

Wednesday, 15 February, 2006

## **Business Location Principles for Territorial Local Authorities in the Northern and Western Sectors of the Auckland Region**

The following principles are agreed by Waitakere City Council, North Shore City Council, and Rodney District Council (the Councils) as providing policy guidance for planning the location of business development within their territories over the next 20 years.

These principles will be expected to be incorporated into any review of the Regional Growth Strategy and to be recognised in the Regional Business Location Strategy.

It is also acknowledged that the Councils will continue to work together and consult with their business communities to address and resolve the issues that were identified and raised in the sectoral business futures forums in 2005.

These principles are adopted in order to promote the social, economic, environmental and cultural well-being of the present and future communities of each of the Councils in accordance with section 10 of the Local Government Act 2002.

In applying these principles the Councils will take a sector wide approach.

### ***Principles:***

#### **1. Shared Opportunity and Sufficient Land Supply**

Planning for future business location will aim to provide a balance between population growth and employment opportunities such that the Northern and Western Sector, and the TLAs within it, are able to provide local employment for the majority of their populations and economic growth for the Region and the Country.

#### *Explanation*

*The Northern and Western Sector has the fastest growing population of the Region. However, there is a shortage of business land and a lack of balance between residential growth and business land. To achieve their desired business futures, and the desire of residents to live, invest, work and play locally, the Northern and Western Sector requires an adequate supply of business land.*

*One of the major challenges facing the region and the Northern and Western Sector is how to reconcile rapid population growth with local employment opportunities. The relationship between business land supply, location, and residential population locations is a significant issue in terms of minimising fossil fuel usage, the creation of robust urban areas capable of dealing with external changes to the global environment such as higher fuel costs, emissions of greenhouse gases, traffic congestion and the lifestyle and well being of the people of the Northern and Western Sector.*

*In addressing this issue business land requirements will be met through a mixture of greenfield and brownfield development, noting that current information indicates that by 2031, a minimum of 200ha of new business land is required in southern Rodney District and a minimum of 400-600ha of new business land is required in North Shore City/Waitakere City.*

#### **2. Balance**

Increasing the supply of new business land will be achieved through a balance of intensification of existing business land, development of greenfield land, and brownfield development to provide for the operation of the Business Land Demand Cycle.

*Explanation*

*When businesses grow, so does their need for larger premises. When a business grows and moves to a larger site/ building, this frees up land for new business to be located upon, but also requires new land for businesses to locate too. This cycle is referred to as the Business Land Demand Cycles. A sufficient supply of new business land needs to be available for the Business Land Demand Cycles to operate. While the Councils are committed to the Auckland compact city model , they recognise that to foster economic development and business growth increasing the supply of business land needs to be achieved through a balance of intensification and provision of new business land.*

3. Equity

Planning for future business location will aim to maintain an equitable ratio of employment land and opportunities within other TLAs and Sectors within the region, and to respond to the demands of the business sector for locational choices in a timely way.

*Explanation*

*Currently there is an imbalance in the location and supply of business land across the region. The majority of the existing vacant and planned new supply of business land is located in the Central and Southern Sectors of the region. This inhibits the ability for the Northern and Western Sector to attract new business and to provide for the growth of existing businesses, potentially creating a competitive disadvantage. The current regional business land use pattern also creates barriers to employment for sectors of the labour market. Ensuring that business land supply is provided equitably across the region will bring about a change to Auckland unsustainable travel patterns and is a fundamental tenant for the sustainable development of the Auckland Region and the people and communities of the Northern and Western Sector.*

4. Efficiency

Future business locations in the Northern and Western Sectors will be planned to maximise the potential for economic development of the region with regard to the location of ferry, rail, bus, and roading infrastructure, business demands, supply infrastructure, ports and airports.

*Explanation*

*Alignment of the current transportation system and urban form must occur to reduce the costs of access to employment and maximise the economic potential of infrastructure. These costs include the social and community costs, employment costs, environmental costs, ability to recruit skilled staff, loss of business synergies, cost of material/product/services movements and economic leakage. Providing local employment is the most cost effective transport intervention that the Councils can undertake. Strategies and plans for future development and the physical form of urban areas needs to bring about a reduction in the reliance on non-renewable energy sources.*

5. Intensification

Business location planning within the Northern and Western Sectors will aim to encourage intensification of appropriate business land use, by adopting policies and strategies to support business land intensification while allowing for the dynamics of the business land cycle.

*Explanation*

*In the longer term, and in order to achieve a more efficient use of business land and the compact city objectives of the Auckland Region, the Councils will facilitate the*

*intensification of business land areas. This is likely to be a complex and lengthy task. It is possible that the current legal, financial and structural tools available to councils will not be sufficient to bring about the redevelopment of existing business land areas on the scale required to address this issue. Each Council will also need to determine the level of intervention it is prepared to take. The Northern and Western Sector will investigate, as a matter of priority, methods to bring about 'Brownfield' development and the 'intensification' of business land use.*

6. Innovation

The Councils undertake to keep informed about, and to plan for, changes in technology infrastructure, energy supplies, and the wider macro-economic environment, so that future business locations are provided that meet the needs of business and provide for future changes in the business environment in a sustainable way.

*Explanation*

*Councils have limited control over many issues that impact on business development. However, the Councils can ensure that they understand the issues so as to advocate effectively and/or partner development and ensure that in their planning for business location, social and environmental issues are addressed and provided for in an integrated way.*

7. Location and Protection

Business land should be secured from other uses, affordable, encourage clusters, be well located in relation to residential populations and infrastructure with moderate topography, and be accessible

*Explanation*

*While in many instance mixed use development should be encouraged, the ad hoc use of vacant business land for residential development has in the past eroded the bank of vacant business land. The ad hoc use of vacant business land for residential uses, and other activities, such as educational uses, that foreclose options for the future and should be avoided.*

Strategic Infrastructure

The Councils will work together to ensure that strategic infrastructure assets are in place and protected for the future. (i.e. airports, energy supply and generation, education facilities and transport infrastructure).

*Explanation*

*Efficient utilisation of existing and planned strategic infrastructure assets has the potential to significantly enhance the economic performance of the Northern and Western Sector. In particular Councils have noted the importance of Whenuapai to its business communities and that the state highway network has a critical role in providing accessibility for people and communities.*

## Leadership

The Councils of the Northern and Western Sectors will continue to show strong leadership and will continue to work with economic development agencies, businesses and other agencies (e.g. Transit New Zealand, Ministry for Education, health service providers, and government).

### *Explanation*

*The Councils will advocate when appropriate to address issues such as skills and capabilities of their workforces, reduction of compliance costs, provision of information technology infrastructure and the interests of the northern and western sector.*