision-making process to facilitate the delivery of infrastructure and development projects with significant regional or national benefits.

3. The Going for Housing Growth Policy

The Policy is about enabling more homes to be built. It is structured around three pillars that make system changes to address the underlying causes of the housing supply shortage. These are;

- Freeing up land for urban development, including removing unnecessary planning barriers,
- Improving infrastructure funding and financing to support urban growth,
- Providing incentives for communities and councils to support growth.

These three pillars have an objective of improving housing affordability by significantly increasing the supply of developable land for housing, both inside and at the edge of urban areas.

8.2 These changes are going through various stages of consultation at a national level. Only the Fast-Track Process has been legislated in terms of a Bill. Officers anticipate amendments to the legislation prior to final release.

8.3 The removal of LUC 3 land from the NPS-HPL has been signalled for some time, but no amendments to the NPS -HPL have been proposed. Analysis of sites for the FDS, included an assessment of the LUC of the soils. Napier and particularly Hastings urban areas are surrounded by highly productive land. The MCA investigated how productive our LUC3 (and to a lesser extent LUC 2) land was when compared to other areas especially when the area rated well against other MCA. This has resulted in the recommendation of some LUC3 and LUC2 land being included in the draft FDS. Officers are comfortable that any changes to the NPS-HPL will have minimal impacts on the draft FDS.

8.4 The Fast-Track Approvals Bill provides for the establishment of a permanent fast-track approvals regime for projects of national and regional significance. This could include the development of land outside of areas identified in the FDS. Officers recommend the 'best position to be in' to prevent the need for fast tracking of 'out of sequence' land is to have an FDS that adequately provides for growth demands in sensible locations. It is considered the draft FDS achieves this.

8.5 The 'Going for Growth Housing Policy' was announced on the 4th July 2024. It proposes significant amendments to how Tier 1 and 2 Councils provide for growth. This policy is early in its development and has not yet been through any formal process. This may take place in early 2025 with the changes proposed to be included in the NPS-UD by mid-2025. The Policy may differ from the current proposal. Officers recommend not trying to anticipate future changes through this FDS. Any actual Policy changes are more likely to come into effect at the time of the review of the FDS in 3 years.

Potential changes relevant to the FDS could include;

- New Housing Growth Targets introduced for Tier 1 and 2 councils, requiring them to enable 30 years of feasible housing capacity in their District Plans.
- Using 'high' population growth projections.
- Government investigating options to require councils to plan for 50 years of growth (up from 30) and be more responsive to private plan changes.

- 8.6 The first bullet point should make no material difference to the FDS, as it is required to identify areas for 30 years of growth. The challenge will be how this is implemented through District Plans and Structure Plans where that land is to be 'lived zoned', particularly in terms of greenfield intensification targets and around the cost of servicing land where there may not be immediate demand.
- 8.7 The FDS utilises the Medium-High growth projections in its analysis. The utilisation of high growth projections could add 2000 more greenfield dwellings and 2300 more intensification dwellings. Achieving additional intensification could be difficult if there is limited demand and excess greenfield supply. Officers recommend the existing FDS projections are robust and should be retained at this stage.
- 8.8 The FDS provides some commentary regards land that could be considered for growth beyond the 30-year horizon of this strategy, particularly around the provision of business land where some provision is made for additional growth beyond current demand projections. The basis of the strategy was generally limited to the next 30 years and additional work would be required around population projections to fully understand the 50-year growth horizon. There is no capacity to consider this prior to the release of the draft FDS.

9.0 Consultation Plan

- 9.1 The Consultation Plan is attached as Attachment 5.
- 9.2 Key components of the consultation plan are:
- Following the Joint Committee Meeting (22nd July):
 - Notify landowners and surrounding landowners of sites included in the draft FDS*
 - Notify landowners of sites identified within HPUDS who are not included as future growth areas in the draft FDS*
 - Notify 'Call for Opportunity' submitters on the draft FDS.*
 - Following the Partner Councils approval of the draft FDS to be released for consultation (15th August):
 - Draft FDS and supporting documents on FDS website*
 - Notification of draft FDS under Special Consultative Procedure*
 - 4 week submission period from 19th August*
 - Direct notification to key stakeholder list*
 - Newspaper/Facebook/Website advertising*
 - Officer Meetings on request*
 - Hearings Mid-October (dates To Be Confirmed)
 - Consideration of options and recommendations of Joint Committee in November
 - Final approval of FDS by Partner Councils in December 2024

10.0 Options – Ngā Kōwhiringa

Option One - Recommended Option - Te Kōwhiringa Tuatahi – Te Kōwhiringa Tūtohunga

10.1 Recommend the Adoption and Notification of the Draft Future Development Strategy to the Partner Councils

Advantages

- Meets the obligations of the Partner Councils under the National Policy Statement – Urban Development 2020 to produce a Future Development Strategy
- It is a collaborative document between mana whenua and the Partner Councils.
- It has been drafted with considerable input from the community.
- It will provide certainty for the future planned growth of the Napier/Hastings urban environment.

Disadvantages

- No disadvantages are noted.

Option Two

10.2 Recommend that the Draft Future development Strategy not be recommended for adoption by the Partner Councils

Advantages

- No advantages are noted.

Disadvantages

- The Partner Council's will fail to meet their obligations under the National Policy Statement – Urban Development 2020 to produce a Future Development Strategy
- It will result in uncertainty for the future planned growth of the Napier/Hastings urban environment.
- There is considerable community expectation around the delivery of the Draft FDS.
- If the FDS was not to proceed a review of the HPU DS would be required.

Attachments:

1 ⇄	Napier Hastings FDS - Final Draft (Attachment 1)	CG-17-27-00027	Under Separate Cover
2 ⇄	Napier Hastings FDS - Summary of Information - (Attachment 2)	CG-17-27-00028	Under Separate Cover
3 ⇄	Napier Hastings FDS Community Engagement Write up (Attachment 3)	CG-17-27-00025	Under Separate Cover
4 ⇄	Napier Hastings FDS - Technical Report - Final Compiled (Attachment 4)	CG-17-27-00033	Document 3

Monday, 22 July 2024

Te Hui o Te Kaunihera ā-Rohe o Heretaunga

Hastings District Council: Napier-Hastings Future Development Strategy Joint Committee

Te Rārangi Take

Report to Napier-Hastings Future Development Strategy Joint Committee

Nā: Craig Cameron, Group Manager: Strategy and Development
From: Raoul Oosterkamp, Director - Growth & Development

Te Take: Process to Hear Submissions on the Draft Napier / Hastings Future
Subject: Development Strategy

1.0 Executive Summary – *Te Kaupapa Me Te Whakarāpopototanga*

- 1.1 Under clauses 30(1)(b) and 30A of Schedule 7 of the Local Government Act 2002 (LGA), the Hastings District Council, Napier City Council and Hawke's Bay Regional Council (**Partner Councils**) decided on 27 April 2023 to appoint the Napier / Hastings Future Development Strategy Joint Committee (**Joint Committee**).
- 1.2 As recorded in the relevant Terms of Reference (**TOR**), the Joint Committee was appointed to conduct the hearings process for submissions made on the draft Napier / Hastings Future Development Strategy (**FDS**), and then make recommendations to the Partner Councils.
- 1.3 The National Policy Statement on Urban Development 2020 (**NPSUD**) requires that a FDS is prepared using the Special Consultative Procedure under Section 83 of the LGA. This procedure will provide opportunities for submissions to be made by the public at large, and a hearing where submitters can present their views.
- 1.4 The experience from across New Zealand is that, from start to finish, the FDS process is complex, requires expert input on multiple issues, and can involve extensive deliberations. As with all local authority decision-making processes, procedural fairness needs to be maintained, and decision-making needs to be approached with an open mind.
- 1.5 At present the Joint Committee is made up of 12 members: 2 each from the Partner Councils and 2 each from three Post Settlement Governance Entities (**PSGE**). Officers are concerned that the process requirements that will be placed on the Joint Committee to review, consider, and hear all submissions

may be unworkable, and consider in this Report alternative options that could streamline the Joint Committee's work.

- 1.6 In summary, this Report recommends that the Joint Committee appoint a suitably qualified Independent Panel to support the Joint Committee by:
- conducting the hearings for all persons / parties who wish to speak to their submission on the draft FDS;
 - considering staff reports and advice in respect of the draft FDS and submissions;
 - preparing a summary report following the hearings, for consideration by the Joint Committee; and
 - preparing recommendations that will be considered by the Joint Committee.
- 1.7 The Officer recommendation is that the Joint Committee then complete its substantive functions and make a recommendation to the Partner Councils for the final FDS.

2.0 Recommendations - Ngā Tūtohunga

- A) That the Napier-Hastings Future Development Strategy Joint Committee receive the report titled Process to Hear Submissions on the Draft Napier / Hastings Future Development Strategy (FDS) dated 22 July 2024.
- B) That the Joint Committee appoint an Independent Panel to assist the Joint Committee by hearing all persons / parties who wish to submit on the FDS. The Independent Panel will prepare a summation of all submissions and provide recommendations to the Joint Committee, for consideration by the Joint Committee. The Joint Committee can then recommend a final FDS to the Partner Councils.
- C) That the Joint Committee directs the Independent Panel in Recommendation B, must act in accordance with the 'Principles of Consultation' under Section 82 of the Local Government Act 2002 (**LGA**), in the hearing of submissions, under the Special Consultative Procedure under section 83 of the LGA.

3.0 Background – Te Horopaki

- 3.1 Clause 3.12 of the National Policy Statement on Urban Development 2020 (**NPSUD**) requires that a FDS is prepared for the Napier Hastings urban environment (a Tier 2 urban environment, as specified in the NPSUD).
- 3.2 A FDS is a long-term strategic plan that sets out how local authorities will achieve well-functioning urban environments, provide for sufficient development capacity, and integrate planning decisions with infrastructure and funding decisions. The NPSUD sets out the detailed requirements of a FDS, what they are to be informed by, and the process steps that must be used.
- 3.3 Clause 3.15 of the NPSUD, which relates to consultation and engagement, requires that the special consultative procedure (under section 83 of the LGA) is used when preparing or updating an FDS. This process requires full public notification and provides for the making of submissions.
- 3.4 The standard requirements and expectations of the LGA, including in relation to consultation (and the section 82 consultation principles), will apply to the FDS process. This includes the requirement to adopt a process that is procedurally fair, maintains natural justice, and considers all views with due consideration and an open mind.

- 3.5 As noted in the Executive Summary, the Partner Councils have established a Joint Committee to assist with the FDS process. In doing so, the Partner Councils adopted ‘Terms of Reference’ (**TOR**) for the Joint Committee.
- 3.6 The TOR provide for the administrative arrangements of the Joint Committee and define the functions and responsibilities of the Joint Committee.
- 3.7 The Hastings District Council (**HDC**) is the Administering Authority for the Joint Committee. HDC’s Standing Orders¹ are to be used for Joint Committee meetings, with an exception that the Chair has a deliberative vote and no casting vote.²
- 3.8 The TOR provide for a Technical Advisory Group (**TAG**), that comprises various subject matter experts from the Councils and other key stakeholders, including from the PSGEs and others, as required. The TAG is to provide technical input, advice, and oversight into the development of the FDS. Officers do not recommend any changes to the TAG, or its role.
- 3.9 At present, the final FDS work programme remains in process. The Partner Councils will be confirming dates for the hearing of submissions on the draft FDS in due course. These dates may vary based on the outcome of this Report, and to ensure that all those who wish to be heard can speak to their submissions.

4.0 Discussion – *Te Matapakitanga*

- 4.1 In preparing the work programme for the FDS process, Officers have considered the process requirements, and the anticipated workload for decision-makers. Officers have also considered the potential interests of the Partner Councils and other members of the Joint Committee, and whether that could lead to any difficulties or complexities with decision-making.
- 4.2 Overall, officers are concerned that the current Joint Committee model will not be efficient for the upcoming FDS process and consider that a different model could be established that preserves the Joint Committee’s role in terms of making recommendations to the Partner Councils on the final FDS, that relies on an appointed Panel to conduct the hearings process and prepare the recommendations for consideration by the Joint Committee.

Potential for landowner interests to create complexity.

- 4.3 Both Hastings District Council and Napier City Council have land interests in the ‘Study Area’ for the draft FDS. The ‘Study Area’ is defined in the TOR as ‘the land area being assessed as part of the development of the FDS, being land that is already part of the Napier-Hastings Urban Environment or land that may significantly influence or be considered for inclusion as part of the future form of the Napier-Hastings Urban Environment’.³
- 4.4 Other entities represented on the Joint Committee may also have land interests in the ‘Study Area’.
- 4.5 Whether these land interests will prompt submissions to be made on the draft FDS is not yet known, but if it does, there is potential for decision-making complexities to arise, as well as the perception arising of potential conflicts of interest.
- 4.6 During recent workshop sessions, the Joint Committee discussed the importance of bringing an open mind to decision making. Members of the Joint Committee will need to exercise care and ensure that there is no perception of bias in discharging their role. There could be risk to the process where a member has a dual role, to the Joint Committee and another council or entity. This risk is mitigated to some extent if an appointed Independent Panel conducts the hearings process and after the consideration of staff advice, provides recommendations on all submissions to the Joint Committee.

¹ With the current version having been adopted by HDC on 8 December 2022.

² Napier / Hastings Future Development Strategy Joint Committee Terms of Reference, dated December 2022, clause 10.3.

³ Napier / Hastings Future Development Strategy Joint Committee Terms of Reference, dated December 2022, clause 2.

Experience of the FDS process from elsewhere

- 4.7 Officers have spoken with management from Rotorua Lakes Council to understand how they completed their FDS process, including the management of the hearing of submissions. This was undertaken in June/July 2023. Rotorua Lakes Council, along with their partner council, the Bay of Plenty Regional Council, each appointed three elected members to a Joint Committee Panel which was chaired by an Independent Commissioner under the Resource Management Act.
- 4.8 Rotorua utilised the same Technical Advisory Group (TAG) approach to evaluate all land parcels within the subject area, including those identified for future growth. The TAG had, as part of this evaluation, provided detailed 'scores' against specified objectives and constraints within their land development scenarios. All information was thoroughly documented. The hearings process was described to officers as 'intense' and 'thorough' and a 'good process'. There have not been any legal challenges to their process at this stage.
- 4.9 One of the observations made to officers was that the process, and inputs, were highly technical in certain areas. This arises from the nature of the inputs for a FDS, including those set out in section 3.14 of the NPSUD.

Joint Committee Options for Hearing of Submissions on the FDS

- 4.10 Considering the above issues and feedback on the FDS process from elsewhere, Officers are concerned that requiring the Joint Committee (made up of 12 members) to review, consider and then hear all submissions (and the reporting from the TAG) may not be workable – due to the significant time pressures that this will place on the members. Officers have therefore considered other options, to help ensure that the FDS process is workable.
- 4.11 Officers have identified three options:
- **Option 1:** Appoint an Independent Panel (3-5 members) to hear and consider submissions and make recommendations on the final FDS. These recommendations will then be considered by the Joint Committee, who will provide their recommendations to the Partner Councils.
 - **Option 2:** Appoint an Independent Chair of the Panel with 2-4 panel members being selected from the Joint Committee to conduct the hearings and make recommendations on the final FDS. These recommendations will then be considered by the Joint Committee, who will provide their recommendations to the Partner Councils.
 - **Option 3:** Status Quo, with the Joint Committee to retain its role and functions as per the TOR (and no appointed Panel).
- 4.12 The Options discussion below considers the above three options. The Joint Committee may wish to consider alterations to these options.

5.0 Options – Ngā Kōwhiringa

Option One - Recommended Option - Te Kōwhiringa Tuatahi – Te Kōwhiringa Tūtohunga

- 5.1 Appoint an Independent Panel to hear and consider submissions and make recommendations to the Joint Committee on the Final FDS. The Joint Committee will then consider the Panel's recommendations and provide recommendations to the Partner Council for the final FDS.

Advantages

- Provides an opportunity to appoint a smaller Panel (3 to 5 members) that will be nimbler than the Joint Committee (of 12 members), and that can be present for the full duration of all hearings and deliberations.

- The smaller size of the Panel, and its dedicated role, will ensure that the members will be able to carefully review all submissions, hear from submitters and consider advice from the TAG, so that there is a consistent approach taken to evaluating and making recommendations on the draft FDS. In addition, having a smaller Panel is not as daunting for those presenting submissions.
- Ensures that the same Panel members will directly hear all submissions and deliberate on the draft FDS. This will support a more efficient process and assist with administrative support requirements.
- Will provide for the Joint Committee to consider and determine who should be appointed to the Panel, and the appropriate expertise required. The Joint Committee can ensure Panel appointments are suitably qualified and experienced.
- Will retain the Joint Committee’s recommendatory role, by requiring the Panel to prepare and present a report that summarises its consideration of submissions and overall findings to the Joint Committee for its own consideration. The Independent Panel will be tasked with presenting to the Joint Committee on its findings.
- The Joint Committee can then consider and debate the recommendations report in the normal way, before making its recommendations to the Partner Councils on the final FDS. If the Joint Committee were not to accept some of the recommendations of the Independent Hearing Panel, in the first instance it would need to refer these matters back to the Panel for reconsideration.
- Will retain eventual decision-making by the Partner Councils.

Disadvantages

- Given the Partner Councils have development interests, this process may not completely eliminate the risk of a perception of a lack of independence / impartiality, due to retaining the Joint Committee’s recommendation role.
- May involve additional costs, due to need to pay appointed members. However, will lead to a more efficient process due to less Panel members.

Option Two – Appoint an Independent Chair with members of the Panel being selected from the Joint Committee.

- 5.2 This Panel will conduct the hearings and make recommendations on the final FDS to the Joint Committee. The Joint Committee will then consider the Panel’s recommendations and provide recommendations to the Partner Council for the final FDS.

Advantages

- This approach is like Option 1, except that that Panel members (other than the Chair) will be selected from the Joint Committee.
- Provides an opportunity to appoint a smaller Panel (3 to 5 members) that will be nimbler than the Joint Committee (of 12 members), and that can be present for the full duration of all hearings and deliberations.
- The smaller size of the Panel, and its dedicated role, will ensure that the members will be able to carefully review all submissions, hear from submitters and consider advice from the TAG, so that there is a consistent approach taken to evaluating and making recommendations on the draft FDS. In addition, having a smaller Panel is not as daunting for those presenting submissions.
- Ensures that the same Panel members will directly hear all submissions and deliberate on the draft FDS. This will support a more efficient process and assist with administrative support requirements.

- Will retain the Joint Committee’s recommendatory role, by requiring the Panel to prepare and present a report that summarises its consideration of submissions and overall findings to the Joint Committee for its own consideration. The Independent Panel will be tasked with presenting to the Joint Committee on its findings.
- The Joint Committee can then consider and debate the recommendations report in the normal way, before making its recommendations to the Partner Councils on the final FDS. If the Joint Committee were not to accept some of the recommendations of the Independent Hearing Panel, in the first instance it would need to refer these matters back to the Panel for reconsideration.
- Will retain eventual decision-making by the Partner Councils.

Disadvantages

- Given the Partner Councils have development interests, this process may not completely eliminate the risk of a perception of a lack of independence / impartiality, due to retaining the Joint Committee’s recommendation role, and Joint Committee members being appointed to the Panel.
- May involve additional costs, due to the need to pay appointed members. However, will lead to a more efficient process due to less Panel members.

Option Three – Status Quo - Te Kōwhiringa Tuarua – Te Āhutatanga o nāianeī

5.3 Retain the status quo, with the Joint Committee to retain its role and functions as per the TOR.

Advantages

- Removes the additional step of the Independent Panel reporting back to the Joint Committee.

Disadvantages

- Does not address the process efficiency or independence issues outlined in this Report.
- Retention of the Status Quo may, depending on the Joint Committee’s decisions, lead to a higher risk of challenge to the Partner Councils, based on perceptions of bias or conflicts on behalf of the Joint Committee Members.

Attachments:

There are no attachments for this report.

Summary of Considerations - *He Whakarāpopoto Whakaarohanga*

Fit with purpose of Local Government - *E noho hāngai pū ai ki te Rangatōpū-ā-Rohe*

The Council is required to give effect to the purpose of local government as set out in section 10 of the Local Government Act 2002. That purpose is to enable democratic local decision-making and action by (and on behalf of) communities, and to promote the social, economic, environmental, and cultural wellbeing of communities in the present and for the future.

[Link to the Council’s Community Outcomes – *Ngā Hononga ki Ngā Putanga ā-Hapori*](#)

This proposal promotes the wellbeing of communities in the present and for the future by development of a Future Development Strategy to enable well-functioning urban environments and provide for

sufficient development capacity, and integrated planning decisions with infrastructure planning and funding decisions.

HASTINGS DISTRICT COUNCIL

NAPIER-HASTINGS FUTURE DEVELOPMENT STRATEGY JOINT COMMITTEE MEETING

MONDAY, 22 JULY 2024

Item 6

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:

7 Appointment of Hearings Panel for Consideration of Submissions on the Draft Future Development Strategy

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:

<i>GENERAL SUBJECT OF EACH MATTER TO BE CONSIDERED</i>	<i>REASON FOR PASSING THIS RESOLUTION IN RELATION TO EACH MATTER, AND PARTICULAR INTERESTS PROTECTED</i>	<i>GROUND(S) UNDER SECTION 48(1) FOR THE PASSING OF EACH RESOLUTION</i>
7 Appointment of Hearings Panel for Consideration of Submissions on the Draft Future Development Strategy	Section 7 (2) (a) The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person. Protect the Private Information of Individuals.	Section 48(1)(a)(i) 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.