

Land Supply Review 2007-2027

Final
Framework for Growth

March 2008

(updated May 2008 with Waitara Addendum)



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Introduction

The Land Supply Review was initiated in 2006 in response to recent economic and household growth. The review aims to address the supply of residential and employment land in New Plymouth/Bell Block and in those other towns which currently have residential zoning and have the physical potential to grow. This included Waitara, Inglewood, Okato, Onaero, Lepperton and Egmont Village. Oakura and Urenui were considered separately through the Coastal Strategy Structure Plans. The review has also considered the need for further employment land in the larger towns of New Plymouth, Bell Block, Waitara and Inglewood.

This Framework for Growth document sets out the recommended growth direction for urban expansion land in the district. The Framework will provide the context for future council decisions related to managing residential and commercial growth for the next 20 years and ensuring that council funded infrastructure is delivered in a timely manner based on these priorities. Having an adopted Framework for Growth will also provide the council with the necessary direction and context for assessing private plan changes.

The Framework builds on the comments received to the Discussion and Options Papers (April 2007) and the Draft Framework for Growth (September 2007).

Background

Both the Resource Management Act and the Local Government Act require councils to provide for the needs of the communities through the sustainable management of land and resources. This review is the first since the District Plan was notified for submissions in 1998 and the first comprehensive review of land supply since the district council came into being in 1989. Through this review it is hoped that sufficient

residential and industrial land will be identified to meet the expectations of the community for the next 20 years. Ongoing monitoring will ensure that if growth exceeds expectations there will be an opportunity for further review within 10 years in accordance with sound resource management practice.

Assumptions and guiding principles

In undertaking this review a number of assumptions have been made about the type of development demand likely in future years. These assumptions are based on facts and trends over recent years.

For residential land the basic assumptions which have informed the review are:

- The population and household trends used to inform the Community Plan 2006-2016 are a valid starting point and provide a realistic basis for future planning. These facts have been underpinned by the 2006 census as the upper end of the growth range.
- The demand for new houses is influenced primarily by changing household demographics. The average number of people per household is declining. In the census period from 1991 to 2006 the population increased by 2.5 per cent and the number of households by 12.5 per cent. This accounted for 2,800 of the new households formed during this period.
- A compact urban form is desirable to ensure the efficient use of land. Urban development should be focussed into or immediately around existing towns where services and infrastructure exist, or can be efficiently provided. Compact towns also encourage a density of population necessary to support alternative passenger transport and local services.

- The distribution of households will continue to follow the patterns of the recent past with the majority of the demand being for homes within New Plymouth and Bell Block and with lesser, but some, demand across the district's towns. The social infrastructure (schools, healthcare etc) and employment are focussed primarily in New Plymouth/Bell Block and growth is best focussed within these areas.
- The identification of suitable land will take into account physical constraints and potential hazards. Land which is in a hazard zone, liable to flooding or unstable will not be promoted for development.
- There is an inter-relationship of land use and transport planning, each informing the other. The Land Supply Review will continue to inform the ongoing Strategic Roding Study which in turn will affect calculations of traffic on the highway network and the timeframes for developing land.
- There will continue to be a demand for infill housing. As the population ages and fuel costs rise, compact towns are desirable to many. However, infill land cannot be forced. It relies on current landowners wishing to subdivide and the community as a whole being comfortable with a denser form of development. Consequently, for this study it is assumed that infill trends will remain at around one third of all new subdivisions (for New Plymouth/Bell Block) and less (as current trends) in the smaller towns. This is based on analysis of data for recent years. The council will continue to monitor this trend and review the provisions for infill.
- An assumption is made that demand for rural development will also remain. Currently around a quarter of all new homes are in rural areas with a focus on land around the towns, especially land close to New Plymouth. A rural review is proposed to assess the implications of rural subdivision to establish whether all rural areas have the capacity to accept the current level of demand. A Rural Issues Discussion Paper is being prepared for consultation in 2008.
- Population age has some influence on the housing choices people make and there has been a national trend towards retirement villages which can occupy large areas of land. Choice is also influenced by increased life expectancy, health, mobility and income thus retirement does not equal retirement home. However, many people choose to stay in standard family homes into their eighties and nineties. In planning for land supply there needs to be a recognition that demand may change without forcing this change through limiting supply.
- All new residential land will be subject to the same rules as the current residential environment area for that town. So in New Plymouth, Bell Block, Waitara and Inglewood new residential land will be environment area Residential A. In Okato, Onaero and Egmont Village any new residential land will be environment area Residential C in recognition of both the character of these areas and that each new dwelling will need to make on site arrangements for sewage disposal.
- Based on past trends, demand is for larger sites than the minimum lot areas in the District Plan. For Residential A and C this is a reflection of household choice and the often challenging topography. In calculating the need for land it has been assumed that the market choice as represented through past trends will prevail rather than the imposition of a maximum lot size.

- Full consideration will be given to protecting important natural and cultural features. Investigation of issues will inform Plan Changes.
- Further investigation, including a structure planned approach for the larger growth areas, will precede any plan changes.

The changing population patterns have also been accompanied by a restructuring within the business and industrial sectors. Increased spending power has given business the confidence to invest in new premises driving increased demand for industrial land (especially to the east of New Plymouth) and supporting a rise in land values for the first time in over a decade. Although demand has been for industrial land, this reflects location rather than activity with much of the investment being for more commercial uses. In terms of industrial/business (employment) land the following assumptions have been made:

- Approximately 38 hectares of employment land is needed for the next 20 years, however, demand for land will be reasonably finite. Current demand is based on a restructuring of existing business and changing land values rather than inward investment.
- Local industry is changing to become more service based with growth in retail and wholesale trade, professional services and oil and gas based industries. Traditional manufacturing is not growing significantly at present although investment and restructuring is occurring in some industries.
- Industrial/business land needs to be well related to the strategic highway network, reasonably flat and close to the workforce.

- New industrial areas will be zoned under current industrial environment area rules. Under the current District Plan rules, land identified for industry may also be appropriate for commercial development depending on the nature of the effects.

As such the review has identified the need to plan for future light industrial/business land rather than general industrial land.

Strategic Direction and Policy Integration

In establishing the Framework for Growth, the council has taken a long term and strategic view and identified sufficient land for the next 20 years. In identifying this land the council has also considered longer term growth (post 2027) and the resulting overall urban form of the district's towns. The long term view will provide certainty to the community and developers and a basis against which to assess any future applications by private individuals to rezone land. This long term and strategic approach will also ensure that infrastructure projects are planned and budget allocations are directed where needed.

Good planning requires an integration of land use, transport, social and economic policy. In acknowledgement of this the council is also pursuing other studies and actions in parallel to the Land Supply Review. This includes:

- The Joint Strategic Transport Study being undertaken in collaboration with Transit NZ by Traffic Design Group. This study is due to be completed in early 2008 and will provide a number of recommendations for improvements to the state highway network including crossing the Waiwhakaiho River and other specific projects primarily in the Bell Block area.
- A Memorandum of Understanding (MOU) between New Plymouth District Council and Transit NZ to promote the completion of a complementary hierarchical network of roads in the vicinity of the Bell Block Bypass so as to protect the functionality of the State Highway as a major arterial in the area. This involves completion of alternative links, closing off and minimising road access points as well as individual lot accesses onto the state highway.
- Parallel to the Strategic Transport Study and MOU, the council has an alternative vision for the future to minimise car use and is progressing a Strategic Sustainable Transport Study applying Travel Demand Management. An application for funding has been put to Transport Research and Educational Trust. There is also ongoing co-operation with Taranaki Regional Council in promoting better utilization of public transport.
- A local Cycling Strategy (as part of the Regional Walkways and Cycling Strategy for Taranaki) which includes extending the coastal walkway to link Bell Block with Fitzroy as part of the Bell Block Bypass development within the next one to two years.
- The quality and location of open space, recreation and leisure provision including improved connectivity for footpaths and cycleways.
- Providing for cemetery needs.
- A review of the assumptions relating to the availability of infill opportunities and the ongoing ability of the rural environment to absorb further residential demand (Rural Review).
- Working with the Ministry of Education to ensure that any capacity issues resulting from residential land zoning is addressed. Currently there is sufficient capacity in the district's schools; however, parental choice has meant that some schools have enrolment policies whilst others are under capacity.
- As land is developed, and the population in the new areas grows, there may be a need for further development of existing or new commercial centres. Typically, local service providers and retailers will establish when it is viable for them to do so. The council will continue to review these needs in the main growth areas of New Plymouth/Bell Block and within Waitara and Inglewood.

Residential and Industrial Growth Recommendations

Land requirements

The demand for new residential development fluctuates from year to year. However, by taking a look at the longer term development trends it is possible to derive an annual average. The data confirms that in the last 10 years 2,800 additional households were recorded for the district. This equates to an average of 280 additional households each year. In the next 20 years it is predicted that between 250 and 300 new homes will be built each year throughout the district. This equates to an additional 5,000 to 6,000 households district-wide over the next 20 years.

Based on trend analysis it is assumed that in the future approximately 80 per cent of growth will be in the urban areas and 20 per cent in rural areas (slightly below the current 25 per cent). On this basis in the 20 years to 2027, 4,000 to 4,800 homes will be in the urban areas (3,000 to 3,200 in New Plymouth and Bell Block with the remaining 1,000 to 1,600 split between all the other towns). Of this urban demand some households will be accommodated through infill development within the existing residential areas.

Overall it is assumed that:

- 1,000 of the New Plymouth/Bell Block households will be accommodated through infill development within the existing residential areas and approximately 850 households can be accommodated on currently zoned land. The additional demand for approximately 1,200 to 1,400 new homes will need to be met through the re-zoning of future growth areas.

- Approximately one third of the new households in both Waitara and Inglewood will be accommodated through infill development within the existing residential areas on currently zoned land. The remaining two thirds (approximately 150) households will be accommodated through the re-zoning of future growth areas.
- In the smaller communities there is very little opportunity for infill. The larger lot sizes are necessary for the on-site sewerage systems and also have a role in the character of these smaller communities. Future development will need to be through the rezoning of rural land; however, growth levels will remain low at an average of one or two new households per year.

In summary the total requirement for residential land is:

- 250 hectares of residential land in New Plymouth/Bell Block.
- 17 hectares in both Waitara and Inglewood.
- 5.3 hectares in Okato.
- 2.7 hectares in Onaero, Lepperton and Egmont Village.
- Plus land in Oakura and Urenui as identified through the Coastal Strategy structure planning process.

In most towns there is existing residential zoned land which can be deducted from these figures. Thus in each town the actual greenfield land requirement until 2027 (as updated June 2007) is in the following range:

- 120 - 150 hectares additional residential land in New Plymouth/Bell Block.
- 5 - 15 hectares additional residential land in Waitara.
- 2 - 3 hectares additional residential land in Onaero.

- 1.5 hectares additional residential land in Lepperton.
- 2 hectares additional residential land in Egmont Village.
- 5 - 15 hectares additional residential land in Inglewood.
- 0 hectares additional residential land in Okato (however there is an opportunity for Okato to grow at a faster rate to support the existing school and services).

The recommendations for growth

The Land Supply Review has considered all options for residential expansion that would meet the criteria for compact towns. The Discussion and Options Papers published in April 2007 presented the best options for growth in each area. The comments received from landowners, stakeholders and the community resulted in recommended growth areas being identified in the Draft Framework for Growth. Following consultation, submissions and a Hearing held on 11 December 2007, these recommendations were further refined and are shown on maps 1H-9H in this report.

Each of these areas will be investigated further with a view to updating the District Plan through Plan Changes.

▪ **New Plymouth/Bell Block**

Looking to the future, New Plymouth and Bell Block need to be treated as one market both for residential land and for industrial/commercial land. The two areas together are currently the focus of residential growth for the district as a whole and the primary location for growth in employment and commercial land.

Based on June 2007 calculations a total of 120-150 hectares is required until 2027. This range allows flexibility in defining the appropriate boundaries for each growth area as the preferred options are developed further.

The areas identified below should be sufficient for a 30 year period. However, it is appropriate that we plan for this longer term now given the need to integrate the long term transport solutions with land use planning.

- **New Plymouth south and west**

To the south and west of New Plymouth there is already more than 60 hectares of zoned residential land, although some is already committed for development. It is recommended that the following three areas are identified to supplement land in this area and to provide short to medium term options for council initiated plan changes. Together these three areas provide an additional 94 hectares of residential land.

- a) Approximately 90 hectares being 20 hectares west of Cowling Road (Area E1 on Map 1H) extending from the current urban boundary to the transmission lines (retaining a buffer zone), and about 70 hectares to the east of Cowling Road across to Frankley Road (Area E1 and E2 on Map 1H) extending from the current urban boundary to a line around parallel with Patterson Road. This land is elevated with good views and is close to schools, shops on Tukapa Street and the Barrett Domain. The topography of some land within this broad strategic area will not be suitable for residential development. The exact extent of suitable residential land will need to be determined through a structure plan.

- b) A 2 hectare section on Barrett Road (Area D on Map 1H) to consolidate the current split zoning on a single title to the west of Barrett Road. The concept plan will provide for enhanced protection of the Significant Natural Area (SNA) and provide recreational linkages through the residential area opening up access to the SNA.
- c) The 18.5 hectares of land rezoned following approval of a Private Plan Change lodged by Hawkswood Park Ltd, plus two additional adjacent areas (about 2 and 1.4 hectares respectively - Area H Map 1H).

- New Plymouth East/Bell Block

To minimise journey times to work and to services, it is sensible that future residential expansion areas are focussed to the east of New Plymouth and around Bell Block. It is recognised that any developments east of the Waiwhakaiho River will result in additional demands being placed on the highway network. However, by identifying these areas now the impacts of this additional traffic can be planned for in upgrades to the network.

For all of the areas in New Plymouth East/Bell Block, an archaeological assessment is necessary to ensure important cultural and historic sites are identified and adequately protected.

- d) In the short to medium term Area Q (Map 1H) between Wills Road, Devon Road and Airport Drive will provide about 105 hectares of land. This area will need to be structure planned to ensure proper planning of the wider area. Further investigation is needed of extent, phasing and implications for the two existing poultry businesses and

airport operations. There is also a need to ensure that Airport Drive and Devon Road remain as entrance gateways to the city. As a result there will need to be a landscape buffer (beautification strip) and access to new subdivisions will need to be via an internal roading network. Further investigation is also needed in terms of roading pattern, open space and identification of archaeological or waahi tapu sites.

In the medium term:

- e) Employment land will also be provided for in the Bell Block Area between the rail corridor and alignment of the Bell Block bypass to the east of Egmont Road/west of Henwood Road (Area N on Map 1H). This will consolidate businesses in the Bell Block area where the benefits of co-location occur and where there is reasonably flat land close to the transport network. This location is appropriate for light industrial/business type uses. Access to this land would need to be from a secondary roading network. Area N comprises about 76 hectares and so should provide sufficient employment land until 2027. (Note that a Private Plan Change lodged by Graphite Management Ltd was approved by council in September 2007 to rezone part of area N to industrial C. This is currently under Appeal by the applicant.).

In the longer term:

- f) The Smart Road area (Areas K, L and S on Map 1H) will provide the opportunity for a well planned new suburb. This area is well placed between New Plymouth CBD and services (schools, leisure activities etc) and the employment

areas at Bell Block. It is also located adjacent to the strategic road network as well as being close to the main water and wastewater treatment plants. It is proposed that this area is comprehensively addressed with a structure plan prepared for the entire area. Through a structure planned approach it should be possible to protect elements of landscape quality, consider non-standard solutions and provide for phased development. There is more than 350 hectares of land in this area (gross land area) and this could provide sufficient land in the period from 2012-2037.

g) In a similar timeframe land immediately to the south of the railway between Egmont and Henwood roads could also provide an expansion area for Bell Block in addition to Smart Road (area south of N on map 1H). Further investigation is required before identifying the need or suitability of this area.

▪ **Waitara**

In Waitara there is the opportunity to provide for and encourage growth. The town has existing schools and services and there are sufficient options for residential development. In addition to the two areas identified below, an additional investigation will be carried out to identify if there is further land suitable for residential development in Waitara (now attached as Addendum I).

h) The north-eastern portion of Armstrong Ave (Area A on Map 4H) will provide approximately 7 hectares of Residential A land adjacent to the existing urban area.

i) Land north of Bayly St (Area B on Map 4H) is identified as a future residential area. By identifying the land now the council has signalled that this land (about 62 hectares) is the best option for the future growth of Waitara.

▪ **Onaero**

j) In Onaero land has been identified adjacent to the northern end of Onaero Beach Road (Areas B and C on Map 5H). The location of the land (about 3.5 hectares) will maintain a compact urban form in this small coastal community.

▪ **Lepperton**

It is recommended that none of the option areas are included in this Framework for Growth. There is no immediate need for land as sufficient residential zoned land is available for the short term. There were also concerns raised by Tegel and Taranaki Regional Council based on the implications for the poultry industry in this area. Future changes in the poultry industry would allow the reconsideration of the option areas if the landowners wish to develop their land.

▪ **Egmont Village**

k) Land to the west of Egmont Road on the northern side of the town Area B2 (Map 7H) is identified as a future urban area (about 7 hectares). This area may have ground conditions that require the introduction of a larger minimum lot size. This will be further investigated prior to a plan change.

▪ **Inglewood**

In Inglewood there is the opportunity to provide for and encourage growth. The town has existing schools and services and there are sufficient options for residential development. It is recommended that the following areas are rezoned to Residential A.

l) The land to the west of Miro St (Area A on Map 8H) provides 12 hectares of land.

m) Northern portions of both Areas B and C adjacent to Maire St (Map 8H) together providing approximately 7 hectares of land.

▪ **Okato**

n) 13 hectares of land to the north east edge of Okato (Area C on Map 9H) be identified as a future residential area. The location of the land will maintain a compact urban form in this small community yet provide the opportunity for growth over the next 20 years.

Timeframes and Next Steps

The Land Supply Review has been broken down into three broad stages:

- Stage 1 Technical Assessments and preparation of a Discussion Paper (2006/07).
- Stage 2 Options and consultation (2007).
- Stage 3 Adoption of Framework for Growth followed by Plan Change processes (2008/09).

Stages 1 and 2 are now complete. Stage 3 will commence in 2008 with individual plan changes phased to start over the next two years.

In concluding stages 1 and 2, the council have endorsed a strategy for growth for all the urban settlements in the district, including Oakura and Urenui (structure plans adopted August 2006). It is intended that the implementation of the growth elements of these two structure plans will be sequenced alongside the towns identified in the Framework for Growth.

In addition to the Framework for Growth, an additional investigation will be carried out to identify if there is further land suitable for residential development in Waitara (now attached as Addendum I).

Next steps - the Plan Changes

It is proposed that the preparation of the plan changes will be phased over the next 12 - 24 months depending on demand, complexity of the issues and other policy commitments. Some of the options will require extensive structure planning and are likely to be subject to a longer timeframe.

The provisional prioritisation of the plan changes is as follows:

- Phase 1 (high priority) – Incorporation of *Framework for Growth* into the District Plan and Plan Changes for New Plymouth/Bell Block residential land (Areas D, E, H and Q), Waitara (Area A), Inglewood (A, B and C) and Oakura (Coastal Strategy Structure Plan).
- Phase 2 (medium priority) – New Plymouth employment land (area N), Urenui and Onaero.
- Phase 3 (future growth areas) – Waitara (area B) and Smart Road structure planning (Note will also consider the inclusion of land immediately to the south of area N), Egmont Village and Okato.

For the high priority areas it is intended that structure planning will start immediately (April 2008). Medium priority areas will follow with structure planning phased to start later in 2008 through to 2009. The timeframes will be influenced by the complexity of the detailed issues still to resolve. These timeframes, especially for New Plymouth and Bell Block are also dependent on progress with improvements to the roading network.

Following approval of a plan change landowners will then need to submit resource consents for subdivision and ground works and undertake the basic infrastructure works. On average this takes one to two years before any homes are built.

Once the subdivision is available for sale, the building consent process and house construction generally takes a further six to ten months. It is unlikely that any households will be living in the new growth areas until 2010.

These timeframes, especially for New Plymouth and Bell Block are also dependent on progress with improvements to the roading network. An update on timeframes will be appropriate once the Strategic Roding Study is complete in early 2008.

Appendix A: Maps of Recommended Growth Areas