

BEFORE THE HEARINGS PANEL

IN THE MATTER of the Resource Management Act 1991

AND

IN THE MATTER of a request by Te Kapiti Trust to change the Manawatū District Plan under Clause 21 of Schedule 1 of the Resource Management Act 1991 (Private Plan Change 1)

ADDENDUM STATEMENT OF EVIDENCE OF DANIEL BATLEY

ON BEHALF OF MANAWATŪ DISTRICT COUNCIL

PLANNING

Dated 24 MAY 2023

INTRODUCTION

1. This report is supplementary to my section 42A report (“s 42A”) prepared for Manawatu District Council (“MDC” or “the Council”) in relation to Private Plan Change 1 (“PPC1”), dated 28 April 2023. A statement of my experience and qualifications was included within the Introduction portion of the s 42A.
2. As noted in the s 42A report (paragraphs 202-214), I consider the National Policy Statement – Highly Productive Land (NPS-HPL) to be relevant to the consideration of the plan change request. In my opinion (and also in reliance on legal advice), PPC1 represents an urban rezoning of rural land that contains Highly Productive Land as defined by the NPS-HPL, and therefore the NPS-HPL has a significant bearing on the final evaluation of the proposal.
3. The purpose of this statement is to address the additional information received from the Applicant insofar as it relates to specific provisions of the NPS-HPL. As noted in my s 42A report, I was unable to assess PPC1 in relation to what I considered to be relevant policies under the NPS-HPL and in particular cl 3.6(4) because of an absence of information, which the Applicant considers it has now provided in its evidence as filed.
4. In preparing this supplementary statement I have read the statements of evidence circulated by the Applicant, in particular the following:
 - a) Statement of Evidence – Kim Anstey (Planning).
 - b) Statement of Evidence – Ruth Allen (Demand for Housing).
 - c) Statement of Evidence – Duncan & Susie Cheetham.
 - d) Statement of Evidence – Sharn Hainsworth (Soils).
5. I specifically note that the Evidence of Ms Anstey – Planning, provides an assessment of PPC1 against the NPS-HPL. This assessment is supported by the Statements of Evidence of Ms Allen – Housing Demand and Mr Hainsworth – Soils.

ASSESSMENT

6. As outlined in my s 42A report, the application site is noted as containing LUC Class 2 soils under the Land Use Capability system. The s 42A report addresses the background to PPC1 and the consideration of versatile soils and the NPS-HPL. For convenience, paragraph 214 of my s 42A report concludes on the relevance of the NPS-HPL that:

If the Panel accept the Council's legal advice that the land is to be regarded as HPL, my conclusion based on current information is that clause 3.6(4) has not been satisfied. It is my opinion that in order for the Plan Change Proposal to be considered appropriate, it would need to pass the test outlined in clause 3.6(4) of the NPS-HPL.

7. The policy framework of the NPS-HPL is clear in its direction when considering the rezoning of Highly Productive Land. In particular, Policy 5 of the document directly relates to the rezoning of highly productive land to urban, as follows:

"the urban rezoning of highly productive land is avoided, except as provided in this National Policy Statement."

8. Clause 3.6(4) of the NPS-HPL addresses this policy, directing that the rezoning of land can only occur where all of the three tests in Clause 3.6(4) are met.
9. Clause 3.6(4) of the NPS-HPL states:

(4) Territorial authorities that are not Tier 1 or 2 may allow urban rezoning of highly productive land only if:

(a) the urban zoning is required to provide sufficient development capacity to meet expected demand for housing or business land in the district; and

(b) there are no other reasonably practicable and feasible options for providing the required development capacity; and

(c) the environmental, social, cultural and economic benefits of rezoning outweigh the environmental, social, cultural and economic costs associated with the loss of highly productive land for land based primary production, taking into account both tangible and intangible values.

10. An assessment against these matters has been provided by Ms Anstey in her evidence at paragraph 55 - 77. The Panel, in considering PPC1, must consider the matters set out in Clause 3.6(4), and the Council is directed to be satisfied these requirements are met before allowing the rezoning. This is a strong direction.

Clause 3.6(a)

11. It is my opinion that the Applicant's planning evidence from Ms Anstey and Ms Allen provides a suitable assessment in terms of cl 3.6(4)(a) based on available information. This consideration includes an assessment of the current growth data for the Manawatū District along with the projected growth for the area over the next 10 years. An assessment of current development patterns has also been provided. Ms Anstey concludes that *"the rezoning proposed through PC1 will contribute to required development capacity to meet the expected demand across the district and therefore the test under 3.6 (4)(a) is met by PC1"*¹.
12. My interpretation of the NPS-HPL is that for it to be considered appropriate to rezone highly productive land to urban, it must be demonstrated that the additional land is needed to provide sufficient "development capacity" under the NPS-UD. This includes being plan enabled, infrastructure ready and feasible and reasonably expected to be realised.
13. The assessment undertaken by Ms Allen provides a summary of the growth context relevant to this application under paragraphs 9 to 17 of her evidence. I accept the evidence as presented by Ms Allen. I consider Ms Allen's and Ms Anstey's assessments and conclusions to be broadly consistent with Council's strategic planning and draw on building and development information provided by Council. For the purposes of an assessment of PPC1 against the NPS-HPL, I do not consider the need to peer review this assessment.
14. In summary, I accept the evidence that the District is projected to grow over the next 10 years with this growth split between the main settlement of Feilding and the wider village areas. Rongotea is one of these Village areas.
15. Ms Allen highlights that based on her assessment of past consent data, approximately 50% of new housing in the Manawatu District has been located outside of Feilding. Despite this, an

¹ Statement of evidence of Ms Anstey at paragraph 64

assumption of 60% of growth occurring within Feilding has been applied based off Council's Long-Term Plan.

16. This point emphasises that growth within the district occurs in different locations with different types of housing required to fill demand. It is acknowledged that Feilding contains enough land supply to account for MDC's predicted growth over the next 10 years, however, it is arguable in my opinion that this does not necessarily provide for distributed growth opportunities in village areas outside of Feilding including variation in type and price.
17. Ms Anstey considers that the supply of rural land for rural lifestyle development will be reduced, in general, as a result of the NPS-HPL. This is due to the high presence of versatile soils throughout the area and the NPS-HPL challenging the appropriateness of further fragmenting this land through subdivision. It is therefore argued that as a result of this situation, growth outside of Feilding is more likely to occur in Village areas, increasing demand. In a general sense I agree that a possible result of the NPS-HPL will be that growth in rural areas may be more focussed on existing villages. However, I also note that subdivision within rural areas including Rural 2 land and within Nodal Areas remains permissive and can still be controlled activity, notwithstanding the NPS-HPS, so there is an element of speculation here until the Council has progressed its rural zone review.
18. Ms Allen's evidence expects demand in these areas for up to 650 additional dwelling units over the next 10-year period. PPC1 provides for an additional 160 dwelling units and represents a portion of Ms Allen's projected growth. As outlined above, I accept that Rongotea forms one of the Village areas in the Manawatu District and therefore a portion of the projected growth can be attributed here. I also accept that there is limited opportunity for the growth to be provided for within the current urban area of Rongotea.
19. In my observation, infill development is not commonly a development pattern sought after within the village context as housing typologies commonly represent larger stand-alone dwellings on larger residential allotments. Based on the assessment of Ms Allen and of the available data and information, as well as a desktop analysis of Ms Allen's assessment and the aerial imagery and mapping for Rongotea Village, that I have undertaken, I accept that there is limited development capacity within this area.

20. In addition, I accept that the PPC1 proposal area will be able to be considered ‘infrastructure ready’. This is confirmed by the s 42A report and the supporting statement of evidence provided by Wendy Thompson. These reports confirmed that capacity will exist for all three waters prior to development occurring in the PPC1 area, subject to the completion of the wastewater centralisation project. Furthermore, PPC1 introduces a planning framework that will ensure that infrastructure provisions and connections are in place prior to any development occurring.
21. On the evidence of Ms Anstey and Ms Allen, the development area is also considered to be feasible and reasonably expected to be realised. The additional greenfield land will provide for additional housing choice that may sought after in Rongotea. Furthermore, the existing Rongotea Village is considered to have limited capacity within the existing urban area.
22. I therefore accept the conclusion in relation to PPC1 that *“the rezoning proposed through PC1 will contribute to required development capacity to meet the expected demand across the district and therefore the test under 3.6 (4)(a) is met by PC1”²*).

Clause 3.6(4)(b)

23. In terms of clause 3.6(4)(b) of the NPS-HPL, it is my opinion that there is suitable information to demonstrate that there is no other “reasonably practicable and feasible options” for providing the required development capacity. I accept that there are challenges to providing for growth within existing urban areas, in particular, the Rongotea Village Zone. As outlined above, infill development is not a pattern commonly associated with village settlements in the Manawatu District with development patterns and housing typologies representing stand-alone residential dwellings on larger allotments. Houses are also observed to be generally located in central locations within the allotments further restricting infill potential.
24. Having accepted that there is housing demand within the Rongotea context, the proposed greenfield development sought by PPC1 will likely achieve more efficient development with more affordable results (in terms of the supply of housing within the Rongotea area) than alternative options available. Ms Anstey and Ms Allen have provided a consideration in relation

² Statement of Evidence of Ms Anstey, at Paragraph 64.

to the wider locality, specifically land areas where alternative rezonings could take place in Rongotea.

25. I note that the vast majority of land surrounding Rongotea contains Highly Productive Land and is zoned rural. Therefore, there is no alternative rural zoned land which is not defined as highly productive which could provide a reasonable alternative.
26. Additionally, I generally accept Ms Anstey's assessment at 65 to 74 in regard to clause 3.6(4)(b), and therefore accept that based on this assessment that clause 3.6(4)(b) can be met.

Clause 3.6(4)(c)

27. Clause 3.6(4)(c) requires that the environmental, social, cultural and economic benefits of rezoning outweigh the long-term environmental, social, cultural and economic costs associated with the loss of highly productive land. The evidence refers to a number of positive benefits, including tangible and intangible economic, social and cultural benefits to PPC1. This includes benefits of increased housing supply, increased economic activity, the urban design benefits of a planned greenfield development (including walking and cycling), provisions of housing choice and restoration of natural features.
28. While I generally accept the positive effects of the rezoning, as above, the NPS-HPL requires that these outweigh the effects of the loss of highly productive land.
29. In this regard, I note the relevance of the information provided by Mr Hainsworth, who regards that the land, despite being regarded as Highly Productive Land under the NPS-HPL, in fact has a low productive capacity that is more aligned to a Class 4 under the LUC Handbook. Mr Hainsworth notes that *"the Productive Capacity of the 2s2/hor3s4/nz3s27 and 3e4/nz3e16 land on the site is considerably lower than that of the most versatile soils in the district where subdivision pressure is high..."*³
30. I note that at paragraph 29 of Mr Hainsworth's evidence, he does identify some land based primary production activities that could be suitable for these soils, while noting the "numerous" limitations and risks, including crop failures and yields associated with these uses.

³ Statement of Evidence of Sharn Hainsworth, at paragraph 22.

31. Ultimately, Mr Hainsworth concludes that the land has a “low” productive capacity and “This land suffers from a wide range of environmental constraints and sustainable production is severely limited because of risks posed to differential crop success at germination time and the risk of variable ripening and variable yields at harvest time.”
32. On the basis of this information in relation to the PPC1 site, I accept that the effects of the loss of the Highly Productive land will, in this case, be outweighed by the accepted benefits of the rezoning. Accordingly, I consider that the information provided by the Applicant can be regarded as meeting the requirements of Clause 3.6(4)(c).

Clause 3.6(5)

33. In addition to the above, I note that Clause 3.6(5) of the NPS-HPL states: “(5) Territorial authorities must take measures to ensure that the spatial extent of any urban zone covering highly productive land is the minimum necessary to provide the required development capacity while achieving a well-functioning urban environment.”
34. I consider that the wider assessment undertaken by Applicant, including Ms Anstey, Ms Allen and Mr Hainsworth, forms the bases for reaching a conclusion under this clause. In particular, the assessment covering the distribution of growth across the district is particularly relevant. In this case, I do not consider that the additional 160 dwelling enabled by PPC1 will create an over-supply of Village land in the Rongotea context. I agree that clause 3.6(5) is intended to avoid zoning more land that is required to meet demand and thus resulting in an unnecessary loss of Highly Productive Land.
35. Based on the evidence of Ms Anstey, and my assessment above, I accept the conclusion that *“the proposed spatial extent of plan change area is considered the minimum necessary required to maintain village character while also ensuring that expected demand for rural/village living can be met”* (paragraph 78 of Ms Anstey’s evidence). I also consider, based on the assessment above and in the s 42A report, that PPC1 will provide for and achieve a well-functioning urban environment.

CONCLUSION

36. The NPS-HPL, and the requirement to address the matters set out in clause 3.6(4) of the NPS-HPL are directly relevant to the consideration of PPC1 in my opinion. I now consider that the Applicant has provided an assessment of PPC1 against clause 3.6(4) to a level that is appropriate in the context of this plan change.
37. In addition, I wish to add that the application site is one singular land holding, that is effectively 'sandwiched' between the existing urban edge to the north and recent lifestyle block development to the south. Furthermore, a road reserve to the east and the Ruivaldts Drain to the west. Therefore, the application site can be considered as not being contiguous with the wider rural zone expanses in the area. When compared to the remaining edges of the Village, to the north, east and west, these areas are contiguous with the wider rural area and in most cases form part of larger farming activities.
38. When considering the size of the application site, including the factors mentioned above, and the conclusion reached by My Hainsworth in his evidence, the suitability of the application site for rural productive purposes is considered to be limited. Therefore, it is accepted that in comparison to the other edges of the Village, this site can be considered the most appropriate to provide for additional housing development.
39. It is also important to emphasise that in providing for a new greenfield area, such an area needs to be a logical expansion of the existing urban expanse from a growth planning perspective. The application site contains good roading connections back into the village and is also in close proximity to core infrastructure services as outlined in the s 42A.
40. I consider that based on the information supplied by the Applicant and the assessment above, PPC1 is able to navigate the relevant Policy and clauses of the NPS-HPL, such that the Council is not directed by the NPS-HPL to refuse the rezoning.
41. Considering this, I can therefore complete my assessment of PPC1. In accordance with Section 32 of the RMA, I consider PPC1 to be the most appropriate way to achieve the purpose of the RMA. As such, I consider the application site to be suitable for urban development.

42. In my opinion, the proposed objectives are appropriate and consistent with the broader plan objectives. The provisions as drafted contain a suitable level of detail that corresponds to the scale and significance of the environmental, economic, social and cultural effects that are anticipated from the implementation of the proposal.
43. Overall, I conclude, as required under section 32 of the RMA, that the objectives proposed in PPC1 are the most appropriate way to achieve the purpose of the RMA, and that the provisions proposed (including the zoning of the land) are the most appropriate way to achieve the objectives. As a result, is it in my opinion that the Proposed Plan Change promotes the sustainable management purpose of the RMA.
44. Based on the assessment above, and in the original s42A report, I recommend that PPC1 be approved by the Hearing's Panel, subject to the modifications put forward in the original s42A report.

Daniel Batley

24 May 2023