



15 October 2009

The Local Government Commission
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NEW ZEALAND

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Auckland's Communities of Interest

Greater East Tamaki Business Association - industrial area business improvement district community of interest

1 Summary

- 1.1 The Local Government Commission ('LGC') is seeking initial input from interested parties on Auckland's communities of interest by 16 October 2009.
- 1.2 On behalf of the Greater East Tamaki Business Association ('GETBA'), it is submitted that each industrial area business improvement district within the Auckland region must be recognised as a distinct "community of interest".
- 1.3 In particular, it is submitted that GETBA and the precinct it operates within (as set out in the attached plan) is a single distinct community of interest for the reasons set out in section 4 of this submission.
- 1.4 Of particular importance for industrial area business improvement district associations is that they maintain their ability to act as single strong advocates on behalf of their community of interest in the new Auckland Council environment, particularly at the local board level.
- 1.5 Because the ratepayers in these areas are typically unable to vote in these areas, there is the very real potential for 'taxation without representation' and for commercial businesses to be rated as 'cash cows' to predominantly support local 'residential' facilities and activities. The voice of industrial area business improvement district associations must be easily and directly heard by elected representatives, particularly at the local board level, to address this concern.
- 1.6 The LGC has also recognised the importance of not splitting communities of interest between wards and local board boundaries.
- 1.7 As a consequence, GETBA submits that in determining the boundaries of wards and, in particular, the boundaries of local boards, the LGC determine that
 - a **The precinct which defines the Greater East Tamaki Business Association (being that area identified on the attached map), be treated as a regional responsibility of the first tier of Auckland Council governance outside of Local Board jurisdiction**

OR, failing that, that

- b the precinct which defines the Greater East Tamaki Business Association (being that area identified on the attached map), be wholly contained within a single local board area (that is likely to be the 'Botany' local board).**

2 Greater East Tamaki Business Association

- 2.1 Briefly, GETBA is an association of businesses in East Tamaki, Manukau, Auckland. It was inaugurated in 1993 and incorporated in 1994 to support and advocate for businesses in this, now with the development of Highbrook, the largest industrial area in New Zealand. It has grown to become a leader in economic development for the area. In consultation with the Manukau City Council, the association developed into a business improvement district in 2008/9, representing 4500+ businesses and property owners, utilising a targeted rate to provide sustainable long-term funding for projects and services identified in a strategic plan and annual business plan.
- 2.2 GETBA has 2000 business members, with a mix of large, medium and small enterprises represented. Over its 15 years of service to East Tamaki it has undertaken many projects and advocacy programmes including a \$200 000 contract with the Ministry of Justice Crime Prevention Unit and a successful campaign to get Manukau City Council to correct a waste water charging regime which forced 6500 business properties to subsidise 95 000 residential ratepayers by 24% per property.
- 2.3 East Tamaki as a whole is New Zealand's major manufacturing, industrial and commercial business precinct that supports many innovative small and medium enterprises (SME's) as well as large businesses that are owned both locally and by overseas parent companies (e.g. Fisher & Paykel Healthcare, Fisher & Paykel Appliances, Criterion Manufacturing, Stevenson and Sons, Lion Breweries) and, in the premier business park of Highbrook, headquarters of major national and international companies.
- 2.4 Growth continues to be a key characteristic of the East Tamaki area where both the number and size of businesses continue to increase. When Highbrook is fully developed, the employee count of the GETBA area as a whole is estimated to top 50,000. At this time, East Tamaki's share of Manukau City's employment was 20% and it contributed 25% of Manukau's GDP (\$3.4billion out of \$12.23 billion).
- 2.5 For more information, please see <http://www.getba.org.nz>

3 Industrial Area Business Improvements Districts

- 3.1 Industrial area business improvements districts ('**BID**') are independent organisations, not-for-profit economic development organisations, based on a partnership between the Council, the business community and other stakeholders. There are currently three main industrial area business improvements districts in the Auckland region: Rosebank Business Association, the Greater East Tamaki Business Association and North Harbour Business Association.
- 3.2 The basic objectives of a BID programme are: business creation and development; increased employment and local business investment; an enhanced physical environment and heritage conservation.
- 3.3 They are an important element in sustaining Auckland's economic growth. They build on the distinctive character of Auckland's commercial districts and business centres - as well as the energy and skills of the people who have businesses there.

- 3.4 BIDs are funded through a special targeted rate collected from local businesses (non-residential ratepayers) by the Council and passed back to a self-managed incorporated society formed by the businesses to manage the funds.
- 3.5 The establishment of a BID is through a postal ballot (poll) of eligible property and business owners in the proposed area.
- 3.6 Currently BIDs are an important component of local business representation and economic development and must smoothly transition through to the new Auckland Council under each Council's existing policy.

4 The Greater East Tamaki Business Association 'Community of Interest'

- 4.1 The approach being taken by the LGC on Auckland Governance Reforms are set out in a paper titled "Commission Tasks and Approach On Auckland Governance Reforms".
- 4.2 As noted in that paper, there are three main areas to deal with: perceptual, functional and political. In relation to these three dimensions, several factors are to be applied. The following section of this submission identifies those characteristics of the Greater East Tamaki Business Association that recognise these factors -

a A sense of identity with or belonging to a community

- i Geographical Features (eg hills, rivers, landforms)
- The boundaries of GETBA are formed by the Tamaki Estuary and the major arterial routes of Ti Rakau Drive, Te Irirangi Drive and Ormiston Road
 - It is a discrete industrial/ commercial area developed from a green fields site first given its industrial strength and focus through the presence of the headquarters of Fisher & Paykel and W. Stevenson & Sons.
- ii Other features which are seen to form barriers between areas (e.g. arterial roads)
- Bordered by the Otara Stream, the Tamaki Estuary and the Pakuranga Creek as well as Ti Rakau Drive and Te Irirangi Drive it is clearly defined as an industrial enclave.
- iii Particular landmarks (e.g. significant buildings and monuments)
- N/A
- iv Land use and settlement patterns including: residential and land commercial use, particular growth or development areas, other particular uses (e.g. heavy industrial land use)
- It is almost exclusively industrial and commercial in composition and constitutes the major green fields resource for both high class industrial commercial development and heavy industry in the greater Auckland region.
 - While it draws largely on population in a ten kilometre radius for 80% of its workforce (both white and blue collar staff), these people do not vote in East Tamaki so the needs and concerns of the business area are largely unrepresented electorally.
- v Shared values tying a community together or commonly referred to characteristics associated with an area based on, for example, history, an articulated 'community vision' or the ways in which local residents articulate a sense of identity and/or emotional connection associated with 'their place'
- The businesses and property owners of the GETBA area have proved over 15 years that they value their membership of the association through voluntary financial support

- While they do not have an electoral vote, they contribute over \$15 million in rates annually as well as significant user charges for services
- b *Functional - the ability to meet the need for (council and non-council) services*
- i Catchments of council-provided services (e.g. business improvement districts, use of community facilities (e.g. halls, centres for meetings))
 - East Tamaki has been developed as an industrial precinct from a greenfields site and, as such, is profoundly lacking in Council-provided amenities.
 - It is not an area which demands major investment in Council services beyond the provision of basic transport infrastructure, the assurance of water and power reticulation and a satisfactory standard of cleaning, footpath provision and the collection of recyclable materials from staff cafeterias etc (Note that currently this last service is not provided by Manukau City, unlike every other major city in New Zealand.
 - ii Infrastructure networks, including roads (motorway connections)
 - The development of the Highbrook interchange to the Southern Motorway, Te Irirangi Drive connection between Howick and Manukau City Centre, the planned development of the Auckland Manukau Eastern Transport Initiative (AMETI) are all part of the critical structure to move goods and people daily in and out of this industrial precinct.
 - iii Public transport networks
 - GETBA has commenced preparatory talks with ARTA to develop Travel Planning in East Tamaki as a logical step on from the Highbrook Sustainable Transport and Travel Plan (STTP)
 - Current public transport networks are seriously lacking but are being researched and addressed as part of the current GETBA Business Plan
 - iv Non-council provided services (e.g. security services, other BID services)
 - GETBA has a long-standing and valued role in the development of relations with Police and Security providers in the region. It hosts monthly meetings of all security companies active in East Tamaki and provides a model of best practice to which these companies adhere.
 - GETBA runs an active neighbourhood support and security support service whereby any suspicious activity is notified to all businesses by email. This has resulted in a remarkably low crime rate and the development of strong interaction and support between businesses
 - v Significant centres/locations of employment
 - This is the largest manufacturing and industrial/commercial zone in the region and the country.
 - It contributes \$3.4 billion annually to the New Zealand economy and around 31,000 jobs projected to rise well over 50,000 in the next five years.
- c *Political arrangements for representing and reconciling interests*
- i Existing community and local government boundaries such as networks of resident/ratepayer associations, community board areas, territorial authority wards, regional council constituencies, local authority boundaries

- The fact that East Tamaki has been served by more than one ward of Manukau City has been immaterial to date as the functional relationship has been between the City and GETBA.
- The fact that these wards may transform into Local Boards which would have the right of governance and raising of targeted rates over parts of the industrial area raises a prospect of different rating policies and priorities for different parts of the area.
- It also raises the potential issue of raising rates in the industrial area for the benefit of residential ratepayers, thus perpetuating and possibly exacerbating the differential rating policies of the past.
- For the first time, East Tamaki and GETBA face the possibility of being unable to speak with a single voice to represent the needs of what should remain a single entity.
- The 4500+ members of GETBA are uniquely without political representation and face the prospect of being rated without consultation and certainly without representation.

5 Conclusions/Relief

5.1 GETBA submits that in determining the boundaries of wards and, in particular, the boundaries of local boards, the LGC determine that

a The precinct which defines the Greater East Tamaki Business Association (being that area identified on the attached map), be treated as a regional responsibility of the first tier of Auckland Council governance outside of Local Board jurisdiction

OR, failing that, that

b the precinct which defines the Greater East Tamaki Business Association (being that area identified on the attached map), be wholly contained within a single local board area (that is likely to be the 'Botany' local board).

Yours faithfully

Elsbeth Mount

Executive Chairman

APPENDICES:

- a. Constitution of the Greater East Tamaki Business Association Inc. (639532)
- b. Strategic Plan 2009-14 (including Map of GETBA area)
- c. Business Plan 2009 – 11
- d. Recent newsletters and security emails