

# Comprehensive Report: Endorsement of the TCDC Thames and Surrounds Spatial Plan Establishment Report

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| <b>TO</b>   | Thames Coromandel District Council                                   |
| <b>FROM</b> | Laurna White – Communications and Economic Development Group Manager |
| <b>DATE</b> | 23 April 2020  |

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## 1 Background

On 19 November 2018 Council endorsed the Thames-Coromandel District Productivity Plan. The Productivity Plan, which identified five workstreams across the district to enable economic growth, namely:

- Destination Management,
- Land Use,
- Land Productivity,
- Connected Journeys and
- Aquaculture.

The Productivity Plan “Land Use,” Investment Logic Map (ILM) specifically identified that we need to invest in slower developing towns to improve amenity, which is a key constraint for economic growth of the district. The ILM specifically identified that there is a lack of housing and in particular, affordable housing, in Thames.

On 11 September 2019 a housing stocktake and commercial viability assessment was undertaken to gain a better understanding of the housing issues across the district. This assessment was completed in January 2020. A presentation of these findings and a copy of the housing stocktake and market viability report was presented to Council at a workshop on 11 February 2020. This report highlighted that Thames is experiencing significant housing market challenges where there has been price increases due to a shortage of housing which is exacerbated by the lack of new housing development in the development forecast.

Furthermore, commercially viability of development in Thames is stymied by the following:

- Greenfield development is constrained by topography & natural hazards
- Project viability is impacted by planning rules
- The lack of practical transport alternatives including public transport, walking and cycling
- The existing town centre does not inspire high density residential development
- There is an existing and growing need for smaller and more affordable homes
- Higher density housing development is untested.

The report recommended that a Spatial Plan be developed for Thames which takes into account where and how community live, work and play over a long-term period.

On 24 March 2020 Council commissioned independent infrastructure planning company Rationale to prepare the Spatial Plan Establishment Report.

Supplementary to the Spatial Plan Establishment Report is:

- The Thames to Kopu Structure Plan (2010), which has not delivered housing and industrial development as anticipated. The reasons for this require technical rather than anecdotal investigation.
- The Thames Urban Development Strategy (2013) describes Thames as having evolved in a fragmented way with little renewal or re-investment for decades. Investment is now occurring through the preparation of a Pollen & Mary Street Streetscape Concept Plan 2019 which once implemented will underpin the existing potential to create a functional, appealing and vibrant CBD.
- The National Policy Statement on Urban Development (2019) strongly recommends local governments not adopt a reactive approach to urban growth but instead facilitate community growth and wellbeing through adopting a strategic approach through spatial planning exercises.
- Any future development of Thames, the District's key service town, will need to consider medium to long term impacts of climate change and the Thames Shoreline Management Plan. This will inform key decisions with respect to locations for growth and infrastructure investment. The Spatial Plan will provide certainty about the resilience of growth areas which is critical for future infrastructure investment decisions by Council, the private sector and government agencies.
- The Thames and Surrounds Spatial Plan will potentially identify investment opportunities that can feed into the Waikato Regional Strategy (i.e. Economic Development Programme) that will enable future government and private sector investment.
- Thames is strategically located within an approximate 1-hour drive to three major urban growth centres Tauranga, Auckland, Waikato that have experienced and will continue to experience exponential growth, so we need to be prepared for anticipated growth.

An indicative study area has been identified between Thames town and Hikutaia village to the south through a high-level mapping investigation. This indicative study area has been identified as the focus area for the Thames & Surrounds Spatial Plan. The initial investigation recognised that this area presents some opportunities for urban development due to the accessibility and availability of developable land, access to current and potential services and the fact that there are numerous landowners indicating that they wish to develop their land in this locality.

## **2 Discussion**

While COVID-19 will continue to be an ongoing issue, Council needs to consider that the approval of the Thames & Surrounds Spatial Plan Establishment report will allow staff to progress the Productivity Plan land use workstream in accordance with the proposed process and schedule outlined in the report.

In order to attract investment to Thames a holistic and integrated assessment of opportunities and constraints is required. A Spatial Plan will provide sound evidence to support commercial viability and plan changes.

The Spatial Plan will provide a strategic direction for the growth of Thames and surrounding areas which will help address the immediate housing shortage, facilitate economic development and form a vision for climate change adaption and urban movement over the coming 30 years.

Initially, the primary purpose of the Spatial Plan will be to provide a co-ordinated approach to sustainable growth management for Thames and surrounding areas through the provision of a mix of residential, rural, recreation, transport, and greenspace along with the infrastructure to service these areas.

The project team will require technical specialists and input from internal staff as set out within the governance structure. The process of preparing the Spatial Plan will involve

engagement with Iwi and the community at key milestones throughout the project and reporting back to Council at each of these stages.



Map showing indicative extent of the study area

Council staff is seeking direction in:

- i) Overall support for the Thames & Surrounds Spatial Plan Establishment report
- ii) Endorse the Thames & Surrounds Spatial Plan work continue as per the process and schedule contained within the Establishment report
- iii) The level of financial support towards the investment in the Spatial Plan Establishment report.

Over the past financial year, we have budgeted \$150k for the Spatial Plan work of which \$131K has already been spent for the work undertaken since November 2019. Over financial year 2020/2021 a total of \$200k has already been budgeted within the Economic Development budget to complete the spatial plan work.

It should be noted that any potential plan changes identified through the spatial plan process will require additional budget to meet the statutory plan change process. On completion of the spatial plan a Council report will be prepared for any plan change work and the costs associated with this.