

IN THE MATTER OF

the Resource Management Act 1991

AND

IN THE MATTER OF

Submissions and further submissions in relation to
the proposed Waimakariri District Plan 12E
Rangiora, Kaiapoi, Woodend, Variation 1 Rezoning

**Statement of evidence of Rodney George Yeoman
on behalf of Waimakariri District Council
(Economics)**

1. INTRODUCTION

Qualifications and experience

- 1.1 My full name is Rodney George Yeoman. My qualifications are degrees of Bachelor of Commerce (Econ) and Bachelor of Laws from the University of Auckland. I also hold a Postgraduate Honours in Economics from the Australian National University.
- 1.2 I am a member of the New Zealand Association of Economists, and the Resource Management Law Association.
- 1.3 I am a Director of Formative Limited, an independent consultancy specialising in economic, social, and urban form issues. I have 18 years consulting and project experience, working for commercial and public sector clients.
- 1.4 I specialise in policy assessment, industry and markets research, the form and function of urban economies, the preparation of forecasts, and evaluation of outcomes and effects. I have applied these specialties throughout New Zealand, and in Australia, across most sectors of the economy, notably assessments of district plan policies and rules, urban form, land demand, housing, and other local government issues.
- 1.5 I have provided advice to Waimakariri District Council (“WDC” or “Council”) for the last seven years, most relevantly on many aspects of the growth projections, Waimakariri Capacity for Growth Modelling (“WCGM22”), District Plan Review (“DPR”), National Policy Statement on Urban Development (“NPS-UD”), Intensification Planning Instrument (“IPI”) required by the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act and National Policy Statement for Highly Productive Land (“NPS-HPL”).
- 1.6 I have also provided similar research for Selwyn District Council, and for Christchurch City Council on some aspects of IPI and Greater Christchurch Partnership for some aspects of NPS-UD.
- 1.7 The 2023 Housing Capacity Assessment (“HCA”) that was released by the Greater Christchurch Partnership (“GCP 2023 HCA”) uses the capacity results from the WCGM22 research, which I conducted jointly with my colleague Dr Michael Gordon.

Code of conduct

- 1.8 Whilst I acknowledge that this is not an Environment Court hearing, I confirm that I have been provided with a copy of the Code of Conduct for Expert Witnesses contained in the Environment Court’s Practice Note dated 1 January 2023. I have read and agree to comply with that Code. This evidence is within my area of expertise, except where I state that I am relying upon the specified evidence of another person. I have not omitted to consider material facts known to me that might alter or detract from the opinions that I express.

Key Issues

- 1.9 In my opinion, the key issues requiring consideration when assessing the submissions are

how the requested changes will affect the supply of residential land, and whether they will enable the community to meet their needs.

Scope of Evidence

- 1.10 I have been asked by WDC to provide evidence on the economic effects associated with a number of submissions that request zone changes to the notified Proposed District Plan (“PDP”).
- 1.11 I note that I have prepared statements of evidence comparable to this statement but relating to other submissions that request residential rezoning within Topic 12¹, 12A², 12C³, and 12D⁴. Those requests are covered in separate statements, and I refer to that residential evidence in parts of this statement.
- 1.12 This evidence reviews and responds to some of the submissions that request changes to zoning in Rangiora, Kaiapoi, and Woodend⁵. The submissions that required review were identified in consultation with Council officers, and are those that contain some coverage of economics issues. Eight such submissions were identified for my review, as follows:
- (a) Rangiora: 179 Hobson and Whimp, 183 Spark, 290 Doncaster Developments Limited, and 413 Bellgrove Rangiora Limited
 - (b) Kaiapoi: 173 Momentum Land Limited and 332 Mike Greer Homes NZ Limited.
 - (c) Woodend: 214 Stokes and 215 Woodwater Limited.
- 1.13 My evidence is structured with a section for each town and the relevant submissions, summarising the decision sought, the submission points, and then providing my response to those points. I also summarise the Waimakariri residential land environment to establish the context within which my response to submissions is made.
- 1.14 In preparing my evidence I have reviewed the submissions. I have previously read and am generally familiar with a range of relevant planning documents, the PDP and Canterbury Regional Policy Statement (“CRPS”).

2. WAIMAKARIRI RESIDENTIAL LAND

- 2.1 In this section I summarise the context and key information about the Waimakariri residential land and the findings from the latest 2022 residential land assessment. The purpose of this update is to provide some context within which the submissions can be

¹ Statement of evidence of Rodney Yeoman on behalf of Waimakariri District Council (Economics) Stream 8 and Stream 12.

² Rodney Yeoman (2024) Memo Capacity and Demand at Oxford.

³ Statement of evidence of Rodney Yeoman on behalf of Waimakariri District Council (Economics) Stream 12C Large Lot Residential.

⁴ Statement of evidence of Rodney Yeoman on behalf of Waimakariri District Council (Economics) Stream 12D Ōhoka Rezoning.

⁵ Woodend is a conglomeration which includes Ravenswood and Pegasus.

assessed.

Recent growth

- 2.2 Over the last two decades, Waimakariri District has experienced rapid growth in population, from around 37,100 in 2000 to 69,000 in 2023.⁶ That equates to average annual growth of 2.7% per annum, which is much faster than almost every other district in New Zealand - only Selwyn and Queenstown Lakes grew at a faster rate.
- 2.3 As the population has grown, the three main towns (Rangiora, Kaiapoi, and Woodend) have accommodated a larger share of the new residents. Last year over 80% of new population growth was located in these three urban areas alone.⁷
- 2.4 The remaining growth was spread over the small settlements⁸, the Rural Lifestyle Zone, and the General Rural Zone. Of the population growth last year, 12% was located west of Two Chains Road and north of Ashley River (i.e. outside the dotted line on Map A of CRPS), while the remaining 8% was located in the small settlements, and the Rural Lifestyle Zone inside the dotted line noted in Map A of CRPS.
- 2.5 In summary, there has been high growth within the three main towns (Rangiora, Kaiapoi, and Woodend) and these towns have accommodated a larger share of growth in the District. The other settlements, Rural Lifestyle Zone (“RLZ”), and the General Rural Zone (“GRZ”) have accommodated a declining share of growth.
- 2.6 The new dwelling building consents reflect the same pattern as population growth, with a significant share of new dwelling building consents being located within Rangiora, Kaiapoi, and Woodend urban areas⁹, 83% in the last 12 months.¹⁰ Less than 9% was located outside the dotted line on Map A of CRPS and 8% in the small settlements/rural areas inside the dotted line noted in Map A of CRPS (Figure 2.1).

⁶ Statistics New Zealand (2023) Subnational Population Estimates.

⁷ Ibid.

⁸ Oxford, Ashley, Sefton, Cust, Mandeville, Ohoka, Cust, Waikuku, Waikuku Beach, Woodend Beach, The Pines Beach, Kairaki, Tuahiwi. Also the other areas with Large lot Residential such as Fernside, Swannanoa, West Eyreton, Loburn North.

⁹ I acknowledge that there is debate around the definition of Urban Environment, which was subject to a Joint Witness Statement by the Planners. I have adopted the definition that has been applied in the Greater Christchurch Partnership HCA, which it the three main towns Rangiora, Kaiapoi, and Woodend.

¹⁰ Statistics New Zealand (2024) New Dwelling Building Consents – February 2024.

Figure 2.1: Waimakariri District New Dwelling Building Consents (2019-2024)

New Dwelling Consents	2019	2020	2021	2022	2023	2024*
Rangiora, Kaiapoi, Woodend	511	428	695	633	597	644
Rural Greater Christchurch	58	52	95	80	68	64
Outside Greater Christchurch	69	71	105	119	75	71
Total	638	551	895	832	740	779
Rangiora, Kaiapoi, Woodend	80%	78%	78%	76%	81%	83%
Rural Greater Christchurch	9%	9%	11%	10%	9%	8%
Outside Greater Christchurch	11%	13%	12%	14%	10%	9%
Standalone	92%	93%	94%	91%	82%	79%
Attached	8%	7%	6%	9%	18%	21%

**Last 12 months, ending February 2024*

2.7 The split between standalone and attached dwellings has continued to change, with attached dwellings accounting for over 21% of all new dwellings in Waimakariri in the last 12 months. At the same time the share of dwellings that are standalone decreased from 92% in 2019 to less than 79% in 2024. This trend has been observed in all the high growth Tier 1 councils in New Zealand.

2.8 I consider that it is clear that preferences for dwellings are changing, with higher density typologies becoming more popular, and that this trend is likely to continue and follow the path seen in other urban environments. This means that the demand for lower density dwellings in smaller settlements will continue to decline in the future.

Projected growth

2.9 The latest population projections provided in 2022 have three scenarios, low, medium, and high.¹¹ The Council has adopted the High projection for NPS-UD assessments, both for residential and business assessments.¹²

2.10 The latest population (High scenario) is higher than the range projected in the 2021 projections.¹³

2.11 While Covid19 resulted in short term impacts, the economy and population growth has been resilient and has recovered quickly. The latest projections are higher than the previous set, at least in part, because the impacts of Covid19 was more muted than expected.

2.12 There has also been a general decline in residential development activity within the urban areas in New Zealand, with the largest declines in activity being observed in greenfield areas. However, activity within Waimakariri has remained relatively stable. Also there has been a large inflow of immigration to New Zealand, which could result in more demand in the coming years.

¹¹ Statistics New Zealand (2022) Sub-national Population Projections.

¹² A previously used medium-high scenario is no longer used for Waimakariri District planning purposes.

¹³ Statistics New Zealand (2021) Sub-national Population Projections.

- 2.13 I consider that the Council’s decision to adopt the High projection is a conservative position. It is likely that demand will grow at a level below the High projection, and that it is unlikely that demand will continuously reach the High projection for the entire short-medium term (10 years, 2023-2033) or long term (30 years, 2023-2053). Specifically, growth over these periods is likely to be lower than what the Council is planning for, which means that the Council’s stance is conservative.
- 2.14 Moreover, I consider that the shift in demand preferences is likely to continue which will result in less demand for lower density dwelling types than is shown in the demand projections. The WCGM22 applies conservative assumptions on the share of demand for attached dwellings¹⁴ and share of demand located in Rangiora, Kaiapoi, and Woodend urban areas¹⁵. Conversely, the WCGM22 is likely to overestimate the demand for standalone dwellings and lower density dwelling types.
- 2.15 There has been a trend towards an increasing acceptance of denser typology dwellings, both in Waimakariri, and Christchurch urban area, and also across all Tier 1 urban environments in New Zealand. I consider that over the coming short-medium term (10 years, 2023-2033) and long term (30 years, 2023-2053) that it is very likely that this trend will continue and that there will be more need for denser typology dwellings.
- 2.16 The results of the WCGM22 suggest that there is expected to be demand in Rangiora, Kaiapoi, and Woodend urban areas for 4,970 new dwellings in the short-medium term (10 years, 2023-2033) and 11,700 new dwellings in the long term (30 years, 2023-2053).¹⁶ That forecast is based on the High growth scenario and are discussed in the Economic Assessment that is attached to Variation 1 (Topic 12E)¹⁷, and is similar to the average observed over the last five years (Figure 2.1).
- 2.17 The sufficiency assessment in the NPS-UD does not require councils to consider demand for individual zones, or even individual locations within Rangiora, Kaiapoi, and Woodend. However, the WCGM22 does include results for the three main towns (Rangiora, Kaiapoi, and Woodend), which are presented in the Economic Assessment attached to Stream 12.

Capacity for Growth

- 2.18 The WCGM22 is a desktop analysis which is an update of the modelling conducted in 2019 and 2021, and is similar to the methods applied to other Tier 1 councils in the Greater Christchurch Partnership (by Formative for Selwyn and by Christchurch City Council for Christchurch).

¹⁴ Currently set at 9% and held constant in the model, which is less than half the share that has been observed in the last 12 months. This means that the WCGM22 overestimates the demand for low intensity standalone dwellings.

¹⁵ Currently set at 79% and held constant in the model, which is 4% lower than the share that has been observed in the last 12 months. This means that the WCGM22 overestimates the demand for low intensity standalone dwellings outside the urban environment.

¹⁶ NPS-UD requires that councils include a competitiveness margin on top of demand of 20% in the medium term and 15% in the long term, which is included in the numbers stated in my evidence.

¹⁷ Formative (2023) Waimakariri Residential Capacity and Demand Model – IPI 2023.

- 2.19 In summary, it uses parcel level data to establish the number of dwellings that can be provided within each parcel. This assessment is ground-truthed via a review of developer intentions for large greenfield sites and recent building consents for smaller brownfield sites.¹⁸ This comparison shows that the WCGM22 results are conservative, and that the model is likely to underestimate the amount of development that could be achieved by the market in the future.
- 2.20 Importantly, the NPS-UD is prescriptive in terms of the assessment method that councils must adopt, which means that the WCGM22 inherently underestimates capacity. My own assessment of development data suggests that the model underestimates capacity, which is consistent with Mr Wilson’s memo on the Land Uptake Monitoring survey.¹⁹
- 2.21 Importantly, most developments in the greenfield areas are now achieving more than 15 dwellings per hectare in Rangiora, Kaiapoi, and Woodend, and therefore, on average, the WCGM22 provides a conservative estimate of capacity. This is an important issue that needs to be considered by commissioners when assessing whether there is sufficient capacity to meet expected demand, which I discuss further in my evidence at 2.32 to 2.50.
- 2.22 Also of importance is that the comparison of recent brownfield developments to the WCGM22 results shows that developers are now achieving more development within existing urban residential areas than was anticipated in the model. This is an important issue as it shows that more of the development capacity enabled within the existing urban areas is becoming commercially viable for development, which I discuss further in my evidence at 2.52-2.63.
- 2.23 Combined, the estimates for both greenfield and brownfield developments suggests that the sufficiency outcomes shown in the WCGM22 are likely to be conservative.
- 2.24 In summary the WCGM22 assessment has shown that in Rangiora, Kaiapoi, and Woodend there is a large amount of capacity enabled within the PDP. The WCGM22 estimates that there is a total capacity for over 80,000 new dwellings in Waimakariri, which is almost 3 times the number of dwellings currently in Waimakariri, or 13 times more than future projected dwellings under the high growth scenario in the short-medium term (2023-2033), and more than 5 times the long term (2023-2053) demand.
- 2.25 Most of this supply will not be reasonably developable or feasible, either in the medium or long term because there will not be demand to support it. In total the assessment shows that less than 8% of total plan enabled capacity is feasible in the medium term and 19% in the long term. Also, most of the feasible capacity is within the greenfield areas, with some infill or redevelopment being either reasonably realisable or feasible. In Rangiora, Kaiapoi, and Woodend the WCGM22 estimates a capacity of 5,940 dwellings in the short-medium term (2023-2033) and 14,450 in the long term (2023-2053).

¹⁸ It would be exceedingly costly to undertake a full field survey of all residential sites in the District. No other council undertakes a detailed field survey. Even Statistics New Zealand, with all its resources and statutory powers, does not visit every site during Census.

¹⁹ Peter Wilson (2024) Memo on housing uptake and Land Uptake Monitoring Survey.

Sufficiency of Residential land

- 2.26 The comparison of the residential land capacity to demand, as required by the NPS-UD, suggests that there is sufficient capacity to meet expected demand in Waimakariri over the medium and long terms for residential land.
- 2.27 There is demand for 4,970 dwellings in the short-medium term (2023-2033) and 11,700 in the long term (2023-2053). The WCGM22 estimates a capacity of 5,940 dwellings in the short-medium term and 14,450 in the long term. This means that there is sufficient capacity within Rangiora, Kaiapoi, and Woodend to meet expected demand for both the short-medium and long term (Figure 2.2).

Figure 2.2: Rangiora, Kaiapoi, and Woodend residential land sufficiency

	2023-2033 Short- Medium	2023-2053 Long
Urban Environment Dwelling Situation		
Demand +Margin	4,970	11,700
Feasible Supply	5,940	14,450
Sufficiency	970	2,750

- 2.28 The NPS-UD sufficiency test is framed as a minimum level of development capacity required, not a maximum, and if a council determines that there is insufficient development capacity then it must act as soon as practicable to provide more capacity via changes to the planning framework.
- 2.29 Further, the NPS-UD has a wider set of objectives beyond simply providing the bare minimum capacity that is sufficient to meet expected demand. This then means that Council could allow for more urban capacity than the minimum required to accommodate expected growth, in order to meet the wider objectives of the NPS-UD. The provision of additional capacity can be assessed according to the merits of suggested proposals, but this does not mean that all additional developments should be adopted as being beneficial.
- 2.30 In the case of residential land, the NPS-UD does not require assessments of the demand or supply for specific land uses. As an example, the NPS-UD does not require councils to model the land demand for low density, medium density or high density zones, so while there is sufficient land at an aggregate (i.e. residential) level, it may be that there is need for more land for a specific use. Any such need can be assessed on its merits, and is beyond the scope of the WCGM22 or NPS-UD reporting.
- 2.31 I acknowledge that commissioners will consider submitters proposals for providing more capacity in Streams 12A, 12C, and 12D. The outcomes of these hearings maybe that some rezoning requests are accepted and that the margins are increased beyond what is shown in the WCGM22.

Greenfield Capacity

- 2.32 Most of the feasible capacity within Waimakariri is within the greenfield areas of Rangiora, Kaiapoi, and Woodend. I acknowledge that there is evidence presented by economists which suggests that capacity in greenfield areas may be lower. Therefore, it is important to understand the scale of development potential in these crucial areas.
- 2.33 First, I note that most of the economists in this hearing are providing evidence that supports greenfield developments. Broadly, they are arguing that their clients are willing and able to develop dwellings on the proposed sites. Importantly, they are arguing that development in greenfield is commercially feasible.
- 2.34 I agree with the other economists, it is likely that greenfield development is profitable and the fact that submitters are expending resources to argue for more development supports this position. Furthermore, the WCGM22 also shows that greenfield development is commercially feasible. I consider that there is no evidence before this hearing that suggests otherwise. This is a fundamental point of agreement, which means that a large share of capacity that is noted as being feasible in the WCGM22 is developable.
- 2.35 However, there is disagreement around the potential density of development that can be achieved in the greenfield areas. Broadly, many of the economists have adopted an assessment that relies on development intensity being only a net density of 15 dwellings per hectare or lower.²⁰ These economists have directly drawn from a simple density method provided by a spatial analyst in Plan Change 31²¹, who merely assumed that new development in the greenfield areas would only achieve a density of 15 dwellings per hectare.
- 2.36 I disagree with this simplistic method as it does not reflect the reality of what is occurring in the market. Where possible I have drawn on development plans for existing areas in Rangiora, Kaiapoi and Woodend to provide a comparison between the developer intentions and the estimate shown in the WCGM22.
- 2.37 Figure 2.3 shows the comparison of four developments which have data for developer intentions in Rangiora: Bellgrove²², Summerset²³, Flaxton Village²⁴, and South Rangiora²⁵. The developer intentions are for dwelling yield greater than assumed in the WCGM22 in all but one case, and in total those four developments are indicated by the developers to have a dwelling yield 35% greater than the WCGM22 modelled. This comparison shows that the WCGM22 is conservative as compared to stated developer intentions.

²⁰ Canterbury Regional Policy Statement applies a definition of net density which removes Stormwater retention and treatment areas, Geotechnically constrained, protect significant ecological, cultural, historic heritage or landscape values, esplanade reserves or access strips, and local community services and retail facilities, or for schools.

²¹ Mr Sextan (2024) Plan Change 31.

²² Bellgrove Rangiora (2024) <https://www.bellgrove.co.nz/about-bellgrove/>

²³ Summerset (2024) <https://www.summerset.co.nz/find-a-village/canterbury/summerset-rangiora/>

²⁴ Rangiora Development Ltd (2022) Development Plan.

²⁵ Fraser Colegrave (30 April) Evidence in Chief for Bellgrove Rangiora Limited.

2.38 Also, the density that is proposed by developers in those four developments averages 23 dwellings per hectare, which is much higher than 15 dwellings per hectare suggested by PC31 spatial analyst and adopted by the other economists.

Figure 2.3: Rangiora WCGM22 and Developer Intention, Difference and Density

Rangiora	WCGM22	Developer	Difference		Dwellings per ha*
Bellgrove	952	1,300	37%	348	24
Summerset Retirement Village	211	260	23%	49	21
Flaxton Village	59	124	110%	65	36
South Rangiora MRZ	76	74	-3%	-2	17
Short-Medium term	1,298	1,758	35%	460	23

*Gross land area less 12.5% divided by Developer intentions

2.39 A similar comparison for Kaiapoi confirms that the WCGM22 also makes conservatively low dwelling yield assumptions for that town. Figure 2.4 shows the comparison of three developments which have data for developer intentions in Kaiapoi: Beach Grove²⁶, Silver Stream²⁷, and The Sterling²⁸. The developer intentions are higher than WCGM22 in all the cases, and in total the developers' indicated dwelling yield is 12% higher than modelled in the WCGM22.

2.40 Also, the density that is proposed by developers averages as 24 dwellings per hectare, which is much higher than 15 dwellings per hectare suggested by PC31 spatial analyst and adopted by the other economists.

Figure 2.4: Kaiapoi WCGM22 and Developer Intention, difference and Density

Kaiapoi	WCGM22	Developer	Difference		Dwellings per ha*
Beach Grove	332	334	1%	2	22
Silver Stream	89	107	20%	18	24
The Sterling	137	184	34%	47	28
Short-Medium term	558	625	12%	67	24

*Gross land area less 12.5% divided by Developer intentions

2.41 The WCGM22's modelled dwelling yield for Woodend is also conservative. Figure 2.5 shows the comparison of five developments which have data for developer intentions in Woodend: Ravenswood²⁹, Commons Lifestyle Village³⁰, Woodland Estate³¹, Eders³², and Gladstone³³. Excluding Ravenswood, developer intentions are higher than WCGM22 in

²⁶ Beach Grove (2023) Development Plan.

²⁷ Silver Stream (2023) Development Plan.

²⁸ The Sterling (2024) <https://www.thesterling.co.nz/>

²⁹ Ravenswood (2023) Development Plan.

³⁰ Freedom Lifestyle Villages (2024) <https://freedomravenswood.co.nz/our-homes-ravenswood/>

³¹ Woodlands Estate (2023) Development Plan.

³² MF Properties Christchurch Limited (2023) Development Plan.

³³ Gladstone (2023) Development Plan.

three out of the four cases, and in total 33% higher than WCGM22.

- 2.42 I acknowledge that Ravenswood development plan has changed since the WCGM22 and the Proposed District Plan. In PC30 the developer requested, and was granted, the rezoning of 12.8ha of residential land to business land. This change means that the WCGM22 provides a larger dwelling yield estimate in this location than is now indicated by the developer to occur, although notably the expected dwelling density at Ravenswood is expected to be greater than the 15 dwellings per hectare adopted by the other economists.
- 2.43 Overall, the density that is proposed by developers in Woodend averages as 19 dwellings per hectare, which is much higher than 15 dwellings per hectare suggested by PC31 spatial analyst and adopted by the other economists.

Figure 2.5: Woodend WCGM22 and Developer Intention, difference and Density

Woodend	WCGM22	Developer	Difference		Dwellings per ha*
Ravenswood	969	721	-26%	- 248	18
Commons Lifestyle Village	131	237	81%	106	31
Woodland Estate	104	85	-18%	- 19	14
Pasanger	42	49	17%	7	19
Gladstone South	18	21	17%	3	17
Short-Medium term	1,264	1,113	-12%	- 151	19

*Gross land area less 12.5% divided by Developer intentions

- 2.44 I acknowledge that there are other greenfield areas for which the landholders have not indicated their intentions, and as such I cannot make the same comparison as above for these areas.
- 2.45 I have also reviewed Mr Wilson’s memo on the LUM which is attached to Mr Wilson’s evidence for hearing 12D. This independent assessment also shows that recently completed greenfield developments in the three towns have averaged at over 15.9 dwellings per hectare.
- 2.46 Moreover, I do not understand why the economists in this hearing who are supporting developments in Rangiora, Kaiapoi, and Woodend that have higher density than 15 dwellings per hectare, maintain a position that no other developer will do so. As an example:
- (a) Mr Colegrave: presents evidence that Kaiapoi North Block and South Block may be developed to a density of 18 to 24 dwellings per hectares.³⁴
 - (b) Mr Sellars: presents evidence that shows data for over 170 greenfield developments in Waimakariri, Selwyn and Christchurch.³⁵ His tables show that 33%

³⁴ Fraser Colegrave (2 February) Evidence in Chief for Momentum Land Limited and Mike Greer Homes NZ Limited paragraph [32] and [33]

³⁵ Garry Sellars (2 February) Evidence in Chief for Christchurch International Airport Limited Appendix A.

of developments in Waimakariri are already over 16 dwellings per hectare and a further 38% are over 15 dwellings per hectare, while only 29% of developments in Waimakariri are lower than 15 dwellings per hectare.

I note that some of the development outcomes suggested in Mr Sellars' tables may not match what developers are now proposing. As an example, the Bellgrove developer's evidence in this hearing is proposing 740 dwellings on their MRZ land in Rangiora which is a density of over 16 dwellings per hectare³⁶. This compares to Mr Sellars' table which suggests 15 dwellings per hectare. I have not been able to verify his assessment because his maps in the Appendices B-D do not show where each development is located.

- 2.47 Clearly, developments are already exceeding 15 dwellings per hectare and as such I do not agree with the simplistic assumption that development will be exactly equal to this level in the future. This assumption was applied by the PC31 spatial analyst, and adopted by many of the economists in this hearing.
- 2.48 I consider that in the coming 10-30 years that the density achieved in greenfield areas will continue to increase and that the average density will most likely exceed 15 dwellings per hectare. My expectation is consistent with not only current trends in Waimakariri, but also trends in other urban growth areas throughout New Zealand.
- 2.49 Moreover, the planning rules will allow density to continue to increase in the coming 10-30 years. I consider that it is very likely that development intensity will increase and that the WCGM22 capacity estimates are likely to be conservative for greenfield areas.
- 2.50 Therefore, I disagree with PC31 spatial analyst who simply adopted 15 dwellings per hectare in the greenfield areas. No evidence was provided to support this position and the other economists in this hearing have not provided a review of this assumption.
- 2.51 Given the developments proposed in this hearing, and the data reviewed above, I would expect that the average development density will increase to over 20 dwellings per hectare in the coming short-medium (2023-2033) to long term (2023-2053). Therefore, the WCGM22 is likely to underestimate capacity by a significant margin.

Brownfield Capacity

- 2.52 In the WCGM22 there is a large amount of feasible capacity in greenfields areas, and a smaller share within the brownfield areas of Rangiora, Kaiapoi, and Woodend. However, I note that there is a sizeable amount of plan enabled capacity in Rangiora, Kaiapoi, and Woodend brownfield areas, which may become feasible in future.
- 2.53 I acknowledge that there is evidence presented by economists which questions whether feasible capacity in brownfield areas may be lower than estimated in the WCGM22. In summary the economists have noted concerns that feasibility may be lower than estimated

³⁶ Fraser Colegrave (30 April) Evidence in Chief for Bellgrove Rangiora Limited.

in the WCGM22 for brownfield development.³⁷

- 2.54 I note that the feasibility of brownfields capacity is not crucial to whether there is in total sufficient capacity or not, because of the very significant capacity in the greenfield that exists. However, I have reviewed the latest available consent data to provide advice to commissioners on the situation in the brownfield areas. This data shows what development is being achieved and can be compared to the WCGM22 to establish whether the model is overestimating or underestimating capacity.
- 2.55 As noted in the Economic Assessment (page 30) there has been recent development in the brownfield areas of Rangiora, Kaiapoi, and Woodend.³⁸ While there are no examples of development reaching the maximum plan enabled capacity (3 dwellings to 3 levels i.e. '3-by-3') in the MRZ, it is clear that development intensity is increasing in brownfield developments with average lot size decreasing from 380m² in 2018 to 215m² in 2023.
- 2.56 Importantly, the WCGM22 has consistently underestimated capacity as compared to what developers have requested since the MDRS became operative. In every instance the WCGM22 model underestimated capacity as compared to what the developer applied for.
- (a) For the consented developments with 4 or more dwellings the data shows that developers intend to build over 100 dwellings and in 50% of cases the WCGM22 suggested that development was not feasible in the short-medium term (2023-2033) and only feasible after 2033. The consent data clearly shows that WCGM22 is conservative.
- (b) For the consented developments with 2 to 3 dwellings the WCGM22 predicted no feasible capacity in the medium term (i.e. 0 capacity in 2023-2033). While these developments contribute a small amount of capacity it is clear that the WCGM22 underestimates capacity.
- 2.57 I have also reviewed Mr Wilson's memo on the LUM which is attached to Mr Wilson's evidence for hearing 12D. This independent assessment also shows that recently completed brownfield developments are significant, and a growing aspect of the development activity in the three main towns.
- 2.58 In my opinion, based on the comparison of developments consented in the last year that the feasibility testing in the WCGM22 is extremely conservative when assessing brownfield development. Therefore, I consider that the questions raised by the economists around feasibility calculations are unfounded, and the data shows that the opposite is occurring with the WCGM22 significantly underestimating feasible capacity in brownfields.
- 2.59 I consider that this conservatism is likely to increase in the coming short-medium term, because in high-growth areas the feasibility of development will generally improve with

³⁷ Broadly, they consider that assumptions used in the model may overstate feasibility. They consider that market conditions have changed and that feasibility may be lower than estimated in the WCGM22. Mr Colegrave's evidence provides a discussion of the main issues that he considers are important.

³⁸ Waimakariri District Council (2023) Consents Data – Resource Consents and Building Consents.

time. The NPS-UD acknowledges this situation and allows modellers to incorporate this characteristic of the market in the long-term assessment.

- 2.60 However, the NPS-UD assessment test requires that development be commercially viable under current conditions in the short-medium term. In my opinion this requirement is overly conservative, because development that becomes feasible over the coming decade will not be included in the WCGM22.
- 2.61 I consider that this requirement does not reflect the reality of any market, whether that be brownfield or greenfield development, or any other residential zone. I consider that no market is static and the NPS-UD requirement to assume that the market is frozen for 10 years is overly conservative.
- 2.62 I conclude that brownfield development is already exceeding the estimate in the WCGM22. Based on the consents requested by developers since the beginning of the MDRS, I consider that an additional 100 dwellings per annum at least, or 1,000 dwellings in the short-medium term (2023-2033), can be expected to be accommodated in the brownfield areas of Rangiora, Kaiapoi, and Woodend. This is above what is estimated in the WCGM22 (Figure 2.2), and is in my opinion a significant supply.
- 2.63 In summary, it is my opinion that the WCGM22 makes conservative assessments of the likely development density and dwelling yield in both greenfield and brownfield areas. Figure 2.2 results are conservative, and that medium and long-term capacity shown in the assessment are lower than what is being achieved by the market already.

3. RANGIORA SITUATION

- 3.1 The economic evidence presented to this hearing shows that there is likely to be sufficient capacity to meet expected demand in Rangiora, both in the short-medium, and also in the long term.
- 3.2 Figure 3.1 provides a summary of the economic evidence presented by the submitters' experts. While there is disagreement on the quantum of the capacity and demand for dwellings in Rangiora, all of the experts provide assessments which show that there is more than sufficient capacity to meet the demands, both in the short-medium and long term.
- 3.3 The table below shows the difference between each expert's demand estimate and capacity estimate, to establish whether there is sufficient capacity. Importantly, all the assessments presented by the economists provide the same conclusion which is that there is sufficient capacity in Rangiora.

Figure 3.1: Rangiora Residential Sufficiency

Rangiora Dwelling Situation	2023-2033 Short-Medium	2023-2053 Long term
WCGM22*	1,190	4,600
Mr Akehurst**	222	2,569
Ms Hampson***	728	n/a
Mr Colegrave****	430	n/a
Mr Heath*****	63	n/a

*Formative (2023) Waimakariri Residential Capacity and Demand Model – IPI 2023, Figure 4.4.

**Greg Akehurst (5 Mar 2024) EIC for Carter Group, Figure 5 and 6

***Natalie Hampson (4 Mar 2024) EIC for Stokes, Table 2.

****Fraser Colegrave (5 Mar 2024) EIC for Doncaster, Para 37 and Table 4.

*****Tim Heath (5 Mar 2024) EIC for Doncaster, Figure 3 and Para 39.

3.4 I acknowledge that submitters have made requests for zone changes in Rangiora. Most significantly there are a number of requests for Future Development Area (“FDA”) overlay land to be zoned for immediate development as Medium Density Residential Zone (“MRZ”), which would greatly increase the short-medium term capacity. There are some requests for existing Large Lot Residential Zone (“LLRZ”) to be changed to MRZ, which would increase both short-medium and long-term capacity. Finally, there are some requests to place new FDA overlay on Rural Lifestyle Zone (“RLZ”), which would increase both long term capacity.

3.5 While there is sufficient capacity in Rangiora, I note that these proposals should be considered on their merits and that exceeding the threshold in the NPS-UD by allowing more development can be justifiable when the benefits associated with the proposal outweigh the costs. The submitted proposals should be considered within the context of the planning framework and the purpose of the RMA.

3.6 For Rangiora I have been asked to review the following requests, 179 Hobson and Whimp, 183 Spark, 290 Doncaster Developments Limited, and 413 Bellgrove Rangiora Limited.

Hobson and Whimp (179)

3.7 The Hobson and Whimp submission seeks to have 518 Rangiora-Woodend Road, and 4 Golf Links Road, Rangiora changed to include a FDA overlay or live zone for residential. The site is 11.2ha and once zoned in the future could be subdivided to yield between 140 to 170 dwellings in the long term.

3.8 The site is bordered by a road to the west and surrounded by RLZ to the north and east.

3.9 Ms Hampson has provided economic evidence in support of the submission. She makes the following key points³⁹:

- (a) Greenfield expansion is, and will continue to be how a significant portion of growth will be met in Waimakariri in the long term.

³⁹ Natalie Hampson (5 March) Evidence in Chief for Hobson and Whimp, para [10].

- (b) The purpose of the FDA overlay in the Proposed Plan is to identify suitable locations for urban residential greenfield growth in the long term future to help avoid ad hoc development and subdivisions.
- (c) Variation 1 has resulted in 25% of FDA overlay in Rangiora being zoned for immediate development. Ms Hampson notes that there may be a shortfall of capacity in the medium term (2023-2033) and that there are a number of submissions which suggest that more of the FDA overlay be zoned for immediate use. This may mean that more FDA overlay is needed to meet the demand of the community in the long term.
- (d) The submitter's land is located within the proposed direction of long term expansion as shown in the Waimakariri 2048 District Development Strategy. This site is in a good location which would contribute to well-functioning urban environment and would be significant, which would meet the requirements of Policy 8 of the NPS-UD.

3.10 In response, I agree with Ms Hampson that most of the future demand in Waimakariri will be accommodated in the greenfield areas. This is reflected in the WCGM22 assessment, which also shows that most capacity in the coming 30 years in Rangiora will be in these areas. However, I note that redevelopment in the existing urban areas has become more important, and already more growth is being accommodated via brownfield development, which can be expected to increase in the future. Therefore, in my opinion there may well be less of a need for FDA overlay in the long term than is currently shown in the WCGM22.

3.11 Second, I agree that FDA overlays are a valuable tool as they help to identify suitable growth locations for the long term, and that providing for more FDA overlay could avoid ad hoc development in new areas, which may contribute to well-functioning urban environment.

3.12 Third, I agree that the land area in the FDA overlay in Rangiora has been decreasing as it has been developed and that many landholders of the FDA overlay have submitted to have live zoning. However, I note that the live zoning of FDA overlay does not mean that this capacity is lost for the long term. Given the level of demand suggested by all the economists, it is likely that the majority of the FDA overlay will not be developed until the long term regardless of whether or not it is live zoned as MRZ in this hearing. Importantly, the live zoning of the FDA overlay land does not mean that more FDA overlay is needed, per se.

3.13 Figure 3.1 above shows that there is more than sufficient capacity to meet the demands in Rangiora, both in the short-medium and long term. Ms Hampson has provided no evidence to suggest that the capacity in Rangiora will be exhausted in the long term or that there is a need for more FDA overlay land.

3.14 Fourth, I agree that from an economic perspective that the site is a relatively good alternative for providing more FDA overlay land in Rangiora, when considering NPS-UD policies. However, I disagree with Ms Hampson's opinion that the site would be a

significant development. In my opinion, this proposal is relatively small compared to the situation in Rangiora and would not be significant for the purposes of Policy 8 of the NPS-UD.

3.15 In conclusion, I consider that if there is found to be a need for more FDA overlay in Rangiora, this land would be considered against the range of alternatives and that it may perform well in that assessment.

3.16 Given the evidence presented, I do not consider that there is a need for the capacity that the site would enable in the long term, and therefore from an economic perspective I do not support this site being FDA overlay, at this time. I would support this site being FDA overlay if commissioners were of a mind to provide more capacity in the long term.

Spark (183)

3.17 The Spark submission seeks to have two sites totalling 55ha zoned for immediate development for residential dwellings, with a capacity of 600 dwellings. The northern Block A is RLZ and within the existing FDA overlay and is expected to accommodate 300 dwellings.

3.18 The southern Block B is also RLZ and is also expected to accommodate 300 dwellings and have approximately 4ha of business land (commercial or industrial). The site is bordered by residential to the west and RLZ with FDA overlay to the north (Spark Block A), and also surrounded by Rangiora East Road Connection Designation to the south and east.

3.19 Mr Colegrave has provided economic evidence in support of the submission. He makes the following key points⁴⁰:

- (a) Population growth in the District has been high [27] and 520 dwellings have been built since 2019 in Rangiora [37].
- (b) He estimates that there are 1,750 lots remaining in greenfield areas of Rangiora [46]. He provides no estimate of potential capacity in the brownfield areas of Rangiora or the long term capacity in the FDA overlay.
- (c) In a discussion of the results from the GCP 2023 HCA, he considers that there are issues with the method applied [55] to [78]. He concludes that the district does not have enough capacity to meet demand as required by the NPS-UD.
- (d) That the development of the site will reduce the rate at which house prices will grow [84], that the development is significant [88], will increase self-sufficiency in local centres which will reduce transport externalities such as GHG [92], and result in one-off construction activity [101]. Conversely, no rural production will be lost [106]. Overall, the proposal will generate a wide range of enduring economic benefits and avoid any material economic costs.

3.20 In response, I agree with Mr Colegrave that there has been high growth in the district.

⁴⁰ Fraser Colegrave (5 March) Evidence in Chief for Spark.

However, I would note that high growth has been observed within the three main towns, while the rest of the district has seen little growth.

- 3.21 Mr Colegrave presents dwelling age data from Corelogic which suggests that around 120 dwellings per annum were built in Rangiora.⁴¹ Based on Mr Colegrave's data there could be a demand for 1,200 dwellings in the coming 10 years, or 1,320 including the NPS-UD 20% competitiveness margin.
- 3.22 This compares to the capacity estimate adopted by Mr Colegrave of 1,750 in Rangiora's greenfield areas. While not explicitly stated in his evidence, from the data Mr Colegrave presents there appears to be more than sufficient capacity in the short-medium term (2023-2033) than is required.
- 3.23 Moreover, I consider that some of the demand in the future will be accommodated in existing areas. Mr Colegrave's building age data map in Figure 5 shows that in the past that some development has occurred in the brownfield areas. I would expect that this activity will increase, which would further increase the level of sufficiency in Rangiora.
- 3.24 I find no evidence in Mr Colegrave's statement that would suggest that there is a need for more capacity within Rangiora, or that there is insufficient capacity in the short-medium term (2023-2033) or the long term (20223-2053).
- 3.25 Rather, Mr Colegrave assesses demand and capacity at the district level for the medium term. I disagree with his concerns about the GCP 2023 HCA, however this is not material to the outcomes for Rangiora, as even if one accepts all of Mr Colegrave's points then there is still sufficient capacity in Rangiora (as shown in Figure 3.1 above).
- 3.26 Finally, I agree that from an economic perspective the site is a relatively good option for providing more residential land in Rangiora, when considering NPS-UD policies. I also agree with Mr Colegrave's position that the development would be significant, in the context of total available capacity in Rangiora.
- 3.27 I consider that if there is found to be a need for more capacity in Rangiora in the short-medium term (2023-2033), that Block A land could be considered against the range of alternatives and that it may perform well in that assessment. While I do not agree with Mr Colegrave's quantification of the costs and benefits⁴², I agree that it is likely that the benefits of live zoning Block A may well outweigh the costs. Given the evidence presented, I would support this FDA overlay site being live zoned if commissioners were of a mind to provide more capacity in the short-medium term.

⁴¹ 520 dwellings reported in his evidence divided by 4.33 years, gives an average of 120 dwellings per annum. I have reviewed Statistics New Zealand building consent data and this suggests that 90 dwellings per annum were consented in this same period.

⁴² In my opinion most of the benefits noted in his evidence will be simply a transfer from elsewhere in the wider urban environment. As an example the economic activity associated with construction of dwellings would not be lost if this particular development does not occur. If this development does not occur then it is likely that construction of broadly equivalent dwellings will be developed in other locations, and most of the economic value noted would not be lost.

- 3.28 I consider that Block B is fairly similar to Block A, it is my understanding that the site can be serviced and provided with infrastructure as shown in the Council's engineering evidence. I acknowledge that in the future that Block B may be cut off from the rural land to the east once the Rangiora Eastern link bypass is built.
- 3.29 Given the evidence presented, I would support Block B being either live zoned for residential or an FDA overlay if commissioners were of a mind to provide more capacity in the short-medium term or long term (2023-2053). I have not assessed the business land component of the submission.

Doncaster Developments Limited (290)

- 3.30 The Doncaster submission seeks to have 11ha of LLRZ rezoned residential dwellings (GRZ or MRZ). The site has high voltage lines running along the eastern edge, which means that only 8ha is developable with a capacity of 105 dwellings.
- 3.31 The site is bordered by MRZ to the east, and surrounded by RLZ to the north and west.
- 3.32 Mr Heath has provided economic evidence in support of the submission. He makes the following key points⁴³:
- (a) Population growth in the District has been high [19] and a high projection should be adopted [21]. He provides an estimate of dwelling demand for Rangiora, which shows a demand for 160 dwellings per annum in the medium term (2023-2033) using a high growth projection.⁴⁴
 - (b) Mr Heath considers that the capacity presented in the GCP HBA 2023 may be overstated [36]. He adopts the capacity assessment presented in PC31 [38], which suggests a capacity for 1,988 in the medium term (2023-2033). He considers that the potential capacity in the FDA overlay areas should not be relied upon for the medium term [47].
 - (c) Development of the site will provide capacity that is proximate to the Urban Environment [54], there is high demand in this location [55], it is well serviced relative to alternatives, both in terms of commercial and transport needs [56]. Development of the site for residential uses would increase competition [58], and would contribute to a well-functioning urban environment [66]. Conversely, no rural production will be lost [106]. Overall, the proposal will generate a wide range of economic benefits and outweighing any associated economic costs.
- 3.33 In response, I agree with Mr Heath there has been high growth in the district and Rangiora. Based on Mr Heath's projections there could be a demand for 1,604 dwellings in the medium term (2023-2033). Including the appropriate competitiveness margin of 20% would give a total demand of 1,925 dwellings in Rangiora.

⁴³ Tim Heath (5 March) Evidence in Chief for Doncaster Developments Limited.

⁴⁴ Figure 3 shows 2023 household/dwellings of 8,337 which is projected to reach 9,941 household/dwellings by 2033. This means 1,604 new dwellings over the ten year period, which is 160 per annum.

- 3.34 This compares to Mr Heath's estimate of capacity in Rangiora of 1,988. Comparing the demand projection to his adopted capacity shows that there is sufficient capacity of 63 dwellings in the medium term. I find no evidence in Mr Heath's statement that would suggest that there is a need for more capacity within Rangiora, or that there is insufficient capacity.
- 3.35 Rather, he assesses demand and capacity at the district level for the medium term (2023-2033). I disagree with his concerns about the GCP 2023 HCA, however this is not material to the outcomes for Rangiora, as even if one accepts all of Mr Heath's points then there is still sufficient capacity in Rangiora (as shown in Figure 3.1 above).
- 3.36 Mr Heath has provided no evidence to suggest that the capacity in Rangiora will be exhausted in the long term.
- 3.37 Also I note that Mr Heath's colleague Phil Osborne⁴⁵ is providing evidence for Kainga Ora, so Mr Heath should be aware of the agreement between Bellgrove and Kainga Ora that will deliver 1,300 dwellings in the FDA overlay areas of Rangiora in the coming 10 years. This agreement requires Bellgrove to provide 710 low-cost dwellings and 590 normal dwellings by 2032. This is a considerable amount of supply, and all of it within the FDA overlay areas, as such I disagree with Mr Heath's view that FDA overlay should be disregarded as an option for providing capacity in the medium term (2023-2033).
- 3.38 Finally, I agree that from an economic perspective the site is a relatively good location in which to provide more capacity in Rangiora, when considering NPS-UD policy 1.
- 3.39 I consider that regardless of if there is found to be a need for more capacity in Rangiora in the medium term (2023-2033), that the Doncaster site could be considered based on its merits against the range of alternatives and that it may perform well in that assessment.
- 3.40 Mr Heath does not quantify the benefits or costs associated with the proposed rezoning, and only provides a qualitative discussion of the potential types of economic outcomes. I agree that it is likely that the benefits of up-zoning the Doncaster site may be positive. However, I disagree with Mr Heath's belief that there will be a "substantial net economic benefit". In my opinion the Doncaster site may produce a small net benefit, and that there is no evidence that this would be substantial.
- 3.41 Given the evidence presented, I would support Doncaster site being zoned for medium density residential, if commissioners were of a mind to provide more capacity in the medium term (2023-2033).

Bellgrove Rangiora Limited (413)

- 3.42 The Bellgrove Rangiora Limited submission seeks to have Bellgrove South (which is 32ha of FDA overlay and 3.3ha of RLZ) live zoned to allow immediate residential development (MRZ). The combined area of the site is 36ha and is bordered by MRZ to the east, and surrounded by RLZ to the west, and is expected to yield 363 dwellings of which

⁴⁵ Phil Osbourne (1 May 2023) Evidence in Chief for Kainga Ora Stream 1.

approximately 28 will be on the RLZ land.

- 3.43 As I understand it Bellgrove Rangiora Limited has signed an agreement with Kainga Ora to deliver 1,300 dwellings in Rangiora in the coming 10 years.⁴⁶ This agreement requires Bellgrove Rangiora Limited to provide 710 low-cost dwellings and 590 normal dwellings by 2032. In order to meet this outcome Bellgrove Rangiora Limited will need to develop the FDA overlay land in South Bellgrove.
- 3.44 Mr Colegrave has provided economic evidence in support of the submission. He makes the following key points⁴⁷:
- (a) Population growth in the District has been high [33] and 520 dwellings have been built since 2019 in Rangiora [40], which is the same as his earlier evidence for Spark.
 - (b) Unlike his evidence for Spark, he provides no estimate of capacity for Rangiora.
 - (c) Mr Colegrave repeats his position from the Spark evidence on the results from the GCP 2023 HCA, and considers that there are issues with the method applied [44] to [74]. He concludes that the district does not have enough capacity to meet demand as required by the NPS-UD.
 - (d) That the development of the site will reduce the rate at which house prices will grow [75], that the development is significant [79], provides a range of housing [80], increases self-sufficiency in local centres which will reduce transport externalities such as GHG [84], will improve infrastructure efficiency because it is inside the PIB [90] and result in one-off construction activity [94]. Conversely, minimal rural production will be lost [106]. Overall, the proposal will generate a wide range of enduring economic benefits and avoid any material economic costs.
- 3.45 In response to points (a)-(c) I consider that Mr Colegrave's position is the same as the Spark evidence and as such I draw the same conclusion as identified at paragraphs 3.20 to 3.25. However I reiterate that I find no evidence in Mr Colegrave's statement that would suggest that there is a need for more capacity within Rangiora, and even if one accepts all of Mr Colegrave's points then there is still sufficient capacity in Rangiora both in the short-medium and long term (as shown in Figure 3.1 above).
- 3.46 In terms of point (d) above, I agree that from an economic perspective the site is a relatively good alternative for providing more residential land in Rangiora in the medium term (2023-2033), when considering NPS-UD policies. I also agree with Mr Colegrave's position that the development of the land would be significant. In my opinion, this proposal is large compared to the situation in Rangiora.
- 3.47 I consider that if there is found to be a need for more capacity in Rangiora in the medium term (2023-2033), this FDA overlay land could be considered against the range of

⁴⁶ Michelle Ruske-Anderson (2 February) Evidence in Chief for Bellgrove Rangiora Limited, Schedule 5.

⁴⁷ Fraser Colegrave (30 April) Evidence in Chief for Bellgrove Rangiora Limited.

alternatives and that it may perform well in that assessment.

3.48 Given the evidence presented, I would support this FDA overlay site being live zoned if commissioners were of a mind to provide more capacity in the medium term (2023-2033).

3.49 I consider that the 3.3ha block that is not FDA overlay is similar, while it is outside the infrastructure boundary, it is my understanding that the site can be serviced and provided with infrastructure as shown in the councils engineering evidence. It is also likely to contribute to a well-functioning urban environment.

3.50 Given the evidence presented, I would support this 3.3ha being zoned as FDA overlay or live zoned residential if commissioners were of a mind to provide more capacity in the short-medium term or long term.

Other Proposals

3.51 There are a number of other proposals to rezone LLRZ, FDA overlay or RLZ to residential capacity. These submitters have not provided economic evidence, however I consider that they are alternatives that should also be considered. I note the following submissions:

(a) 59 Chaoting Ni and Luyan Qian and 181 Northwest Rangiora Owners Group: which requests zone change for all of the LLRZ to GRZ in the north of Rangiora (approximately 19ha and a capacity of 395 dwellings).

(b) 213 Ruth and Bruno Zahner, 242 Dalkeith Holdings Ltd, 246 Miranda Hales, 298 Nick and Cilla Taylor, 319 Kenneth Murray Blakemore, 407 Michael Patrick & Jean Margaret Shirley Schluter: which requests live zoning from FDA overlay to MRZ in West Rangiora (approximately 87ha and a capacity of 1,265 dwellings).

(c) 250 Survus Consultants Ltd: which requests live zoning from FDA overlay to MRZ in the remainder of Rangiora North and South (approximately 85ha and a capacity of 1,229).

3.52 These options would provide more capacity (approx. 2,889) which could help if there is determined to be a shortfall in the short-medium term (2023-2033). They are all inside the Infrastructure Boundary and would likely have similar economic outcomes as compared to the other FDA overlay and RLZ submissions that I discussed above in this statement.

3.53 These submitters have not presented economic evidence, so I am unable to provide further comment.

4. KAIAPOI SITUATION

4.1 As for Rangiora, the economic evidence before this hearing shows that there is likely to be sufficient capacity to meet expected demand in Kaiapoi, both in the long term and by a small margin in the short-medium term (2023-2033). Figure 4.1 provides a summary of the economic evidence presented by the submitters' experts. While there is disagreement on the quantum of the capacity and demand for dwellings in Kaiapoi, all experts provide

assessments which show that there is more than sufficient capacity to meet the demands in the long term. The margin in the short-medium term may be tight.

4.2 The table below shows the difference between each expert’s demand estimate and capacity estimate. Importantly, all the assessments presented by the economists provide the same conclusion, which is that there is sufficient capacity in Kaiapoi at least in the long term. While in the medium term there is either a small positive or negative margin, I acknowledge that it would not be inconsistent with the NPS-UD to provide some more medium-term capacity in Kaiapoi. For the long term there is a larger positive sufficiency, as shown by WCGM22 and Mr Akehurst’s assessment.

Figure 4.1: Kaiapoi Residential Sufficiency

Kaiapoi Dwelling Situation	2023-2033 Short-Medium	2023-2053 Long term
WCGM22*	60	1,200
Mr Akehurst**	- 58	1,466
Ms Hampson***	- 257	n/a
Mr Colegrave****	n/a	n/a

*Formative (2023) Waimakariri Residential Capacity and Demand Model – IPI 2023, Figure 4.4.

**Greg Akehurst (5 Mar 2024) EIC for Carter Group, Figure 5 and 6

***Natalie Hampson (4 Mar 2024) EIC for Stokes, Table 2.

****Fraser Colegrave (5 Mar 2024) EIC for Momentun/Mike Greer Homes.

4.3 I acknowledge that submitters have made requests for zone changes in Kaiapoi. Most significantly there are a number that request that FDA overlay land to be zoned for immediate development for residential which would greatly increase the short-medium term capacity. There are some requests for RLZ to have a new FDA overlay, which would increase both short-medium and long-term capacity.

4.4 I note that these proposals should be considered on their merits and that exceeding the threshold in the NPS-UD by allowing more development can be justifiable when the benefits associated with the proposal outweigh the costs.

4.5 For Kaiapoi I have been asked to review the following submissions:

- (a) 173 Momentum Land Limited.
- (b) 332 Mike Greer Homes NZ Limited.

Momentum Land Limited (173)

4.6 The Momentum submission seeks to have Kaiapoi FDA overlay be live zoned to allow immediate residential development (GRZ or MRZ). The proposed zone change would enable between 695 and 1,045 new dwellings.

4.7 Momentum’s South Block is 6ha of land surrounded by MRZ, and is proposed to accommodate between 96 to 144 dwellings.

- 4.8 Momentum’s North Block is 28.5ha and expected to accommodate 600 dwellings. The site is bordered by MRZ to the east and south, and FDA overlay to the north, also RLZ to the west.
- 4.9 Mr Colegrave has provided economic evidence in support of the submission. He makes the following key points⁴⁸:
- (a) Population growth in the District has been high [34] and that most development in Kaiapoi has been located in greenfield areas [44].
 - (b) In a discussion of the results from the GCP 2023 HCA, Mr Colegrave considers that there are issues with the method applied [49] to [78], which is the same argument as his evidence for Spark and Bellgrove. He concludes that the district does not have enough capacity to meet demand as required by the NPS-UD.
 - (c) That the development of the site will reduce the rate at which house prices will grow [84], that the development is significant [88], will increase self-sufficiency in local centres which will reduce transport externalities such as GHG [95], and result in one-off construction activity [102]. Conversely, no rural production will be lost [107]. Overall, the proposal will generate a wide range of enduring economic benefits and avoid any material economic costs.
 - (d) He assesses the CIAL position on Noise Contours, and considers that excluding development within the 50dB contour is not justifiable.
- 4.10 In response, I agree with Mr Colegrave that there has been high growth in the district. However, Mr Colegrave’s evidence does not provide any information on demand. While Mr Colegrave presents dwelling age data in Figure 2, unlike his evidence for Rangiora he did not state the level of development that has occurred in the past.⁴⁹
- 4.11 Nor has Mr Colegrave provided a projection of the potential demand for Kaiapoi, or even the district. Mr Colegrave makes strong claims of “widespread shortages” [18], yet provides no estimate of demand from which to substantiate his claims.
- 4.12 Second, I find no evidence in Mr Colegrave’s statement that provides data on the capacity in Kaiapoi. Rather, he focuses his discussion on his concerns about the GCP 2023 HCA. Mr Colegrave has provided no evidence to suggest that the capacity in Kaiapoi will be exhausted in the medium or long term.
- 4.13 However, I acknowledge that the results in Figure 4.1 of my evidence suggest that capacity maybe tight in the short-medium term. So while Mr Colegrave fails to present a assessment himself, I consider that we are in agreement that more capacity could be beneficial and that Kaiapoi FDA overlay could be live zoned to reduce the risk of a potential shortfall.

⁴⁸ Fraser Colegrave (2 February) Evidence in Chief for Momentum Land Development.

⁴⁹ 520 dwellings reported in his evidence divided by 4.33 years, gives an average of 120 dwellings per annum. I have reviewed Statistics New Zealand building consent data and this suggests that 90 dwellings per annum were consented in this same period.

- 4.14 Finally, I agree that from an economic perspective the sites are relatively good alternatives for providing more capacity in Kaiapoi, when considering NPS-UD policy 1.
- 4.15 I consider that if there is found to be a need for more capacity in Kaiapoi in the medium term, that both the South and North blocks proposed by Momentum could be considered based on their own merits for GRZ/MRZ against the range of alternatives and that they may perform well in that assessment.
- 4.16 While I do not agree with Mr Colegrave's quantification of the costs and benefits, I agree that it is likely that the benefits of live zoning South and North blocks may well outweigh the costs. Given the evidence presented, I would support this FDA overlay site being rezoned.
- 4.17 Finally, I have not reviewed Mr Colegrave's assessment of the Noise Contour in detail or the evidence from CIAL experts. However, I agree with Mr Colegrave that sterilising large tracks of strategic land such as the FDA overlay should only occur if there is a weighty justification.

Mike Greer Homes NZ Limited (332)

- 4.18 The Mike Greer submission seeks to have 14ha of RLZ near Kaiapoi live zoned to allow immediate residential development or to have an FDA overlay.
- 4.19 The land is surrounded by RLZ to the east, west and south, but is adjacent to proposed MRZ on the southern edge of Kaiapoi. The proposed development could accommodate 186 dwellings.
- 4.20 Mr Colegrave has provided economic evidence in support of the submission⁵⁰. He makes the same key points as he raised for Momentum evidence (see para 4.9 above), which I do not repeat. My responses in 4.10-4.17 above are applicable and I also do not repeat these.
- 4.21 However, this site is different to the existing FDA overlay and as such I provide some further response.
- 4.22 First, I agree that from an economic perspective the site is a relatively good option for providing more residential land in Kaiapoi, when considering NPS-UD policies. However, there are a range of alternatives available which could be zoned to meet demand in the medium term. In particular, Mr Colegrave's evidence for Momentum suggests that between 695 to 1,045 new dwellings could be provided by live zoning of some of the existing FDA overlay. I consider that these alternatives would be preferable to this site because they have infrastructure planned and are more proximate to the Kaiapoi centre.
- 4.23 Second, I disagree with Mr Colegrave's opinion that this development would be significant. In my opinion, this proposal is relatively small compared to the total available capacity in Kaiapoi, and will not have a material impact on the outcomes in the town.
- 4.24 Given the evidence presented, I would support this area receiving a FDA overlay for

⁵⁰ Fraser Colegrave (5 March) Evidence in Chief for Mike Greer Homes.

residential if commissioners were of a mind to provide more capacity in the long term.

Other Proposals

- 4.25 There are a number of other proposals to rezone the remainder of the FDA overlay to enable residential development for immediate capacity. These submitters have not provided economic evidence, however I consider that they are alternatives that should also be considered. I note the following submissions:
- (a) 208 Suburban Estates Limited, Chris Wilson, Nick Auld, John Wakeman, Jane & Mary Wakeman, Ann Deans, WK Wakeman Estate, Air Charter Queenstown: which requests zone change from FDA overlay to MRZ in the northern third of the Kaiapoi FDA (approximately 38ha and a capacity of 554 dwellings).
 - (b) 250 Survus Consultants Ltd: which requests zone change from FDA overlay in Kaiapoi to MRZ (excluding Momentum land which is covered above, approximately 36ha and a capacity of 669 dwellings).
 - (c) 121 Fusion Homes: which requests zone change from RLZ to MRZ to the west of Giles Road (approximately 3ha and a capacity of 41 dwellings). This land is currently zoned Residential 7 within the operative District Plan, which could be interpreted as residential land in the operative plan.
- 4.26 These options would provide more capacity (approx. 1,264). They are mostly inside the Infrastructure Boundary and would likely have similar economic outcomes as compared to the other FDA overlay submissions that I discussed above in this statement.
- 4.27 These submitters have not presented economic evidence, so I am unable to provide further comment.

5. WOODEND/RAVENSWOOD/PEGASUS

- 5.1 The economic evidence before this hearing shows that there may be a potential shortage of capacity to meet expected demand in Woodend (including Ravenswood and Pegasus), both in the short-medium and long term. Figure 5.1 provides a summary of the economic evidence presented by the submitters' experts. While there is disagreement on the quantum of the capacity and demand for dwellings in Woodend, all experts provide assessments which show that there may not be sufficient capacity to meet the demands, both in the short-medium and long term.

Figure 5.1: Woodend/Ravenswood/Pegasus Residential Sufficiency

Woodend/Ravenswood/Pegasus Dwelling Situation	2023-2033 Short-Medium	2023-2053 Long term
WCGM22*	- 280	- 3,050
Mr Akehurst**	- 134	- 2,085
Ms Hampson***	- 1,080	n/a
Mr Colegrave****	n/a	n/a

*Formative (2023) Waimakariri Residential Capacity and Demand Model – IPI 2023, Figure 4.4.

**Greg Akehurst (5 Mar 2024) EIC for Carter Group, Figure 5 and 6

***Natalie Hampson (4 Mar 2024) EIC for Stokes, Table 2.

****Fraser Colegrave (5 Mar 2024) EIC for Woodwater Limited,

- 5.2 I acknowledge that submitters have made requests for zone changes in Woodend. Most significantly there are some requests to rezone RLZ to MRZ, which would increase both short-medium and long-term capacity. There are some requests for existing LLRZ land to be changed to MRZ, which would increase both short-medium and long-term capacity.
- 5.3 I note that these proposals should be considered on their merits and that exceeding the threshold in the NPS-UD by allowing more development can be justifiable when the benefits associated with the proposal outweigh the costs.
- 5.4 Also, I acknowledge that in the wider urban market combined (Rangiora, Kaiapoi, and Woodend) there is sufficient capacity to meet short-medium and long term demands and that the shortfall in Woodend could be accommodated in the other towns. While my evidence has focused on each of the towns, such that submissions within these towns can be considered, I consider that it is likely that these towns combined will provide sufficient capacity to meet the demands.
- 5.5 Specifically, there is no requirement in the NPS-UD that states that there must be sufficient capacity in each specific town or location. Rather that there must be sufficient capacity in the constituent part of the urban environment. Also, it is very likely that demand within one town (Woodend) could be accommodated in the other towns (Rangiora and Kaiapoi), such that the shortfalls noted above in Figure 5.1 do not arise.
- 5.6 For Woodend I have been asked to review the following submissions:
- (a) 214 Stokes.
 - (b) 215 Woodwater Limited.

Stokes (214)

- 5.7 The Stokes submission seeks to have 81 Gressons and 1375 Main North Road, Waikuku rezoned to either MRZ or to have an FDA overlay. The site is 144ha and once zoned in the future it could be subdivided to yield over 1500 dwellings.
- 5.8 The site is mostly surrounded by RLZ, but is adjacent to Ravenswood to the south, Pegasus

Resort to the east, and Waikuku to the north. It is outside the projected infrastructure boundary and is not defined as an FDA overlay, however some of the land has an overlay for LLRZ (LLRZO) and there is an indication that growth may be directed to this site in the 2048 Development Strategy.

5.9 Ms Hampson has provided economic evidence in support of the submission⁵¹. She makes the following key points:

- (a) That growth has been high in the district, and she accepts the demand projection adopted by the Council as a valid scenario [7.6].⁵² Also, that most growth in the district will be focused on the main towns [7.7].
- (b) That the WCGM22 shows that there is insufficient capacity within Woodend in the medium term of -284 [7.9] and that if further capacity is not provided then unmet demand would be directed to Rangiora and Kaiapoi [7.10]. She outlines her concerns about the capacity estimate in the WCGM22, and considers that there is a larger shortfall of -1,080 [Table 2]. She also notes that since WCGM22 was completed that 156 dwellings have been built [7.25], which means the shortfall is increasing.
- (c) That the development would provide a significant amount of capacity, in the context of Woodend location which would meet the criterion of Policy 8 of the NPS-UD [8]. This development would contribute to the well-functioning urban environment, which is the second criterion of Policy 8 of the NPS-UD [9].
- (d) That the economic benefits substantially outweigh any economic costs for immediate live-zoned MRZ. She does not support the alternative of FDA overlay for this site, as there is a need for capacity in the medium term.

5.10 In response, I agree with Ms Hampson that most of the future demand in Waimakariri will be accommodated in the three main towns, which includes Woodend. This is reflected in the WCGM22 assessment, which also shows that most capacity in the coming 10 to 30 years is in these three towns.

5.11 Second, I do not agree with Ms Hampson's concerns about the capacity estimates in the WCGM22. As noted earlier in my evidence the WCGM22 adopts a conservative approach to measuring capacity, both in greenfield and brownfield areas.

5.12 I acknowledge that dwellings have been built since WCGM22 was developed, however one must also accept that households will be accommodated in these new dwellings. Therefore, if one is to adopt Ms Hampson's approach then logically there should be also a

⁵¹ Natalie Hampson (4 March) Evidence in Chief for Stokes.

⁵² She acknowledges that the submitters market valuer expert (Mr Sellars) has provided his own demand estimate. I note that no economist has adopted Mr Sellars estimate of demand, interestingly the economists that have submitted evidence for the same submitter have ignored his assessment (e.g. Mr Akehurst also does not adopt Mr Sellars assessment). Moreover, Mr Sellars makes no claims to have expertise in developing demand projections and presents no discussion of demographics or assessment to support his projection. Therefore I have not included his estimate within this statement.

removal of demand that was accommodated, which would be equal to the capacity built and the net result would be the same. I note that no other economist has adopted Ms Hampson's approach, and that it would add very little to the understanding of the situation.

- 5.13 Moreover, I consider that there is consistency between the findings of the economists, with Figure 5.1 showing that there may potentially be a small shortfall in Woodend in the short-medium term. I consider that there is potential for a shortfall in the long term but that this is by no means a certainty, and there is capacity in both Rangiora and Kaiapoi to accommodate additional demand in the long term. However, I consider that providing FDA overlay in this location could be beneficial from an economic perspective.
- 5.14 Third, I agree with Ms Hampson's position that this development would be significant for Woodend, regardless of the outcome of the sufficiency testing, this development would be significant in the context of Woodend.
- 5.15 I consider that if there is found to be a need for more MRZ or FDA overlay in Woodend, then this land would be considered against the range of alternatives and that it may perform well in that assessment. However, there are alternatives proposed by other submitters, which would need to be considered.
- 5.16 Given the evidence presented, I would support this site being an FDA overlay, if commissioners were of a mind to provide more capacity in the long term. However, I consider that there are other alternatives for meeting the needs in the short-medium term, either via other proposed rezoning suggested in this hearing either in this location (i.e. Woodwater and Chinnery Road) or within the other main towns, and so I do not support the requested live rezoning now.

Woodwater Limited (215)

- 5.17 The Woodwater Limited submission seeks to have 32ha zoned for immediate development for residential dwellings, with a capacity of between 485 to 550 dwellings.
- 5.18 The site is bordered by MRZ to the north, LLRZ to the east and south and Special Purpose Zone to the west (Kainga Nohoanga). This land is inside the projected infrastructure boundary, but uniquely it is not defined as a FDA overlay in the District plan or a greenfield priority area in the CRPS. There is an indication that growth may be directed to this site in the 2048 Development Strategy.
- 5.19 Mr Colegrave has provided economic research in support of the submission. He makes the following key points⁵³:
- (a) Population growth in the District has been high [section 5.1] and that 777 dwellings have been built since 2019 in Woodend [Figure 3].
 - (b) He provides no estimate of capacity for the Woodend.

⁵³ Fraser Colegrave (20 March) Economic Assessment of Proposed Rezoning in Woodend.

- (c) The same discussion of the results from the GCP 2023 HCA which he presents in his other sets of evidence (section 6). He concludes that the district does not have enough capacity to meet demand as required by the NPS-UD.
 - (d) That the development of the site will reduce the rate at which house prices will grow (page 21), provide a range of housing (page 22), increase self-sufficiency in local centres (page 23), and result in one-off construction activity (page 24). Conversely, a negligible loss of rural production (page 25). Overall, the proposal will generate a wide range of enduring economic benefits and avoid any material economic costs.
- 5.20 In response, I agree with Mr Colegrave that there has been high growth in the district. Mr Colegrave presents dwelling age data which suggests that around 155 dwellings per annum were built in Woodend.⁵⁴ Based on Mr Colegrave's data there could be a demand for 1,550 dwellings in the coming 10 years. Including the appropriate competitiveness margin of 20% would give a total demand of 1,860 dwellings in Woodend.
- 5.21 Second, I find no evidence in Mr Colegrave's assessment that provides data on the capacity in Woodend. Rather, he focuses his discussion on his concerns about the GCP 2023 HCA. I consider that his discussion is not helpful for understanding or quantifying the potential shortfall.
- 5.22 Notwithstanding the absence of quantifiable evidence in Mr Colegrave's evidence, I consider that there is a risk of a potential shortage in the medium term (as shown in Figure 5.1 above).
- 5.23 Finally, I agree that from an economic perspective the site is a relatively good alternative for providing more MRZ land in Woodend, when considering NPS-UD policies. I also agree with Mr Colegrave's position on whether the development would be significant. In my opinion, this proposal is large compared to the situation in Woodend.
- 5.24 I consider that if there is found to be a need for more capacity in Woodend in the medium term, then the land could be considered against the range of alternatives and that it may perform well in that assessment.
- 5.25 While I do not agree with Mr Colegrave's quantification of the costs and benefits, I agree that it is likely that the benefits of live zoning of the land may outweigh the costs. I would support this site being live zoned if commissioners were of a mind to provide more capacity in the short-medium term.

Other Proposals

- 5.26 There is one other proposal to rezone land in Woodend that did not include economic evidence. The owners of at Chinnery Road (125 and 143) requested zone change for all the

⁵⁴ 520 dwellings reported in his evidence divided by 4.33 years, gives an average of 120 dwellings per annum. I have reviewed Statistics New Zealand building consent data and this suggests that 90 dwellings per annum were consented in this same period.

LLRZ to MRZ in central Woodend (approximately 9ha and a capacity of 150 dwellings). This options would provide more capacity which could help if there is determined to be a shortfall in the short-medium term.

6. HOUSING BOTTOM LINES

- 6.1 The NPS-UD requires local authorities to set housing bottom lines for the short-medium term and the long term in their regional policy statements and district plans (Policy 7 and clause 3.6). The housing bottom line must be set from the latest publicly available Housing Capacity Assessment (3.6.3) and that the housing bottom lines can be updated without using a Schedule 1 process (3.6.4).
- 6.2 The housing bottom lines in the CRPS are from the 2021 HCA and the Proposed District Plan has to implement these bottom lines. The housing bottom lines is in 6.2.1a which is set as 5,100 dwellings for the period 2021-2031 (10 years, short-medium term) and 12,500 dwellings for the period 2021-2051 (30 years, long term and short-medium term).
- 6.3 Currently the housing bottom lines set in the operative and proposed District Plan are from the 2021 CRPS. I understand that whilst the WDC has updated the operative and proposed district plan to the 2021 CRPS housing bottom lines, that the update to their online version of the plan may not have happened.
- 6.4 The Housing Bottom lines from 2021 show a goal of providing 510 dwellings per annum in Rangiora, Kaiapoi, and Woodend over the short-medium term. Figure 2.1 shows that in the period since 2021 that an average of 642 dwellings per annum were consented.
- 6.5 The data shows that Housing Bottom lines from the GCP assessments and CRPS have been achieved since 2021. Therefore, the council has been meeting this aspect of the NPS-UD.
- 6.6 The most recent HCA released in 2023 has housing bottom lines for of 5,600 dwellings (10 years) and 13,250 dwellings (30 years), which have not yet been incorporated into the CRPS or the Proposed District Plan.⁵⁵ I note that these housing bottom lines are higher than the demand shown in the WCGM22, which means that if the bottom lines are adopted then sufficiency in the Urban Environment may be tighter on the basis of existing capacity in the absence of rezoning, but still sufficient.

7. SUBMISSION PROPOSED DEVELOPMENT

- 7.1 In this section I have collated the submissions for the three towns to provide an estimate of potential capacity that is being proposed. Figure 7.1 shows the submitted options with associated potential capacity either from the submitters evidence or where no data was provided by the submitter, I have estimated capacity using the WCGM22.
- 7.2 I have also indicated whether the site is within the Projected Infrastructure Boundary (PIB)

⁵⁵ Greater Christchurch Partnership (2023) Greater Christchurch Housing Development Capacity Assessment, Table 3.

or outside the PIB. Also, whether the site is FDA overlay or LLRZ, with most sites being RLZ.

7.3 Figure 7.1 shows that in total the submissions could accommodate an additional 4,097 dwellings in Rangiora, 2,146 dwellings in Kaiapoi, and 2,135 dwellings in Woodend in the medium term (2023-2033). This gives a total of 8,378 for the three towns, and if adopted in the medium term (2023-2033) capacity would be significantly increased.

Figure 7.1: Submitter Proposed Developments

Submitter Proposals	Potential Capacity
Rangiora	
Sparks FDA*	300
Bellgrove South FDA*	335
West Rangiora FDA	1,265
South East Rangiora FDA	594
North East Rangiora FDA	635
Doncaster LLRZ*	105
North Rangiora LLRZ	395
Total Inside PIB	<u>3,629</u>
Hobson and Whimp*	140
Sparks non-FDA*	300
Bellgrove South Non-FDA*	28
Total Outside PIB	<u>468</u>
Rangiora Submitters	<u>4,097</u>
Kaiapoi	
Momentum North Block FDA*	600
Momentum South Block FDA*	96
Suburban Estates Limited FDA	554
Survus Consultants Ltd FDA	669
Total Inside PIB	<u>1,919</u>
Mike Greer*	186
Fuison Homes	41
Total Outside PIB	<u>227</u>
Kaiapoi Submitters	<u>2,146</u>
Woodend/Ravenswood	
Woodwater*	485
Chinnery Road LLRZ	150
Total Inside PIB	<u>635</u>
Stoke*	1,500
Total Outside PIB	<u>1,500</u>
Woodend/Ravenswood Submitters	<u>2,135</u>
Total	<u>8,378</u>

* Proposed capacity stated in submitters evidence

7.4 Most of the capacity is within the Projected Infrastructure Boundary, either as FDA overlay or LLRZ. These requests represent a significant amount of supply. While the WCGM22 shows that there is sufficient capacity to meet expected demand in the medium and long term, I acknowledge that this does not preclude the provision of more capacity.

- 7.5 The total submission proposals are equivalent to 17 years of demand⁵⁶, which would be additional to the capacity enabled in the PDP which is estimated in the short-medium term within the WCGM22. I consider that in combination the existing supply that is proposed in the PDP plus the capacity requested in the submissions would accommodate growth out beyond the long term, i.e. beyond 2053.
- 7.6 As noted above in my evidence, I consider that from an economic perspective many of these developments would produce economic benefits that exceed the costs. However, there will be other costs and benefits that are outside the scope of my evidence which should also be considered.

8. CONCLUSION

- 8.1 I consider that the WCGM22 shows that there is sufficient capacity to accommodate demand as required in the NPS-UD sufficiency test for the three main towns as a group in the short-medium and long terms. Also that the WCGM22 is conservative as it adopts a
- (a) high growth demand projection which is unlikely to be achieved continuously over the short-medium or long term.
 - (b) the capacity assessment is likely to underestimate achievable development by the market both in greenfield and brownfield developments.
- 8.2 However, the NPS-UD sufficiency test is framed as a minimum level of development capacity required, not a maximum, and more capacity can be provided. The submitters proposals for rezoning can be assessed based on their merits, within the context of the planning framework.
- 8.3 The NPS-UD has a wider set of objectives beyond simply providing the bare minimum capacity that is sufficient to meet expected demand. This then means that the local planning framework can allow for more urban capacity than the minimum required to accommodate expected growth, in order to meet the wider objectives of the NPS-UD. The provision of additional capacity can be assessed according to the merits of suggested proposals, but this does not mean that all additional developments should be adopted as being beneficial.
- 8.4 Based on economic evidence, I consider that many of the proposed rezoning submissions could have positive economic outcomes and as such I support many of the proposals. However, I acknowledge that there are other costs and benefits that need to be considered along with the economic outcomes when assessing the merits of the alternatives.

Rodney Yeoman

21 July 2024

⁵⁶ Annual demand plus margin of 497 in the short-medium term for Rangiora, Kaiapoi, and Woodend in the WCGM22. If 8,378 was live zoned today this would be around 17 years of demand.