

# Wellington Regional Strategy Implementation Task Plan Industrial Based Employment Locations

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**Responsible Officer :** Kim Kelly

**Prepared by and date:**

1<sup>st</sup> Draft 14<sup>th</sup> November 2007 by Kim Kelly, Gary Craig, Chris Upton and Ray Cowles for consideration by all Councils

2<sup>nd</sup> Draft 19th May 2008 by Kim Kelly following feedback from SORT

**Other key participants:**

- Commercial real estate agencies (particularly Bayleys and Colliers)
- Key property developers in the region (particularly those focused on industrial land) – including Centreport
- Related Councils and Associations – eg Wellington branch of the Property Council, central branch of the EMA, Wellington Regional Chamber of Commerce
- Central Government – check MfE re sustainability issues, NZTE, Ministry of Economic Development
- Grow Wellington

**WRS implementation initiative:**

Industrial based Employment locations (pages 34 and 40 of the WRS). Actions are:

1. Develop a regional database providing accurate and detailed information on the supply of, and demand for, land for industrial based employment activities (*NOTE: it has been agreed that this will NOT be part of this work – determination on the need for this will be made at the end of this project*)
2. Complete study on factors affecting supply and demand of industrial land including:
  - Land value relative to the type of employment
  - Proximity to transport routes and other related land used
3. Identify employment locations which fit the strategic direction of the WRS
4. Map and promote industrial based employment locations with good strategic fit

**Relationship to other programs or mechanisms:**

This also links to:

- Each Councils work on their District Plan
- Intensification aspects of the WRS (page 41 of the WRS)
- Integrating transport and urban needs aspects of the WRS (page 42 of the WRS)
- Centres of Excellence outcomes/requirements

**Budget and resource information:**

Budget assumed for this work is \$10,000 from Greater Wellington.

<b>Item</b>	<b>Value/ amount</b>	<b>Role</b>
<b>WRS Office</b>	<i>60 hrs</i>	<i>Contract with Property Economics for analysis work Organising workshops/meetings Collecting research information on supply and demand aspects</i>
<b>Councils hours</b>	<i>80 hours per TLA??</i>	<i>Providing District Plan information as required Participating in workshops Distributing business survey to relevant businesses GIS mapping</i>
<b>Value of commissioned work in budget</b>	<i>(a)\$6800+GST</i>	<i>(a) Property Economics providing data on available land</i>
<b>EDA hours</b>	<i>60hrs</i>	<i>Participating in workshops Distributing business survey</i>
<b>Other partners</b>	<i>12hrs per partner</i>	<i>Participating in workshops Providing expertise and information on supply and demand factors in the Wellington market</i>
<b>Communications Team</b>	<i>4 hours</i>	<i>Communication regarding business survey</i>

**Project description and purpose:**

The purpose of this workstream is to<sup>1</sup>:

- Ensure that into the future there is an adequate and adaptable supply of land for industrial use in the region
- Achieve more employment close to where people live thus reducing the pressure on transport and strengthening each community
- Understand the impact for the region of the price of prime industrial land continuing to rise (as a result of competition with commercial and residential demands)
- Understand how to utilize the current supply of industrial land (utilised and available) in a way that achieves the wider sustainable economic growth outcomes of the WRS
- Look in more detail at the demand and supply of industrial land to provide accurate information on strategic locations for business investors
- Have information available to make regional land planning decisions

<sup>1</sup> Adapted from the commentary on page 34 of the WRS

- Enable the region to identify if and where action needs to be taken because the market is not delivering and to ensure that employment growth occurs where it will provide most regional benefit.

The key issue with regards to industrial land is that it is under pressure from “higher value” uses such as commercial and residential (eg as has occurred in Miramar and is starting to occur in Petone). Once industrial land changes use it will very rarely be available for industrial use again. The region needs to ensure that there is always enough industrial land in the region for predicted use to ensure the region remains competitive.

**Deliverables and critical dates:**

<b>What</b>	<b>Who</b>	<b>To whom</b>	<b>Dates</b>
Current status of industrial land (including available, pricing, DP rules)	SORT	CEO group	Sept 2008
Complete fit with WRS requirements (people movements, transport options)	SORT	WRS Committee	Nov 2008
Report on factors that affect supply and demand (theory and actual)	SORT, private sector	WRS Committee	Nov 2008
Results of business survey (ie workforce, future needs)	SORT through research company	WRS Committee	Nov 2008
Results on scenarios analysis	SORT, Transport	WRS Committee	February 2009
Final report to WRS Committee (pulling all factors together)	SORT	WRS Committee	March 2009
Regular updates and use (ie updates in DP) by Councils	Council officers	Councils	Ongoing
Regular updates to WRS Committee	SORT	WRS Committee	Annually

**Resources available to assist in delivery of the project:**

- Currently available information (eg Study of industrial land availability completed for WCC, feedback from WRS working session at Martin Bosleys on regional form, Bayleys reports, NZIER information on employment sectors, Regional Stocktake, MED work on database on centres (broadband project information)
- Officers in Councils responsible for District Plans and Economic Development
- GIS resources in each Council
- WCC “Wellington Industrial Land Assessment” by Property Economics dated September 2007

## Task outline

Stage	Task outline
Initiation	<ol style="list-style-type: none"> <li>1. SORT agree TOR</li> <li>2. Discussion with other interested groups to check for sense and anything missing (eg WRCC, EMA, developers, Property Council)</li> </ol>
Current Status of Industrial Land	<ol style="list-style-type: none"> <li>3. Workshop/information session to outline basis of this work to environmental policy planners in TLAs (and private sector), agree definitions and set timeframes – also include other work in this workshop (ie Centres work).</li> <li>4. Identify current industrial land including occupied (separate out fully utilized vs part) and green space planned for/available for industrial – amount of land and location. This includes development of definitions to be used and information from Property Economics.</li> <li>5. Identify current zoned land – a) that is zoned industrial; b) that is currently used as industrial but could be used under current DP rules for other uses (ie commercial) – amount and location</li> <li>6. Identify, consolidate and understand impacts of current District Plan rules regarding land that is/could be used as industrial for each Council</li> <li>7. Identify current pieces of work each Council is doing that could impact current rules/allow changes – understand impacts</li> <li>8. Identify and map current range of land values in each area (and possibly changes over the last 2-5 years and any projections)</li> <li>9. Map all of above on GIS (will require input to determine how)</li> </ol>
Fit with WRS	<ol style="list-style-type: none"> <li>10. Understand and map movement of working people between the cities (including trends)</li> <li>11. Determine and agree the implications and possible changes to these movement patterns – both from an economic development, urban form and transport point of view</li> <li>12. Understand and agree – how much industrial land do we need into the future? How much loss of industrial land is bad/an issue?</li> <li>13. Undertake work on transport options (as per Kobus work in Akld) including public transport to identify transport options for people moving to work</li> <li>14. Identify some options around fit of transportation requirements and industrial land (this needs more definition)</li> </ol>

Stage	Task outline
Understand supply and demand	15. Develop small background paper on theory of what affects supply and demand of industrial land 16. Develop picture of possible demand for industrial land into the future (based on WRS actions, Council activity, discussions with developers, REDA plans) – ie how much land do we think we might need into the future 17. Hold workshop (Councils, private sector, public sector) to discuss and agree what actually affects supply and demand of industrial land in the region and actions needed to ensure required supply is available 18. Develop report on factors that affect supply and demand
Survey of businesses	19. Agree survey purpose and input into this piece of work 20. Develop survey questions (ie where does their workforce come from, what are their plans for the future re land use, type of business etc) 21. Undertake survey (either research house or each Council sends) – also consider EMA, Chamber of Commerce, Grow Wellington 22. Analyse and understand implications for industrial land into the future 23. Report findings
Run scenarios	24. Develop some scenario conditions/rules that can be used to run scenarios from time to time 25. Run scenarios including transport/impacts on transport and futures thinking (where applicable) ie aging population, fuel prices 26. Understand implications of these 27. Develop report/paper on scenario analysis
Final report	28. Prepare final report/presentation for WRS Committee that pulls together all the information above 29. Deliver final report/presentation for WRS Committee
Regular updates <u>by</u> each Council	30. Ensure that findings from this study are incorporated into current and future plans of each Council (eg District Plan) 31. Councils to each map changes over time 32. Periodically consolidate and review information with other Councils
Regular updates to WRS	33. Presentation to WRS Committee every two years on changes OR when major changes occur

**Limitations on scope, assumptions or other information to define the project scope:**

**Industrial vs Commercial**

We have agreed that this just covers “industrial” and not “commercial” as defined by the WRS and because the industrial land is most at risk in the region. This may become difficult to differentiate during some stages of the work. For instance when we are looking at where people move from to go to work the Dept of Stats figures may not differentiate by type of industry.

We need to agree that this study is either just industrial OR it should cover industrial and commercial.

**Quality of information**

It may be necessary to look at reviewing the terms of reference once we understand the level of the quality of information. (eg how accurately do we need/can people identify the amount of utilized, under utilized and vacant industrial land in their area).

WCC have identified that they found this an issue in the recent study that they have undertaken.

**Availability of staff**

This will be a particular issue if we adopt an approach where Councils will do most/more of the work rather than contracting parts out. The expertise/knowledge in this area probably sits with a few people in the region. This will impact on the timeframe and possibly the scope of the project.