

**PALMY**<sup>®</sup>  
2021-31

**TE RAUTAKI TĀONE AUAHA,  
TĀONE TIPUTIPU  
INNOVATIVE AND GROWING  
CITY STRATEGY**

# Ahunga rautaki



# Strategic direction



# Matawhānui Papaioea Palmerston North Vision

## He iti rā, he iti pounamu

### Small city benefits, big city ambition

Palmerston North is the heart of the Manawatū region. We are a small city with a lot to offer, and we're ambitious about where we're going.

Palmerston North has many small city advantages - a great quality of life and easy access to services. We embrace our Rangitāne o Manawatū heritage and celebrate the diversity of our communities. We know that the talents and efforts of our whole city will help create the future we want.

To fulfil the vision Council has adopted five goals and strategies.

- **Whāinga 1: He tāone auaha, he tāone tiputipu**  
Goal 1: An innovative growing city
- Whāinga 2: He tāone whakaihihi, tapatapahi ana  
Goal 2: A creative and exciting city
- Whāinga 3: He hapori tūhonohono, he hapori haumaruru  
Goal 3: A connected and safe community
- Whāinga 4: Te tāone tautaiāo  
Goal 4: An eco city
- Whāinga 5: Te Kaunihera ahunui, whakamana i te iwi  
Goal 5: A driven and enabling Council

## Whāinga 1: He tāone auaha, he tāone tiputipu

### Goal 1: An innovative and growing city

**Palmerston North is a growing city, and we need to plan for this growth. We need to make it easy to get around, and to make sure we cater for everyone's needs as the city expands.**

Our goal is for a productive local economy that supports community wellbeing. We want new industries to create employment to expand our city's opportunities. We want to drive innovation by providing support and infrastructure to enable diversification. Palmerston North will stand out by becoming a low carbon economy.

The nature of work is changing and there will be many different types of work in the future. We must work with enterprises, small and large, to enable traditional industries to evolve and new industries to emerge. The natural advantages of Palmerston North will support innovation and the development of new industries. We will position Palmerston North to take advantage of new jobs in research, development and creative industries. Palmerston North will take advantage of change to encourage sustainable growth and wellbeing.

**Paetae: Kia piki ake ngā tūranga mahi i Papaioea mā te 12,000, i mua i te tau 2031**

**Target: 12,000 more jobs in Palmerston North by 2031**

This Innovative and growing city strategy describes Council's 10-year plan vision for Goal 1.

Three plans sit beneath this strategy and describe Council's activities for the first three years of the 2021-2031 10-Year Plan: **City growth, Economic development** and **Transport**.

## Kupu whakataki Introduction

### Oranga hapori Community wellbeing

The purpose of local government is to promote the social, economic, environmental, and cultural wellbeing of communities in the present and for the future. The Innovative and growing strategy focuses on the economic wellbeing of our communities, although we intend that this strategy will impact on all aspects of wellbeing.

### He tāone auaha, he tāone tiputipu Innovative and growing city

Palmerston North is the major economic hub for the Manawatū–Whanganui region for education, health services, retail, business services, government administration, agribusiness and logistics. Our goal is to build on these current strengths and create new ones to ensure the city has a strong, diverse, and sustainable economy. Efforts to grow the economy will make the most of new technologies and promote careful environmental stewardship.

Increasing economic wellbeing will depend on Council working well with businesses, support agencies, central government and other local authorities. The Central Economic Development Agency (CEDA) will support business development and retention and will promote a diverse economy. CEDA will focus on helping young people develop the skills they need for the changing jobs market.

Palmerston North is growing, and a clear planning framework will promote good urban development. It will also provide certainty for public and private investors. Council will work closely with the development community and other partners who share our goals for sustainable development.





We will support the development of a greater range of housing choices.

Integrating land use planning and infrastructure can be a powerful economic development tool. Council will provide infrastructure in a timely way. We will manage the financial risks of duplicating or providing too much infrastructure in many locations. A ready supply of land to support the city's growth will ensure Council can harness new development opportunities.

We need to ensure the city grows in ways that support Council's goals for a creative and exciting city, a connected and safe community, and an eco-city. We will measure our success by the increase in employment and wealth, and in the improved quality of life and prosperity of our community.

This strategy sets out our six priorities to support a strong and productive local economy that supports community wellbeing.

## Ngā tino Priorities

1. He whakaū i ngā ara whiwhi mahi, ara tiputipu hoki

Create and enable opportunities for employment and growth

2. He whakarato pūnahahanga e pai ai te tipu o te tāone me te pūnaha aranukunuku, hei tūhonohono i ngā iwi ki ngā kaupapa o roto i te hapori

Provide infrastructure to enable growth and a transport system that links people and opportunities

3. He tautoko i te whanaketanga whare noho e hāngai ana ki ngā hiahia o te hapori

Support the development of more housing that meets community needs

4. He tautoko i te whakakanorautanga o te ōhanga hei whakaiti i te whirinakitanga ki ngā ahumahi o mua

Support the diversification of the economy to reduce reliance on traditional industries

5. He hāpai i te 'ōhanga auaha', koia hei tūāpapa whakatiputipu haere ake nei
- Support an 'innovation economy' to underpin growth into the future

6. He whakaumu i te ōhanga kia tahuri ai tātou ki te ōhanga waro iti

Transform the economy to a low carbon economy

## Te whakawhanake ōhanga Economic development

Community wellbeing and increasing living standards are supported by a productive and sustainable local economy. A strong local economy will bring higher incomes and greater wealth to share throughout the community.

### Te pakihi me te whiwhimahi Business and employment

Skill development is critical for improving competitiveness and productivity. More skills can lead to higher participation in work, more opportunities and a better standard of living. We want to ensure that young people can move readily from school to training, higher education, and work. We want more young people to find the work they want in Palmerston North. A partnership between CEDA and Talent Central will help address the barriers to workforce participation experienced by young people.

Many Palmerston North businesses and other organisations are competent in digital business and able to compete with national and international competition. Some others need help to develop the skills and capability to grow and thrive in the future. Through CEDA, Council will encourage employers to increase their focus on skills development and training for their employees.

By supporting local businesses and industries to grow and develop, Council will encourage new opportunities to attract investment to Palmerston North and the Manawatū region. Through CEDA, Council's will work to attract businesses to invest in Palmerston North. We will provide new investment partners with the services and support they need to thrive.

### Te rongonui o Papaioea City reputation

Events and festivals contribute to several of our strategic goals. We want to bring economic benefits to the city through major events and connect our communities through local, programmed and iconic events. We classify events as:

- **Local:** events providing social benefits for residents, with the potential for growth
- **Programmed:** the core business for many of the region's venues e.g. theatre and museum programmes

- **Major:** large-scale events which attract significant benefits for the city through interest, profile or visitation
- **Iconic:** events that attract national interest and define Palmerston North's identity

Because local, programmed and iconic events contribute primarily to other goals, details of actions are described elsewhere. See the Events and festivals chapter of the Connected communities plan for details of the actions we will provide and support events and festivals.

The Conference and Function Centre, Holiday Park, Visitor Information Centre and other services for visitors all contribute to economic benefits for Palmerston North. We want to ensure that we compete effectively for our share of domestic and international visitors. We will market our city with our new 'Palmy' identity and, through CEDA, implement a regional visitor strategy.

### Ngā rāngai whakaarotau, whakatiputipu hoki Priority and growth sectors

Palmerston North's largest sectors are health services, government administration and defence, education, logistics, retail, construction and professional, scientific and technical services (including a focus on agritech). These are also the biggest contributors to growth in jobs and earnings. We will support these sectors and help them grow.

Palmerston North already has a significantly diversified economy and is not overly dependent on any one industry. This is a strong starting point for future growth. Council's goal is to build on the already diversified economy and develop new growth sectors by capitalising on the city's strengths. The city's natural advantages include its central location in the North Island, the availability of key infrastructure (for example, the road and rail hub and the airport's 24-hour freight operations are key factors in the growth of the city's logistics sector), the highly qualified workforce, and the relative affordability of land. These advantages form the basis for Palmerston North's case for regional, national and international investment and partnerships.



## Ōhanga auaha Innovation economy

An innovation economy enables and promotes the development and use of new or better products or services. Commitment to developing technology and innovation capabilities is crucial for businesses to maintain a competitive edge and to improve the cost-effectiveness of all organisations.

Moving to a sustainable low carbon economy will require innovation and increasing the use of a range of low carbon technologies by individuals and businesses. We want to contribute to programmes to build business capacity, skill development, a global perspective, and an environment in which innovation can flourish. Through CEDA, we will explore strategic international city partnerships that support shared research interests and strengths and promote opportunities for cross-border innovation. We will help businesses in the priority sectors work more efficiently and transition to low carbon technologies throughout their operations. We will encourage the growth of new sectors that embrace new technologies and contribute to reducing greenhouse gas emissions.

We will:

- Support economic wellbeing through the Central Economic Development Agency (CEDA)
- Achieve a positive city reputation

See the **Economic development chapter** of the **Economic development plan** for more detail.

## Ngā taunekeneke ki tāwāhi International relations

Palmerston North has strengthened its long-standing Global City partnerships with Missoula (USA), Guiyang (China), Kunshan (China) and formalised relations with Mihara (Japan). Co-operation with Wageningen (The Netherlands) are also being developed, focusing on a shared strength in agri-food science. Prior to 2021 around 20% of Palmerston North-based students at Massey University, UCOL and IPU were international students. We contribute to the international education role of the region through the Regional International Education Strategy 2016-2020, International Education Leadership Group, and scholarships.

We want to build relationships within the international community and promote the reputation and economic interests of the city. We will continue to strengthen international partnerships, including Sister Cities, to support the city's priority sectors and to encourage

students and other visitors to Palmerston North. We will support our partners to recover from the impact of the global pandemic.

See the **International relations chapter** of the **Economic development plan** for more detail.

## Te whare noho me te whanaketanga haere ake nei Housing and future development

The National Policy Statement for Urban Development requires Council to provide enough land to meet the expected demand for development. Well-designed and connected city development will contribute to more affordable housing and long-term prosperity.

### Whare Housing

Our main role is to make sure land and infrastructure are available to accommodate growth and provide market choice while responding to changing demographics and needs. For the past 20 years, the main forms of housing development have been greenfield, infill subdivision and lifestyle blocks. Greenfield housing occurs at the edge of the city on large sections, most recently at Kelvin Grove and Aokautere. Infill housing creates new smaller sections among existing housing, with recent development in Hokowhitu and the central city and hospital areas. Lifestyle blocks occur in rural areas, with recent development on the foothills of the Tararua Ranges and elevated land north-east of the city. The District Plan discourages lifestyle blocks on productive farmland.

There is strong demand for housing and new residential sections in Palmerston North. In recent years we have made changes to the District Plan to enable more housing choices. For example, multi-unit developments are encouraged close to the city and suburban centres, and minor dwellings are intended to meet the demand for small and affordable rental accommodation. Uptake of new housing typologies has been slow, although infill housing is now the most prevalent (62% of new housing in 2020). We want Government, Council and privately owned land to be developed for housing. We want to protect valuable productive land to maximise potential for sustainable food production. We will discourage the provision of urban services in rural areas because it is an inefficient form of infrastructure investment. We will identify opportunities for appropriate development



and reduce barriers to city centre living and brownfield development. We will work with developers to reduce risks and uncertainty over design and consents, and to encourage more housing choice.

### Pakihi Business

The formal planning framework for future growth in office, retail, and industrial development is well established. New office and retailing activities are directed to the city centre within one of the established business zones. Large-format retailing is directed to land to the north of the city centre and Rangitikei Line, but large land holdings remain vacant. The north-east of the city is zoned for large-format freight, distribution and logistics activities and has recently been extended. KiwiRail has announced a 180ha regional freight hub will be developed near Bunnythorpe. We want the Kiwirail regional freight hub to form part of an integrated central New Zealand distribution hub linked to the North East Industrial Zone, Airport, and regional freight ring road. This will require genuine collaboration with landowners and other stakeholders. Industrial land has also been made available at Longburn, which is best suited to wet or processing industries.

We will:

- Provide enough development capacity to meet

expected demand for housing and business in the short, medium and long term

- Perform the regulatory planning role under the Local Government Act and Resource Management Act

See the **Housing and future development chapter** of the **City growth plan** for more detail.

### Te hoahoa tāone Urban design

Good urban design provides attractive and vibrant places to encourage development investment, attract and retain talent, and promote the health and wellbeing of communities. Good urban design enhances the quality of our neighbourhoods, streets, buildings and open spaces, and creates new opportunities for the city to prosper and grow sustainably.

Urban design principles are incorporated into District Plan expectations for the residential and business zones. We will take a multi-disciplinary approach to improving the quality, planning, and delivery of major catalyst projects. We will work closely with the development community to improve their understanding of the principles and value of good urban design. This will include collaboration on major private developments, urban design training opportunities for the private sector and a pre-application process for strategic developments.

We will:

- Provide public spaces (streets, open spaces, civic

and community buildings and infrastructure) that are sustainable, connected, diverse, integrated, adaptable, interesting, comfortable and safe

- Work with the development community to increase knowledge and influence urban design outcomes

See the **Urban design chapter** of the **City growth plan** for more detail.

## Aranukunuku Transport

### Te pūnaha aranukunuku whakarautaki Strategic transport

Palmerston North has a network of roads, footpaths, cycleways and shared pathways and a diverse range of users. The network needs to accommodate freight transport, recreational users, and commuters. The strategic roading infrastructure needed to support the growth and development of Palmerston North is well researched and understood.

We want to develop infrastructure in an integrated way that is efficient and focused on the future needs of the growing city. We need to improve regional transport links for all modes of transport – rail, road and air. The city needs a regional freight ring road to optimise links between the city, the region and wider markets, accommodate growth, and remove traffic from congested urban corridors. This Palmerston North Integrated Transport Initiative needs central government investment to be completed. We will continue working towards the completion of this project.

The hierarchy between local streets and inter-regional routes is currently unclear; there is too much choice in the transport network which means streets and roads are trying to cater for competing user demands. The number of deaths and serious injuries on our roads is increasing. High traffic speeds contribute to harm caused by crashes and discourage active transport. We will ensure that all decisions about the transport network contribute to all our objectives – for safety, ease of movement, and a clear hierarchy between local streets and inter-regional routes.

We will:

- Provide an integrated multi-modal transport network that connects people and goods with destinations in a safe, efficient and sustainable manner and evolves to meet new transport demands with less reliance on private motor-vehicles

See the **Strategic transport chapter** of the **Transport plan** for more details.

### Te nukunuku ā-kori me te waka tūmatanui Active and public transport

Active and public transport have health and environmental benefits for our city. Walking and cycling are the most common forms of active transport, but there are also micro-mobility options like scootering and skateboarding. Public transport in the city consists of the urban bus service and bus connections to surrounding towns and villages.

Historically, transport investment prioritises and promotes private motor vehicle use over other modes. We want to encourage and enable more people to choose active and public transport options. We support the Manawatū Tram Trust's initiative to develop a tram service in the city centre. The transport system needs to cater for the lowest level of mobility and physical capability, so that all people feel comfortable walking or cycling about the city. In many cases this will mean reallocating existing street space, such as on-street parking and traffic lanes, for another purpose. We will remove barriers to public and active transport choices. We will make decisions about the transport network that prioritise safety and promote an active and public transport culture.

There are important links between our actions to improve transport outcomes and our environmental goals. Transport is the biggest contributor to carbon emissions in Palmerston North. Improving the efficiency and effectiveness of our transport system will contribute to Goal 4: Eco city.

We will:

- Provide an integrated multi-modal transport network that connects people and goods with destinations in a safe, efficient and sustainable manner and evolves to meet new transport demands with less reliance on private motor-vehicles

See the **Active and public transport chapter** of the **Transport plan** for more detail.

## Te mahitahi me Rangitāne o Manawatū Rangitāne o Manawatū partnership

Council will work in partnership with Rangitāne o Manawatū and:

- identify opportunities to unlock the potential of local iwi businesses, workforce and investment
- develop major city events and promotions that acknowledge and express Māori values and perspectives
- identify opportunities for Māori business and cultural exchange through international relationships
- incorporate Rangitānenuiarawa<sup>1</sup> into city design
- implement citywide urban design principles and practices that acknowledge and express Te Ao Māori and which reflect and enhance the values and aspirations of Rangitāne o Manawatū
- provide urban design support and professional development opportunities to ensure Rangitāne o Manawatū are supported to realise their own development aspirations throughout the city, especially for sites of significance
- involve Rangitāne o Manawatū early in major strategic transport and active management transport projects
- support opportunities to provide business and employment opportunities and improved health and social benefits for Māori through transport activities

## Te ine i te angitutanga Measures of success

Council will monitor these measures of success and report on these through the City Dashboards:

- Number of jobs
- Index of socio-economic deprivation
- Median salaries and wages
- Total earnings (salaries, wages and self-employment income)
- Growth rate for median salaries and wages
- People registered for MSD job seekers benefit
- Labour force participation
- Employment in key sectors
- School leavers with NCEA Level 2 or higher
- GDP
- Ratio of rent to median household income in Palmerston North
- Ratio of house price to median household income in Palmerston North
- Number and type of new houses
- Location of new rural subdivisions
- Housing density
- Business and housing land supply
- Number of international students
- Building occupancy in the city centre
- Annual rail freight volume for Manawatū-Whanganui region
- Domestic and international visitor spending
- Digital maturity of businesses
- Public and active transport use

<sup>1</sup> Rangitānenuiarawa is the Rangitāne expression of kaitiakitanga, or customary authority and guardianship, and affirms their customary leadership in ensuring the health and regeneration of their tribal rohe.

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**Te Kaunihera o Papaioea  
Palmerston North City Council**

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Our north arrow draws directly from “North” in our city’s name. An upward arrow perfectly symbolises our ambition for a city that’s smarter, continually growing and evolving, innovating, collaborating and finding enlightened ways to work with nature.