

I hereby give notice that an ordinary meeting of the Henderson-Massey Local Board will be held on:

Date: Tuesday, 17 March 2020
Time: 4.00pm
Meeting Room: Council Chamber
Venue: Henderson Civic Centre
6 Henderson Valley Road
Henderson

Henderson-Massey Local Board

OPEN ADDENDUM AGENDA

MEMBERSHIP

Chairperson	Chris Carter
Deputy Chairperson	Will Flavell
Members	Brenda Brady, JP
	Peter Chan, JP
	Matt Grey
	Brooke Loader
	Vanessa Neeson, JP
	Ingrid Papau

(Quorum 4 members)

Brenda Railey
**Local Board Democracy Advisor (Henderson-
Massey)**

12 March 2020

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Panuku Development Auckland six-monthly update 1 July 2019 - 31 December 2019

File No.: CP2020/02318

Item 23

Te take mō te pūrongo Purpose of the report

1. To update the Henderson-Massey Local Board on Panuku Development Auckland (Panuku) activities within the local board area and the region for the six months from 1 July 2019 to 31 December 2019.

Whakarāpopototanga matua Executive summary

2. Panuku is charged with balancing financial and non-financial outcomes in order to create and manage sustainable and resilient places where people want to live, work, invest, learn and visit. The activities of Panuku cover four broad areas:
 - redevelopment of urban locations, leveraging off council owned land assets, mostly within existing suburbs
 - review of, and where appropriate, redevelopment of council non-service property
 - management of council property assets including commercial, residential, and marina infrastructure
 - other property related services such as redevelopment incorporating a service delivery function, strategic property advice, acquisitions and disposals.
3. Panuku currently manages 51 commercial and residential interests in the Henderson-Massey Local Board area.
4. One property was purchased and one property was sold in the Henderson-Massey Local Board area during the last six months.
5. One property is currently under review as part of our rationalisation process.
6. Panuku leads a multi-year redevelopment programme of the council's Housing for Older People (HfOP) portfolio (Haumarū). There are four Haumarū villages in the Henderson-Massey Local Board area.

Ngā tūtohunga Recommendation/s

That the Henderson-Massey Local Board:

- a) receive the Panuku Development Auckland update for 1 July 2019 to 31 December 2019.

Horopaki Context

7. Panuku helps to rejuvenate parts of Auckland, from small projects that refresh a site or building, to major transformations of town centres or neighbourhoods.
8. The Auckland Plan is the roadmap to deliver on Auckland's vision to be a world class city, Panuku will play a significant role in achieving the Homes and Places and Belonging and Participation outcomes.

9. Panuku is leading urban redevelopment in Manukau, Onehunga, Wynyard Quarter, Waterfront, Northcote, Avondale, Takapuna, Henderson, Papatoetoe, Ormiston and Flat Bush, Panmure, Pukekohe, City Centre and redevelopment of the Haumaru Portfolio.
10. Panuku manages around \$3 billion of council's non-service property portfolio, which is continuously reviewed to find smart ways to generate income for the region, grow the portfolio, or release land or property that can be better used by others.
11. As at 31 December 2019, the property portfolio comprises 1674 properties, containing 1035 leases. The current portfolio includes vacant land, industrial buildings, warehouses, retail shops, cafes, offices, medical centres and a large portfolio of residential rental homes.

Tātaritanga me ngā tohutohu Analysis and advice

Development

12. Panuku is contributing commercial input into approximately 50 region-wide council-driven renewal and housing supply initiatives.
13. Panuku works with partners and stakeholders over the course of a project. It also champions best practice project delivery, to achieve best value outcomes within defined cost, time and quality parameters.
14. Below is a high-level update on activities in the Henderson-Massey Local Board area:

Unlock Henderson

Property Development Projects Update

15. C40 project - A conditional development agreement has been signed with Province Developments following an international design competition. This is planned to be a worldwide exemplar for the smart cities approach and use of technology for sustainable outcomes. The consents and asset optimization teams will now proceed with the sub-division process.
16. 2-6 Henderson Valley Road - Sale of the West Auckland council building (excluding Council Chambers) has been finalised with Laidlaw College which is a good outcome for Henderson. Subdivision and the construction of a new road on the adjoining car park are in progress including site decontamination and asbestos removal. Stakeholders are updated regularly on the progress.
17. 21 Henderson Valley Road - The Haumaru (housing for older people) facility at 21 Henderson Valley Road constructed by Panuku has been completed and is now fully occupied.

Public Good Reinvestment Projects Update

18. Opanuku Link: Consultation on the proposal to enhance the Henderson Valley Road to create a safer and more connected area between the Town Centre, Opanuku Stream and Corban Estate Arts Centre was undertaken. The final concept will be presented to Henderson Local Board for endorsement. The concept plan for the "fallen kauri" bridge is progressing well and will be a very exciting addition to Henderson. The finalised concept plan will be presented to the Local Board in the New Year.

Placemaking Update

19. Commercial place making - The Kitchen Project has successfully completed five cohorts and are currently in the process of recruiting the sixth cohort. Planning is underway for opening up a Te Puna Market in Falls carpark early next year.
20. Community place making - Art installation of Ngā Rongo ō Te Mauri (the Sounds of Life) – Rikki Bennett produced an artwork which plays sounds that connect to the Mauri of the Twin Streams. The sound project artwork was unveiled in the Waitākere Library forecourt on 29 November 2020. The first installation has received positive community feedback.

21. Ongoing activity is continuing in the Falls carpark such as the Kakano Art Gallery and Eco Matters bike hub. Further activities are being planned such as the Te Puna Market, Falls container beautification and adding bench sits and pot plants to the site.

Engagement Update

22. Opanuku Precinct has achieved a Green Star Communities rating for exceptional master planning, a first in New Zealand.
23. Stakeholder engagement undertaken for the upgrading of the Bell House and Mana Whenua endorsement for the sale of Council buildings (2-6 Henderson Valley Rd) noting the sale excludes the Council Chambers that contains significant artefacts such as a pou carving.
24. A blessing was held on 25 Nov 2019 for the building known as Opanuku (part of the Wilsher Village managed by Haumaru Housing at 33 Henderson Valley Rd). This is a 'first' for Panuku in terms of being involved in a development project that caters to the needs of older people. The development includes 40 one-bedroom high-quality apartments offering a range of accessibility and sustainability features.
25. Consultation was held in Dec 2019 on the Henderson Valley Rd Enhancement project (between Great North Rd and Smythe Rd). The data collected is being analysed and will be presented to the local board at the 25 February 2020 workshop.
26. Ongoing engagement activities are planned for projects in the plan and delivery phase.

Properties managed in the Henderson-Massey Local Board Area

27. Panuku currently manages 31 commercial and 20 residential interests within the local board area.

Portfolio strategy

Optimisation

28. Optimisation is a self-funding development approach targeting sub-optimal service assets approved in 2015. The process involves an agreement between Community Facilities, Panuku and local boards and is led by Panuku. It is designed to equal or enhance levels of service to the local community in a reconfigured form while delivering on strategic outcomes such as housing or urban regeneration with no impact on existing rate assumptions.
29. Using optimisation, underperforming assets will have increased utility and efficiency, lower maintenance and operating costs, as well as improved service delivery benefiting from co-location of other complimentary services or commercial activities. Optimisation will free up a range of undercapitalised development opportunities such as air space, full sites, or part sites.
30. Using optimisation as a redevelopment and funding tool, the Local Board can maximise efficiencies from service assets while maintaining levels of service through the release of some or all of that property for sale or development.
31. Local boards are allocated decision making for the disposal of local service property and reinvestment of sale proceeds in accordance with the service property optimisation approach.

Portfolio review and rationalisation

Overview

32. Panuku is required to undertake ongoing rationalisation of the council's non-service assets. This includes identifying properties from within the council's portfolio that may be suitable for potential sale and development if appropriate. Panuku has a focus on achieving housing and urban regeneration outcomes.
33. Identifying potential sale properties contributes to the Auckland Plan focus of accommodating the significant growth projected for the region over the coming decades, by

providing the council with an efficient use of capital and prioritisation of funds to achieve its activities and projects.

Performance

34. Panuku works closely with Auckland Council and Auckland Transport to identify potential surplus properties to help achieve disposal targets.

Target for July 2018 to June 2019:

Unit	Target	Achieved
Portfolio review	\$30 million disposal 'recommendations'	\$30.4 million disposal recommendations.

July 2019 to June 2021 Target:

Unit	Target	Achieved
Portfolio Review	\$45m disposal recommendations.	\$20 million disposal recommendations as at 23 February 2020.

Process

35. Once identified as no longer delivering the council service use for which it was acquired, a property is taken through a multi-stage rationalisation process. The agreed process includes engagement with council departments and CCOs, the local board and mana whenua. This is followed by Panuku board approval, engagement with the local ward councillors, the Independent Māori Statutory Board and finally, a Governing Body decision.

Under review

36. Properties currently under review in the Henderson-Massey Local Board area are listed below. The list includes any properties that may have recently been approved for sale or development and sale by the governing body.

Property	Details
Part 331 Great North Road, Henderson	<p>A local purpose (esplanade) reserve subject to the Reserves Act 1977.</p> <p>Approximately 267m² of the council owned site formed as car parking and driveway is proposed for disposal for urban renewal purposes.</p> <p>It is proposed to include the subject area into the adjoining C40 development. This will enhance the C40 project and allow additional public realm projects to be progressed and provided as part of Panuku's Unlock Henderson Programme.</p> <p>Panuku will seek the board's informal feedback on 25 February 2020 regarding the proposed part disposal.</p>

Acquisitions and disposals

37. Panuku manages the acquisition and disposal of property on behalf of Auckland Council. Panuku purchases property for development, roads, infrastructure projects and other services. These properties may be sold with or without contractual requirements for development.

Acquisitions

38. Panuku does not decide which properties to buy in a local board area. Instead, it is asked to negotiate the terms and conditions of a purchase on behalf of the council.
39. Panuku has so far purchased 6 properties for open space across Auckland in the 2019-20 financial year to the end of December at a cost of \$22.2 million.
40. One property has been purchased in the Henderson-Massey Local Board area during the reporting period for open space.
41. All land acquisition committee resolutions contain a confidentiality clause due to the commercially sensitive nature of ongoing transactions and thus, cannot be reported on while in process.

Disposals

42. In the current financial year to the end of December, the Panuku disposals team has entered into five sale and purchase agreements, with an estimated value of \$3.6 million of unconditional net sales proceeds.
43. Panuku 2019/20 disposals target is \$24 million for the year. The disposals target is agreed with the council and is reviewed on an annual basis.
44. One property has been sold in the Henderson-Massey Local Board area during the reporting period. (The one property sold in the Henderson-Massey Local Board area in this period is 32 Harbour View Road, Te Atatu Peninsula).

Housing for Older People-Haumaru Housing

45. The council owns 1452 units located in 63 villages across Auckland, which provide rental housing to low income older people in Auckland.
46. The Housing for Older People (HfOP) project involved the council partnering with a third-party organisation, The Selwyn Foundation, to deliver social rental housing services for older people across Auckland.
47. The joint venture business, named Haumaru Housing, took over the tenancy, facilities and asset management of the portfolio, under a long-term lease arrangement from 1 July 2017.
48. Haumaru Housing was granted community housing provider (CHP) status in April 2017. Having CHP registration enables Haumaru to access the government's Income Related Rent Subsidy (IRRS) scheme.
49. Auckland Council has delegated Panuku to lead a new multi-year residential development programme.
50. In late 2019, the first Haumaru housing development was completed with 40 new apartments for older people being delivered in Henderson. Wilsher Village is a new four-storey building providing warm, dry, modern and accessible homes. All units are fully occupied and the council's portfolio now comprises 1452 units.
51. The following Haumaru Housing villages are located within the Henderson-Massey Local Board area:

Village	Address	Number of units
Flagstaff Court	6 Flagstaff Place, Massey	27
Jack Smyth village	14 Royal Road, Massey	20
Kaumatua Village	11 Kaumatua Place, Te Atatu	44
Wilsher Village	33 Henderson Valley Rd, Henderson	40

Tauākī whakaaweawe āhuarangi **Climate impact statement**

52. The Panuku Priority Location programmes support regeneration of existing town centres, developing under-utilised sites within the urban area close to transport links. Increasing the density of housing in these areas will result in reduced carbon emissions through improved utilisation of existing infrastructure and transit-oriented development, provision of easy, safe and attractive walking and cycling routes reduces reliance on private motor vehicles and enables low carbon lifestyles. Panuku has adopted a minimum standard of a Homestar 6 rating for all homes, resulting in warmer, drier and more energy efficient buildings.
53. Climate change will likely subject the Henderson-Massey area to hotter temperatures and more frequent flooding and drought. We are seeking to future-proof our communities by accounting for climate change, factoring adaptation and resilience into the creation of buildings and spaces. Our infrastructure and developments should be designed to cope with warmer temperatures and extreme weather events. This includes use of green infrastructure and water sensitive design for increased flood resilience, ecological and biodiversity benefits and provision of increased shade and shelter for storm events and hotter days.

C40 – future cities programme

54. This initiative provides Auckland Council with an opportunity to partner with local companies committed to leading the way in the development of sustainable housing so that the city is shaped for the future and allows others to see how this can be realised on a larger scale. Submissions closed in March 2019 and we are final stages of negotiation with the preferred bid team. The proposal applies to the Alderman site, (alternate development options are being considered within the programme for the Falls site).

Ngā whakaaweawe me ngā tirohanga a te rōpū Kaunihera **Council group impacts and views**

55. The views of the council group are incorporated on a project by project basis.

Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe **Local impacts and local board views**

56. Any local or sub-regional impacts related to local activities are considered on a project by project basis.

Tauākī whakaaweawe Māori **Māori impact statement**

57. Panuku work collaboratively with mana whenua on a range of projects including potential property disposals, development sites in the area and commercial opportunities. Engagement can be on specific individual properties and projects at an operational level with kaitiaki representatives, or with the Panuku Mana Whenua Governance Forum who have a broader mandate.
58. Panuku will continue to partner with Māori on opportunities which enhance Māori social and economic wellbeing.

Ngā ritenga ā-pūtea **Financial implications**

59. There are no financial implications associated with this report.

Ngā raru tūpono me ngā whakamaurutanga Risks and mitigations

60. There are no risks associated with receiving this report.

Ngā koringa ā-muri Next steps

61. The next six-monthly update is scheduled for July 2020.

Ngā tāpirihanga Attachments

There are no attachments for this report.

Ngā kaihaina Signatories

Authors	Perin Gerrand - Engagement Coordinator
Authorisers	Lisa Gooding - Senior Engagement Advisor Glenn Boyd - Relationship Manager Henderson-Massey, Waitakere Ranges, Whau