



URBAN GROWTH PROFILE STATEMENT

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1 Introduction

This profile statement provides an update to Statistics NZ 2006 Census information on housing, commercial and industrial activities within the District by reviewing Council building permit information over the last ten years. It assesses the existing urban zoned land available to determine whether there is sufficient vacant land in the main urban centers to handle future growth. It then briefly discusses problems that can arise both by providing too little, and too much, land for development in a community. It concludes by discussing some of the urban design issues faced by each of the communities in the district, and which communities might benefit from the development of a structure plan or a local area concept plan.

Also relevant to this discussion, Waipa District has signed the “New Zealand Urban Design Protocol” a document produced by the Ministry for the Environment in March 2005 and now adopted by most local authorities, Government Departments, Professional Institutes and Consultants in New Zealand. It has also adopted an explicit Action Plan to implement the Protocol. This action plan includes ensuring structure plans and town plans incorporate urban designs that promote the seven urban design principles listed in the Protocol. Briefly, the seven principles that together create quality urban design, are:

1. All activities, buildings and spaces should be treated as integral parts of whole communities.
2. Designs should reflect the distinctive character, heritage or identity of the community.
3. There should be diversity and choice for people.
4. There should be a wide variety of networks linking activities and people
5. Creativity, innovation and imagination should be encouraged.
6. Communities should be environmentally sustainable, safe and healthy
7. Community collaboration and knowledge sharing should be encouraged across all sectors.

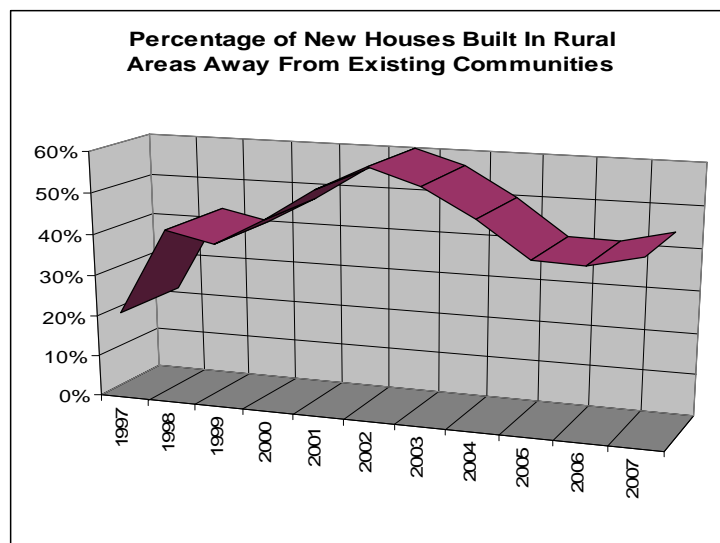
2 Current Profile

2.1 Residential

In 2008 Waipa District Council used building permit records to plot where new houses were built in the district over the last ten years. The ten maps they produced give a very good, progressive indication of where growth is occurring.

Ten years ago only a quarter of new houses built in Waipa District were built more than a kilometre from existing urban communities. This rose to nearly 60% around 2002 and 2003 possibly because of changes to the District Plan in 1997.

The ratio of new houses built away from existing communities has dropped back to around 40% over recent years, but the percentage of rural to urban housing development is still relatively high.



Much of this may be due to the type of rural activities that dominate in the District, and the relatively valuable “lifestyle” housing being built in these areas, but it may also be due, at least in part, to a lack of developable residential land within existing urban communities.

Generally both Cambridge and Te Awamutu, have managed their growth well. Cambridge has even identified future growth areas. But over the last few years in particular there has been an unprecedented amount of new housing in both communities that has rapidly used up much of the available vacant land.

Infill housing continues to reduce some of the demand for new land, and it is something that should continue to be encouraged, provided it does not erode existing character and is sympathetic to both existing development and urban design principles. Infill housing improves the efficiency of existing public services and facilities, while new “green field” developments extend services and require new roads and new infrastructure.

Large lot “lifestyle” development occurring on vacant land immediately adjacent to Cambridge, Te Awamutu, Pirongia and other communities in the District is not a very efficient type of urban development. It may solve for the time being a problem with handling sewage through on-site effluent disposal, but lots that are twice the size of normal urban lots generally require twice the length of road to service the same number of people. They require twice the length of water pipes and power lines. School children have to walk twice the distance to school and any local fire, police or ambulance service has to travel twice the distance to attend emergencies.



Large lot development can create an attractive urban environment, but most community residents don’t realise they will all end up paying for the image as unit costs increase, not just for the residents living on the large lots.

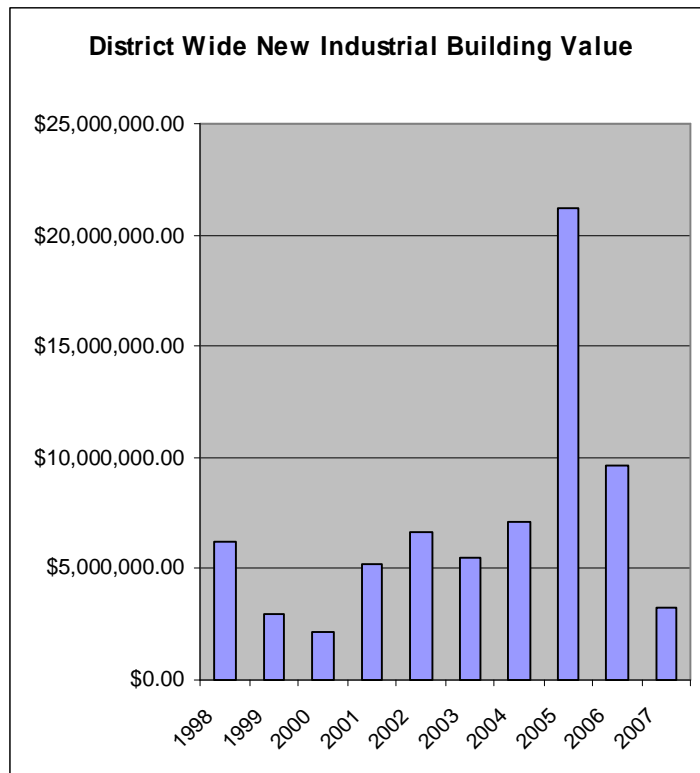
2.2 Industrial

It is not possible to deduce any discernable pattern of Industrial development in the district over the last ten years from building permit information, as it seems well distributed between communities and even in some rural areas. As is implied in the significant annual variation in the value of new Industrial buildings, it is not easy to second guess industrial needs.

Te Awamutu has a particularly difficult problem as on first glance it has a substantial amount of land able to be used for Industries. However, much of it is subject to flooding and most of the remainder is located in the central area where industries must compete with other commercial interests.

2.3 Commercial

Like industrial development in the District, no specific development



patterns within the district can be determined from recent building permit records as Commercial development tends to be cyclical and often dependent on events beyond the control of the District.

Clearly influencing commercial development decisions, however, is the Waipa District Plan. Its current provisions are designed to ensure that the two main communities in the district each maintain a commercial “heart” to them through the establishment of a “Town Centre” Zone. It is a very good idea, but to simplify the District Plan, only one other type of commercial zone exists in the District, called a “General” zone.



This second zone is subject to various performance standards but allows virtually all other “business” type activities (including Industrial activities and major retail shopping centres). Most “General” zoned land is on the fringes of the two town centres and not often on major roads so is of less interest to most shopping centre or big box commercial developers who might be interested in it. Because the land can be used for commercial activities with higher returns on investment, it can put it out of reach of many new industrial activities that can only survive with a lower base rental.

As a result, within both communities there appears to be significant pressure to zone vacant land on the edges of town for major commercial facilities because there are no reasonable sized pieces of vacant, appropriately zoned, land elsewhere.

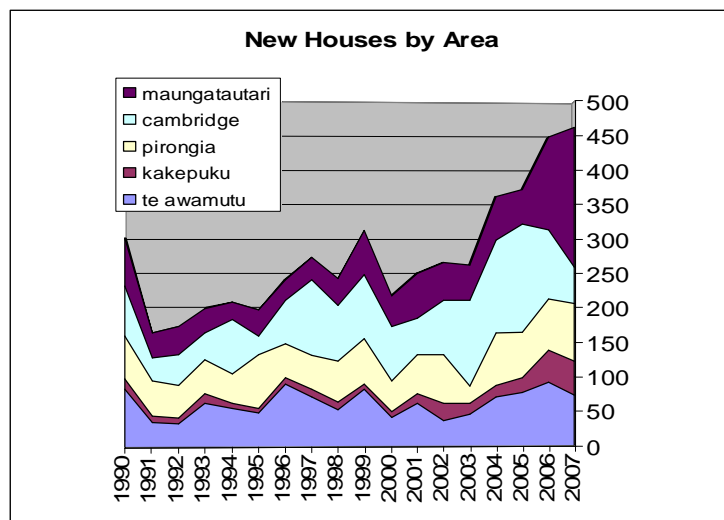
3 Land Use Growth Projections

3.1 Residential

During the 1990s there were only around 200 new houses built in the Waipa District each year. Over the last few years there has been double this amount.

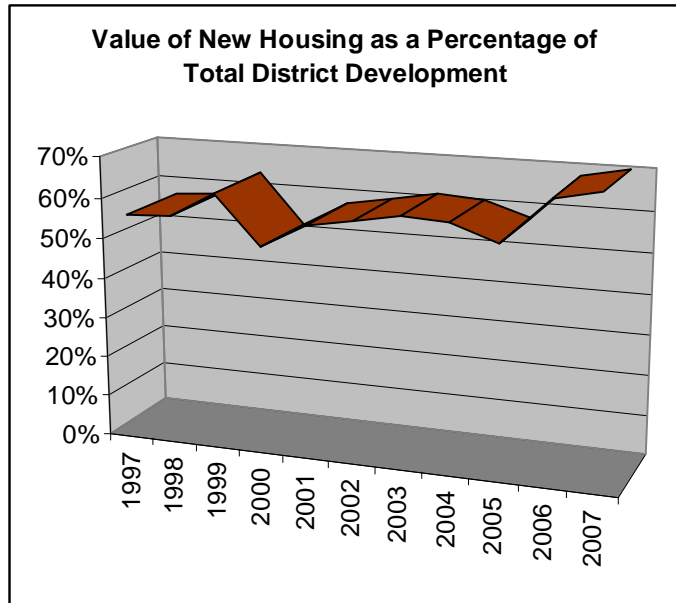
It is not easy to predict whether such growth will continue. Most analysts suggest New Zealand growth as a whole will slow down. Waipa District growth probably will too, at least over the short term.

This could be particularly difficult for the District as catering for residential growth is now a very significant local business. Seventy percent of the value of new development in the district



is from new housing. This is up from just 55% ten years ago. The current economic downturn is likely to see this percentage drop and the impact will be felt across many sectors of the community.

Despite such pessimism, over the lifetime of the growth strategy (to 2050) it would still be prudent to assume growth will continue, although perhaps not at its current level. A growth rate of 300 new units a year in the District, resulting in an average 2% increase in housing per year, would not be excessive. Assuming around 40% will continue to be built away from urban areas, this means that the District's two main towns, Cambridge and Te Awamutu, will each need to cater for up to 100 new houses a year. Some of this may be handled by infill development, but there will still need to be much more "green field" land than presently provided for.



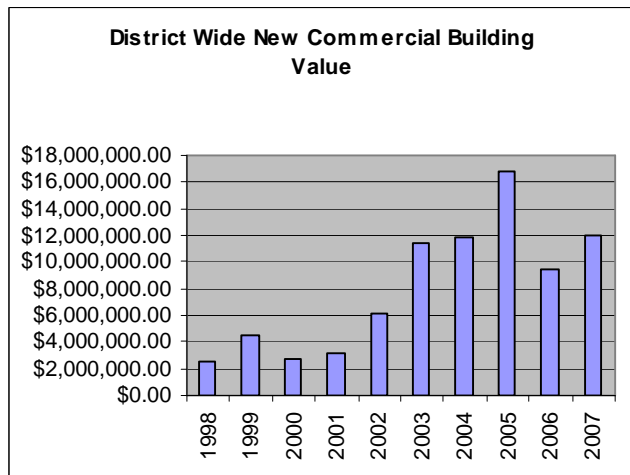
3.2 Industrial

While it is not easy to predict the need for industrial land, one common rule of thumb is; if less than 10% of existing industrially zoned land is vacant, it is probably time to start planning for more. A plan change to substantially increase the supply of available vacant industrial land in Cambridge by 120 Hectares at Hautapu is about to be lodged which, if granted should overcome any existing shortfall in that community.

Te Awamutu is promoting a plan change in Bond Road which, if approved, should increase its supply of industrial zoned land. It already has a substantial amount of land zoned for industry but much of it isn't particularly attractive to new industries because of its potential for flooding. If the community wants to attract new industry it must offer industry a wide range of choice.

3.3 Commercial

Deducing the amount of commercial land required for future commercial development is equally difficult from Building Permit information



as it can vary significantly from year to year and from place to place. However, from general trends across the district it is clear that commercial growth continues to be very strong and needs to be catered for.

Cambridge needs to carefully consider the impact of a major shopping centre north of the town centre along the new bypass. It is very hard to appreciate the long term affects of such a development on the existing central area.



Te Awamutu faces the same dilemma. While other studies have indicated there is “retail leakage” to Hamilton and a need for more commercial land in both communities, the best solution may not be In providing more vacant land, but in “unblocking” impediments to the redevelopment of existing poorly utilised land.

The existing “General” zoned land, for instance, could perhaps be made more accessible and usable for modern commercial activities. It may also be useful for both communities to consider providing incentives to developers to establish needed (compatible) new facilities in their town centres rather than elsewhere.



4 Management Considerations: The Difficult Land Supply Balance

Striking a balance in land supply over time is a difficult exercise subject to many external influences.

Lack of land for housing encourages potential residents to look elsewhere. Lack of Industrial land does the same for most industrial activities. Most importantly, lack of suitable commercial land encourages the newest types of developments like the “big box” retailer or the shopping centre developer to spend their money in other communities. Recent studies for Waipa suggest the District is possibly losing some local trade to Hamilton because of this.

An over supply of land, however, can sometimes be detrimental to a community too. For instance, large areas of vacant residential land in a subdivision can inhibit neighbourhood interaction. Large areas of vacant industrial land can look “abandoned” and give the impression of a community in decline, precisely the opposite impression that most communities want to give by offering such choice.

Most significantly, large areas of commercial land outside town centres can result in a downturn in the economy of the central area.

Supply and demand affects the growth and decline of most activities, but town centres are particularly vulnerable to market forces. Commercial land supply should seek a balance that provides for the continued viability of established commercial areas as well as provide for the introduction of new, well serviced developments conveniently located if required. Compromise or unplanned solutions may result in 'centreless' communities and accompanying social issues as a result.



5 Strategic Opportunities & Constraints: Urban Design Issues

5.1 Cambridge:

An introductory look at Cambridge suggests it is doing very well and growing strongly, but there are several signs its current strength is now putting it in a vulnerable position.

Cambridge has many unique attractions in its favour. The town is on the major north-south highway and tourist route through the North Island. It's natural topography and river landscape gives it a unique identity. It is surrounded by a "green belt" that helps define and concentrate the town's original form. It has become a key centre for several rural industries and recreational activities, and its central area has managed to preserve and build upon its charming historic "small town" character.

However, small town character and major big box retail shopping centres don't easily mix, as Cambridge has already discovered in its efforts to find a site for one just south of Te Koutu Lake. Long distance traffic can clog up local roads but highway improvements to reroute it can impact on existing community activities dependent on it. The Waikato River is still a deep cut through town rather than the central attraction it could be. The residential land inside the town's greenbelt is virtually full if intensive housing styles are not permitted, but some large lot new housing developments just outside the town could interfere with long term growth options for the community, Rural industries may be numerous around the district, but they don't always fit comfortably with urban interests.

The proposed plan changes for major residential, commercial and industrial development in and around Cambridge will impact not just on the town's centre, but the entire urban area, the way it functions and its long term prosperity. Clearly community growth and change must be catered for, but the urban design decisions that Cambridge is now facing will shape it for a long time to come.

Given the numerous urban development issues facing Cambridge, it is recommended that a Comprehensive Structure Plan is prepared to provide for a coordinated approach to long term planning.

5.2 Te Awamutu

The community of Te Awamutu is very nearly the same size as Cambridge. Like Cambridge, it is located on a major north-south route down through the North Island. It is also the focal point of a large rural hinterland and has a well designed town centre that is facing pressure from "big box" shopping centres and shopping mall development.

However, its urban design options are less clear. Te Awamutu doesn't have a river or "greenbelt" urban boundary controls, and it's lower growth rate reduces options available to it. There are a number of excellent initiatives the "Heart of Te Awamutu" has identified to strengthen its urban design form and allow the town centre to work well despite some potentially significant impediments.

There is always more that can be done and a structure plan with a vision for the town is recommended, particularly coordinating its central area, main roads and residential growth areas. Any plan should consider Waipa District's two main communities as unique and determine their own separate solutions.



5.3 Karapiro

The older houses in the small community of Karapiro 10 kilometres east of Cambridge are Government built houses that in most towns identify a lower income neighbourhood. However, Karapiro is clearly not that. While Government houses were made better than most other houses of their age, in Karapiro it is clear their condition is not just from good construction but from good maintenance and owner attention.

Other nearby houses also emphasise that Karapiro is not a typical community, but a growing resort town, based on the nearby lake and the sporting and recreational opportunities it offers.



Karapiro, however, has little to call a centre at the moment, but as it grows it will clearly need to define and plan for something more substantial. It will also need to step back and look at growth options as a whole to see where and how future development would be best located to preserve its enchanting character.

5.4 Pukeatua

The community of Pukeatua in the south-east corner of Waipa District is even smaller than Karapiro and more focussed on the surrounding rural farming community. It is facing some possible cross-border impacts from the proposed Arapuni developments in South Waikato District, but the more immediate concern is the potential impact of the new “ecological island” reserve recently established nearby on Maungatautari Mountain. The reserve is significant globally, completely surrounded by a fine wire mesh fence to protect endangered species inside from outside predators. It follows the successful establishment of a similar reserve right in the greenbelt of Wellington that has become a significant local attraction now gaining attention as an international tourist destination.

Given this new local resource and other nearby potential development, it would probably be helpful to look more carefully at the long term prospects of this community (including tourism) and from an urban design point of view, sketch out how it might handle any growth demands that it might face.



5.5 Kihikihi

Just south of Te Awamutu, State Highway 3 passes through the town of Kihikihi. Kihikihi is an attractive community steeped in history, but the highway through it brings both commercial success and cuts it in half. Most of the community is east of the main road, but there are still important activities on the opposite side of the road. Linking the two sides is an issue that must be addressed.

An equally difficult issue is the town’s relationship to its northern urban neighbour. With less than 2 kilometres separating Kihikihi from Te Awamutu, there is clearly potential for the two communities to grow together despite the low lying area between the two towns being vulnerable to flooding. Strip development is a very persistent activity, and it would be relatively easy for Kihikihi to lose its separate identity over the long term. A considered policy needs to be formulated on how to deal with this issue.



5.6 Pirongia

Pirongia's visibility and importance as a rural community has grown as the main road through it, State Highway 39, has been improved over the years to handle north-south traffic bypassing Hamilton between Ngaruwahia and Otorohonga. There is no reason to think its growth will not continue. However the community risks being stripped out with commercial activities along the highway as tourist & traffic demand grows. It is also experiencing rural-residential growth around its fringe that could inhibit better use of this land over the long term. It is important to get a handle on these and other local urban growth issues before the negative effects of ribbon development or unplanned growth cannot be avoided or mitigated.



5.7 Ngahinapouri

Ngahinapouri is a very small community also on the north-south Hamilton State Highway 39 bypass with a local school that serves a much larger rural area. There does not appear to be a major demand for new "urban" density housing in the immediate area, although there is a reasonable amount of new rural-residential development occurring nearby as it is within easy driving distance of Hamilton. So far all existing "urban" housing and the school are on one side of the highway, which makes most inherent problems of potential future growth less severe. There is no dairy or other commercial establishment in the community, and should rural-residential development in the area continue to increase, demand for other community facilities such as a shop, may arise. Either at this time or in the near future, a concept plan may need to be prepared for this community in order to ensure residential and commercial development does not jump the highway.



5.8 Ohaupo

Like Kihikihi, Ohaupo straddles State Highway 3 and suffers many of the same highway vs. town conflicts. It may be smaller, but in some ways its problems are worse because of its close proximity to Hamilton. Traffic numbers are higher, its school is isolated from the rest of the community and it is under greater growth demands to act as a dormitory community for its northern neighbour. This not only puts pressure on where new

growth should occur, but on how future commercial activities and other community services and facilities should be arranged to provide for new residents. Between District Plan provisions, the structure plan for Ohaupo's South Rural Residential Policy Area and the New Zealand Land Transport Agency, some of the potential adverse effects have been kept in check, but the community needs a thorough overview of its urban layout to try to deal with some of the issues that remain, or that will arise in the not too distant future.



5.9 The Hamilton Airport

The Hamilton Airport is rapidly becoming an important urban centre in its own right. The recent Titanium Park plan change involves both Industrial and commercial activities within an extensive “Business” zone. Over the long term, development in this zone is likely to create a strong demand to intensify use of other nearby rural land. It is also likely to impact on development opportunities in other parts of the District including within the communities of Cambridge and Te Awamutu.

This is a potentially serious issue. Housing and airports do not mix, neither do major commercial developments and airports, although some commercial activity to support tourists who use the airport as well as workers in nearby industrial activities may be justifiable.

Council's “transferable development rights” rules in the District Plan may help temper the housing demand in the immediate area over the short term, but the entire locality, including the new airport Business zone, both sides of Airport road, both sides of SH3 and the area surrounding the Mystery Creek Events Centre may need to be fully assessed and properly planned before local growth becomes unmanageable. In the meanwhile, all new nearby development will need to be carefully watched.



6 Base Case Conclusions

Community wide Structure Plans or Local Area Concept Plans are needed for virtually all of Waipa District's communities. This is not unusual or unexpected. Major changes to New Zealand's planning legislation two decades ago led to a significant decline in all District Councils' ability to deal with local urban growth issues. The introduction of structure plans and local area concept plans are now becoming the preferred way to overcome this deficiency. The following are some of the urban growth issues that need to be tackled in Waipa District.

- n Both Cambridge and Te Awamutu have reached a critical juncture on where and how new urban development should take place. Decisions being made at this point will affect their long term urban form and the efficient provision of public roads, utilities, services and facilities. Both would benefit from Comprehensive Structure Plans.
- n Both town centres need to be able to accommodate "Big Box" and other major retail activities while still preserving the character and commercial success of each centre.
- n Many smaller communities, including Karapiro, Ohaupo, Pirongia and Ngahinapouri lack clearly defined growth strategies both for future commercial activities and for urban residential development.
- n Major highways are disruptive features in several Waipa District communities, including Te Awamutu, Kihikihi, Ohaupo, Pirongia, Ngahinapouri and even Cambridge, although one concern in that town may eventually be resolved by its acceptance of a northern bypass. The Land Transport Agency's urban design initiatives may help address some of the constraints the state highway network has on the amenity and function of communities, particularly on town centres. For all communities, however, including Cambridge, more long term thinking needs to be brought to bear on how each community might best handle the major existing road network through them.

7 Recommendations for Further Work

The communities below are listed in order of their need for a Structure Plan or local area concept plan.

- n High: **Cambridge** should look carefully at its overall urban form through the preparation of a Structure Plan that sets out:
 - How its central area can keep its existing character and commercial success while providing for new modern forms of development such as "big box" retail (with associated free parking).
 - How the "edges" of its central area can be better utilized and integrated.
 - How its housing areas (present and future) can be integrated with its original "green belt" to make this reserve area a long term key feature of the town.
 - How it can better utilise its river feature.
 - How it can create new urban "boundaries" for the community to provide form over the long term, in the same way its historic greenbelt did in the past.
- n High: **Te Awamutu** should focus on clarifying its urban image through the preparation of a structure plan that sets out:
 - How it might use a central area "loop road" to strengthen the town heart's existing character and commercial success while providing nearby locations for new modern forms of development such as "big box" retail (with associated free parking).
 - How it can utilize the town's hilly topography to provide stronger and clearer community form and identity.
 - How it can provide a wider range of sites to encourage new industrial activities.
 - How it can improve the visual experience of the motorist travelling through town.
 - How it can formalize growth areas and build into them clearly defined "edges" to the community.
 - How it can best utilize and capitalize upon the community's diverse character.

- n High: **Kihikihi** is a separate identity from Te Awamutu but it needs to be included in Te Awamutu's Structure Plan because the two communities are already inseparable, despite facing some very different issues.
- n High: **Hamilton Airport** and the area nearby is a development problem waiting to happen and completing a structure plan for the area sooner rather than later should be a priority.
- n Moderate: **Pirongia, Karapiro, Ohaupo** all require Local Area Concept Plans.
 - These plans are less formal than Structure plans, and look primarily at "broad brush" solutions to particular issues, such as where commercial zones should be placed or extended, and/or where new housing should be provided.
 - Such plans will provide some guidance for future development, but should growth rates pick up in these areas, their concept plans may need to be upgraded to Structure Plans before the next update of the District Plan.
- n Moderate: **Ngahinapouri, Pukeatua**, will probably require Local Area Concept Plans at some point within the life of the next District Plan.
 - It would be preferable to see plans completed for these areas before problems arise. At this point it is difficult to predict when that might be, but it will probably be sooner than later.

The above communities are listed in order of priority assuming there is a necessity to prioritise the preparation of Structure or Local Area Concept Plans for them. In reality, however, all of them would benefit from a review of their urban form and growth options, given the large amount of growth that has occurred in the District over the last 20 years and is projected to continue over the next 20.

