

Tuesday, 22 March 2022

*Te Hui o Te Kaunihera ā-Rohe o Heretaunga*

**Hastings District Council**

**Strategy and Policy Committee Meeting**

*Kaupapataka*

# Agenda

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*Te Rā Hui:*  
Meeting date: **Tuesday, 22 March 2022**

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*Te Wā:*  
Time: **1.00pm**

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

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

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*Te Āpiha Matua:*  
Responsible  
Officer: **Group Manager: Strategy & Development - Craig Cameron**

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**HASTINGS DISTRICT COUNCIL**  
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Phone **06 871 5000** | [www.hastingsdc.govt.nz](http://www.hastingsdc.govt.nz)  
**TE KAUNIHERA Ā-ROHE O HERETAUNGA**

# Strategy and Policy Committee – Terms of Reference

## Fields of Activity

The purpose of the Strategy and Policy Committee is to develop all strategic, policy and planning frameworks for approval by Council.

## Membership (Mayor and 14 Councillors)

- Chair appointed by Council.
- Deputy Chair appointed by Council.
- 1 Heretaunga Takoto Noa Māori Standing Committee Member appointed by Council.
- Chair of the Rural Community Board appointed by Council.

## Quorum – 8 members

### Delegated Powers

- 1) Authority to exercise all of Council's powers, functions and authorities (except where prohibited by law or otherwise delegated to another committee) in relation to all matters detailed in this delegation.
- 2) Authority to exercise all of Council's powers, functions and authorities (except where prohibited by law) at any time when the Chief Executive certifies in a report that;
  - a) the matter is of such urgency that it requires to be dealt with, or
  - b) the matter is required to be dealt with, prior to the next ordinary meeting of the Council.
- 3) Establish strategic direction to deliver Council Objectives and District Vision.
- 4) Establish policies and guidelines for decision making to assist in achieving strategic outcomes.
- 5) Establish levels of service across Council services in line with strategic goals and priorities.
- 6) Receive and consider reports from Subcommittees.
- 7) Develop draft bylaws for adoption by Council.
- 8) Develop and recommend the financial and infrastructure strategies and budgets for the Long-Term Plan, Annual Plan and Annual Report.
- 9) Consider and approve constitutions and any shareholder agreements for Council Controlled Organisations and other organisations that Council has an interest in.
- 10) Develop the Rating Policy for recommendation to Council for adoption.
- 11) Develop Funding Policies for recommendation to Council for adoption.
- 12) Delegations of powers to sub-committee(s) if so established.
- 13) Approve the purchase of and disposal of land (If included in the Long Term Plan).
- 14) Making submissions on behalf of Council to proposals by other organisations/authorities (Local and Regional).
- 15) Conversion of terminating leases to renewable leases and the settlement of terms except in the case of leases under the Reserves Act.

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Tuesday, 22 March 2022

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*Te Hui o Te Kaunihera ā-Rohe o Heretaunga*

**Hastings District Council**

**Strategy and Policy Committee Meeting**

*Kaupapataka*

# Agenda

<i>Mematanga:</i> <b>Membership:</b>	<i>Koromatua</i>
	<b>Chair:</b> Councillor Bayden Barber
	<i>Ngā KaiKaunihera</i>
	<b>Councillors:</b> Alwyn Corban, Malcolm Dixon, Damon Harvey (Deputy Chair), Tania Kerr, Eileen Lawson, Simon Nixon, Henare O’Keefe, Peleti Oli, Ann Redstone, Wendy Schollum, Sophie Siers, Geraldine Travers and Kevin Watkins.
	Mayor Sandra Hazlehurst
	Hastings District Rural Community Board Chair appointee: Nick Dawson
	Heretaunga Takoto Noa Māori Standing Committee appointee: Tania Eden
<i>Tokamatua:</i> <b>Quorum:</b>	8 members
<i>Apiha Matua</i> <b>Officer Responsible:</b>	Group Manager: Strategy & Development – Craig Cameron Group Manager: Corporate – Bruce Allan Strategy Manager – Lex Verhoeven Principal Advisor: District Development – Mark Clews Director of Strategic Projects, Key Account Services & Council Investment Partnerships: Raoul Oosterkamp
<i>Te Rōpū Manapori me te Kāwanatanga</i> <b>Democracy &amp; Governance Services:</b>	Lynne Cox (Extn 5632)



## Te Rārangī Take

# Order of Business

### Apologies – Ngā Whakapāhatanga

- 1.0** An apology from Mr Dawson has been received.  
 Leave of Absence has previously been granted to Councillor Lawson

### 2.0 Conflict of Interest – He Ngākau Kōnatunatu

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 General Counsel or the Manager: Democracy and Governance (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.

### Confirmation of Minutes – Te Whakamana i Ngā Minitī

- 3.0** Minutes of the Strategy and Policy Committee Meeting held Tuesday 2 November 2021.  
*(Previously circulated)*

### 4.0 Chairperson's Update 7

### 5.0 Future Growth Management 13

### 6.0 Quarterly Activity and Monitoring Report 25

### 7.0 Havelock North - Business Improvement District - Vote Outcome 29

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<b>8.0</b>	<b>Report on Activity from the Great Communities Subcommittee</b>	<b>35</b>
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<b>9.0</b>	<b>Report on Activity of the District Development Subcommittee</b>	<b>43</b>
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<b>10.0</b>	<b>Report on Activity from the District Planning and Bylaws Subcommittee</b>	<b>47</b>
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<b>11.0</b>	<b>Report on Activity from the Eco District Subcommittee</b>	<b>51</b>
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<b>12.0</b>	<b>Minor Items – <i>Ngā Take Iti</i></b>	
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<b>13.0</b>	<b>Urgent Items – <i>Ngā Take Whakahihiri</i></b>	
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Tuesday, 22 March 2022

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Item 4

*Te Hui o Te Kaunihera ā-Rohe o Heretaunga*

**Hastings District Council: Strategy and Policy Committee Meeting**

*Te Rārangi Take*

# Report to Strategy and Policy Committee

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*Nā:*  
**From: Craig Cameron, Group Manager: Strategy and Development**

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*Te Take:*  
**Subject: Chairperson's Update**

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## **1.0 Purpose - *Te Kaupapa Me Te Whakarāpopototanga***

- 1.1 The Chairperson of the Strategy and Policy (S&P) Committee, Councillor Barber will provide an update on Council strategy and policy development since the previous meeting and confirm the ongoing direction for strategy and policy development. This is on the basis of his Chairperson's Update.
- 1.2 Council has established 4 subcommittees (District Development, Eco District, Great Communities, and District Planning & Bylaws) to work with staff and stakeholders on behalf of the Committee to ensure the 8 Focus Areas in the Council Long Term Plan (LTP) are advanced in a well-coordinated, effective and efficient way.
- 1.3 The scope of activity under each subcommittee is wide and often overlapping with other subcommittee scopes of activity. The subcommittees are aggregating what have historically been at times disparate Council activities into interconnected collections of activities under one strategic umbrella. This should assist the Committee going forward to remain focused on Council's strategic priority outcomes whilst the subcommittees are busy on the Committee's behalf working at a more detailed/delivery level.

- 1.4 I take this opportunity to acknowledge Council's and our community's significant and responsive efforts to both prevent and manage the consequences of COVID infection. The Omicron variant with its ease of and high rate of transmission is placing considerable stress on our community and economy. As local government, our response activities are focused on business continuity and community support. We are also future focussed and planning to capitalise on the opportunities that will arise when the Omicron variant begins what current modelling suggests will be a rapid rate of reduction from peak infections.

Our staff from across Council have been assisting Te Taiwhenua o Heretaunga in their Social Support Hub by delivering kai to people affected by COVID.

- 1.5 I also want to acknowledge the suffering being heroically endured in Ukraine by the civilian population as a result of the unlawful and brutal military actions of Russia. New Zealand is fulfilling its international support role with the imposition of sanctions. This is already having an inflationary effect on our economy, but I am pleased that New Zealand is demonstrably supporting the ideals of democracy and freedom from oppression.

### 3 Waters

- 1.6 The Government's Three Waters (drinking water, wastewater & stormwater) project, is a major New Zealand project aiming to ensure that New Zealand's 'three waters' are planned, maintained and delivered so that these networks are affordable and fit for purpose. The Government intends to achieve this aim by consolidation of 'three waters' assets into four new publicly owned multi-regional entities to benefit from scale and operational efficiencies and reflect neighbouring catchments and communities of interest. These entities are to be in place from July 2024. Officers will provide an update on 'The Three Waters Project' to the next Strategy and Policy Committee Meeting in June.

## 2.0 Recommendations - Ngā Tūtohunga

That the Strategy and Policy Committee receive the report titled Chairperson's Update dated 22 March 2022.

## 3.0 Agenda

### Future Growth Management

- 3.1 Hastings is experiencing rapid and significant growth. This growth has contributed to a severe housing shortage and strong development uptake of residential and industrial development capacity.
- 3.2 Government legal and policy changes have placed new requirements on Council with respect to providing for growth. Further legislative changes are signalled. Requirements include development of a Future Development Strategy jointly with the Hawke's Bay Regional Council and the Napier City Council, and ensuring sufficient development capacity within the Napier/Hastings urban environment. The councils of the region have also decided to develop a Regional Spatial Strategy ahead of the signalled future legal requirement to do so.
- 3.3 At our last Committee meeting the Chief Executive signalled his intention to establish a Future Growth Unit to lead and coordinate future growth planning, infrastructure and funding activity across the Council. Establishment of the Future Growth Unit is now well underway with the appointment of a Director, who is now finalising the work programme and recruiting staff and consultancy resources to deliver the work programme. The Director's progress reports will be a standing item on our Agenda in recognition of the importance Council places on an effective governance and management



response to the implications and opportunities arising for our community from the extraordinary growth we are experiencing.

- 3.4 The Director's report discusses key elements of the work programme, including the Future Development Strategy, Essential Services Development Plans, a review of the Development Contributions Policy and the proposed Regional Spatial Strategy. It also discusses partner engagement and Council's approach to growth management, including the need for a thorough and robust analysis methodology.
- 3.5 The Work Programme is very complex and challenging for our staff and consultants – traversing multiple professional disciplines. It is important Council focuses on successfully addressing our long term Growth challenges as our decisions can be subject to appeal and judicial scrutiny.
- 3.6 Council's focus on growth planning and infrastructure provision is occurring at the same time the Government is advancing with its proposals for reform of the 'Three Waters' sector. The transition arrangements envisaged in the establishment of water services entities are likely to add complexity to the decision-making frameworks Council normally operates under.
- 3.7 The exposure draft of the 'Water Services Entity Bill', is signalling that Council may have to gain approval from the Chief Executive of the Department of Internal Affairs for any investment decisions that would impact the assets or liabilities that are transferred to the new entity.
- 3.8 Council is not yet in a position to amend our Long Term Plan (LTP) and Infrastructure Strategy. However, we will clearly signal our 'direction of travel' with respect to growth infrastructure investment and review of our Development Contributions Policy. Accordingly, our draft Annual Plan 2022/23 will contain a section outlining our obligation under the National Policy Statement on Urban Development (NPS-UD) to provide sufficient development capacity to meet expected demand for housing and business land, and signal our proposed growth infrastructure investments and related LTP amendment to enable the provision of that development capacity.

#### **Quarterly Activity & Monitoring Report**

- 3.9 This report will also be a standing item on the Agenda. Officers are developing business data management models to maintain a real time factual perspective on Hastings Growth and its implications. This is a 'work in progress' for our staff and the report structure will evolve. This first report provides the Committee with an update (to 31 December 2021) of the latest data, trends and analysis that Council Officers maintain to help Council meet its statutory obligations under the NPS-UD and inform Council operational and strategic decisions. The delay in reporting quarterly data is due to some reliance on external data sources. Officers are working on improving the timeliness of business information reporting.
- 3.10 It is noted that different data reports are sometimes generated for different purposes. For instance, the Snapshot required under the NPS-UD relates to the Napier – Hastings tier 2 urban environment. It therefore excludes residential development in rural and coastal areas (e.g Te Awanga). It also tends to specifically identify larger development areas rather than smaller developments and individual site subdivisions.
- 3.11 Officers are working to draw the different data sets together to assist Council knowledge and decision making.

#### **Havelock North Business Improvement District**

- 3.12 The Havelock North Business Association (HNBA) is seeking to enter into a Business Improvement District (BID) relationship with Council and expand the catchment of commercial properties to pay the Havelock North targeted rate. The catchment is proposed to expand from the current 45 rateable units to 103 rateable units. A BID area is supported by a targeted rate, levied on and collected from non-residential properties within the defined BID area.
- 3.13 A BID would be a partnership with Council and the HNBA to deliver projects and services to benefit the Havelock North business community trading environment.

- 3.14 At our last Committee Meeting it was resolved to have a poll completed of property owners and business owners in accordance with Council's BID Policy.
- 3.15 This vote has been completed and officers are reporting the results.

#### **Subcommittee Chairpersons' Reports**

- 3.16 The Chairs of District Development, Greater Communities and Eco District Subcommittees will report on progress against their strategies.
- 3.17 The Chair of District Planning and Bylaws Subcommittee will report on progress of the Subcommittee work programme.

#### **4.0 Conclusion**

- 4.1 The table below summarises Economic Development Information Council commissions from Infometrics. It is a cross-section of indicators to provide a composite view of how our economy is performing.
- 4.2 I highlighted in my introduction, the challenges and pressures on our community as a consequence of COVID and inflation. We are fortunate to have a low level of unemployment and a higher level of employment participation and a high level of growth in Gross Domestic Product.
- 4.3 We are fortunate to retain a strong economic foundation from which we can continue to address the challenges incumbent on our community and capitalise on opportunities to improve outcomes across cultural, environmental, social and economic wellbeing.
- 4.4 The Chief Executive's commitment to increasing Council's capacity to provide a managed response to Growth is timely as we need new housing supply across all market segments to ensure all our community can live in safe and healthy permanent accommodation. Increase in supply will ideally over time reduce the supply scarcity pressures on house price increases and improve home affordability.
- 4.5 I acknowledge and appreciate the ongoing commitment and efforts of our staff, governance, partners and stakeholders to ensure our business continuity and delivery of Local Government services whilst working strategically to enhance community well-being over the medium to longer term.



### Attachments:

There are no attachments for this report.



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Tuesday, 22 March 2022

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Item 5

*Te Hui o Te Kaunihera ā-Rohe o Heretaunga*

**Hastings District Council: Strategy and Policy Committee Meeting**

*Te Rārangi Take*

# Report to Strategy and Policy Committee

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*Nā:*  
**From: Ross McLeod, Director: Future Growth Unit**

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*Te Take:*  
**Subject: Future Growth Management**

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## **1.0 Executive Summary – *Te Kaupapa Me Te Whakarāpopototanga***

- 1.1 Hastings is experiencing rapid and significant growth. This growth has contributed to a severe housing shortage and strong uptake of residential and industrial development capacity. The Council has been taking steps to manage that growth.
- 1.2 Alongside this, Government legal and policy changes have placed new requirements on Council with respect to providing for growth. Further legislative changes are signalled. Requirements include development of a Future Development Strategy (FDS) jointly with the Hawke's Bay Regional Council and the Napier City Council, and ensuring sufficient development capacity within the Napier Hastings urban environment. The councils of the region have also decided to develop a regional spatial strategy ahead of the signalled future legal requirement to do so.
- 1.3 In responding to this context, the Chief Executive has established a Future Growth Unit to lead and coordinate future growth planning, infrastructure and funding activity across the Council. The Council has previously allocated resourcing to this work. The Unit has developed a draft work programme to address the requirements on Council and to put Council in a position to effectively manage growth and provide adequate future development capacity.
- 1.4 This report discusses key elements of the work programme, including the FDS, Essential Services Development Plans, a review of the Development Contributions Policy and the proposed Regional Spatial Strategy (RSS). It also discusses partner engagement and the Council's approach to growth management, including the need for a thorough and robust analysis methodology. While noting that some interests are calling on Council for short-term action with respect to rezoning or further land protection measures, the report notes the need for a legally robust and defensible methodology and process to underpin planning decision-making. This is because eventually all Council Planning decisions can be subject to appeal to the Environment Court.

- 1.5 The report recommends that the Committee note the work programme and endorse the management approach set out.

## 2.0 Recommendations - Ngā Tūtohunga

- A) That the Strategy and Policy Committee receive the report titled Future Growth Management dated 22 March 2022.
- B) That the Committee notes the work programme for the Future Growth Management programme as outlined in the report and attached (in draft as at 1 March 2022) **Attachment 1** (ref CG-16-3-00118) and endorses the management approach set out.

## 3.0 Background – Te Horopaki

- 3.1 Hastings District is currently experiencing significant and rapid growth. Statistics New Zealand's latest population estimate (2021) for Hastings District is 90,100; an increase of 5,400 since the 2018 estimate (84,700). Building consent volumes have grown significantly: excluding consents for solid fuel heaters, residential building consents granted have risen from 685 in calendar year 2015 to 1021 in 2021 – an increase of 49%; commercial building consents are similar in volume to 2015, however the estimated value of the works consented has increased by in excess of 150% (from \$95M to more than \$250M). Resource consent volumes have increased from 428 in 2015 to 673 in 2021. Uptake of development land in both the residential and industrial sectors has been at a rate above both projected rates and historic trends.
- 3.2 The Council has been taking action to respond to this growth pressure. Beginning in 2015, the Council initiated a number of structure planning and planning processes to make available a number of areas of land for residential and industrial development. Infrastructure investments were programmed and subsequently made alongside these planning changes, with appropriate revisions made to the Council's Development Contributions Policy. Through this work, the Lyndhurst Stage 2, Howard St, Brookvale and Iona residential development areas were initiated, as was the rezoning and infrastructure servicing of the Irongate and Ōmāhu Industrial areas.
- 3.3 These initiatives and investments by Council have helped enable the significant residential and industrial development and investment Hastings has seen since 2015. However, even that unprecedented rate of development has not been enough to keep up with growth demand. The rate of growth being experienced is rapidly using up available development land (both residential and business land) and network infrastructure capacity (particularly with respect to the Hastings urban wastewater network and consented water supply volumes). And the population driven housing shortage has continued to worsen, with 723 households on the MSD social housing register as at 30 September 2021 (there were 69 households on the register as at 30 September 2016). Based on the 2021 Housing Capacity Assessment and the recent Statistics New Zealand population estimates, there is a current shortage of between 1,300 and 1,600 houses in Hastings, with demand expected to grow by another 1,600 – 1,800 households by the end of 2023.
- 3.4 Council is acting to make new development areas available in the short to medium-term, including in Flaxmere and with structure planning work on the Lyndhurst Extension area, Kaiapo Road and the Heretaunga Tamatea Settlement Trust owned land at York Road. However, Council has also understood that action is required now to ensure the availability of development land and infrastructure capacity over the medium to longer-term.
- 3.5 Alongside this high-growth context, statutory requirements on Council to provide development capacity have also increased. The National Policy Statement on Urban Development 2020 (NPS-UD) requires councils to *"provide at least sufficient development capacity in its region or district to meet*

*expected demand for housing*". It also requires councils to provide sufficient development capacity for business land. Councils in tier 1 or 2 urban environments are required to adopt housing bottom lines in their District Plans or Regional Policy Statements clearly stating the development capacity that is sufficient to meet expected housing demand plus an appropriate competitiveness margin. The NPS-UD also requires councils in tier 1 and 2 urban environments to work together to prepare and adopt a FDS for that environment. Further comment on the FDS is set out below.

- 3.6 These increased requirements come amidst wider proposed changes to the legal framework for planning and growth management. The Government has signalled that the Resource Management Act 1991 (RMA) will be replaced by three pieces of legislation. The proposed Natural and Built Environment Act (NBEA) will replace the RMA and provide the legal framework for statutory planning instruments and consents. The proposed Strategic Planning Act will introduce a requirement for regional spatial strategies to guide high-level strategic planning on a regional basis. In addition, a proposed Climate Change Adaptation Act is likely to address issues relating to managed retreat and funding and financing adaptation.
- 3.7 Collectively, these current and prospective legal requirements signal a more collaborative and regionalised approach to planning and growth management. Councils will need to work together regionally, and with mana whenua and central government agencies, in the development of both spatial plans and statutory plans under NBEA.
- 3.8 The wider regional context will therefore affect the work to be carried out and impact on the Hastings District. The constraints on Napier City in terms of additional development capacity generally, and industrial capacity in particular, are likely to create further demand pressures on Hastings. Both Napier and Central Hawke's Bay are also experiencing relative significant growth in the residential sector which will also influence the regional development capacity picture. Efforts to address housing shortage, such as Kāinga Ora's investment programme, will also continue to affect how available development capacity is utilised in Hastings and beyond, creating flow on effects in the development market. These are just some of the broader contextual issues to be considered.
- 3.9 The Chief Executive has responded to this context by establishing a Future Growth Unit to lead and coordinate future growth planning, infrastructure and funding activity across the Council. This brings focused resource to bear on medium to longer-term growth management work, including the FDS, growth infrastructure planning and funding and the proposed RSS. The Chief Executive has also moved to augment, where possible in the extant employment and consultant markets, resourcing being applied to immediate-term building and resource consenting activity and short to medium-term structure planning work.
- 3.10 The Future Growth Unit commenced operation in January 2022. Initial work has been done on scoping the work required and assembling resourcing to carry out that work. This work continues. The discussion below describes major components of the work, as well as outlining risks and principal elements of the Council's proposed approach.

## 4.0 Discussion – *Te Matapakitanga*

### Elements of Council's Future Growth Management Programme

- 4.1 There are a number of components to the Council's medium to long-term growth management approach. These include:
  - Council's contribution to a Future Development Strategy for the Napier-Hastings urban environment, required under the NPS-UD
  - Growth infrastructure planning, including an Essential Services Development Report and Essential Services Development Plans
  - Growth infrastructure funding work, including a substantive review of Council's Development Contributions Policy



- Council's contribution to a Regional Spatial Strategy, which will incorporate or 'umbrella' the Future Development Strategy and other regional planning strategies
- Partner and stakeholder engagement, including with other councils in the region and with mana whenua
- Review of the Medium Density Housing Strategy, and implementation of changes and recommended actions
- Other actions required under the NPS-UD, including Housing and Business Capacity Assessments (for the Hawke's Bay Regional, Napier City and Hastings District Councils collectively).

- 4.2 These are being addressed in a cross-Council programme of work led or assisted by the Future Growth Unit with vital input or leadership from the Asset Management, Environmental Policy, Strategy and Development, Māori Relationships and Finance Groups. The approach is to integrate cross-Council efforts in this work rather than create a new organisational silo separated from the expertise and experience in existing Council Groups.
- 4.3 **Future Development Strategy** – The FDS is the key element of growth planning to be undertaken over the next two (2) to three (3) years (with regular reviews beyond that time). It is a legally required replacement for the Heretaunga Plains Urban Development Strategy (HPUDS) and will address development planning over a 30 year timeframe. The initial FDS is required to be completed by 30 June 2024. The NPS-UD sets out requirements for the FDS: these include the Strategy being a collective undertaking of the Hawke's Bay Regional, Napier City and Hastings District Councils, and the need to incorporate significant engagement with/involvement from mana whenua. The FDS will consider and address predicted growth, hazards, constraints and opportunities, and infrastructure (including social infrastructure) servicing considerations to provide a plan as to where development capacity can be accommodated. The Strategy is likely to provide development capacity via a mix of intensification in existing urban areas and new growth areas, with intensification becoming increasingly important. It will address both residential and business development capacity as well as servicing needs.
- 4.4 **Growth Infrastructure** – A key part of planning for development capacity is providing infrastructure to service that capacity, and equitably and efficiently funding that infrastructure. While identifying suitable land areas free from hazards and other constraints is fundamental to the growth planning process, being able to service those land areas in a practical and environmentally acceptable way is also vital.
- 4.5 In order to address these requirements, the Council will undertake an Essential Services Development analysis to assess in detail both infrastructure capacity constraints and development capacity servicing needs. This will relate to current urban areas and prospective development areas. Based on the analysis, a report will be produced identifying issues and constraints in infrastructure servicing of growth. Following this stage, Essential Services Development Plans will then be developed to set out the growth infrastructure investment to be carried out, including the capacity to be provided for urban intensification and the new growth areas to be serviced. This work will be aligned with development capacity identified in the FDS. The sequence of work is illustrated in the figure below:





- 4.6 In assessing Hastings' overall infrastructure situation as it relates to growth, the picture that emerges is that the older, core three waters networks have almost reached their full or 'natural' capacity as 'growth-responsive' additions have been made to them over time. Investment in additional arterial infrastructure is required to enable new development capacity.
- 4.7 In terms of wastewater, while there is ample capacity in the main interceptor sewer pipes connecting the urban areas to the treatment plant at East Clive, the internal networks within Hastings (which help service Hastings and Flaxmere) are reaching capacity. Further 'arterial capacity' is required to enable wider uptake of medium density development and urban intensification and to provide for future new growth areas. Adding to this picture, Hastings is located on a 'hump' that runs along Heretaunga Street. This means potential growth areas on relatively poorer soils around the south and west of Hastings are on the 'wrong' side of the hump relative to the main trunk infrastructure connecting Hastings to the East Clive treatment plant.
- 4.8 In terms of water supply, abstraction limits in the Council's municipal water supply resource consent provide a constraint to development capacity. Improved network distribution infrastructure is required to improve network efficiency and reduce network pressure and water loss, thereby improving efficiency of use and providing capacity for growth.
- 4.9 Stormwater, Transport and Community infrastructure will also need to be examined relative to proposals to create new development capacity.
- 4.10 **Growth Infrastructure Funding** – Funding the infrastructure associated with new development capacity will also need to be a major element of Council's future growth programme. While Council is seeking a central Government contribution to the cost of funding growth infrastructure for housing through the Infrastructure Acceleration Fund, it will need to ensure appropriate funding arrangements are in place to fund required 'local' infrastructure investment.
- 4.11 Council's funding approach should be based on principles of economic efficiency and relevant statutory provisions. Economic efficiency principles hold that the beneficiaries of public activity or investment, or those that cause or 'exacerbate' the need for that investment, should meet the costs of that activity or investment equal to the benefit they receive or the expenditure they cause. This is known as the 'beneficiary' or 'exacerbator' pays principle. In the context of growth infrastructure, that means that the growth or development community should meet the costs of infrastructure required to service new growth (less any appropriate contribution from other beneficiaries – e.g., for any renewal costs offset or any resulting increased levels of service to existing communities).
- 4.12 This economic principle is expressed in law through the Local Government Act 2002. Section 101 (3) of the Act requires councils, when making funding decisions, to consider, *inter alia*, how benefits from activities it undertakes are distributed between the community as a whole, identifiable parts of the community, and individuals, and the extent to which the actions or inaction of particular individuals or groups contribute to the need to undertake the activity. In addition to this, Part 8,

subpart 5 of the Act sets out specific provisions to “enable territorial authorities to recover from those persons undertaking development a fair, equitable, and proportionate portion of the total cost of capital expenditure necessary to service growth over the long term” (Section 197AA, LGA 2002).

- 4.13 These provisions of the Act provide the basis for Council’s Development Contributions Policy. They enable the costs of servicing growth to be recovered from persons undertaking development, and, through them, from the owners and users of the homes and commercial/industrial buildings that are developed.
- 4.14 Given the scale of infrastructure investment likely to be required to enable new development capacity, a substantive review of the Development Contributions Policy needs to be undertaken alongside development of the FDS and Essential Services Development Plans. Broadly, this will examine the appropriate allocation of costs, the economic principles underpinning cost allocation, policy options and objectives and legal provisions. Policy review work is likely to occur in two to three stages through until June 2024 and reflect, to an extent that is legally permissible, the desire to protect resources and encourage intensification in preference to greenfield development on versatile soils.
- 4.15 **Envisaged Three Waters Transition** – Council’s focus on growth planning and infrastructure provision is occurring at the same time the Government is advancing with its proposals for reform of the Three Waters sector. The transition arrangements envisaged in the establishment of water services entities are likely to add complexity to the decision-making frameworks Council normally operates under.
- 4.16 There is a clause in the exposure draft of the *Water Services Entity Bill*, which could have significant impacts on Council infrastructure decision-making ahead of the establishment of the proposed water services entities. The clause currently reads as follows:

**“22 Decision making during establishment period**

- (1) *The chief executive of a local government organisation must ensure that, before implementing a decision to which this clause applies, the department has confirmed the decision in writing.*
- (2) *A decision to which this clause applies is void and of no effect until it is confirmed by the chief executive of the department.*
- (3) *This clause applies to a decision of a local government organisation that is made during the establishment period and that may, directly or because of its consequences, —*
  - (a) *significantly prejudice the water services reform; or*
  - (b) *significantly constrain the powers or capacity of the water services entities following the water services reform; or*
  - (c) *have a significant negative impact on the assets or liabilities that are transferred to the water services entities as a result of the water services reform.*

**Definitions:**

**establishment date** means the earlier of— (a) a date appointed by the Governor-General by Order in Council; and (b) 1 July 2024

**establishment period** means the period— (a) commencing on the day after the date on which the Act receives the Royal assent; and (b) ending on the establishment date

**water services reform** means— (a) the establishment of water services entities to deliver water services in accordance with this Act; and (b) the transfer of interests in, and the ownership of, infrastructure assets from local government organisations to the water services entities.”

- 4.17 While not law as yet, this clause (22) is signalling that councils are likely to have to gain approval from the Chief Executive of the Department of Internal Affairs for any investment decisions that would impact the assets or liabilities that are transferred to the entity. If approval is not given then the Council's decision would be void and of no effect. This would apply to decisions not already contained within the Council's LTP and Infrastructure Strategy at the commencement of the Establishment Period.
- 4.18 Under the current wording of the Bill, such a clause would come into effect at the beginning of the Establishment Period – that is the day after the Act receives Royal assent. This could occur as soon as the period between July and September 2022.
- 4.19 While Council has made significant advances over the last nine months in understanding the infrastructure investment necessary to provide the development capacity required under the NPS-UD, significant planning work is still required and Council is not yet in a position to amend its LTP and Infrastructure Strategy. However, Council is in a position to clearly signal its 'direction of travel' with respect to growth infrastructure investment and the related Development Contributions Policy review. Accordingly, the draft Annual Plan 2022/23 will contain a section outlining the obligation on Council under the NPS-UD to provide sufficient development capacity to meet expected demand for housing and business land, and signalling the Council's proposed growth infrastructure investments, Development Contributions Policy review and the related LTP amendment that enable the provision of that development capacity.
- 4.20 **Regional Spatial Strategy** – There is no requirement for a Regional Spatial Strategy (RSS) pending passage into law of the proposed Strategic Planning Act. However, the Regional Leaders Group (Mayors and HBRC Chair) have asked their councils to initiate the development of a RSS. Based on previous spatial planning exercises elsewhere around New Zealand and guidance from the Ministry for the Environment and the Government's independent Resource Management Review Panel, spatial strategies will be developed at a regional level, encompass land and coastal marine areas, and help guide the delivery of outcomes through the resource management system. They will be intended, as part of the Strategic Planning Act framework, to set long-term strategic goals and facilitate the integration of legislative functions across the proposed Natural and Built Environments Act, the Local Government Act 2002, the Land Transport Management Act 2003 and the Climate Change Response Act 2002 to enable land and resource planning to be better integrated with the provision of infrastructure as well as associated funding and investment. The FDS is envisaged as a core subset of the RSS, dealing with development capacity and how to accommodate and service growth.
- 4.21 A proposed Hawke's Bay Regional Spatial Strategy (RSS) was discussed at a Regional Collaboration Day forum held on Monday 7 March 2022. The presentation that was delivered to the forum has been circulated separately to Councillors. The next step is the development of a scoping report on the RSS which draws on lessons from other spatial planning exercises around the country and addresses the context and issues for Hawke's Bay. It will also incorporate feedback from mana whenua on engagement and governance arrangements. This work will be prepared over the three months to end June 2022.
- 4.22 **Partner engagement** – Both the NPS-UD requirements regarding the FDS and discussion documents in relation to regional spatial strategies signal the importance of regional collaboration and engagement with mana whenua. The Hawke's Bay Regional Council, Napier City Council and Hastings District Council are jointly required to develop the FDS for the Napier-Hastings urban environment. In developing the FDS, councils must engage with relevant iwi and hapū, and the strategy must be informed by the values and development aspirations of Māori (particularly tangata whenua) for urban development. Similarly, it has been signalled that there will be a requirement for regional spatial strategies to be developed through a joint committee of all of the councils in each

region. It has also been signalled that there will be regionally appropriate iwi and hapū membership on the joint committees.

- 4.23 Engagement with council and mana whenua partners in relation to both the FDS and the RSS has commenced. Staff level meetings are being held to draw together regional programmes of work. Discussions are also being held with iwi representatives to gain feedback on their preferences for engagement. These involve representatives of iwi organisations, Council staff and independent advisors with experience of iwi engagement spatial planning work. These matters are likely to be advanced over the next two to three months. Council staff have formed the view that input from iwi and hapū at both technical and executive levels, in addition to the governance level, will be essential in ensuring robust planning and cultural outcomes from the strategy development processes.
- 4.24 There are also requirements for engagement with a range of other partners within the FDS process: government agencies; infrastructure providers; and the development sector. Engagement with these partners will be factored into the strategy development processes. The process for the RSS will also incorporate wider engagement processes.
- 4.25 **Urban intensification/Medium Density Strategy** – Urban intensification will be an important component in providing development capacity over the life of the FDS. The rapid use of future development areas previously identified combined with constraints (such as soil quality) on many greenfield areas means that **greenfield expansion on the urban edge is unlikely to be a viable or acceptable dominant growth mode into the future.**
- 4.26 In this context, and at the request of Council, the Medium Density Strategy is being reviewed in the first half of 2022. Led by the Strategic Projects team, this review will update the Strategy in the context of the rapid growth currently being experienced, look at the experience and lessons to be learned since the Strategy was adopted and address the actions required to enable medium density development and broader urban intensification to make a greater contribution toward development capacity. Market acceptability and design and quality considerations will be important facets of the review. Examples of successful medium density in other local authority areas, particularly in the provincial context, will also be examined.
- 4.27 **Other NPS-UD issues** – The Housing Capacity Assessment (HCA) for the Napier-Hastings tier 2 urban environment was completed in late 2021. The Business Capacity Assessment (BCA) was commissioned in February 2022 and is due to be completed and reported to Council in June 2022. These pieces of work provide guidance on the development capacity available in terms of housing and business land respectively, and provide inputs into the FDS and the ‘housing bottom line’. The housing bottom line is required under the NPS-UD, and is a statement of the development capacity sufficient to meet expected housing demand plus the appropriate competitiveness margin. The housing bottom line for the District is required to be inserted into the District Plan.
- 4.28 Alongside the BCA, Council is also undertaking work on identifying areas of land suitable for industrial development in addition to land currently zoned and available. This work is focused on land that can be made available, if needed, ahead of the timeframes that will be provided for in the FDS. Given the rapid rate of industrial land uptake, there is considered a risk that there may be insufficient development capacity for industrial growth over the next three to seven years. This work is designed to enable Council to address any medium-term shortfall in industrial development capacity that emerges via the BCA.
- 4.29 **Programme** – A draft programme for the above work has been developed. A copy is attached at **Attachment 1**. This programme is being further developed as discussions with programme partners occur and will be updated as required at future meetings.
- 4.30 A wider programme relating to the Regional Spatial Strategy is also being developed with partner agencies and will be presented to the Committee when a draft has been completed.

## Hastings' Growth Management Approach

- 4.31 The methodological approach Council (together with its partner councils) takes to future growth planning is important. While there is significant energy in the development sector and among other parts of the community (such as horticultural production and soils preservation interests) to see short-term action taken on rezoning various areas of land for development or conversely protecting land from development, planning law demands rigorous and deliberative process. ***It is critical that Council's planning decision-making complies with the law and is underpinned by robust analysis.*** Zoning decisions are subject to public submission processes and are appealable to the Environment Court on both matters of merit and law. Efficient analysis and decision-making processes are helpful, however rushed, short-cut processes are not and usually result in longer timeframes, legal challenge and more costly processes.
- 4.32 Council and its partners, assisted by their Geographic Information System (GIS) teams and expert consultants as necessary, are embarking on a thorough and robust analysis process to find preferred future development areas. Central to this will be analysis using GIS layers to assess various land areas as to their suitability for future development. GIS layers will include, among others, those showing hazards such as liquefaction risk, coastal inundation and erosion, flood risk and contaminated sites, constraints such as soil quality (versatile soils) and high value land uses, infrastructure servicing capacity and limitations, and matters of cultural and community value such as wāhi tapu and archaeological sites. This analysis approach will be used to identify areas of land that are unsuitable or should be avoided in future development planning and, by elimination, areas where there are fewer constraints that should be considered for future development.
- 4.33 This approach will allow a strong evidential basis to be constructed to underpin decision-making and help withstand any contesting of decisions. It will apply to the formulation of the FDS and Regional Spatial Strategy as well as short to medium term exercises such as the industrial land options study referred to in 4.28 above.

## 5.0 Options – Ngā Kōwhiringa

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

- 5.1 ***Note the work programme for future growth management and endorse the management approach set out*** – The Chief Executive has enacted a programme of work and resourcing to help Council meet its existing and prospective statutory requirements with respect to urban development and to effectively manage the growth pressures facing it. This report formally presents to the Committee key aspects of the work required (as previously canvassed in an informal setting) and enables the Committee to endorse the proposed (good practice) management approach. Council has approved resources to undertake this work within its work programme and budget.

#### Advantages

- Council receives regular updates on its approach to future growth management
- Council endorses a robust, good practice approach to managing growth and identifying future development capacity.

#### Disadvantages

- There are no apparent disadvantages to this approach.

Council may wish to provide preliminary programme or policy guidance within the framework set out.

### Option Two – Status Quo - Te Kōwhiringa Tuarua – Te Āhuatanga o nāianeī

- 5.2 ***Take no action*** – The Committee could opt to take no action at this time. However, there are time critical, statutory obligations on it that officers need to make progress on.

- There appear to be no advantages to taking this option.

## 6.0 Next steps – *Te Anga Whakamua*

- 6.1 Work has commenced on implementing the above programme of work. For the remainder of this term, the Strategy and Policy Committee will be the main governance vehicle for policy direction and work programme monitoring in respect of future growth management. Progress reports will be made to this Committee. Direction and policy guidance reports will be made either to Council, the District Planning and Bylaws Subcommittee or this Committee as appropriate depending on the nature of the matter under consideration.

### Attachments:

1⇒	Future Growth Programme - Gantt	CG-16-3-00118	Under Separate Cover
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## Summary of Considerations - *He Whakarāpopoto Whakaarohanga*

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### 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. This report outlines the Council's programme for managing and planning for future growth, including the provision and funding of growth infrastructure. Effectively planning for and managing growth is a central function of local government that contributes to the social, economic, environmental, and cultural wellbeing of the communities of Hastings District.

### Link to the Council's Community Outcomes – *Ngā Hononga ki Ngā Putanga ā-Hapori*

The work incorporated in this proposal promotes the environmental, social, economic and cultural wellbeing of communities in the present and for the future. It contributes to the following outcome areas:

- *Economic Powerhouse* – providing development capacity for continuing growth and economic development in Hastings District, including industrial and commercial development. It also works to protect the fertile soils and productive capacity of the District's highly productive land areas.
  - *Homes for our People* – providing development capacity for new housing development, both via urban intensification and new growth areas, to cater for the needs of the District's growing population.
  - *Getting around* – linking new development capacity with transport planning and infrastructure.
  - *Our Natural Treasures* – planning for development capacity in a way that recognises and protects our natural treasures including our waterways and water resources, soils, landscapes and biodiversity.
  - *Pathways for our people* – people centre-planning and strong engagement with mana whenua.
  - *Enhancing where we live* – planning for high amenity communities with good jobs and vibrant centres.
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### **Māori Impact Statement - *Te Tauākī Kaupapa Māori***

The impacts of growth potentially affect interests of, and values expressed by, Māori. Involvement by mana whenua in growth planning processes adds value and is essential, as well as being a legal requirement. The work programme set out allows for extensive engagement with mana whenua, including on their preferences for input and engagement. It is noted that in developing the FDS, the Council must engage with relevant iwi and hapū, and the Strategy must be informed by the values and development aspirations of Māori (particularly tangata whenua) for urban development.

### **Sustainability - *Te Toitūtanga***

Future growth planning is a key plank in any sustainable development agenda. Spatial planning and planning for future development capacity provide key opportunities for Council to shape the urban form of Hastings District and protect the natural environment and the area's productive capacity. In the current high-growth context, the opportunity to channel the energy provided by growth creates a greater chance to effect positive change. The design of new growth areas, the chance to provide for greater urban intensification, and planning for associated infrastructure all allow for improvements to be made to the District's ecological and energy footprints through less energy intensive urban form, greater water efficiency and less intensive resource use.

### **Financial considerations - *Ngā Whakaarohanga Ahumoni***

In order to effectively plan for and manage growth, the Council deploys resources in resource consenting, building consenting and development engineering, environmental policy development and structure planning, and in infrastructure planning and development. Given the rapid growth the District is experiencing, Council has established a Future Growth Unit to coordinate the planning, management and enablement of growth over the medium to long-term. This represents a substantive investment in growth management by Council over the next 2-3 years.

The work programme will involve investment in staff time and specialist consultant advice in areas such as planning, engineering, ecology and soils, Māori cultural values and development aspirations, law, and economics. This work will be budgeted for through the LTP and Annual Plan process. Contingent costs will include the costs related to the extent of legal challenge to some of the planning decisions made through and subsequent to this work. The extent of legal and witness costs in this area can be influenced through the strength of engagement processes and the rigour and robustness of the Council's strategy development work and underpinning analysis.

### **Significance and Engagement - *Te Hiranga me te Tūhonotanga***

The work programme set out in this report has been assessed under the Council's Significance and Engagement Policy as being of moderate to high levels of significance. This is due to the long-term and wide-ranging planning exercises that are part of the work programme. The programme will incorporate an extensive engagement programme, including a Special Consultative Procedure.

### **Consultation – internal and/or external - *Whakawhiti Whakaaro-ā-roto / ā-waho***

As noted above, there will be significant engagement and consultation through these planning processes with other councils, mana whenua, government agencies, the development sector and various other organisations. There will also be public engagement and consultation, including via a Special Consultative Procedure process.

## Risks

Opportunity: An integrated set of future planning arrangements for Hastings District and the Hawke's Bay Region that enshrine a sustainable development approach and provide sufficient development capacity.

REWARD – <i>Te Utu</i>	RISK – <i>Te Tūraru</i>
An integrated set of future planning arrangements for Hastings District and the Hawke's Bay Region that enshrine a sustainable development approach and provide sufficient development capacity.	<ul style="list-style-type: none"> <li>• Failure to meet statutory requirements with the possibility of Government intervention in the case of non-compliance – <b>managed by</b> sufficient resource allocation and strong programme management and partner engagement</li> <li>• Failure to get regional alignment on processes or outcomes – <b>managed by</b> strong partner engagement at governance, executive and staff/technical levels</li> <li>• Strategies and ensuing actions do not have broad support from mana whenua – <b>managed by</b> strong engagement processes with mana whenua, including setting in place governance and engagement arrangements that have mana whenua acceptance</li> <li>• Significant legal challenge and overturning of Council/regional decisions and plan provisions – <b>managed by</b> strong analysis and planning methodologies, timely legal input, clear and robust staff advice, and rigorous and disciplined political/governance decision-making and leadership</li> <li>• Cost overruns due to legal challenge or contingent costs – <b>managed by</b> strong programme management and scoping, and through strong analysis and planning methodologies, timely legal input, clear and robust staff advice, and rigorous and disciplined political/governance decision-making and leadership</li> <li>• Political change that leads to changed legal requirements – Central Government change outside Council/regional control. To the extent possible, <b>managed by</b> responsive management and engagement.</li> </ul>

## Rural Community Board – *Te Poari Tuawhenua-ā-Hāpori*

Much of the work involved in this project will be urban centred. However, the Hastings District Rural Community Board will be engaged in the Regional Spatial Strategy and on other work elements with implications for rural communities.



Tuesday, 22 March 2022

Item 6

*Te Hui o Te Kaunihera ā-Rohe o Heretaunga*

**Hastings District Council: Strategy and Policy Committee Meeting**

*Te Rārangi Take*

# Report to Strategy and Policy Committee

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**Nā:** Raoul Oosterkamp, Director of Strategic Projects, Key Account Services & Council Investment Partnerships  
**From:** Mark Clews, Principal Advisor: District Development  
 Ross McLeod, Director: Future Growth Unit

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**Te Take:**  
**Subject:** Quarterly Activity and Monitoring Report

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## 1.0 Purpose and summary - *Te Kaupapa Me Te Whakarāpopototanga*

- 1.1 The purpose of this report is to provide the Committee with a combination of Q3 and Q4 2021 updates encompassing the latest data, trends and analysis that Council Officers maintain as part of its statutory obligations under the National Policy Statement - Urban Development 2020 (NPS-UD) as well as our internal strategic monitoring activities.
- 1.2 **The information attached to this report does not require decision-making by the Committee at this point in time;** it will be used as part of a larger body of developmental information that will inform future decision-making. **For this quarter this information is therefore supplied for information purposes only.** Council has a number of programmes and service activities addressing housing, growth and development including regulatory consenting services, structure planning and environmental policy work, the Hastings Place-based Housing Strategy, and the future growth programme. Reports enabling Council decision-making will come to Council via these programmes and the Annual Plan/Long Term Plan (LTP) at the appropriate time, drawing on the collective information base held/accessed by Council.
- 1.3 Contained in **Attachment 1, 2 and 3** are the following data and information sources:
  - The Napier/Hastings Urban Housing Market Snapshot,
  - The Homes for Our People Publication,
  - The Residential Land Supply eNewsletter.

1.4 Information relating to the Industrial Land Supply Overview 2021 Q4 is contained in the body of this report, set out in paragraph 1.7.

#### 1.5 **The Napier/Hastings Urban Housing Market Q3 2021 Snapshot**

1.5.1 This snapshot provides a macro level overview of the various urban development data sets and trends that Council is required to maintain and monitor to inform decision making under the NPS-UD. This Snapshot is at the Hastings-Napier Urban Area level and the land supply table therefore focuses on the main greenfields residential areas only (being the bulk of the land supply) and excludes rural residential, coastal and industrial/commercial land. This excluded information is covered in other reporting noted below.

1.5.2 The attached snapshot covers the period Q3 period of 2021, due to reliance on external data sources, however Q4 building and subdivision consent data for Hastings is available in the residential newsletter discussed below at 1.5.2.

1.5.3 The data underlying the attached snapshot will be used over a longer time series to inform future decision making regards to the future land supply, structure planning processes, subsequent capital investment program and public/private residential development.

1.5.4 Headlines since the last quarterly report:

- Social Housing Registrations (which due to Government reporting timeframes are currently only available to 30 September 2022) continue to plateau, but are at continued high levels compared to pre-2016 levels.
- Significant new greenfield residential subdivision consents were granted in Napier and Hastings/Havelock North to add 300 new lots, effectively making up for uptake from existing land supply over the previous three to four quarters.
- The slightly favourable affordability and price metrics (against the long term trend) reported should be treated with caution as recent interest rate changes and changes to Covid19 settings are likely to have significantly changed the situation for the fourth quarter.

#### 1.6 **The Residential Developments Q4 2021 eNewsletter**

1.6.1 This quarterly eNewsletter has now been operating for over 3 years. It is supplied to an ever growing mailing list every 3 months and provides an update on what's happening and what's coming up in the residential construction sector.

1.6.2 Recent consent data that will inform the next version of Napier/Hastings Urban Housing Market Snapshot, is able to be and is included in the Residential Land Supply eNewsletter, but for Hastings only. Officers are looking at how this can be formatted and extended as part of the newsletter offering.

1.6.3 This newsletter is supplied for information purposes only and provides a link to the Napier-Hastings Urban Housing Market Snapshot for those who want a further higher and wider level view of market trends.

1.6.4 Headlines since the last quarterly report:

- All lead in bulk water services infrastructure for the Lyndhurst Stage 2 development area has been completed. There are 112 lots that are either under construction or planned to be constructed in the short term. Additionally, a ~28 lot resource consent application located off Ikanui Road is imminent.
- There is active development occurring in the Brookvale Urban Growth Area. Within Area A of the Brookvale Structure Plan engineering approval for ~37 lots has been approved. Engineering approval for stages 3-5 (same development) has been lodged for around ~50 lots. Development planning and initiating is underway within Area B of the Brookvale Structure Plan which is located between Napier Road and the Crombie Drain.

- Development intentions are high within the Howard Street Urban Growth Area. A number of important land acquisitions have occurred and Council is now working through the development process with intentions to commence the first portion of external physical works in early 2022.
- Within the Iona Urban Growth Area a resource consent application for ~100 lots is intended to be lodged in the coming months. These ~100 lots will be located adjacent to the Bull Hill reserve area. A number of development stages will follow with an estimated total housing yield of around ~400 for the Iona development area.

## 1.7 The Industrial Land Supply Overview Q4 2021

- 1.7.1 Council Officers currently do not issue a dedicated industrial activity newsletter as all industrial growth areas are largely in a private development phase (apart from Ōmāhu Road roundabout design and construction).
- 1.7.2 Work on the Business Capacity Assessment (BCA) required by the NPS-UD has commenced and is on track to be reported back to Council by the end of June 2022. Following this, targeted monitoring of uptake and remaining supply trends will be undertaken, informed by the data used in the Assessment for repeatability. As noted in the *Future Growth Management Report* also included on this agenda, an additional piece of work to identify options for additional short-medium term industrial development capacity (if required) is being undertaken concurrently with the BCA.
- 1.7.3 Data collected to inform the BCA shows that 37,200 m<sup>2</sup> of new industrial floorspace was consented over 2021 (over 50% of that in the last quarter of the year and 40% in Ōmāhu Road). This compares to the previous five year average of 30,500m<sup>2</sup>, representing an estimated land uptake of 10.6 ha at an assumed average coverage of 35%. This compares to the Regional Industrial Strategy 10 year projections of 5-7 per ha using an assumed coverage rate of 45%.
- 1.7.4 Notable new developments for the last quarter include Tumu Timbers' Havelock North development, Food East at Tōmoana and a 6000m<sup>2</sup> dry store at Ōmāhu Road South for ERL Investments.

### Ōmāhu Road (North) Industrial Zone

- 1.7.5 At the beginning of the year work commenced on the new roundabout at Ōmāhu Road and Chatham Road. Officers are working with landowners adjacent to the site to minimize disruptions to businesses and collaborate on related works.
- 1.7.6 There are currently two resource consent and five building consent applications being processed for properties in the zone. A new subdivision in the zone already has several lots under contract. Officers are working with interested parties to provide information on planning and service questions that they may have.

### Irongate Industrial Zone

- 1.7.7 Development and subdivision activity in Irongate continue at pace. There are currently four resource consent and five building consent applications being processed for properties in the zone. Three of those applications are for brand new activities in the zone, meaning they are not related to already ongoing development or subdivision applications.
- 1.7.8 A large 9+ hectare subdivision in the zone will be home to several, large, new industrial developments and other smaller ones with a focus on the building trades. Cooperation between the landowner and Council asset managers allowed the final section of water services for the zone to be completed under the subdivision works, meaning all properties now have easy access to drinking water.

## 1.8 Homes for our People Q3 2021

1.8.1 In addition to the above, Council produces a regular publication summarising data, trends and information across the broader housing continuum, with a specific focus on the public, social and affordable sub markets. It provides recipients with an understanding as to the scale of activities taking place to address the local housing crisis, in particular in the public, social and affordable housing markets.

1.8.2 This publication is supplied for information purposes only.

## 2.0 Recommendations - *Ngā Tūtohunga*

That the Strategy and Policy Committee receive the report titled Quarterly Activity and Monitoring Report dated 22 March 2022.

### Attachments:

1⇒	Regional Snapshot - Q3 2021	str-4-5-22-31	Under Separate Cover
2⇒	Homes for our People	cg-16-3-0120	Under Separate Cover
3⇒	Residential Land Supply enewsletter - February 2022	CG-16-3-00121	Under Separate Cover

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Tuesday, 22 March 2022

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Item 7

*Te Hui o Te Kaunihera ā-Rohe o Heretaunga*

**Hastings District Council: Strategy and Policy Committee Meeting**

*Te Rārangi Take*

# Report to Strategy and Policy Committee

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*Nā:*  
**From: Kevin Carter, Community Grants and Partnerships Advisor**

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*Te Take:*  
**Subject: Havelock North - Business Improvement District - Vote Outcome**

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## **1.0 Executive Summary – *Te Kaupapa Me Te Whakarāpopototanga***

- 1.1 In September 2021 the Havelock North Business Association Board expressed a desire to expand their catchment area from the current catchment of 45 rateable units to a larger catchment of approximately 103 rateable units (Attachment 1) and create a Business Improvement District.
- 1.2 The Strategy and Policy Committee resolved to complete a poll of property owners and Business owners in accordance with Council's Business Improvement District (BID) Policy. A BID area is supported by a targeted rate, levied on and collected from non-residential properties within the defined BID area.
- 1.3 This vote has been completed by an independent poll company and over 80% of votes were cast FOR the proposal with over 40% of eligible votes cast.
- 1.4 This report concludes by recommending that the committee, in accordance with Council's BID Policy, take into account the poll result and recommend Council include in the draft 2022/23 Annual Plan for consultation the establishment of a Business Improvement District for Havelock North and under the Local Government (Rating) Act 2002, Council set the targeted rate at \$143,000 plus gst for this purpose across the larger proposed area.

## 2.0 Recommendations - Ngā Tūtohunga

- A) That the Strategy and Policy Committee receive the report titled Havelock North - Business Improvement District - Vote Outcome dated 22 March 2022.
- B) That the Committee recommend that Council include the proposed Havelock North Business Association Business Improvement District targeted rate in the upcoming Draft Annual Plan for consultation.

## 3.0 Background – Te Horopaki

- 3.1 At the Havelock North Business Association (HNBA) Meeting on the 15<sup>th</sup> September 2021 the HNBA Board resolved to progress requesting to establish a Business Improvement District (BID).
- 3.2 The current Havelock North Business Association is not a BID, therefore, as per the BID Policy, this process will be considered as establishing a BID rather than increasing the BID Boundary.
- 3.3 The HNBA has proposed that the new BID zone will be larger than the current HNBA area and will be the same as the existing Havelock North CBD upgrade zone.
- 3.4 At the Strategy and Policy Meeting on Tuesday 2<sup>nd</sup> November the Committee resolved:
 

*That the Committee accepts the request from the Havelock North Business Association and in accordance with Council's BID Policy, approves the engagement of Electionz.com, to complete a poll of property owners to confirm the level of support for, or against, the formation of the Havelock North Business Improvement District.*
- 3.5 The poll was completed by electionz.com between 4<sup>th</sup> February and 28<sup>th</sup> February 2022 and received a voting return percentage of 40.40% (well above the minimum requirement of 25%)
- 3.6 The results of the poll are as follows. The full results schedule can be found in (Attachment 2)

### *Proposal:*

*To extend the area of the Havelock North Business Association as outlined in the HNBA Strategic Plan document (utilising the Business Improvement District (BID) Policy).*

	Percent of Votes Cast	Percent of Votes Cast (Weighted by land value)
Votes FOR the proposal	80.20%	85.99%
Votes AGAINST the proposal	18.81%	13.08%
Blank/Informal voting documents	0.99%	0.93%

- 3.7 Upon receiving the poll results at the Havelock North Business Association Board Meeting on the 16<sup>th</sup> March 2022 the HNBA Board passed the following resolutions:
  - a) *That the Havelock North Business Association Board receive the final results of the 'Havelock North Business Association poll' that closed at midday on Monday 28 February 2022.*
  - b) *That the Havelock North Business Association Board accept that 80.2% (85.99% when weighted) voted for the proposed area expansion.*
  - c) *That the Havelock North Business Association Board request that Hastings District Council expand the Havelock North Marketing Targeted Rate Area to include the new properties outlined in the 'proposed Havelock North Business Association Area' Map.*
  - d) *That the Havelock North Business Association Board request that Hastings District Council set the Havelock North Marketing Targeted Rate to \$143,000 (plus gst) per year and that this rate is increased annually by CPI.*

- 3.8 The Business Improvement District (BID) Policy indicated that the final decision about whether to establish, extend, reduce or dissolve a BID shall be made by the Council because, under the Local Government (Rating) Act 2002, it is the Council alone which can set the targeted rate. In making that decision, the Council should take into account the poll result.

#### 4.0 Discussion – *Te Matapakitanga*

- 4.1 A Business Improvement District (BID) is a partnership between a local authority and a defined local business community to develop projects and services that benefit the trading environment and which align with the local authority's objectives. A BID is supported by a targeted rate, levied on and collected from non-residential properties within the defined boundary.
- 4.2 Hastings District Council adopted the Business Improvement District Policy in 2018 as a preferred method for the collection and payment of the BID targeted rate and ensuring the targeted rate collected is spent as intended.
- 4.3 The Hastings City Business Association successfully transitioned to a BID in 2019.
- 4.4 The Havelock North Business Association is currently not a BID but does operate in a similar way.
- 4.5 The current catchment area for the Havelock North Business Association was originally established in 1994, and whilst the Havelock North CBD has evolved and grown over time, the catchment area has remained largely unchanged.
- 4.6 On the 15th September 2021, the Havelock North Business Association Board resolved to request Hastings District Council to investigate creating a BID using a larger catchment area for the Havelock North Business Association. Upon this request the Council at its November 2021 Strategy and Policy Committee Meeting agreed to complete a poll of property owners to confirm the level of support for, or against, the formation of the larger Havelock North Business Association area.
- 4.7 Business owners and landlords were encouraged to have their say via the poll. The poll opened on Friday 4th February and closed on Monday 28th February 2022.
- 4.8 Business owners and landlords were communicated to via letter drop, direct post and a number of direct emails from Council, the Business Association and Electionz.com. A number of face to face meetings were also held. Officers are confident that all landlords and business owner had access to the relevant information.
- 4.9 The three larger landowners and development companies also received personalised information and all voted in the poll. As the percent for the proposal increases when a land value weighting is applied it is assumed that the majority of larger landowners are for the proposal.
- 4.10 The turnout of the poll was 40.40% of ratepayers and business owners (this was an increase in turnout from the Hastings City BID Poll which reached 32%).

#### 5.0 Options – *Ngā Kōwhiringa*

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

- 5.1 To acknowledge the poll results and recommend to Council to include the following for inclusion in the Annual Plan for consultation:
- 5.1.1 the establishment of a new Business Improvement District for Havelock North;
- 5.1.2 an increased targeted rate area from the current catchment of 45 rateable units to a larger catchment of approximately 103 rateable units; and
- 5.1.3 an increased targeted rate collected of \$143,000 plus gst spread across the larger catchment area.

Advantages

- Provides a larger budget for the marketing activities provided by the Havelock North Business Association

- Businesses in the expansion area should receive the same positive benefits (e.g. marketing and other benefits as per the Association's Annual Plan) from being included in the Business Association area as the current businesses

#### Disadvantages

- Rates increase to those business in the expansion area

Option Two – Status Quo - Te Kōwhiringa Tuarua – Te Āhuetanga o nāiane

Not to acknowledge the poll, Havelock North Business Association to continue with its current catchment and budget.

## 6.0 Next steps – *Te Anga Whakamua*

- 6.1 Through a report to Council, the Targeted Rate will need to be set and approved in accordance with Local Government (Rating) Act 2002.
- 6.2 A new full funding contract for service will be entered into with Havelock North Business Association.
- 6.3 The Havelock North Business Association present their Annual Plan that has been approved by their members and board to the Operations and Monitoring Committee July every year for the Committee to endorse.

### Attachments:

1⇒	2022 HNBA BID MAP	COP-01-02-22-1078	Under Separate Cover
2⇒	2022 HNBA BID Poll Final Result	COP-01-02-22-1077	Under Separate Cover

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## Summary of Considerations - *He Whakarāpopoto Whakaarohanga*

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### 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 economic wellbeing of communities in the present and for the future.

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### Māori Impact Statement - *Te Tauākī Kaupapa Māori*

N/A

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### Sustainability - *Te Toitūtanga*

N/A

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### **Financial considerations - *Ngā Whakaarohanga Ahumoni***

A BID area is supported by a targeted rate, levied on and collected from non-residential properties within the defined BID area.

The funding is collected by Council and passed on to the Association to action its own annual plan which is approved by the Association's members and board.

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### **Significance and Engagement - *Te Hiranga me te Tūhonotanga***

This decision/report has been assessed under the Council's Significance and Engagement Policy as being of low significance.

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### **Consultation – internal and/or external - *Whakawhiti Whakaaro-ā-roto / ā-waho***

Business owners and landlords were communicated to via letter drop, direct post and a number of direct emails from Council, the Business Association and electionz.com. A number of face to face meetings were also held. Officers are confident that all landlords and business owner had access to the relevant information.

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### **Risks**

N/A

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### **Rural Community Board – *Te Poari Tuawhenua-ā-Hapori***

N/A

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Tuesday, 22 March 2022

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Item 8

*Te Hui o Te Kaunihera ā-Rohe o Heretaunga*

**Hastings District Council: Strategy and Policy Committee Meeting**

*Te Rārangi Take*

# Report to Strategy and Policy Committee

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**Nā:** Rebekah Dinwoodie, Group Manager: Community Wellbeing & Services  
**From:**

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**Te Take:**  
**Subject:** Report on Activity from the Great Communities Subcommittee

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## 1.0 Executive Summary – *Te Kaupapa Me Te Whakarāpopototanga*

- 1.1 The Chair of the Great Communities Subcommittee, Councillor Lawson will update the Strategy and Policy Committee on the recent work of the Great Communities Subcommittee.

The Great Communities Subcommittee work contributes to the purpose of local government by helping ensure Council's Strategy & Policy settings enable Council's efficient delivery of services and infrastructure to support delivery of Council's strategic priorities.

## 2.0 Background

- 2.1 The Great Communities Subcommittee is responsible for advising the Strategy and Policy Committee by:

- Providing guidance to Council officers in respect of the drafting of Council's Great Community Strategic Overview, and providing oversight of any relevant Special Consultative Procedures.
- Providing oversight of the implementation of Council's Community Strategies.
- Providing oversight of the implementation of Council's Community Plans, Fabulous Flaxmere, Safer Hastings, Civic Pride and events, Youth Pathways, Keep Hastings Beautiful, Health, Cultural, Education, Sports, Arts and Heritage strategies.

### 3.0 Work Programme Update

- 3.1 The subcommittee continues to contribute to the development of the Great Communities Strategic Overview.
- 3.2 It has been agreed that the Great Communities Strategic Overview document will be updated annually.
- 3.3 A member of the Rural Community Board has been appointed to the Great Communities Sub-Committee.
- 3.4 Progress updates on all aspects of the Great Communities Strategic Overview are provided quarterly and can be found on the Hub for Councillors.
- 3.5 Below updates are from Great Community Workshops held on 16 November 2021 and 15 February 2022 and subsequent actions:

Communities are safe, vibrant and resilient		
Priority	Status	Next Steps
1	<p><b>HDC/NCC Smokefree Policy Review:</b></p> <p>The purpose of the review of the Policy is to determine if it aligns with national and local direction towards the national Smokefree goal. The context for achieving a Smokefree Aotearoa has changed since the Policy was first adopted. This includes the introduction of new legislation and regulations aimed to reduce smoking prevalence, the emergence of vaping products, and the release of a new national Action Plan that looks at further action required to achieve the national goal.</p> <p>Outcomes Expected:</p> <ul style="list-style-type: none"> <li>• Creating a healthier environment</li> <li>• Protecting people from second hand smoke, particularly children and workers (eg hospitality)</li> <li>• Contributing towards smokefree communities</li> <li>• Councils demonstrating leadership.</li> </ul> <p>New Zealand aims to be smokefree by 2025. A Joint working group has been set up with Napier City Council. The first meeting was held on 8 November 2021 where the Terms of Reference and a process for moving forward were agreed upon. A survey to gather information from our community members and business communities was launched in Jan/Feb 2022.</p>	This is likely to be a six month process and the group expect to have a reviewed policy by July 2022.
1	<p><b>Joint Alcohol Strategy (Napier City Council and Hastings District Council)</b></p> <p>Council adopted the Joint Alcohol Strategy (JAS) – Reducing Alcohol-Related Harm in 2017. There are 3 objectives of the strategy: demonstrate leadership to reduce alcohol harm; foster safe</p>	<p>1. Set JAS Reference Group Meetings for 2022, first booked for Wednesday 9<sup>th</sup> March 2022.</p> <p>2. Consider membership of Reference Group and whether it can be expanded.</p>

Communities are safe, vibrant and resilient		
Priority	Status	Next Steps
	and responsible events and environments and change attitudes towards alcohol to reduce tolerance for alcohol harm. A Joint Alcohol Strategy Reference Group, made up of a number of different stakeholders oversee the implementation of the JAS.	3. Finalise Action Plan for 2022 – 2023.
1 & 3	<p><b>Camberley Masterplan:</b> The Camberley Masterplan will overarch the Camberley Community Plan and will incorporate the potential for road design, housing development and zoning as well as economic and social trends for the next 20 – 30 years. Key Drivers for the Masterplan are:</p> <ul style="list-style-type: none"> <li>• Delivering on identified/agreed actions from the Hastings Medium and Long-Term Housing Strategy</li> <li>• Delivering on the Camberley Community Vision 2020-2050 as contained in the Camberley</li> </ul> <p>Community Plan Officers are currently re-scoping this plan to enable progress due to some stakeholders being unable to engage with the process at this time.</p>	Re-scoped project plan and associated work streams will be shared with Councillors at the Great Communities Subcommittee 12 April 2022.
1	<p><b>Homelessness:</b> The Strategy and Policy Committee Meeting received, endorsed and approved the recommendations within the report titled “Homelessness in Hastings - a Discovery Study” dated 2 November 2021.</p> <p>The Study was commissioned to understand the characteristics, needs and causes of homelessness in the Hastings district, an action drawn from, Hastings Medium and Long Term Housing Strategy, which Council endorsed in February 2021. The Study also aimed to identify any initiatives that could be taken to improve the housing situation of whānau pounamu in the Hastings district.</p>	In response to Recommendation 3.2 of the Discovery Study, Officers are exploring options with partner agencies around an Integrated Community Hub.
1 & 5	<p><b>Mayor’s Taskforce for Jobs (MTFJ):</b> The Mayors Taskforce For Jobs (MTFJ) is a nationwide network of New Zealand's Mayors, working together towards the vision of all young people under 25 being engaged in appropriate education, training, work or other positive activity in their communities.</p> <p>Mayor Hazlehurst has initiated these hui again in 2022. Initial Focus has been on the horticulture industry.</p>	Officers are working with MSD and NZ Apples and Pears to link growers with job seekers by putting on information sessions within our communities.

Communities are safe, vibrant and resilient		
Priority	Status	Next Steps
1	<p><b>Senior Housing Review Update:</b></p> <p>The Hastings Medium &amp; Long Term Housing Strategy 2021 recognises Senior Housing as a workstream with the specific aim of “Elderly residents having access to safe, healthy and affordable housing”.</p> <p>As part of the workstream Council is reviewing its senior housing portfolio to develop a strategy that addresses quality short and long-term demand; accounting for future demographic and socio-economic changes of an ageing population.</p> <p>The Great Communities Subcommittee has been presented with the purpose, strategic overview, options to be investigated and timeline.</p>	<p><b>November 2021 to February 2022</b></p> <ul style="list-style-type: none"> <li>Investigate Options – direction coming from Lead Team and Great Communities Subcommittee.</li> </ul> <p><b>March 2022</b></p> <ul style="list-style-type: none"> <li>Full Council Workshop for direction on next steps.</li> </ul>
1	<p><b>Safer Hastings:</b></p> <p>Hastings District is an accredited Safe Community and has processes in place to enable communities, businesses, local government, government agencies and others to work together in a coordinated and collaborative way to improve community safety.</p> <p>The 2021 Safer Hastings’ Annual Report was presented to the Subcommittee who requested options around sharing data on community safety including statistics and good news stories.</p> <p>The Great Communities Subcommittee also requested information on how HDC could further support family violence opportunities.</p>	<p>Officers looking into options to bring back to Great Communities Subcommittee 12 April 2022.</p> <p>Officers asked to bring more detail on how HDC can support family violence initiatives to Great Communities Subcommittee 12 April 2022.</p>
1	<p><b>Community Plan Kete</b></p> <p>Council has been working closely with the people in a number of communities to ensure plans for their neighbourhoods reflect them – Community Plans.</p> <p>A Community Plan Kete has been developed to guide and support communities and Council through the Community Plan Process.</p>	<p>Next Steps:</p> <ul style="list-style-type: none"> <li>Feedback from Councillors.</li> <li>Feedback from Community through Community Plan Leaders and Planning Committees.</li> <li>Trial with a community.</li> <li>For existing plans - Identify priorities for implementation and allocate funding (This has already been done for new plans).</li> </ul>

There are great spaces for all people		
Priority	Status	Next Steps
3	<p><b>Splash/Windsor Park Project Update:</b> As an action from the Council meeting on the 28<sup>th</sup> October 2021, Officers were tasked with investigating opportunities for enhancement of Splash Planet by utilising the closed summer 21/22 season.</p> <p>Officers presented opportunities for enhancement of Splash Planet at a full council workshop in November 2021. Direction was given that investment in Splash Planet would only be considered as part of the wider Windsor Park Review.</p>	A Council workshop in March 2022 will allow the next stage of this review to be workshopped with Councillors.
3	<p><b>Sport NZ Play, Active Recreation and Sport (PARS) Plan Development:</b> Although the development of a Regional PARS Plan was proposed by Sport HB, a regional facilities/sportsground review has now been recommended as a first step.</p>	HDC Officers will meet with Officers from Napier City Council, Central Hawke's Bay District Council, Wairoa District Council and Hawke's Bay Regional Council to discuss this new potential path forward.
3	<p><b>Aquatics Review Update:</b> The Council is in the early stages of developing a new strategy for its aquatics facilities. As part of this a survey was created to get feedback from the public on the facilities. Results have now been collected and are currently being analysed.</p> <p>Pool energy evaluations have also been completed with reports due soon.</p>	Officers to present back to the Great Communities Subcommittee on results and reports to inform the next steps of strategy development.
3	<p><b>Arts &amp; Culture Strategy and Toi Tū Framework Update:</b> The Council is in the process of developing an Arts and Culture Strategy. As part of developing the terms of reference for the project a survey was created for Councillors and the Lead Team. The survey has been completed and results were presented to Great Communities Subcommittee November 2021.</p>	Terms of reference to be finalised and a workflow timeline is to be created.

Our people are proud of our district and our cultural diversity and relationships are strong		
Priority	Status	Next Steps
4	<p><b>Multicultural Strategy:</b> This strategy was created in response to an increasingly diverse Hastings community and will help ensure our services are accessible to all and that everyone is able to participate in our district's democratic services.</p> <p>Now adopted and launched, this strategy sits within the Community Wellbeing and Services Team to oversee the implementation and report back.</p> <p>Updates covered:</p> <ul style="list-style-type: none"> <li>• Year one completed actions</li> <li>• Year one actions in progress</li> <li>• Looking forward</li> </ul> <p>HDC was successful in their bid to join the welcoming communities network (December 2021) and the associated funding of \$50k per year for 3 years for a co-ordinator.</p>	<ul style="list-style-type: none"> <li>• Welcoming Communities Co-ordinator to be appointed</li> <li>• 6 monthly updates to come to the Great Community Subcommittee.</li> </ul>

Our Youth have positive pathways		
Priority	Status	Next Steps
5	<p><b>Youth Strategy:</b> The purpose of the Youth Strategy is to express Council's commitment and contribution to youth in the Hastings District and to establish a strategic framework for the achievement of Council's aims and objectives.</p> <p>The vision of the Youth Strategy is to achieve outcomes whereby youth connect and develop positively within the community, adding strength to the community of the future.</p> <p>Public consultation around the reviewed Youth Strategy has finished with 840 submissions received and feedback from the survey further explored through a number of workshops with young people and youth service providers. Officers are working with the Youth Council to review the data and feedback and will develop the first draft version of the new strategy in the new year.</p>	<ul style="list-style-type: none"> <li>• The draft strategy will be presented to the Great Communities Subcommittee early in 2022.</li> <li>• Councillors asked Officers to investigate whether HDC should also develop a child strategy, to align with the Government's 'child and youth wellbeing strategy'. An officer submission to the annual plan process may be appropriate to progress this.</li> </ul>



Our Youth have positive pathways		
Priority	Status	Next Steps
5	<b>Education:</b> Daniel Murfitt, Director of Education Hawke's Bay/Tairāwhiti, MoE provided an update to Councillors on current priorities including the Attendance Project.	<ul style="list-style-type: none"> <li>Officers will continue to work with MoE to support Attendance and other Projects wherever requested.</li> </ul>

#### 4.0 Recommendations - *Ngā Tūtohunga*

That the Strategy and Policy Committee receive the report titled Report on Activity from the Great Communities Subcommittee dated 22 March 2022.

#### Attachments:

There are no attachments for this report.



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Tuesday, 22 March 2022

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Item 9

*Te Hui o Te Kaunihera ā-Rohe o Heretaunga*

**Hastings District Council: Strategy and Policy Committee Meeting**

*Te Rārangi Take*

# Report to Strategy and Policy Committee

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*Nā:*  
**From: Lee Neville, Economic Development Manager**

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*Te Take:*  
**Subject: Report on Activity of the District Development Subcommittee**

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## 1.0 Executive Summary

- 1.1 The purpose of this report is to update the Strategy and Policy Committee on the delivery of the District Development Strategic Overview. A sufficient and supportive economy is one of the community outcomes for the Hastings District; the District Development Strategic overview has been developed to achieve this strategic outcome.
- 1.2 The Chair of the District Development Subcommittee (Subcommittee), Councillor Schollum will update the Committee on the delivery of the Subcommittee's work programme.
- 1.3 The Subcommittee received informal updates from Council officers on the following areas of work on 22<sup>nd</sup> February.
- 1.4 **Potential Omicron impact report from Infometrics**  
A report prepared by Principal Economist Brad Olsen from Infometrics (**Attachment 1**) provides a brief overview of selected topics identified internationally as key challenges during the outbreak of the Omicron variant of COVID-19. The report draws on selected United Kingdom (UK) and private sector data sources, media reports from New Zealand, Australia, and the UK and Infometrics analysis.
- 1.5 **Spatial Plan**  
Councillors will be aware that a proposed Hawke's Bay Regional Spatial Strategy (RSS) was discussed at a Regional Collaboration Day forum on Monday 7 March 2022. The presentation that was delivered has been circulated separately to Councillors.

The next step with this project is the development of a scoping report on the RSS which draws on lessons from other spatial planning exercises around the country and addresses the context and

issues for Hawke's Bay. This will be prepared over the next three months. It will also incorporate feedback on engagement with mana whenua.

#### 1.6 **Public Housing Medium Term Plan update:**

- Significant effort to bring public/social and affordable homes to the market as part of the Hastings Place Based housing plan continues. The partners to the plan all have the same goal – to share resources and develop a practical way to address the district's housing needs.
- Council continues to progress a number of housing initiatives that Council is leading under the Medium to Long-Term Housing Plan, with Council's focus being on 244 Flaxmere Avenue, the Town centre and 72 Caernarvon Drive.
- Physical works are in progress at 244 Flaxmere Ave and the town centre, with earthworks in full swing and 3 water assets beginning to be installed at 244 Flaxmere Ave. The 72 Caernarvon Drive site is in the final stages of detailed design, with intent of going to the market in April 2022 and having a civil works contractor appointed mid-2022.
- Building is expected to begin at 244 Flaxmere Ave from early 2023, and at the town centre from mid-2023, and 72 Caernarvon Drive at the end of 2023.
- The design of these new homes will follow best practice urban design and subdivision guidelines.
- Detailed development proposals for 244 Flaxmere Avenue, the Town centre and 72 Caernarvon Drive are currently being evaluated. This process remains on track to confirm preferred development partners by mid-2022.

#### 1.7 **Residential, commercial and industrial land uptake**

The Business Capacity Assessment (BCA) required under the National Policy Statement on Urban Development is underway. A companion Industrial Site Options Assessment has been commissioned in anticipation that the BCA identifies an impending shortage of Industrial land. A coordinated report back to Council is planned for June.

Industrial and Commercial monitoring programmes are to be determined following the BCA in order to align data requirements for future 3 yearly reviews as well as track progress in the interim.

There was a short discussion on residential monitoring information content and frequency, noting different geographic and time scales, audiences and statutory requirements (Refer Quarterly Activity and Monitoring Report included separately on the Agenda).

#### 1.8 **Regional Transport Plan-MyWay trial**

Hawke's Bay Regional Council is launching an on-demand public transport service called MyWay in Hastings in June 2022. The HBRC is working closely with Hastings District Council staff to deliver the engagement on the service. This service aligns closely with Hastings District Council's priority 'Getting Around: developing our sustainable transport alternatives'.

#### 1.9 **Parking Masterplan**

In order to progress the Parking Management Plan, a parking study has been commissioned from Stantec. Stage one will involve the collection and analysis of data, including current employee trends due to the impacts of Covid-19. Given the present Omicron peak, surveys have been deferred until June/July. The minimum onsite parking requirements have been removed from the District Plan.

## 2.0 **Background**

The Subcommittee is responsible for advising the Strategy and Policy Committee by providing guidance to Council officers in respect of drafting of Council's District Development Strategy and providing oversight of community engagement.

### 3.0 Work Programme Update

INFORMAL UPDATES			
PRIORITY # 1 WE ENABLE EMPLOYMENT AND GROWTH			
Priority	Status	Progress Indicator	Next Steps
Enable Employment and Growth	Information report	Quarterly Infometrics report	Quarter 2 report 2022
	Information report on potential Omicron impacts	Infometrics report	Monitoring impacts
PRIORITY # 2 HOUSING SUPPLY MATCHES NEEDS			
Spatial Plan Partner Engagement	Partner engagement	Regional collaboration day 7 <sup>th</sup> March	
Council Housing Developments in Flaxmere		Request for proposals closed 23 February. Development Proposals are now being evaluated.	Report back to Council
Residential, commercial, industrial land uptake	Land supply monitoring by officers	Building capacity Assessment Commissioned. Industrial Land intentions survey in progress. Other Sector Engagement due late March. Industrial Site Opportunities Assessment Commissioned.	Report back to Council in June on Commercial and Industrial Capacity and Industrial site Options
PRIORITY # 3 THE TRANSPORT SYSTEM LINKS PEOPLE GOODS & OPPORTUNITIES			
Regional Land Transport Programme	Progressing the MyWay engagement plan with HBRC	Seeking advice on engagement strategy from sub-committee and community.	Engagement with community with launch June 2022.
Strategic Parking	The parking study will use two modelling themes taking post COVID-19 into account.	Report is in progress	Report to Council by June 2022

#### 4.0 Recommendations - Ngā Tūtohunga

That the Strategy and Policy Committee receive the report titled Report on Activity of the District Development Subcommittee dated 22 March 2022.

#### Attachments:

1 ➡ Potential Omicron Impact Infometrics Report

STR-6-04-22-485

Under  
Separate  
Cover



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Tuesday, 22 March 2022

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Item 10

*Te Hui o Te Kaunihera ā-Rohe o Heretaunga*

**Hastings District Council: Strategy and Policy Committee Meeting**

*Te Rārangi Take*

# Report to Strategy and Policy Committee

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**Nā:** John O'Shaughnessy, Group Manager: Planning & Regulatory Services  
**From:** Rowan Wallis, Environmental Policy Manager

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**Te Take:** Report on Activity from the District Planning and Bylaws Subcommittee  
**Subject:** Subcommittee

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## 1.0 Executive Summary

- 1.1 The Chair of the District Plan and Bylaws Subcommittee, Councillor Kevin Watkins will give the Strategy and Policy Committee an update on the Subcommittee's work programme.

## 2.0 Background

- 2.1 The District Planning and Bylaws Subcommittee is responsible for environmental policy associated with the Resource Management Act 1991. This includes the need for the review of the District Plan and making sure that it is kept up to date and is consistent with and reflects National Policy Statements and National Environmental Standards.
- 2.2 The other main role of the District Planning and Bylaws Subcommittee is the setting and review of Bylaws under the Local Government Act 2002 and various other Acts:
- to protect the public from nuisance
  - protecting, promoting, and maintaining public health and safety
  - minimising the potential for offensive behaviour in public places

### 3.0 Work Programme Update

- 3.1 The Council has endorsed and set the priority for the work timetable for the Environmental Policy team and this is outlined below:

Priority	Status	Progress Indicator	Next Steps
Ensuring ePlan is up to date	Ongoing	The Council has received its Certificate from Ministry for the Environment to confirm that we are meeting the requirements for an electronic district plan set down in the National Planning Standards. Draft new section completed as a template.	The new format of the district plan is being worked on to meet the requirements of the National Planning Standards by 2024.
Irongate /York Structure Plan/ Plan Change	Ongoing	Draft Master Plan from Isthmus received. Assessment reports (eg Stormwater modelling, geotech etc being undertaken)	Master Plan to be signed off by the Heretaunga Tamatea Settlement Trust Board.
Plan Change to implement changes required to protect matters of cultural importance on Te Mata Rongokako	Ongoing	Further information from a landscape perspective has been provided to the District Plan & Bylaws Subcommittee and subsequently to the Heretaunga Takoto Noa Māori Standing Committee.	A workshop with landscape architects has been held with Heretaunga Takoto Noa Māori Standing Committee and staff have been requested to take some options out to the landowners affected by the options considered by the workshop.
Residential Intensification Design Guideline	Completed	Released to community Feb 2021 and now being monitored	Reporting back to District Planning & Bylaws on 23 March on the outcome from the user survey and recommendations for Plan Changes.
Investigation into Inclusionary Zoning for Housing	Ongoing	Considered by District Planning & Bylaws Subcommittee August 2021.	That inclusionary zoning be further investigated for incorporation into the Hastings Housing Strategy and District Plan once a Hastings



Priority	Status	Progress Indicator	Next Steps
			Housing Trust or similar entity has been established.
Marae Plan Change followed by a Mapping of the Marae	Ongoing	Plan Change 3 Publicly notified under First Schedule to the Resource Management Act. Hearing of submissions completed 21 June 2021.	Plan Change now operative
Landscape section / Wāhi Taonga review to include a reviewed nomination process.	Yet to commence	Commencing on settlement of Maungaharuru Tangitū Trust (MTT) Appeal – estimated to be an 18-month -2 year project.	MTT Appeal decision received. Discussion paper was taken to the last Heretaunga Takoto Noa Māori Standing Committee and District Planning and Bylaws Subcommittee for guidance on commencing the project.
State of the Environment Report	Ongoing	Considered by District Planning and Bylaws Subcommittee August 2021.	Adopted by Council and a report is being prepared for District Planning & Bylaws on implications for current District Plan policy.
Implement National Planning Standards – we have until 2024 to implement.	Ongoing	Currently establishing the new format for the district plan. A model section has been drafted and this is being discussed with the Ministry for the Environment.	To District Planning and Bylaws Subcommittee for sign off of format following endorsement from Ministry for the Environment.
Plan Change to tidy up matters in the District Plan	Ongoing	Currently being prepared.	Plan Change to District Planning & Bylaws Subcommittee following completion of Medium Density Review project.
Plan Change to amend the Light Industrial Zone provisions	Yet to commence		
Forestry Slash (the hazard effects on waterways created by forestry pruning and thinnings) if required as a result of joint monitoring approach with HB Regional Council	Yet to commence	Action required will result from the monitoring undertaken by the forestry officer.	

The environmental policy team is also commencing the structure planning for the next two prioritised greenfield areas being Lyndhurst Extension and Kaiapo Road. We are in the process of engaging consultants to undertake the assessment reports required for the structure planning.

The policy team is also involved in assisting in data gathering for the Business Assessment Report which will form part of the Future Development Strategy required to be completed by 2024 under the National Policy Statement- Urban Development.

#### **4.0 Recommendations - *Ngā Tūtohunga***

That the Strategy and Policy Committee receive the report titled Report on Activity from the District Planning and Bylaws Subcommittee dated 22 March 2022.

#### **Attachments:**

There are no attachments for this report.

Tuesday, 22 March 2022

Item 11

*Te Hui o Te Kaunihera ā-Rohe o Heretaunga*

**Hastings District Council: Strategy and Policy Committee Meeting**

*Te Rārangi Take*

# Report to Strategy and Policy Committee

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*Nā:*  
**From: Craig Thew, Group Manager: Asset Management**

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*Te Take:*  
**Subject: Report on Activity from the Eco District Subcommittee**

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## 1.0 Executive Summary

- 1.1 The Chair of the Eco District Subcommittee, Councillor Redstone will update the Strategy and Policy Committee on the recent work of the Eco District Subcommittee.
- 1.2 The Eco District Subcommittee work contributes to the purpose of local government by helping ensure Council's Strategy & Policy settings enable Council's efficient delivery of services and infrastructure to support delivery of Council's strategic priorities.
- 2.1 The Eco District Subcommittee is responsible for advising the Strategy and Policy Committee by:
  - Providing guidance to Council officers in respect of the drafting of Council's Eco District Strategies and providing oversight of any relevant Special Consultative Procedures.
  - Providing oversight of the implementation of the Council's Eco District Strategies
  - Providing oversight of the implementation of Council's Green Corridor, Reserve Management Plans, Climate Change, Coastal Hazards, Sustainability and Biodiversity strategies.
- 3.1 The strategic overview highlights 4 priority areas of focus:
  - Water and Land resources used wisely
  - A better climate and carbon future

- The natural environment is enhanced and protected
- Council Services are green and healthy

#### 4.0 Eco District Strategic Overview Update

- 4.1 The Eco District Subcommittee met on the 9<sup>th</sup> November and 17<sup>th</sup> February with a full agenda. A number of items from this agenda have had to carry over until the next subcommittee meeting scheduled on 5<sup>th</sup> April.
- 4.2 The adopted Eco Strategy document was approved by Strategy and Policy at the last meeting and the strategy is with the graphic designers to complete the formatting, expected completion is expected by the end of March.
- 4.3 The Strategic Overview is primarily intended as a tool to support the effective delivery of the Eco District Subcommittee's responsibilities that contributes to environmental sustainability of our district. It outlines a high level overview of Council's planned activities for each priority area. As noted above it will evolve as global and local context and priorities change.

#### 5.0 Eco District Work Programme Update

- 5.1 A key aspect of the Eco District journey is to increase awareness and understanding of the current situation, challenges and opportunities. To this end the subcommittee has welcomed a number of presentations from the community.
- There were 3 non staff presentations received by the committee at the recent workshops;
    - Walter Breustedt, titled More Urban Green & Less Sealed Surfaces, Walter also raised discussion on Napier Road roundabout in regards to its alignment and planting.
    - Jonathan Stockley (RCB member) about Glyphosate use and monitoring
    - Marilyn Scott - Save the Dotterels. The group are raising awareness of the fragile nature of the nesting area, and have a desire to work with the various stakeholders involved in the management/regulation of these beach areas.
- 5.2 An update of the Reserve Management Planning (RMP) process and learnings to date was provided for; Frimley Park, Esk Reserve, and reserves of Tainui/Tanner/Hikanui/Tauroa. The committee were also provided an update of the next stages and proposed timeframes. The workload of the Eco District Committee will increase as the RMP as they progress.
- 5.3 A presentation of an approach to provide a more consistent and hierarchical implementation of amenity planting based on key routes and areas was had to seek initial feedback and direction from the committee to officers. Further work is underway following this and subsequent discussions and this will be included as part of a wider level of service and options workshop for council across amenity areas of Parks and Transportation in the urban areas.
- 5.4 An update was provided on the Climate and Food Resilience Hub Project.
- 5.5 Officers are currently finalising the engagement to complete an initial Carbon Accounting analysis across Hastings District Council operations, this is currently proposed to be performed by engaging the same organisation as HBRC have used so synergies can be established.

- 5.6 Officers are preparing a monitoring and action plan framework to ensure that the focus areas and initiatives in the strategy are consistently monitored and reported upon.
- 5.7 Established Joint working group between HBRC and HDC to develop shared initiatives, initial meeting with HBRC late last year with a list of potential items compiled. Officers to meet to finalise the initial proposal of joint items to progress.
- 5.8 Also an informal working group between regional sustainability officers has been initiated with the first meeting held between officers from HDC, NCC and HBRC. The desire is for the group is to meet quarterly and involve other sustainably advisors from the district (possibly Napier Airport, Napier Port etc).
- 5.9 Water usage and losses was discussed at the November meeting. This ongoing discussion will continue at the committees next workshop (was deferred from February due to full agenda).
- 5.10 A workshop for Councillors with HBRC officers is being organised as a follow on from the regional collaboration workshop water security item.
- 5.11 The committee also intend at their next meeting to revisit the climate adaption risk bowtie.

## **1.0 6.0 Recommendations - *Ngā Tūtohunga***

That the Strategy and Policy Committee receive the report titled Report on Activity from the Eco District Subcommittee dated 22 March 2022.

### **Attachments:**

There are no attachments for this report.