

Ludo C-R:

Okay. Kia ora and good evening everybody. On behalf of the Global Partnerships team and the Auckland Conversations team, I bid you a warm evening and a warm welcome to this evening's Auckland Conversations. For those of you that don't know me, my name is Ludo Campbell-Reid, I'm the General Manager of the Auckland Design Office and it's my great pleasure and privilege to be tonight's MC.

This evening is about engagement, excitement, inspiration, and tonight's conversations are about trying to get out into the public domain, having conversations with Aucklanders about matters and issues that are affecting the city. Tonight's guest has flown in all the way from New York, Edith, and we're going to look forward to introducing her to you in a few minutes, and it's great to have you, Edith, here. Thank you for making the trip. I know you're a busy lady.

Edith will talk to us about the challenges facing New York, particularly Manhattan, where she's a Director of Planning. But tonight's really also about understanding the opportunities and issues that are facing Auckland and to see whether there are similarities and things that we can draw from those cities and to make some learnings in terms of moving forward.

To all of you tonight, thank you for turning up. There's about 800 of you here this evening which is fantastic, and it's just great to have the conversation happening across the region. It's great to be engaging with the community of Auckland. Tonight, we're going to be engaging in a range of ways. We'll be joined with a small panel discussion at the end of Edith's presentation.

Before we get into that, I'd like to extend a very warm welcome to two very cool people. One is to John Duguid, who's a General Manager of the Plans and Places Department. John's going to be joining me as a panel discussion a bit later on. And also to Adrienne Young-Cooper. Adrienne is a Director on the Hobsonville Land Company currently, and doing some incredible things with Crown, so they'll be joining us up on stage with Edith to talk a little bit about the challenges and opportunities facing Auckland.

Before we move on, I just want to make a very big thanks to the councillors who've turned up today and local board members, particularly Councillor Chris Darby who's the Chair of the Planning Committee, but also to Pippa Coom from the Waitemata Local Board, but also Councillor Denise Lee who's going to be giving the voter thanks towards the end of the evening. Thank you for turning up and being part of this conversation. It's really important that you do, and thank you for your support and ongoing support.

Just a few housekeeping issues before we get cracking. As I said, I'm sort of the hors d'oeuvre and Edith is the main course. In the unlikely event of an

emergency, an alarm will sound and we'll be directed out of the building by the ushers. The bathrooms are located near the bar to the back of the auditorium, which is on the left as you leave the room, and finally please could you turn all your mobile phones off so we don't get interference with the broadcasting because we're actually broadcasting this live, not sure to who, but to the world, and it's really a big part of the New Auckland Conversations programme whereby we are videoing and filming these conversations and they're available live around the world, so there'll be people from all over the place tuning in. For those of you on Twitter, there'll be a range of Twitter handles which will pop [inaudible 00:03:44] hopefully. Tweet madly and let's create a Twitter storm about tonight's conversation.

Putting on all these important talks and engagement conversations would not be achieved with ratepayer money alone. This is a big programme and I just want to make a particular call out and shout out to the private sector teams and organisations that get behind us every single time to help us bring these to you, and so particularly our overall sponsors who are [Resene 00:04:14]. Would you mind putting your hands together to thank them very much? [Resene 00:04:24] have been with us for many, many years and it's great to have them supporting us continually.

Another big thank you to some great friends who are developing up a new relationship with us as programme sponsors, so they are Brookfield Lawyers, Boffa Miskell, Architectural Designers of New Zealand, the New Zealand Institute of Architects, the New Zealand Planning Institute and the New Zealand Green Building Council, some really critical players and actors within the urban development realm, so thank you to all of you for your ongoing support.

In terms of the agenda for tonight, what we'd like to do, what we are looking forward to this evening. The format will be a presentation by Edith and then followed by a panel discussion with our panellists of course. In between that, what we'll do is as Edith sits down after her presentation, what we'll do is we'll ask both John and Adrienne to speak a little bit about the projects they've been working in, their challenges and issues that they are facing within their particular areas of work, and perhaps reflect upon the presentation they've heard from Edith, so it'll be a way to introduce them to you, but also to stimulate the discussion.

Then I'll be taking some questions from the floor once the panel discussion has ensued and finished. The Auckland Conversations' feed, so that's the #Aklconversations feed, that will be monitored throughout the whole night and we'll be able to hopefully bring some questions through that process too. If there's opportunity we will do that.

So, onto tonight's main course. If she's ready and willing. Our special guest tonight is Edith Hsu-Chen. She is the fantastic Planning Director for the Borough of Manhattan in New York City. We've had a long and a new and blossoming

relationship with New York City and that song was for you to welcome you here. The last New York guest we had was Janette Sadik-Khan who was here for a week and involved in lots of conversations like you have been over the last 24 hours and will be tomorrow as well. We've got a really growing relationship there, not only at officer level, but also at the senior mayoral level which has to develop over time, so it's great to have you here as well and to continue that programme.

Since 2008, Edith has led the office which has been responsible for planning, zoning and urban design, public space management and land use related activities across the New York Borough of Manhattan. She is a key adviser to the New York Planning Commissioner and provides guidance to the Deputy Mayor in terms of housing and economic development issues. Edith specialise in incentivizing the private sector to deliver public amenities such as public space and transit improvements. Edith has lectured at the Harvard School of Design where she also graduated with a Master's in Urban Planning. She's also a frequent panellist at Urban Development and Design conferences. There's a much longer CV, but we'll get into the conversation and expose that as we discuss it through the session.

I'd like you to put your hands together and welcome Edith.

Edith Hsu-Chen:

Wow. Thank you Ludo and thank you everyone for being here. Thank you to the council and for inviting me to be a guest speaker at Auckland Conversations. It is a thrill and an honour to be here. I've only been here two days and I am telling you I am already in love with Auckland. It's not everyday I can open my curtains and I can see volcanoes and harbour, harbour, harbour, harbour. I mean it's just amazing. But I don't even have a chance to be homesick because there are also some great reminders of New York City for me here. I see a lot of similarities. Immediately I was blown away by the multiculturalism of this city and the mix of the old and the new in your physical built environment and there is a very strong sense here of "we're not done and we're aspiring to do more," and that's definitely a sensibility and an ethos that we have very much so in Manhattan and in New York City.

Of course we've got more in common, maybe not so readily apparent, but we can certainly feel it. You can feel the energy. We are growing cities, Auckland and New York City, and with that comes challenges, certainly. But with those challenges come opportunities and it's up to all of us to step up. Are we going to grab these opportunities and start to innovate and start to find ways, new ways maybe, or new old ways of accommodating this growth?

Before I go into the projects I wanted to talk about tonight, I just want to say a little bit about New York City, although you may all know this already, I find New Zealanders to be so incredibly well-traveled and so knowledgeable about the rest of the world, which I can't really say about Americans ...

New York City, as you know, is the largest and most populous of American cities. We're made up of five boroughs: the Bronx, Queens, Staten Island and Brooklyn, and Manhattan. And Manhattan, we are the smallest of the five boroughs but we are the mightiest of the boroughs, we like to say. Our population in Manhattan is 1.65 million which is about the same as Auckland, maybe a little bit more, but believe it or not, we only occupy about five percent of the land mass that you occupy, so you can imagine the density of our population on a much smaller footprint.

New York City, overall, our population's about eight and a half million people, or a little over that, and we're very, very proud of our diverse community. Over 38% of New Yorkers were born abroad, including myself. I was born in Taiwan. I believe that makes me authentic cousin to the Maori ... excited about that. Kapa'i, I hope I'm saying that right. Kapa'i, kapa'i. We speak over 200 languages and we represent over a hundred nationalities.

By 2040 we are going to be beyond nine million people. We've been growing so quickly since 2010. We've already added the entire population of the equivalent of Wellington, and in just 13 more years we'll be beyond nine million. So again, growth poses challenges. Particular challenges that I've been focusing on and the Department of City Planning have been focusing on is housing: where are people going to live? And affordable housing. Can the housing be accessible to all? There's also questions of infrastructure capacity.

When Mayor de Blasio came into office, he was already anticipating this growth and at the outset of his administration, established a comprehensive plan called One New York and this was a plan for a sustainable and equitable city that addresses the social economic and environmental challenges ahead. He established questions to which there were measurable goals we were trying to achieve over the course of the next decade. He put 72 city agencies to work on over 200 initiatives, and where does the Department of City Planning and I, as a planner for Manhattan, fit in all this?

Again, just to look at Manhattan, you all know it's an island. We are an economic and cultural powerhouse. We house many Fortune 500 companies and new companies. We incubate lots of new businesses and we are home to amazing educational, medical, cultural institutions, but we are also a borough of neighbourhoods. A lot of people live in Manhattan and we want to make ... we, the Department of Planning ... want to make Manhattan, continue to make Manhattan, a great place to live, work and play. The challenge to us is how are we going to accommodate this growth?

We are creating what we believe are bold new innovations in planning and zoning. When I started out as a city planner 20 years ago, when I said the word zoning, I could see eyeballs literally going back into skulls ... "Ugh, zoning's so boring." But zoning is actually an incredibly powerful tool to get what we want. It's a powerful tool of the public sector to leverage the private sector to deliver

public amenities, and we've gotten to much more sophisticated with zoning over time. In the beginning, when zoning was first established many decades ago, it was quite a blunt tool. We said, "Okay, let's control bulk use and density," and now we're doing all sorts of very clever things with zoning.

The three projects I want to talk about today are Greater East Midtown, Hudson River Park and East Harlem Neighbourhood Study, and within the context of my talk of these three projects, I will talk about some new tools of zoning and, in particular, how we're stepping up our engagement with the community, with the broad stakeholder group, and how we're looking to them to do a lot of pre-planning work in advance of our planning work. I'll also talk about new tools and new mechanisms to get dollars into the public coffers and these dollars are coming from the private sector.

Let's start first with Greater East Midtown, GEM, the gem of New York City. We like that acronym. The purpose of this rezoning is to ensure the long-term strength of East Midtown as a premier world class business district. This is the area that's anchored by the majestic Grand Central Terminal. It has the Chrysler Building, the Sony Building, the Seagram's Building, the AT&T Building ... I'm sure you know those buildings. This is the Midtown of Park Avenue, Lexington Avenue, Madison Avenue. With all due respect to Queen Street, this is what we believe the best business address in the world, in the world, and we want to keep it that way.

Just let me just show you on a map where Greater East Midtown is. It's east side of Manhattan and it expands about 78 blocks. It's got incredible cache of old and the new and we like that. We like that character. There's over 5.6 million square metres of office space. All this red indicates commercial use in the district, so you can see it's an incredible commercial district. There's over quarter million jobs here. It's a very powerful tax space for New York. This area alone accounts for more than 10% of our commercial real estate tax revenue. It is of course home to the iconic buildings I've talked about a moment ago, and it's a regional transit hub because of the presence of Grand Central Terminal, which was built just slightly over 100 years ago.

Now, the foundation of East Midtown strength is based on the fact that the area's so accessible by transit, so Grand Central Terminal is not only a regional transit terminal, it's also a local subway station, so everyday we see over 600,000 trips and transfers coming through Grand Central, and the public.

We continue to invest billions into the infrastructure in this area. We are opening up a new regional train station coming from Long Island, so coming from the east, to Grand Central Terminal. We're opening that up in about 2022, and the 2nd Avenue subway, which the first leg was just opened earlier in January, it will give an option to East Side subway riders and it will give some relief to those coming into this district.

So, East Midtown has a tonne going for it. The vacancies actually are relatively low in this area and there's still a lot of cache and visibility and recognition of this area as a great CBD, but we know that there are long-term challenges. There are challenges to this district that could pose a threat to its long-term viability as a world class Central Business District. And let me tell you a little bit about these long-term challenges.

Number one: the ageing office dock. The average age of buildings in this area is over 75 years old. There's nothing wrong with that, it's just that the bones of these buildings aren't the best for today's modern tenants. These older buildings have low floor to ceiling heights and they have forests of columns inside and that's not the kind of space that most modern tenants want. We love mix of uses, but we're seeing a lot of these older buildings flip to other uses, hotel and some limited residential. We love mix uses but we do not want to fail on capitalising on the investment in infrastructure. We want to make sure we maximise our tax space and this is a great place to work because of all the transit, so we want to make sure we keep this area commercial.

There's been very limited new development because this is an older Central Business District and so much of the land has been accounted for, it's just built upon. There's a lot of congestion on the streets and sidewalks and in the subway station, a lot of blister points where people are just rubbing past each other and they just want to get to work or they just want to get home. I like to call the daily commute into East Midtown the daily salmon run. So you're trying to get up these stairs, you're just trying to get to your office and it's just hard.

We have a public realm that it's a little underwhelming. I think we can do better. Every world class Central Business District has a world class public realm, or should have a world class public realm. And then the zoning. The zoning that we have in place is really outdated. It does not allow for enough density and it frankly isn't doing enough. We're not demanding enough from the private sector in the zoning in this area.

We've known about these issues for several, several years. In fact we tried to do something about East Midtown. We tried the rezoning for East Midtown during the previous mayoral administration during Mayor Bloomberg's time. We couldn't get the ball passed into the end zone, and for a variety of reasons, and it was a real shame. There was consensus that we have to do something for East Midtown. When Mayor Bill de Blasio was then the Mayor elect, he committed to taking a fresh look at East Midtown, a fresh look at a new planning process for East Midtown and we all recognised that there was not enough buy-in the previous time we tried this in 2013, so we're going to have to do something different.

The something different was to look to the community, to look to the stakeholders, and have them give us their recommendations first before we come out with the plan. What are the hopes and dreams and expectations of

the key stakeholders in this area? We looked to the elected officials, a local council member, and to the world President of Manhattan to lead a Steering Committee. The Steering Committee only had 12 members, 12 groups, and it was quite varied. It included labour, it included community boards, a volunteer group of people who dedicate their time and energy to talking about major land use issues in the area. We included a civic group, we included the Real Estate Board of New York, we included landmark heritage advocates, so it's quite a varied, quite a broad range of stakeholders, but we thought we needed to hear from everyone.

Our co-Chairs, the Manhattan Borough President and the council member, they did a fantastic job ushering this process. It was a intense one-year process where they went through a number of issues. Historical resources, land use, implementation, public realm, transit improvements. At the end of the process and end of the Steering Committee's planning process, they gave us, the City of New York, an incredibly impressive document which had recommendations for what we should do in East Midtown. We took these recommendations very, very seriously. They took their job very seriously and this was not about crowd sourcing: what is a popular thing to do? I'm not opposed to crowd sourcing. I think Boaty McBoatface is one of the best things to come out of the internet. But we really wanted rigour and discipline and we got that out of the Steering Committee. So when we got their recommendations, we used it as a springboard as the solid foundation for our planning work. We looked to this consensus-driven document to advise us. We believe we were off to a great start because we had this community input very early on into our planning process.

Our proposal is very faithful to the spirit, if not to most of the letter of recommendations. Our proposal, in the end, it's an as of right development framework, which is a very good thing for the development community, and it really increased as of right density, in some cases almost double. In Manhattan Central Business District, in this area, the FAR, the Floor Area Ratio, the multiplier ... your maximum allowed floor area's generally 15 times your lot area. In our proposal we allowed it to go all the way up to 27 FAR, that's almost a doubling of the FAR. This is really great news for the development community, right? What do developers have to do? Ah, they must do their share. They must do their share, and as I mentioned earlier, every world class CBD has a world class public realm, so what is their contribution?

Well, there are three ways a site can achieve more floor area. So you don't just get the floor area for free, the developer doesn't just get it outright [inaudible 00:23:45]. They have to earn their way to this increased floor area. So, number one, they could do transit improvements. They could just go right into the subway stations, working with the Metropolitan Transit Authority, and they could make improvements to the subway stations, to the mezzanine, to the stairs to ... you name it. And they get credit for it and that credit is floor area.

Number two, you could actually purchase unused development rights from area landmarks and move it onto your property, so here's a little graph of ... people say air rights, it's not really air, it's actually development rights where you're moving it over to a development. But, guess what? We get part of that. We get part of the value of that increased density. We propose that we get 20% of that increased value and that money goes into something called the Public Realm Improvement Fund. Same thing for rebuilding ... this is a little bit more technical, but in New York City, in this area, we have a lot of buildings that are built beyond the 15 FAR maximum, and that's a big disincentive to refresh a building, to take down a building, if you can't even achieve your old FAR.

Let's say you had an 18 FAR building and the books were saying you can only do 15, you're not going to take your building down and lose those three FAR, but that was the past and now we're here, now we're trying to innovate and we're saying, "Yeah, you can have it. You can have it back. You can have your three FAR back, but part of that value you've got to contribute into this Public Realm Improvement Fund." So we're going to get a lot of money into this fund.

This fund is going to do a lot of things. We're expecting hundreds of millions of dollars to go into this fund over the course of a couple of decades and we want to invest in the public realm. These are just some ideas. I know, Auckland, you guys are doing amazing work in your streets, so we want to pedestrianise some plazas. We already have some of this work underway of course. Janette Sadik-Khan did an incredible job getting this to be an embraced concept in New York City, taking back the street for pedestrians. Maybe we'll have some shared streets. I've seen some really nice shared streets in Auckland ... and also just doing some bulb-outs and some traffic calming, and this is money that we didn't have before. We didn't have it. We're not taxing anyone. We're not increasing taxes, we're getting it out of private development, so we're very excited about that. Of course, there's all the transit improvements that could be handled through either the developer just does it or the fund will pay for it.

We feel very confident that this is going to work because we already have a very successful test model. Before we embarked on the Greater East Midtown proposal, we did a smaller rezoning of a smaller area within East Midtown and we have a project that was already approved and is already in the ground. This project was approved in 2015 and it's already a big hole with lots of work underway. This large building here ... I don't know if I have a pointer, but obviously the one next to the words ... is going to be 120,000 square metres of brand new office space. This is what we need in this area. We need super class A modern buildings. It's a very tall building, but we got over 225 million dollars worth of public realm and transit improvements at the same time that this developer is providing. This developer is providing because essentially this developer got a doubling of what it could do today, it could do prior. So there are on-site off-site transit improvements and there are on-site and off-site public space improvements and so we're very excited to see this project underway. It's a construction site. It's very exciting.



At the end of the day for our Greater East Midtown proposal, again for the overall 78-block area, what we expect to see to come out of our planning process, out of our plan, assuming and hoping that it gets approved later this year by city council, we'll see 16 brand new office towers, we'll see an increment of over 600,000 square metres of office space, we'll see 28,000 new jobs, we'll see hundreds of millions of dollars into the Public Realm Improvement Fund and we will see billions of dollars of new tax revenue. The one Vanderbilt building alone, per annum, will deliver 50 million dollars of more tax revenue, so that seems win-win to us. We're happy about that.

Another project for which we have been very demanding of the private sector, and not unfairly so, I think, is a new zoning special district for the Hudson River Park. The Hudson River Park, if you're not familiar with it, is a seven kilometre long park alongside the Hudson River extending basically from the southern tip all the way to 59th Street. It was established in 1998. It is a joint collaboration between New York State and New York City and it is the second largest park in New York City after Central Park.

It is an incredible resource, not just for the neighbourhoods immediately adjacent to the park, but really for the whole city. It's got wonderful amenities and it's a beautiful park. But, you know, not all of it is doing so well. There is a pier called Pier 40 that provides a lot of recreation space, in particular for soccer ... or I think I'm supposed to say football ... and other sports, and it is severely deteriorated. There hasn't been enough money allocated to it from the state or even from the city, so how can we really sure up this incredibly valuable resource for the city?

In 2016, so just last year, propelled by the severe deterioration of Pier 40, which actually threatened to have to shut down and hundreds of kids who play ... actually, thousands of kids who play soccer there would have to go somewhere else or not play ball. What we did is we established a special district that would allow for the transfer of unused floor area from the park, 'cause there were certain commercial piers along the park that actually do have development rights. The state had preceded us and adopted an act, a legislation, to allow for the transfer, and then we followed the state to create new zoning that not only allowed for the transfer but also was very demanding of the transfer.

Our first project, which was just approved in December, half a year ago, what it did is it moved, I think, 200,000 square feet of unused development rights from Pier 40 ... you can see that big square over there on the water ... moved it over the Westside Highway and onto a site called St. John's Terminal, was a warehouse site, and the result is the approval of a new mixed use development called 550 Washington. So the developer was granted a rezoning from a manufacturing district to a mixed use district, a commercial district that allows for residential, and as part of that special permission, the developers were required to make a contribution to the Hudson River Park Fund. A big contribution: 100 million dollars. 100 million dollars to fix Pier 40. And an extra

special thing ... I should've shown this slide. This two towers that have, one, two, three, four ... four towers that would be allowed at 550 Washington. In the case of residential development on this site, which we anticipated, 'cause it's a great site for brand new residential units, 30% of the units are required to be affordable. 30%. The building also includes indoor public recreation space and public access areas.

So, again, through zoning, we're very demanding of the developer. The developer, they're going along. They want this. This is not an unfair deal if the developer's coming along with us. So we're very proud of this project and we have more opportunity to do the same, to do more of the same. And just further north, we have this entire city block, Block 675, it's just south of the Western Rail Yards, which you all may know as part of Hudson Yards. There's been a lot of development on this site. This site doesn't look like this anymore. And there are a lot of unused development rights at Chelsea Piers, so there are three big properties on Block 675 and those three big properties, they all want the same rights to build new commercial or residential floor area and we will go through the same exercise of making sure that we get contribution to the park fund and affordable housing.

The third project I wanted to talk about is our neighbourhood study in East Harlem. So now we're going uptown. The major focus of the current administration, the de Blasio administration, is housing, in particular affordable housing. Right now, our city, like yours, we're in the midst of a housing crisis with demand far outpacing supply and there's a growing gap between household income and household rent. It's a very serious issue and something that we must address right away.

When the Mayor came into office, he put his Deputy Mayor, Alicia Glen, and Department of City Planning and the Department of Housing and Preservation to task on coming up with a vision, a housing plan for New York. So we've got a five borough 10 year plan, and the main elements of this plan is, number one, we've got to create more affordable housing and we have to put numbers to this. We've said we want at least 80,000 new affordable units and we've got to improve the zoning to promote not just affordability, but also quality of the design.

Number two: we've got to preserve affordable units. There were a lot of affordable units that were coming out of the roles of rent stabilisation or other programmes that help keep rents low, so we need to preserve a lot of those. Let's preserve 120,000 of those units and we need to help protect tenants facing harassment and we need to strengthen rent regulations.

And then the third leg of the tripod approach was to make sure we plan and invest in strong neighbourhoods, so it's very important that we collaborate with the community in which we are doing rezoning. We would create neighbourhood development plans. We're going to put our money where our

mouth is where we're going to make some changes in neighbourhoods by changing zoning. We're going to support the neighbourhood with other needs, not just zoning. We're not just going to go over there and zone and change the zoning, but we want to make sure we invest, make capital investments in other neighbourhood needs. It could be schools, parks, streets, other infrastructure needs, social services, et cetera.

One of the major highlights to come out of our efforts in implementing the housing plan was just last year the City of New York adopted its first ever mandatory affordable housing regulation. It is not the first ever in the United States, but it is the most aggressive in the United States. In our Mandatory Inclusionary Housing plan, where developers are enjoying an uptake, a significant increase in development capacity, we are demanding that we get at least 20 to 30% of that as affordable housing. Permanent affordable housing. Permanent. So no matter how many times the building changes hands, those units will forever be permanent. What we had to do is we have to identify areas in the city in which we can apply this mandatory affordable housing regulation, this Mandatory Inclusionary Housing regulation, 'cause again, our framework is really only valid when there is an uptake, when there is a significant increase in development capacity.

We've identified seven neighbourhoods so far in the City of New York where we can apply MIH, Mandatory Inclusionary Housing, and we're looking for areas where it makes sense to increase density. We're not going to do it just because, or throw a dart at a board, we're looking hard for areas that maybe hasn't had much zoning attention, where we see there's been underachieving developments, where there's not enough attention to these areas, 'cause we can do more than zoning. We can also deliver other capital investments and improvements.

So, we've identified two neighbourhoods in Manhattan for where we can apply MIH and one of them is East Harlem. So, East Harlem, very big area, a 96-block area in Upper Manhattan just east of Central Harlem, and basically east and north-east of Central Park. It has a very rich cultural and social history. It's made it the home of choice for a number of immigrant groups over the years. But, again, this area has not gotten much attention from city planning in the past half century, really. It's really long overdue.

Just a little bit about the profile of East Harlem. There is a 30% poverty rate in this area and there's a higher percentage of Latino and African-American residents than in the city overall. 45% of the population depends on some sort of income support and there's a much higher rate of asthma, obesity, heart disease and premature mortality. There are many issues to address in this area, not just zoning.

Housing: what's happening here in East Harlem ... all of Manhattan is pretty hot. There's just only so much floor area and only so much land left to go and so

there is current real estate pressure, but what we're seeing is that buildings are getting built but they're all market rate, 'cause zoning doesn't demand that much, so it's allowing these buildings go up with only market rate buildings and sometimes luxury buildings, and it is fueling, this kind of real estate activity is fueling the fears of gentrification, so we want to do something right away.

We had already launched our East Midtown's during committee process and we thought it was very successful. This project is about a year staggard ... not quite a year ... staggard after the East Midtown proposal, but we said let's try that model of the community Steering Committee here, too [inaudible 00:39:43]. So Melissa Mark-Viverito, she's been an amazing leader on the Steering Committee and she assembled project partners, so she's also partnering with the Manhattan Borough President, the local community board and a local activist group, Community Voices Heard, and she brought together about two dozen, maybe a little less, 21 groups to participate in coming out with their recommendations to the city, their planning framework to deliver to us, and they went through a very intensive year of a lot of meetings. It was very disciplined. This work is really incredible. The people are dedicating their nights and weekends to convene and talk about a wide range of issues and it wasn't just the Steering Committee.

They did meet very regularly, but they also opened up certain sessions to the community at large and we had over 1,500 East Harlem residents come to various public visioning workshops. I think there were close to 50 or 70 meetings over the course of the year where the Steering Committee met and it was super disciplined. They covered a great deal of subjects. They talked about open space recreation, schools, safety, transportation, health, small businesses and after their intensive year of work, they provided over 200 recommendations to the City of New York on these 12 key topic areas. We can't do everything. We can't do it all, but we at least know what our priorities are in the community and it's been an incredibly helpful tool for us as we shaped our plan.

Oh, sorry, I'll just do for a moment ... The Steering Committee, they had three main objectives when it came to land use recommendations and that was, number one: please preserve important East Harlem buildings and reinforce the character. Number two ... and this was huge. Allow for increased density. Allow for increased density and select places to create more affordable housing and spaces for jobs. And so it's very reassuring to hear that the community itself is okay with that. They're okay with increased density because it means more housing, it means more space for economic endeavours, for commercial endeavours, for jobs. Also, a third, please improve and create more services amenities for the community through new development on public and private sites.

This is useful, very, very good guidance for us. We took all their recommendations, the city, we convened our own crack team to get going on this and the city coordination's been really phenomenal, like coming out of City

Hall. City planning, we're a lead agency on these neighbourhood plans 'cause this is what we do, but we've been working so closely with the other agencies, with transportation, the Housing Authority, education, small businesses, you name it, you name it ... Department of Health. We've come up with a rezoning proposal where we are targeting certain streets for more density, certain streets for more housing, certain streets for more mix use, certain streets for more highlighting, really emphasising this area's potential to be a regional transit hub and to be an amazing regional Central Business District. We've done all this because we've gotten some great guidance from the community and we are planning professionals and so we're using our own expertise of course, too.

The plan is not just about rezoning though. At Department of City and Planning, that's what we're focused on. We're looking at the zoning but we are working with the other agencies to make sure that there's an overall package, there's a package that's just more than zoning. We can't go to a neighbourhood and say, "We're going to upzone you. Thanks. Bye." It's really important that we provide an overall package and we hear what's important to the community.

So, again, I mentioned this already, there's not a sledgehammer approach to the zoning. We really looked at each quarter or where we should focus housing, where we should focus preservation. This is not just about upzoning. We also identified areas where we think the scale should be kept lower, where maybe there should be a height limit. It was nice to have that balance, too, and I think everyone appreciated that we weren't just all about upping the density.

The 2nd Avenue subway is also part of this plan. The 2nd Avenue subway is coming. It still may take decades but we are accommodating for its expansion and growth into East Midtown by making sure that we build it into zoning in advance. For example, we're not going to penalise developers for providing space for event shaft or an entrance to a subway station, so this we can build right into zoning.

I mentioned earlier that East Harlem has the potential to be a regional commercial district. It certainly does. There is a regional rail station here in East Harlem. This is, if anyone's a little but familiar with Harlem, this is 125th Street and Park Avenue. This is the shed over the regional rail station. We believe density belongs at transit. That's a great place to put density, so we're proposing a new zoning envelope, a new zoning density, to allow for the new uses here and there's also going to be a base requirement for commercial floor area. First you have to provide a certain amount of commercial floor area before you can provide residential because we think that makes the most sense at a regional train station.

But as I mentioned earlier, there's some other areas of East Harlem that are not appropriate for intensification. There's lower scale. In this case we've got a row of beautiful brownstones and so our proposal also includes preservation strategies, so in this case we're providing a maximum envelope. Basically the

maximum box in which you can put in new development and that's shown here in the blue dashed.

It's a multi-prong approach, a different approach in the rezoning, and that the end of this all, after the rezoning is approved, touch wood, it's expected to spur, to create over 3,400 new units of housing over 11,000 square metres of commercial space, new stores and new restaurants ... Oh, excuse me, over 25,000 square metres of office and industrial space and new stores and restaurants. We're very excited about that.

Those are just a handful of projects that we're working on right now that include within them some new tools of how to get more from the private sector and how we also have to deliver more. So it's not just about getting from the private sector. We're demanding more of our ourselves to the public sector. Our neighbourhood plans are not just about zoning anymore, it's a comprehensive full spectrum of public goods and amenities and we're also making sure that we contribute financially. This is an important thing to do, so we are creating a Neighbourhood Development Fund for each of these neighbourhoods that we're going into.

I think my message overall is it's good to be bold, it's good to reach far and high and I think every major city has these challenges, these growth challenges, and it's a really important time for us to be ambitious and to be aspirational. There's no harm in that, right? Again, I do feel and sense this camaraderie between Auckland and New York City and I've really enjoyed the past two days ... I've only been here two days ... learning about what you've been doing and I hope to learn more about what you're doing and I promise I will be an ambassador of Auckland when I go back to New York City.

Thank you very much for your time and your attention.

Ludo C-R: Do you want to go and sit down now?

Edith Hsu-Chen: Oh, sit down? Okay.

Ludo C-R: Yeah. That'll be awesome. Well done.

Edith Hsu-Chen: Thanks.

Ludo C-R: You did awesome.

Thank you Edith, that was fantastic. Get yourself a glass of water there just to settle. We're going to give you a bit of break for 10 minutes or so. What we're going to do is we're going to bring up a couple of my colleagues to be part of the panel and we're going to give everybody a little bit of sense of who they are. But just perhaps as a quick reflection on what I just heard, it is particularly about there are so many similarities, the scale of things are different, of course they

are, but cities are quite similar 'cause ultimately cities are about people and the issues are very similar, the conversations around nimbyism and so forth, and not in my backyard. But actually nimbyism is just real people with real issues and they're fearful of change, and so it's really interesting. I think we need to think about how we engage and I think that's a big piece of the piece.

But one thing I wanted to reflect on was your point about the yawning around the zoning, which is interesting, because I think that planning does need to change and does need to step up. It is complex. Cities are complicated and it requires great skills and I just was thinking about the type of planning that we needed, more professional, more commercially savvy, more innovative, more practical. You need to have both. More collaborative and be current and also reflect the community you serve, and I just suddenly thought you're a wonderful ambassador to all those things, so I think you've provide a great role model for that type of conversation. I think that's important, so therein lies the opportunity for planners to be more central to that conversation and lead it, as you said. So, that's my observation.

What I also was reflecting on was we have an island called Waiheke Island, which is one of the most extraordinary places on Earth, but thinking about scale and density, you could fit Manhattan on Waiheke Island which is not what I'm proposing, but the point ... I'd seriously lose my job. He's lost it, he's been drinking again. But what I would say is it's just around utilising land more efficiently and more carefully and you have done that in Manhattan because the land is finite and so it's about working more smartly, so there's another theme that comes through.

So whilst we have a little break I'm going to invite up my colleagues to come and talk to you. As they come up ... so, John and Adrienne, do you want to join us on the stage? I'll talk a little bit about Adrienne first.

Adrienne Young-Cooper has been the Chairman of Housing New Zealand Housing Corporation since August 2015. Adrienne also served as the Deputy Chair of the Auckland Waterfront Development Agency and so we worked really closely together for many, many years. She also chaired the Hobsonville Land Company Limited for five years and if you all know the Hobsonville Point development initiated by the previous Waitakere City Council, I would believe is in conversation and in partnership with the Crown, is one of the best projects in New Zealand in terms of interdisciplinary multi-agency funding and operation and I think it just becomes this benchmark, and there's a question in there for later.

But she now remains as the Director of the Land Company. Also Adrienne served as a Deputy Chair of the Auckland Regional Transport Authority which replaced Auckland Transport, so a huge background in not planning but delivery, but also transport. For those of you that don't know that Housing New Zealand is New Zealand's largest social housing provider with over 60,000 homes across

the country under management. The government recently announced its largest home building programme in the last 50 years, that was just last week, and we can talk a little bit about that as we move forward. But it's the biggest housing building programme in the last 50 years and the Hobsonville Land Company and Housing New Zealand are going to be leading that portfolio, so they lead that portfolio and that conversation in Auckland in terms of delivering affordable housing and also general housing.

Hobsonville Point is just 20 minutes drive north-west of Auckland City Centre and is now a very short ferry-ride away, which again is also part of the choices that we need to do. The scale of development is very significant for New Zealand. A decade from now, Hobsonville Point will have 4,500 homes and it's Harbourside location and character of its streets will be home to more than 10,000 Aucklanders. Adrienne is going to talk a little bit about the work that she's been doing, the pieces of delivery that she's been involved in and a few reflections on the link to what she's heard from Edith.

Next up would then be John Duguid. John is a colleague of mine in the Chief Planning Office led by Jim Quinn, who is the Chief Strategy Officer, who's here tonight as well, so it's great to see you here tonight, Jim. John has been a planner for about 20 years now. He was the lead planner for the former North Shore City Council and has worked and led on projects such as the Albany Centre Development and prior to the formation of Auckland Council in 2010, he was the Auckland City Council's Planning Manager in Downtown Auckland. During that time, John's team was responsible for progressing changes to the planning rules for Wynyard Quarter, and again Edith talked about the sexiness of zoning. It doesn't sound sexy, but without John and his team doing the plan change, we wouldn't see Wynyard Quarter that has developed down there today and understand the details of zoning and planning and the rules and the tools, again, we wouldn't see Wynyard Quarter in the way that it is delivered today, so planning is bloody key.

More recently, John has had a really challenging role, which is probably one of the biggest career highlights of your time, John, which is leading alongside Penny Pirrit, the new unitary plan. He's also currently the General Manager of the Auckland Council's Plans and Places Department. John is a passionate planner. He's a great supporter of urban design and also understands the importance of planning in terms of creating vibrant, economically, environmentally and socially sustainable communities.

Those are your two extra colleagues and partners for the current conversation, so John, who's up first? Is that you, John? Are you ready? You've got some slides as well, haven't you?

John Duguid:

I do indeed.



Ludo C-R: Do I click that on for you? Let's hope it is you first. [inaudible 00:55:43]. You've got about five minutes. How does that sound? Planning history. Go.

John Duguid: All right. Good evening everyone and thank you. What a build up, and what a hard act to follow. Edith, that was fantastic. I did see your slides yesterday, but great to hear you actually talk to them.

I've got five minutes, roughly, to try and draw some links between the bold planning in Auckland that's taken place in the last five, 10 years and some of the themes and projects that you've talked about, Edith. So, here we go. Let's see how I go with that one.

Who are we in Auckland? This slide here really just talks about us. In terms of our population, almost 1.6 million people now in Auckland. We're all pretty familiar with that. The other key thing there: 39% born overseas which, just talking to Edith before I think 38% for New York City, so we've got some parallels there, but in terms of the population, much smaller than New York City as a whole. I just did some quick planning geek maths before, Edith. With New York City as a whole, I think you said about 750 kilometres square. The urban area in Auckland is about 1000 kilometres square, it's slightly bigger, but in terms of population density, obviously far, far lower here. I think it's roughly about eight times the density of New York City relative to the urban part of Auckland, let alone including rural Auckland, so some big differences, but I think some key commonalities as well.

Edith talked about the one plan for New York City as a whole. One plan, the Auckland plan, about five years old now, many of you will be familiar with its key themes, but pretty bold at the time. The compact city approach, the 70/40 split that you might have heard about with 70% of Auckland's growth ideally within the existing urban footprint, so that's a much denser city picking up on some of the New York City themes around upzoning and intensification, and we're all pretty familiar with that conversation in Auckland as it unfolded and continues to unfold, so that's our Auckland plan.

It's going through a bit of a refresh at the moment, so you'll probably hear more about that over the course of the next year or so, but some strong themes around the importance of a city centre, some expansion to the north and to the south and the green-field areas, but really building on our 10 metropolitan centres, the Albanies, the Takapunas, the Manukau City Centre, the Hendersons, the Newlands and so on where some great stuff's been happening, but what can we do to leverage more out of investment, public and private in those locations?

I guess my key project, along with many, many others, and I certainly don't try to take any credit for it because it was a huge effort by, not just council staff, but all of Auckland who really get their heads around what this unitary plan might be. Edith, for your information, basically it's like a zoning plan for the

whole of the region but also there's a whole lot of environmental and heritage type controls in there too, so it's pretty comprehensive and it does very much pick up on the Auckland plan theme of providing more capacity for housing in the right places, but also preserving the places that Aucklanders value for the history and their environmental qualities. So that's the unitary plan, basically. It was a huge exercise. We have it now in place. It's pretty much operative and fully enforced so there are a few appeals that are holding some things back, but we'll get there pretty soon. Some of the development opportunities are certainly being taken up including by Housing New Zealand. You'll hear about that shortly from Adrienne, but many, many others are starting to see the possibilities under the unitary plan.

But it's not all about capacity and growth and intensification, it's also about protecting, as I said, the qualities that Aucklanders value about Auckland, and good design. Another key plan from our point of view, and I certainly have very limited involvement in this plan, but it was the city centre master plan. It came out shortly after the Auckland plan came out, so roughly 2012, 2013. I think it was a very bold plan. It did build on much of the thinking that happened prior to that, but some of the key things that the city center's grappling with ...

This is a nice little graph here that shows the significant increase in residential population. I heard before that that 2030 estimate of 45,000 residents, we're almost there already in 2017. In six months, that's the estimate, so this graph is well and truly out of date. At the time council was formed of the amalgamation, we were roughly 25,000. We're up to 45,000, so big change for the city centre. 60-odd thousand students, that would have increased as well, and 90,000 workers. So, yes, the city center's important and the city centre master plan has some really big bold moves about stitching the core of the city centre into the Waterfront, about the sort of eastern and western sides of the city centre being stitched in and also stitching ... using that word again ... but really connecting the city centre to its fringe Parnell, Ponsonby, the [Newsome 01:00:36] area, huge opportunities there to get greater connexions, more walkable pedestrian connectivity and also public transport.

I won't go through all of the big moves other than to move in very quickly to I guess some of the success stories. Shared space in Auckland, there's been a real success. I think places like New York City would probably acknowledge that we are blazing a bit of a trail, setting some great examples with some of our shared space, and that's probably out of date as well. 10% increase in foot traffic on Elliott Street. I suspect it's far more than that. There's ongoing public space improvement programme in the city centre funded through a targeted rate, so different funding mechanism, but there is that dedicated fund to continue to roll out some of the public realm improvements in our city centre.

centre are we off to next? The Waterfront. Some great stuff has been happening there over the last five, six, seven, ten years. At the most, really. It's been a pretty rapid transformation of the Waterfront, but particularly in the, I

guess, the flagship Wynyard Quarter area. Lido mentioned that I'd previously had a role in terms of taking the zoning changes through to take from an industrial area into more of a mixed use vibrant place that we're starting to see today. That's been picked up by Panuku, our CCO, and some great stuff happening there.

I guess one of the key themes here is around public ownership of the land made a huge difference. If that land wasn't owned by the public through Ports of Auckland and Regional Holdings and then onto the public of Auckland, we wouldn't have seen that transformation at quite the same rate and I guess the investment in the public realm enhancements, the public realm improvements, big public investment, but you can just see now the unprecedented private interest and development happening at Wynyard would not have happened without that upfront public commitment to be the catalyst, I guess, for the transformation of Wynyard. As we all know, it's a place that Aucklanders are starting to really love and enjoy.

I'm sort of casting my mind back a bit further. It's not too long since the Britomart development. It's only about 10, 15 years old in terms of the original master planning, the development agreement, really great example of a good, solid, public private partnership enduring with strong heritage, preservation, restoration, public realm improvement spaces and the key one, of course, is that bringing the train station right in underneath Britomart. All of that is only just over a decade old, so there's some pretty bold stuff has been happening in Auckland.

And so if you move outside the city centre, we've got those 10 metropolitan centres and our town centre. Just some very quick examples of that public private investment. We have New Lynn here with the changes to the rail, brand new rail station, library, civic space and you get a developer, I think it was Infatil, going in there and doing a decent pretty high density development to really start and transform New Lynn.

Then down in Manukau in the south, again, the investment upfront in the infrastructure with the rail extension connecting in there and then MIT seeing that as a huge opportunity to really bring the student population right down in. This is probably a fairly unique example globally of a train station embedded in the heart of the university both developed in sync at the same time. Probably are other examples, but that's a fantastic one to start transforming Manukau.

And so, just to conclude, New York City, this is one of your most, I guess, famous recent spaces that's totally transformed and I guess while we don't have too many disused rail tracks in Auckland, like the High Line in New York, we do of course have our very own light path Te Ara i Whiti as an example of just taking a piece of disused infrastructure and giving it a new lease of life with a pink walkway cycleway there.

We talked about for a long time in the city centre a master plan just to bring it back to the planning, and now a reality. I think I've hopefully given you a bit of a link for the conversation between Edith and Auckland. Thank you.

Ludo C-R:

That's great, John. It's difficult to run through the planning history of Auckland in five minutes, but you did a great job.

Next up is Adrienne. Adrienne really is here to provide a sort of ... I was going to say private sector, but she has. But primarily she's speaking tonight on behalf, really, of the Crown sector, the property development component of the Crown work. Adrienne's going to give us the sort of sense of her perspective of what's underway with the Crown projects. It's great to have her inside the tent. We worked closely together for many, many years.

She's going to talk a little bit about the progress underway, the big challenges and also reflect on some of the learnings from NYC and the work that Edith has been up to.

Adrienne Young-Cooper.

Adrienne Y-C:

Well, it's actually fantastic to be able to come out from a huge load of planning. I'm the third planner, but I'm at that stage of my career where I'm pretty interested in doing and implementing and so that basically is the work that I'm very involved with.

It's an incredibly exciting time for Auckland. There's just the most incredible transformation going on with huge projects and I'm going to talk about a couple of them. But actually it's like all change. It's really, really painful. You've got to actually do a lot of digging up of things and a lot of disruption of communities, a lot of disruption of places and we're actually doing things that people haven't seen before in Auckland in the way and the places that we're doing them. I think this is going to be a little bit of a theme I think for the next four or five years until we just get used to the fact that things are changing.

It's really wonderful that there's this huge body of Aucklanders who are so interested in what's happening in our city and it's really critical that you are advocates and you're out there and you're champions for this change, even though it is painful. It'll be worth it in the end. We'll have a much, much better city.

In terms of New York, just if I can actually reflect. I'm lucky to have spent a lot of time in New York City just on basically holidays. I spent two weeks there in last September and particularly in this area of Midtown. I really noticed the pressure of population, which sounds a bit silly 'cause I have been there before, but actually it was palpable just how many more people were in New York. You felt it initially from the fact that the sidewalks were just so crowded. It was really hard. You just had to go with the flow. It wasn't a good place if you wanted to

wander. It was not a good place if you're a bit older. It wasn't a good place if you basically had to lift your feet, because actually the pavement below you was quite broken. I think it's incredibly important that you do what you're doing in terms of getting that investment in the public realm, and I'll come back to that theme.

The other thing that I really get from New York, which I think is a lesson, and it's a really important part of the future of Auckland, is that New York is full of different kinds of apartments for everyday living for everyone, so New Yorkers don't even think about it, and sure you can live in a house if you go way up the suburbs or upstate New York, but basically, the central part of New York is just full of apartments, and actually Auckland's transformation is on the way to an urban city. It's not all about apartments in the central city. It's about actually apartments everywhere, and I want to talk a little bit more about that.

Hobsonville Land Company and Housing New Zealand are part of the Crown family and we're certainly playing our part in terms of addressing more housing for Auckland. We've been working on Hobsonville Point now for about 10 years, five years of planning and five years underway, almost a thousand houses built there now, but it takes a long time. The planning is now getting faster and faster and faster. We have been working on the Auckland Housing Programme, which is a very ambitious 10-year programme, with Housing New Zealand for about two years and we are already underway with the implementation.

If I talk about the Auckland Housing Programme first. We had to actually analyse every last piece of land that Housing New Zealand owns in Auckland. It's not just a theoretical exercise. We have had to say what is the development potential? We then had to do all this work with the unitary plan. Thank you, John, for the wonderful result that's been delivered through that unitary plan. It's a start for the transformation of Auckland and it has given significant capacity for increased housing, particularly in the areas of highest demand within the existing urban areas.

So, we've been working on this. We've got our first four years of the Auckland Housing Programme very much underway. Resource consenting has already been done. We've got a lot of our contracting underway. You're starting to see in the newspaper various discussions of various developments. There are also developments all round Auckland all starting to actually happen.

In terms of some of the suburbs which have got relatively high densities of Housing New Zealand homes, we are actually taking the Hobsonville Point approach and we are doing integrated master planning. The first one that has been talked about a lot is Northcote and that is well underway. We've already got our first housing underway there as well. We have Akarana in progress and are still working on the master planning for that and there are quite a few more where we've started to do our initial work.

By June 2020, we expect that we will have delivered or enabled our first 6,700 homes of social, affordable and general market. And just turning quickly to Hobsonville Point, hands up people in the room who have not been to Hobsonville Point. Okay, well, there are not that many of you. For the rest of you, could you go back, because it basically changes every week. As I say, we've done a lot of work there. Basically, we have got four and a half thousand homes to be delivered there. We've got almost a thousand homes complete, but the really interesting thing is that actually of the ones still to come, we've got over a thousand apartments. Now, this is a master plan community. Nothing happens there by mistake. Everything has been thought through. The mix of community, the mix of household types and actually that integrated development working with both the land development and also the housing development is actually very complicated and takes a lot of resource. It takes a lot of working with the private sector who have stepped up pretty amazingly to really a whole new kind of development.

My closing point, my big idea, I know you're going to ask us about, but I'll just give a little bit of a flavour of it. Going back to the theme of apartments. We hear about apartments. They are so convenient. Lock up and leave. Well, actually, apartments are not for locking up and leaving. They are for living in and staying in and actually building in terms of communities. So we have to start thinking, not about an apartment development, we've got to start thinking about communities which have got lots of apartments in them. What that means for the community. What kind of amenities? What kind of streets? What kind of things can we do that basically create a different kind of community? I think we can learn a huge amount from New York because you wouldn't say that New Yorkers were short of community. Thank you.

Ludo C-R:

Very good. Thank you. We've got a good snapshot there of a range of different scenarios, different issues, different projects and also different personalities and different players and actors. One of the things that I wanted to ask you, Edith, probably first, is we talked about change today and everyone's brought it up. Everybody wants progress but nobody wants change, and so managing change is one of the critical pieces of planning of cities and also of councils.

So the question to you is in terms of your experience in New York City, you talked about engaging the community in a different way. It's difficult to engage the communities. They are often more busy doing other things. They don't vote as much as they used to. How did you engage communities and what was the biggest factor of success in terms of enabling change in your programme? I'll ask that to my colleagues as well. So, Edith, you're up first.

Edith Hsu-Chen:

Thank you. Does this work? Yes. Thank you for that question and thank you John and Adrienne for your presentations. I'm just non-stop absorbing. I'm loving all this.

Adrienne, you mentioned the pain of growth. I certainly did not mean to make it sound like what we're doing in New York City is easy. It is very painful. People don't like change. Even in an island where towers are everywhere and prevalent, we still have people who don't want more towers. They may live in a tower and they don't want to see another tower. It's hard.

How do we get people more comfortable with the change? With our new model of community engagement, we have looked very, very strongly and directly towards community leaders to help us with that and we have in two cases, in the East Midtown and East Harlem proposals, we looked to our council member, our local council member, to lead the Steering Committee in partnership with the Borough President or with other identified key leaders. But we can't do this ourselves. The community obviously has ... they've put someone into office, they've elected someone who they trust and believe can help deliver the change. They actually put these people into office because they want to see change.

Ludo C-R: Absolutely.

Edith Hsu-Chen: They're the change agents, right? They're change catalysts. We were partnering. We're doing much better partnership with the city council members. That's one way we're doing it.

Ludo C-R: That's a super simple way to ... that's what they're in for, that's what they were voted for and getting them involved. I guess the challenge with planning isn't it, it's the sort of a long-term kind of concept. Politics tends to be slightly more sort of political and therefore based on terms, and how does the planning survive the journey and how do the politics stay the course of that journey is a challenge.

Edith Hsu-Chen: I just wanted to add one more point [crosstalk 01:16:29] about the journey. I think in the past, the mistake that we have made was that we waited too long to include the council, to include the council members, and they do have a formal role in our land use review procedure. They have the final say. The city council can adopt or disapprove a rezoning and they are the last step of the official Land Use Review process, but we've kind of flipped that on its head. They're still the last say, they're still the last word, but now we're including them way, way early, even before we start our rezoning proposal. We are consulting with the council members very early one and we are leaning on them heavily to help us understand what are the real specific hope and dreams and expectations of the community?

Ludo C-R: That's fantastic. A great answer. How about I ask Adrienne and then John to just comment on the big ... What have you done within Hobsonville to create that sense of change, that expectation? What was the way forward? Is that working?

Adrienne Y-C: Is this working?

Ludo C-R: Perfect, yeah.

Adrienne Y-C: Okay. Well, can I just take another example which is when we go into, say, an area like Northcote, which is an existing area where people live, one of the things that we do a lot is we go ... With our social housing tenants, we actually have got a fantastic tenant team and they go door-to-door. There is formal communication but they actually go and talk with people and try to give them a lot of notice about what's happening and when it's happening, but while we're thinking about it, before we've got to the stage of starting to do master planning and those kind of things.

It seems to me that you cannot communicate enough. There doesn't seem to be anything that's got enough in it. I think that once we start hearing back that we have been over consulted and you're talking to us too much, we know what you're doing and we know who to get hold of when anything goes wrong, we'll know we have actually succeeded. We haven't had that yet.

Ludo C-R: I remember a friend of ours, she worked for Y&R, Young & Rubicam advertising agency, she said, "On message overtime at volume, and once people are bored of you then you've done your job," and I think that that needs to be done, but to be smart as well in terms of the conversation and talk with the language of the people that you're serving. So, thank you Adrienne.

How about you, John? How about change management in terms of the plans and the projects that you've led? What's been a big takeaway for you, or a success, I suppose? Or challenge, even?

John Duguid: Change management. Well, I was just going to pick up on the theme of engaging our communities. I guess key words that spring to mind are patience and hard work. You've got to be really patient. There's a lot of hard work involved. My biggest experience with the unitary plan process and it was just relentless. To try and get the voices of Aucklanders that you wouldn't normally hear from was the biggest challenge. There are many Aucklanders that you hear from quite frequently, but that's not all of Auckland so-

Ludo C-R: Not always the ones you want to hear from.

John Duguid: - that's the challenge. I think there were some successes. I wouldn't want to pinpoint exactly how it happened, but it was hard work by many people; our councillors, Deputy Mayor, staff, networks, some of you here as well, to get the voices of Aucklanders who wouldn't normally participate in planning to be heard, and there are many reasons why they did eventually pipe up and they were heard.

Edith Hsu-Chen: May I just take a moment to salute John getting the unitary plan through. I cannot even fathom doing a statutory plan for an entire city. That must have been just a-



John Duguid: Nor could we.

Edith Hsu-Chen: - huge undertaking, okay.

Ludo C-R: He has scars.

John Duguid: We said it wasn't possible, but others didn't listen, which is a good thing.

Edith Hsu-Chen: It was good.

Ludo C-R: It was a huge undertaking and also we've been talking about ... I mean Adrienne, on this other side of the fence, where sort of public organisations ... you're Crown, but you also have worked in the private sector, and the unitary plan, or the 13 unitary plans, were a nightmare. If you're a private sector and you're trying to invest or make a decision about X, Y or Z investment, you need some clarity, and so John's team with Penny Pirrit and her team, and the councillors and the community got one plan for a whole region, which is a big deal. They'll be tinkering with that, but it heads us in the right direction. It's now getting the other parts of the jigsaw puzzle working.

Talking about other parts of the jigsaw puzzle, just thinking about not-for-profits and philanthropists and funders and so forth. I mean last night, Edith, you met up with Generation Zero. These guys have been pretty important in the behaviour change conversation. They are also the future. How did you find them? Do you have versions of that in New York, 'cause I bet you do?

Edith Hsu-Chen: We have versions, but, boy, I was super impressed by Generation Zero. Incredibly impressed. I met with probably about eight members of the group. I cannot believe the savviness of Generation Zero and how effective they are in getting their message and building bridges and getting their message across by probably making visible partnerships and probably making some behind the scene partnerships. They're very impactful. I wish we had more of that in New York City, actually.

But we do see the younger generation being much more active. I'm so encouraged by millennials. I think millennials actually get a bad wrap in media. I feel that, number one, the future always wins. There's no point fighting it. The future is always going to win and the future is smarter than we are. It's wonderful to see the younger generation.

They already believe in the share economy. A lot of it is because they've had to because housing is expensive, everything's expensive. There is a different attitude towards ownership and quality. They demand high quality and they also believe ... I think that there's an ethos of sharing and that is brought into city planning and views of the city. I love that sense of collective ownership and responsibility of our city streets and the streets don't have to be for cars or just for cars. It can be for multiuse. It can be for pedestrians. It can be for bicycles.

It's a really great thing to see. I'm seeing that in New York as well. It was wonderful to meet with the Generation Zero. They're so focused. I think that maybe it's a New Zealand group. Maybe it's beyond Auckland, I'm not sure, but it's-

Ludo C-R: I don't know actually. I think it is a New Zealand group primarily.

Edith Hsu-Chen: - very impressive.

Ludo C-R: They've been really critical with a bunch of things like the unitary plan, conversation, the loud few against the silent majority, but they became a majority. Skypark is a cycle park over the Auckland Harbour Bridge who would never have got that over the line without them, and also there's other groups, transport blogs and so forth, who are smart, savvy people who want a better city. We are lucky. We can't rely on them always to be the last line of defence though and that's the frustration at times, so it's about getting the conversation happening earlier.

I suppose the same theme, Adrienne. How are you engaging with the younger communities which are going to be looking for new types of housing that you are trying to build? Are you building the right homes for the future without knowing what the future will bring? How do you mix it? What's the mix?

Adrienne Y-C: Well, I think this is one of those occasions I say that's a very good question. But I would actually observe at Hobsonville Point, which I've done that thing and have voted with my capital and gone through there. One of the things that I love about it is that it's full of young people and there are lots of conversations and the community is very connected with Facebook. So I sit there and actually observe a lot of conversations amongst people about how to live in a much more dense built-up community. I guess I'm actually taking part in the experiment and so far it's going pretty well. People are very, very active in terms of how they want to form up this new community.

People haven't had the choice of a planned terrace house typology over dozens and dozens and dozens of homes that'll pocket parks and those kind of things where it's been thought about at the beginning. It's not something you've actually had the opportunity of doing before in New Zealand. You had to have your quarter acre section to have a bit of open space, and so people are learning how to actually share these communal spaces. There's a lot of learning going on but we all talk to each other, so we ask each other. And the youngsters, they all talk to each other, and they tell me.

Ludo C-R: Thank you. John. I'll let you off that one. You'll probably come back to it in a second, but we're probably going to break out to a few questions from the floor. As we do that, who's first? There's a lady right at the back. Is there a microphone? Just as we come to you, madam, I was just thinking, what I think as a rule, a super rule, which would help, is every developer that built a home

had to live there for two or three years, almost like a golden handcuffs, 'cause I think that's practising what you preach and I think there's a lot of developers that would never live in some of the product they build. I think that's perhaps a little rule we could write into the new unitary plan, John.

Lady at the back. Hello

Audience: I have a question for Edith. You talked a lot about housing affordability. What does that mean in terms of numbers to purchase and or to rent?

Edith Hsu-Chen: That's a very good question, thank you. When we talk about affordability we are keying the rents to income. So in the case where a developer's required to provide, let's say, 25% affordable housing, that housing has to be available to a family that makes 60% of the area's median income. In a case where a developer is providing 30% affordable housing, that affordable housing must be available to families of three that make 80% of the area median income. We key it to income. I don't have the exact numbers in my head, but that's how we designate. That's what we mean by when we say affordable housing.

Ludo C-R: And that's kept ... you sort of mentioned it ... kept as affordable for in perpetuity, is that right?

Edith Hsu-Chen: Absolutely.

Ludo C-R: How long is perpetuity?

Edith Hsu-Chen: Forever.

Ludo C-R: So, it keeps it affordable for a ... 'cause that's often the challenge is you buy an affordable unit and then you flick it on and then it doesn't become affordable anymore, so it's levers of how to protect it.

Edith Hsu-Chen: Yes, we're absolutely trying to stop this trend where units are required to be affordable for a number of years, sometimes it seems like a very long time, 30 years sounds like a long time, but there's a family living in there when that alarm goes off, ding-ding-ding-ding. Times up. It's no longer an affordable unit. We don't want that to happen anymore, so when we are requiring affordable units, we really mean that these are forever.

We've done it already and so we know that it works. We haven't done it to as great extent as we're doing it today, but there are some projects that have done the perpetuity and they're successful.

Ludo C-R: Okay. Great. Thank you. John's going to just jump in [inaudible 01:29:13]. John.

John Duguid: If I could just break with protocol and just jump in here with a question for Edith. We tried that in Auckland through mutual plan and it's gone. It didn't

survive the process of submissions on a hearing and so on. The fear essentially was that it would just push the prices of the remaining units or dwellings higher, so how have you dealt with that? Have you heard that argument before? It's exactly the same method. In perpetuity, at a price fixed to average incomes, but the fear was that that would simply push the balance of the dwellings up, so that's ...

Edith Hsu-Chen: We heard that argument. We did lots of economic analysis. We took apart all that analysis. The market rate units, they're going to be what the market rate units are. We found that people are still going to rent them, they're still going to go in them. Our economic analysis bore out that even providing this 20 to 30% was not going to kill the project, but we are very protective of that 20 to 30%.

Some people criticise the city for not being more aggressive, for not not demanding 40 or 50, 75, even 100% in some cases, but the more we demand, the more infeasible the overall project becomes. So we believe we've hit just the sweet spot. This 20 to 30% makes the project ... it's still viable and it doesn't crush the overall project and make the market units too expensive.

Ludo C-R: Great question. Graham. I can't see Graham.

Graham: Hi. I just want to challenge a comment that was made by Adrienne. She talked about there'll be apartments everywhere. I think that's the wrong language to use. Even if you built, say, 40, 50,000 apartments, that would only be 10% of the housing stock in Auckland. Most people would still be living in their conventional houses or maybe the sorts of apartments and things that we've got used to, the low-rise things. I think the word that needs to be used, because you've got to sell the politics of this to people and not spook them, is talk about choice.

Hobsonville is excellent. It's drawing lots of people. It's an alternative way of living and people are getting it. But for those who don't want it, they've still got the choice of remaining with what they have, so you've got to be careful that you don't oversell the proposition. I think the work that's happening is excellent, but it's just you've got to get the political acceptance with the masses otherwise you'll find them voting in politicians who believe in different things and then we might not get the outcome that we really want. We've got to take the people with us by talking the right language.

Adrienne Y-C: Okay. I just want to correct the impression that I think we should have apartments everywhere. I think I said we needed apartments in our suburbs as well as in our central city. They are actually, and I agree with you ... it is actually a choice. The unitary plan has been incredibly powerful in enabling parts of the city to be redeveloped for terraced housing and apartments and it's a really, really important part of our growth story for Auckland that we're actually able to take some of these very beautiful parts of the city from a location perspective and we can have more people for the same footprint, and we will actually have

a really, really interesting city with more people and more interesting communities. That doesn't mean to say the houses aren't still going to be there. Of course they're going to be there. It's all in the unitary plan.

Ludo C-R: Okay. Thank you. There's a lady in the middle at the back there. Is there any way to get a microphone to her? Great.

Audience: Hi. I just had a question about what difference do you think it makes having a population that's focused on home ownership versus an acceptance of renting long-term, and what role possibly the strength of the tenancy laws play in that?

Ludo C-R: Who's that question to?

Audience: All the panellists.

Ludo C-R: Who wants to go first? It's a really important question. Anyone want to pick it up before I dive in there?

Adrienne Y-C: I'll just make a couple of comments. I think that there has been a lot of conversation being led and debate being led. Again, I think it's Generation Zero about having high levels of security with respect to tenancy. I think that we do need some new models in this space, so that doesn't mean to say ... I don't have the specific answer. I know that at Hobsonville Point, again, we are actually trialling particular development where you can lease for between five and seven years and that particularly is to enable people who perhaps want to go there and put children through school and actually have a longer tenure. So that's a product which has been developed.

We don't know if people in the market are interested, because of course the value of tenancy is that you can come and go, and the value of ownership is that it's sort of yours, so long as you don't want to sell it, so I mean everything's got it's value.

Ludo C-R: That's good. Is there a perspective from New York around rental, because I was in Seattle last year and Google, Amazon, they were all there. Those people don't want homes. They want to be able to move and if we're going to compete for those people we need to provide something for them. They don't want to be tied down in effect so they're highly mobile, highly wealthy but they can be anywhere. What about New York? Are you having a similar conversation?

Edith Hsu-Chen: We're mostly focused on rental housing but that's really the demand in New York City. There's the mobile workers and it's also really for the affordable housing push. Home ownership is usually way, way, way down the line. First you just want to be able to find an apartment you can rent that you can afford, so we've been mostly focused on that.

When we're doing our planning, we are thinking more about rentals. We've got more work to do when it comes to affordable home ownership opportunities. I think that requires more work for us.

Ludo C-R: Okay. That's great. Let's have one more question. Does anybody want to ... ? [inaudible 01:36:08] who's shouting in the back there. I can't see her in the darkness. Sounds like Mr. Ray. Okay. The floor's yours Alistair. Be prepared.

Alistair Ray: Thanks. It's great to hear what you've got to say about zoning, Edith, and it sounds like maybe in summary you're effectively selling upzoning for the public benefit or maybe capturing the benefits for land owners of upzoning and then bringing that to the public good.

We've just upzoned, as we've heard from John, huge areas of the city and I've got a feeling that we've not really captured the value of that. So a question to you, Edith, as to whether you think that's a missed opportunity, but also maybe an opportunity for John to say whether you think we've captured that value somewhere.

Edith Hsu-Chen: Well, number one, I appreciate that you're using the word capture versus sell, so that is what we are trying to do. We do a lot of value capture incentives only in New York and I don't know the extent of experimentation [inaudible 01:37:12] and I'm hearing that it's not part of the unitary plan, doesn't mean that it can't be part of unitary plan or a future plan. It does take a lot of buy-in and certainly it can be started in smaller increments, but it's been a very, very powerful tool for us, a very useful tool to help amplify our coffers.

I don't want to say there was a missed opportunity because I think the unitary plan has accomplished many other things as identified areas for intensification, and that is a huge achievement in and of itself. So maybe the next generation, the next innovation for the unitary plan could be experimentation with value capture.

John Duguid: Essentially our legal framework doesn't allow for it, so the unitary plan's produced under our Resource Management Act which does not allow for value capture at all.

Edith Hsu-Chen: Interesting.

John Duguid: Local Government Act ... I'm not an expert in it ... but I think there'll be some challenges there, so it really is a council central government discussion that needs to take place if that tool is a tool that we want to use in the future and I think it potentially is a good part of the solution. There really is a discussion to be had with our government to give us the legal ability to capture that value.

Ludo C-R: Just to perhaps provide another point on that is that John's right, but the tool is able to be used and we have new organisation called Panuku Development who

are there to facilitate and drive development, but we also have to key projects. One is the city rail link which is three underground stations in the central city, but that's for the entire rail network, so the value capture is along the entire rail route, not just downtown. But we constantly get into this debate about 2.5 billion or 1.5. It's not about the urban regeneration potential of the city rail link, it's the wrong name of the project, almost. It's more than that. So, that's one thing to say. It is complex but it needs the right people who've done it before. Everyone talks about it but not many people know how to do it and it is a tool which we need to use. 225 million dollars on the-

Edith Hsu-Chen: One project.

Ludo C-R: - one project ... I mean, we're all mouthwatering at that and yet we seem to allow the private sector to say, "No, we can't afford that." But actually, says who? And I think your point about economics is where planning and economics need to work together. I think that's a great question Alistair, as I thought he'd do, and something for the future.

I think that's been a really great conversation. It's difficult to manage it across a large room like this with three very diverse, but actually very similar concepts of city planning.

I just want to thank, firstly, John Duguid, my colleague in the Plans and Places Department from the CPO. I would also like to thank Adrienne Young-Cooper from Hobsonville and from Crown, and last but not least, Edith, for her fantastic input tonight, and thank you for coming. Would you mind putting your hands ... ?

Before we go tonight, it's a really important piece of the conversation is a vote of thanks from one of our senior politicians in the organisation. We talked about the politicians. They're the ones who makes the decision at the end of the day. We provide them with best professional advice and they can make a call either way.

We're very lucky tonight to have councillor Denise Lee here tonight. Denise is the Deputy Chair of a new committee set up under the new Mayor, Phil Goff, which is labour party Councillor Chris Darby, so Chris is the Chair, he's here tonight as well, but Denise is going to give the vote of thanks.

I don't want to go for a long sort of spiel on your CV, but I just want to say that Denise is, as I said, Deputy Chair of the Planning Committee. She's also the Councillor for Maungakiekie and Tamaki, which is in Auckland as well. Denise is interesting because she's been a really passionate supporter of the urban design programme and one of the things that we did a few years ago was my team and a whole range of volunteers went out, undertook a Jan Gehl public life survey. There were lots of councillors that put their hands up as well, but Denise did as well, spent five hours with me, the lucky lady ... and counting people, observing

what they do, observing public life and we spent lots of time together. It was a really good moment. It's really good that you've come here tonight and given us your time.

Denise Lee would like to give the vote of thanks, and goodnight from me.

Denise Lee:

It was a good moment, Ludo. A five-hour moment. Every positive event deserves to end on a positive note but they're not going to be my words. They're going to be yours. When you get elected you have to, especially when you're in governance, you have to handle two concurrent streams: risks and opportunities. Which stream do you think gets the most airing? It's always the risks. So on a positive note tonight, let me just recap a couple of words here.

Edith, you said great places to live, work and play, bold new innovations, powerful tax space, world class public realm, 28,000 new jobs, great guidance from the community, we can do more than zoning, we can deliver capital improvements. And my two favourites: I promise I'll be an ambassador for Auckland, and volcanoes harbour, harbour, harbour. That's a very quotable quote right there.

Adrienne: incredible transformation, huge projects, we'll have a much better city, start of transformation for Auckland, create a different kind of community.

And John, our internal favourite: strong themes, great stuff happening, leveraging more, opportunities taken up, protect qualities Aucklanders value, blazing the trail, vibrant spaces.

Thank you. All progress must sit on positivity.

Ludo, the masterful provoker of thoughts that you are, thank you for a thought provoking session tonight and you're hosting of that.

Edith, you've made the trip to our big little city, delayed flights and all, and it's been an absolute pleasure to host you. We will indeed quote you on your ambassadorship for Auckland.

Adrienne and John, we've needed your insights for our Auckland context here tonight. Thank you for your energy and commitment to our journey ahead. Elected members who are here tonight with me acknowledge you. Three of us were acknowledged. There might be some more in the room. My apologies if there are.

And finally to all of you here tonight. Very much appreciate your time and your presence. Farewell to you and to our online audience who are enjoying the live streaming of tonight.



If you're a sponsor and supporter of Auckland Conversations, we salute you. If you're not and you could, and you should, contact us. We'd love to talk with you.

Farewell everyone. Have a good evening.

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