

Feedback on Panuku Development Auckland Urban Development Tools Memorandum

From: Waitematā Local Board

Date: 12 May 2017

Background

David Rankin, Chief Operating Officer of Panuku Development Auckland (“Panuku”), sent a memorandum to the Waitematā Local Board dated 13 April 2017.

This memorandum set out the challenges of urban regeneration created by fragmentation of land parcels. It sought the Board’s views on Panuku seeking delegation under the Public Works Act 1974 for compulsory acquisition and for use of designations under the Resource Management Act 1991.

The Board’s views will be included in a report to the Planning Committee on 6 June 2017.

Waitematā Local Board Feedback:

The Waitematā Local Board provides the following feedback in relation to Panuku’s proposed delegation of urban development tools:

General Principle

1. The Board, in principle, supports Panuku Development Auckland’s proposal to utilise compulsory acquisition under the Public Works Act and designation under the Resource Management Act for spot zoning for urban renewal in each case for specific urban renewal projects. The Board believes that these powers should be utilised only where both the Governing Body and the Local Board or Boards for the area have approved the proposal for the specific area of a town centre or suburb after consideration of the business case and evidence of it being adequately resourced and a strategic priority.

Need to Utilise these Urban Development Tools

2. Auckland Council and Panuku need to take appropriate actions to ensure that the provision of housing, particularly of affordable housing, and other co-ordinated urban renewal actually happens promptly in appropriate town centres and transport-oriented developments provided for in the Unitary Plan. The lack of appropriately located affordable housing, traffic congestion and declining town centres make such action compelling. In many cases fragmented ownership and variable lease periods are the major restraint on this happening. Therefore, Council should support these tools being utilised.

Why Panuku

3. Council amalgamated Auckland Council Property Limited and Waterfront Auckland to create Panuku, a CCO specifically established to take the lead on property development on behalf of Council and its residents and businesses. It is always an option for Council to either bring this role in-house or to contract it out. Political support remains strong for Panuku to carry out this role and it should not be inappropriately constrained in carrying out this role effectively. With this structure and role, it is inappropriate and would be counterproductive for Council to decide on each small property purchase, provided that Council and the relevant Local Board or Boards had ensured they had set appropriate guidelines and clear limits and restraints on the exercising of statutory powers.

Appropriate Constraints on Panuku in these Roles

4. In terms of designations, this is clearly a Council role and it should continue to exercise it, while delegating only administrative details. In terms of compulsory acquisition, Panuku needs to set out a detailed business case and approved resourcing in a proposal for a particular geographical area proposed for urban renewal. This particular proposal, including the utilisation of appropriate compulsory purchase, needs to be signed off by the Governing Body and by the Local Board or Boards concerned.

Equitable Sharing of Value-Uplift

5. Generally, owners of compulsorily acquired property are compensated at a current market rate. We submit that a method of compensation should be devised that more equally shares profit from the value uplift of the redevelopment with landowners whose land is being acquired. A fairer profit-sharing approach is more likely to achieve wide stakeholder acceptance and willing engagement from existing landowners.

Authorisation

An Auckland-wide briefing for all local board members was held on 8 May 2017. This feedback was discussed by Waitemātā Local Board Members at a workshop on 9 May 2017. The above represents the Board's unresolved feedback.

Pippa Coom

Chair
Waitemātā Local Board
Date: 12 May 2017

Contact Details

Name: Waitemātā Local Board, Auckland Council

Postal Address: C/- Simon Tattersfield, Senior Local Board Advisor
Waitemātā Local Board
Auckland Council, Private Bag 92300
Auckland 1142

Email contact: simon.tattersfield@aucklandcouncil.govt.nz