

**BEFORE HEARING COMMISSIONERS
IN TAURANGA**

UNDER THE Resource Management Act 1991 (“**Act**”)

IN THE MATTER OF A submission on Plan Change 92 - Ōmokoroa and Te Puke Enabling Housing Supply and Other Supporting Matters

BETWEEN **THE NORTH TWELVE LIMITED PARTNERSHIP**
Submitter

AND **WESTERN BAY OF PLENTY DISTRICT COUNCIL**
Planning authority

STATEMENT OF EVIDENCE OF SHAE CROSSAN

Before a Hearing Panel: Chairperson Greg Carlyon, and Commissioners Alan Withy, Lisa Mein and Pia Bennett

INTRODUCTION

Background

1. My name is Shae Matenga Crossan. I hold the qualifications of Bachelor of Geography (2003) and Masters of Regional & Resource Planning (2005) from the University of Otago. I am a full member of the New Zealand Planning Institute.
2. I am a Director and Planner at Stratum Consultants Limited (“Stratum”), which is a multi-disciplinary, land development and land utilisation consultancy based in the Bay of Plenty.
3. I oversee the planning and resource management work within the practice and have 18 years work experience. The Company operates within the Bay of Plenty, and I have personally worked within the Bay of Plenty since 2008.
4. I have prepared submissions and further submissions on behalf of The North Twelve Limited Partnership (“NTLP”) in respect of the Western Bay of Plenty District Plan Change 92 (“PC92”). I am familiar with NTLP’s involvement with development in Te Puke having worked on their development projects since 2018.

Code of Conduct

5. I have read the Environment Court Code of Conduct for expert witnesses contained in the Environment Court Practice Note 2023 and agree to comply with it. I confirm that the opinions expressed in this statement are within my area of expertise except where I state that I have relied on the evidence of other persons. I have not omitted to consider materials or facts known to me that might alter or detract from the opinions I have expressed.

Purpose and scope of evidence

6. The purpose and scope of my evidence is to provide a planning opinion of the proposed provisions of Plan Change 92 as they relate to NTLP's interests. The scope of my evidence is primarily related to NTLP's submissions and their interest in Te Puke Development matters and Financial Contributions.

Executive Summary

7. Plan Change 92 is the Western Bay of Plenty District Councils response to meeting the housing supply requirements introduced by Central Government under the National Policy statement for Urban Development (NPS-UD) and the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021.
8. The key issue for NTLP relates to proposed changes to Financial Contributions for the Te Puke Medium Density Residential Zone under Chapter 11 of the District Plan.
9. NTLP have submitted in opposition to the proposed Financial Contribution changes under PC92. The Council Officer's s42A Report has attempted to address NTLP's concerns, however NTLP remains opposed to the proposed changes, primarily on the basis that they are not justified for the current Te Puke Medium Density Residential Zone, and are therefore "not appropriate", if not unfair and unreasonable.
10. NTLP's submission seeks to retain the Financial Contributions as originally notified by PC92.
11. NTLP have submitted on various other provisions of the District Plan including the Natural Hazards Chapter, Subdivision Chapter, Te Puke and Omokoroa Medium Residential Zone Chapter and The Te Puke Structure Plan. NTLP is largely satisfied and agreeable with the provisions as notified and amendments proposed under the relevant s42a reports. I will also briefly address these matters in my evidence.

Chapter 11 – Financial Contributions - The key issue

12. The effect of the currently proposed changes to the financial contribution provisions is to increase the per hectare FINCO charges in Te Puke by 67% (i.e., 625m² current c/f 375m² proposed). This is proposed under a revised performance standard 11.5.2, per the Council Staff s42A report which has attempted to address NTLP's concerns, including the reintroduction of a special assessment provision for average densities below 300m². This is a misconception of NTLP's submission.

13. As I have stated above, NTLP is primarily concerned with FINCOs as they relate to Te Puke. Whilst a smaller average lot size is the reality of recent development in Te Puke, this does not automatically trigger the need to review FINCO's and propose an increase solely because density has changed. It is important to understand what development is already consented in Te Puke, the availability of any further greenfield land and what Council's existing FINCO models (controlled through the annual plan) include in terms of projects and/or works needed to accommodate development.
14. In my opinion, Te Puke is significantly different than Omokoroa and therefore should be treated as such. Te Puke has little to no greenfield land that is not consented for development, whereas large areas of Omokoroa have recently been opened up for greenfield development and residential intensification.
15. Having reviewed Council Staff's s32 report for FINCO's, the s32 report denotes (Page 15) that *"When fully developed, Te Puke will provide for a population of approximately 13,000 people with supporting housing, business land and community infrastructure"*.
16. The s32 report additionally notes (Page 77) that *"Te Puke current has an estimated population of approximately 9,700 people housed in 3,117 dwellings and "Within ten years, the population is projected to increase to 12,583 people and the number of dwellings is expected to have risen by 1,074 bringing the total to 4,212"*.
17. The s32 report does not however consider that all of the existing developable greenfield land in Te Puke is now consented for residential subdivision and development, including an additional rural block of land at the end of Seddon Street, which is proposed to be rezoned to residential under Plan Change 92. The total approved development yield is approximately 900 dwellings. Utilising the estimates of population per dwelling as per the s32 report, with approximately 3 people per dwelling this equates to an increased population of 2,700 people.
18. Considering the above, the increased population expected is already largely met through existing consented development, that will pay FINCO's as approved per their consents. As such, there is no need to increase FINCOs for greenfield development in Te Puke via a change in density until further residential land is zoned, or a decision is made to expand the population beyond 13,000 people. It is therefore inappropriate in my view to alter FINCO provisions within respect to Te Puke at this time.
19. Based on a review of the stormwater, water and wastewater infrastructure reports appended to the s32 report, there is no requirement for additional infrastructure to support development beyond a population of 13,000 people. As detailed above, this lends further weighting to retaining existing FINCO provisions and reviewing FINCO's for Te Puke when further land is rezoned.
20. There has been no assessment of reserves or community facilities that I am aware of (or none included within Council's notification document or s32 report) that assesses the demand for additional reserves or community facilities in the Te Puke area beyond what is in the current financial models addressed under the annual plan/long term plan. In my view, there has

therefore been no assessment that would trigger or justify any additional need of FINCO for these facilities.

21. Likewise, there has been no transportation assessment undertaken or included with the s32 material that addresses the demand for any FINCOs related to transportation matters.
22. I am aware that WBOPDC are working on a Spatial Plan for Te Puke, however that has not yet been publicly notified. Until that process is undertaken, and future land identified for rezoning, then no alteration to FINCOs for greenfield development in Te Puke is required.
23. In my opinion Rule 11.5.2 as included in the staff s42A report should therefore be altered as follows, which effectively retains the FINCO provisions for greenfield development in Te Puke as the status quo:

11.5.2 Subdivision or additional dwellings inside identified urban growth areas of ~~Katikati and Waihi Beach (including Bowentown, Island View and Athenree)~~ Explanatory Notes:

a. For the purpose of calculating average lot size to determine financial contributions, the following area(s) shall be excluded from the lot size calculations; provided that no dwelling is constructed in the area:

i. area(s) that are within a natural hazard identified in Section 8 of the District Plan, or

ii. as part of a resource consent, areas identified as unsuitable for the construction of a dwelling by a suitably qualified and experienced geotechnical engineer or equivalent.

b. Where a balance lot is created for future subdivision or residential development, a financial contribution equal to one household equivalent only will be charged at this time. A financial contribution based on an average net lot area ~~of 625m²~~ (as specified in the table below) will only be applied to that lot once future subdivision or land use consent is applied for.

i. The rules in this section apply to a subdivision or land use consent for an additional dwelling in the following zones:

- Residential
- Medium Density Residential
- Commercial Transition within the following urban growth areas:
 - Waihi Beach
 - Katikati
 - Ōmokoroa
 - Te Puke

ii. Each additional lot or additional dwelling shall be charged a financial contribution for ecological protection equal to one household equivalent.

iii. The financial contribution calculations for recreation and leisure, transportation, water supply, wastewater, and stormwater in urban growth areas are based on an average net lot area size or dwelling envelope. One household equivalent is equal to a net lot area or dwelling envelope of ~~625m²~~ (as specified in the table below) and all additional lots and dwellings will pay a financial contribution proportional to this figure.

iv. ~~A density of 15 lots or dwellings per hectare equates to an average net lot area or dwelling envelope of 500m².~~ In the Residential Zone and Medium Density Residential Zone, financial contributions for a subdivision or development with an average net lot area or dwelling envelope smaller than that specified in the table below ~~500m²~~, shall be determined by a special assessment.

v. In the Residential Zone the dwelling envelope shall not have a minimum average less than 500m².

vi. The minimum financial contributions for an additional lot or additional dwelling in the Residential, Medium Density Residential and Commercial Transition Zones are 0.5 of a household equivalent.

Area	Average net lot area and dwelling envelope (1 HHE)	Average net lot area and dwelling envelope (0.8 HHE)	Average net lot area and dwelling envelope for which a special assessment is required
Waihi Beach, Te Puke and Katikati	625m ²	500m ²	<500m ²
Omokoroa Stage 3A	500m ²	400m ²	<400m ²
Omokoroa Stage 3B	375m ²	300m ²	<300m ²
Omokoroa (Outside of Stage 3)	375m ²	300m ²	<300m ²
Te Puke	375m²	300m²	<300m²
Omokoroa Stage 3C	250m ²	200m ²	<200m ²
Omokoroa Mixed Use Precinct	250m ²	200m ²	<200m ²

Chapter 8 – Natural Hazards

24. I support the removal of liquefaction requirements per provisions 8.3.1(e), 8.5.1.5 and 8.6.2 of Chapter 8 of the notified version of Plan Change 92 and seek that the panel approve the removal of these provisions as proposed in the s42a Report on this Chapter.

Chapter 12 – Subdivision & Development

25. With respect to NTPL's submission on Stormwater (District Plan Provisions 12.4.5 and 12.4.14), I am satisfied that adequate clarification has been provided with respect to stormwater management in the staff s42A report and I no longer hold a concern with these provisions, which I believe can be addressed through subdivision and development design.

Te Puke Structure Plan

26. With respect to the Te Puke Structure Plan in Appendix 7 of Chapter 12, I support the retention of funding for Stormwater Pond 8 in the Te Puke Structure Plan Schedules as explained in the staff s42A report (Pages 20 & 21) for additional stormwater management purposes in Area 3.
27. I also support the inclusion (with updated financial figures) of Te Puke Water Supply WS-7 in the Infrastructure Schedule.
28. I do however have concerns that the wastewater infrastructure schedule for the Te Puke Structure Plan proposes to retain new items that have not been clearly identified in the wastewater assessment report included as part of the s32 information as being necessary for growth to 13,000 people as the Structure Plan provides for. Additional items that have been added appear to include items for future structure plan growth areas that are yet to be rezoned.
29. The main example of this is the inclusion of Item WW INT-2 which is a \$700,000 upgrade on the main wastewater treatment plant inlet pipeline. Having reviewed the Council's wastewater report, it would appear that this is only required for an upgrade of the treatment plant beyond 13,000 people capacity, which this Plan Change does not enable. In my opinion, this provision should therefore be removed from the schedule as it is not necessary to support the current enabled development.
30. Furthermore, Items WWSP-1A, WWSP1B, WWSP-2, WWSP-3, WWUNT-1, WWINT-2, WW-INT-3A, WW-INT-3B and WW-INT-3C and WW-INT-4 do not appear to be related to growth to 13,000 people but again, to future structure plan areas and for intensification beyond 13,000 people. The future structure plan areas and development areas have not been through any plan change or consultation process to date and are not part of Plan Change 92. Accordingly, there is no basis for inclusion of these items in the structure plan schedules.
31. Given these wastewater infrastructure items are not necessary for current development and have been included for assumed future growth beyond 13,000 people (i.e., to a population of 16,500) they should not be included in a structure plan schedule until the relevant structure plans have been legally progressed and implemented through a District Plan Change.

32. Furthermore, information has been requested from Council staff as to the reason between the 60%/40% split between financial contributions and rates (i.e., new development vs existing development). This has not been satisfactorily addressed in the staff s42A report and no information has been provided. As such, given no logical or mathematical justification has been provided the relevant items (those items identified in Paragraph 27 above), this is further justification that these items should not be included in the structure plan schedule.
33. In my opinion, items that are not relevant to the growth anticipated by Plan Change 92 or are outside the scope of the plan change (i.e. to address existing level of services issues) should not be included in the structure plan schedules.

Chapter 14A – Omokoroa & Te Puke Medium Density Residential Zone

34. In the submission I made on behalf of NTLP, I generally supported the proposed Objectives and Policies of Chapter 14A, except for Policy 13 relating to earthworks and Policy 14 relating to stormwater. I note that the staff s42a report has recommended removal of Policy 13 and provide further explanation on Policy 14. Proposed minor changes to some other objectives and policies have also been made. I am satisfied with the changes proposed and that the objectives and policies achieve the intention of the zone and will provide for residential density.
35. I had generally supported the vast majority of the proposed MDRS performance standards including some additional standards proposed by WBOPDC, however had identified concerns (opposed) with the following standards including:
- 14A.4.2(b) – Residential Development Yield
 - 14A.4.2(b) – Residential Unit Typology
 - 14A.4.2(d) – Impervious Surfaces
 - 14A.4.2(g) – Earthworks
36. With respect to standards 14A.4.2(b) and 14A.4.2(g) the staff s42a report recommends that these provisions be deleted, and I support this recommendation.
37. Regarding 14A.4.2(b) and 14A.4.2(d), the further explanation provided on these provisions within the staff s42A report has alleviated my concerns around these provisions.
38. With regard to the submissions, I made on behalf of NTLP, on the proposed activity statuses and assessment criteria of Chapter 14A, I am satisfied with the recommendation and minor changes recommended in the s42A staff report and seek that the panel approve these per that report.

CONCLUSION

39. Overall, I am satisfied with the proposed District Plan provisions as recommended in the staff s42A report with respect to the Natural Hazards

Chapter, Subdivision Chapter, Te Puke and Omokoroa Medium Residential Zone Chapter.

40. With respect to FINCO's, there is no direct evidence provided within the Council s32 reports or s42A reports that there is a need for increased FINCO's for Te Puke.
41. As I have stated in my evidence, all existing developable and zoned greenfield land is already consented and will pay FINCO's via their consents. A change to the current provisions is not therefore required until further land is zoned. It is unnecessary and not appropriate to update the FINCOs until future land is zoned for development, and the implications of that zoning for FINCOs better able to be known and assessed at that time.
42. A spatial plan followed by a Schedule 1 RMA Plan Change process is therefore the appropriate planning mechanism in my view to reassess FINCOs and undertaken the rezoning of additional residential land.
43. Provision for the imposition of FINCOs for infill development within Te Puke is provided via the current and proposed FINCO provisions of the District Plan.
44. I am happy to clarify any matters raised in my evidence as directed and/or requested by the Panel.

25 August 2023

Shae Crossan