

In Confidence

Office of the Minister of Housing and Urban Development

Chair, Economic Development Committee

Unitec Site Development: Reference Plan

Proposal

1. This paper seeks Cabinet’s agreement to:
 - a. the public release of the Reference Masterplan and Strategic Framework (the Reference Plan) for the residential development of the Unitec site (the Site), attached as Annex 1;
 - b. progressing negotiations with Unitec Institute of Technology for the acquisition of its F and B Blocks and Norak Properties Limited for the Taylor’s Laundry site; and
 - c. undertaking detailed negotiations with the iwi/ hapū rights’ holders to the Site over the future form of governance arrangements.

Executive Summary

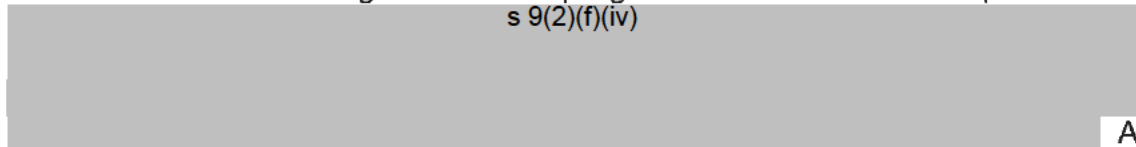
Previous Cabinet decisions

2. On 3 March 2018, Cabinet agreed to the KiwiBuild Land for Housing Programme (the Programme) purchasing 29.3 hectares (ha) of land in Mt Albert, Auckland from the Unitec Institute of Technology for housing development [CAB-18-Min-0077 refers].
3. I also advised Cabinet that I intend to apply a bespoke approach to the development of the Site. The Crown and iwi have a high level of ambition for the development, both in housing and public-good outcomes.

Scope of this Cabinet paper

4. This paper seeks Cabinet’s endorsement of the direction set by the Unitec Reference Plan and agreement to progress with further land purchases.

s 9(2)(f)(iv)

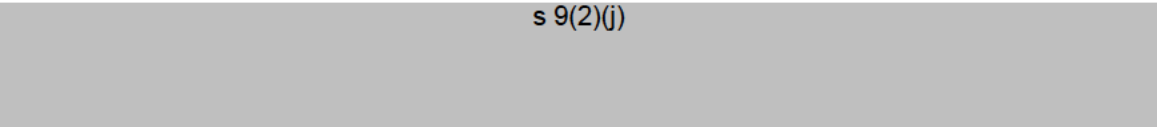


A

summary of the decisions I anticipate seeking from Ministers is attached as Annex 2.

- 5.

s 9(2)(j)



Reference Plan

6. The initial phase in the Site's development has been the drafting by the Crown and the rights' holders – Ngā Mana Whenua o Tāmaki Makaurau – of a Reference Plan to guide development across the Site.
7. The Site is complex due to its "brownfields" character; it has many existing buildings in various states of repair and has several neighbours, including suburban neighbourhoods and the Mason Clinic. The Reference Plan establishes a base plan to enable more detailed master-planning to begin.
8. The Reference Plan is currently underpinned by some high-level assumptions that will be tested in master-planning. The full project is estimated to take 10 – 15 years to complete and to deliver between 2,500 and 4,000+ dwellings. It presents a highly ambitious density and typology; predominantly multi-storey apartment buildings, more typical of Auckland's inner city than suburban Mt Albert.

Treaty settlement implications

9. Ngā Mana Whenua o Tāmaki Makaurau, 13 iwi/ hapū, have development rights to the Site under the terms of their 2014 collective settlement. With the Reference Plan in place, I now intend to reach detailed agreement with iwi/ hapū on the future governance arrangements for the Site, s 9(2)(j)

Potential acquisitions

10. The Reference Plan has been developed for the Programme's current landholdings, as well as land that may be acquired by the Crown in the short to medium term.
 - (i) Unitec Institute of Technology
11. There is the potential to acquire s 9(2)(j) from within the Unitec Institute of Technology's current landholdings (the F and B Blocks).
 - (ii) Norak Properties Limited
12. Norak Properties Limited owns approximately 2.5 ha at Taylor's Laundry, which is within the Unitec Campus and severs the current land holdings.
13. s 9(2)(j)

Mason Clinic

14. Approximately 2.8 ha of land for the Mason Clinic expansion is identified in the Reference Plan. This expansion is still to be publicly announced. I will liaise with the Minister of Health on the timing of this announcement.

Reference Plan announcement

15. The Site is part of a large, engaged community, who will be interested in the development plans. I intend to engage with key stakeholders ahead of public announcements on the Reference Plan.

Background

Previous Cabinet decisions

16. On 3 March 2018, Cabinet agreed to the KiwiBuild Land for Housing Programme (the Programme) purchasing 29.3 hectares (ha) of land in Mt Albert, Auckland from the Unitec Institute of Technology for housing development [CAB-18-Min-0077 refers].
17. The purchase was settled in April 2018. As I advised Cabinet at the time, the Site is a large portion of undeveloped land within 9 km of the Auckland CBD that lends itself to a master-planned, scale development. It is a rare opportunity, and has the potential to deliver several of the Government's KiwiBuild and housing programme's objectives such as increasing the supply of affordable and public homes.
18. The Crown paid \$134 million for the land from the Vacant or Underutilised Crown Land Programme appropriation. [REDACTED] s 9(2)(i) [REDACTED] will be paid as vacant possession is achieved. Unitec Institute of Technology is due to vacate the Site in stages until 2021.
19. In March 2018, I also advised Cabinet I intended to:
 - a. honour the terms of the Crown's Treaty settlement obligations in my approach to the development of the Site, in particular the Crown's obligations under the Protocol (administered by the Ministry of Housing and Urban Development) with Ngā Mana Whenua o Tāmaki Makaurau;
 - b. facilitate the delivery of public good outcomes at the Site, including providing a mix of public and KiwiBuild housing, in addition to market priced housing, to increase overall supply at pace; and
 - c. make decisions, in consultation with relevant Ministerial colleagues, on the most appropriate development model to progress a residential development with associated services on the Site.
20. I also advised Cabinet that I do not intend this site to be a typical Land for Housing Programme land release. The Crown, and iwi/ hapū, are seeking a high-level of public good outcomes at the site, and to advance our social objectives relating to housing. To realise this level of ambition will require a bespoke approach to the development of the site

Scope of this Paper

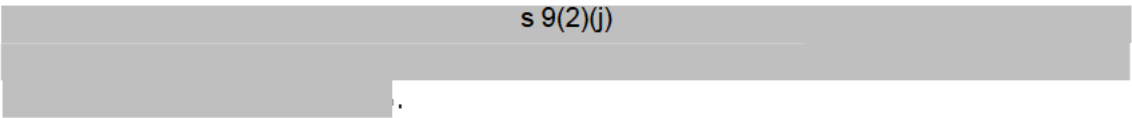
21. The Reference Plan anticipates the design of a medium to high density development, but does not seek the detailed decisions for the Site's development. [REDACTED] s 9(2)(f)(iv) [REDACTED].
[REDACTED] In addition, where decisions are within scope of existing Cabinet authorisations, for example for the Programme and KiwiBuild, decisions will be sought from delegated Ministers. A summary of future decisions for Ministers is contained in the Table in Annex 2.
22. I am considering options to accelerate large scale developments which may bring some of these decisions forward. Securing agreements with iwi/ hapū will be a key consideration.

Reference Plan

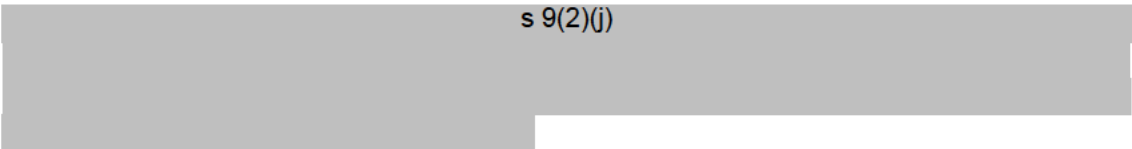
23. The initial phase in the Site development has been the drafting of a Reference Plan to guide development across the site. The Reference Plan has been jointly developed by the Crown and Ngā Mana Whenua o Tāmaki Makaurau (Auckland iwi/ hapū). It describes, among other things:
- the vision, values and principles for the Site development, which incorporate the high-level aspirations of iwi/ hapū and the Crown;
 - the scale, likely location and typologies of buildings within neighbourhoods or precincts;
 - the location and character of roads, public and private open space, waterways and natural corridors;
 - the pattern of roads, cycleways, routes for micro-mobility (such as e-scooters) and walkways;
 - the potential placement of commercial and retail areas;
 - some preliminary indications on the placement of schools, which will be further assessed by the Ministry of Education with respect to demand and site-specific criteria; and
 - carparking options, to be adapted or converted depending on demand.
24. The Reference Plan represents a highly ambitious density and typology more typical of Auckland's inner city: it is predominantly multi-storey apartment buildings. The Auckland Unitary Plan anticipated this level of density at the site, compared with suburbs between the Site and the CBD which are dominated by the single house zone.
25. The density shown has benefits in terms of housing yield, support for public transport investment and local commercial and retail activity, and the amount of open space preserved. However, it is aspirational and ahead of today's market. Its delivery will be challenging and is unlikely to be an attractive commercial proposition for developers without some sharing of risk. [REDACTED]
[REDACTED] s 9(2)(f)(iv) [REDACTED]
26. The Reference Plan has benefited from due diligence and planning advice, including on issues that are of concern to local residents, such as the interface with the existing residential neighbourhood and the road connections to the

South. However, the density proposed, and other aspects of the Reference Plan, may be publicly contentious. Draft key messages are attached in Annex 3 and potential issues, and mitigations, are identified in Annex 4.

Key metrics

27. The base plan in the Reference Plan is for the 26.6 ha available for development. The base plan is fully compliant with the Auckland Unitary Plan, which sets permissive heights and density for the Site; it delivers:
 - a. an estimated 2,500 – 3,000 dwellings or between 94 and 113 dwellings per ha gross (204 per ha net);
 - b. 7.7 ha of open space (26%) which rises to 11.3 ha (41%) once road reserves are included in the total;
 - c. 12.3 ha of “developable” land; and
 - d. a ratio of 0.95 carparks to each dwelling.
28.  s 9(2)(j)
29. The proportions of KiwiBuild and public housing within the development are still to be determined. The full project is estimated to take over 15 years to complete.

Transport and carparking

30. The Reference Plan sets a direction as at 2019. The project will evolve and change over the development timeframe. Nevertheless, it anticipates:
 - a. improvements to public transport, particularly along Carrington Road, and the North-West light rail line;
 - b. increased levels of alternative transport modes, and priority for these modes where possible, including walking, cycling and e-mobility (such as scooters);
 - c. shared cars, and carparking, with the proportion of carparks to decrease across the lifetime of the project. The transport consultant contributing to the project noted for every 100 fewer cars at the Site there could be at least 200 more dwellings in density.
31.  s 9(2)(j)
32. Detailed work on the effects of the development on the surrounding network was beyond the scope of the work on the Reference Plan. There are likely to be costs to improve the surrounding transport network to mitigate adverse effects from the increase in residential housing. These will be considered at the next stage of development, including through the Integrated Transport Assessment, which is an Auckland Unitary Plan requirement.

Next steps: Master-planning

33. The Reference Plan provides a starting point for more detailed master-planning. Master-planning will test the assumptions in the Reference Plan and gather more information to support the design, including:
- a. testing the geotechnical constraints of the Site. High-level testing suggests a mix of good, fair and poor ground conditions, which adds considerable risk to the proposition for multi-storey buildings;
 - b. designing traffic solutions to support the residential growth on the Site;
 - c. the extent of the upgrades needed to the Site infrastructure;
 - d. a more comprehensive understanding of the levels of contamination across the Site; and
 - e. assessing the existing buildings on the Site for retention, adaptation, removal or demolition.

34. s 9(2)(b)(ii)

Treaty settlement commitments

35. I intend the development at the Unitec Site to honour the Treaty settlement commitments made to Ngā Mana Whenua o Tāmaki Makaurau, who have development rights to the Site, under the terms of their 2014 settlement. The Crown and Ngā Mana Whenua o Tāmaki Makaurau are discussing high-level governance arrangements for the Site, which will involve:
- a. a Crown oversight group responsible for ensuring that the next level of development planning follows the parameters in the Reference Plan. Iwi/hapū have advised this role should be performed by the Crown, to maintain a line of engagement direct to Ministers. s 9(2)(f)(iv)
 - b. detailed governance arrangements with each of the three rūpū within Ngā Mana Whenua o Tāmaki Makaurau, s 9(2)(j)

36. s 9(2)(j)

Development staging and Crown investment

37. s 9(2)(j)

s 9(2)(j)

38.

s 9(2)(f)(iv)

39.

s 9(2)(f)(iv)

40. Staging across the balance of the Site will involve more detailed consideration of the timing and level of Auckland Council Controlled Organisation investment in the network, including the widening of Carrington Road, and the completion of the Central Interceptor for wastewater. These projects are critical to the delivery of housing at the Site.

41.

s 9(2)(f)(iv)

s 9(2)(j)

Potential acquisitions

43. The Reference Plan has been developed for the Crown's current landholdings, as well as land that may be able to be acquired in the short to medium term from the Unitec Institute of Technology and Norak Properties Limited (the Taylor's Laundry site).

Unitec Institute of Technology

44. Unitec Institute of Technology has retained approximately 24.1 ha of land after the sale of 29.3 ha to the Programme but continues to review its land holding requirements. In the short term there is the potential to acquire an additional s 9(2)(i) from the Unitec Institute of Technology (the F and B Blocks). s 9(2)(i)

Norak Properties Limited

45. The Reference Plan also includes a plan which illustrates the potential for housing development at Taylor's Laundry, which is approximately 2.5 ha. This land is privately owned by Norak Properties Limited. Taylor's Laundry currently breaks up the Site and therefore the proposed residential development. If it could be purchased, this would increase housing yield and support the objectives of the overall design.

46. s 9(2)(j)

47.

Mason Clinic

48. The Programme's purchase of the Site was subject to the resolution of the Waitematā District Health Board's interest in acquiring approximately 2.8 ha of land for the Mason Clinic expansion. The Programme and Waitematā District Health Board have agreed the location of this land, and this is reflected in the Reference Plan. Sale and purchase negotiations are close to finalisation.

Stakeholder engagement and announcements

49. The Site is part of a large, engaged community which will be interested in the Reference Plan and development plans. A housing development at Unitec was anticipated through the Auckland Unitary Plan, and I have previously publicly signalled my significant level of ambition for the Site.

50. Ahead of announcing the Reference Plan, I intend to engage with, among others:

- a. local MPs including the MPs for Mt Albert, Kelston and Tāmaki Makaurau;
- b. Auckland Council stakeholders, including the Mayor, the Local Board and key Council Controlled Organisations;
- c. Unitec Institute of Technology;
- d. the Waitematā District Health Board on behalf of the Mason Clinic; and
- e. representatives of local residents.

51. I will advise relevant portfolio Ministers' of Finance, Infrastructure and Land Information before making the public announcement. I will also liaise with the Minister of Health on the Mason Clinic expansion, as the release of the Reference Plan will make this public (if it has not been announced previously).

52. Draft key messages for the public release of the Reference Plan are attached as Annex 3.

Consultation

53. Treasury, Land Information New Zealand, Ministry of Education, Ministry for the Environment, Ministry of Culture and Heritage, Ministry of Health, Ministry of Transport and Te Arawhiti: the Office for Māori Crown Relations have been consulted and their comments addressed. The Department of Prime Minister and Cabinet has been informed.

Treaty of Waitangi implications

54. The Crown's Treaty settlement obligations at the Site include a Right of First Refusal and the Department of Building and Housing Protocol under the Ngā Mana Whenua o Tāmaki Makaurau Redress Deed 2012 and Act 2014. Ngā Mana Whenua o Tāmaki Makaurau rights and Crown obligations are not affected by the decisions sought in this paper.
55. The Crown has unsettled historical Treaty of Waitangi claims in the wider Auckland area. Te Arawhiti: the Office for Maori Crown Relations advises the Site is not under active consideration for use in Treaty settlement.

Financial implications

56. This paper has no financial implications.

Legislative Implications

57. This proposal has no impacts on legislation or regulation.

Impact Analysis

58. The Impact Analysis requirements do not apply to this proposal.

Human Rights

59. This proposal is consistent with the rights and freedoms contained in the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993.

Publicity

60. I intend to announce the Reference Plan once the stakeholder engagement discussed above is complete.

Proactive release

61. I intend to proactively release this paper on the Ministry of Housing and Urban Development website with redactions as appropriate under the Official Information Act 1982 and once announcements have been made.

Recommendations

62. The Minister of Housing and Urban Development recommends that Cabinet:


1. **note** the Crown holds 29.3 hectares of land adjacent to the Unitec Institute of Technology in Mt Albert for state housing purposes;
2. **note** that a Reference Plan has been jointly developed between the Crown and Ngā Mana Whenua o Tāmaki Makaurau, which provides for the residential development of between 2,500 and 4,000+ houses, with an Auckland Unitary Plan compliant baseline of between 2,500 and 3,000 dwellings on the current land held for state housing purposes;
3. **note** I intend to progress bespoke arrangements for the development of the site, to reflect the high level ambition of the Crown and iwi/ hapū;
4. **agree** to the public release of the Reference Plan, attached as Annex 1, following the completion of engagement with stakeholders;
5. **agree** to the Crown progressing negotiations with Norak Properties Limited for the potential acquisition of the Taylor's Laundry site s 9(2)(j)
[REDACTED]
6. **note** the Crown also intends to complete negotiations with the Unitec Institute of Technology for the purchase of its F and B Blocks;
7. s 9(2)(j)
[REDACTED]
8. [REDACTED]
9. s 9(2)(f)(iv)
[REDACTED]

Authorised for lodgement
Hon Phil Twyford
Minister of Housing and Urban Development

ANNEX 1: REFERENCE PLAN

ANNEX 2: OVERVIEW OF FUTURE DECISIONS FOR MINISTERS

s 9(2)(f)(iv)



ANNEX 3: DRAFT KEY MESSAGES FOR RELEASE OF REFERENCE PLAN

The Reference Plan has been developed jointly by Ngā Mana Whenua o Tāmaki Makaurau and the Crown.

Its vision is “a true partnership to establish inclusive, sustainable communities and world class city building through vibrant and innovative placemaking.”

This site has the scale to create a new urban form to create a thriving urban community.

The Reference Plan creates a series of precincts, or distinct neighbourhoods, which will have a range of housing typologies, tenure and pricing options. It proposes between 2,500 and 4000+ dwellings in medium to high density to be supported by high natural and built amenity and internal and external connectivity.

In time the development will support a large, diverse community that will have ready access to transport, schools, shops, places of work and recreation. Placemaking will enable local residents and the public to experience the distinctive character of the Site, including its open space and historic buildings.

The urban development on the site will honour its cultural heritage, including the history of the site as a place of gardening and gathering. The Reference Plan proposes the restoration of Wairaka Stream, and improved connections between the site and Te Auaunga (Oakley Creek). It includes a generous provision of public and communal space, and protects significant trees. It prioritises routes through the Site for cycling, walking and alternative modes of transport, with the objective to reduce the need for a private car over time. It will support an increased investment in public transport to and from the CBD and wider Auckland.

The Unitec site development is a long term project that will be realised over 15 + years. Over that time the direction set by the Reference Plan will be adapted and modified, to respond to the needs of the city.

Ngā Mana Whenua o Tāmaki Makaurau and the Crown will now move into the next phase of the project, including formalising the plans for the first houses on the Site.

ANNEX 4: POTENTIAL ISSUES AND MITIGATIONS

Potential issue	Mitigations
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s 9(2)(j)



s 9(2)(j)

s 9(2)(j)

