

Memorandum

To: Emily Buckingham
From: Jo Healy
Copy: Carolyn Wratt
Subject: Key Issues for Reply - Social Impact

Date: 31 August 2020
Our Ref: 4218981-615439113-83

Summary of Key Issues

There are some issues that have been resolved by the changes to the proposed Plan Change as presented by Mr Olliver. However there remains issues and potential social costs/benefits in three areas:

- Methodology – Reliance on Masterplan outcomes for assessment
- Provision for staged development – timing and implementation of social infrastructure
- Social impacts – assessment, management and mitigation and changes to proposal

Methodology – Assessment of Masterplan

The Social Impact Assessment (SIA) considers the full implementation of the Masterplan (including full extent of infrastructure provisions), which as I set out is arguably a “best-case” scenario of full build and development in the area. Mr Quigley asserts that this is appropriate as it is the most likely form of development to be implemented. However I do not think this fully encompasses what could reasonably occur. In my opinion, it is necessary to consider intended and unattended consequences particularly if the potential effects are significant. It is appropriate to consider both effects which include effects of high potential consequence even if there is low likelihood and likely effects of lower significance. I continue to assert that consideration of other scenarios (compared to full implementation) and what the plan change allows is required to fully understand the potential social costs and benefits of the proposed plan changes.

This matter was not agreed upon in conferencing and I continue to be of the opinion that it was necessary to consider the following:

- Partial implementation of the Masterplan which includes limited development of local infrastructure (i.e. community infrastructure, public transport links);
- Implementation of the plan change not considered by the Masterplan – i.e. alternate industrial and residential activities given that there is scope (portion of the development to be delivered by the open market) and a consenting pathway for this; and
- The dependency of the residential development on the industrial development and social consequences of withdrawal or major changes to the industrial development (I note Mr Quigley has commented on this, however more from the perspective of likelihood rather than potential social consequences).

I note Ms Hackell also raises the following scenarios that she feels need to be considered:

- Ohinewai becomes a ‘dormitory town’, similar to Te Kauwhata;
- Larger portions of the residential development are offered to open market (smaller portions of affordable or employee housing); and
- Alternate employment outcomes.

Ms Hackell has gone further and provided additional commentary and research on potential scenarios such as Ohinewai becoming a dormitory town and other potential scenarios. I do note that this proposal does contain a large industrial development that potentially provides on-site

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employment options (acknowledging Ms Hackell's concern regarding the affordability of housing / employment outcomes). Ms Hackell has gone some way to identify the potential social consequences (based on research and local patterns) and although I concur that these may be the likely social risks, there has not been a detailed site assessment from the applicant for the proposal so the magnitude of these and any other potential social impacts remain uncertain.

I note in paragraph 3.2 of Mr Quigley's rebuttal evidence that the social impact assessment assesses potential impacts on communities "outside the fence" not on communities "inside the fence". While I acknowledge that engagement with specific future residents needs to be managed cautiously (as the plan change is a permanent and long term provision for new activities e.g. in this instance not just existing employees), I do consider that, as this is a plan change it is appropriate to consider the intended and unintended social impacts for both the surrounding community and the potential community that the plan change allows or provides for. Therefore, I do not agree with the assertion from Mr Quigley in this context (though I acknowledge it would be fully appropriate in a resource consent application).

I maintain that there is a reasonable potential for partial development of the Plan Change area and alternate residential and industrial activities and these have the potential for different social outcomes to the "full" master plan implementation. These have not been assessed by the proponent to date but further information from the Regional Council indicates scope beyond neutralised impacts (as suggested by Mr Quigley) to include the potential for adverse social impacts. As the delivery of the full Masterplan remains unassured (open market development, alternate residential and industrial activity and infrastructure), I remain of the view that the findings of the SIA are limited in respect of the potential outcomes of the Plan Change.

Notwithstanding the above general comment, I understand that APL have developed a memorandum of understanding with WDC setting out the broad principles that the Parties agree will underpin their relationship related to the potential servicing of APL's site in Ohinewai. This includes contributions to the funding and provision of proposed public transport services to and from the Site (Statement of Rebuttal Evidence of David McLaren Gaze - Attachment B). I recognise this is an endeavour to provide more certainty and potential mitigation to potential connectivity impacts, however at this stage the issue remains unresolved and there appears a general consensus that there will be a dependency on private vehicles. Therefore public transport issues and potential social impacts in relation to connectivity and ability to realise positive employment impacts for the wider area remain outstanding.

I do note that the withdrawal of the DFO proposal does address some of the social risks / potential social outcomes I was concerned to. I will address this separately in this report.

Provision for Staged development

I note that since conferencing there has been further development of staging to include community infrastructure.

The inclusion of staging infrastructure upgrades linked to residential development (Table 16.6.5.1) in Ch16: Residential Zone – Proposed Waikato District Plan Stage 1 (Notified Version) (Evidence of John Olliver – Attachment B3), specifically transport and community infrastructure provides a degree of certainty in the delivery of the masterplan and associated social benefits identified by Mr Quigley in his assessment of the Masterplan.

I also consider that establishing the factory prior to first houses and most industrial activity in the earlier stages of development and residential in the latter does provide more certainty to future residents of the potential job availability on site and provides jobs for houses.

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I do not consider provision of infrastructure prior to stages of development or in conjunction with a staged residential development an extraordinary request (as suggested by Mr Quigley) and clarify that the request is not for provision of social infrastructure prior to rezoning, it is rather to stage it in conjunction with residential development so that social infrastructure is in place as people being to live and work in the area, meeting the needs of the local community as it develops. I note that this is an objective of Sleepyhead as outlined in 2.5 d of the Memorandum of Counsel for Ambury Properties Limited in Relation to Evidence provided by APL.

However, I do note an outstanding matters for consideration:

Timing of community and infrastructure

Approximately 55% of residential lots and all industrial (business to be confirmed in light of change of zoning proposed) will be developed/developing before the central park is provided and walking/cycling connections to Huntly (Stage 5A,5B and 5C). It is noted that bus stop will be provide but regular bus connections are not currently available between Huntly, Ohinewai and Te Kauwhata and walking and cycling is the only alternative to private vehicle to access employment and residents within the development to access social infrastructure and amenities provided for the community in Huntly. If development stalls at this level it is considered that objectives identified by the submitter to live work and play on site would not be achieved and there are potential social consequences of this, I recommend consideration of timing of this infrastructure.

I note that the community centre and sport fields will be staged a year in advance (Year 5 stage 4) of central park and walking and cycling connection to Huntly and that APL. I note that this goes some way to addressing issues, however it does not assure the local open space provision immediately around the residential area or alternate modes of transport connections to and from Huntly beyond the limited existing public transport and private vehicles .

Alternate staging or provision of infrastructure as a discretionary activity

As noted above social infrastructure is still quite late in development and in addition there is flexibility for staging to occur out of sequence and for the associate social infrastructure to not be provided (albeit as a discretionary activity). Residential development can proceed as a discretionary activity without the implementation of infrastructure in accordance with Table 16.6.5.1.

This raises the following potential social issues:

- Currently the majority of industrial development lead before residential development which provides some assurance of employment for residents on site and delivery on assessed social outcomes, if residential development proceeds (as a discretionary activity) prior to the majority of industrial development this has the potential to change the social outcomes of the development particularly if some of the industrial development does not proceed
- Proceeding as a discretionary activity potentially allows for residential development without social infrastructure:
 - If development then halts it is without social infrastructure
 - If residential development is allowed to proceed without social infrastructure as staged when will this then occur or is it possible to then proceed without it at all

As a discretionary activity the proposed objectives do state that commercial and residential components are specifically to support the industrial growth of Ohinewai and policies provide for public transport connections. However I consider that policy 7 could be strengthened to set out the vision of a high quality urban environment providing policy that seeks to achieve the APL objective of the ability to work live and play in the area. We consider the following policy matters need further consideration:

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- Delivery development that promotes and supports the development of a defined community with an appropriate range of accessible, walkable and conveniently-located services and community facilities that serve the day-to-day needs of those people living in the Ohinewai Plan Change area.
- Provide for the co-ordinated upgrade of confirmed social infrastructure within the area so that such upgrades occur either before or concurrent with development.

Although I do consider the provision of the Masterplan is more assured with staging I would still hesitate to support Mr Quigley in his assurance of delivery and conclusiveness of positive social benefits and continue to assert that these are potential positive outcomes and that there is a range of potential impacts (i.e. low to moderate, moderate to high etc) due to the degree of uncertainty that should be identified.

Social Impacts

Employment and Population

In terms of employment there is potential for positive effects for many people however I do not share the certainty of where these effects will occur and that the likelihood of these effects are almost certain as there are too many uncertainties of full delivery of the masterplan and where employees will come from.

Housing

The point is more the issue of uncertainty I think – what Ms Hackell's evidence does is introduce some valid considerations that go to the degree of suitability of housing options for employees in the Plan Change area. While I acknowledge Mr Quigley's concerns about the need for the detail of assessment she is proposing, I do consider that these uncertainties should be reflected in the overall assessment, particularly given the strength of positive benefits that Mr Quigley concludes on. On basis of these potential issues around affordability and suitable housing, I consider that the effects assessment should acknowledge these potential issues and the degree of uncertainty.

Community Way of Life

It is still not clear the existing social values of Ohinewai and impacts on sense of place there is mention of rural character and amenity of Ohinewai as a whole (I note Ohinewai West is separated and Ohinewai East only refers to Tahuna and Lumsden Road). I understand this this is a sparsely populated area primarily rural so acknowledge establishing a community perspective is more difficult. I consider that rules such as buffering and transport connections go some way to manage the transition of this development in the existing environment and work towards a cohesive community but as this issue is not fulsomely explored requirements for further management remain unanswered. I note there is an objective to maintain the rural residential character Ohinewai West but not the surrounding area and am unsure of the reasoning for this.

I note that for potential effects on way of life Mr Quigley acknowledges that public transport is essential for much of the employment benefits for Huntly to accrue. Based on evidence provided it is understood that public transport (buses) is unlikely at this stage to be provided in a regular manner (I do understand APL are committed to working on this but no certainty of a resolution has been provided at present). There is also opinion that walking and cycling connections will not be well utilised due to distances (WRC, Waka Kotahi). Therefore the potential positive impacts of employment for Huntly are less certain or potentially less than anticipated.

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Recommendation of management and mitigation

Mr Quigley has assessed the full implementation of the Masterplan in his assessment of positive social outcomes and full realisation of the potential social consequences. Putting aside the negative effects and lack of consideration for other outcomes of the plan change I do not agree that it is not necessary to consider management and mitigation if outcomes are positive, particularly when:

- Outcomes are not certain
- There is a reliance on the positive benefits as the justification of this Plan Change

I would therefore suggest that mitigation and or management is required to assure the achievement of factors contributing to the positive outcomes particular when the plan change only provides for the masterplan to be implanted rather than requires it to be.

Removal of the Discount Factory Outlet (DFO) from the Proposal and balance of social costs and benefits

It is considered that the reduction of commercial activity provided at the site will reduce potential social consequences on the neighbouring towns in terms of retail development and competition. However the changes to this scope of the Plan Change have not been assessed with regards to changes to job opportunities and potential positive impacts therefore I cannot comment on this specific matter. This therefore leaves us with consequences of the residential and industrial development and the small business area to support this.

I would conclude the following:

- It is agreed that jobs within the development will have positive social consequences, the degree of which will be focussed in the local area remains uncertain¹, therefore I would remain of the opinion that positive social impacts are a potential (not a certainty) and may result in magnitude of social benefits that is less than what is assessed by Mr Quigley.
- There are less concerns on the social consequences of the development on local businesses as result of the changes to zoning
- Removal of the DFO does not minimise the degree of uncertainty of the overall development and potential social consequences particularly relating to the residential development.

Further matters

I also note that Mr Quigley in his evidence makes the following statements that I do not consider to be correct and would like to clarify:

- The context of the statement in the Section 42A report that refers to a contained settlement may have been taken out of context by Mr Quigley (paragraph 17.22 of his submitter evidence). The report does not suggest that this has been implied by Mr Quigley or designed to be so, but as such given the size and scale of the development and the fact that it is not a contained settlement and in the context of its environment the dependencies on the local area are likely to have high social and transport issues.
- Mr Quigley states that in the JWS that there was disagreement about the need to assess the effects of the new Huntly Bypass on Huntly businesses (paragraph 17.20 of his evidence). This

¹ I understand a memorandum of understanding for training opportunities is being developed between Tainui and Developer but commitments outcomes being provided by this remain unclear.

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was not the case rather my conclusion was that there was a need to assess the cumulative effects of this development on top of those already experienced as a result of the bypass on Huntly. Mr Quigley notes in conferencing that he had only considered businesses in the town centre and not those along the former SH1 that I consider could be subject to cumulative effects from both the bypass and the provision of convenience services at the proposed Ohinewai development. However I do acknowledge that with the removal of the DFO this issue is now largely resolved and does not require further investigation.

- Mr Quigley suggests I have made the “extraordinary request to require social infrastructure to be in place prior to zoning” (Paragraph 17.18 of his evidence), this refers to the implementation of zoning (i.e. commencement of residential development) as noted in page 1 of my peer review. This has been misinterpreted by Mr Quigley and I clarify that it relates to stages of implementation of zoning in particular residential, such as stated triggers for release of development of the rezoning. I do not accept that this is an extraordinary request and rather it seeks to ensure the delivery of social outcomes to the development and protecting early residents from delays in development or changes to the masterplan which result in the non-delivery of community infrastructure. Such staging implementation as put forward by APL goes some way to address this request and I do not consider that this out of the ordinary realm of planning tools available.
- Mr Quigley rebuts the following assertion I made “There is a strong reliance on the views expressed by stakeholders and individuals interviewed ... a clear independent expert assessment’ is lacking” (paragraph 17.12 to 17.14 of his evidence). I would like to clarify that my intention was not to say that he was not independent rather that the link between community opinion and his assessment is not clearly articulated, such that he appears to rely on the community comment as the assessment.

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