

Before an Independent Hearings Panel
Appointed by Waimakariri District Council

under: the Resource Management Act 1991

in the matter of: Submissions and further submissions on the Proposed
Waimakariri District Plan and Variation 1

and: Hearing Stream 12: Rezoning requests (larger scale)

and: **Crichton Development Group Limited**
(Submitter 299)

Statement of evidence of Natalie Hampson (Economics) on behalf
of Crichton Development Group Limited in relation to Gladstone
Road rezoning request

Dated: 11 July 2024

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**STATEMENT OF EVIDENCE OF NATALIE HAMPSON ON BEHALF OF
CRICHTON DEVELOPMENT GROUP LIMITED**

INTRODUCTION

- 1 My full name is Natalie Dianne Hampson. I am a Director at Savvy Consulting Limited. I hold a Master of Science degree in Geography from the University of Auckland (first class honours).
- 2 I prepared a brief of evidence dated 5 March 2024 (*rezoning evidence*) in relation to the submission by Crichton Development Group Ltd seeking to rezone 145 and 167 Gladstone Road from Rural Lifestyle Zone (*RLZ*) to Large Lot Residential Zone (*LLRZ*).
- 3 This brief of evidence summarises key points from my rezoning evidence and responds to Council's section 42A report.
- 4 In preparing my evidence I have reviewed:
 - 4.1 Proposed Waimakariri District Plan, Officer's Report: Hearing Stream 12C Rezoning Large Lot Residential Zone, Prepared by Mark Buckley, Date 23 May 2024;
 - 4.2 Statement of Evidence of Rodney Yeoman on behalf of Waimakariri District Council (Economics) for Hearing Stream 12C, Date 17 May 2024; and
 - 4.3 Council Officer's Preliminary Response to written questions on Large Lot Residential Rezoning on behalf of Waimakariri District Council, Date 27 June 2024.
- 5 In addition to the above, I have also reviewed the following information from Hearing Stream 12D, noting it is directly relevant to this proposal:
 - 5.1 Statement of Evidence of Chris Jones (Real Estate) on behalf of Carter Group Limited and Rolleston Industrial Development Limited, Date 5 March 2024;
 - 5.2 Statement of Evidence of Carl Davidson, Date 13 June 2024;
 - 5.3 Statement of Evidence of Tim Walsh (Planning) on behalf of Carter Group Limited and Rolleston Industrial Developments Limited, Date 5 March 2024;
 - 5.4 Statement of Evidence of Jeremy Phillips (Planning) on behalf of Rolleston Industrial Developments Limited, Date 5 March 2024;
 - 5.5 Supplementary Statement of Evidence of Chris Jones (Real Estate), Date 13 June 2024;

- 5.6 Supplementary Statement of Evidence of Tim Walsh (Planning), Date 13 June 2024;
 - 5.7 Supplementary statement of evidence of Jeremy Phillips (Planning), Date 13 June 2024;
 - 5.8 Supplementary statement of evidence of Natalie Hampson (Economics), Date 18 June 2024;
 - 5.9 Summary of evidence of Jeremy Phillips (Planning), Date 1 July 2024;¹ and
 - 5.10 Legal Submissions on behalf of Carter Group Property Limited and Rolleston Industrial Developments Limited, Date 20 June 2024.
- 6 The above planning and legal evidence is relevant insofar that it provides a clear assessment as to how the definition of 'urban environment' is applied, and how this then engages the National Policy Statement on Urban Development (*NPS-UD*), in particular Objective 2, Objective 3, Policy 1a, Policy 2 and Clause 3.2.

CODE OF CONDUCT

- 5 Although this is not an Environment Court hearing, I note that in preparing my evidence I have reviewed the Code of Conduct for Expert Witnesses contained in Part 9 of the Environment Court Practice Note 2023. I have complied with it in preparing my evidence. I confirm that the issues addressed in this statement of evidence are within my area of expertise, except where relying on the opinion or evidence of other witnesses. I have not omitted to consider material facts known to me that might alter or detract from

SUMMARY OF REZONING EVIDENCE

- 6 My rezoning evidence reviewed the Rural Residential Strategy 2019 (*the Strategy*) which provided a district level estimate of demand for rural residential properties over a 10-year period (i.e., the medium-term, being 2018-2028). The Strategy also provided an estimate of remaining plan enabled capacity of the operative Residential 4A and 4B zones at that time. The Strategy showed that there was not sufficient zoned land to cater for expected rural residential demand over the medium-term. However, it identified some broad locations where future rural residential zoning may be appropriate.
- 7 I then considered the capacity of the LLRZ (which replaced the operative Residential 4A and 4B zones in the notified Proposed District Plan (*PDP*)), which was a snap-shop of reasonably expected

¹ Noting the 'Further Discussion' section of this summary in particular.

capacity as of August 2022.² This capacity data was taken from the Council's Waimakariri Capacity for Growth Model (*WCGM22*) and showed even less capacity than identified in the earlier Strategy. This lower capacity reflected both the rezoning and the take-up of previously identified capacity with new rural residential dwellings.

- 8 Projecting the same rate of rural residential demand growth as relied on in the Strategy for the period 2023-2033 showed that the PDP would also not provide sufficient LLRZ capacity to meet expected rural residential demand over the next 10 years.
- 9 Next, I considered the capacity of the notified LLRZO areas. I estimated that if all these overlays were instead live zoned to LLRZ (and there are submissions that seek this relief), that this, in conjunction with remaining capacity already zoned LLRZ, would provide just sufficient capacity to meet expected total district demand for rural residential properties over the period of 2023-2033 (if no competitiveness margin was added to demand). However, depending on the outcome of a submission which seeks that the LLRZO in Waikuku instead gets rezoned for higher density residential development, rural residential capacity in the district could again drop below the amount needed for ten years' of expected demand growth (2023-2033).
- 10 It is notable that once all LLRZO areas signalled by the Strategy are zoned (either to LLRZ or some other zone) that the Strategy will be redundant and will need to be updated to provide new broad locations for future rural residential growth within the Greater Christchurch area, else Policy 6.3.9 in the Canterbury Regional Policy Statement (*RPS*) will have nothing to refer to.
- 11 I then turned to sufficiency of rural residential capacity specifically in the Woodend/Pegasus location. In my rezoning evidence I noted that according to the *WCGM22* - which includes the two LLRZ areas close to the edge of the Woodend township as being part of the Woodend/Pegasus urban area - there was estimated zoned capacity for 25 more rural residential dwellings in Woodend.
- 12 While data is not available that breaks down rural residential demand in the district by location, the LLRZ capacity in Woodend will help meet a small share of the total demand for housing in the Woodend/Pegasus location. That is, it is captured as part of the projected medium-term demand for 2,480 additional dwellings (including the competitiveness margin) adopted for Woodend/Pegasus in the *WCGM22*.
- 13 As the *WCGM22* finds that there is insufficient housing capacity (across all zones, including the LLRZ) to meet total demand for

² While I would normally refer to the final capacity in the *WCGM22* as feasible capacity, for reasons explained in my evidence and confirmed in Mr Yeoman's evidence, the feasible capacity results cannot be relied on for the medium-term for the LLRZ, but RER capacity is considered appropriate.

housing in Woodend/Pegasus in the medium-term, I considered it highly likely that capacity of 25 additional rural residential dwellings would not be sufficient to meet expected medium-term demand for rural residential properties specifically in Woodend/Pegasus.

- 14 As stated in my rezoning evidence, I do not consider that demand for rural residential sections is neutral in terms of location. If the eastern (Waikuku) LLRZO becomes unavailable through the submission process, then LLRZO capacity in Oxford, Ashley and Swannanoa may be unlikely substitutes for low density residential demand for Woodend. I concluded in my rezoning evidence that providing for more LLRZ capacity in Woodend (where no LLRZO was provided) will help to meet projected demand for rural residential dwellings in that location (and the district as a whole) and support future housing choice in Woodend.
- 15 I noted that the submitter's rezoning request is one of only a small number of submissions seeking to increase LLRZ capacity in Woodend. I considered both likely economic benefits and costs of the rezoning and considered it to be an efficient outcome (i.e., providing net economic benefits) and that the proposal was consistent with the objectives and policies of the NPS-UD, including contributing to a well-functioning urban environment in Waimakariri District.

RESPONSE TO SECTION 42A REPORT

- 16 I begin this section with my response to Mr Yeoman's economic evidence, on the basis that the S42A report (by Mr Buckley) relies on Mr Yeoman's evidence.

Economic Evidence of Mr Yeoman for Council

- 17 Prior to assessing the two rezoning request submissions identified by Council, Mr Yeoman's evidence provides a general assessment of recent housing growth, projected growth, capacity for growth and sufficiency of residential land. These sections of his evidence have been included in all of Mr Yeoman's statements of evidence that I am aware of to-date for the PDP.³
- 18 I provided a comprehensive assessment in response to some key matters raised in those sections of Mr Yeoman's evidence in my Supplementary Evidence for Stream 12D (Ōhoka) dated 18 June. I rely on my earlier evidence, and I do not repeat it here.
- 19 The only additional paragraphs that Mr Yeoman has specifically added to that general overview for the 12C hearings is paragraphs 2.6, 2.17-2.18, 2.24-2.26, and 2.31-2.33.

³ I have not yet seen Mr Yeoman's evidence for Stream 12E.

- 20 Of those additional paragraphs, there is one statement that I wish to respond to. In paragraph 2.17(d), Mr Yeoman refers to building consent data and states that "*The most recent building consents data shows that demand accommodated in the LLRZ has dropped continuously over the last six years, from a high of just over 40 in 2018 to less than 20 in 2023*" (my emphasis). He attributes the source of this data to the Council, supplied in 2024 and covering the period 2018-2023 (footnote 17).
- 21 Later in paragraph 4.8 Mr Yeoman acknowledges the data request I made to Council for building consents in the operative 4A and 4B zones (i.e. LLRZ areas) that would follow on from the consent data in the Strategy (i.e. 2018-2023). He is aware that I was not supplied that data but states that he received it, and that it shows that development in the LLRZ "*has declined over the last five years*".
- 22 Chapman Tripp followed up on that data on my behalf. It was subsequently supplied by Mr Bacon at Council. Mr Bacon confirmed that only building consent data relating to LLRZ areas since March 2023 was collated and supplied.
- 23 That data contained 22 records. 11 of the records were for new (main) dwellings. 3 of the records were for new minor dwellings on lots already containing a main dwelling. The remainder of records were for alterations of existing dwellings or just PIM applications (information only requests), so are not relevant to demand and capacity assessment. Only the 11 records for new main dwellings relates directly to up-take of LLRZ land/sections.
- 24 I acknowledge this is a low count of building consent applications compared to some previous years identified in the Strategy. I.e. it is much lower than most years between 2012 and 2018. Equally though, 11 new rural residential dwelling consents is equal or higher than the new rural residential dwelling consents issued annually between 2006 and 2011.
- 25 The key point is that one year of new data since 2018 does not confirm a "*continuous*" decline in housing supply in LLRZ areas as stated by Mr Yeoman, nor does it confirm that underlying demand for rural residential dwellings has necessarily dropped. The latest data may be an outlier. Actual time-series data (if it was provided)⁴ may well show significant fluctuations year on year. That lower level of supply since March 2023 may well be an indicator of a constrained market (i.e. limited capacity/sections made available).

⁴ Mr Bacon at Council also alluded to consent monitoring data available in the Council's annual plan reporting. However, based on the caveats also noted by Mr Bacon, I do not consider that the data is sufficiently reliable and have not considered it further.

For all these reasons, I consider that there is no evidential basis to support Mr Yeoman's statement.⁵

- 26 Irrespective of this new data, Mr Yeoman still accepts that for the purpose of decision making, it would be conservative to adopt a demand projection of 30-40 rural residential dwellings per annum for the medium-term (as discussed below).
- 27 Mr Yeoman and I are in substantial agreement on the proposed rezoning. The following sets out the matters of agreement:
- 27.1 Demand for rural residential dwellings is in the order of 30-40 per annum across the district. My evidence was at the upper end of this range (consistent with the Strategy), but this is still within Mr Yeoman's range.⁶ I assessed shortfalls without and with a competitiveness margin, and my conclusions of insufficiency are not contingent on the competitiveness margin being applied.⁷
- 27.2 When comparing projected demand for rural residential dwellings over a 10 year period (say 2023-2033) with LLRZ capacity in the WCGM22, there is an expected shortfall of capacity over the medium-term.⁸ I based these conclusions on RER capacity of the LLRZ (as measured in August 2022 in the WCGM22) of 188 additional dwellings while in paragraph 2.26 of his evidence, Mr Yeoman considers that the zoned medium-term capacity of the LLRZ is lower at 143. I note that I have since learned (from the Stream 12D hearing) that the Plan Change 17 area in Ōhoka,⁹ which accounts for capacity of around 40 dwellings in the LLRZ is not infrastructure ready (in terms of road access) and therefore RER capacity in the medium-term should be lower (i.e., around 148 dwellings). This would bring our respective positions on existing medium-term capacity in the notified LLRZ into alignment and further reduces the sufficiency of capacity set out in my rezoning evidence.
- 27.3 If all of the LLRZO was zoned LLRZ, much of it may be required in the medium-term, but there is a risk that some

⁵ I note Mr Yeoman makes similar statements – inferring trends and preference shifts based on just the last 12 months of data - elsewhere in his general housing growth assessment. I also responded to those claims in my Ōhoka Supplementary evidence.

⁶ Mr Yeoman's evidence, paragraph 4.9.

⁷ I maintain that it is appropriate to include the competitiveness margin, as required by Tier 1 local authorities under the NPS-UD Clause 3.22. As I understand it, Mr Yeoman applies the competitiveness margin to towns/locations in his WCGM22, even when these comprise only LLRZ.

⁸ Mr Yeoman's evidence, paragraph 2.31 and 4.12.

⁹ Mill Road Development Area.

LLRZO may be rezoned for other uses which would reduce potential medium-term capacity.¹⁰

- 27.4 There is limited supply of LLRZ in Woodend and that the Woodend/Pegasus township overall (including the LLRZ areas) had a modelled shortfall of capacity as at August 2022 that requires a zoning response.¹¹
- 27.5 The economic benefits of the Submitter's proposed rezoning are likely to outweigh any economic costs.¹² It will have minimal impact on rural production¹³ and will contribute to a well-functioning urban environment.¹⁴
- 28 The key points of contention between Mr Yeoman and myself are limited to the following two matters and they are in fact higher level considerations of Mr Yeoman's that do not impact his general support for the Submitter's rezoning request from an economic perspective. As such, it is not certain what weight should be given to them:
- 28.1 The submitters rezoning request should be considered within the wider context of the housing market. Mr Yeoman suggests that decisions on Woodend's housing capacity should be left to Stream 12E¹⁵ (i.e. decisions relating to Medium Density Residential Zone (*MDRZ*)).
- 28.2 Demand for LLRZ is not finely localised.
- 29 These two matters were similarly raised in Mr Yeoman's evidence for Ōhoka (Stream 12D). Broadly, Mr Yeoman appears to take the position that all housing demand is substitutable for capacity provided in the three main urban townships, and specifically within the MDRZ. Further, that rezoning requests being heard prior to Hearing Stream 12E need to be weighed up against submissions that provide capacity in the MDRZ of the three main townships, even if they provide capacity in a location of demand and contribute to a well-functioning urban environment. This 'deferral' to Stream 12E was covered in legal submissions in the 12D hearing and I consider that those submissions are also relevant here.
- 30 I disagree that any decisions on additional capacity for MDRZ in Woodend/Pegasus (or in Rangiora or Kaiapoi) can and will address demand for LLRZ in Woodend (or elsewhere). While there is overlap in the provision of standalone housing, the MDRZ is unlikely to

¹⁰ Mr Yeoman's evidence, paragraph 4.14.

¹¹ Mr Yeoman's evidence, paragraph 4.15.

¹² Mr Yeoman's evidence, paragraph 4.17 and 4.20.

¹³ Mr Yeoman's evidence, paragraph 4.18b.

¹⁴ Mr Yeoman's evidence, paragraph 4.18a.

¹⁵ Mr Yeoman's evidence, paragraph 4.16.

provide an alternative to those households seeking a low density housing option. Rural residential housing is recognised as a distinct segment of the housing market (including in the RPS) and as such it is important for the Council to assess and monitor its demand and capacity (irrespective of whether the NPS-UD requires this level of detail or not). This was the purpose of the Strategy.

- 31 While Mr Yeoman disagrees that demand for LLRZ has any location preferences, he does not provide any evidence to substantiate that view. I note that there has been evidence provided in Stream 12D that supports the localised nature of housing demand outside of the three main townships.¹⁶ The fact that there are multiple different locations of LLRZ already established – some standalone, some combined with Settlement Zone, some in Oxford combined with the General Residential Zone, and some forming part of the three main townships where they complement the MRDZ – supports the fact that there are different attributes to those locations that appeal to different households seeking a rural residential living environment.
- 32 Those LLRZ areas on the fringes of the three main townships, such as proposed, offer very convenient access to the amenities of a large township while still providing a more generous section size. This cannot be compared with say LLRZ provided in West Eyreton or Swannanoa which has a much more rural setting with little or no social infrastructure within convenient reach.
- 33 Overall, I maintain that Woodend is a location of demand for LLRZ and as such, is an appropriate (and relatively more efficient) location to provide for further growth of rural residential dwellings in the district. Providing for LLRZ growth in Woodend, where it does not preclude future MDRZ expansion, ensures that a diversity of housing options are available in this popular residential location.

Section 42A Report (Mr Buckley)

- 34 This section of my evidence addresses Mr Buckley's S42A report. There are a few points made in the S42A report, at the front end and specifically on the Submitter's rezoning request that I wish to respond to. Where Mr Buckley's makes new points in his response to Panel questions (not already covered), I address that separately below.

Not required to provide development capacity at a specific location or for a specific property size.

- 35 At paragraph 452, Mr Buckley states that Council is "*not required to provide development capacity at a specific location or for a specific property size*" and that the NPS-UD "*does not stipulate that capacity has to be provided on a fine scale*" (paragraph 459). This is in

¹⁶ Refer evidence of Mr Jones and Mr Davidson for Hearing Stream 12D.

response to my evidence of a likely shortfall of capacity for LLRZ in Woodend over the medium-term.

- 36 I consider that there is a distinction that needs to be made between what a local authority needs to report in its HBA and what level of assessment needs to inform growth planning and decision making. Mr Buckley refers to Clause 3.19 (Obligation to prepare an HBA) but fails to mention Clauses 3.24 and 3.25 which both state that local authorities "must" assess demand and capacity at the location level to inform decision making.
- 37 Further, just because the NPS-UD does not explicitly prescribe local authorities to provide LLRZ capacity when there is a short-fall in the medium-term, I do not consider that a local authority can give effect to Objectives 1-4 of the NPS-UD if it fails to provide and plan for demand for rural residential living within its district (particularly when it is identified as a significant resource management issue in Waimakariri).
- 38 I agree that HBAs do not need to go as far as assessing demand, capacity and sufficiency at the zone level. Nor does my evidence suggest that Council should have done that. For the most part, I am able to rely on the Strategy which fulfils (at a district level) Council's need to understand the rural residential housing market.
- 39 At the end of the day, Woodend *is* a location of demand – being one of the three main townships in the district. It is a location that the Council's WCGM22 has already reported on. The WCGM22 has already estimated capacity of the LLRZ specifically in Woodend (and elsewhere). It has also estimated demand for housing (including standalone housing) in Woodend to match the area defined for that township (which includes the two nearby areas of LLRZ). Combined with the data in the Strategy, Council has already done much of what Mr Buckley states is not required to be done. It is how that available information informs decision making is what really counts.
- 40 I maintain my view that it is appropriate for Council to turn its attention to whether more capacity for LLRZ could be provided in Woodend to help meet Policy 1(a)(i) of the NPS-UD: to enable a variety of homes that meet the needs, in terms of type, price, and location of different households in order for planning decisions to contribute to a well-functioning urban environment in Waimakariri District. This is particularly as the NPS-UD does not set a minimum amount of sufficiency that should be provided. While I consider that a shortfall of LLRZ capacity in Woodend is likely over the medium-term, providing additional capacity through Policy 8 of the NPS-UD is not contingent on their being shortfall in Woodend or elsewhere. Rather, it is only necessary to demonstrate that it is a location of demand and that it contributes to a well-functioning urban environment.

LLRZ demand can be provided elsewhere in the district

- 41 In paragraph 74, Mr Buckley states that demand for LLRZ (accepted as 30-40 dwellings per annum across the district) "*could be provided elsewhere in the district*". As per my response to Mr Yeoman on the issue of substituting demand for LLRZ with capacity provided in the MDRZ (or even Settlement Zone), and the inappropriateness of this, I disagree with Mr Buckley's logic here. Rural Residential housing demand is a legitimate market of housing demand in Waimakariri District that needs to be provided for in appropriate locations. The LLRZ exists in the PDP for that purpose. I am not sure what is achieved by suggesting that other zones could meet this demand.

Whether LLRZ areas can be considered as 'urban environments'

- 42 In Appendix A of Mr Buckley's response to panel questions, Mr Buckley considers the determining factor "*of whether LLRZ areas can be considered as urban environments rests with determination of character*" (page 55). As set out in my evidence for Stream 12D (Ōhoka), I consider that the urban environment is the area defined as Greater Christchurch and I support the evidence of Mr Phillips and Mr Walsh in that regard. I do not repeat that evidence here but note that it appears that Mr Buckley is trying to determine if the LLRZ is, in and of itself, an urban environment, as opposed to being part of an urban environment.
- 43 I do not consider that Mr Buckley's approach matches the intent of the NPS-UD. Elsewhere in PDP evidence and hearings, Council has held the position that the urban environment is the sum of the three main urban townships. If this was accepted, and the boundary of that urban environment is also accepted as the edge of the MDRZ or business zones (as applicable) but does not include any LLRZ (even if adjoining), and that is the only area that the NPS-UD can apply to, then this contradicts the NPS-UD. This is because that very limited zoning mix:
- 43.1 Would not enable all people and communities to provide for their social, economic and cultural wellbeing (as required under Objective 1);
 - 43.2 Would not provide for the diverse needs of people and communities (as required under Objective 4);
 - 43.3 Would not enable a variety of homes that meet the needs of different households (as required under Policy 1(a));
 - 43.4 Would not provide, at all times, at least sufficient capacity to meet expected demand for housing (as required by policy 2).
- 44 I maintain that LLRZ inside the Greater Christchurch area forms part of the Greater Christchurch urban environment. I reach this

conclusion because I consider it best supports the application of the NPS-UD to growth planning.

- 45 At paragraph 55 of the S42A report, Mr Buckley states that within the Greater Christchurch area of the district, no LLRZ (or overlay) zoning can occur unless it was a location broadly identified in the Strategy in accordance with Policy 6.3.9 of the RPS. Only outside of the Greater Christchurch area can further LLRZ or LLRZO be considered independent of the Strategy.
- 46 If the NPS-UD is not able to apply to LLRZ (or LLRZO) rezoning requests within the Greater Christchurch areas, this will limit the ability of the Panel to provide sufficient rural residential capacity for the life of the Plan in key locations of rural residential demand.
- 47 I am uncertain when the Strategy will next be updated. If it was accepted that the NPS-UD cannot be applied, it is only once the Strategy is updated, and additional broad locations of potential rural residential development are identified, that future plan changes can be requested to rectify what may become a substantial shortfall of LLRZ capacity in the Greater Christchurch area.¹⁷

How LLRZ was treated in the WCGM22

- 48 Mr Buckley has determined that LLRZ is now not 'urban'. Given the role of the WCGM22 in informing Council's decision making, it is worth noting (for completeness) that because the WCGM22 includes LLRZ in its spatial framework of assessed towns/urban areas, including for the three main townships, the capacity of the LLRZ (while minor relative to the MDRZ capacity) is included as part of all plan enabled capacity, RER capacity and feasible capacity (the latter being limited to the long-term, but otherwise accepted by Mr Yeoman as applying in the medium-term in evidence).
- 49 This capacity has therefore been included in all Greater Christchurch HBA assessments for the Council's urban environment (i.e. three main townships combined) and is included in the WCGM22 results reported by Formative (December 2023) for the each of the three main urban townships, combined 'urban environment' and total district.
- 50 I support the way in which Formative have defined townships/settlements from a demand and capacity perspective, as this reflects a more real-world approach for determining locations and communities of interest across the district. However, if Council has now determined that LLRZ is not part of the urban environment, then this may require some adjustments to the WCGM22 modelling

¹⁷ The alternative is the RPS may be updated to reflect Policy 8 of the NPS-UD, but it will be several years before any changes to the RPS are operative.

so that Council can also report demand and capacity in a way that matches their latest definition.

Application of Policy 8

- 51 In response to questions from the panel (paragraph 466), Mr Buckley does not consider that any assessment under the provisions of the NPS-UD is required because the LLRZ is not urban.¹⁸
- 52 This seems somewhat contradictory to statements in Appendix A where Mr Buckley determined that LLRZ is not urban but the "*NPS-UD is still relevant when considering LLRZ rezoning requests.*" He went on to say in Appendix A that for the application of Policy 8, it would require consideration of whether the rezoning area would become urban in character as well as provide significant capacity and contribute to a well-functioning urban environment. He accepted that when LLRZ adjoins existing urban areas, LLRZ may "*contain some components of urban character*" and that LLRZ areas need to be assessed as to where they sit on the spectrum of peri-urban to semi-rural.
- 53 Nonetheless, in response to the paragraph 466 question, Mr Buckley considers first that the proposed rezoning would not provide significant development capacity. On this I note that context is important.
- 54 With demand for 300-400 dwellings (excluding the competitiveness margin) over a 10 year period, any capacity needed to meet that rural residential demand (over and above existing zoned LLRZ capacity) would not be significant *if* compared with the significant demand (and required capacity) for more conventional housing densities, such as offered by the MDRZ for example.
- 55 However, as set out in my rezoning evidence,¹⁹ the proposed rezoning would be significant in the context of LLRZ housing supply and capacity in Woodend. Even a proposal to deliver 27 rural residential sections can make a significant contribution in light of a projected shortfall of rural residential capacity in the district over the medium-term.
- 56 I consider that there are different ways that significance can be measured, and this should include criteria that reflect the nature of the housing market segment that the capacity proposes to address.
- 57 Mr Buckley then goes on to say, "*an assessment of the need for additional significant development capacity shows that sufficient*

¹⁸ I note that Mr Yeoman's conclusions on a well-functioning urban environment suggest that he considers that the NPS-UD applies to the evaluation of the submission (at least as far as Objective 1 goes). He does not provide any direct commentary on Policy 8. His only other references to the NPS-UD relate to what is prescribed to be assessed.

¹⁹ N Hampson evidence (Crighton, Stream 12C) paragraph 81.

capacity will be provided through the future development areas and intensification, and that no additional rezoning is required to meet demand". While the meaning here is unclear, I consider that Mr Buckley may have confused the capacity provided by the PDP/Variation 1 (and as described in the Formative report for the WCGM22 (December 2023)) with the requirement to assess the significant contribution of unanticipated / out of sequence rezoning requests under Policy 8.

- 58 As noted in my rezoning evidence, I also disagree that no additional rezoning is required. Based on an updated assessment of feasible and RER capacity set against a rebased medium-term demand projection, the notified PDP and Variation 1 is not expected to provide sufficient capacity in Woodend/Pegasus, the combined three main urban townships, the rest of Greater Christchurch outside the three main townships or the rest of the district.
- 59 As such, I consider that assessments against Policy 8 are most definitely required and are able to be applied if the Panel is of the view that the urban environment is the Greater Christchurch area and not limited to the MDRZ and business zones in the three main townships as determined by Mr Buckley.

Dated: 11 July 2024

Natalie Hampson