

Before the Hearing Panel
Appointed by the Waimakariri District Council

Under	the Resource Management Act 1991
In the matter of	a hearing on submissions on the proposed Waimakariri District Plan
	Hearing Stream 12: Rezoning
	Rachel Claire Hobson and Bernard Whimp
	Submission: 179 / Further submission: 90

Evidence of Natalie Dianne Hampson

5 March 2024

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Introduction

- 1 My full name is Natalie Dianne Hampson. I am the Director at Savvy Consulting Limited and was previously a director at Market Economics Limited from mid-2019 to the end of October 2023. I hold a Master of Science degree in Geography from the University of Auckland (first class honours).
- 2 I have worked in the field of economics for over 20 years for commercial and public sector clients, with a particular focus on economic assessment within the framework of the Resource Management Act 1991 (**RMA**). Since 2001, I have specialised in studies relating to land use analysis, assessment of demand and markets, the form and function of urban economies and growth, policy analysis, and evaluation of economic outcomes and effects, including costs and benefits.
- 3 With respect to housing demand and capacity, I have had a key role in (and project managed) two Housing Demand and Capacity Assessments (**HDCAs**) for Queenstown Lakes District Council (**QLDC**) and one for Rotorua Lakes Council (**RLC**). I have been involved in the housing intensification plan changes for QLDC, RLC and Nelson City Council. I have acted for two submitters on Christchurch City Council's Intensification Plan Change (**PC14**) and am involved in two major greenfield growth projects in Queenstown for QLDC (Ladies Mile and the Southern Corridor) which have a key focus on housing demand, density and capacity. I continue to work on a number of projects and submissions related to housing demand and capacity generally.
- 4 I have a sound knowledge of the Greater Christchurch spatial economy, including that of Waimakariri District. My work in Greater Christchurch in recent years includes (but is not limited to) consents for commercial centres (North Halswell and North-West Belfast), temporary commercial carparks in the Central City, a private plan change for industrial zoning in Selwyn District, submissions on the Selwyn Proposed District Plan, assessments for Christchurch International Airport, evidence before the Environment Court relating to a site in Prebbleton, and evidence on the Ōhoka Private Plan Change 31 (**PC31**).
- 5 I have prepared the economic assessment (**attached** as Appendix A) supporting the submission of Rachel Claire Hobson and Bernard Whimp (**the Submitters**), relating to the following land (**the Site**):
 - (a) 518 Rangiora-Woodend Road, Rangiora;¹ and
 - (b) 4 Golf Links Road, Rangiora.²

¹ Legal description Part Rural Section 1054

² Legal description Lot 2 DP 16884

- 6 The Submitters seek an extension of the North East Rangiora or South East Rangiora Development Area overlay to include the Site within a Future Development Area (**FDA**); and the rezoning of the Site from Rural to General Residential.
- 7 This evidence provides a brief summary of my economic assessment, which is attached as Appendix A.

Code of Conduct for Expert Witnesses

- 8 While this is not a hearing before the Environment Court, I confirm that I have read the Code of Conduct for expert witnesses contained in the Environment Court of New Zealand Practice Note 2023 and that I have complied with it when preparing my evidence. Other than when I state I am relying on the advice of another person, this evidence 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

- 9 My assessment supports inclusion of the Site within a FDA and the rezoning of the Site to General Residential as required in the future.
- 10 In summary:
- (a) Greenfield expansion is, and will continue to be, how a significant portion of projected growth is met in Waimakariri District over the long-term.
 - (b) The purpose of the FDA overlay in the Proposed Plan is to identify suitable locations for urban residential greenfield growth in the medium to long-term future (subject to further assessment of development constraints) to help avoid ad hoc development and subdivisions.
 - (c) The notified Plan identified around 450ha of gross FDA land in East Rangiora, West Rangiora and Kaiapoi.³ Variation 1 upzoned 25% of the FDA land in Rangiora. Total gross FDA area with Variation 1 is 364ha of gross land area.
 - (d) Council's modelling of feasible and reasonably expected to be realised (**RER**) housing capacity in the main urban townships of Waimakariri District, compared against the dwelling demand projections (inclusive of the competitiveness margin) set out in the Greater Christchurch HDCA⁴ 2023

³ Also referred to as New Development Areas.

⁴ Housing Development Capacity Assessment, also known as HBAs when they include the business equivalent assessment.

(and which inform the district's housing bottom lines),⁵ indicated that with Variation 1, there was sufficient urban dwelling capacity in the medium-term. With the aid of the indicative capacity in the FDAs, there was also sufficient urban dwelling capacity in the long-term.

- (e) Subsequent independent assessments⁶ of feasible and RER housing capacity of the main urban townships in Waimakariri District have shown different results. That is, a shortfall of capacity in the medium-term and not a surplus.
- (f) Should additional FDA land be rezoned to help ensure at least sufficient capacity is zoned for medium-term growth⁷ - and there are a number of submissions that seek this rezoning - then this would reduce the capacity of the FDAs to provide for growth in the long-term. According to the alternative capacity assessments, a medium-term shortfall combined with further reductions of the FDA capacity would not provide sufficient 'zoned or identified' capacity to meet long-term housing growth in the main urban centres.
- (g) For FDAs to be an effective planning method, a stream of new land needs to be identified as new FDAs as existing FDA capacity is consumed in order to maintain sufficient long-term capacity in the urban environment.
- (h) The submitter's land is located within the proposed direction of long-term urban expansion as shown in the Waimakariri 2048 District Development Strategy. I consider that the Submitter's land meets the requirement of Policy 8 (significant yield and contributing to a well-functioning urban environment) and would be appropriate to include as a FDA.
- (i) It is located in Rangiora (a major town) and adjoins (contiguously) with the boundary of the current FDAs in Rangiora East, so meets the key requirements for integrated greenfield growth according to the directions in the Greater Christchurch Spatial Plan (**Spatial Plan**). It is also adjacent to key arterial roads, including into the Rangiora Town Centre and a new/enhanced public transport route down Rangiora-Woodend Road shown in the Spatial Plan, so is relatively accessible to key employment areas, shops, services, schools and recreation facilities.

⁵ I note that since the HDCA 2023, Waimakariri District Council have adopted a lower dwelling growth projection in their Waimakariri Capacity for Growth Model 2022. This increased sufficiency results relative to the HDCA 2023.

⁶ I.e. by Inovo Projects, August 2023, for PC31. There has also been an assessment by Colliers in January 2024, as set out in the evidence of Gary Sellars for other submitters.

⁷ Rezoning other rural land under Policy 8 of the NPS-UD offers another solution.

- (j) A FDA overlay would effectively protect the urban potential of the Site. The rezoning request will help ensure (in the face of some uncertainty) that at least sufficient long-term housing capacity is zoned and identified in Rangiora.

Conclusion

- 11 I am satisfied from an economic perspective that a proposed extension of the FDA to include the Site, and the rezoning of the Site to General Residential as required in the future, is the most appropriate outcome for the Site.

Dated 5 March 2024

Natalie Dianne Hampson

Attachment A

Economic Assessment of 4 Golf Links Road, Rangiora

In relation to a submission on the
Waimakariri Proposed District Plan

November 2023 – Final

m.e
consulting



Economic Assessment of 4 Golf Links Road, Rangiora

In relation to a submission on the
Waimakariri Proposed District Plan

Prepared for
CVI Projects Limited

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Director approval: Greg Akehurst (20 November 2023)

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1 Introduction

The owners of 518 Rangiora Woodend Road and 4 Golf Links Road in Rangiora (“the site”) lodged a submission¹ on the Proposed Waimakariri District Plan (“PDP”) seeking rezoning to include it in the Rangiora East Future Development Area (“FDA”) overlay, and subsequently (via a further submission) to live zone the site to General Residential Zone (or Medium Density Residential Zone (“MDRZ”) in accordance with Variation 1 to the PDP).


The purpose of this report is to provide a high-level assessment of the relief sought in those submissions by considering the following:

1. Projected demand for residential dwellings and feasible and reasonably expected to be realised capacity to accommodate that housing growth over the long-term, focussing on Rangiora, but also including the wider urban area (being, for the purposes of this report, the townships of Rangiora, Kaiapoi, and Woodend/Pegasus).
2. FDAs identified in the PDP overlay in the urban townships, including the impact on long-term housing capacity in the Rangiora FDAs arising from:
 - a. Variation 1 upzoning, and
 - b. the potential cumulative impact of other submissions seeking upzoning.
3. The Waimakariri District Development Strategy and Draft Greater Christchurch Spatial Plan, and the long-term growth direction anticipated for Rangiora.
4. The location and scale of the site in relation to the above assessment.
5. Brief conclusions on the economic merits of the proposed relief.

In preparing this high-level assessment, the following documents have been considered:

- Section 32A Report for the Proposed Waimakariri District Plan – Development Areas Rangiora and Kaiapoi, September 2021.
- Waimakariri Proposed District Plan.
- Section 32A Report for Variation 1 to the Proposed Waimakariri District Plan – Housing Intensification, August 2022.
- Section 32A Report for Variation 1 to the Proposed Waimakariri District Plan – Housing Intensification (Rezoning land in North East and South West Rangiora), August 2022.
- Waimakariri District Development Strategy, July 2018.
- Greater Christchurch Spatial Plan, 2023, Draft plan for consultation – Reporting Officer Recommendations – Mark Up Version.
- Greater Christchurch Housing Development Capacity Assessment (“HDCA”), March 2023.

¹ Original Submission – R Hobson and B Whimp (#179).

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- The Waimakariri Capacity for Growth Model 2022 (“WCGM”), prepared by Formative for Waimakariri District Council (“WDC”), including recent evidence of Mr Yeoman from Formative (Plan Change 31) which provides further explanation of the WCGM.
 - A review of the WCGM capacity modelling by Inovo Projects, August 2023 (in relation to Plan Change 31).
 - The Independent Hearing Panel Decisions Report for Plan Change 31.

2 Residential Growth and Capacity

This section provides a summary of current dwelling projections in Waimakariri's urban area. This is followed by an overview of existing FDAs, including recent changes introduced by Variation 1 to the PDP. This forms the spatial framework of the latest housing capacity assessment carried out for Waimakariri District Council, which is examined at the township and urban area level, and relative to a recent alternative capacity scenario. Submissions seeking re-zoning of FDAs to enabled housing development are discussed in terms of potential further reductions in FDA capacity.

2.1 Residential Demand Growth

According to the S32A report for Development Areas Rangiora and Kaiapoi (September 2021), "The population of the Waimakariri District is projected to grow to 100,000 people by 2051 (35,300 more people than live here today²). To provide dwellings for these people, the District will need at least an additional 13,600 new dwellings (450 per annum for 30 years)" (page 3).

Under more recent projections reported in the Greater Christchurch HDCA 2023 (2022 base year, Table 2.1), that long-term growth for the total district has risen to nearly 17,000 additional dwellings required over the next 30 years.³

Table 2.1 – Copy of Household/Dwelling Projections Included in the HDCA 2023

Table 30: TA Urban GCP Projections

Urban GCP Household Demand	Short Term 2022 – 2025	Medium Term 2022 – 2032	Long Term 2022 – 2052
Waimakariri	1,829	4,682	11,308
Christchurch	3,208	11,782	32,103
Selwyn	3,000	8,324	23,414
Total	8,037	24,788	66,825

Table 31: Rest of TA Projections

Rest of TA Household Demand	Short Term 2022 – 2025	Medium Term 2022 – 2032	Long Term 2022 – 2052
Waimakariri	936	2,432	5,688
Christchurch	48	219	376
Selwyn	1,300	2,652	6,199
Total	2,284	5,303	12,263

The projected dwelling growth in the urban environment of the district is estimated to reach approximately 4,680 in the medium-term (2032), and 11,310 in the long-term (2052). Including the competitiveness

² The base year was June 2020 – StatisticsNZ population estimate of 64,700 for the district.

³ The increase is largely driven by a change to using the High growth series by StatisticsNZ compared to the Medium growth series previously.

margin required by the NPS-UD, this requires planning for urban dwelling growth of around 5,600 in the medium-term and 13,250 in the long-term. These represent the housing bottom lines specified in the HDCA 2023 for Waimakariri District.

Over the long-term 89% of urban housing demand in Waimakariri District will be for standalone housing,⁴ which will put significant pressure on greenfield expansion and FDAs.

2.2 Future Development Areas

The purpose of the FDA overlay in the PDP is to identify suitable locations for urban residential growth in the medium to long-term future to help avoid ad hoc development and subdivisions. They require an agreed structure plan and infrastructure to be in place before they can be certified and developed. The requirement for the FDAs expressly took account of capacity that could be achieved from infill and intensification of existing (zoned) residential area in Rangiora and Kaiapoi – but were still identified because greenfield expansion is (and will continue to be) a significant portion of projected growth in the District.

According to the PDP S32A report (page 5), the FDAs (as notified) supplied 450ha of future urban land (capacity for between 5,000-7,000 dwellings). We note, this includes some land that has been identified as open space/recreation in the PDP and some land being used by Rangiora High School and other established facilities that are unlikely to be redeveloped. Of that, 235ha is in East Rangiora, split into North East Rangiora and South East Rangiora. The North East FDA is close to Rangiora High School, Mainpower Oval and Council’s multipurpose sports facility. There is a further 111ha of FDA in West Rangiora and 104ha in two locations in Kaiapoi (Figure 2.1). Under the PDP, the FDAs were required to be developed at a density of 12-15 dwellings/ha.

Figure 2.1 – FDAs as notified in the Proposed District Plan



⁴ Greater Christchurch HCDA 2023, Table 32.

2.3 Impact of Variation 1 and NPS-UD Policy 3

Variation 1 to the PDP proposed to rezone 86ha of FDA in Rangiora to MDRZ. This Included 65ha (yielding approximately 800 lots) in the North East FDA and 21ha (yielding approximately 200 lots) in the South West FDA, and in accordance with the relevant Outline Development Plans. The NPS-UD intensification requirements provided scope for the up-zoning and the key purpose was to provide for short-term development capacity (as MDRZ, and to achieve a density of up to 15 dwellings/ha). Variation 1 does not impact on any remaining FDAs and the existing Outline Development Plans are not anticipated by Council to preclude achieving MDRS in the future when those areas are certified.⁵ In the North East Rangiora rezoning, just under 200 out of the 800 lot total capacity was already approved for subdivision (via a Fast Track consent). This land is referred to as Stage 1 of the Bellgrove Development (and shown on the left-hand side of Figure 2.2.

Figure 2.2 – FDA Re-Zoned in Variation 1 – Rangiora⁶



The remaining FDAs (with Variation 1 applied) are mapped in Figure 2.3 and summarised in Table 2.2. Using figures stated in the various S32A reports (and noting that these areas include some land unlikely to provide development capacity for future housing), Table 2.2 shows that the FDA in East Rangiora is reduced to 170ha (gross) and the West Rangiora is reduced to 90ha. Total FDAs in Rangiora are now 260ha (gross).

⁵ The one exception was where a height limit in an Outline Development Plan for an FDA was proposed to be amended by Variation 1 in order to help that FDA achieve MDRS in future. It is noted that achieving MDRS densities in some FDAs is still uncertain and that any covenants on the land would be an impediment on the density that can ultimately be achieved.

⁶ Source, page 5, S32 Variation 1 (Rezoning land in Rangiora Development Area)

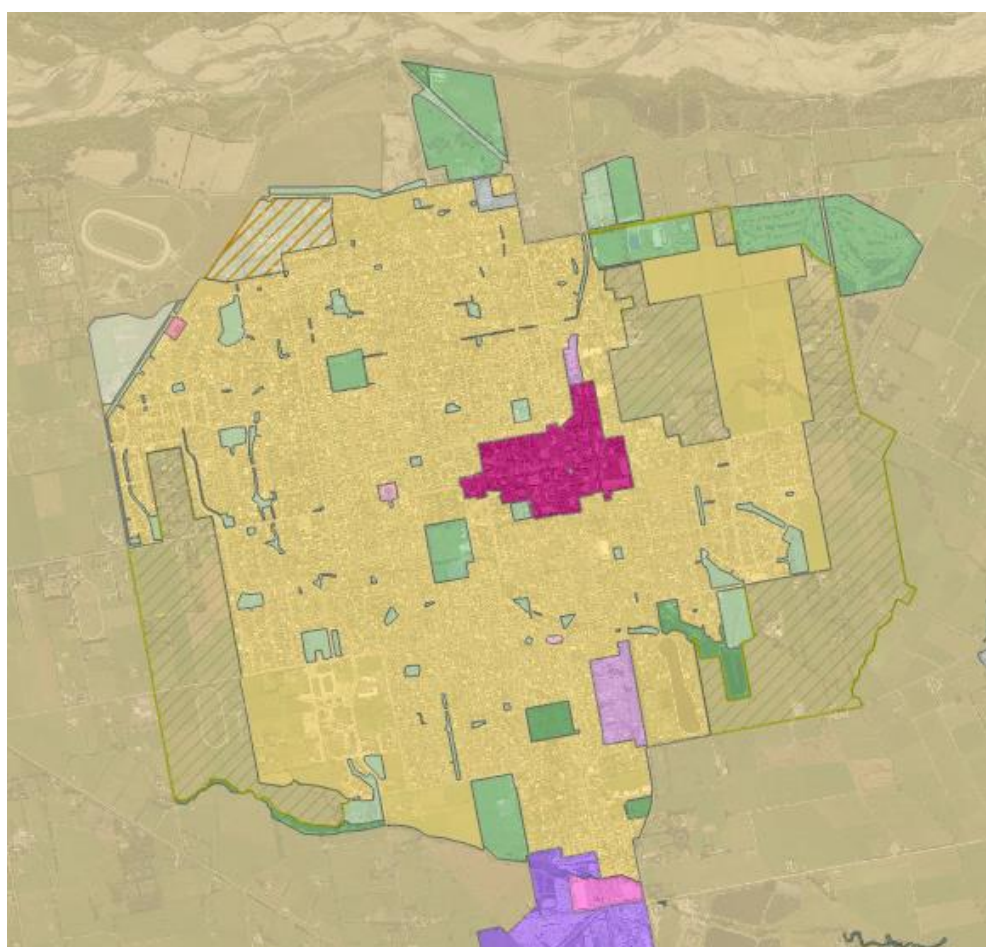
Table 2.2 – Changes to Gross Notified FDAs Made by Variation 1 Re-Zoning

	Gross FDA Area (ha)	Live Zoned Variation 1 (ha)	Remaining FDA Area (ha)	Share of Notified FDA Remaining
East Rangiora	235	65	170	72%
West Rangiora	111	21	90	81%
Sub-Total Rangiora	346	86	260	75%
Kaiapoi	104	0	104	100%
Total FDAs	450	86	364	81%

Source: Various PDP S32A Reports

The FDAs are only able to be treated as long-term capacity in a capacity assessment under the NPS-UD (i.e., in an HBA) because they have underlying rural zoning. They therefore fall within ‘identified’ long-term urban growth areas in a growth strategy or similar. This is the approach taken in the WCGM 2022.⁷ The model applies development enabled by Variation 1 and the PDP urban zones to the medium-term and long-term and adds the capacity of the FDAs in the long-term. This is discussed further below.

Figure 2.3 – FDAs as Defined in the PDP with Variation 1 Rezoning Applied⁸



⁷ The WCGM 2022 does include the small FDA in Kaiapoi in the medium-term, which is considered an error.

⁸ Source: Appendix 3, S32A Report – Variation 1 Housing Intensification.



2.4 Housing Capacity and Sufficiency

The Greater Christchurch HDCA 2023 is based on the WDC WCGM 2022 estimates of feasible, infrastructure ready and reasonably expected to be realised housing capacity in Waimakariri's urban areas of 5,950 new dwellings in the medium-term (2022-2032)⁹ increasing to 14,450 new dwellings in the long-term (to 2052).¹⁰ This indicates that capacity for 8,500 new dwellings is allocated to the long-term period between 2032 and 2052.¹¹ This includes long-term growth areas that are identified but not zoned (i.e. the FDAs, discussed above), and also includes capacity (largely limited to infill and redevelopment¹²) that is only expected to become feasible in the long-term (this includes higher density housing typologies that are plan enabled but not currently feasible to deliver under current costs and prices).

This indicates that based on the PDP including Variation 1, 41% of total long-term capacity is available to meet growth in the next 10 years, and 59% of total long-term capacity is available to meet growth between 2032 and 2052. The capacity is somewhat weighted to the medium-term, which is appropriate as growth rates are expected to be faster in the medium-term, and slow gradually in the long-term meaning that projected growth is not linear.

Furthermore, any medium-term capacity not utilised by demand in the medium-term, is available to help meet growth beyond 2032. The converse is also true, that if it transpires that demand for housing in the medium-term exceeds capacity that is zoned in the District Plan for the medium-term, then capacity signalled for long-term growth (and that would be feasible in the medium-term) must be brought forward to ensure that there is at least sufficient capacity to meet medium-term demand. We discuss this further below.

2.4.1 Medium-Term Capacity and Sufficiency

Table 2.3 provide additional detail on the medium-term capacity in Waimakariri's urban townships from the WCGM 2022. It shows that on average, 71% of capacity exists in zoned greenfield land, and 18% is in vacant subdivided parcels (which may include parcels currently under construction but with dwellings not yet completed and occupied). Just 11% of capacity, on average, represents infill opportunities within the next 10 years, which while not necessarily limited to infill under MDRS, confirms that the MDRS is expected to have only a minor impact on housing capacity realised in the medium-term.

Table 2.3 also shows that 41% of the urban capacity is provided in Rangiora – which is considered an efficient location in which to provide the majority of urban growth in the district. Greenfield capacity in Rangiora provides for an estimated 1,717 new dwellings according to the WCGM 2022 – 70% of all capacity in the township over the next 10 years.

The up-zoning of two large areas of FDA to MDRZ in Variation 1 (indicatively providing for 1,000 new residential lots) accounts for just under 60% of that capacity.¹³ Given that Rangiora had (at the time of the

⁹ Unrounded, 5,934 dwellings.

¹⁰ Same value unrounded.

¹¹ 8,516 unrounded.

¹² The WCGM includes a very small number of vacant dwelling capacity that was not otherwise included in the medium-term.

¹³ Based on S32A quoted yields. The share is higher under the WCGM 2022, due to adopted higher yield estimates for Bellgrove in particular.

capacity assessment) just 379 vacant lots and would have had a pipeline of just 717 (approximately) greenfield lots prior to the FDA re-zoning in Variation 1, the rationale for up-zoning those two FDA areas as part of Variation 1 to provide for short term growth is clear.

Table 2.3 – Breakdown of WCGM 2022 Housing Capacity by Development Type With Inovo Comparison

Urban Area	Medium Term (1-10 Years) WCGM 2022	Share of Medium Term Capacity by Township	Share of Total Medium Term Urban Capacity	Medium Term (1-10 Years) Inovo Projects 2023 Estimates	Difference between WCGM and Inovo Medium Term
Rangiora					
Greenfield	1,717	70%	29%	1,470	- 247
vacant	379	15%	6%	248	- 131
infill	355	14%	6%	270	- 85
FDAs	-	0%	0%	-	-
Total Dwelling Capacity	2,451	100%	41%	1,988	- 463
Kaiapoi					
Greenfield	718	56%	12%	526	- 192
vacant	277	22%	5%	174	- 103
infill	292	23%	5%	273	- 19
FDAs	-	0%	0%	-	-
Total Dwelling Capacity	1,287	100%	22%	973	- 314
Woodend/Pegasus					
Greenfield	1,781	81%	30%	1,189	- 592
vacant	413	19%	7%	209	- 204
infill	2	0%	0%	2	-
FDAs	-	0%	0%	-	-
Total Dwelling Capacity	2,196	100%	37%	1,400	- 796
Total Urban					
Greenfield	4,216	71%	71%	3,185	- 1,031
vacant	1,069	18%	18%	631	- 438
infill	649	11%	11%	545	- 104
FDAs	-	0%	0%	-	-
Total Dwelling Capacity	5,934	100%	100%	4,361	- 1,573

Source: Formative, 2023, WCGM 2022, Inovo Projects, 2023.

Based on projected medium-term urban housing demand (discussed above) and including the competitiveness margin of 20% in the medium-term as required by the NPS-UD, the WCGM 2022 indicates that Waimakariri's urban environment will have a surplus of capacity of 350 dwellings (or an actual surplus excluding the margin on around 1,250 residential lots). This is shown in the copy of Table 1 from the Greater Christchurch HDCA 2023 (Table 2.4).¹⁴

¹⁴ My Yeoman accepted in Plan Change 31, that capacity was overstated by 53 dwellings, and that the revised surplus was therefore 281 dwellings in the medium-term (unrounded).

Table 2.4 - Greater Christchurch HDCA 2023 Medium-Term Housing Sufficiency (Total Urban Area)

Table 1: Urban Housing Sufficiency within TAs in the Short & Medium Term (2022 – 2032)

Area	Feasible Capacity	Demand with Margin	Surplus / Shortfall
Waimakariri	5,950	5,600	+350
Christchurch	94,000	14,150	+79,850
Selwyn	11,550	10,000	+1,550
Total	111,500	29,750	+81,750

**Rounded to the nearest 50*

This satisfies the NPS-UD to provide ‘at least’ sufficient housing capacity in the medium-term, but the surplus is small and would require only a minor increase in the rate of projected demand to show a shortfall. That said, Formative are of the view that demand could be lower, and their capacity estimates in the WCGM 2022 are conservative, and that more housing capacity than reported is likely to be feasible and expected to be realised in Waimakariri’s urban environment during that period.¹⁵ They consider that only a small increase in density of what is supplied could have a material effect on increasing that surplus (buffer).

Recent further evidence presented for private plan change 31 in Waimakariri District (by Inovo Projects) raised concerns that rather than being conservative, the WCGM 2022 overstated urban housing capacity in the medium-term. This is shown in Table 2.3 (light blue columns). They estimate that dwelling capacity in Rangiora is just under 1,990 new dwellings in the medium-term, around 460 less than reported in the WCGM 2022. This includes nearly 250 less in the stated greenfield capacity (which included the newly upzoned FDAs). Under the Inovo estimates, Rangiora has just 248 formed but vacant sections remaining (as at August 2023¹⁶), and potential for 1,470 sections greenfield subject to land development and subdivision (and titles).

Under the Inovo estimates, Waimakariri District’s urban area would have a shortfall of housing capacity relative to projected demand (including the competitiveness margin) in the medium-term, rather than a surplus. The capacity shortfall would indicatively be around -1,240 dwellings. This would mean that the PDP has zoned capacity for around 8 years of urban growth, and not the 10+ years the Council is required to have zoned.

The Independent Hearing Panel Decision Report¹⁷ agreed that “*there is a very real likelihood that the model has overstated residential capacity*” (paragraph 81) and recommended that “*the Council take steps to review the calculations provided by Formative and review realisability of the areas currently identified for future urban growth within the district*” (paragraph 84). The planner for Council in Plan Change 31 confirmed that should a shortfall be identified, “*Council is able to reassess the FDAs and potentially consider identifying further land in order to meet its obligations under Policy 2 of the NPS-UD*” (paragraph 76). We note, that accepting private plan changes (which we consider could include submissions to the PDP for rezoning that are not FDAs) is another way in which Council could ensure at least sufficient medium-term housing capacity.

¹⁵ Evidence of Mr Yeoman, Plan Change 31.

¹⁶ As the Inovo Projects assessment is more current, it accounts for some sites that have since been developed with dwellings since the WCGM 2022 model was carried out.

¹⁷ The recommendation is still subject to a decision by Council at the time of drafting.

2.4.2 Long-Term Capacity and Sufficiency

As discussed above, capacity for an additional 8,516 dwellings is included in the WCGM 2022 in the long-term (the period 2032-2052). Based on assumptions stated in the HDCA 2023 (25% of gross land area used for infrastructure, and allowance for 500sqm lots in Waimakariri greenfield areas), we estimate that the FDAs (post Variation 1 re-zoning) make up 64% of the net additional long-term capacity modelled (i.e. around 5,460 new dwellings). The remaining 36% is expected to be made up of infill/redevelopment capacity in existing urban areas considered commercially feasible and expected in the long-term.

The actual figures of long-term capacity from the WCGM 2022 suggest the FDA's have capacity for 5,145 additional dwellings, including 3,360 dwellings in Rangiora FDAs and 1,785 in the Kaiapoi FDA.¹⁸ This is based on a smaller area of land in the North East Rangiora FDA than applied in M.E's gross FDA calculations. Under reported WCGM 2022 figures, the FDA's account for 60% of total urban long-term dwelling capacity, with the remainder (3,335 infill dwellings and 26 vacant site dwellings) making up the remaining 40%.

Table 2.5 shows that when compared with long-term demand (2022-2052) inclusive of the competitiveness margin, total long-term capacity is sufficient according to the WCGM 2022, indicating a surplus of 1,200 dwellings. Of note, this includes the reported medium-term surplus of 350 dwellings, carried over.

Table 2.5 – Greater Christchurch HDCA 2023 Long-Term Housing Sufficiency (Total Urban Area)

Table 2: Urban Housing Sufficiency within GCP in the Short, Medium, & Long Term (2022 – 2052)

Area	Feasible Capacity	Demand with Margin	Surplus / Shortfall
Waimakariri	14,450	13,250	+1,200
Christchurch	94,000	37,500	+56,500
Selwyn	24,100	27,350	-3,250
Total	132,550	78,100	+54,450

**Rounded to the nearest 50*

We are not aware of the long-term capacity estimates in the WCGM 2022 being scrutinised in the same way as medium-term capacity (i.e. by Inovo Projects).¹⁹ In any case, there is greater uncertainty around long-term development patterns. It is worth noting however, that *if* the Inovo capacity estimates are preferred for the medium-term, the indicative 1,240 shortfall of capacity in the medium-term would require some more capacity to be live zoned as soon as possible (at least capacity equivalent to 1,250 dwellings). Up-zoning capacity equivalent to 1,250 dwellings in FDAs in the near future is one way to ensure that the NPS-UD is satisfied in the medium-term under this alternate scenario (although bringing forward long-term growth areas is not the only option as up-zoning land outside of the FDA's is also possible as discussed above).

Table 2.6 shows that if a potential medium-term shortfall (as quantified by Inovo Projects) is rectified by bringing additional FDA land into live residential zoning, then in the long-term, the FDAs and other feasible and realisable infill development would be insufficient (i.e. a theoretical shortfall of indicatively 490

¹⁸ If the 'Momentum' FDA area in Kaiapoi was captured in the long-term, it would add a further 116 dwellings to long-term FDA capacity (5,261 total).

¹⁹ Such scrutiny/ground truthing is beyond the scope of this assessment but should consider the potential physical constraints of those land parcels, including overland flow paths.

dwellings would arise). This would not satisfy the NPS-UD, which requires ‘at least’ sufficient capacity (i.e. some degree of surplus) in the long-term. While less urgent, the Council would need to identify more land for long-term urban growth in the near future under this alternate scenario.

Table 2.6 – WCGM 2022 and Alternative Urban Sufficiency Scenarios – Medium and Long-Term

	WCGM 2022 Medium and Long Term Scenario	Inovo Projects Scenario Medium Term & WCGM Scenario Long Term	Inovo Scenario medium term with 1,250 FDA capacity up- zoned in the Short Term
Medium Term (2022-2032)			
Demand (incl. margin, rounded)	5,600	5,600	5,600
Capacity (rounded)	5,950	4,360	5,610
Approx. Surplus/Shorfall	350	- 1,240	10
Satisfies NPS-UD?	Yes	No	Yes
Long Term (2032-2052) - Discrete			
Demand (incl. margin, rounded)	7,750	7,750	7,750
Capacity (rounded)	8,500	8,500	7,250
Approx. Surplus/Shorfall	750	750	- 500
Satisfies NPS-UD?	Yes	Yes	No
Total Long Term (2022-2052)			
Demand (incl. margin, rounded)	13,350	13,350	13,350
Capacity (rounded)	14,450	12,860	12,860
Approx. Surplus/Shorfall	1,100	- 490	- 490
Satisfies NPS-UD?	Yes	No	No

Source: M.E, WCGM, Formative, Inovo Projects 2023

It is not the objective of this assessment to interrogate the WCGM 2022. However, the reported surpluses in the medium and long-term are considered small and sensitive to assumptions applied to both demand growth and feasible and expected capacity over time. There is evidence to suggest that more robust capacity modelling would show shortfalls and not surpluses in both the medium and long-term that need to be addressed. This highlights the importance of regularly monitoring take-up in Waimakariri’s urban environment, and the need for Council to be responsive should regular modelling updates show that surpluses are eroding (particularly when demand is estimated at a rate of around 450 dwellings per annum), or in fact switch to showing projected shortfalls as suggested by Inovo Projects.

Bringing forward land identified as being suitable for urban development – on an ‘as required’ basis to meet projected demand - is a key and efficient process anticipated by the NPS-UD. Variation 1 has recently highlighted the effectiveness of this process with regards to up-zoning FDA land to address a medium-term shortfall. However, as FDAs are consumed, so too does a stream of new land need to be identified as FDAs to maintain sufficient long-term capacity in the urban environment.

2.5 Potential Effect of Submissions to Live Zone FUDAs

The District Plan Review is an efficient time to consider both re-zoning and identifying more urban housing capacity to meet medium and long-term demand respectively, given how small the current modelled surpluses are in the urban area (and the suspected shortfalls). While Variation 1 has had some impact on increasing urban capacity in the medium-term, further increasing the surplus of capacity in both the medium and long-terms will help manage potential margins of error in the demand and capacity modelling

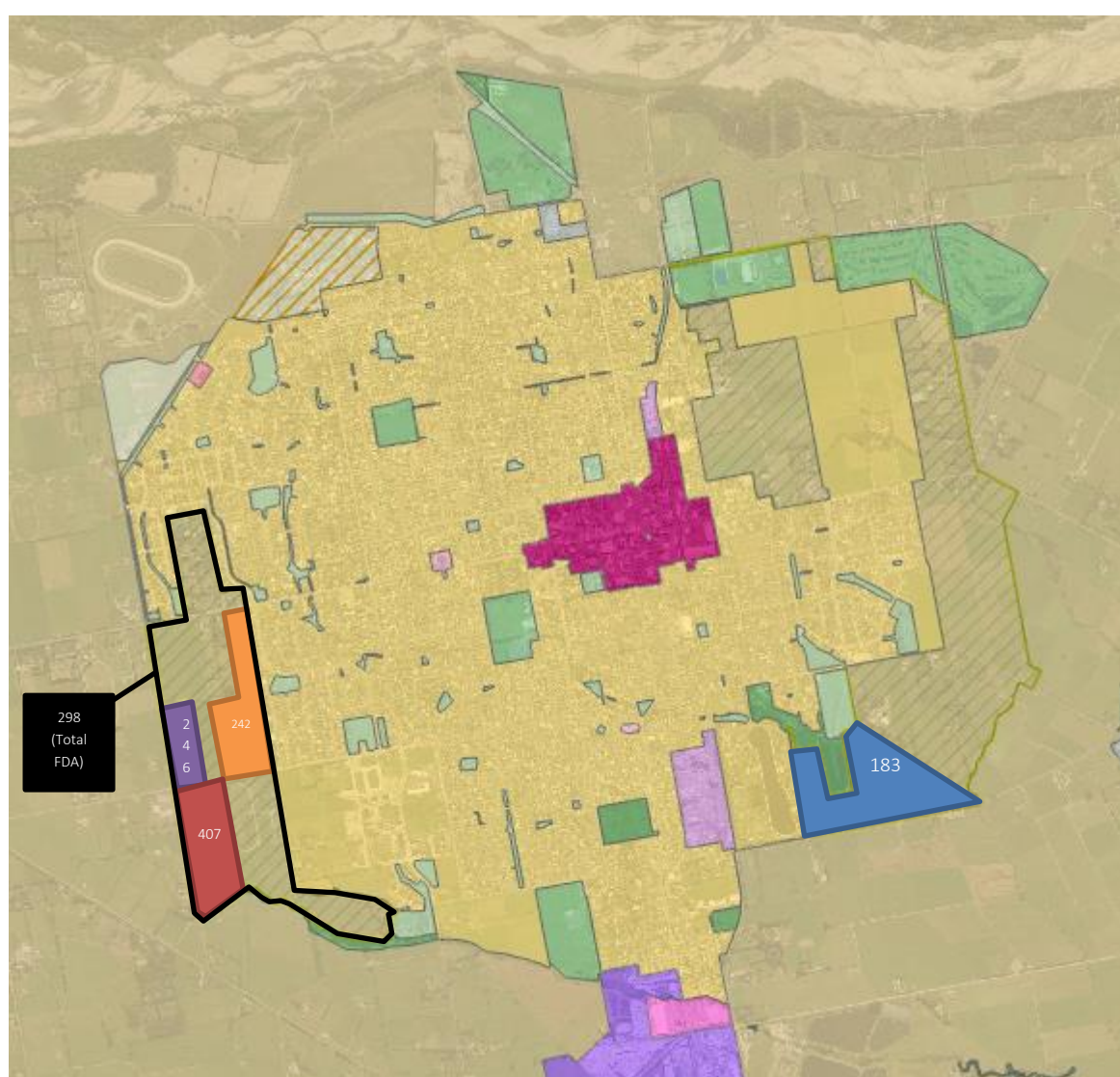


and provide Council with greater certainty that ‘planning decisions’ are not having (or going to have) an adverse effect on the housing market, including housing affordability.

As noted above, it may be (according to Inovo Projects’ assessment) that more capacity is already needed to be zoned to meet medium-term demand growth in the urban environment, with up-zoning FDA land aligning with the purpose of that overlay in the PDP.

We are aware of several submissions to the PDP that seek just that. Focussing on submissions relating to Rangiora FDAs only,²⁰ the following is a list of submissions (mapped in Figure 2.4) seeking urban zoning of FDA land (as defined post Variation 1)²¹:

Figure 2.4 - Submissions to the PDP Seeking FDA Re-zoning in Rangiora



- 183. Richard & Geoff Spark – Approximately 24ha

²⁰ There may be other submissions that relate to FDA rezoning in Rangiora that we have missed.

²¹ Submission 266 (199 Johns Road Ltd – 19.8305ha (combined)) also sought up-zoning, but this land was captured in Variation 1 so is excluded here.

- 242. Dalkeith Holdings Ltd – 19.81ha
- 246. Miranda Hales – 5.57ha
- 407. Micheal & Jean Schluter and Anderson Lloyd – 12.37ha
- 298. P. & C. Taylor – estimated at 90ha.

Table 2.7 shows how each of those submissions impacts on the land area of each FDA in Rangiora (using M.E's/S32A gross area figures). Individually, they account for between 6% and 100% of the respective East or West FDAs. If submission 183 was approved, the Rangiora East FDA would reduce long-term capacity from 170ha to 146ha. If any one of submissions 242, 246 or 407 were approved, it would reduce the Rangiora West FDA long-term capacity from 90ha to between 70-84ha. If submission 298 was approved (based on our understanding), it would leave no long-term FDA capacity in Rangiora West, and leave all long-term capacity in the Rangiora East FDA.

If multiple submissions are approved, this will have the benefit of ensuring at least sufficient capacity in the medium-term but will shorten the effective lifespan of the remaining FDA land.

Table 2.7 – Submissions to the PDP Seeking FDA Re-zoning in Rangiora

Submitter	Post Variation 1 Gross FDA (Ha)	Rangiora FDA Rezoning Relief (Ha)	Relief as Share of FDA (%)	Rangiora FDA Less Relief (Ha)
Rangiora East FDA				
183. Richard & Geoff Spark	170	24	14%	146
Rangiora West FDA				
242. Dalkeith Holdings Ltd	90	20	22%	70
246. Miranda Hales	90	6	6%	84
407. Micheal & Jean Schluter and Anderson Lloyd	90	12	14%	78
298. P. & C. Taylor	90	90	100%	-
Total Rangiora FDAs	260			

Source: Submissions, M.E. Kaiapoi FDA Submissions not considered.



3 Waimakariri Growth Strategy

This section briefly examines the Draft Greater Christchurch Spatial Plan in terms of the guidance it provides for long-term growth planning in Waimakariri's urban area. This is followed by a brief examination of the Waimakariri 2048 District Development Strategy. The site located on Golf Links-Rangiora Woodend Roads is then considered in that spatial context.

3.1 Draft Greater Christchurch Spatial Plan

A key overarching direction of the Draft Spatial Plan is to *"focus growth through targeted intensification in urban and town centres and along key transport corridors"*. Some of the benefits of this pattern of growth include (but are not limited to):


- Provides the best accessibility and would support lower vehicle kilometres travelled and greenhouse gas emissions from transport.
- Provides the best opportunities for economic agglomeration and achieves more efficient and effective use of land and resources.
- Provides economies of scale to fund delivery of development and social infrastructure.

Rangiora is the major urban centre in Waimakariri District, with considerable investment in community facilities and infrastructure that serves the wider urban area and rural community. It is also the largest centre of employment in the district. While all urban townships contain shopping centres (and in some cases industrial/mixed business areas), there are still substantial trips to Rangiora from the smaller urban townships (and smaller settlements/rural communities) for employment, schooling, shopping, services and leisure. Continuing to provide more long-term growth capacity in Rangiora relative to other urban areas in the district is therefore economically efficient.

Directions that fall under Opportunity 4²² of the Draft Spatial Plan include (4.2) which reasserts the requirement to provide or plan for at least sufficient development capacity to meet demand, and (4.3) to focus, or incentivise, intensification of housing to areas that support the desired pattern of growth. With this in mind, we consider that:

- the FDA overlay provides the focus for where growth should occur,
- the certification process (while not without issues according to some PDP submissions read) is the incentive, and
- the easterly direction of long-term growth identified in the Waimakariri District Development Strategy (discussed below) is the key/dominant pattern of growth anticipated within Rangiora.

²² Opportunity 4: Enable diverse, quality and affordable housing in locations that support thriving neighbourhoods that provide for people's day-to-day needs.



While “*identifying broad locations for residential development, should be guided by the Spatial Strategy*” (i.e. Greater Christchurch Spatial Plan), those broad locations should, at a minimum:

1. Adjoin to or are within a significant urban centre, major town or a locally important urban centre in Greater Christchurch;
2. Be accessible;
3. ...
4. Be free from significant risk arising from natural hazards and the effects of climate change.

The Draft Spatial Plan recognises that greenfield areas will continue to be a part of how growth is accommodated, particularly in Waimakariri and Selwyn districts. According to the Draft Plan, successful future greenfield development needs to be well connected with employment, services and leisure, integrated with existing urban areas, and be at the right scale, density and location to minimise the impact on highly productive land.

While currently the Draft Spatial Plan shows the future growth areas of Waimakariri District as the FDAs notified in the PDP (and modified by Variation 1), it acknowledges that additional greenfield areas are being considered through rezoning submissions on the district plan review process. Future updates of the Spatial Plan will therefore ‘catch up’ with any decisions made on the Waimakariri PDP.

3.2 Growth Strategy for Rangiora

The Waimakariri 2048 District Development Strategy is more forward looking than the Draft Spatial Plan. It provides direction on the patterns of growth expected beyond the current FDAs.

The Strategy anticipates additional greenfield growth in Rangiora, consistent with historical growth patterns. While it states that further analysis is needed to determine exact growth areas (locations, extents), it identifies land east of Rangiora as the area that will cater for most of Rangiora’s residential growth in the long-term. Specifically, it states that growth will be “*predominantly to the east*” (page 39), as shown in Figure 3.1. The land east of the current FDAs is relatively free of natural hazard risk, which we understand is why it predominates over future growth to the south-west of the township.²³

²³ Refer also Draft Greater Christchurch Spatial Plan (Map 14 - Areas subject to natural hazard risk) which shows that there are no barriers to urban growth east of Rangiora, unlike the indicative greenbelt shown to the west of Rangiora).

Figure 3.1 – Long-Term Growth Direction for Rangiora Township

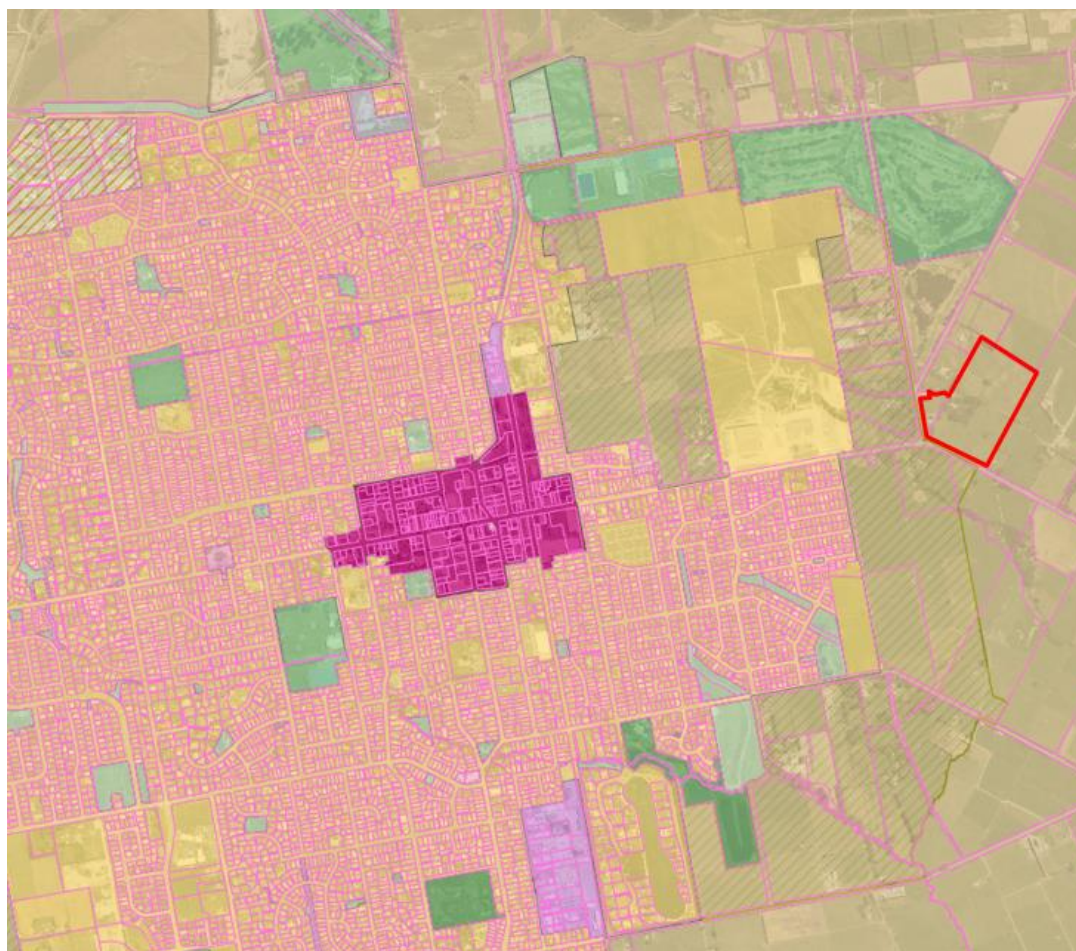


3.3 Subject Site Location in Context

The subject site is located in Rangiora (a major town) and adjoins (contiguously) with the boundary of the current FDAs in Rangiora East (Figure 3.2), so meets the key requirements for integrated greenfield growth according to the directions in the Draft Spatial Plan. It is also adjacent to a key arterial roads, including into the Rangiora Town Centre and a new/enhanced public transport route down Rangiora-Woodend Road shown in the Draft Spatial Plan, so is relatively accessible to key employment areas, shops, services, schools and recreation facilities.



Figure 3.2 – Location of Submission Site Relative to Eastern Rangiora, Including FDAs



At a more micro spatial scale, it is located within the proposed direction of long-term urban expansion as shown in Figure 3.1 in the Waimakariri 2048 District Development Strategy (see yellow star).

The site is approximately 11.2ha in size (Table 3.1) and both parcels of land are in the same ownership. Applying the yield approach set out in the Canterbury Regional Policy Statement (15% stormwater and a density of 15 dwellings/ha), it could yield around 140 future dwellings. Conversely, based on the approach used in the WCGM 2022, it could yield around 170 future dwellings. At 11.2ha, it would occupy 0.01% of the rural land area,²⁴ and both parcels are below the minimum economic farming unit stated in the PDP S32A report (i.e. 20ha).

Table 3.1 – Property Parcels that Make Up the Submission Site

Property	Gross Area (ha)
518 Rangiora Woodend Road	10.2992
4 Golf Links Road	0.9806
Total	11.2798

²⁴ The PDP S32A reports stated that there was 183,434ha of rural land area, with the FDAs (as notified, 450ha) occupying 0.2% of that. We have deducted the 450 to identify the rural area not identified for urban development and expressed the site as a share of that land area.



4 Conclusions

Based on the assessment above, M.E considers that the proposed site is an efficient location for future urban growth in Rangiora township, and is well suited for inclusion as a FDA. While signalled as an area of potential future urban expansion in the Waimakariri 2048 District Development Strategy, an FDA overlay would be more effective in protecting the urban potential of the land, and therefore avoiding any significant opportunity costs associated with rural lifestyle development in the short-medium term.

M.E supports, at a minimum, the inclusion of the site as a FDA in the PDP. Key attributes of the site for future urban development include:

- It is contiguous with the boundary of identified urban land and will therefore support compact and cohesive urban expansion of Rangiora in the medium-long term.
- It will help contribute to future demand for greenfield development in the urban environment.
- It is efficiently located relative to Rangiora Town Centre and key community facilities.
- It is adjoining major arterial roads, which enhances accessibility for future residents, including potential for public transport.
- It is of a sufficient size to provide economies of scale for infrastructure and land development.
- Its future development will support the efficient and effective use of existing and planned infrastructure in Rangiora.
- As an FDA, the potential effects of urbanisation of the site would still be assessed/managed through the processes set out in the PDP.
- It gives effect to the growth strategy for Rangiora (in a logical increment) within the PDP.
- Further expansion of the FDA overlay at this time provides more certainty to the market that this is where future zoning is anticipated and reduces pressure from ad hoc private plan changes and resource consents to provide for urban growth.
- It helps maintain the capacity of the FDAs to provide for long-term growth following recent 'consumption' of the FDAs to help meet medium-term growth (via Variation 1).
- It helps maintain the capacity of the FDAs if any of the submissions seeking up-zoning of existing FDAs are accepted.
- It helps ensure (in the face of some uncertainty) that at least sufficient long-term housing capacity is zoned and identified.