

## **Submission on PC 90 (Private): 8 Sparky Road, Otara Business East Tamaki**

### **Introduction**

1. Business East Tamaki Inc is an incorporated society (639532) having its registered office at Wynyard Wood, Level 1,60 Highbrook Drive, East Tamaki, Auckland, 2013. Business East Tamaki is also a business improvement district within the Auckland Region. Its functions include: informing, researching and advocating for business and property owners in the economic development of East Tamaki; providing a conduit to business support, resources, education and networking; Enhancing the safety and security of East Tamaki; and promoting the area as a great place to do business and to work.
2. East Tamaki is a manufacturing and distribution hub of some 2,000 businesses strategically located close to the motorway, airport and port, generating: \$3 billion for the New Zealand economy each year; \$19 million in rates, and 30,000 jobs with projected jobs of 45,000 on completion of Highbrook Business Park. The precinct has developed from greenfield origins and the availability and relative cost of land has, in the past, made the precinct attractive to businesses. As such, the area has a number of nationally and internationally significant companies, some of which are involved in developing innovative technologies. It has concentrations of activity in manufacturing, wholesale, administrative and support services as well as professional, scientific and technical services.
3. Over the past two decades, the development potential of greenfield land at Highbrook has attracted businesses from throughout the region seeking large sites for purpose-built buildings. Highbrook and East Tamaki generally have offered development lots for significant sized warehouses, distribution centres and purpose built buildings. Significant sized lots are now in extremely limited supply in Auckland. However, as East Tamaki's greenfield land has been developed, businesses have been maximising their efficiency in terms of use of land (including the use of available greenfield sites and the redevelopment of brownfield sites).
4. Business East Tamaki welcomes the opportunity to make submissions on Plan Change 90 (Private) 8 Sparky Road, Otara.

### **Submissions**

5. Private Plan Change (90) aims to rezone 4.4 hectares of land on the north-western side of Highbrook Drive at 8 Sparky Road, Otara, from Business – Light Industry to Residential – Terrace Housing and Apartment Building zone. The proposed private plan change also seeks to introduce the Highbrook Precinct applying to the rezoned land. The precinct includes provisions that relate to transport and noise. The remainder of the site retains its existing Business – Light Industry zone and is not included in the Highbrook Precinct.
6. The submission relates to the entire Plan Change.
7. Business East Tamaki opposes the entire Plan Change.
8. Business East Tamaki will not gain an advantage in trade competition through the submission.
9. The decision Business East Tamaki seeks from the Council is to decline Plan Change (90).

### **Reasons for opposing the entire Plan Change**

10. Our reasons for opposing the entire Plan Change are set out below.



11. The Plan Change (90) area is approximately 4ha, forming part of the larger site located at 8 Sparky Road, Ōtara. The full site at 8 Sparky Road is approximately 35ha in area, and was the location of the former Ōtāhuhu Power Station, which is currently being dismantled. The full site is currently zoned Business – Light Industry Zone.

## Safeguarding industrial land for industrial purposes

12. There are very few areas of undeveloped light industry zoned land within the Rural Urban Boundary ('RUB') of the Auckland Region and concern over the scarcity of industrial land to meet forecast demands.
13. The Auckland Plan directs that Auckland makes the best use of existing business land. "Existing business land, particularly important industrial areas, will be safeguarded. Once lost to other uses, such as housing, it is difficult to replace."<sup>1</sup> Therefore, the proposed plan change will not sustainably manage development, that is inconsistent with the RMA purpose.
14. Auckland Plan 2050 recognises in "Opportunity and prosperity – Focus Area 2: Ensure regulatory planning and other mechanisms support business, innovation and productivity growth."
15. Council also value "Measure 4: Zoned industrial land" as one of the key performance indicators for implementing Auckland Plan 2050.
16. During the development of the Auckland Unitary Plan, industrial business associations, including Business East Tamaki, emphasised that the use of the industrial land must be protected for use by industrial activities and not for residential purposes.
17. Business East Tamaki notes Objective B2.5.1(3) of the Auckland Unitary Plan, which provides that:
  - (3) Industrial growth and activities are enabled in a manner that does all of the following:
    - (a) promotes economic development;
    - (b) promotes the efficient use of buildings, land and infrastructure in industrial zones;
    - (c) manages conflicts between incompatible activities;
    - (d) recognises the particular locational requirements of some industries; and
    - (e) enables the development and use of Mana Whenua's resources for their economic well-being.
18. Business East Tamaki also notes Policies B2.5.2(7) to (10) of the Auckland Unitary Plan, which provide that:
  - (7) Enable the supply of land for industrial activities, in particular for land-extensive industrial activities and for heavy industry in areas where the character, scale and intensity of the effects from those activities can be appropriately managed.
  - (8) Enable the supply of industrial land which is relatively flat, has efficient access to freight routes, rail or freight hubs, ports and airports, and can be efficiently served by infrastructure.
  - (9) Enable the efficient use of industrial land for industrial activities and avoid incompatible activities by all of the following:
    - (a) limiting the scale and type of non-industrial activities on land zoned for light industry;
    - (b) preventing non-industrial activities (other than accessory activities) from establishing on land zoned for heavy industry; and

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<sup>1</sup> Auckland Plan 2050. See <https://www.aucklandcouncil.govt.nz/plans-projects-policies-reports-bylaws/our-plans-strategies/auckland-plan/development-strategy/Pages/business-areas.aspx>



(c) promoting co-location of industrial activities to manage adverse effects and to benefit from agglomeration.

(10) Manage reverse sensitivity effects on the efficient operation, use and development of existing industrial activities, including by preventing inappropriate sensitive activities locating or intensifying in or adjacent to heavy industrial zones.

19. Turning to the National Policy Statement on Urban Development ('NPS-UD'), while the applicant has emphasised the residential aspects of the NPS-UD, Business East Tamaki notes that the National Policy Statement also emphasises the need for business land. Business East Tamaki also notes the National Policy Statement for Highly Productive Land 2022 and the likely restraints this will place on the redevelopment of highly productive land in the south of Auckland, such as such as Drury and Pukekohe.
20. With respect to the applicant, Business East Tamaki does not believe the Plan Change safeguards this industrial land for industrial purposes. Nor does it meet the directives of the Auckland Plan or the industrial growth and activities objectives and policies of the Auckland Unitary Plan.

#### *Eco1: Industrial land occupation 2017-2022*

21. Business East Tamaki submits, with regard to industrial land occupation, that many of the other places where industrial activities might locate if they were unable to establish on the site are located around the Auckland urban periphery (eg Whenuapai PC52, Drury, Pukekohe and Silverdale). With a significant increase in residential capacity planned in central Auckland, areas closer to central Auckland will be required for employment opportunities that are easy to access.
22. Business East Tamaki also submits that East Tamaki, and indeed all of South Auckland, has a severe under supply of industrial land. This has put significant pressure on industrial land prices which have increased roughly 5-fold in the last decade. Similarly, Goodman's Highbrook development is near completion and 100% occupied. East Tamaki industrial vacancy is also at 0% and industrial rents have increased by over 25% in the last 24 months. This is extremely prohibitive to business growth and will only add to the shortage of industrial property and increase in price pressure in East Tamaki and the surrounding areas.

#### *Eco 2: Ability to accommodate industrial activity*

23. With regard to the ability to accommodate industrial activity, Business East Tamaki submits that the subject site is not highly compromised as a development opportunity for industrial activity but agrees that it does have some unique features. Business East Tamaki submits that the site could be used light industry activities and that there are many industrial zoned parcels and industrial buildings that are of a size that could be accommodated on the site, including across a wide range of activities that are permitted in the operative Light Industry zone. For examples in East Tamaki, see Appendix 1. For other examples, see Appendix 2.

#### *Eco 3: Economic efficiency of industrial land within this location*

24. Business East Tamaki submits again with regard to the economic efficiency of industrial land within this location that again East Tamaki, and indeed all of South Auckland for that matter, has a severe under supply of industrial land. This has put significant pressure on industrial land prices which have increased roughly 5-fold in the last decade. Similarly, Goodman's Highbrook development is near completion and 100% occupied. East Tamaki industrial vacancy is also at 0% and industrial rents have increased by over 25% in the last 24 months. This is extremely prohibitive to business growth and will only add to the shortage of industrial property and increase in price pressure in East Tamaki and the surrounding areas.



*Eco 9: Negative externalities of residential development*

25. Business East Tamaki submits, concerning the negative externalities of residential development at the proposed site, that the site is unsuitable for residential development in that it is not close to commercial, educational or other services, and has constrained options for active modes of transportation.

*TP 3: Traffic Effects of SH1 Southbound / Highbrook Road / Hellaby's Road Roundabout upon Subject Site Intersection*

26. Business East Tamaki submits, with regard to traffic effects, that Highbrook Drive is already heavily trafficked and it is concerned that the peak hour queue lengths on Highbrook Drive (which would extend northwards beyond the proposed site access intersection) will mean that the subject site access intersection will not be able to function safely and efficiently. It will also be adversely affected by traffic effects from the downstream motorway interchange roundabout.



## Appendix 1

Industrial units, across the intersection from the proposed site.





# BUSINESS EAST TĀMAKI

Multi use small industrial units on Business Parade South, Highbrook



Scaffolding storage yard at the end of business Parade north, Highbrook  
(Scaffolding company Safesmart)



# BUSINESS EAST TĀMAKI

These two photos show the intersection of the junction of the land that is being requested for re-zoning and it is used by Carters building products for logistics storage and staging of completed/semi-complete building frames.







## Appendix 2

Storage King Onehunga (11 Gloucester Park Road, Onehunga)

