

17th July 2023

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Response to Request for Further Information Plan Change 95 – Pongakawa Pencarrow Estate

Dear Anna,

On behalf the applicant Kevin and Andrea Marsh, please find below the response to information requested pursuant to Clause 23, Schedule 1 of the RMA in your email dated 6th March 2023, regarding the above Private Plan Change (PPC) request to WBOPDC. This should be read in conjunction with the revised attached Structure Plan Drawing Nos. 001-003, and all attachments which make up the applicant’s response to the request for information (‘RFI’). For completeness, the attachments WBOPDC should receive are as follows:

Attachment 1 – Consent Notice	Attachment 4 – Ngāti Pikiao Hui Minutes	Attachment 10 – s.32 geographical alternatives
Attachment 2 – District Plan Appendix 7 Proposed Track Changes (including Staged Pre-Requisites)	Attachment 5 – Further Powerco Engagement	Attachment 10 – s.32 new provisions efficiency and effectiveness (new commercial rule added to original assessment)
Attachment 2 – Chapter 12 Proposed Track Changes	Attachment 6 – MPAD Response to BOPRC Letter dated 13 th March 2023	Attachment 11 – Revised Landscape and Visual Impact Assessment (LVIA) and s.92 addendum
Attachment 2 – Chapter 13 Proposed Track Changes	Attachment 7 – 100km/h Deceleration Lane Design	Attachment 12 – Ministry of Housing and Urban Development house pricing extract
Attachment 2 – Chapter 19 Proposed Track Changes	Attachment 8 – Waka Kotahi Planning Policy Response Letter	Attachment 13 – Response to WBOPDC Reserves Comments
Attachment 3 – Revised Structure Plan Drawings	Attachment 9 – Smartgrowth Discussion Minutes August 2022	Attachment 14 – Original Cultural Engagement Letters

Traffic safety audit information, and revised reporting from project traffic engineer Bruce Harrison is underway, responding to Waka Kotahi geometric and safety comments. Otherwise, all other items within the scope of the RFI are responded to by this package.

Below we respond below to all items within the request, using the same numbers as per the items within the request.

Consent Notice:

1. The consent notice applying to the title of 53 Arawa Road which is within the PPC site has been provided previously by Richard Coles however for completeness is attached with this response (**Attachment 1**). The consent notice pertains to protected overland flowpaths within the lots of 19 and 53 Arawa Road. Comprehensive stormwater management features are proposed within the Structure Plan. Should this overland flow path protected area require altering in the future, this can be addressed at the time of further subdivision and development of 53 Arawa Road.

Structure Plan Boundary:

2. Following the plan change a subdivision will occur to extract the PPC site from the remainder of the existing farm. Sufficient land within the property north-west of the proposed boundary to the farm remains, so as to ensure the farm itself remains economically workable. Reverse sensitivity measures have been included in the staging pre-requisites to address potential future conflicts between residential and rural neighbouring uses. Therefore, the proposed Structure Plan boundary location is not considered to present an issue affecting progression of the PPC.

Commercial Zone:

3. Only one bespoke rule within Section 19 – Commercial planning provisions of the District Plan is considered necessary, over and above those proposed to apply under the Structure Plan within Section 12. The scale and nature of permitted development within the Commercial Zone is sufficient to deliver the scale and nature of community services sought within the PPC area.

The specific rule proposed to be introduced relates to glazing matching continuous retail frontage requirements, to apply along the boundary of the Commercial Zone with the planned playground reserve. This is to ensure appropriate engagement and surveillance of this reserve, whilst delivering the reserve in a location inviting to the wider Arawa Road/Pongakawa residential community i.e. not oriented towards just the structure plan area. Necessary track changes to Section 19 are included at **Attachment 2**. The s.32 analysis of this rule is detailed in an amended s.32 analysis table at **Attachment 10** (bottom row added).

Regarding National Planning Standard formatting. All PPC content has been prepared to be consistent with WBOPDC District Plan's current visual and written formatting, on the understanding that all Structure Plans and zones would be updated with the next plan review to meet National Planning Standard formatting.

Rural Zone:

4. Rural zoning was chosen in this location for reasons of consistency with the existing District Plan format and zoning. No open space zoning exists outside of Omokoroa, which is a recently introduced Natural Open Space Zone applying to undevelopable areas in Omokoroa Stage 3. The reserves in the PPC area are not comparable to this. Given also the discrete and very small size of these areas, retaining the Rural zoning, or otherwise following the proposed Residential zoning (i.e. as occurs with parks in Te Puke) is considered appropriate.

Residential Zone:

5. Please see the schedule of proposed track changes to Section 13 attached (**Attachment 2**), as requested. Permitted development standards specific to the Pencarrow Estate Structure Plan Area are proposed be introduced to Rules 13.4.1(a) (Building Height), 13.4.1(c) (Yards) and 13.4.2(a) (Minimum Lot Sizes).

The provision of lot sizes to those as low as possible already provided for in the District (350m²), being delivered in a rural location outside of the larger townships/suburban areas, is considered to ensure that the lot sizes are legitimately affordable to the target market (WBOPDC residents working in horticulture or Rangiuru Business Park).

Specific rules applying to development within the Pencarrow Estate Structure Plan Area have been proposed within Chapter 12, so as to be consistent with the location of structure-plan specific rules as per other structure plans in the district.

See comment in response to item 3 regarding National Planning Standard formatting.

Reserves:

6. A total of 1.13ha of reserve space is proposed to be delivered. This is made up as follows (also shown on Structure Plan drawings at **Attachment 3**):
 - a. Private – Playground Reserve (adjacent to Commercial Zone) – 0.21ha
 - b. Stormwater Reserve (to vest with Council/future Three Waters Entity) – 0.62ha
 - c. Central Stormwater Corridor Reserve (to vest with Council) - 0.12ha
 - d. Village Green (to vest with Council) – 0.18ha.

Reserves are proposed to vest in Council/future Three Waters Entity to establish stormwater management reserves, and a ‘village green’ centrally located within the Structure Plan which will vest with Council. The playground reserve is intended to be privately managed as this is central to the client’s vision for delivering improved social-infrastructure to the Pongakawa community, to young families in particular.

We recognise Council’s recent efforts (2023) to establish some recreational opportunities on the paper road of Arawa Road area to enhance a proposed cycle trail along the Wharere Road canal, possibly as part of a wider connection between Paengaroa and Pukehina. If established, the reserves (and proposed commercial amenities enabled) would add destinations to be

explored along this proposed cycle route, further adding to the amenity and accessibility of reserve land to future residents, visitors, and commercial-land operators.

There are therefore recreational benefits to the community that will arise from the plan change.

Comments from WBOPDC Reserves staff (Cheryl Steiner) have been received, dated 26th June 2023. Responses to the comments are detailed within **Attachment 13**.

Subdivision and Development:

7. Please see the schedule of proposed track changes to Chapter 12 and Appendix 7 of the District Plan at **Attachment 2** as requested. New rules are proposed to be inserted in a manner consistent with other structure plan rules, which would logically be section 12.4.24 – Pongakawa Pencarrow Estate Structure Plan. The Structure Plan drawings, and pre-requisites table, would logically be located at Appendix 7 of the District Plan, being the same location of other, similar structure-plan documents applying within the WBOPDC District.

Structure Plan:

8. Please see revised landscape mitigation details within the Pongakawa Pencarrow Estate Structure Plan (**Attachment 3**). Proposed trees to be delivered with development of the PPC site are clearly defined.

Landscape and visual-amenity-related rule features, being reflectivity requirements, height and yard restrictions, are visually depicted on a District Plan Requirements map within the Structure Plan. These correspond to proposed rules within Chapters 12 and 13.

The shapefile/drawing files for the Structure Plan maps have been provided via separate emails.

Infrastructure Servicing:

9. We respond to the infrastructure servicing matters in the same order as the further information request, separated into matters A) through D).

Response to A Matters

The wastewater treatment plant, stormwater drainage reserves and water infrastructure are all proposed to vest in WBOPDC/future Three Waters entity.

The wastewater disposal area is elevated above the flood plain and therefore is not expected to be affected by either high water table or flooding effects.

The design life of the Innoflow system plant and drainage field is 50 years. The Innoflow wastewater system will need routine maintenance during its life and Council has already trialled the system elsewhere in the district so will have a working knowledge of the operational costs. The system is therefore considered fit for purpose, but we assume alternate systems may be suitable and able to be assessed at the time of future development/subdivision.

Council has suggested that barriers be imposed to ensure that effluent does not run off the site and into the watercourse. The wastewater treatment system has pretreatment improving the quality of the discharge. The discharge is shallow irrigation field and there should be no surface discharge if it is constructed and maintained properly. The wastewater system will be subject to a resource consent process to BOPRC, and the establishment of the infrastructure will be required to meet performance standards within the wastewater discharge consent.

In addition to this a generous buffer area is provide between the disposal field and the farm drain.

Given these facts we consider the wastewater system integrated with the PPC will mitigate potential adverse environmental effects to a satisfactory standard.

Response to B Matters

The Waihi South Drainage Scheme is administered by local farmers. The stormwater pond would attenuate and treat stormwater before discharging in the channelised drain (originally part of the Puanene Stream), which ultimately discharges into the Wharere Canal and then the Waihi Estuary.

Response to C Matters

Lysaght's completed an engineering report that has suggested upgrading the water reticulation to the site. Two options were proposed including either increasing the pipe diameter of the water pipe to the site or providing on-site storage by way of a reservoir. Following discussions with Paul van den Berg (Councils Water Engineer), the preferred solution was to improve the reticulation and capacity by increasing the water pipe diameter.

Response to D Matters

Arawa Road has been identified as needing upgrading and this is proposed as part of the Transport Assessment Report submitted with the PPC. This included upgrading the width of Arawa Road and also the intersection with the State Highway. Some recent upgrades on Arawa Road have seen an increase in road width and the provision of a footpath along the eastern side of the road. Structure Plan upgrade works details are included in the structure plan drawings and pre-requisites.

Consultation and Engagement:

10. Ngāti Whakahemo has confirmed their support for the PPC and this information was include in the application. Original consultation documents sent to Ngāti Mākino, Ngāti Pūkiao, and Ngāti Rangitīhi are attached as **Attachment 14**.

Additional engagement has been completed with Ngāti Pūkiao and Ngāti Mākino.

Ngāti Mākino had previously indicated they would let Ngāti Whakahemo respond on their behalf. While additional emails have been sent to Ngāti Mākino and a phone message left, no further response has been received from Ngāti Mākino.

Following sending a further information pack to Ngāti Pīkiao, a hui was held on the 1 June 2023 (See **Attachment 4** – minutes of hui). Ngāti Pīkiao’s concern was to ensure that the PPC included careful consideration of stormwater and wastewater management to ensure the water quality of the Little Waihi Estuary was not degraded further. At the hui the stormwater and wastewater treatment processes were discussed and Ngāti Pīkiao seemed satisfied that there were sufficient checks and balances in place, especially as these systems would need to be assessed and approved pursuant to resource consents to the Bay of Plenty Regional Council. Ngāti Pīkiao sought some design changes to the structure plan including the introduction of meandering (piko) watercourses and terracing within the proposed stormwater treatment pond. These have been reflected in the revised Structure Plan drawings at **Appendix 3**.

Apart from these issues Ngāti Pīkiao were generally supportive of the plan change as it would increase housing supply in the area. Engagement with Ngāti Pīkiao is ongoing.

External Infrastructure Providers:

11. Please see attached email correspondence from Powerco’s Electricity Planning Engineer (Keith Edmonds dated 17th April 2023) confirming that power can be provided to the PPC site to supply the expected maximum yield of 130 dwellings (**Attachment 5**).

Bay of Plenty Regional Council:

12. Bay of Plenty Regional Council (BOPRC) Officers have provided written commentary dated 13th March 2023 regarding their professional planning assessment of consistency with relevant planning provisions which differ from our own.

Please see attached MPAD letter responding to this written commentary, which has been provided to BOPRC in advance of completing this response (**Attachment 6**).

Waka Kotahi:

13. Comments from Waka Kotahi dated 8th March have been provided for addressing. Assessment commentary is provided by Waka Kotahi in respect of two matters – traffic and access, and planning and policy.

Traffic and Access

The response to the traffic and access commentary is to be provided by way of revised Harrison Transportation Assessment Report following completion of a safety audit as requested by Waka Kotahi. The appropriate design for a 100 km/h speed at the start of the deceleration lane, as opposed to 70 km/h as previously discussed with Waka Kotahi, can be delivered in accordance with Austroads requirements within the road reserve, see attached Harrison Transportation

Dwg 496-01 (**Attachment 7**). This is to be improved further via the safety audit process which is being currently undertaken by Waka Kotahi-approved safety auditors.

Planning and Policy

Please see attached MPAD letter responding to this written commentary, which has been provided to Waka Kotahi in advance of completing this response (**Attachment 8**).

Smartgrowth:

14. No further response or engagement with Smartgrowth is considered necessary. As discussed in the plan change application, Smartgrowth staff, through deliberate engagement efforts, have previously made their position clear – the onus is on Smartgrowth partners to deliver on UFTI. As discussed in this response package, the PPC is not considered to be delivering development inconsistent with, or challenging the delivery of, UFTI.

Minutes of the discussion with a Smartgrowth representative in August 2022 are supplied for completeness at **Attachment 9**.

Kiwi Rail:

15. Reverse sensitivity effects upon Kiwi Rail in respect of the operation of the East Coast Main Trunk line south of SH2 are not considered likely to result from the proposal. This is because dwellings are separated by a minimum of 185m from the railway line, being adequate to appropriately reduce noise and vibration effects experienced at future dwellings.

Section 32:

16. WBOPDC has requested greater geographical consideration of alternatives for residential development. This has been considered with respect to alternatives in the immediate Pongakawa vicinity, at section 9.2.3 of the plan change report, and further in respect of item 24 (NPS-HPL) in this response below. For completeness, further assessment is provided below.

The growth areas around Te Puke have not been considered in detail. This is because additional housing delivered by Plan Change 92 (with its own s.32 analysis) to Te Puke has been considered in the Housing and Business Capacity Assessment 2022 Summary ('the HBA', which updates the 2021 HBA), which does not appear sufficient to take WBOPDC housing capacity to 'sufficient development capacity' as required by the NPS-UD. Specifically, the HBA identifies a current shortage of actual dwellings by 2482¹, and an estimated shortfall in land capacity to deliver housing in the WBOPDC district for the medium- and long-term scenarios (i.e., post 2025)². A recommendation of this report is that *"there is an urgent need to investigate future growth areas in Te Puke and the Eastern Corridor to assist in addressing the identified medium*

¹Housing and Business Capacity Assessment 2022, jointly prepared by TCC, WBOPDC and BOPRC (December 2022), page 9

² Ditto, page 12

and longer-term shortfall that will arise from 2025 onwards”³. This recommendation is made cognisant of additional housing supply delivered to the District by Plan Change 92⁴.

Therefore, residential-zoned land in nearby Maketu, Pukehina, Paengaroa, as well as other land in the Pongakawa area, has been considered. This is presented at **Attachment 10**. The PPC site is identified as the preferred/logical alternative to accommodate further housing in comparison to other residential-zoned land in the general area.

Assessment of Effects – Archaeology:

17. There is no need to mandate this within a plan change as it will be addressed during topsoil stripping. The developers will engage with hapū at the commencement of earthworks and apply for Archaeological Authority to Heritage New Zealand Pouhere Taonga in advance of setting up erosion and sediment controls. Resource consents will be required for large scale earthworks from BOPRC following the PPC being approved, and this process will also include further engagement with iwi and hapū.

Assessment of Effects – Reverse Sensitivity:

18. Please see the revised Structure Plan package, specifically Dwg No. 3 – Proposed Zoning and District Plan Requirements. This drawing makes it clear the reverse sensitivity measures required at Stages 1 (transfer of effluent ponds) and 2 (decommissioning of milking shed and associated services). The notes on the plan provide further context and reference to relevant rules.

Assessment of Effects – Flooding and Natural Hazards:

19. A natural hazard risk assessment has been completed in accordance with Appendix L of the RPS. This has concluded that the land, while subject to localised ponding and overland flow paths, is by and large free of natural hazards. The overland flow paths will be managed during subdivision design and the design of the stormwater wetland. The plan change area, subject to the structure plan, is therefore not subject to any natural hazards that cannot be mitigated. We understand BOPRC has now reviewed the package of information forming the PPC application including the natural hazards risk assessment.

Assessment of Effects – Rural and Residential Character:

20. All landscape mitigation measures have been reviewed and are included within the revised Structure Plan drawings attached. Reference to an earlier Landscape Mitigation Plan has been removed from the LVIA. Distinguishment on revised Structure Plan drawings is included between existing trees, and proposed additional trees, for landscape/visual effects mitigation and visual assimilation of the consolidated rural village into the surrounding landscape.

³ Ditto, page 25

⁴ Inferred from commentary on page 25 of *Housing and Business Capacity Assessment 2022*, jointly prepared by TCC, WBOPDC and BOPRC (December 2022), pages 9 and 12

An addendum to the LVIA (see **Attachment 11**) has been prepared by project landscape architect Tom Watts responding to the landscape and visual matters raised. In summary, deliberate setbacks from Stage 2 boundaries are not considered necessary given distance to surrounding rural dwellings, and reflectivity controls proposed to mitigate glare and soften visibility in long-views towards the site from surrounding rural dwellings.

The LVIA has also been updated (see **Attachment 11**) with changes highlighted **yellow**. The changes reflect the yield of 120-130 lots. The only update to recommendations is that future buildings two storeys or higher be constructed of roofs meeting the same reflectivity requirements of buildings at the rural/residential interface. This also responds to the comment regarding the 9m permitted height of the commercial building, as does the LVIA addendum.

Assessment of Effects – Traffic Effects:

21. The potential for additional trips made to the site by those in the wider Pongakawa rural catchment has been considered in the further 'Vehicle Kilometres Travelled' (VKT) assessment provided directly to Waka Kotahi and attached with this response. This includes trips for the likes of grocery conveniences, and (possibly) travelling medical practitioners envisioned to be based in the Commercial Zone of the PPC which would cater to the wider population. Given these trips are already made to the same services located further away (at minimum, Te Puke which is 15km from the site), VKT would only be reduced in respect of trips made by existing Pongakawa residents.

It is observed that Arawa Road has been recently widened and a footpath constructed on the south-eastern side of the road.

All matters raised by Waka Kotahi to date have been addressed in this response and directly with Waka Kotahi.

Planning Framework Assessment – Housing Demand:

22. There is observed increase in housing demand in the Pongakawa area which is expected to be in-part linked to the degree of farm conversions to orchards. This is evidenced by the following information:
 1. There is a shortage of dwellings (actual and plan-enabled) in the immediate short, and medium and long-terms i.e. post 2025, identified in the most recent Housing and Business Capacity Assessment (December 2022)^{5,6}. This assessment accounts for plan-enabled capacity by Plan Change 92, and is understood to account for employee demand from Rangiuru Business Park.

⁵Housing and Business Capacity Assessment 2022, jointly prepared by TCC, WBOPDC and BOPRC (December 2022), pages 9 and 12

⁶ Ditto, page 25, Recommendation Six.

2. The considerable per-hectare increase in employees required between dairy/dry farming and horticultural uses (one per 35ha v 1 per 2.5ha)^{7,8};
3. Conspicuous increase in the rolling annual average sale price of houses in Pongakawa since the late 2010's⁹.

Considering above, there is considered to be credible evidence of demand for housing in the Pongakawa area. For the same reasons, demand is expected to be taken up certainly within 10 years if not within 5 years.

National Policy Statement: Urban Development:

23. Responding to the points in the same order as within this RFI point.

Credible evidence is provided above supporting the notion that there is increased demand for, and a shortage of housing in the Pongakawa area and wider WBOPDC district. Further geographic alternative consideration of housing locations has also been undertaken (see item 16 response above).

It is not clear what Council are trying to achieve outside of Te Puke/Omokoroa and how they intend to respond to more distinct housing pressures such as those addressed by this application. The direction in the NPS-UD concerning unanticipated development has been relied upon as seemingly the appropriate starting point.

As discussed in the BOPRC response, development enabled as proposed is considered to be a logical extension of the UFTI settlement pattern and live-work-play principles. As discussed in the Waka Kotahi response, VKT would be reduced overall by way of further commercial services being enabled, supported in terms of viability by the plan change. The PPC similarly does not deliver sporadic development – development is only enabled in a manner consolidating the existing urban area.

The way in which the PPC meets the BOPRC-defined criteria of ‘adding significantly to development capacity’ is detailed across pages 39-40 of the PPC document. The manner in which the NPS-UD policy directive to deliver well-functioning urban environments (considered to also apply to urban areas) is also detailed on page 41.

See economic viability considerations of commercial services envisioned within the PPC within the response to Waka Kotahi. A second convenience store across Paengaroa and Pongakawa, as supported by further critical mass delivered by the PPC, is assessed to have a sufficient support base.

⁷ DairyNZ Submission – *Productivity Commission Inquiry – Immigration Productivity and Wellbeing*. <https://www.productivity.govt.nz/assets/Submission-Documents/immigration-settings/Sub-043-DairyNZ.pdf> 50,000 employees in the dairy sector (page 3); 1.73 million hectares dairy farmed (page 21). Sheep and beef staffing rates typically lower.

⁸ *Understanding the kiwifruit workforce size, composition and projected growth*, September 2021 prepared for Zespri, NZKGI and the Ministry for Primary Industries, pages 3-4.

⁹ MHUD Urban Development Dashboard interactive data. See **Attachment 12**.

Cultural and social wellbeing factors in the NPS-UD policy context have been assessed on page 41 of the PPC document.

Land in the area is transferring from dairy/dry farming uses to horticultural uses. Please see the response to Waka Kotahi demonstrating the vast increase in employee requirements between such uses, which appears to be evidenced by way of increased demand for housing in Pongakawa (also discussed in response to item 22 above). Further demand is expected once Rangiuru Business Park is also demanding employees. The housing delivered is expected to provide an attractive option to full-time orchard employees, and those employees who service the horticultural industry not necessarily employed on-orchard.

VKT and induced visitor demand is discussed in the response to Waka Kotahi. Public transport accessibility would also be enhanced as discussed in the response to Waka Kotahi.

National Policy Statement: Highly Productive Land (NPS-HPL)

24. The Plan Change area is acknowledged as being located on Class 2 land, being versatile land as defined by WBOPDC and within the ambit of the NPS-HPL. Existing lifestyle properties on Arawa Road abut the plan change site. While these are zoned Rural they are all 2000m² in area and effectively residential in nature. There is therefore an existing reverse sensitivity conflict that already affects the plan change site and diminishes its potential to be used for intensive farming or productive purposes.

Section 3.6(1) of the NPS-HPL concerns where a Tier 1 authority may allow urban rezoning of highly productive land. This is by way of satisfying three criteria at sections 3.6(1)(a)-(c). This has been assessed at section 9.2.3 of the plan change document; the below comments respond to WBOPDC's further questions on these provisions.

Clause 3.6(1)(a)

Clause 3.6(1)(a) provides for a Tier 1 authority to allow urban rezoning if further urban rezoning *"is required to provide sufficient development capacity to meet demand for housing or business land to give effect to the NPS-UD 2020"*. Sufficient development capacity is required to be provided by WBOPDC in accordance with Clause 3.2(2) of the NPS-UD. The RFI from WBOPDC asserts that a Housing and Business Capacity Assessment (HBA) referred to at the time of issue (March 2023) indicates there is no shortfall in housing land.

We respectfully disagree. The Housing and Business Capacity Assessment 2022 Summary ('the HBA', which updates the 2021 HBA) identifies a current shortage of actual dwellings by 2482¹⁰, and an estimated shortfall in land capacity to deliver housing in the WBOPDC district for the medium- and long-term scenarios (i.e., post 2025)¹¹. A recommendation of this report is that *"there is an urgent need to investigate future growth areas in Te Puke and the Eastern Corridor to assist in addressing the identified medium and longer-term shortfall that will arise from 2025"*

¹⁰Housing and Business Capacity Assessment 2022, jointly prepared by TCC, WBOPDC and BOPRC (December 2022), page 9

¹¹ Ditto, page 12

*onwards*¹². This recommendation is made cognisant of additional housing supply delivered to the District by Plan Change 92¹³.

These suggestions appear to be confirmed through MHUD data as at April 2023 (see **Attachment 12**) which shows house prices at Pongakawa exceeding the greater Tauranga average price. The recent sales at Penelope Place also confirmed this demand, as the lots were sold and houses built within a very short period of time. There are no other residential lots available at Pongakawa. The PPC will help provide some housing capacity that will meet some of the demand for the next 5-10 years.

The PPC is therefore consistent with 3.6(1)(a) as urban re-zoning is required to address the calculated shortfall in housing supply and capacity demonstrated within the latest HBA. This is required to enable WBOPDC to contribute to meeting its 'sufficient development capacity' obligations under the NPS-UD.

Clause 3.6(1)(b)

WBOPDC cite that Pongakawa is not identified in the HBA as being within the same 'locality or market' where sufficient development capacity does not exist. As discussed above, drawing on the latest HBA, there is a credibly-calculated shortage of dwellings now, and a clear indication that there will be insufficient development capacity in the medium-and long terms i.e. post 2025, in the WBOPDC district. This is particularly acute to the 'Eastern Corridor' which encompasses Paengaroa and which Pongakawa is on the fringe of, and is considered the 'locality and market' in question.

With the above in mind, it is considered tenable that the PPC site is "*close to a location where a demand for additional housing capacity has been identified through a Housing and Business Assessment...*", consistent with the definition of 'within the same locality and market' at 3.6(3)a of the NPS-HPL. A range of dwelling types and densities are provided for, to cater to all potential demand for housing typologies in the area, consistent with 3.6(3)(b).

Clause 3.6(1)(b) requires consideration of other reasonably practicable and feasible alternatives to providing sufficient housing capacity whilst achieving a well-functioning urban environment. Such geographic alternatives have been considered in response to item 16 above.

Whilst land between Paengaroa-Rangiuru may be technically 'plan-enabled' to accommodate a future 'Eastern Centre' as defined by the NPS-UD (by way of reference in UFTI), the land is far from 'infrastructure ready', also required of the NPS-UD. No plan change has been lodged to re-zone the land. UFTI forecasts only 800 dwellings are expected within this settlement pre-2050, with a further 18,000-20,000 across Wairakei, Te Tumu and the new Eastern Centre between 2050-2070. Therefore, this technically plan-enabled future Eastern Centre between Paengaroa and Rangiuru will not contribute to meeting the identified shortfall in housing supply and capacity in the short and medium terms.

¹² Ditto, page 25

¹³ Inferred from commentary on page 25 of *Housing and Business Capacity Assessment 2022*, jointly prepared by TCC, WBOPDC and BOPRC (December 2022), pages 9 and 12

No other plan changes have been lodged east of Te Puke to address the identified housing shortage in the 'Eastern Corridor' which extends to Paengaroa to which Pongakawa fringes.

Clause 3.6(2) links to Clause 3.6(1)(b), detailing how alternatives are to be considered. These have been addressed at section 9.2.3 of the plan change report. To elaborate:

- *"Greater intensification in existing urban areas"*. Capacity delivered by Plan Change 92, which increases housing capacity in Omokoroa and Te Puke, appears to have been accounted for in the HBA, and does not remove the identified shortfall in development capacity in the medium-long terms. This PPC wraps around/consolidates an existing urban area, the only one in Pongakawa.
- Further flat land has been explored in close proximity to SH2 (northern side), however such land is similarly productive (LUC Class 2), completely greenfield and isolated from the existing urban area, and therefore containing the potential for a new source of reverse sensitivity effects upon primary-production land which does not currently exist. (already exists at Arawa Road owing to residential community at that location).
- Land on the southern side of SH2 has also been considered. This is LUC Class 3, however has the same reverse sensitivity profile as explained above, but with a significant additional reverse sensitivity factor to deal with, being train noise owing to much close proximity to the East Coast Main Trunk railway line. Having to cross this railway line for access also considerably increases overall development costs.
- Land further afield from SH2 is increasingly isolated and is increasingly likely to affect more intensively farmed/horticultural land uses.
- Land around the Pongakawa school facilities is classified as a reserve, making a plan change process more arduous. Development in this location would deliver two separate urban communities within Pongakawa, neither of which would be of a size to support a commercial store which is integral to being able to meet community needs and reduce VKT in accordance with UFTI principles. The proximity to SH2 also greatly assists in this regard in favour of the PPC site. Development in this location may also generate reverse sensitivity effects of new residents concerning traffic and noise of use of the existing community facilities.

The areas north and south of SH2 are depicted in the image below. The above commentary is considered to address the two other factors of *"rezoning of land that is not highly productive land"* and *"rezoning different highly productive land that has a relatively lower productive capacity"*. Considering the above discussion, and the response to item 16 of the WBOPDC RFI. Other reasonably practicable alternatives in the same locality and market, whilst achieving a well-functioning urban environment are not considered to exist to respond to the insufficient housing numbers and land capacity identified (short-medium term in particular). Clause 3.6(1)(b) is therefore considered to be met, as discussed at section 9.2.3 of the plan change document also.



Figure 1: Land use classes either side of SH2/railway line. Green is Class 2; blue is Class 3. Source: BOPRC GIS resource (Bay Explorer)

Clause 3.6(1)(c)

This clause relates to the environmental, social and economic benefits outweighing the long term environmental, social and economic costs associated with the loss of highly productive land [paraphrased].

The latter two paragraphs within section 9.2.3 of the plan change report address this clause. One point to add is whilst 12ha is to be removed from the 95ha farm, a workable intact farm for grazing purposes will remain whilst accommodating development enabled by the plan change.

A further point in expansion of the assessment within section 9.2.3 of the plan change report concerns the environmental and social benefits from allowing the land to be rezoned. The village of Pongakawa will function with more amenity and resilience as a neighbourhood with walking tracks, improved water supply, the creation of stormwater treatment wetlands and reserves and the establishment of a reticulated wastewater treatment plant. These facilities contribute to improved urban form and functionality of the village and may contribute to people's health and wellbeing. Cultural wellbeing and the mauri of resources is also intended to be enhanced through deliberate measures included in the structure plan.

The PPC is therefore consistent with Section 3.6(1)(c) in that environmental, social, cultural and economic benefits (expanded on in the s.32 analysis documentation attached to the plan change application) are considered to outweigh the loss of productive land in this instance. This

conclusion is reached considering tangible and intangible values, which are mentioned in the s.32 analysis.

For completeness, it is to be noted the PPC is creating urban land and not rural lifestyle land, and therefore is not captured by Section 3.7 NPS-HPL.

Conclusion

The above commentary is considered to address all RFI matters raised concerning the NPS-HPL (item 24 of the RFI).

Financial Contributions:

25. Council’s financial contributions (FINCO’s) are set pursuant to the Resource Management Act and relate to the payment of a proportionate consumption of Council reticulated services. The Plan Change includes the provision of an upgraded water reticulation supply, new stormwater infrastructure including a stormwater wetland, a new reticulated to on-site disposal wastewater scheme, and reserve areas to vest in Council.

The development will be staged and the infrastructure will be developed or improved by the applicant or future developer of the land. While the infrastructure is required to service the PPC area there will also be wider benefits to the Pongakawa community. As these development costs will be paid for by the developer there needs to be a consideration of tangible community benefit and a discussion with Council whether other residents will connect to or benefit from this infrastructure e.g. the waste water scheme, reserves, improved water supply. As such no financial contributions should be charged for these services and if others are to connect to the infrastructure, then there needs to be an assessment of benefit.

The local road network has recently been upgraded from the PPC site to SH2. The applicant will pay for improvements to the Arawa Road and SH2 intersection, which will also provide safety benefits to other residents. These costs should be off set against the financial contributions for roading and transportation.

The ecological financial contributions can be charged per additional lot established.

While we have some provisional sums for the construction and upgrade of these services the cost to upgrade these services may change prior to their construction due to inflation. Therefore, we seek high level agreement as to what the financial contributions will be changed to. We see the following table to be useful for this discussion.

Infrastructure	Comment
Wastewater	New facility provided by the developer. Therefore, no FINCO to be charged.
Water	Water reticulation requires a significant reticulation upgrade. Has wider benefit to community for pressure and supply for fire fighting. Therefore, no FINCO to be charged.

Infrastructure	Comment
Stormwater	Stormwater treatment wetlands and associated infrastructure will be provided by the developed. Therefore, no FINCO to be charged.
Reserves	A drainage reserve will be provided that will also provide an opportunity for passive recreational use to wider community. Therefore, no FINCO to be charged.
Ecology	Charge as per FINCO policy.
Roading Local	The development will construct all the local roads for the plan change area. Arawa Road has recently been upgraded. Minor further improvements may be required, which will be funded by the developers of the PPC site. Therefore, no FINCO to be charged.
Roading Strategies	The Plan Change area will create additional traffic that will access State Highway 2 Arawa Road. The TEL is a self-funded toll road and therefore not subject to FINCO funding. There will only be a minor impact on the district road network beyond the PPC area, not otherwise funded by Waka Kotahi. A district wide roading contribution may be appropriate adjusted to the residential unit size as per the FINCO funding policy.

Next steps:

Can WBOPDC officers please consider these responses to the issued RFI points, and advise if there is any further clarification required. Should there be any further clarification required, please do not hesitate to contact either of the undersigned below at the earliest possible opportunity.

I look forward to WBOPDC assessment and processing resuming and progressing this plan change application.

Yours sincerely



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Attachment 1 – Consent Notice

Attachment 2 – Track changes to Operative District Plan Chapters 12, 13, 19 and Appendix 7

Attachment 3 – Revised Structure Plan Drawings

Attachment 4 – Ngāti Pikiao Hui Meeting Minutes

Attachment 5 – Further Powerco Engagement

Attachment 6 – MPAD Response to BOPRC

Attachment 7 – 100 km/h Deceleration Lane Design

Attachment 8 – Waka Kotahi Planning Policy Response

Attachment 9 – Smartgrowth Discussion August 2022

Attachment 10 – S32 Geographic Alternatives, Revised s.32 Efficiency and Effectiveness Table

Attachment 11 - Revised Landscape and Visual Impact Assessment

Attachment 12 – MHUD Extract

Attachment 13 – Response to WBOPDC Reserves Comments

Attachment 14 – Cultural Engagement Information