

**Before the Hearings Panel
At Waimakariri District Council**

Under	Schedule 1 of the Resource Management Act 1991
In the matter of	the Proposed Waimakariri District Plan
Between	Rolleston Industrial Developments Limited
	Submitters
And	Waimakariri District Council

**Summary Statement of Rodney George Yeoman on behalf of Waimakariri
District Council on Economics with the Private Plan Change RCP031**

Date: 7 August 2023

INTRODUCTION

- 1 I have prepared this Summary Statement on behalf of the Waimakariri District Council (WDC) in respect of economics related matters arising from the applicant's expert evidence for the Private Plan Change RCP031 (PC31).
- 2 Formative was asked by WDC to review the applicant's economic assessment (by Mr Copeland)¹ of PC31 and four submissions on PC31 (216, 416, 551, and 562) which included economic issues. Formative provided an economic review report that was attached to the section 42 report as Appendix 4 ('Economic Review'), which I co-authored with my colleague Mr Foy.² Formative was not previously asked to review the application, or had involvement with PC31.

QUALIFICATIONS AND EXPERIENCE

- 3 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. I am a member of the New Zealand Association of Economists, and the Resource Management Law Association.
- 4 I am a Director of Formative Limited, an independent consultancy specialising in economic, social, and urban form issues. I have 17 years consulting and project experience, working for commercial and public sector clients.

¹ Copeland, M (2022) Assessment of Economic Effects, 17 February.

² Yeoman, R. and Foy, D. (2023) Proposed Plan Change 31 Economic Review and Support, 15 June.

- 5 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.
- 6 I have provided advice to WDC 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).
- 7 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.
- 8 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 Gordon.
- 9 Also as part of the WCGM22 research I undertook a field trip to Waimakariri to survey business activity in the commercial and industrial zones. For this field trip, I visited the commercial centres in Rangiora, Kaiapoi, Woodend-Pegasus, and Mandeville (14-16 February 2023). I also visited Ōhoka to observe the commercial activity, and viewed PC31 site.

Code of conduct

10 Whilst I acknowledge that this is not an Environment Court hearing, I confirm that I have read and am familiar with the Code of Conduct for Expert Witnesses contained in the Environment Court Practice Note 2023. I have complied with the Code of Conduct in preparing this summary statement and I agree to comply with it while giving any oral evidence during this hearing. Except where I state that I am relying on the evidence of another person, my summary statement is within my area of expertise. I have not omitted to consider material facts known to me that might alter or detract from the opinions that I express.

SUMMARY STATEMENT

11 I note that this summary statement is longer than would be normal for a hearing. However, this is required because the applicant provided very little economic research to support the initial application.

12 Most of the economic evidence that is presented in support of PC31 is outlined within the statements of the two new economists Mr Akehurst and Ms Hampson, dated 6th July 2023. The old economist, Mr Copeland, is no longer involved and his report is not relied upon or referenced by the new economists or the applicant's other experts.

13 I also note that other experts have raised new economic points, including Messrs Jones (real estate), Sellars (valuer), and Sexton (development constraints).

14 In an effort to keep this statement brief I have provided four appendixes (A, B, C and D) that contain the detail of the comparison of the economic issues covered in the new evidence provided by the applicant's experts. The detail in these appendixes is required because the applicant no longer relies on the economic research that supported the s32 report and has presented multiple briefs of new evidence that was not assessed in the Economic Review attached to the s42.

- 15 In the body of this statement, I briefly cover the economic evidence provided by the applicant and compare this to the Formative Economic Review which was attached to the s42 report. However, if the commissioners consider that it is necessary I am happy to talk through the detail in any or all of the appendixes attached to this statement.
- 16 Mr Akehurst supports the proposed residential aspects of the development on economics grounds. The key points raised in Mr Akehurst's statement are:
- 16.1 The dwelling demand projections used by Council may be low compared to the future demand.
- 16.2 The capacity in the development areas around the Urban Environment may be lower than estimated in the capacity modelling (Waimakariri Capacity for Growth Model 22 - WCGM22).
- 16.3 The Council does not appear to be providing enough capacity to meet demand in the Urban Environment of Waimakariri.
- 16.4 Therefore, PC31 is needed to meet the requirements under the National Policy Statement on Urban Development (NPS-UD), and is significant.
- 16.5 That PC31 contributes to the overall well-functioning urban environment and meets the objectives of the NPS-UD.
- 16.6 The Medium Density Residential Standards (MDRS) are unlikely to impact development in Waimakariri.
- 17 Ms Hampson's statement focuses on the commercial land proposed in PC31 (Business 4 zone) and raises the following key points:
- 17.1 The commercial capacity in PC31 is too large, which means that a cap on the gross floor area (GFA) is required. If a cap on GFA is adopted, then the distributional impacts on the wider network of centres will be negligible and quickly offset by district growth.

- 17.2 She recommends a single centre (on Whites Road) in PC31. However, if a second centre is included then timing and scale should be limited with additional conditions.
- 18 Mr Sexton has reviewed the WCGM22 capacity data and considers that the model overestimates capacity in the District. This assessment is relied upon by Mr Akehurst.
- 19 Messrs Jones and Sellars have both provided opinions on the residential market. Broadly their positions are that there is existing demand for rural lifestyle in Ōhoka, and that PC31 would provide a product that is different to the existing demand, and would draw from the wider market. They both consider that MDRS will have a negligible impact on development in Waimakariri.
- 20 In the remainder of this Summary Statement, I provide a discussion on the key economic issues associated with PC31 which includes: Residential Outcome, Commercial Outcome, Economic costs-benefits, and other issues.

Residential Outcome

- 21 First, in terms of residential outcomes, after reviewing the expert evidence presented for the applicant, I consider that there is sufficient residential capacity to accommodate expected demands in the short, medium and long term to meet the requirements of the NPS-UD.
- 22 I consider that:
- 22.1 The demand projections used in the Greater Christchurch Housing Capacity Assessment (GCP 2023 HCA) are conservative, and the adoption of the High Series is reasonable. In my opinion, demand is likely to be lower than predicted in the GCP 2023 HCA (or WCGM22). The applicant's experts did not provide an alternative projection

in evidence. However, in oral statements to the hearing, Mr Sellars suggested a demand of 4,620 dwellings (462 per annum), which is not materially different to the projection adopted in GCP 2023 HCA which is 4,680. So, in effect, the positions on demand are not that dissimilar.

- 22.2 The capacity estimates used in the GCP 2023 HCA are conservative. In my opinion, the commercially feasible and reasonably realisable capacity shown in the WCGM22 are likely to underestimate capacity in the medium and long term, i.e. there is actually likely to be more capacity than is identified in the GCP 2023 HCA. I have reviewed Mr Sexton's maps and I agree with Mr Akehurst that the noted issues are "relatively small"³. In the medium term the issues raised by Mr Sexton relate to a small share of capacity (0.9%, 53 dwellings), which is not material and a similar small share in the long term (i.e. 0.9%). I wish to restate this – the areas identified by Mr Sexton as being erroneously included are very minor and well within the expected margin of error. They do not make a material difference to the capacity assessment (at only 53 dwellings). Moreover, by design the modelling in WCGM22 underestimates capacity by 10-20%, which means that the capacity is likely to be higher than is shown in GCP 2023 HCA. I acknowledge that no model can be perfect and that there will always be unders and overs, however in this case, by design, it is most likely that WCGM22 will underestimate capacity and that the findings on sufficiency will not be sensitive to the small issues noted in the evidence of the applicant's experts.

³ Statement of evidence of Gregory Akehurst, paragraph [86].

- 23 Below is a table that provides a comparison of the revised capacity (taking into account Mr Sexton's suggested capacity changes) and the demand projections for the medium and long term. The revised figures show that there is sufficient capacity in both the medium-term (capacity is +281 dwellings more than demand) and long-term (+1,063 dwellings).
- 24 For the medium term the demand (plus competitiveness margin) is 5,600 dwellings. This compares to the revised capacity of 5,881, which is the WCGM22 capacity (5,934) less the corrections noted by Messrs Akehurst and Sexton (-53). The result is a revised sufficiency of +281 dwellings.

**Waimakariri Urban Environment Sufficiency - Capacity vs Demand
(plus competitiveness margin)**

Urban Environment	Medium- Term	Long- Term
WCGM22	5934	14450
PC31 corrections	-53	-137
Revised capacity	5881	14313
Demand plus Margin	5600	13250
Revised Sufficiency	281	1063

- 25 I acknowledge that in the medium term there is a small positive margin, and Council should monitor the situation. However, it is a positive margin and this means that the requirements of the NPS-UD are met, at least in terms of exceeding the threshold.
- 26 I therefore disagree with the arguments provided by the applicant's experts, and in my opinion there is no medium or long term shortfall which means that PC31 is not required to remedy a shortage of residential dwelling supply in Waimakariri. Moreover, as discussed in Appendix A, the demand and capacity applied in the WCGM22 assessment are conservative, and the sufficiency is likely to be much higher than presented in the table above.

- 27 Furthermore, I consider that NPS-UD only requires live zoning of additional capacity if there is insufficient capacity in the short or medium term. Therefore, the key period appropriate to PC31 is whether there is sufficient capacity in the short-medium term.
- 28 If there is insufficient capacity in the long term then councils can provide capacity via the Future Development Strategy process which is required in the NPS-UD. There will be at least three HCAs and two FDSs developed before the end of the medium term, and a new District Plan soon thereafter, which means that there will be ample opportunity to identify and address long term supply issues in the District.
- 29 Finally, I agree with Mr Akehurst's position that the residential component of PC31 (850-900 lots) would represent significant capacity for Waimakariri within the context of the NPS-UD. While PC31 is not needed to meet any shortfall, I agree that any development of this scale would be significant within the context of the Waimakariri Urban Environment.

Commercial Outcome

- 30 There is agreement that the commercial land provided in PC31 is far too large, and that a condition limiting GFA to 2,700m² is required. Also that there should only be one centre in PC31.
- 31 I consider that Ms Hampson's assessment provides a reasonable understanding of the potential distributional impacts associated with PC31 for the wider network of centres and that if the GFA limit is adopted then PC31 will have small impacts on other centres in Waimakariri.
- 32 I consider that the applicant's experts have not provided justification for the second centre, and in my opinion if PC31 were to be approved, it should only include a single centre.

Economic Costs and Benefits

- 33 There is agreement that economic costs from lost agricultural activity will be small within the context of the wider economy. However, I note that this would be the case for any loss of an individual farm within the district, and that this loss is still an important issue to be considered.
- 34 I accept the applicant's estimate of construction activity. However, I consider that this benefit is not net additional or related to PC31 per se. If PC31 is not developed, then it is likely that this development activity would be accommodated in another location in the Urban Environment anyway, so for the most part the construction activity should not be considered as a benefit of PC31.
- 35 I accept that cross-subsidy associated with infrastructure costs can be avoided if the applicant is required to cover all of the infrastructure funding. If such requirements are accepted by the applicant, then there may not be a cross-subsidy from the rest of the community. I understand that other experts will provide information to this hearing on the calculation of development contributions and the infrastructure costs associated with PC31, which if adopted may reduce the risk of a cross-subsidy occurring.
- 36 There is disagreement on the transport costs associated with PC31. Mr Akehurst considers that in the event that PC31 is not approved, potential residents of the PC31 area may choose to live somewhere else further from the Urban Environment which means, in his opinion, that the transport costs of households will be lower if they are accommodated in PC31.
- 37 I disagree with Mr Akehurst's position, and consider that there are likely to be alternatives that are adjacent to the Urban Environment, which can be expected to have lower transport costs. Therefore, I consider that the transport cost associated with accommodating

households in this rural settlement needs to be considered when assessing the merits of PC31.

38 Finally, Mr Akehurst considers that PC31 will contribute to well-functioning Urban Environment because he believes that it meets the objectives of the NPS-UD. He provides no analysis or quantification to support his opinion.

39 I consider that applicant's economic experts have not proven that PC31 will contribute to well-functioning Urban Environment. In my opinion, PC31 will not contribute to well-function Urban Environment, which is covered in detail within Appendix C.

Other Issues

40 The following other issues were raised.

40.1 **Ōhoka Existing Demand:** many of the applicant's experts are of the opinion that there is high demand for dwellings in Ōhoka, however no data or analysis is provided by the experts in support of those opinions. I accept their observations that there is strong demand for rural lifestyle living in Ōhoka, but in my opinion that demand is not comparable to the type of demand PC31 would aim to provide for, either in size, type, or scale of demand. For that reason I consider that those experts' opinions on rural lifestyle demand are not relevant to the assessment of PC31.

40.2 **Implications of MDRS:** many of the applicant's experts are of the opinion that MDRS will have no material impact in Waimakariri, but again no data or analysis is provided by the experts to support that opinion. I have presented information on recent developments (Appendix D) which shows that residential development intensity has already

increased from historic levels. While recent intensities observed have been less than the full plan-enabled potential in this zone (i.e. 3-by-3), they are still much higher than were achieved pre-MDRS, and represent a significant change in intensity and quantity of dwellings. I consider that it is likely that those intensities will reflect the form of new residential developments in Waimakariri in the medium term, and that this represents a significant portion of development activity and demand.

- 40.3 **Urban Environment Definition:** the applicant's planner provided some discussion on whether Ōhoka is part of the Urban Environment. For the most part his discussion relies on pre-NPS-UD planning documents. I accept that there is no clear post NPS-UD definition provided in planning documents. Also, the GCP 2023 HCA explicitly provides a definition of the Urban Environment, which "*includes Christchurch City and the surrounding towns of Rangiora, Kaiapoi, Woodend, Rolleston, Lincoln, Prebbleton, and West Melton.*"⁴ and I also confirm that the data provided in the HCA uses a geography which excludes Ōhoka and the other small settlements in Waimakariri (and Selwyn). Therefore, I the GCP has excluded Ōhoka from the Urban Environment. I consider that applicant's experts have not proven that PC31 is part of the Urban Environment, and in my opinion, it is not, as is outlined in the Economic Review.
- 40.4 **Christchurch and Selwyn Situation:** some of the applicant's experts consider that there may be shortages in the other parts of the Greater Christchurch Urban Environment, which

⁴ Greater Christchurch Partnership (2023) Greater Christchurch Housing Development Capacity Assessment. Page 8, first paragraph.

could put additional pressure on Waimakariri, and they imply that additional supply should be enabled in Waimakariri to provide for demand overflowing from other areas. No analysis or quantification is provided to substantiate this position, and in my opinion, other parts of Greater Christchurch have sufficient residential capacity to accommodate their expected demand, and there is low risk of additional demand pressures flowing into Waimakariri. I have provided discussion of this in Appendix D, which covers this issue.

- 40.5 **Proposed District Plan and IPI Process:** there are two other planning process underway that may result in more residential capacity being zoned within the Waimakariri Urban Environment. The submissions on these processes cover thousands of hectares of non-urban land, which if zoned could enable capacity for tens of thousands of additional dwellings. The merits of the submitted urban zoning will be assessed by commissioners, and may or may not, result in more land being available for residential development in the medium term.

Conclusion

- 41 Overall, I do not support PC31 from an economic perspective. There is likely to be sufficient capacity in the Waimakariri Urban Environment over the short-medium term (and the long term), which means that PC31 is not required to provide sufficient capacity in Waimakariri.
- 42 Furthermore, there are likely to be alternative development options nearer to the Urban Environment that could provide similar capacity and better contribute to a well-functioning Urban Environment.

- 43 If PC31 is approved then I consider that there should only be one commercial centre and that it should be limited to 2,700m² of GFA. I consider that the second smaller centre has not been justified.

APPENDIX A: RESIDENTIAL DEMAND AND SUPPLY OUTCOMES

- 44 One of the important economic issues in this hearing is the expected residential demand and supply outcomes from PC31. Related to this issue is whether there is sufficient capacity in the Waimakariri Urban Environment to meet expected demand, as required in the NPS-UD.
- 45 Before I discuss the demand and supply situation it is important to note three points – the proposed capacity in PC31 has changed since lodgement, the nature of PC31 is different to the local area, and the relevant time period that needs to be assessed.
- 46 First, the applicant’s experts have presented a range of views on the residential capacity that will be provided in PC31 and when it will be developed.⁵ Based on the expert evidence provided for the applicant, the capacity of PC31 could range from 763 to 1,057 dwellings. Also, the applicant is now suggesting a ten-year development period between 2026 and 2036.
- 47 The Economic Review which is attached to s42 report, which I co-authored with Mr Foy, adopted a capacity of 850-900 dwellings with development completed over ten years 2023-2033. The report also noted that under the proposed rules that PC31 could in theory allow 1,430 lots.
- 48 I consider that the ranges and time periods suggested by the applicant are reasonable, and I adopt them in this Summary Statement. Also, these changes proposed by the applicant do not affect the findings made in the Economic Review which was attached to s42 report.
- 49 Second, the residential activity proposed to be enabled in PC31 is very different to the existing activity in Ōhoka. The applicant’s experts acknowledge this difference.

⁵ Mr Copeland: 800 dwellings constructed over six years (2023-28), para [6.4].
Mr Akehurst: 850-892 dwellings constructed over ten years (2026-36), para [88].
Ms Hampson: 850-1057 dwellings constructed over ten years (2026-36), para [16-17].
Mr Falconer: 763 dwellings, which excludes the education and polo field land, Illustrative Master Plan (Indicative Residential Yield).

- 50 I consider that there is agreement between the economists that there is limited demand in Ōhoka to support the full development of PC31. While I accept Mr Jones' opinion that there may be strong demand for rural lifestyle lots⁶, this demand is relatively small compared to the capacity proposed in PC31 and is not for the same type of product or sufficient to sustain the full development proposed in PC31.
- 51 I agree with Mr Jones' that PC31 is different (providing small lots that are urban in character) to the current offer in Ōhoka⁷, which means that the assessment should not be restricted to rural lifestyle lots.
- 52 Instead, the assessment of PC31 should be conducted in the context of the demand for urban dwellings within the wider Urban Environment, which is consistent with the approach adopted by Mr Akehurst and Ms Hampson.
- 53 Therefore, for this Summary Statement I have focused on the demand and supply outcomes within the Waimakariri Urban Environment.
- 54 Third, the NPS-UD requirement to provide sufficient capacity is a minimum threshold. 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.⁸
- 55 Given the definitions of capacity in the NPS-UD this means that if there is insufficiency in the short or medium term that the council would need to either live zone more capacity within the operative district plan⁹ or propose a change to the plan¹⁰. If insufficiency arises in the long term, the council would need to either live zone more capacity, or identify future urban land in a Future Development Strategy (FDS)¹¹.
- 56 Therefore, long term capacity issues can be dealt with via the FDS process which is required in the NPS-UD. There will be at least three

⁶ Statement of evidence of Chris Jones, paragraph [6].

⁷ Ibid, paragraph [8].

⁸ NPS-UD, clause 3.7.

⁹ NPS-UD, clause 3.4(1)(a).

¹⁰ NPS-UD, clause 3.4(1)(b).

¹¹ NPS-UD, clause 3.4(1)(c).

HCA's and two FDSs developed before the end of the medium term, and a new District Plan soon thereafter, which means that there will be ample opportunity to identify and address long term supply issues in the District.

57 This is important as councils are only required to provide live or proposed urban zoned development opportunities if there is insufficient supply in the short or medium term. If there is insufficient supply in the long term, then WDC can instead identify land for future urban activity. I also note that there is a hearing process underway for the District Plan review and submitters have proposed significant rezoning requests (from rural to residential) of other land around the District.

58 This means that the critical time period in this hearing is whether there is insufficient capacity in the medium term, therefore this is the focus of my Summary Statement.

59 I note that the applicant's economists consider that the development will provide capacity after 2026, which is beyond the short term. Also, neither of the economists provides an assessment of the short term. I consider that PC31 will not be relevant to the short-term outcomes and therefore there is no need to assess the outcomes in this period.

What is the most likely housing demand in the Waimakariri Urban Environment?

60 The first step in the assessment of demand is to select the appropriate population projections. WDC and the Greater Christchurch Partnership have selected the High Series from the most recent Statistics New Zealand projections that was released in December 2023.¹²

¹² Greater Christchurch Partnership (2023) Greater Christchurch Housing Development Capacity Assessment.

- 61 Mr Akehurst has also adopted the High Series, which he calls “the most appropriate”.¹³ However, he notes that new dwelling consents have been strong since 2010¹⁴ and he also considers that the recent rebounding of net migration to above pre-COVID-19 levels may further add to the growth pressure¹⁵ which in his opinion could push growth higher than projected in the High series.
- 62 I agree that the most appropriate projection is the High Series, which is also adopted in WCGM22 and the Economic Review attached to the s42 Report. The Greater Christchurch Partnership has also adopted the High Series in the 2023 HCA.
- 63 However, I consider that this is a conservative position and that growth may well be lower than suggested in this High Series. Importantly, I note that in the last 12 months that new dwelling building consents have been dropping in the District and are now down 20% from a year ago. Also there are other macroeconomic factors that suggest that the growth outcome may be lower in the short to medium term (i.e. recession, higher interest rates, consumer price inflation.).
- 64 While Mr Akehurst considers that the High series could be too low, I disagree and consider that it is more likely to be too high, and therefore using the High series would be unlikely to understate future demand. Regardless, all assessments before this hearing use the same High series.
- 65 The High Series population projection is then converted into dwelling demand, by type and location. This is important as this metric defines how much urban capacity is required to meet the demand. Mr Akehurst is critical of the WCGM22 and GCP 2023 HCA dwelling projections.
- 66 At the total District level the following estimates of dwelling demand are presented for the medium term (10 years):

¹³ Statement of evidence of Gregory Akehurst, paragraph [35-36].

¹⁴ Ibid, paragraph [39].

¹⁵ Ibid, paragraph [40].

- 66.1 Mr Akehurst: 5,540 dwellings.¹⁶
- 66.2 WCGM22: 5,794 dwellings.¹⁷
- 66.3 Ms Hampson: 6,073 dwellings.¹⁸
- 66.4 GCP 2023 HCA: 7,114 dwellings.¹⁹

- 67 I note that Mr Akehurst's estimate of District level demand is the lowest before this hearing. That is important, because while Mr Akehurst considers that the WCGM22 and GCP 2023 HCA both underestimate demand, his own estimate of demand is actually lower, and as such I am unsure why he considers that the WCGM22 and GCP 2023 HCA both underestimate demand.
- 68 The total dwelling demand is then split into the different areas of the district. Some of the dwelling demand will be accommodated in rural, rural lifestyle zone and small settlements in the District. These areas are not part of the Urban Environment identified in both the WCGM22 and the GCP 2023 HCA, and are not part of the assessment of sufficiency within the NPS-UD (either as demand or supply). Therefore, this portion of the total District dwelling demand must be excluded.
- 69 Neither Mr Akehurst nor Ms Hampson provide an estimate of the dwelling demand within the Urban Environment.
- 70 However, Mr Akehurst notes that urban areas in Selwyn District have 85% of the total district dwelling demand and implies that this could be similar for Waimakariri.²⁰ If Mr Akehurst had adopted this share (85%) with his own total district demand (of 5,540) then he would have estimated a demand for 4,710 dwellings in the Urban Environment. This level of demand is not materially different to either the WCGM22

¹⁶ Statement of evidence of Gregory Akehurst, paragraph [41].

¹⁷ Formative (2023) Waimakariri Capacity for Growth Model 22.

¹⁸ Statement of evidence of Natalie Hampson, Appendix 4 Status Quo.

¹⁹ Greater Christchurch Partnership (2023) Greater Christchurch Housing Development Capacity Assessment, Table 30 and 31.

²⁰ Statement of evidence of Gregory Akehurst, paragraph [50].

or GCP 2023 HCA, therefore Mr Akehurst's concerns about demand are in my opinion unsupported.

71 Currently, there are two estimates of dwelling demand for the Urban Environment which are provided by the WCGM22 and GCP 2023 HCA. They show medium-term demand (10 years) in the Urban Environment for:

71.1 4,682 dwellings (GCP 2023 HCA).

71.2 4,143 dwellings (WCGM22).

72 Mr Sellars' provided oral evidence that there was demand for 462 dwellings per annum. I note that Mr Sellars demand would equate to 4,620 dwellings in the medium term, which falls within the range in the WCGM22 and GCP 2023 HCA.

73 I consider that based on the available information and Mr Sellars' comments that demand for the Urban Environment within the coming 10 years is likely to range from 4,140 to 4,700 dwellings. This is equivalent to 414 to 470 dwellings per annum.

74 The NPS-UD requires councils to include a competitiveness margin which is an additional buffer above the demand of 20% in the medium term. This would mean that the council needs to provide at least 4,970 (WCGM22) or 5,600 (GCP 2023 HCA) dwellings.

75 The dwelling demand is also disaggregated into standalone and attached dwellings. I consider that the majority of the demand in the medium term in Waimakariri will be for standalone dwellings. This is also Mr Akehurst's position and is also consistent with the WCGM22 and GCP 2023 HCA.

76 However, Mr Akehurst questions the GCP 2023 HCA estimate of demand in Christchurch, and considers that demand for standalone dwellings may be underestimated in Christchurch.²¹ The implication is that there may be more demand for standalone dwellings and that

²¹ Statement of evidence of Gregory Akehurst, paragraph [26]-[30].

- some of this demand could flow into Waimakariri which would further impact sufficiency within the Waimakariri Urban Environment.
- 77 The demand estimate in the GCP 2023 HCA suggests that within the Urban Environment 57% of dwelling demand could be standalone and 43% as being attached, in the medium term.
- 78 Contrary to Mr Akehurst's assertions, the most recent data supports the GCP 2023 HCA estimate of demand. In the last 12 months approximately 48% of new dwelling consents in Greater Christchurch Urban Environment were standalone.²²
- 79 Furthermore, over the last ten years the share of new dwellings that were standalone changed from consistently being over 80% to now being consistently below 50%. In my opinion, the trend is clear, with the share of development that is standalone declining steadily.
- 80 I consider that it is reasonable to expect this trend to continue, and that the GCP 2023 HCA demand share of 57% being standalone is much more likely to overestimate demand for standalone dwellings in the medium term, than it is to underestimate that demand. Therefore, I do not agree with Mr Akehurst's opinion that the GCP 2023 HCA underestimates standalone dwelling demand in Christchurch.
- 81 I consider that in Waimakariri Urban Environment the demand (plus competitiveness margin) is conservatively within the following range:
- 81.1 WCGM22 would suggest 4,970 dwellings over the medium term (i.e. 497 p.a.).
- 81.2 GCP 2023 HCA would suggest 5,600 dwellings over the medium term (560 p.a.).
- 82 The applicant's experts have not provided their own estimate of demand for the Urban Environment. Mr Akehurst has adopted the demand from the GCP 2023 HCA (5,600) and Ms Hampson's gravity model cannot be readily converted to the Urban Environment.

²² Statistics New Zealand (2023) New Dwelling Consents.

83 Therefore, I consider that it would be conservative to adopt 5,600 as the upper end estimate of medium term demand for the Waimakariri Urban Environment for the purposes of this hearing.

What is the capacity for housing in the Waimakariri Urban Environment?

84 The WCGM22 estimates the level of capacity that is plan enabled, infrastructure-ready, commercially feasible and reasonably realisable within the Urban Environment, as required in NPS-UD. This information is adopted in the GCP 2023 HCA and the Economic Review attached to the s42 report.

85 The WCGM22 suggests that plan enabled capacity for residential dwellings could increase to over 80,000, or almost three times the existing dwellings in the District. The assessment of the capacity that could be commercially feasible and reasonably realisable, as prescribed in the NPS-UD, suggests that there is capacity for just over 5,930 new dwellings in the medium term.

86 I note that the NPS-UD defines the assessment of capacity, which means that the modelled outcomes will be conservative:

86.1 NPS-UD requires that assessments are conducted using the current relationship between costs and revenue for the short and medium term. This means that the modelling cannot allow for changes in the market. I consider that in a high growth area it is certain that feasibility and development activity will improve over time. In my opinion, it is very likely that over the coming 10 years that market conditions will change and more capacity will be feasible than is indicated in the WCGM22. For this hearing I have been provided recent consents for comprehensive developments in the District (discussed further in Appendix D). I can confirm that residential developers are now achieving much higher density than was predicted in the WCGM22. I discuss this

further when I address Mr Sellars' evidence, but I note that Mr Sellars suggested in oral submissions that there is a trend in Waimakariri for lot sizes to decrease. This means that development intensity is increasing, which matches the data that I have reviewed.

86.2 NPS-UD requires that a **commercial** assessment be adopted when assessing capacity. This means that WCGM22 does not cover every type of developer, there are semi-commercial and public providers of dwellings which are not modelled (Kāinga Ora, Ngāi Tahu, retirement village developers, private households etc). Specifically, the capacity that these developers provide will not be measured within the WCGM22 - i.e. these developments will deliver capacity in addition to that modelled in the WCGM22.

87 Therefore, I consider that it is most likely that the amount of development that is achievable in the Urban Environment will be higher than that estimated in the WCGM22. In my opinion, the WCGM22 is likely to underestimate capacity by approximately 10-20% in the medium term.

88 Furthermore, the District Plan Review and the IPI process may well result in further land being zoned (or upzoned) for residential development within the Urban Environment. WDC has received submissions to rezone large areas of the District as follows,²³

88.1 1,144ha of Rural Lifestyle Zone to Large Lot Residential Zone.

88.2 1,975ha of Rural Lifestyle Zone to residential zones (General Residential and Medium Density Residential).

²³ Some submitters have suggested several alternative zones for a parcel of land, which means there is some land that is counted more than once in the numbers counted. However, this is not material to the point, which is that there has been a large number of submissions made to change zoning which could significantly increase capacity in the District.

- 88.3 57ha of Large Lot Residential Zone to residential zones
(General Residential and Medium Density Residential).
- 88.4 279ha of Development Areas to Residential (Medium Density
Residential).
- 89 These submitted changes would greatly increase capacity in the Urban
Environment, potentially providing capacity for many thousands or tens
of thousands of dwellings in the medium term, and well over 20,000
new dwellings if all the submissions were approved. The submitted
changes will be appropriately assessed, and considered, within the
context of the range of potential options.
- 90 Turning to the applicant's evidence, Mr Akehurst considers that the
WCGM22 includes some land that is not available for development. He
presents some examples²⁴ and maps²⁵, which are based on Mr Sexton's
assessment (which he displayed visually in the hearing). Mr Akehurst
considers that these areas are "relatively small".²⁶
- 91 I have reviewed the examples and maps, and agree that they are
relatively small. In total the noted issues represent a capacity of 53
dwellings in the medium term which is less than 0.9% of the capacity.
These small issues have no material impact on the findings of whether
there is sufficiency or not.
- 92 I acknowledge that no model can be perfect and that there will always
be some overs and unders. The model was reviewed internally at
Formative and by Council Officers, however these few small issues
were not captured via these two reviews. In my opinion, these issues
are well within the expected margin of error for a model of this type.
- 93 I note that Mr Akehurst and Mr Sexton had two full weeks to assess the
parcel level data from WCGM22. Also, Mr Akehurst has expert
experience both developing capacity models for NPS-UD and he
reviewed exactly the same data set for the Selwyn hearings. I consider

²⁴ Statement of evidence of Gregory Akehurst, paragraph [83].

²⁵ Ibid, Appendix 1 – Figures 17 and 18.

²⁶ Ibid, paragraph [86].

that there was ample time to review the data, and the fact that these two experts only identified a few issues (0.9%) shows that the model is reasonably accurate and that the WCGM22 is robust.

94 Therefore, taking into account the corrections identified by Mr Akehurst (shown in his Appendix 1), I find that the commercially feasible and reasonably realisable capacity within the Urban Environment of the District in the medium term is around 5,880, rather than 5,930 as reported in the Economic Review attached to the s42 report (see Figure 1).

Figure 1: Waimakariri Urban Environment Capacity - Medium Term

Urban Environment	Medium- Term
WCGM22	5934
PC31 corrections	-53
Revised capacity	5881

95 Mr Akehurst and Mr Sextan have also focused on the long term capacity provided in the New Development Areas (NDA) in Rangiora and Kaiapoi. I note that most of these areas are not proposed to have live zoning under the District Plan Review, and can only be developed for urban use in the future once the zoning is changed to residential.

96 Appropriately, the capacity in these NDA areas is recorded as zero in the medium term. These areas are only included as providing capacity in the long term within the WCGM22 and by extension the GCP 2023 HCA. The WCGM22 parcel level data provided to the applicant clearly shows this, with no capacity recorded for NDA land that is not zoned for the medium term. Therefore, the NDA are not relevant to the assessment of medium term capacity under the NPS-UD.

97 Mr Akehurst has included the NDAs in his medium term assessment, and in Figure 10 of his evidence he takes the:

- 97.1 medium term capacity from the GCP 2023 HCA of 5,950, and
- 97.2 subtracts his estimate of dwelling capacity on the undevelopable NDA land (e.g. 1,293 in his first scenario)
- 97.3 to get his revised estimate of medium term capacity (4,657).

- 98 He then compares his revised capacity (4,657) to the medium-term demand of 5,600 and finds a shortfall of 943 dwellings.
- 99 However, it is not correct to remove NDA capacity from the medium term capacity in the GCP 2023 HCA, because the GCP 2023 HCA medium term estimate does not include those 1,293 dwellings - only the GCP 2023 HCA's long-term estimate does. For that reason, Mr Akehurst's assessment for the medium term in Table 10 of his evidence understates dwelling capacity. That affects Mr Akehurst's conclusions about the sufficiency of dwelling capacity in the medium term, and also the other experts (Mr Walsh) who relies on Mr Akehurst's conclusions.
- 100 Furthermore, I disagree with Mr Akehurst's and Mr Sexton's contention that a large share of the NDA should be removed as being undevelopable in the long term.
- 101 First, it is claimed that much of Kaiapoi NDA (95%) is not developable because it is under the CIAL Noise contours (May 2023) and High Flood Hazard areas. My understanding is that this land is developable and that these restrictions are not binding. While development in this area may be more expensive, I consider that over the long term that it is likely that this impediment would not prevent development, a matter which is discussed in the evidence of Mr Willis and Mr Bacon for the Council.
- 102 I also note that there are submissions on the DPR by the landowners that much of this land be live zoned for residential uses²⁷, which shows a clear indication that this land is likely to be developable in the long term.
- 103 Second, in the Rangiora NDA there is Rangiora High School which also had a large teaching farm which is zoned rural under the ODP. As I

²⁷ Submission 173.1 (2021) Momentum Land Ltd which owns 35ha of the NDA has requested live zoning and Medium Density Residential (i.e. the southern third of the Kaiapoi NDA).

Submission 208 (2021) Suburban Estates Limited on behalf of the owners (Wakeman) of 39ha of the NDA has requested live zoning General Residential Zone (i.e. the northern third of the Kaiapoi NDA).

- understand it, most of the teaching farm was sold and is now being developed as Bellgrove residential development (MDRZ). There is now only a small part of the farm land remaining (15ha).
- 104 The applicant's experts consider that the High School grounds and remaining farm land is not developable.
- 105 I agree that the school grounds are not developable and confirm that WCGM22 does not include the grounds. This includes most of the land that Mr Sexton and Mr Akehurst note in their evidence.
- 106 The remaining small farm block of 15ha is included in the WCGM22. This land is part of a "Priority Area" which may be developed in partnership with central government agencies.²⁸
- 107 Given the scale of the land and the location (being surrounded by urban), I would expect that the continuation of rural activity on this small piece of land will become challenging. I consider that over the long term (20-30 years) that it is likely that this remaining farm land will be developed for urban uses. I disagree with Mr Akehurst's position that this land is undevelopable simply because it is owned by a school.
- 108 Third, there is a funeral director located in the Rangiora NDA on Kippenberger Avenue. I accept that this land may not be developable in the long term. The WCGM22 records this land as having a capacity of 24 dwellings. I consider that the removal of this land will not have a material impact on the assessment, as it represents less than 0.2% of capacity in the long term. Also, this land is not live zoned for residential which means that it is not recorded as having capacity in the medium term (i.e. it has a capacity of zero). To be clear, there is no required correction in the WCGM22 for the medium term.
- 109 Fourth, the applicant's experts note that there are plans for additional land to be provided around MainPower Stadium (approx. 4ha, south of the oval and north of Rangiora High School). I am not aware of these plans and can confirm that this land is included as capacity within the

²⁸ Greater Christchurch Partnership (2023) Spatial Plan (Draft June).

long term. If this land is undevelopable then 60 dwellings would be removed from the WCGM22. I consider that the removal of this land will not have a material impact on the assessment as it represents less than 0.4% of capacity in the long term. Also, this land is not live zoned for residential which means that it is not recorded as having capacity in the medium term (i.e. it has a capacity of zero). To be clear, there is no required correction in the WCGM22 for the medium term.

110 Fifth, Mr Sexton has estimated the non-developable land in each of the NDA, by accounting for stormwater, waterways, openspace, and also removed a notional 12.5% for other stormwater. He starts with 455ha of raw land and then estimates a remaining land area of 347ha, which is 24% of land being undevelopable.

111 I note that the WCGM22 also removes land for undevelopable purposes (stormwater etc). The model assumes 25% of land is undevelopable which is similar to the rate estimated by Mr Sexton. Therefore, I consider that the WCGM22 already accounts for this issue. As such I do not agree with Mr Akehurst's assessment as this effectively doubles the land removed for non-developable purposes than should be removed.

112 Based on the information presented by the applicant's experts I consider that the long-term capacity may be marginally lower than shown in the WCGM22 (-0.9%).

113 I find that the commercially feasible and reasonably realisable capacity within the Urban Environment of the District is around 14,313 rather than 14,450 in the long-term as reported in the Economic Review attached to the s42 report (shown in Figure 2). Specifically, I have removed both the medium-term capacity which Mr Akehurst/Mr Sexton has questioned (his Appendix 1) and the capacity that was noted for the funeral director and the potential expansion of MainPower Park.

Figure 2: Waimakariri Urban Environment Capacity - Long Term

Urban Environment	Long- Term
WCGM22	14450
PC31 corrections	-137
Revised capacity	14313

114 Finally, in Figure 3 I provide a comparison of the commercially feasible and reasonably realisable capacity figures for the medium-term and long-term to the demand (plus margin). The revised figures show that there is sufficient capacity in the medium-term of 281 and 1,063 in the long-term.

Figure 3: Waimakariri Urban Environment Sufficiency - Capacity vs Demand

Urban Environment	Medium- Term	Long- Term
WCGM22	5934	14450
PC31 corrections	-53	-137
Revised capacity	5881	14313
Demand plus Margin	5600	13250
Revised Sufficiency	281	1063

115 I acknowledge that in the medium term there is only a small positive margin, and Council should monitor the situation. However, it is a positive margin and this means that the requirements of the NPS-UD are met, at least in terms of exceeding the threshold.

116 I therefore disagree with the arguments provided by the Applicant's experts that PC31 is required to meet a capacity shortfall – there is no identified medium term or long term shortfall according to my calculations.

117 I also note that the NPS-UD sufficiency test is framed as a minimum level of development capacity required, not a maximum. Also, the NPS-UD has a wider set of objectives, beyond simply providing the bare minimum capacity that is sufficient to meet expected demand. Both of which means that WDC 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, but this does not

mean that all additional developments should be adopted as being beneficial.

118 Also, as previously discussed, I consider that the modelling within the WCGM22 is, by requirement, overly conservative. In my opinion, there are a number of reasons why the situation in the future is likely to be better than shown in Figure 3:

- 118.1 the High series demand that is adopted is conservatively high, which means there is a strong chance that demand could be lower in the coming 10 years and beyond.
- 118.2 the demand includes a 20% margin which provides even more buffer. Combining a buffer on top of High Series demand adds conservatism on top of conservatism.
- 118.3 the capacity assessment must use current relationships as fixed, which means that even though the market will shift in the coming years the WCGM22 is not allowed to model these changes. It is very likely that more capacity will become feasible in the coming decade, this is especially the case now that MDRS has been adopted.
- 118.4 the capacity assessment does not include public or semi-commercial developers, such as Kāinga ora, Ngāi Tahu, retirement village operators, private households etc. All of which will build and provide a considerable amount of capacity.
- 118.5 the DPR process may result in more land being live zoned.

119 Therefore, while technically there appears to be a small positive margin of capacity in the medium term, in my opinion the most likely outcome is that the sufficiency will be much higher in the medium term.

120 I also note that even under Mr Akehurst's (and potentially Mr Sellars) assessments there would not be any need for more land until the end of this decade. The DPR process is underway and the applicant has

submitted on this process, where the merits of their land can be considered against alternative land.

121 For example, if there was a medium term need, then I consider that WDC could live zone the already identified and planned for NDA areas or adopt some of the proposed land that submitters have suggested in the DPR process.

122 None of the applicant's experts has presented an argument that there is a short term need, which means that there is time to consider the options and that PC31 would be one of many alternatives.

123 In oral presentation to the hearing, Mr Sellars introduced new information that was outside the scope of his evidence. He said that there is a capacity of 2,598 lots on "vacant" land in the short-medium term. He suggested that this meant that there was only sufficient capacity for 5.6 years.

124 I note that Mr Sellars has **not provided his assessment in evidence** and **has no experience providing capacity assessments under the NPS-UD**. Therefore, I question whether he has undertaken his assessment in accordance with NPS-UD requirements. It appears from his oral comments that he has only assessed "vacant" land and has not completed a full assessment, as required for the NPS-UD.

125 Mr Akehurst has extensive experience undertaking capacity assessments for the NPS-UD and reviewing growth models. He has reviewed the WCGM22 and noted only "relatively small" issues in the calculation of capacity. I consider that Mr Akehurst's expert opinion, which is provided in evidence, should be preferred over Mr Sellars which was not provided in evidence on this topic.

126 Moreover, I consider that it is improbable that WCGM22 overestimates capacity by over 50%, as contended by Mr Sellars. I do not accept Mr Sellars oral opinion on capacity in Waimakariri Urban Environment.

127 Also, even if one was to adopt Mr Sellars assessment, there is sufficient capacity in the short term and much of the medium term.

APPENDIX B: COMMERCIAL DEMAND AND SUPPLY OUTCOMES

- 128 There is much agreement between the economic evidence presented by Ms Hampson and the Economic Review on the commercial aspects of PC31. These assessments both find that:
- 128.1 The commercial capacity in PC31 is too large, which means that a cap on the gross floor area (GFA) is required of 2,700m².
- 128.2 That a single centre (on Whites Road) would be optimal.
- 129 I consider that Ms Hampson's assessment provides a reasonable understanding of the potential distributional impacts associated with PC31 for the wider network of centres.
- 130 Ms Hampson considers that if a second centre is included in PC31 then three additional conditions be adopted²⁹:
- 130.1 the smaller centre should be lower in centre hierarchy (e.g. it should be a Neighbourhood Centre zone),
- 130.2 the second centre should be included within the total GFA cap for PC31, and
- 130.3 development of a second centre should only begin after the larger centre is developed and tenanted, and subject to an assessment at that time of the economic health of Mandeville Village in light of the introduction to the market of the commercial space in the larger centre.
- 131 While I agree with these conditions, I consider it would be unnecessary and inefficient to have a second smaller centre close to (indicated to be 200m away from) the larger centre, and would result in either duplication or dilution of activities between the two centres. In my opinion It would be much more efficient to have all centre-activities

²⁹ Statement of evidence of Natalie Hampson, paragraph [82].

contained within a single node, rather than requiring shoppers to move between two discrete nodes to visit a range of commercial businesses.

132 I note that the conditions recommended by Ms Hampson have not been included in the application or adopted by Mr Walsh.

133 In conclusion, the only point of disagreement is around the potential inclusion of a second smaller centre in PC31. While there is agreement that the inclusion of a second smaller centre in PC31 would be less desirable, Ms Hampson has implicitly maintained support for this part of the proposal by including potential conditions. I consider that PC31 should not include a second smaller centre.

APPENDIX C: ECONOMIC COSTS AND BENEFITS

- 134 The economic costs and benefits associated with PC31 are as follows, lost agricultural production, construction value, infrastructure costs, transport costs, and contributing to well-functioning urban environments.
- 135 First, there is broad agreement between Mr Akehurst, Mr Copeland, and the Economic Review attached to the s42 report that the loss of PC31 land would result in a small loss of rural production (from an economic perspective). The importance of those productive soils is addressed by other experts.
- 136 Second, both Mr Copeland and Mr Akehurst consider that the development and building of houses enabled by PC31 will generate economic benefits in terms of construction activity in the District. Mr Akehurst estimates the total GDP value of construction activity to be \$324 million over the development period and notes that this is a one-off impact.³⁰
- 137 I accept the quantification of the construction value presented, however I consider that most of this value is not net additional to the economy. Specifically, if PC31 did not occur then demand would be accommodated elsewhere in the District, and approximately the same associated construction activity would be generated in those other locations.
- 138 I consider that Mr Akehurst's representation of these benefits could be misleading, and it is common practise to note that most of this value would have occurred regardless of PC31.
- 139 Third, the development of PC31 will require infrastructure that is supplied by the wider community (via the Council). Mr Akehurst considers that these costs can be covered by the applicant via appropriately set fees, such that no cross-subsidy would occur.

³⁰ Statement of evidence of Gregory Akehurst, paragraph [132]-[146].

- 140 I accept that this might be the case, however it was not clear from the application documents that were reviewed that this would occur. Therefore, if the applicant provides undertakings to fund all infrastructure, and agreements with Council to that end are entered into, then the risk of a cross subsidy cost occurring would be diminished.
- 141 Fourth, PC31 will allow a large number of households to live within a semi-rural area. For the most part these households will need to use private motor vehicles to travel to meet their needs, and these trips will be longer than those undertaken by the average household in the Urban Environment.
- 142 Mr Akehurst considers that there is insufficient capacity in or near the Urban Environment so “there is not a counterfactual scenario where the actual transport costs are lower than for PC31 as there may not be sufficient capacity adjoining the large urban townships”.³¹ Mr Akehurst implies that the prospective residents of PC31 may live somewhere else further from the Urban Environment, presumably in rural, rural settlements, or rural lifestyle zone.
- 143 I disagree with Mr Akehurst’s position. In addition to the fact that there is sufficient capacity identified within or adjoining the District’s large urban townships, I consider that it is unlikely that prospective households that live in PC31 would choose to live in these more or equally remote rural areas. I consider that PC31 would enable the creation of a new urban area, and that area would be very different to the rural areas Mr Akehurst implies would be alternative choices as a place of residence. Instead, in my opinion households that might choose to live within PC31 will likely choose to live in either there or in other parts of the Urban Environment if PC31 is not developed, but would be much less likely to choose to live in rural areas. Therefore, I

³¹ Ibid, paragraph [205].

would expect that PC31 would result in transport costs that are higher than the (urban) alternative.

144 Also, I consider that even if there is insufficient supply, there are alternatives that could be adopted to accommodate demand. As discussed, the District Plan Review and the IPI process may well result in further land being zoned (or upzoned) for development within the Urban Environment.

145 I disagree with Mr Akehurst's position that there may not be sufficient capacity adjoining the large urban townships and I consider that there are likely to be alternatives that are adjacent to the Urban Environment, which will have better transport outcomes associated. Therefore, I consider that the transport cost associated with accommodating households in this rural settlement need to be considered when assessing the merits of PC31.

146 Fifth is the issue of whether PC31 would contribute to a well-functioning Urban Environment and meet the other policies and objectives of NPS-UD (affordability, competition, close to existing centres, significant development, etc).

147 Mr Akehurst provides no discussion of whether Ōhoka or PC31 is within the Urban Environment. His evidence implicitly assumes that the NPS-UD applies to Ōhoka and PC31, and that this rural settlement is part of the Urban Environment.

148 I consider that it is not clear whether Ōhoka or PC31 is within the Urban Environment. I consider that on balance that it is not within the Urban Environment, which is discussed further in the Economic Review attached to the s42 Report.

- 149 Notwithstanding the applicability of the NPS-UD, I discuss Mr Akehurst's evidence on the objectives. He considers that PC31 will contribute positively to the Urban Environment by:
- 149.1 Supporting housing affordability and competitive land market, because it adds significant land for development.³²
- 149.2 Being proximate to existing centres and employment opportunities, and closer to Christchurch than Rangiora or Woodend/Pegasus.³³
- 149.3 Enabling a significant development opportunity.³⁴
- 150 Therefore, he considers that PC31 would contribute to a well-functioning urban environment.³⁵
- 151 First, in terms of housing affordability I consider that the provision of dwellings in PC31 are unlikely to be affordable. In the Economic Review that is attached to the s42 report it was estimated that the cost of a dwelling in PC31 could be in the range of \$830,000 to over \$1,000,000.
- 152 The applicant's experts have presented evidence that suggests that the Residential 2 land in PC31 will sell within the range of \$475,000 and \$545,000 per lot³⁶ and that the construction of the dwellings will cost at least \$510,000 for Residential 2 and \$1,300,000 for the Residential 4a³⁷. Combined this means that PC31 dwellings are expected to have a value of at least \$985,000 and most being well over \$1,000,000. This compares to average house price in WDC of \$725,000.³⁸
- 153 I consider that there is agreement that PC31 will provide housing that will have high sales values, and these will be much higher than the average sales price (more than 30%). In my opinion, it is clear that PC31 will not provide affordable housing options.

³² Ibid, paragraph [99].

³³ Ibid, paragraph [102].

³⁴ Ibid, paragraph [105].

³⁵ Ibid, paragraph [107].

³⁶ Statement of evidence of Chris Jones, paragraph [21].

³⁷ Statement of evidence of Gregory Akehurst, paragraph [138]-[139].

³⁸ Ibid, paragraph [120].

- 154 In Mr Akehurst's opinion, the addition of supply in PC31 will cause a market wide shift that will improve affordability. He does not quantify or justify his position, and merely relies on theory.
- 155 While I accept that adding supply can influence prices, this is under the assumption that there are restrictions within the market. I consider that this is not the case in Waimakariri, where there is ample supply. In my opinion, PC31 would at best contribute a small positive impact indirectly to the rest of the market. However, this is likely to be so small as to be more or less indiscernible within the context of the housing market in the Urban Environment.
- 156 In terms of contributing to competitive operation of the market, Mr Akehurst considers that providing more land via PC31 will avoid the risk of market power and monopoly behaviour occurring.³⁹
- 157 I find Mr Akehurst's references to monopoly behaviour to be unfounded, especially within the Greater Christchurch area which has seen some of the lowest price increases in the country. While providing additional supply can provide some marginal benefits in terms of competition, I do not consider that this will be material in WDC and Greater Christchurch. There is ample supply in Greater Christchurch and WDC, therefore there is no risk of a monopoly forming. In conclusion, while I accept there might be a small competition benefit from PC31 it is not likely to be material. Also, Mr Akehurst has presented no quantification or estimation of the scale of this benefit.
- 158 Second, Mr Akehurst considers that PC31 is more proximate to employment opportunities and centres in Christchurch relative to other locations in the District.
- 159 While I agree that PC31 may well be relatively closer to the Urban Environment in Christchurch than other parts of the District, the Urban Environment also includes Rangiora, Woodend-Pegasus, and Kaiapoi. All of these locations have centres and employment opportunities and

³⁹ Ibid, paragraph [124]-[127].

there is a lot of land around these towns that is closer to these parts of the Urban Environment than PC31 is to the Urban Environment of Christchurch.

160 Therefore, I do not agree with Mr Akehurst's proposition that PC31 is a relatively good location compared to the edges of the other Urban Environments in Waimakariri District. I consider that locating development on the edge of Rangiora, Woodend-Pegasus, and Kaiapoi would better contribute to a well-functioning Urban Environment than would PC31.

161 Finally, I consider that there is agreement between Mr Akehurst and the Economic Review that PC31 is a significant development in terms of the NPS-UD. The scale of the development is such that it would have to draw a large amount of the District's growth to this new location.

162 I agree that this change in demand (and supply) patterns would be significant and that PC31 would effectively create a new urban area in this location. This does not mean that the development of PC31 is positive relative to the alternative of providing for growth in an orderly fashion around the existing Urban Environment. While PC31 may well provide significant capacity, I consider that it still needs to be assessed on its merits.

APPENDIX D: OTHER ISSUES

163 The applicant has provided evidence on real estate (Mr Jones), valuations (Mr Sellars), and planning (Mr Walsh) which contain economic aspects of PC31. I have reviewed their evidence and provide the following comments, as they relate to economic issues.

Real Estate

164 First, Mr Jones provides his opinion on the demand for housing in Ōhoka. He does not provide data or detailed assessment, and provides the following opinions based on his experience:

164.1 Ōhoka is a rural village, which is close to Christchurch CBD.⁴⁰

164.2 There have been few sales in Ōhoka in recent years.⁴¹

164.3 Ōhoka is popular for rural lifestyle both for enquiries and searches.⁴²

164.4 People attracted to Ōhoka have to buy large lots (4ha or larger).⁴³

164.5 Recent sales and auctions indicate that there is “extreme demand”.⁴⁴

165 Mr Jones also considers the demand for PC31 and concludes that the product being proposed as part of this plan change will be in high demand.⁴⁵ He notes that PC31 will provide lots which are much smaller than exist in Ōhoka and larger than provided in Kaiapoi, Woodend, and Rangiora.

166 He also provides brief comment on the demand-side implications of the MDRS in Waimakariri.⁴⁶ He considers that the new zone will not have a

⁴⁰ Statement of evidence of Chris Jones, paragraph [5].

⁴¹ Ibid, paragraph [6].

⁴² Ibid, paragraph [6.1]-[6.5].

⁴³ Ibid, paragraph [7].

⁴⁴ Ibid, paragraph [9]-[12].

⁴⁵ Ibid, paragraph [13]-[23].

⁴⁶ Ibid, paragraph [24]-[26].

material impact on development in Waimakariri because the existing demand is for standalone houses with outdoor living space and much of the housing stock is new (young) to be redeveloped.

167 Mr Jones concludes that there is significant demand for residential housing in Ōhoka, relative to the other villages or townships in the Waimakariri District.⁴⁷

168 I agree with some of Mr Jones' evidence and I am also of the opinion that:

168.1 Ōhoka is a small rural village and there have been limited sales (and supply). People are attracted to the area by rural lifestyle and there is demand for more large lots.

168.2 PC31 would provide smaller lots which would be appealing to a greater cross-section of people. The lots would be larger and more expensive than the lots supplied in the Urban Environment of Waimakariri.

169 However, I consider that demand for rural lifestyle in Ōhoka is very different to demand for PC31. In my opinion, the proposed supply in PC31 is much closer in nature to urban development in Kaiapoi, Woodend, and Rangiora. Therefore, Mr Jones' findings of "extreme demand" is somewhat irrelevant as this relates to rural lifestyle and not the type of lots provided in PC31. His opinion is also informed by enquiries for Ōhoka as it is now, i.e. a small rural village, not what it would become – a town larger than Oxford.

170 The key question is whether there is demand for the development proposed in PC31. Mr Jones' evidence appears to equate the demand for Waimakariri urban area to mean that there is demand for urban land in Ōhoka. I disagree, in my opinion the demand is not related to Ōhoka, or PC31 per se, and could be equally accommodated elsewhere

⁴⁷ Ibid, paragraph [27].

- in the District. I note that Mr Jones provides no estimate of the demand or period over which the lots from the development might be sold.
- 171 I disagree with Mr Jones' comments on MDRS. I consider that the MDRS change will allow development within the greenfield (and to a lesser extent infill) to occur to a greater intensity. I note that a large share (45%) of dwellings in the Urban Environment are currently 30 or more years, and 31% is more than 40 years old, and in the coming decades redevelopment will occur as this stock ages further. Mr Jones' concern about age of the dwelling stock is unfounded in my opinion.
- 172 I accept that development intensity will not get to the maximum level enabled in the Medium Density Residential zone. However, it is likely that development will become more intense, with smaller section sizes being developed. This change will be material in my opinion and is a continuation of the trend that is observed in the District, which I discuss further in response to Mr Sellars' evidence.

Valuation

- 173 Mr Sellars provides a short statement on the supply-side implications of the MDRS.
- 174 He considers it is "too early to gauge the likely up take" and in his opinion that full development potential enabled by the new zone (i.e. 3 dwellings to 3 levels - '3-by-3') will generally be supplied in the inner suburbs of Christchurch near major commercial hubs and transport routes.⁴⁸
- 175 Mr Sellars also consider that the Inner North Canterbury area has larger sections and lower development density, with most housing having two or fewer levels. He is of the opinion that this is unlikely to change in the foreseeable future.⁴⁹ He notes that the cost of building three levels is higher than single or double level, which means that development to

⁴⁸ Statement of evidence of Gary Sellars, paragraph [14].

⁴⁹ Ibid, paragraph [12].

the maximum (3-by-3) in the Inner North Canterbury area is less feasible.⁵⁰

176 Mr Sellars concludes that MDRS will have negligible impact on Waimakariri urban areas.⁵¹

177 I agree with some of Mr Sellars' opinions and I am also of the opinion that:

177.1 for the most part, the full development potential enabled by the MDRS (i.e. 3-by-3) will generally be achieved in the inner parts of Christchurch. This reflects the research which I have completed for the Greater Christchurch Partnership⁵² and evidence presented by each of the Partnership Councils for the Intensification Planning Instruments⁵³.

177.2 the cost of building dwellings that are three levels (or higher) is greater than for dwellings with one or two levels, which means that the sale price needs to be higher for development to be feasible. This is reflected in the WCGM22, which has different costs for each typology of dwelling and different sales prices. The WCGM22 finds that the feasibility of townhouses and apartments is much lower than standalone or units.

177.3 the full plan-enabled development potential in the MDRZ in Waimakariri will not be needed or feasible to develop in the medium term. The modelling in the WCGM22 shows that only a small share of development potential is feasible in the medium term and that much of the plan enabled capacity is not developable.

⁵⁰ Ibid, paragraph [13].

⁵¹ Ibid, paragraph [16].

⁵² Formative (2022) Greater Christchurch Spatial Plan Dwelling Affordability Assessment.

⁵³ Selwyn District Council - Variation 1, Christchurch City Council - Plan Change 14, Waimakariri District Council - Variation 1.

- 178 However, I disagree with Mr Sellars' conclusion that MDRS will have minimal impacts on development intensity in the Waimakariri urban areas.
- 179 I consider that the application of MDRZ to the main urban areas will enable the development of more dwellings than under the operative District Plan. The development intensity in Waimakariri has been increasing over the decades, and I consider that it is likely that the MDRZ will ensure that this trend continues.
- 180 Mr Sellars has provided no discussion of this trend or how it may interact with the new MDRZ. I consider that while it is unlikely that the full plan-enabled capacity for the zone (i.e. 3-by-3) will be achieved in Waimakariri urban areas, it is very likely in my opinion that development intensity will increase significantly and that the MDRZ will have a material impact in the medium term, and more so in the long term.
- 181 As an example, I provide the following development consents⁵⁴ from this year that show that development intensity is increasing:
- 181.1 50 Ashley Street, Rangiora: demolition of a 1920s dwelling and development of 4 new two-level dwellings. The site has a land area of 811m², which means that each dwelling will have 203m² of land. For this site the WCGM22 predicted that there is no capacity for additional dwellings (commercially feasible or reasonably realisable) on this site and as such this development is in excess of the modelled capacity.
- 181.2 152 Ōhoka Road, Kaiapoi: demolition of a 1960s dwelling and development of 4 new two-level dwellings. The site area is 809m², which means that each dwelling will have 202m² of land. For this site the WCGM22 modelled no capacity for additional dwellings (commercially feasible or reasonably

⁵⁴ Waimakariri District Council (2023) Comprehensive Dwelling Consents.

realisable). As above, this development is in excess of the modelled capacity.

181.3 236 Williams Street, Kaiapoi: demolition of a 1920s dwelling and development of 6 new two-level dwellings. The site has a land area of 964m², which means that each dwelling will have 161m² of land. For this site the WCGM22 modelled capacity for one additional dwelling (commercially feasible or reasonably realisable).

181.4 20 Seddon Street, Rangiora: demolition of a 1920s dwelling and development of 5 new two-level dwellings. The site has a land area of 779m², which means that each dwelling will have 156m² of land. For this site the WCGM22 modelled capacity for one additional dwelling (commercially feasible or reasonably realisable).

182 These examples are just a small selection of the recent examples of developments that are occurring in the District since the MDRS came into effect⁵⁵. In the data set there are no examples of development reaching the maximum 3-by-3 enabled in the MDRZ, but it is clear that development intensity is increasing. Since 2018 the average lot size in comprehensive developments in the district dropped from 380m² to 273m² in 2022. Most recently the average lot size has now dropped to 215m². Importantly, in the one year since the MDRS came into effect the development intensity has increased by 21%.⁵⁶

183 This is a significant change in a short period of time. Therefore, I disagree with Mr Sellars, Mr Jones and Mr Akehurst who claim that

⁵⁵ MDRS had immediate legal effect in August 2022 within the existing urban residential zoned land. This means that over the last year developers have been able to utilise the new provisions.

⁵⁶ I note that the recent developments may well have occurred even if the MDRS had not been adopted. Specifically, the development data that I reviewed covered comprehensive developments that required resource consent, so these developments may have occurred even if MDRS had not been adopted. However, I would expect that MDRS would have made the resource consenting process easier, and some of the change in density could be attributed to the adoption of the MDRS.

MDRS will have negligible effects in Waimakariri Urban Environment.

Mr Sellars (and the other experts) provide no data or analysis to support their opinions, which are clearly at odds with the development that is occurring (as shown in the consents data).

184 Importantly the development intensity is materially greater than in the past and also greater than modelled in the WCGM22. The WCGM22 predicts a capacity of **only 2 new dwellings** for the examples above, and yet the market is going to deliver **15 new dwellings**, which is almost **seven times the level predicted in the model**. This means that the WCGM22 is likely to be overly conservative and does not account for the recent change in intensity that is being achieved in the Urban Environment.

185 Furthermore, the comprehensive residential development consents provided by Council shows that more than 100 dwellings were consented or are under consideration during the last year and that they had an average density of 260m².⁵⁷ This is a material amount of supply in a short period of time.

186 I note that Mr Akehurst considers that PC31 is a significant development, and it only provides 85-90 dwellings per annum. Using Mr Akehurst's own bar, it is clear that the intensification which is already being achieved (at over 100 per annum) in the Urban Environment would also be significant. I consider that MDRZ will provide a significant amount of capacity to meet expected demand in Waimakariri Urban Environment, both in the medium term and long term.

⁵⁷ I acknowledge that the comprehensive developments will not include all intensification that is being achieved in the MDRZ. My understanding is that developments with 3 (or fewer) dwellings per lot will not need resource consent and are not recorded in this data set. Therefore, there is likely to be other intensification that is not included in the data set that I reviewed. Also as noted above, some of the comprehensive developments may have occurred even if MDRS had not been adopted. So while the data suggests that intensification is increasing in the Urban Environment it is not possible to accurately estimate the impacts of the MDRS.

187 While there is much agreement between Mr Sellars’ evidence and Economic Review attached to the s42 report, there is a clear difference of opinion on the scale of the implications of the MDRS. I consider that the recent examples and the historic trends suggest that the MDRZ will have a material (positive) impact on the development in Waimakariri urban areas, both in terms of density achieved increasing and the quantum of capacity provided. I disagree with Mr Sellars’ opinion, which is too focussed on the full 3-by-3 plan enabled maximum and ignores the fact that the MDRZ enables a range of potential outcomes – many of which would result in greater intensity in Waimakariri Urban Environment.

188 The WCGM22 is required to assess “current” relationships in the medium term, which means that it most likely underestimates the potential impacts of the MDRZ. Therefore, while I disagree with Mr Sellars, Mr Jones and Mr Akehurst on the scale of the impacts, this difference of opinion is not material to this hearing because the WCGM22 is required to adopt a conservative position that shows that only a small share of the capacity enabled by the MDRS is commercially feasible, i.e. the capacity model is already consistent with the three experts’ opinions and there is therefore no need to lower the predicted intensification capacity still further.

Planning

189 Mr Walsh provides planning evidence which relies on the evidence of the applicant’s other experts. While I understand that Mr Willis will provide a response to Mr Walsh’s evidence, I provide some comments on the content of his evidence that relates to economic issues.

190 First, Mr Walsh incorrectly compares medium-term District demand for housing to the urban capacity in the NDAs around Rangiora and Kaiapoi and concludes that there is a shortfall of capacity to provide for housing demand.⁵⁸

⁵⁸ Statement of evidence of Tim Walsh, paragraph [19].

- 191 As I have already discussed, there is sufficient capacity to meet the demand in the Urban Environment, therefore I disagree with Mr Walsh's proposition.
- 192 Much of Mr Walsh's evidence focuses on long term planning for growth, where he outlines various constraints on rural land around the district which may influence where urban growth can be accommodated. While his assessment is discussed by Mr Willis, and is outside my area of expertise, I consider that generally all land will have some risks and constraints associated with urban development.
- 193 I consider that Mr Walsh's combined constraints map (Figure 1) is misleading as it gives the impression that much of the land in the district is less desirable for development. However, invariably urban land use will require society to weigh the relative merits, costs (risks) and benefits, before development is enabled. I would expect that in most cases the benefits from having urban activity co-located near the Urban Environment will outweigh the costs (risks).
- 194 Furthermore, the long term question which Mr Walsh poses is not relevant to this hearing, as there is sufficient capacity in the medium term. Therefore, live zoning of PC31 is not required in the medium term. If PC31 was in fact needed in the long term then this land could be identified as a NDA, until it is required. However, in order to be classified as an NDA I consider that PC31 would need to be considered against alternative locations.
- 195 Mr Walsh considers that Ms Hampson supports the second commercial centre within PC31.⁵⁹ However, Ms Hampson actually considers that the optimal outcome is for a single centre in PC31, and so I believe that Mr Walsh's interpretation of Ms Hampson's position is incorrect. Contrary to his position, there is general agreement between the economists that the second centre not be included.

⁵⁹ Ibid, paragraph [116].

196 Mr Walsh provides a discussion of NPS-HPL and finds that this framework does not apply to PC31. However, he does provide a limited discussion of clause 3.6 of the NPS-HPL and the application to PC31.⁶⁰ While this discussion is irrelevant to the hearing, I do not agree with his findings on clause 3.6(1).

197 I consider that it is clear that there is sufficient capacity to give effect to the NPS-UD (3.6(1)(a)) and that there is likely to be other reasonable alternative options (3.6(1)(b)). Also that I am not convinced that the benefits of PC31 outweigh the benefits costs (3.6(1)(c)). Therefore, if the PC31 land was HPL then I consider that it may not pass any of the three tests set out in 3.6(1) of the NPS-HPL.

198 Mr Walsh also considers that Ōhoka is part of the Greater Christchurch Urban Environment for two reasons. First, because it is within the Greater Christchurch area shown in Map A of the Canterbury Regional Policy Statement.⁶¹ Second, because West Melton (in Selwyn) is included in the Urban Environment, but has a population of less than 10,000 people, he takes to mean that Ōhoka would also be part of the Urban Environment.

199 I disagree, the NPS-UD defines Urban Environment using two conjunctive tests, 1) predominantly urban in character and 2) part of a housing or labour market of at least 10,000 people. While Ōhoka may well be part of a market of over 10,000 people as Mr Walsh contends, I consider that it is not predominantly urban. My reading of the evidence before this hearing indicates that there is widespread agreement that Ōhoka is a rural village, and not urban.

200 Also Mr Walsh's example of West Melton is not comparable to Ōhoka. West Melton has a much larger population (at 2,640 in 2022), consists of existing urban residential development, has an existing large commercial centre, and is proposed to have much more development

⁶⁰ Ibid, paragraph [125]-[140].

⁶¹ Ibid, paragraph [201]-[204].

in the future. All of which means that it is not in my opinion comparable to Ōhoka.

- 201 Furthermore, the Greater Christchurch Partnership's reporting for NPS-UD has excluded Ōhoka from the Urban Environment. The CRPS map of Greater Christchurch area shown in Map A includes large tracts of rural and rural lifestyle zoned land, none of which is urban in character and would not be part of the Urban Environment. Therefore, I consider that the applied definition of Urban Environment is the urban zoned areas in the Greater Christchurch area, which excludes Ōhoka and PC31.
- 202 This is obviously a key issue, because the NPS-UD and the objective of contributing to the well-functioning Urban Environment will be influenced by whether Ōhoka is part of the wider Urban Environment or not.
- 203 Mr Walsh considers that PC31 is 'near' existing employment centres, has high demand, and would contribute to providing affordable housing, for the purposes of the NPS-UD Objective 3 and Policy 2.⁶²
- 204 I disagree with Mr Walsh, I consider that 'near' is a relative term which will be different for each Urban Environment, and that 'near' should be assessed within the context of the alternatives for accommodating growth. In the case of Ōhoka and PC31, I consider that relative to the alternatives the proposed development would not be considered to be 'near'. Specifically, residents in Ōhoka and PC31 will have to travel further to meet their daily needs (work, education, retail, services, community, social, etc) than would people living on the edge of Urban Environment (Rangiora, Kaiapoi or Woodend).
- 205 Also I consider that the expert evidence presented before this hearing does not prove that there is high demand for PC31, per se, with the applicant's economists focusing on demand for the wider Urban Environment. Mr Akehurst and Ms Hampson both assume that new demand will be attracted to Ōhoka (to PC31). Only Mr Jones claims that

⁶² Ibid, paragraph [205]-[213].

there is demand for Ōhoka, however he provides no data and acknowledges that this is demand for low density rural lots.

206 Furthermore, the rationale raised by Mr Walsh could be applied to any rural land within the Greater Christchurch area and does not directly relate to PC31 itself.

207 Moreover, he argues that PC31 will avoid a shortfall and will improve affordability in the Urban Environment. I disagree, as it is clear that there is sufficient capacity such that no shortage would occur and that it is evident that PC31 will deliver housing that is unaffordable. At best there may be a small increase in competition, with an associated influence on overall prices. However, I consider that this will not be material and that there is no evidence from the applicant's economists to show that this benefit will be material.

208 Mr Walsh also considers that PC31 will contribute to a well-functioning Urban Environment. His finding is based on the evidence provided by the applicant's economists, and I do not repeat my response to those points. However, I note that I do not agree and have discussed why PC31 will not contribute to a well-functioning Urban Environment.

Christchurch and Selwyn Situation

209 Finally, Mr Akehurst, Mr Walsh, Mr Carter, and legal counsel all imply that more supply might be needed in Waimakariri to accommodate potential demand that could spillover from Christchurch and Selwyn.

210 I have provided advice to both Selwyn District Council and Christchurch City Council on recent plan changes, District Plan review and IPI processes.

211 For Selwyn, I have provided capacity and demand modelling (SCGM22) which is the same as the WCGM22. Both Mr Foy and I have provided evidence in a number of hearings over the last six months in Selwyn, and have provided advice on submissions to the DPR and IPI.

212 For this hearing, I consider that it is important to note the following:

- 212.1 **Faringdon Oval (Fast Track):** has just been approved (26 July, 2023), which will allow 1,150 dwellings to be built in Rolleston. For this application, I provided research that supported the live zoning of the land.
- 212.2 **Prebbleton PC79:** has just been rejected (18 July, 2023), which could have provided capacity for 1,581 dwellings. In this hearing, I provided evidence that showed that there was sufficient capacity within Prebbleton to meet expected demand, and that PC79 was not required.
- 212.3 **Rolleston IPI Hearing:** which was completed early this year, and the commissioners' decision is expected in the coming month. In this hearing, Mr Foy suggested that submissions to live zone future urban land be approved, which would allow capacity for thousands of dwellings. I would expect that this capacity will be approved.
- 212.4 **Lincoln, Prebbleton, and West Melton hearings and Plan Changes:** there have also been hearings for Lincoln, Prebbleton, and West Melton. For these processes, either Mr Foy or I provided evidence, which suggested that there was sufficient live zone capacity to meet expected demand. However, there were submissions for more land to be zoned for residential. While there is sufficient capacity, there is a possibility that commissioners decide to provide more supply via these processes.
- 213 Overall, I consider that Selwyn District Council has been responsive to the need to provide more capacity in the District and that the recent processes have provided a large amount of new capacity to address the potential issues. I would expect that if there was a shortfall in Selwyn that Selwyn District Council will again act quickly to address the issue. Therefore, I consider the risk of demand flowing from Selwyn to Waimakariri is low, both because of the large amount of new greenfield supply that has been approved and that Selwyn District Council has (in my opinion) been responsive to needs as they arise.

- 214 Mr Akehurst agrees, and his “expectation is that SDC would address this shortfall as they are directed to under the NPS-UD.”⁶³ However he still notes that there could be a potential shift of demand, but provides no evidence to support his concerns.
- 215 For Christchurch City Council, I have recently provided research on the impacts of land transport noise contours and emergency communication overlays. Mr Foy has provided advice on urban rezoning and my other colleagues are providing social impact assessment for the IPI process. I have also provided research to the Greater Christchurch Partnership on the affordability outcomes associated with the new Spatial Plan.
- 216 For these hearings and research Christchurch City Council provided me with the capacity and demand (equivalent to the WCGM22) which was completed internally by Council Officers.
- 217 In my opinion, this data showed that there is a very large amount of capacity in Christchurch. Relative to demand it is unlikely that all of this capacity will be needed within the coming 50 years or more. Therefore, I consider that there is little risk of a shortage in Christchurch, or that constraints in the city would result in more demand flowing to Waimakariri.
- 218 Based on my research across the Greater Christchurch area I consider that there is little risk of unmet demand flowing to Waimakariri Urban Environment, either in the medium term or long term. Therefore, the demand projections adopted in the GCP 2023 HCA are in my opinion likely to be conservatively higher than the demand that is expected in the future for Waimakariri Urban Environment.
- 219 I consider that there is more than sufficient capacity in Waimakariri Urban Environment to accommodate demand. It is likely that WDC has exceeded the minimum threshold as set out in the NPS-UD.

⁶³ Statement of evidence of Gregory Akehurst, paragraph [33], footnote 9.