



Feedback to the Mangere-Otahuhu Board on the Unitary Plan

4th June 2013

1.0 Background.

Studio D4 (SD4) have carried Unitary Plan Review and property development advice consultancy for the Manurewa, Papakura and Howick Local Boards during Sept-Nov 2012 and again in March –June 2013, since the release of the Unitary Plan draft on 15th March 2013. On the basis of this work, Carol McKenzie-Rex has requested SD4 provide similar consultancy assistance for the Mangere – Otahuhu and Otara – Papatoetoe Boards.

Auckland Council's Local Board Services Department (LBSD) is coordinating the Council's Local Board Advisors and the external consultants on the Unitary Plan Review work. On 27 May 2013, LBSD provided a brief for all external consultants (such as SD4) who are assisting the 21 Auckland Boards. Each Board area has now had external consultants appointed.

For the Auckland Plan and the Unitary Plan, SD4's area of specialist expertise is assisting Council and it's Local Boards in better understanding the property industry's likely response to the new Unitary Plan, once put in place. SD4 has assisted Council Local Boards in interpreting the new Unitary Plan's Policies and Objectives, and how the property industry will likely respond to the new Rules. SD4 has also provided Planning assistance, although this is not our core business.

Tattico Ltd are another consultancy that has been appointed by LBSD to cover approx. ½ the Board areas. Tattico's main area of expertise is strategy and policy advice, especially in Local Body Planning. To optimize service to each of the Local Board's and with LBSD's assistance, Tattico and SD4 will now "share" consultancy advice to each Board, with Tattico taking the lead coordinating role, and with SD4 focusing on providing each Board strategic property advice, and advice on various future growth scenarios.

SD4 will still complete the initial review for the Mangere – Otahuhu and Otara – Papatoetoe Boards, as provided within this document.

2.0 Initial Items to Review prior to 5th June Board Meetings.

Studio D4 (SD4) held an initial Unitary Plan Review meeting with Carol McKenzie-Rex and Neil Taylor on 23rd May. At this meeting, and follow up emails, SD4 have been asked to provide comments on the following items for the 5th June Board Workshop Sessions:

- 1. Review the Mangere – Otahuhu Area Plan relative to the new Unitary Plan draft, and provide comment on whether the Area Plan intent has been satisfied and / or there have been any changes in the latest Unitary Plan draft.**
- 2. Review the Mangere-Otahuhu Unitary Plan Local Board Feedback document (File No.: CP2012/21938), dated 28 November 2012, and provide comment on whether the Recommendations provided by the Mangere-Otahuhu Local Board (MOLB) has been followed within the draft Unitary Plan documents.**
- 3. Review the Unitary Plan draft for Mangere-Otahuhu and provide any relevant property development feedback, especially in relation to the viability of development chance, within the various areas.**
- 4. Where there are areas of intended growth shown, and where there are likely to be market viability difficulties, provide comments on enablers which maybe future catalysts for quality development in the desired areas.**

3.0 Comparison of the Mangere–Otahuhu Unitary Plan and Area Plan

3.1 Comparison of the Planning Maps

The Planning Maps are almost identical, from the earlier Area Plan, to the latest Unitary Plan draft. The “Zoning terminology” used in the Area Plan has been carried forward into the Unitary Plan “Legend”, so the look and feel of the Maps are very similar. From very careful review, the following were the only changes seen:

- a. 15 properties at 134-138 Favona Rd and 1-19 Norana Ave were shown in the Area Plan to have a Terrace Housing and Apartment Building Zoning. The Unitary Plan has these 15 properties shown as “Single House” Zone.

SD4 Comment: We believe these properties should be “Terrace Housing and Apartment Zone”. The Single House zone was not generally intended for properties of this nature. The 15 properties are immediately adjacent a new distribution facility built at 124 Favona Rd and are part of the Norana Ave Peninsula which is all now up-zoned as Apartment and Terrace Housing. The property (land) values are low in this sub-precinct, with relatively minimal improvements to the 15 properties. With strong urban design controls, the Norana Ave Peninsula could offer a highly attractive re-development proposition.

- b. The Area Plan shows all the education facilities in a light blue-grey colour with an “E” in a square box. The new draft Unitary Plan shows almost all of these properties as being part of a residential zone.

SD4 Comment: The underlying zoning of these education facilities were probably residential, however care must be taken when reviewing the development potential of residentially zoned land, which include education facilities. Sometimes education facilities do sell off "surplus" land, that can be used for residential, but not often. With the intended population growth for most of Auckland, it will be infrequent that schools (or parks and reserves) will have a change of use.

4.0 Review of the Mangere–Otahuhu Unitary Plan Local Board Feedback document, dated 28th November 2012.

SD4 will provide the MOLB feedback on the various points within the document provided, where they relate to specific property and planning matters:

- 5a) On the Historic Heritage and Historic Character Package:
- i) That the Mangere Otahuhu Board be involved and consulted with at the time of investigating and assessing the historic character areas of Mangere Otahuhu
 - ii) That retaining Maori, Pacific and early settler heritage is critical as it gives distinctive character to the place.

SD4 Comment: The general intent has been to support the historic heritage and character, especially retaining Maori and Pacific early settler heritage. Further work will need to continue to ensure specific protection areas are maintained (this is generally beyond SD4's normal services provision role)

12. The Mangere-Otahuhu Board supports the general approach to reduced number of residential zones. The Board notes that there are three types of living options identified for the area. These will lead to a range of housing options – single, mixed and terraced and apartment housing. The Board is of the view that quality and good design for housing is particularly important as is making available suitable housing options. In addition, maintaining adequate green spaces will be essential in planning for liveability.

SD4 Comment: The 3 urban residential zones have been maintained as described above.

14. The Mangere-Otahuhu Board places priority on single house typology, followed by mixed housing. Interfacing of housing types is critical with the introduction of terraced housing and apartments of up to four and eight storeys. Mixed housing is preferred as it suits the cultural needs, different age groups, families that are large and most importantly for affordable options.

SD4 Comment: The locations of single house zones and mixed house zones have been retained in the draft Unitary Plan in the exact same locations as the Area Plan Maps. The single house zone will require sites of at least 1,000m² before any further subdivision can occur, so SD4 are of the view that the single house zone will be very restrictive to owners and developers to provide extra housing capacity. The mixed housing zone covers approximately 65% of the residentially zoned land within the MOLB area. SD4 agrees this will provide substantial housing growth opportunity for the Mangere-Otahuhu area.

26. Key sites for Town Centre developments are the Mangere Bridge Local Centre and environs, Mangere Town Centre, and Ascot Business Area. Intensification through mixed zoning can stimulate growth in the area.

SD4 Comment: Maori and Pacifica people have not been naturally attracted to multi-storey residential intensification product, since its widespread introduction in the Auckland residential market in the last 15-18 years. Residential intensification throughout the Mangere – Otahuhu area needs to take great account of the preferences of the likely occupiers of the intensification provided. Ie Developers will take very close account of the MOLB quote in item 14 above:

“Mixed housing is preferred as it suits the cultural needs, different age groups, families that are large and most importantly for affordable options”.

SD4 are of the view that it will be extremely difficult for multi-storey apartment buildings to be viable in the Mangere – Otahuhu area within the next 10-20 years, and probably beyond, due to the exact points raised by the Mangere – Otahuhu Board above.

SD4 strongly advocate that the design and development community assists the Mangere – Otahuhu community in providing housing typologies that address:

- the cultural needs of the various occupier groupings*
- providing housing for larger families, including extended families.*
- Providing safe, weathertight, comfortable and healthy homes for families whose priority is affordability.*

SD4 is strongly supportive of town centre intensification principles, although SD4 supports the MOLB view that the Mixed Housing zone will provide the greatest opportunity for affordable intensification for the Mangere – Otahuhu residents.

5.0 Review the Mangere–Otahuhu Unitary Plan Draft and provide relevant property development feedback.

SD4 provides the following feedback, in no specific order:

5.1 Mangere Bridge is becoming a market attractive centre

SD4 Comment: The Mangere Bridge neighbourhood is increasing in market attractiveness. The significant prominence of single house zone sites in the west of the peninsula, will make intensification difficult in the general housing areas. This will likely push property values up even further in the single house zone. The town centre will continue to increase in vibrancy, which will in time make terrace house and low rise apartments viable, adjoining the town centre. Perceived neighbourhood safety and security will be the key catalyst for intensification to occur.

5.2 Mangere Town Centre will intensify, but in low-mid rise typologies.

SD4 Comment: SD4 reviewed the development potential of the Mangere Town Centre in late 2011, as part of SD4’s work for AC on the Auckland Plan. The Mangere town centre has a substantial amount of under-developed land nearby the town centre. Property values nearby the town centre are not sufficient for mid rise apartment development to be economically viable, especially as the neighbourhood’s occupants do not have a natural

attraction to mid rise apartments. ie why would a Mangere tenant or purchaser pay more for a 2 bedroom apartment on level 2-4, then they could get a 3 bedroom stand alone house for? Where the Mangere town centre will become very attractive and desirable, is for a mixed housing medium density typology to be provided of 1-2 levels, that suit the cultural needs of the occupiers. Any town centre must be considered "safe and secure" by its potential occupiers, before intensification will be viable.

5.3 The Norana Ave Peninsula intensification is supported.

SD4 Comment: Since the Waste-water treatment plant upgrades of the late 1990's, the Manukau Harbour foreshore has gradually been improving in attractiveness. The James Fletcher Drive occupiers are gradually cleaning up their operations. Norana Ave has been very under-utilised and represents a very good re-development opportunity. SD4 supports the up-zoning of this peninsula, which should be the catalyst for redevelopment. SD4 is aware that Tonga and Samoa Church entities are owners of sizeable parcels of un-developed land in this area. Close liaison with these entities will be required to unlock this residential intensification potential.

5.4 Should the land north of Walmsley and Favona Rd be industrial?

The approx. 40 Hectares of land from 99 Walmsley Rd in the West to Progressive's 80 Favona Rd in the east, and now including the new distribution facility at 124 Favona Rd has had various zonings in the last 10-20 years. Transtasman Properties initiated the re-zoning of land north of Walmsley Rd during the last 5-7 years, from future urban to Business 5. John Sax has since purchased this land. SD4 has provided property consultancy services to various John Sax entities during the last 4 years, including the Walmsley – Favona Rd land, however SD4 has no vested interest in the outcomes of property use on this land.

SD4 Comment: The improving SH20 connectivity at SH1 and within the next few years through to SH16, is adding substantially to the accessibility of this land holding. Transport accessibility is the No.1 catalyst for business land development. This will make this land holding increasingly popular for business land development within the next 5-10 years.

By the same token, the Manukau Harbour is increasing in amenity, and a form of mixed use and / or medium density residential master-planned development would also be suitable, especially considering Auckland residential housing shortages and affordability issues.

On balance, one could contend that with Progressive's substantial improvements on it's 12 Hect site, effectively "the horse has bolted", (for transforming this area from business to residential / mixed-use) and retaining the remainder of the land in a similar business zoned land zoning should prevail.

5.5 SD4's comments on AC's Unitary Plan 3D modeling videos, as it affects Mangere-Otahuhu

As part of the Auckland Council (AC) Capacity for Growth Study work, AC has also just released a series of Unitary Plan 3D modeling videos. Instead of the normal Council process of posting these on the Council website so that they could be clearly viewed by all, they are tucked away on "YouTube", as below:

<http://www.youtube.com/watch?v=7mXgvaHSqfg&list=PLNiuqKCzobSwwvxhdHPqawQy4GPEFW8R9>

So having reviewed the video simulations for Otahuhu (there are none posted for Mangere), SD4 provides the following comments:

- *The base information provided for the 3D modeling is sound. It provides very accurate 3D building shapes of all the existing buildings in the area.*
- *The 3D views are rotated across each of the town centres, the main features are marked and it is very clear to get a good context of each centre.*
- *The buildings and sites of historic character are clearly signposted before the growth projections commence.*
- *The manner in which under-developed sites are prioritized for redevelopment within each centre looks promising.*
- *The new building massing of each of the chosen redevelopment sites appears realistic.*
- *This is where the good news stops. The extent of the re-development shown in three 10 year time periods in a number of the lower socio-economic centres is totally unrealistic.*
- *SD4 has a thorough understanding of the property development fundamentals of the Otahuhu Town Centre. 16 Park Avenue, Otahuhu is for sale as a Mortgagee Auction (the original IRD building). This is a potential office to residential conversion opportunity, turning 4 storeys of office to apartments. This office building has essentially been vacant for some years. As part of this Unitary Plan review, SD4 has considered the merits of this residential conversion. The main issue is that there is very minimal Otahuhu market demand from multi-storey residential occupiers, at anywhere near the rentals and sale price required to make residential multi-storey development viable. (As the MOLB have clearly picked up, most of the Otahuhu residents, are not naturally attracted to multi-level apartment living). SD4 considers it very unlikely that new 4-6 level buildings would be developed in the Otahuhu town centre in Years 1-10, that 1-2 high rises could be developed in years 11-20 and a few more in years 21-30.*
- *The AC 3D video for Otahuhu show 25 buildings of 4-6 storey developed in years 1-10, another 15 in years 11-20 and a total of 60+ (yes sixty+) 4-6 storey buildings developed in Otahuhu by year 30+. These numerical projections by AC are totally unrealistic.*
- *SD4's major concern is that AC are grossly over-estimating the likely apartment take-up in lower socio-economic town centres, such as Otahuhu.*

5.6 Large parts of Otahuhu are up-zoned: what development is likely to happen?

SD4 Comment: The Otahuhu Town centre is approx. 1.0 km from the nearest rail station, so the town centre can not really be considered as a Rapid transit intensification node. Occupiers of multi-unit residential will also need cars for its main form of transportation. AC has up-zoned nearly all the area between the rail line to the west of Salesyard Rd, upto the town centre 1km to the east, and further east to Hutton St, as either town centre, mixed use or terrace house and apartments. The extent of the intensification upzoning in the Otahuhu area, is the largest of any of the existing town centre areas of the new Auckland Council area.

Whilst we are on Otahuhu, we should also mention that the area east of Hutton St is also upzoned to Mixed Housing, and the Seaside Park Peninsula is also up-zoned to Mixed Housing, with the area adjoining Seaside Park, enabled for terrace housing and apartments.

So what intensification is likely to happen in Otahuhu?

The huge extent of upzoning in Otahuhu, especially as most of Auckland has been “under-done” in terms of up-zoning, will inevitably lead to new residential construction starting at some future stage.

SD4 recommends that strong urban design controls are maintained for the initial intensification proposals, as it will be the quality of the initial proposals, that will drive the overall future attractiveness of the neighbourhood. 2 storey development will still likely be the pre-dominant form, however with creative developers providing increased density, and therefore improved affordability for its occupiers.

SD4 is very bullish on the prospects of the Seaside Park peninsula. I have long been an admirer of the huge natural attraction and amenity of Seaside Park. This Park is substantial in scale and one of Auckland’s best kept secrets. SD4 is of the view that this entire peninsula is under-valued, and intensification has excellent prospects for this precinct.

6.0 Auckland Council early decisions on Heights in intensified areas

At an Auckland Council meeting attended by SD4 and other Local Board Advisory Consultants, on 27th May 2013, The Auckland Council Planning Manager Penny Pirrit, advised that Mayor Len Brown has just initiated a 19th June Workshop to discuss key issues of the Unitary Plan, so that these could be dealt with “early”, with an early public announcement. The main issues centred around height within town centres and heights within the apartment / terrace zones. Specifically which areas should have which height applied?

Up until now Council Planners have provided a classification to various town centres, calling them Principal Centres, Town Centres, Neighbourhood Centres etc. Council Planners have classified each Centre and then applied the relevant height to each depending on their classification. The heights have also then been applied in a general uniform fashion across each centre, excepting height buffering at the interface to residential areas.

Penny Pirrit relayed that it was likely that Council Planners would be applying greater discretion to the application of the heights within various town centres. i.e. There maybe height variances within a centre, if there is a good reason for doing so. Some heights maybe increased, some heights may decrease.

The height in the Otahuhu Town Centre is proposed at 24.5m max, or 6 storeys. There are already buildings of 6-8 storeys within the town centre. SD4 recommend that the 6 storeys is maintained. It is already hard enough to make a new development economically viable in the Otahuhu TC. Retention of the 6 storeys will make development within the town centre more viable, in the long term.

The height in the Mangere Town Centre is proposed at 16.5m or 4 storeys. SD4 is supportive of this height, and sees no reason to attempt to increase these.

It is important that the Mangere - Otahuhu Board take a view on all the proposed heights within the Local Board area, prior to the 19th June workshops. Mayor Brown intends to invite the Local Board Chairmen to this Workshop.