

BEFORE THE INDEPENDENT HEARINGS PANEL

UNDER the Resource Management Act 1991 (**RMA**)
IN THE MATTER of the Far North Proposed District Plan –
Hearing 1: Introduction, General Provisions
(Strategic Direction, Tangata Whenua)

**LEGAL SUBMISSIONS ON BEHALF OF KIWI FRESH ORANGE COMPANY
LIMITED**

27 May 2024

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MAY IT PLEASE THE PANEL

1 Kiwi Fresh Orange Company Limited (**KFO**) owns 197 ha of land between Kerikeri and Waipapa (**Site**), which is proposed to be zoned for Rural Production. It is prime land for residential development. KFO's submission on the Proposed Far North District Plan (**Proposed Plan**) seeks a live urban zoning for the Site, comprising a mix of general residential, mixed urban and natural open space.

2 Whether the Site will be rezoned is a matter for Hearing 19: Rezoning.

3 However, KFO made submissions regarding the interaction between the Proposed Plan and the NPS-UD. One of those submission points has been allocated to this hearing, which raises the issue:

Is Kerikeri-Waipapa an urban environment under the National Policy Statement on Urban Development 2020?

4 Now is the appropriate time for the Hearings Panel to hear and determine this issue. Hearing 1 is about "Strategic Direction" and general provisions of the Proposed Plan relating to "National Direction Instruments".¹ It squarely puts this "urban environment" issue in scope.

5 The 'Section 42A Report – Strategic Direction' summarises the Council's (and the Hearings Panel under delegated authority) obligation neatly:

The PDP was prepared to give effect to the National Policy Statements that were in effect at the time of notification (27 July 2022). ... As District Plans must be "prepared in accordance with" and "give effect to" a National Policy Statement, the implications of the relevant National Policy Statements on the PDP must be considered.

6 The National Policy Statement on Urban Development 2020 (**NPS-UD**) applies to all local authorities that have all or part of an urban environment within their district or region; and any planning decisions by any local authority that affect an urban environment.²

7 To determine whether the Proposed Plan must give effect to the NPS-UD, the Hearings Panel must reach a view whether the Far North District

¹ Notice of Hearing, dated 15 April 2024.

² National Policy Statement on Urban Development 2020 at section 1.3.

has an urban environment. The conclusion may be either yes or no, but there must be an outcome.

8 KFO submits the Kerikeri-Waipapa area is an urban environment and, consequently, the NPS-UD applies to the Hearings Panel's decisions on this topic (and on later hearing topics).

9 KFO respectfully seek the following relief:

(a) In accordance with Minute 1, interim guidance whether the Kerikeri-Waipapa area is an urban environment under the NPS-UD.³ Minute 1 states that the Hearings Panel may release interim guidance on a topic if it has implications for the hearing of other topics. The urban environment issue is such a topic, because it is foundational to how other decisions on the Proposed plan will be determined.

(b) An amendment to the wording of SD-UFD-02, as follows:⁴

SD-UFD-02 Urban growth and development is provided for in an efficient manner that will be integrated with the provision of infrastructure and achieve a well-functioning urban environment. ~~consolidated around existing reticulated networks within town centres, supporting a more compact urban form, affordability and providing for a mix of housing typologies.~~

EVIDENCE IN SUPPORT

10 KFO filed evidence in support of its submission on Hearing 1 from the following witnesses:

(a) Mr Steve Brownlie – Corporate: Mr Brownlie is a director and shareholder of KFO and his evidence gives background to KFO and its interest in the Site;

(b) Mr Adam Thompson – Economic and Property Research: Mr Thompson is a director at Urban Economics gives expert economic evidence regarding the Kerikeri-Waipapa area; and

³ Minute 1, dated 16 December 2023, paragraph 47.

⁴ SOE Burnette O'Connor, paragraph 46.

- (c) Ms Burnette O'Connor – Planning: Ms O'Connor is a director at The Planning Collective and gives expert planning evidence on tests under the NPS-UD.

STRUCTURE

11 These submissions are structured as follows:

Page	Topic
4	Background
6	Now is an appropriate time to assess whether Kerikeri-Waipapa is an urban environment
8	The meaning of urban environment
11	Kerikeri-Waipapa is an urban environment now
15	Kerikeri-Waipapa is intended to be an urban environment in the medium term
16	Kerikeri is intended be an urban environment in the long term
17	Conclusion

BACKGROUND

The notified plan and section 32 reporting

- 12 In accordance with its duty under s 74(1)(d) of the Act, the Council prepared evaluation reports to examine the objectives and provisions of the notified Proposed Plan. The evaluation reports state:
- (a) Based on reporting carried out by Infometrics Ltd, the Council does not consider the Far North District contains an urban environment.⁵
 - (b) That plan enabled development within the General Residential Zone is sufficient to accommodate growth for the short, medium and long term.⁶
- 13 As a consequence of these findings, the Proposed Plan does not zone new land for residential development in Kerikeri-Waipapa.⁷ It instead

⁵ Section 32 Report: Urban Environment, page 7.

⁶ Section 32 Report: Urban Environment, page 31.

⁷ Section 32 Report: Urban Environment (General Residential, Mixed Use, and Light Industrial zones) and the Heavy Industrial zone, May 2022, page 2.

consolidates several residential zones in the Operative District Plan to one General Residential Zone.⁸

KFO's submission

- 14 KFO seeks a live urban zoning of its land. Along with other relief, KFO asked FNDC to reconsider its assessment of whether Kerikeri-Waipapa is an urban environment and that FNDC recognise its obligations as a tier 3 local authority under the NPS-UD.

Section 42A reporting

- 15 The Council's reporting officer has recommended that KFO's submission be rejected. The officer notes:⁹
- (a) FNDC is currently finalising an updated Housing and Business Assessment (**HBA**) and preparing a spatial plan for Kerikeri-Waipapa that looks at growth options.
 - (b) If the HBA and spatial plan demonstrate Kerikeri-Waipapa is, or is intended to be, a housing and labour market of at least 10,000 people, the Council will then re-evaluate the Proposed Plan.
 - (c) The HBA and spatial plan may inform rezoning / urban growth-related submissions in upcoming topics, such as rezoning and urban zone hearing topics.
- 16 In effect, the Council says it is doing further work to decide whether Kerikeri-Waipapa is an urban environment and, if it is, the consequences can be dealt with in later hearing topics. Until such time as this work is complete, the extant findings of its s 32 reports stand: Kerikeri-Waipapa is not an urban environment.
- 17 With respect, that is not a principled way to deal with KFO's submission. KFO's submission should be engaged with on its merits. Furthermore, the section 42A reporting officer's position is at odds with information held by Council from other assessments that estimate that Kerikeri-Waipapa has a population of 17,316.¹⁰

⁸ Section 32 Report: Urban Environment, page 1.

⁹ Section 42A: Strategic Direction, paragraph 52.

¹⁰ SOE Burnette O'Connor, paragraph 19.

NOW IS AN APPROPRIATE TIME TO ASSESS WHETHER KERIKERI-WAIPAPA IS AN URBAN ENVIRONMENT

- 18 A district plan must give effect to a national policy statement.¹¹ As the Supreme Court has observed, ‘give effect’ is a strong direction creating a firm obligation on part of those subject to it.¹² There is no room to evade the obligation to give effect to a national policy statement that applies.
- 19 In terms of timing, the NPS-UD requires that it is given effect to “as soon as practicable”.¹³ the High Court recently grappled with the timeframe for implementing the NPS-UD in *Southern Cross Healthcare Ltd v Eden Epsom Residential Protection Society Inc* [2023] NZHC 948.¹⁴ The Court did not find that there was any magic to the wording – councils must give effect to the provisions of the NPS-UD (quite simply) “as soon as practicable”. The Court recognised that what is “practicable” will depend on the circumstances, but that the specific processes in the NPS-UD did not limit the general obligation to give effect to it. Clause 3.1 of the NPS-UD provides:

3.1 Outline of part

- (1) This part sets out a non-exhaustive list of things that local authorities must do to give effect to the objectives and policies of this National Policy Statement, but nothing in this part limits the general obligation under the [RMA] to give effect to those objectives and policies.

- 20 In respect of this provision, the High Court found:¹⁵

This provision could not be clearer. That the NPS-UD stipulates the subpt 6 process, and that the Council was engaged in that process, did not limit the Council’s (or the Environment Court’s) obligation to give effect to the objectives and policies of the NPS-UD. Mr Allan, counsel for Kainga Ora,

¹¹ RMA, s 75.

¹² [Environmental Defence Society Inc v The New Zealand King Salmon Company \[2014\] NZSC 38](#) at [77].

¹³ Clause 4.1 of the NPS-UD states:

Every tier 1, 2, and 3 local authority must amend its regional policy statement or district plan to give effect to the provisions of this National Policy Statement as soon as practicable.

¹⁴ [Southern Cross Healthcare Ltd v Eden Epsom Residential Protection Society Inc \[2023\] NZHC 948](#).

¹⁵ At [86].

submitted that the Court had, contrary to cl 3.1, treated the obligations in pt 3 as limiting the Council's and its obligation to give effect to the NPS-UD. I agree.

- 21 We submit that it is practicable for the Council to give effect to the NPS-UD through submissions and hearings on the Proposed Plan. Submissions like that made by KFO provide scope for this issue to be considered and the evidence before the Panel provides a basis for revisiting the Council's approach when it undertook its original section 32 assessment.
- 22 In terms of the timing of the wider hearing process, the urban environment issue is quite squarely within scope of Hearing 1. The notice of hearing identifies Hearing 1 as including 'Strategic Direction' and describes the hearing as relating to submissions and further submissions on general provisions of the Proposed Plan, including 'National Direction Instruments'.¹⁶
- 23 The Council reporting officers allocated KFO's submission point to this topic. Further, the section 42A report engages with a range of submissions regarding national policy statements, not just the NPS-UD.
- 24 There are good planning reasons for dealing with the issue now. Whether the Proposed Plan must give effect to the NPS-UD statement has flow on effects for subsequent hearings. It is necessary to deal with these high-level issues now because they influence the trajectory of the Proposed Plan. Objectives, policies, and rules across a range of topics will be influenced by a finding of whether the Proposed Plan must give effect to the NPS-UD. It is the same reason the Hearings Panel is dealing with strategic direction before specific topics.
- 25 The NPS-UD applies to 'planning decisions' by a local authority that affect an urban environment.¹⁷ The wording SD-UFD-01 to SD-UFD-04 will affect urban development in Kerikeri-Waipapa. The overview at Appendix 1.4 of the section 42A report states:¹⁸

This Chapter sets out the overarching direction for the district's urban form and development and aims to improve efficiency and

¹⁶ Notice of Hearing dated 15 April 2024.

¹⁷ NPS-UD, section 1.3(1)(b).

¹⁸ Appendix 1.4 – Officers Recommended Amendments to Strategic Direction Chapter.

affordability for communities, seeks to contribute to the vibrancy and viability of town centres and solidifying the investment Council makes in development infrastructure.

- 26 Because the strategic objectives will influence the development of housing and infrastructure within Kerikeri-Waipapa, we say the Panel needs to determine whether Kerikeri-Waipapa is an urban environment and, if it is, assess the objectives in light of the NPS-UD. For example, the strategic objectives would need to ensure the NPS-UD direction to meet development capacity is met. Therefore, as well as influencing later hearing topics, there is a need to determine the urban environment issue now.
- 27 Whether further work from the Council is underway is not a good reason for the Council or Hearings Panel to not to assess information put before it. KFO's submission is supported by corporate, planning and economic evidence. This evidence provides grounds to conclude that Kerikeri-Waipapa is an urban environment. The Council's HBA and spatial plan are worthwhile workstreams, but they are not needed for the Hearings Panel to reach a determination on the urban environment issue.

THE MEANING OF 'URBAN ENVIRONMENT'

- 28 The NPS-UD applies to tier 1, 2, and 3 local authorities and planning decisions that affect an urban environment.¹⁹ A tier 3 local authority means a local authority that has all or part of an urban environment within its region or district.²⁰
- 29 Urban environment is defined as follows:

urban environment means any area of land (regardless of size, and irrespective of local authority or statistical boundaries) that:

- (a) is, or is intended to be, predominantly urban in character;
and
- (b) is, or is intended to be, part of a housing and labour market of at least 10,000 people

¹⁹ NPS-UD, clause 1.3.

²⁰ NPS-UD, section 1.4: interpretation.

- 30 The definition has several elements crucial to its interpretation and application.

Size and boundaries

- 31 The urban environment area is not bound to limits of size, local authority boundaries or statistical boundaries and includes any area of land that exhibits the qualities identified in (a) and (b). If an area functions as a unified housing and labour market, it does not matter what size that area is or how it is mapped.

Future urban environments are captured

- 32 An area that is an urban environment may meet the tests in (a) and (b) now (“is”) or in the future (“or is intended to be”). The definition does not say when an area intended to be a housing and labour market of 10,000 people must pass that threshold.
- 33 The NPS-UD emphasises the provision of sufficient development capacity to meet expected demand for housing and business land over the short, medium and long term.²¹ Short, medium and long term are defined in the NPS-UD as being within the next 3 years (short term), between 3 and 10 years (medium term) and between 10 and 30 years (long term).²²
- 34 In KFO’s submission, the focus on development capacity over the long-term suggests the phrase “intended to be” is intended to capture areas that will be urban environments within the next 30 years. This is consistent with Ms O’Connor’s planning evidence.²³
- 35 The direction in Policy 2 for “Tier 1, 2, and 3 local authorities, at all times, [to] provide at least sufficient development capacity to meet expected demand for housing and for business land over the short term, medium term, and long term” goes *hand-in-hand* with the assessment of whether an area is an urban environment. To meet development capacity for housing in the long-term, a local authority must look to the long-term to project expected demand and available housing.

²¹ For example, see Policy 2 and Subpart 1 of the NPS-UD.

²² NPS-UD, clause 1.4.

²³ SOE Burnette O’Connor, paragraphs 13 to 15.

Character of zoning

- 36 Paragraph (a) uses the language “predominantly urban in character”. Character, or characteristics, means “a distinctive mark, trait, or feature that may serve for identification; a distinguishing essential peculiarity or quality.”²⁴ In our submission, the reference to “character” instead of zones means that urban quality of an area is assessed by the function of the land within the area rather than its underlying zone. This is consistent with Mr Thompson’s analysis regarding the urban function of 1,000m² to 5,000m² allotments in Kerikeri-Waipapa.
- 37 While character is the focus, zoning and planning rules drive character and so zones provide a useful basis to analyse patterns of development, as Ms O’Connor has done in her evidence.
- 38 “Predominantly” can be contrasted with language such as ‘entirely’, or ‘completely’. It means that an area must be largely urban in character, but not exclusively. We reiterate, though, the focus is character (features and function of the land) rather than the zone.

Both the housing and labour markets are counted

- 39 The market includes housing and labour. Mr Thompson identifies that approximately 1,700 people now commute from outside Kerikeri-Waipapa to work.²⁵ These people are part of the labour market of Kerikeri-Waipapa. In our submission, an urban area is not assessed solely by the number of people who both reside and work in Kerikeri-Waipapa, but it includes people who are part of the housing market (but do not work) and people part of the labour market (but do not live in the area).
- 40 To avoid double-counting, Mr Thompson has ensured that population statistics count only once for a person who lives and works in Kerikeri-Waipapa, once for a person who lives in Kerikeri-Waipapa (but does not work), and once for a person who works in Kerikeri-Waipapa (but does not live).
- 41 There are strong policy reasons for interpreting “housing and labour and market” in this way:

²⁴ Online Oxford English Dictionary ‘characteristics’ Oxford University Press.

²⁵ SOE Adam Thompson, paragraph 43(a).

- (a) The NPS-UD objectives seek well-functioning urban environments that enable “all people and communities” to provide for their well-being.²⁶ Kerikeri-Waipapa is an area with strong housing demand for people aged 65 and above,²⁷ many of whom will be in the housing market but not the labour market. It would be perverse to the NPS-UD if those people were not counted towards the housing market and the provision of development capacity.
- (b) The NPS-UD seeks to enable development for both “housing and business land”.²⁸ Development capacity means “the capacity of land to be developed for housing or for business use”.²⁹ An exclusion of the commuting labour population would undermine the non-housing aspects of the NPS-UD and could lead to an undersupply of business land. Further, there is a logical connection between labour and housing. People who work in an area may have a desire to live in that area. But for constraints (housing affordability, types of housing, etc) that the NPS-UD is trying to overcome, they might do so.

42 Ms O’Connor observes that an urban environment is assessed “irrespective of local authority or statistical boundaries.”³⁰ In her opinion, this means “it is relevant to consider the workforce that participates in the labour market, including the people that commute from outside of Kerikeri-Waipapa, or from outside the Far North District, to work in the area.”³¹

KERIKERI-WAIPAPA IS AN URBAN ENVIRONMENT NOW

43 As Mr Thompson explains in his evidence, Kerikeri-Waipapa is currently an urban environment with a housing and labour market of 11,000 when:

- (a) Allotments of 1,000m² to 5,000m² are considered urban in character;

²⁶ NPS-UD, Objective 1.

²⁷ SOE Adam Thompson, paragraphs 16 and 18.

²⁸ NPS-UD, Objective 3.

²⁹ NPS-UD, section 1.4: interpretation.

³⁰ SOE Burnette O’Connor, paragraph 20.

³¹ SOE Burnette O’Connor, paragraph 20.

- (b) Both the housing and labour markets of Kerikeri-Waipapa are counted; and
 - (c) The relevant areas for estimating current and future population are the following SA2: Kerikeri Central, Kerikeri South, Waipapa, and Riverview.
- 44 We discussed at paragraphs 39 and 41 why both housing and labour markets are counted and do not expand on that further. We do, however, wish to explain why the four SA2 are relevant for estimating future and current population and why allotments of 1,000m² to 5,000m² are of urban character in the Kerikeri-Waipapa context.
- 45 Mr Thompson's evidence at paragraphs 29 to 38 and 48 to 51 addresses the four SA2s are relevant and why larger allotments have an urban function in Kerikeri-Waipapa. Mr Thompson's evidence states (*inter alia*):
- (a) If the proposed Rural Residential, General Residential, and Mixed-Use/Light Industry zones are overlaid on the four SA2s, these SA2s are good basis for determining the current and future population within those zones because of their natural alignment.³² In other words, if rural residential properties are counted as urban in character, the four SA2s align well with the zones and they are a good way of tracking population growth in those zones.
 - (b) Residential properties are typically less than 1,000 m². Figure 6 shows residential properties (of less than 1,000 m²) across each of the four SA2 areas. They are not exclusively located in Kerikeri Central and Waipapa SA2s.
 - (c) Rural residential properties are typically 1,000 m² to 5,000 m². Across the four SA2s, there are unusually more of the larger lots (1,000 m² to 5,000 m²) than the smaller lots (of less than 1,000 m²). Mr Thompson states this is likely due to infrastructure constraints that limited development of smaller lots and led to residential uses on the larger lots (we return to this below). In effect, the larger lots substitute the residential function of the smaller lots.

³² SOE Adam Thompson, paragraph 31.

- (d) The larger lots have a residential function rather than a rural lifestyle function. Mr Thompson finds that the uses of the larger lots are “almost entirely residential, with practically no rural activities occurring”.³³
- 46 The Council’s reporting corroborates Mr Thompson’s analysis that rural residential properties serve an urban function due to historic infrastructure constraints.
- 47 In an April 2024 presentation on Te Pātukurea Kerikeri-Waipapa Spatial Plan, the Council acknowledged that “zoning and infrastructure are key constraints”.³⁴
- 48 In its section 32 reports on the notified Proposed Plan, the Council said:
- (a) When summarising the proposed Rural Residential zone, that it:³⁵
- Enables residential activities that are more akin to an urban environment, but on larger lots to reflect lack of reticulated services.
- (b) In its overall evaluation of an alternative option to “only use zones provided for in the national planning standards (Rural Production and Rural Lifestyle)”³⁶ (which would mean the proposed Rural Lifestyle zone would be applied to the operative Rural Living and Coastal Living zoned land and Rural Production would be applied to the rest of the rural zoned land):³⁷
- The Rural Lifestyle zone alone would not meet the community demand for housing options in the rural environment.
- This approach would not integrate with the urban environment, which includes Rural Residential zoned land as contributing to housing supply.

³³ SOE Adam Thompson, paragraph 51.

³⁴ SOE Burnette O’Connor, Appendix C, slide 4.

³⁵ Section 32: Rural Environment, page 34.

³⁶ i.e. the proposed Rural Residential zone would not be proposed. The proposed approach is for a Rural Lifestyle zone and Horticulture and Rural Residential special zones, as well as Rural production zone.

³⁷ Section 32: Rural Environment, Option 3, page 55.

Not having a Rural Residential zone would limit growth opportunities where there is limited infrastructure capacity in our urban centres which constrains infill development. The Rural Lifestyle zone would not meet this need.

49 The Council's analysis in (b) above, in particular, emphasises that rural development in Kerikeri-Waipapa has replaced traditional smaller lot urban development due to infrastructure constraints. Indeed, the Council appears to want to avoid the loss of development opportunities in the operative Rural Lifestyle / proposed Rural Residential zones.

50 Ms O'Connor's evidence considers the operative and proposed planning framework to determine which zones are urban in character.

Ms O'Connor's evidence states (*inter alia*):

(a) By comparison to the National Planning Standards, the following operative zones are urban in character: Residential, Coastal Residential, and Rural Living. The Rural Living zone is comparative to the large lot residential zone in the planning standards due to the density of housing it enables.³⁸

(b) There are a mix of site sizes in the operative Rural Living zone:³⁹

Sites in the Rainbow Falls Road area are typically less than 4,000m² – mostly in the 3,000m² to 3,500m² range. The same applies to Blue Marlin Drive; and in the Edkins Road area the sites are typically in the 2,000m² to 2,500m² range.

(c) Land in the operative Rural Living zone is largely being zoned in the Rural Residential zone in the Proposed Plan. Ms O'Connor identified the rationale for this in the Overview to the Rural Residential Zone in the Proposed Plan:⁴⁰

The Rural Residential zone has been generally applied to areas that were formerly zoned Rural Living and are contiguous with an urban area. It is anticipated that the character of the zone will **remain** predominantly residential

³⁸ SOE Burnette O'Connor, paragraphs 33 to 38.

³⁹ SOE Burnette O'Connor, paragraph 37.

⁴⁰ SOE Burnette O'Connor, paragraph 41. See also Part 3 – Area-Specific Matters / Zones / Rural zones / Rural residential, Overview, in the Proposed Plan.

as the adjoining settlement will provide for most day to day services.

(Our emphasis)

- 51 The language “remain” recognises the existing urban character of the operative Rural Living zone that is being replaced by the Rural Residential zone.
- 52 In light of the evidence of Mr Thompson and Ms O’Connor, and further the Council’s reporting, it is submitted that Kerikeri-Waipapa is an urban environment as defined in the NPS-UD.

KERIKERI-WAIPAPA IS INTENDED TO BE AN URBAN ENVIRONMENT IN THE MEDIUM TERM

- 53 KFO’s primary position is that Kerikeri-Waipapa is an urban environment now. However, alternatively, it considers that Kerikeri-Waipapa is “intended to be” an urban environment in the medium term.
- 54 Mr Thompson’s evidence states that Kerikeri-Waipapa will have a housing and labour market of 10,000 by 2033 if:
- (a) Residents of allotments between 1,000 m² to 5,000 m² are *not* counted;
 - (b) Both the housing and labour markets of Kerikeri-Waipapa are counted; and
 - (c) The relevant areas for estimating current and future population are the following SA2: Kerikeri Central, Kerikeri South, Waipapa, and Riverview.
- 55 Mr Thompson presents several population projections for the four SA2, all of which state that Kerikeri-Waipapa will have population of at least 10,000 by 2033 – Infometrics, Statistics NZ Medium, Statistics NZ High, UE Medium, and UE High.⁴¹ Under Mr Thompson’s preferred population projection, the UE Medium scenario, the four SA2s will have a population of 11,500 by 2028 and 14,000 by 2033.⁴²

⁴¹ SOE Adam Thompson, Figure 8.

⁴² SOE Adam Thompson, Figure 8.

- 56 The growth scenarios are not just Urban Economics' projections. They include projections from Infometrics and Statistics New Zealand's Medium and High Growth scenarios.
- 57 The Council used Infometrics' projections to forecast growth in Kerikeri-Waipapa as part of its review of development capacity at Kerikeri under s 31 of the Act.⁴³ The Infometrics projects forecast that population "for the four Kerikeri SA2 areas"⁴⁴ will exceed 10,000 by 2027 and 11,000 by 2032 under the Medium Scenario.⁴⁵ Under the Council's projections, the housing and labour market will exceed 10,000 in the medium term. As Ms O'Connor observes, if the Hearings Panel do not agree that Kerikeri-Waipapa is an urban environment now, then it must be "intended to be" an urban environment in the medium term (3 to 10 years).⁴⁶ This is a timeframe which aligns with the legislative life of the pFNDP before it will be reviewed under s 79 of the Act.⁴⁷

KERIKERI-WAIPAPA IS INTENDED TO BE AN URBAN ENVIRONMENT IN THE LONG-TERM

- 58 Lastly, Kerikeri-Waipapa is intended to be an urban environment in the long-term if:
- (a) Residents of allotments between 1,000 m² to 5,000 m² are not counted; and
 - (b) The relevant SA2 are reduced to just Kerikeri-Central and Waipapa; but
 - (c) both the housing and labour markets of Kerikeri-Waipapa are counted.
- 59 Mr Thompson reports that the labour and housing market would still exceed 10,000 people over the long term (i.e. the next 20 – 30 years) under all growth scenarios.

⁴³ Section 32 Report, Appendix 7 – Summary of Evaluation of s.31 Plan Enabled Housing Supply at Appendix 7e – Kerikeri.
<https://www.fndc.govt.nz/__data/assets/pdf_file/0012/18003/appendix-7e_kerikeri-summary_amc_2022.pdf>

⁴⁴ Section 32 Report, Appendix 7 – Summary of Evaluation of s.31 Plan Enabled Housing Supply at Table 2 of Appendix 7e – Kerikeri.

⁴⁵ Section 32 Report, Appendix 7 – Summary of Evaluation of s.31 Plan Enabled Housing Supply at Table 2 of Appendix 7e – Kerikeri.

⁴⁶ SOE Burnette O'Connor, paragraph 39.

⁴⁷ SOE Burnette O'Connor, paragraph 39.

- 60 We set out above why allotments between 1,000 m² to 5,000 m² should be counted as urban and the relevant SA2 are Kerikeri Central, Kerikeri-South, Waipapa, and Riverview. That is the approach KFO say is correct.
- 61 However, the point illustrates that even under the most conservative projections and interpretation of the NPS-UD, Kerikeri-Waipapa will meet the definition of an urban environment in the long-term.

CONCLUSION

- 62 KFO's evidence shows that:
- (a) Kerikeri-Waipapa has a housing and labour market of above 10,000 people when measured across the four relevant Statistical Area 2 geographic units for Kerikeri-Waipapa (Kerikeri Central, Kerikeri South, Riverview, and Waipapa) if residents of 1,000 m² to 5,000 m² allotments are counted as part of the Kerikeri-Waipapa housing and labour market.
 - (b) Alternatively, Kerikeri-Waipapa will have a housing and labour market of at least 10,000 people by 2033 under all population modelling scenarios (and as early as 2028 under the Urban Economics medium growth scenario)⁴⁸ when measured across the four relevant SA2s,⁴⁹ where residents of 1,000 m² to 5,000 m² allotments are not counted as part of the Kerikeri-Waipapa housing and labour market.
 - (c) It is appropriate to include residents of 1,000 m² to 5,000 m² allotments when assessing the size of the housing and labour market because those allotments have an urban function in Kerikeri-Waipapa as a result of infrastructure constraints. The 1,000 m² to 5,000 m² allotments are substitutable for smaller allotments 1,000 m² allotments in Kerikeri-Waipapa.

⁴⁸ SOE Adam Thompson, at Figure 8 and paragraph 42.

⁴⁹ As above.

63 KFO respectfully ask the panel to grant the relief requested at paragraph 9 and issue interim guidance on the urban environment issue.



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Mike Doesburg

27 May 2024