

## **Review of Taupo's Growth Strategy TD2050.**

### **Introduction:**

The Omori Kuratau Community (OKC) applaud the foresight shown by Council in 2006 to establish the Taupo Growth Strategy TD2050. It is very important that Council be proactive in this regard, planning for regional growth across Residential, Industrial and Commercial needs. Planning is about anticipating needs within the region and providing for them.

Projections for growth in the region for the next 50 years can only be formulated through a combination of known historical data and some crystal ball gazing. There will always be factors, macro and micro, such as the GFC of 2008, that will influence and change planner thinking. Hence it is important that reviews of the TD2050 be undertaken, such as the one currently under review.

We note in the Council Review document, that projected population growth through to 2030's will be modest, after which time population growth will decline. The document also states that 30% of houses in the District are designated 'Holiday Homes' and that trend is likely to continue. This Holiday Home percentage fluctuates considerably through the region. In the SE and SW Bays enclaves, for example, this percentage is in excess of 90%.

As mentioned earlier, the OKC applaud the establishment of TD2050. The OKC however, totally rejects the section of the Review Document that identifies an area of Kuratau, shaded green in Map 2 of the Review Document, as being 'Residential – Ready to go.'

### **Background:**

In 2006 Council established TD2050. As part of this strategy, Council rezoned an area of 'Rural Land' in the Kuratau settlement region to 'Residential'. This area of land, bordered by Te Waaka Tce, Pihanaga Rd, Taringa Ave, Whio Whio Reserve and the Kuratau River is known as D2 & D3 Blocks.

In 2008, a group of concerned Kuratau residents opposed this decision. The Kuratau Omori Preservation Society (KOPS) was established and over the next 4 years appealed this decision all the way to the Environment Court. At the Environment Court sitting in November 2012, it was agreed that any development of the Blocks D2 & D3 would be subject to Resource Consent. In addition, Council rezoned this land area from 'Residential' to 'New Residential.'

This rezoning of the D2 & D3 Blocks requires Council and Developers to assess and address a number of specific conditions prior to any development commencing. The understanding of the OKC is that the District Plan designates this land as New Residential and is still in place.

The OKC would like to acknowledge the work done by KOPS on this matter and in particular to Rod and Noelene Neveldsen for the time and effort, much of it unpaid, to achieve the result outlined above.

It is the view of the OKC that any development of D2 & D3 Blocks runs counter to environmental considerations, as well as being highly questionable from an economic perspective.

## **Our Submission:**

As outlined in the Council TD2050 Strategy Review document, there is projected to be modest population growth through to 2030's and that it is anticipated that population will start declining beyond this point.

The properties of the Omori/Kuratau geographic area, like many in the SE & SW Bays enclaves are primarily owned by non-permanent residents, for the use as holiday homes. A recent survey of the permanent resident property owners showed they are only 8% of the total property owners in the Omori Kuratau area. Historically this proportion would have always been less than 10% and is unlikely to change over the TD2050 review period.

Since moving permanently to Kuratau, I have observed two distinct property purchasing decisions – either purchasing existing properties, or new builds on larger lifestyle blocks. Over the 12 month period July 2017 to July 2018 there has been 40 existing property sales in the Omori Kuratau region, less than 5% of the total properties in the region. Over the same period there has been 10 new builds taking place, now at various levels of completion, but all on these larger lifestyle blocks.

Over two years ago there was a new intensive subdivision established adjacent to the Omori Store. The land originally had a small 4-unit motel and surrounding land covered in grass and bush. The new subdivision converted the 4 motel units to 3 separate title dwellings, all sold. The developers recently built a 'spec' home, now also sold. The remaining 10 bare sections all remain unsold after 2 years of marketing.

Why would you purchase a 'pocket handkerchief' parcel of land for \$250K, spend another \$500K on developing the section, when you can purchase an existing fully developed property, often fully furnished, for 50-60% of that cost?? It makes no economic sense.

I do believe however, if the developer had developed fewer, larger sites, he probably would have had sales success.

Back to the D2 & D3 Blocks, my understanding of the proposed residential development for this land is to be for 81 intensive small sites. Costs of developing services will be considerable to meet land use restrictions. These costs will have to be recovered in the section prices. Add to that much of the land is steep, unlike to development adjacent to the Omori Store, adding considerably to the building costs.

The view of the OKC is that any development of the D2 & D3 Blocks will be environmentally and visually a disaster and makes no sense economically. There clearly is no demand for such a development, not now, not in the future. The OKC would like to see this land retained as a 'Green Belt' that locals can enjoy and allow bird life to flourish.

It is also the view of the OKC, that any immediate need for property will be comfortably met by the sale of existing developed properties in the Omori/Kuratau area.

Furthermore, the OKC consider any future residential development should be mindful of market demand. The proportion of permanent population to holiday home owner in the Omori/Kuratau is unlikely to change. This is unlikely to become an area primarily for

permanent residents working in the surrounding area. It always has been and will continue to be an area for Holiday Homes.

In the TD2050 Review document, future residential growth sites for the Omori/Kuratau area have been identified adjacent to Te Puke Road and behind the existing Kaimanawa Views subdivision. Both these sites would lend themselves to a mix of smaller and larger lifestyle sites and with their proximity to water and sewerage, would make them more cost effective to develop.

**In Conclusion:**

We wish to re-emphasise the following:

1. In the TD2050 Review document, TDC mistakenly identifies D2 & B3 Blocks as Residential. The District Plan clearly designates this land as New Residential, and as such is bound by strict resource constraints.
2. The OKC is totally opposed to any development of the land area known as D2 & D3 Blocks. As stated in our submission, any residential site development makes no sense either environmentally or commercially.
3. We believe any short term property demand will be met by the purchase of existing properties in the area. Furthermore, any future residential development needs to be mindful of the needs of people seeking to reside in the area.

Mike Bowie, Chairman, Omori Kuratau Ratepayers Assn.

14 September 2018.