

BEFORE THE SMARTGROWTH HEARINGS PANEL

IN THE MATTER

the Draft SmartGrowth Strategy 2023 -2073

AND

IN THE MATTER

A submission by Bell Road Limited Partnership

STATEMENT OF EVIDENCE

Nathan York

INTRODUCTION

1. My name is Nathan James York and I currently hold the position of Chief Executive Officer at Bluehaven Group and associated subsidiaries (**Bluehaven**).
2. I have over 20+ years of senior Management experience in all aspects of property investment, property development, strategic development planning, and portfolio management, and have specialised experience with the delivery of large-scale commercial projects in NZ.
3. My qualifications are a Bachelor of Management Studies, Post Graduate Diploma of Management and a Master of Business Administration from the University of Waikato.
4. I have extensive Governance experience across many corporate entities (including private, NXZ listed and Iwi) I am currently the Chairperson for an Ahu Whenua Trust.
5. I represent Bell Road LP in this submission process.

BELL ROAD LIMITED PARTNERSHIP (LP)

6. As set out in our submission, Bell Road LP is jointly owned by Bluehaven Holdings Limited (**BHL**) and Pāpāmoa Ventures Limited (**PVL**).
7. BHL is part of the Bluehaven Group of entities and is a developer of the Wairakei residential area, various commercial centres and the sub-regional centre at Wairakei, known as "**The Sands**".
8. Bluehaven companies have introduced over 2,300 new housing units to the Golden Sands community in Wairakei Urban Growth Area including a dozen neighbourhood reserves, the Excelsa Local Centre and Whitiara Health Centre, along with The Sands, which is currently under development.
9. PVL is part of Zariba Holdings (**Zariba**), a Tauranga Based development company with significant experience in delivering substantial residential and business land within the sub-region. Zariba's projects include Terrace Views Special Housing Area at Wairakei, the Te Puna commercial zone, Trustpower (now Mercury) building & Durham Street redevelopment in the CBD, as well as various Tauriko Industrial Developments.
10. Bluehaven and Zariba are two of Tauranga's leading developers. We have delivered significant projects of scale and have actively participated in a wide range of statutory planning processes throughout the sub-region for over 20 years.

BELL ROAD PROPERTY

11. The Bell Road LP control significant land holdings in the Pāpāmoa East area of Tauranga including circa 129-hectares of land (the *Site*) to the south of the Wairakei Urban Growth area. This land is located between the southern side of the Tauranga Eastern Link (TEL) and Bell Road, Pāpāmoa. Refer to Appendix 1 – Aerial Photographs (2021)
12. I have referred to the *Site* as the *Wairakei South Urban Growth Area* in my statement.
13. The *Site* is currently used for grazing. There is only limited farm improvements and infrastructure on the land.
14. The *Sites* contour is predominantly flat with a slight height variation from the NW edges. As set out in the evidence of Peter Moodie, the land currently has an average RL of 1.7 metres.
15. Bell Road LP has undertaken extensive investigation of the *Site* including geotechnical testing and analysis, engineering reviews, stormwater modelling, strategic planning, master-planning, groundwater monitoring and concept transport design. The breadth of this investigation has been necessary for Bell Road LP to demonstrate the viability of the project and future development of the *Site*.
16. The Bell Road LP has also been in regular dialogue with David Hurst (adjacent farm owner) whose property interests are located immediately adjacent on the southern side of Bell Road. Mr Hurst has indicated a further 217-hectares could also be added to the proposed *Wairakei South Urban Growth Area*.
17. Collectively the land of Bell Road LP and Mr Hurst, represents 337-hectares of development land, providing a significant area of scale for future residential and employment land.

EXPERIENCED DEVELOPERS

18. The Bell Road LP shareholders (**Owners**) are long-term and practising developers. These Owners are also currently active in the development of the Wairakei Urban Growth Area and other areas of the sub-region.
19. The Owners have a very clear understanding of development fundamentals and how to achieve successful projects, across multiple land-uses. We will also be the single Owners and developers of the *Site*.

20. Assuming the various zoning and consenting pathways are timely, the Owners have the ability to develop the *Site*, which will address some of business land shortfalls, the sub-region is highly exposed too.
21. The Owners are also very experienced and adaptable to a variety of land-uses and/or development mix for the *Site* as per their current and previous projects.
22. If the Hurst property is included in the proposed *Wairakei South Urban Growth Area*, there will only be two (2) Owners associated with the 337-hectares of future development land. For the various statutory authorities having to only deal with 1 or 2 parties associated with future development land, should be regarded as highly beneficial. Conversely, multiple owners can create a difficult situation to get alignment on an agreed forward direction.
23. Due to the investigative work already undertaken, and the intent to develop by the land-owners, the physical development could commence within 1-2 years, following the appropriate zoning and consents in place.

COST OF LAND

24. The actual cost of land has a huge bearing on whether (or not) land can feasibly be developed for an alternative land-use. Highly productive soils used for horticulture purposes can attract a very high land value rate. For example, gold kiwifruit land in the sub-region can cost ~\$1.6 million / hectare, green kiwifruit can cost ~\$0.6 million / hectare in the sub-region, prior to any development, earthworks or remediation costs.
25. If the raw land cost is too high, it becomes cost prohibitive to viably develop the land to another land-use for the owner. Equally, there will not be buyers / developers in the market to acquire this high-cost land to re-develop in the future, as the returns from the land and necessary development costs, will not meet a suitable threshold.
26. Fundamentally high-cost land cannot feasibly be developed to an alternative use such as industrial or employment land-uses.
27. The *Site* is currently used as a dairy unit run-off. The *Site* lacks scale, and with the increasing regulatory framework, dairy price fluctuations, moderate soil quality, very limited alternative land-based primary production and generally poor economic conditions, create huge challenges for farming the *Site* long-term. Therefore, there is limited long-term productivity and economic output associated with the *Site*.

28. Our land costs are \$65,0000 / hectare, which by comparison is at least 24 times less than land which is used for gold kiwifruit (such as that east of Paengaroa and surrounding Rangiuuru) and over 9 times cheaper than that for green kiwifruit land.
29. As the Hearings panel will be aware land cost is normally one the of the largest cost associated with land development and is currently the key driver in housing and business land affordability.
30. We have assessed the fill requirements for the *Site*. Based on the requirement of additional fill of 3.2 metres to obtain its finished landform, which includes settlement and safety factors, the estimated fill / earthworks cost is \$1.2 million / hectare. Adding to the raw land cost, the finished level land cost = \$1.3 million / hectare.
31. This total figure per hectare is by comparison, much lower (circa 25% less) than just only the raw land cost of gold kiwifruit land at \$1.6 million / hectare, and further demonstrates the *Site* is feasible to develop from a cost perspective.
32. Land costs have a major bearing on the affordability of the future land-use developments (e.g. residential, industrial/employment and commercial) that can occur on any property.
33. I am concerned that land cost analysis does not appear to be fully understood or accepted as part of the SmartGrowth criteria in assessing future development land options.

LAND ASSESSMENT

34. We have engaged a range of engineers and their evidence further confirms at an initial stage the *Site* as being suitable for future development, based on good geotechnical & ground conditions, and natural hazards that can be appropriately mitigated through landform design and platform levels.
35. The Aurecon Industrial Land Assessment Report reviewed over 30 locations. The *Site* (referred to in the Aurecon Report as Ottawa in Central Corridor), was assessed by as having the second highest weighted score. This was despite a number of scoring / weighting anomalies that were identified, which could have otherwise had the *Site* scoring even higher.

36. Below are the weighted scoring results extracted from the Aurecon Report:

Northern Corridor:

Indicative Area	Raw Score	Weighted Score
Te Puna_1	60	7.75
Te Puna_2	48	4.95
Te Puna_3	49	5.725
Te Puna_4	55	6.7375
Ōmokoroa_1	55	6.9
Ōmokoroa_2	53	5.95
Ōmokoroa_3	48	5.75
Ōmokoroa 4 / Apata	46	5.98

Western Corridor:

Indicative Area	Raw Score	Weighted Score
Tauriko_1*	60	7.05
Pyes Pa West_1	52	6.6375
Belk Road_1	49	6.05
Ōmanawa_1	51	6.35
Pukemapu_1	51	6.0375

*Tauriko Business Estate, currently under development for industrial purposes, scored for comparison purposes

Central:

Indicative Area	Raw Score	Weighted Score
Tara Road_1	54	6.4625
Tara Road_2	55	6.8875
Domain Road_1	56	7
Domain Road_2	57	6.7375
Otawa_2	54	7.4125
Welcome Bay Road_1	53	5.65

Eastern Corridor:

Indicative Area	Raw Score	Weighted Score
Te Puke_1	54	6.6625
Otawa_6	51	6.7
Rangiuru_1	53	6.7375
Rangiuru_2	54	6.3375
Rangiuru_3	57	6.875
Rangiuru_5	44	5.25
Rangiuru_6	43	4.825
Rangiuru_7	49	5.7625
Rangiuru_9	51	6.7
Rangiuru_11	52	6.6375
Rangiuru_12	47	5.775
Rangiuru_13	52	6.0875
Paengaroa_1	59	7.1375

37. I note that in addition to the above scoring, there are now 3 preferred areas identified in the SmartGrowth Draft Strategy, which do not register as high scoring properties in the Aurecon report. These 3 preferred areas are noted as Ōmokoroa, Belk Road and Pukemapu.
38. These 3 preferred areas were determined by a desk-top analysis. This desk-top analysis has not disclosed any specific assessment criteria as with the Aurecon Report, only summarised information contained in the Phizacklea Consultants Supplementary Report.
39. Nor do any of these 3 preferred areas have any detailed technical assessment that I am aware of, which supports their inclusion in the SmartGrowth Draft Strategy.
40. Concerning is despite the lack of detailed assessment and reporting of these 3 preferred areas, they have a significant bearing on the shaping of the SmartGrowth Draft Strategy for future industrial land in the sub-region.

STRATEGIC LOCATION

41. From a location perspective, the *Site* is an ideal strategic fit for future development. The *Site* is positioned immediately adjacent to the TEL and utilises a completed state highway network corridor, that is fully functioning with a high degree of efficiency. The use of existing infrastructure has significant obvious advantages over those which require major network upgrades, which have yet to be designed, consented, funded, constructed and/or made operational.
42. The *Site* acts as an extension to the existing and thriving Wairakei Urban Growth Area, with an expansion option of sizeable scale. This expansion will enhance a well-functioning urban environment through greater intensification, improve connectedness via a multimodal transport system, and provide access to a huge community of existing (and new) residents & employees. This approach has been referred to as the Connected Centres Development Strategy, which underpins the Future Development Strategy (FDS).
43. Of all future areas in the SmartGrowth Draft Strategy, the *Site* is one of the nearest to the Tauranga Port by drive time and/or distance (estimated at 21min or 20km). The *Site* location can create significant benefit by reducing travel kilometres, CO₂ emissions and fossil fuel usage with traffic movements to and from the Port, being one of the key targets of SmartGrowth.
44. This “Connected Centres” approach shaped by UFTI and subsequently adopted by SmartGrowth Draft Strategy (page 145) supports the *Site*’s obvious “connectedness” to

The Sands, a sub-regional centre. The Sands is identified to service not only the Wairakei and Te Tumu Urban Growth Areas, but the Tauranga Eastern corridor covering Tauranga City and Western Bay of Plenty Council areas, as formally recognised in the Tauranga City Plan.

45. The *Site* also has a possible future road link into Te Puke, through a proposed connection via Seddon Street.

INFRASTRUCTURE

46. The evidence of Peter Moodie outlines options of connection for water and wastewater, for the *Site*.
47. The evidence of Mr Moodie and Ben O’Loughlin demonstrates the potential for future development, based on preliminary flooding & stormwater modelling, and associated infrastructure improvements required.
48. This modelling concludes the *Site* can be developed, as there is sufficient land to provide for stormwater management.
49. It is also worth noting, including the above fill analysis (para 30), the average finished RL we have assessed is approximately between 4.3 to 5.5 metres. The *Site* therefore immediately becomes well over 2 metres above the Tsunami requirement, notwithstanding the *Site* (mid-point) is also 2km distance from Pāpāmoa beach, as the crow flies.
50. Taking account of all relevant infrastructure requirements, the net developable land for Wairakei South Urban Growth Areas is 153 hectares. Refer to Appendix 2 - Development Area Plan.
51. We have had Mott MacDonald undertake some preliminary assessment of the Papamoia Eastern Interchange (PEI). This assessment confirms the ability to connecting to the PEI from the *Site*. Refer to Appendix 3 – Mott MacDonald Memorandum and Plan
52. The proposed connection to the PEI will further enhance the multi-modal transport infrastructure options for Wairakei and Wairakei South Urban Growth Areas.

RECOMMENDATIONS

53. Given the significant the shortfall of land in the sub-region for both future residential and industrial land, the SmartGrowth Draft Strategy should not be as prescriptive when identifying “preferred potential locations” in planning for business land demand needs

for the sub-region. Limiting your future land development options, as done in the past, has already placed the sub-region under huge land supply deficit stress.

54. SmartGrowth needs to be mindful that some of the sub-region's strategic transport corridor locations, e.g. western and northern corridors are subject to huge infrastructure costs, financing, design & consenting processes and/or actual construction. These elements will typically not be addressed in a timely manner, and therefore impacting on the likelihood (or unlikelihood) to unlock business land in these areas over a considered period of time.
55. SmartGrowth should continue to focus on urban development around known centres and existing transport corridors that are properly operational, therefore providing strong containment of transport movements and reduction across the wider regional transport networks.
56. The *Wairakei South Urban Growth Area* should be included as a future growth area for the sub-region, to deliver much needed employment and residential land.
57. If SmartGrowth continues with a preferred location list approach, then the *Site* needs to be recognised as one of the preferred potential locations outlined in the SmartGrowth Draft Strategy (page 149), from which further detailed assessment can be undertaken.
58. The site also qualifies as a Priority Development Area under the FDS for the sub-region.



Nathan York
On behalf of Bell Road LP

24 November 2023























WAIRAKEI SOUTH - DEVELOPMENT AREA PLAN

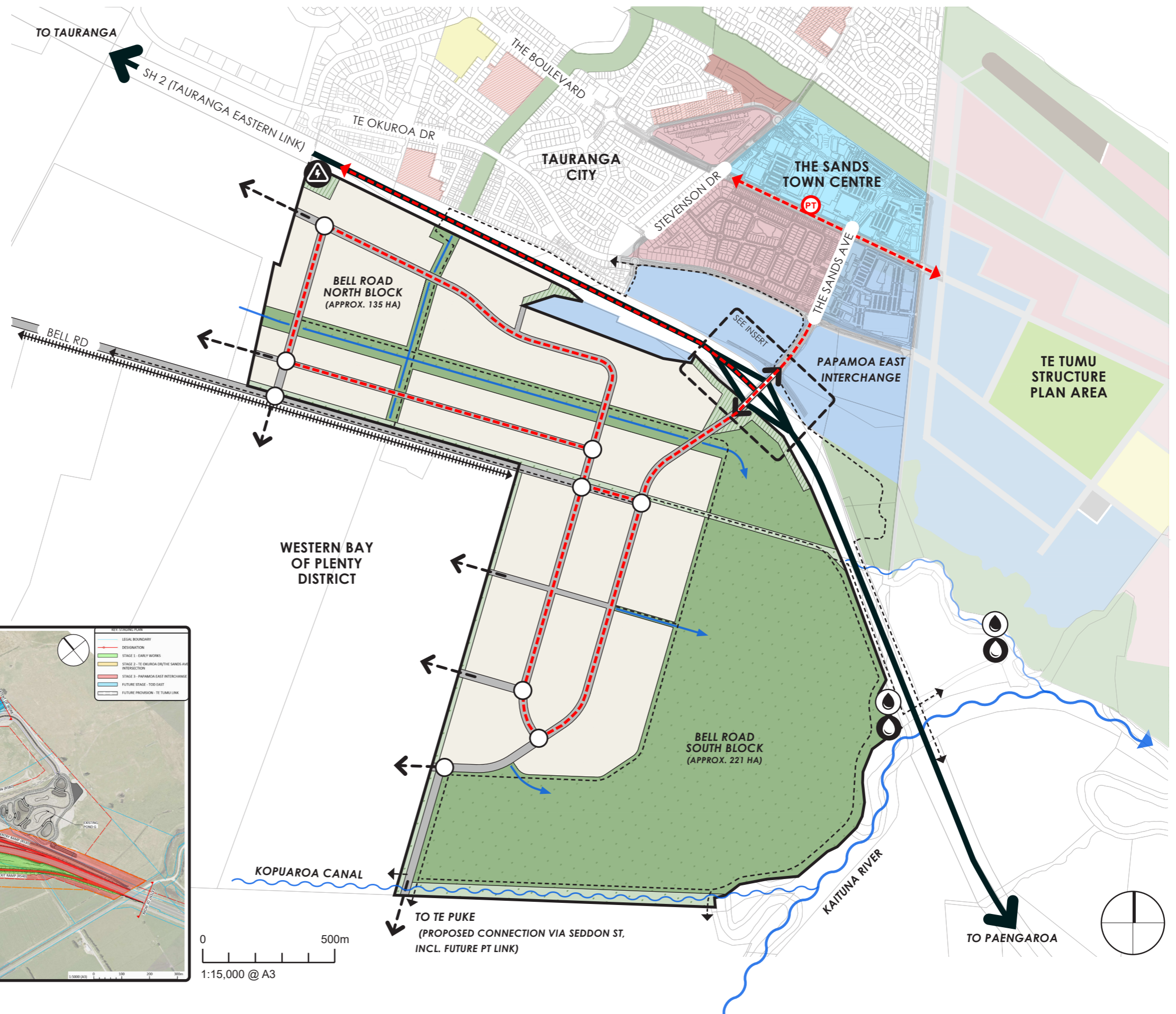
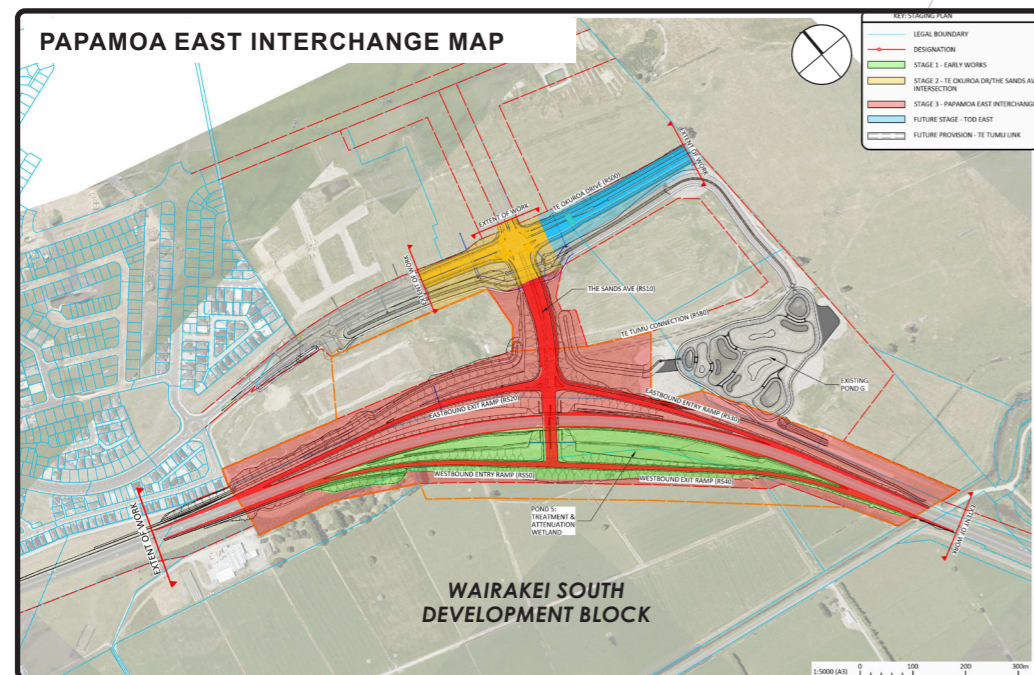
SMARTGROWTH SUBMISSION ISSUE (22.11.23)

LEGEND

-  DEVELOPMENT BOUNDARY
-  STATE HIGHWAY 2 (TAURANGA EASTERN LINK)
-  INTERCHANGE (PRIMARY SITE ACCESS - MULTI-MODAL)
-  PRIMARY INTERNAL ROAD NETWORK
-  KEY INTERNAL INTERSECTIONS
-  PUBLIC TRANSPORT ROUTE (INCL. CYCLEWAYS)
-  FUTURE ROAD NETWORK EXTENSION
-  POTENTIAL RAIL BRANCH LINE
-  PRIMARY WALKWAY / CYCLEWAY CONNECTIONS
-  CONVEYANCE SWALE NETWORK (INCLUDES WALKWAY / CYCLEWAY LINKAGES)
-  EXISTING STREAM / RIVER NETWORK
-  MIXED USE DEVELOPMENT AREA
-  STATE HIGHWAY BUFFER RESERVE
-  STORMWATER RESERVE NETWORK (INCLUDES RETENTION / TREATMENT WETLAND)
-  EXISTING STORMWATER CONVEYANCE CHANNELS (TO REMAIN)
-  POWER SUBSTATION
-  PUMP STATION
-  PROPOSED ADDITIONAL PUMP STATION

Total Development Area: 356 Hectares

- Bell Road North Block: 135 Hectares
- Bell Road South Block: 221 Hectares



Memorandum

Subject	Papamoa East Interchange (PEI) to Bell Road Link (BRL) 2021 Investigation
To	Nathan York, CEO, Bluehaven Group
From	Andrew Foy, Technical Director, Transport (Strategy & Analytics), Mott Macdonald (MM)
Our reference	425335
Office	Auckland, NZ
Date	1 November 2023
Your reference	Bell Road Development
Notes	Summary of BRL assessment from 2021

1 Introduction and Summary

In August 2021, Mott Macdonald (MM) presented a summary of intersection analysis results for a juncture of two proposed roads. These included:

- Bell Road Link Road (**BRL**) from the PEI to a T-intersection at Bell Road (**BR**).
- Access Road/Intersection (**AR**) to the proposed Residential (West) / Industry (West) of the PEI.

The BRL/AR design is outlined in Section 2 and results of the intersection analysis are described in Section 3 of this memo. To support this, investigations into the design of the BRL/AR were performed by Greg Booth (**GB**), Technical Director - Transport (Highways). The road design drawing is included in Appendix 1.

MM has assessed the feasibility of a BRL connection from BR to the southern extent of the PEI and AR to future residential and/or Industry development proposed. An indicative concept for the BRL was confirmed with assumed levels of development used to confirm initial intersection requirements and triggers for increased capacity.

2 BRL Road connection design

The design provided by GB for the BRL, from the PEI to BR noted the following:

- Lidar was used for generating base mapping and tie-in point with BR.
- Bloxam Burnet Oliver's (PEI design consultant) crossing/cross sections with 3-metre shoulders were used for the BRL design.
- Earthworks (shown as green lines) were derived from a 1:3 batter.
- Road tapers to a 2x3.5m-lane cross section.
- Earthworks was shown at the full 4-lane width including median.

This drawing was further updated on 23 August 2021 to account for matters described below and included an indicative cross section for the corridor. This provided two traffic lanes each way, a right-turn lane at the AR intersection, shoulders and 3m on each side for walking and cycling (shown as off-street, but some of the space could be used for on-street cycling), noting the following:

- The AR intersection location at midway along the straight between BR and the bend towards the PEI has been confirmed as providing good outcomes for safety and traffic flows.
- The wide median at the PEI end is required to line up the through lanes (two – one for left and through and the other for through only) PEI over bridge lanes on the opposite side.

Indicative trip generation per hectare for the light industrial and residential were developed and intersection modelling results are presented in the following section.

3 Intersection Analysis

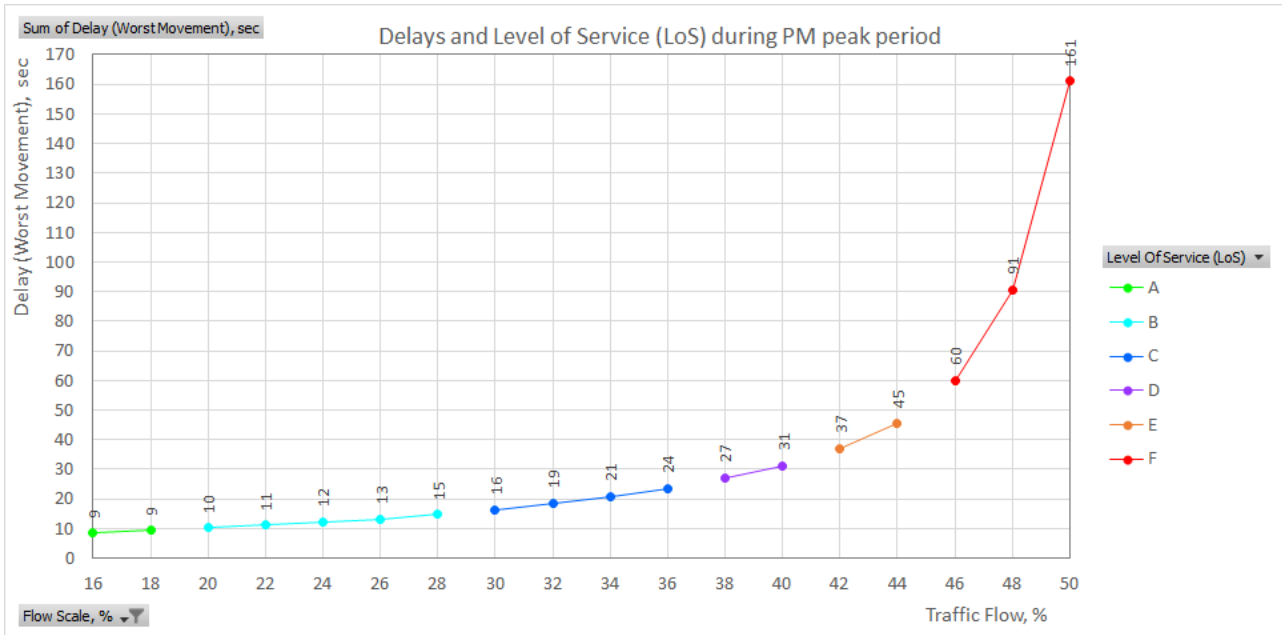
SIDRA modelling was performed to evaluate the intersection Level of Service (LoS) performance of BRL for the Residential / Industry (West) development for general vehicles with and without signals. The layout as a priority intersection is shown in the plan below.



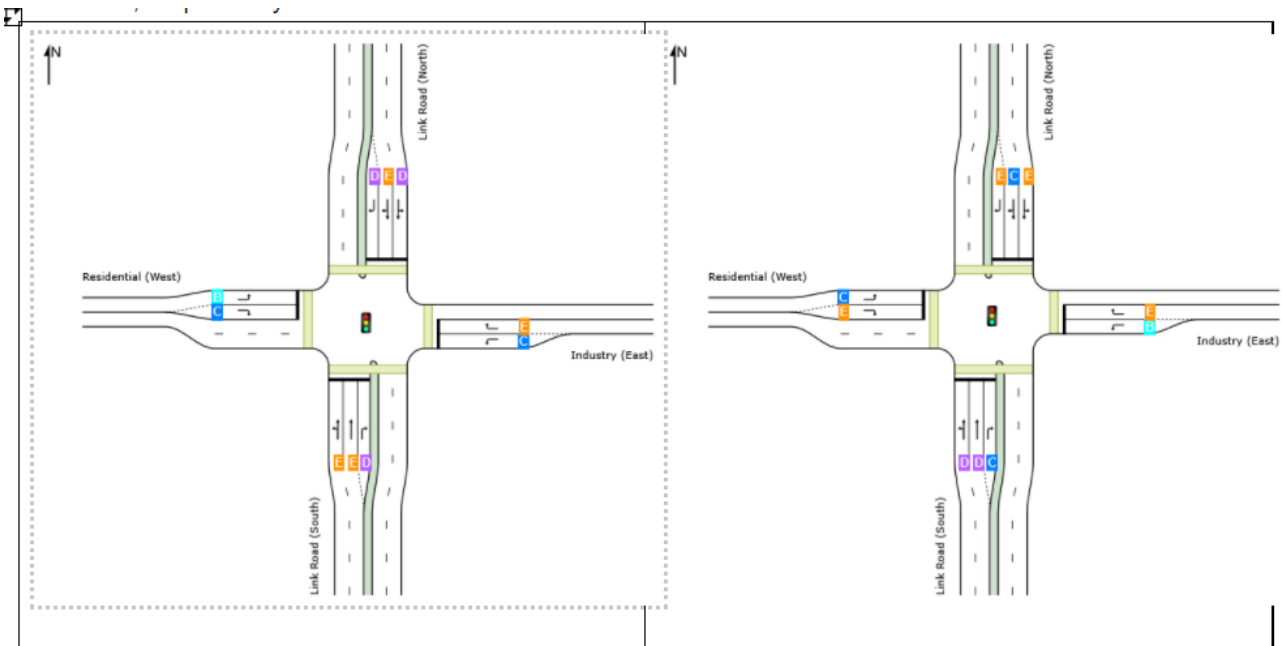
Based on typical yields for industrial land and a housing yield like that for the East Quarter in Golden Sands, to the east of the PEI, an indicative trip generation per hectare for the light industrial and residential sides of BRL was developed.

To assess the demand at the AR intersection, a distribution was developed that directs the majority of traffic to and from the PEI and the AR intersection, with only minor flows via BR. When tested in SIDRA, the PM peak was confirmed as the highest demand period and performance was found to reduce towards an unacceptable level (LoS F for traffic exiting from the industrial area) as development progressed from 40 to 45%.

The following graph shows delays in seconds for the 'worst' movement at the intersection during the evening peak as development progresses from 16 to 45%. It shows an exponential increase in seconds of delay for the 'worst' movement across this range of development with an LoS F reached once development is 46% complete (equating to over 1 minute of delay).



MM tested a signalised layout for the intersection at full development of the residential and industrial land, showing that a signalised intersection (indicative design only) can provide LoS E or better for general traffic. This assumes two general traffic lanes on the BRL in both directions expanding to three at the intersection, alongside expansions from one to two lanes for turning movements for the AR.



LoS during AM peak period

LoS during PM peak period

The signalised option provides a LoS E for general traffic on the BRL, which may be worse than the LoS on the BRL for the non-signalised option. Therefore, it can be concluded that signals would benefit development traffic but at the cost of thru traffic, and this would increase as development approached 100%. A Roundabout option was not considered as signals were preferred for initial testing and for consistency with the PEI intersection to the east at Te Okuroa Drive/The Sands Avenue, which will also be signalised and could be programmed for overall network efficiency with the BRL in the future.

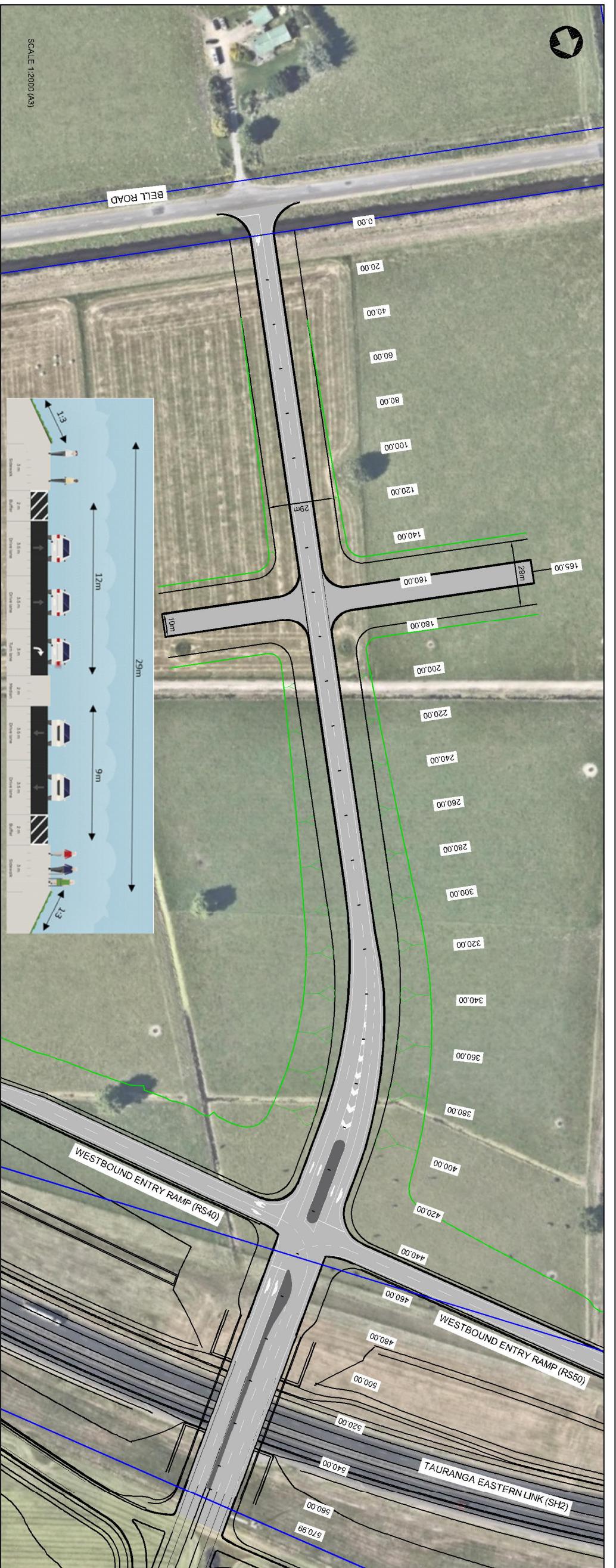
This analysis was based on the proposed development only and did not include any additional development of land south of TEL/BR by Bluehaven or others.

The assessment confirmed a two-lane cross section with a priority intersection with right turn bays at the AR would cater for approximately 40% of development. Signalisation with a four-lane cross section and AR right turn bays would be required to cater for further development beyond 40%, and to support surrounding development if it occurred in the future. Further testing for other development beyond Bluehaven's land would be required depending on extent and landuse.

4 Conclusion

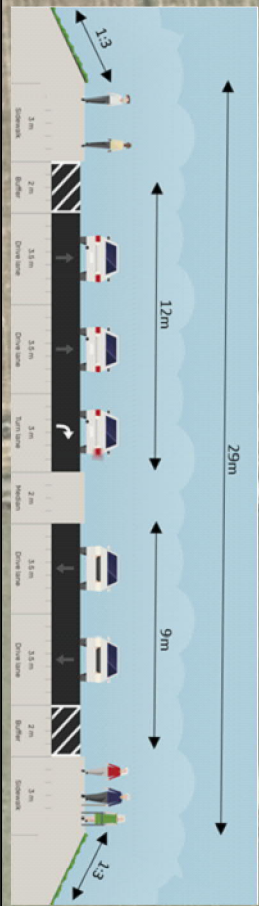
The BRL design and assessment confirmed the feasibility of the BRL connecting to the PEI interchange and the proposed AR could cater for the future development of the Bluehaven land.

Appendix 1 – BRL Design

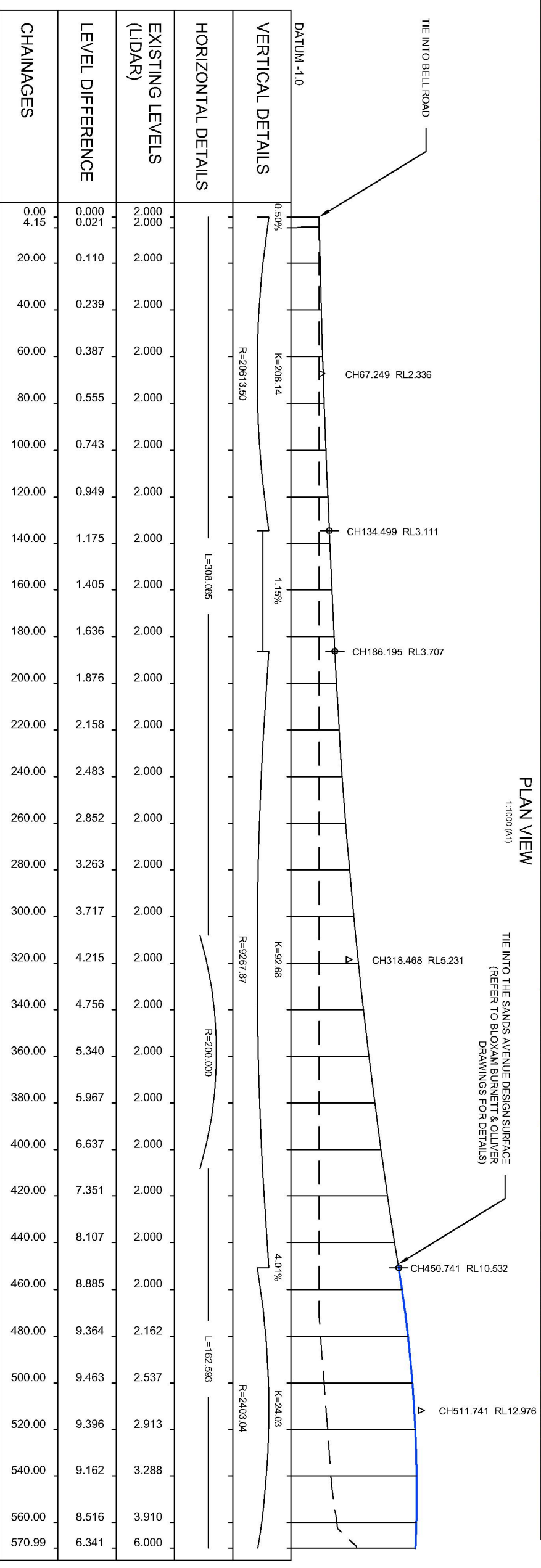


- NOTES:**
1. AERIAL PHOTOGRAPHY IS OBTAINED FROM GIS SOURCE (2019).
 2. PROPOSED LANES AND LINE MARKING ARE TENTATIVE. FIELD SURVEY AND GEOMETRICS WILL BE USED TO CHECK AND REFINED AT THE DETAILED DESIGN PHASE OF WORK.
 3. DESIGN IS IN TERMS OF NZTM2000 COORDINATE SYSTEM.
 4. REFER TO BLOXAM BURNETT & OLLIVER SANDS TIE IN DETAILS.
 5. EXISTING SURFACE AND THE PROPOSED BATTER EXTENT HAVE BEEN DERIVED FROM LIDAR SURFACE SOURCE.
- KEY:**
- INITIAL PAVEMENT AREA
 - ROAD CORRIDOR AREA
 - CADASTRAL BOUNDARIES
 - ROAD BATTERS (USED 1:3)

SCALE 1:2000 (A3)



PLAN VIEW
1:1000 (A1)



CONTROL LINE - PROPOSED PAPAMOEA EASTERN INTERCHANGE EXTENSION
HORIZONTAL - 1:1000 VERTICAL - 1:250

REV. DESCRIPTION A DRAFT - FOR DISCUSSION		DATE 12/08/2021	
DRAWING QA CHECKED APPROVED		PROJECT NO. 425335	
PROJECT NO. 425335		CONSULTANT MOTT MACDONALD	
CLIENT THE SANDS		PROJECT PAPAMOEA EASTERN INTERCHANGE EXTENSION	
DRAWING NO. 425335-MMD-XX-00-DR-SK-1001		REVISION GENERAL	

FOR DISCUSSION ONLY