

BEFORE THE PALMERSTON NORTH CITY COUNCIL

IN THE MATTER of the Resource Management Act 1991

AND

IN THE MATTER of Private Plan Change: Whisky Creek

STATEMENT OF EVIDENCE OF MICHAEL DUINDAM FOR THE PALMERSTON NORTH CITY COUNCIL

Dated:

11 May 2022

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FOR PALMERSTON NORTH CITY COUNCIL

INTRODUCTION

[1] My name is Michael Eruera Duindam. I hold the qualification of Bachelor of Resource and Environmental Planning (honours). My role at the Palmerston North City Council (the Council) is Principal Planner. I have thirteen years' experience as a professional planner and am an intermediate member of the New Zealand Planning Institute. My planning experience includes drafting and processing plan changes, notice of requirements and resource consents.

[2] In preparing this evidence I have read and considered the following material:

- (a) The Private Plan Change Proposal
- (b) Submissions
- (c) Council's strategic planning documents
 - (i) District Plan
 - (ii) 2018 Long Term Plan
 - (iii) 2018 City Development Strategy
 - (iv) 2019 Housing Needs and Business Needs Assessment
 - (v) 2021 Long Term Plan
 - (vi) 2021 City Spatial Plan
 - (vii) 2021 Infrastructure Strategy
 - (viii) 2021 Housing Capacity Assessment
 - (ix) 2021 Innovative and Growing City Strategy
 - (x) 2021 City Growth Plan

CODE OF CONDUCT

- [3] I confirm that I have read and agree to comply with the Code of Conduct for Expert Witnesses contained in the Environment Court Practice Note 2014. I confirm that I have considered all the material facts that I am aware of that might alter or detract from the opinions that I express, and that this evidence is within my area of expertise.

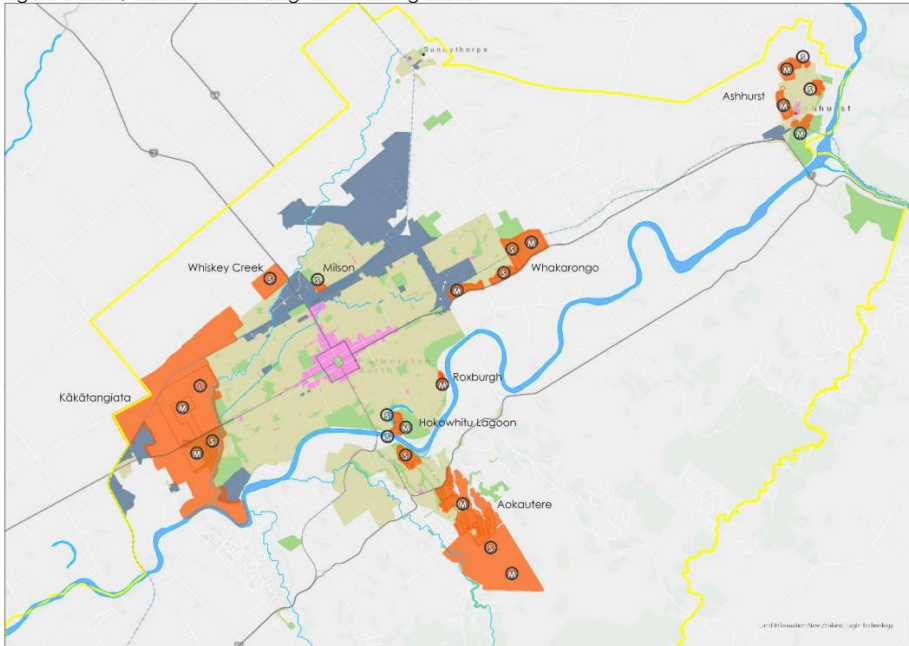
SCOPE OF EVIDENCE

- [4] My evidence is primarily intended to provide an overview of the strategic planning context of the Council in responding to urban growth.

STRATEGIC PLANNING CONTEXT

- [5] The Whisky Creek Private Plan Change has been anticipated by Council since 2018 and was noted in the 2018 City Development Strategy, 2018 Infrastructure Strategy, 2018-2028 Long Term Plan and the 2019 Housing and Business Needs Assessment. More recently, it was acknowledged in the 2021 Long Term Plan and accompanying strategic documents.
- [6] The National Policy Statement for Urban Development (NPSUD) requires Councils to ensure that there is sufficient development capacity available to meet projected demand for housing and business needs. In June 2021, Council produced a Housing Capacity Assessment, which identified that strong population growth was expected in the short to medium term and that additional land would need to be rezoned and serviced to meet that demand. The assessment identified a number of urban growth rezoning options to address housing needs, including the anticipated lodgement of a Private Plan Change at Whisky Creek. Two months after the assessment was published, the Whisky Creek Private Plan Change was notified.
- [7] The following map extract from the housing capacity assessment identifies the aforementioned growth options for Palmerston North, and includes Whakarongo, Kākātangiata, Aokautere, Ashhurst, Roxburgh Crescent, Hokowhitu Lagoon and Whisky Creek:

Figure 9 Short, Medium- and Long-term housing areas



[8] The map above identifies Whiskey Creek as a potential short-term growth option.

[9] The NPS-UD requires Councils to set housing targets. These targets are informed by population projections and a housing capacity assessment. Council’s housing targets have been included in section 1.3.4 of the District Plan:

	Short-term July 2021 – June 2024 <i>Target includes an additional margin of 20%</i>	Medium-Term July 2024 – June 2031 <i>Target includes an additional margin of 20%</i>	Long-Term July 2031 – June 2051 <i>Target includes an additional margin of 15%</i>	30-year total July 2021 – June 2051
Total household growth	Minimum growth target			
	1,523	3,523	7,925	12,971
	Projected actual demand			
	1,269	2,936	6,891	11,096
Projected residential preference – based on minimum growth target				
Greenfield	609	1,762	4,359	6,729
Infill ¹	838	1,585	3,170	5,593
Rural/rural-residential	76	176	396	649

¹ Infill share includes retirement villages and apartments

Growth typologies over each period is confirmed as follows:

Short term

- Infill 55% (including multi-unit and minor dwellings)
- Greenfield 40%
- Rural/Rural Residential 5%

Medium term

- Infill 45% (including multi -unit and minor dwellings)
- Greenfield 50%
- Rural/Rural Residential 5%

Long term

- Infill 40% (including multi – unit and minor dwellings)
- Greenfield 55%
- Rural/ Rural Residential 5%

[10] Under the NPS-UD, Councils are required to monitor urban growth. Quarterly and annual monitoring has identified that currently there is limited greenfield capacity available in Palmerston North. Areas that are zoned for housing are almost fully built-out. Short-term growth areas such as Whakarongo and Kikiwhenua have capacity for approximately 770 dwellings but are not yet fully infrastructure enabled. Consequently, the greenfield land bank is estimated to be less than 100 sections that are not already subject to development. A lack of ready supply of greenfield land in the short-term is problematic. Council is seeking to address this through upgrading or extending services in Whakarongo and Kikiwhenua. However, this alone will not be enough to address identified housing needs over the short to medium terms. Therefore, Council is progressing work on significant District Plan changes to unlock greenfield capacity for a further 6,000-8,000 dwellings in Aokautere, Kākātangiata and Ashhurst. If zoned, the Council will have capacity to satisfy at least 30 years of greenfield growth. A plan change is also under development to further enable intensification, as required by the NPS-UD. While intensification will provide significant new opportunities for housing growth, more greenfield land is necessary to ensure Council's housing targets are achievable. Therefore, Whisky Creek becomes an important opportunity to provide short to medium-term greenfield capacity to meet broader city housing needs.

[11] From a District Plan integrity and consistency perspective, the private plan change application is generally consistent with Council's approach to addressing urban growth, as it utilises the recently developed framework for greenfield growth in Section 7A of the District Plan.

[12] Council's submission on the private plan change identified some concerns regarding whether the intention for future development as signalled in the structure plan and accompanying urban design reports would be delivered. The 2021 Housing Capacity Assessment identified that smaller houses

with a smaller number of bedrooms were not being developed at a scale to match demand. Multi-unit development provides a solution to address this mismatch. With this in mind, my opinion is that the plan change needs to be more directive in how certain aspects of the structure plan are delivered. In particular, to direct the medium density area to be delivered as an outcome of development. The plan provisions as notified only signal an intent to enable intensification. Mr Asgar has addressed this in his evidence.

[13] With regards to concerns by submitters regarding amenity issues at the interface between their properties and the requestors land, the NPS-UD is clear that community expectations that existing amenity will remain constant over time should not be anticipated. Furthermore, it signals that future community housing needs should take precedent over protecting existing amenity. This is a significant change in approach regarding urban development in New Zealand. It is noted that some submitters have raised serious concerns about loss of amenity. This is acknowledged; however, this is an expected outcome where a change from rural to residential is proposed. Furthermore, the approach the requestor is taking is consistent with what is applied in other parts of the city that are zoned for residential use. Additionally, the requestor has sought to mitigate effects by restricting height to 5 metres along the interface of Meadowbrook Drive, essentially capping dwellings to a single level in that location. This will provide amenity benefits that are not otherwise afforded in other residentially zoned areas of the city. Mr Asgar has addressed this in more detail in his evidence.

[14] The NPS-UD requires Councils to prepare a Future Development Strategy (FDS) to inform growth planning. Council will prepare an FDS to inform its next Long Term Plan. While Palmerston North City Council doesn't have an FDS in place yet, it has taken a strategic approach to planning for growth for decades, with residential growth strategies informing Council plan changes to address housing needs. This has been reinforced in strategic direction in the 2021 Long Term Plan, including the Spatial Plan, Innovative and Growing City Strategy, City Growth Plan and Development Contributions Policy. These strategic documents alongside the 2019 Housing and Business Needs Assessment and 2021 Housing Capacity Assessment provide significant direction about how the Council intends to provide for future urban growth needs.

[15] Council's strategic direction over the past decade has determined that urban growth should take place in Whakarongo in the short-term and that long-term growth be accommodated in Kākātangiata (formerly referred to as City West). As a result of requirements of the 2016 National Policy Statement-Urban Development Capacity (NPSUDC) and more recent 2020 NPSUD, Council has taken a more comprehensive approach to understanding urban growth needs and plan for how to respond to that. Population projections have identified a high growth trajectory for Palmerston

North, particularly over the next 10 years. The housing assessments have confirmed that Whakarongo and Kākātangiata are still necessary, but that more capacity is needed to accommodate projected demand. In response to this, Council is progressing planning to enable development capacity in Aokautere, Roxburgh Crescent, Napier Road and Ashhurst. In anticipation of the lodgement of the Whisky Creek Private Plan Change Council has also developed a placeholder budget for reserves at Whisky Creek in the 2021-31 Long Term Plan and acknowledged Whisky Creek as a potential future growth area in the Infrastructure Strategy and Financial Strategy to align with NPS-UD requirements to align land-use planning and infrastructure delivery.

[16] In a broad sense, there are limited options across the city to accommodate greenfield growth where some form of significant development constraint is not a feature. All the “low hanging fruit” has been picked. Whakarongo has geotechnical issues, with a terrace in the middle. It also has an ephemeral creek that creates stormwater management problems. There is also a rail line and it is adjacent to air noise contours. Kākātangiata is partially flood prone, has high class soils in places and has liquefaction and lateral spread risks. Aokautere has a gully network which has geotechnical constraints and ecological values under the One Plan that require protection. Ashhurst and Napier Road have flooding risks and potential contamination that may need remedying through a future consenting process. Roxburgh Crescent is an industrial area and has contamination issues that will need remedying before housing can be developed. Whisky Creek has some high-class soils and flood risks. These examples demonstrate that there are no easy areas for accommodating greenfield growth. The NPS-UD requires Councils to be responsive to growth, so careful consideration is necessary so that this can be accommodated in a way that achieves sustainable management.

[17] With regards to high class soils (raised in submission points s11/1, s7/7, s18/7, s21/1, 26/4), there is a balancing act between enabling growth and protecting finite physical resources like highly productive land. The Whisky Creek Private Plan Change does seek to promote urban development on land that contains some highly productive land. At a district-wide level, the Council has taken a very protective approach to managing productive land in the rural zone by imposing a heavily restrictive 20 hectare minimum lot size. The intention of this approach is to minimise the risk of land fragmentation in locations where productive uses can be best accommodated. This does not prevent consideration of rural land being rezoned for another use. While productive land exists at Whisky Creek, the private plan change does provide an opportunity to address another critical resource management issue for the city, being a lack of housing capacity available to meet short-medium term needs. If the private plan change is approved, Whisky Creek could supply the equivalent of approximately 80% of one year’s worth of greenfield supply needs. This would be a meaningful contribution to urban growth capacity. Given that significant other parts of the rural

zone are protected for productive uses, on balance, it is my opinion that enabling the use of land at Whisky Creek for residential development is an appropriate alternative to rural. It is also acknowledged that a significant part of the wider property will be retained for rural use.

INFRASTRUCTURE, FINANCE AND LAND-USE INTEGRATION

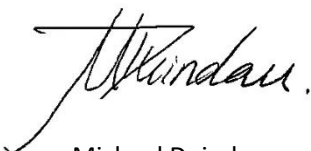
- [18] The NPS-UD requires Council to not only provide for well-functioning urban environments, but also sufficient development capacity to meet the needs of people and communities.
- a) To be “sufficient” development capacity must be:
 - b) plan-enabled (land zoned for short and medium-term demand and future urban zoned for long term demand); and
 - c) infrastructure-ready; and
 - d) feasible and reasonably expected to be realised.
- [19] Land is “Infrastructure-ready” if there is adequate existing development infrastructure to support the development of the land or funding for adequate infrastructure to support development of the land is identified in a long-term plan.
- [20] With its focus on ensuring sufficient capacity to meet demand, the NPS-UD emphasises the need for planning decisions to be integrated with infrastructure and funding decisions. This is consistent with the broad functions of the Council to establish, implement and review objectives, policies and methods (which includes zones) to achieve the integrated management of the effects of the use, development or protection of land and associated natural and physical resources of the District and Council’s own strategic objectives, reflective of the RPS, to ensure integrated development with infrastructure and services.
- [21] The provision and timing of enabling infrastructure is therefore a highly relevant consideration for NPS-UD driven plan changes; with Council needing to ensure that there is sufficient feasible urban zoned land, but that when land is zoned, that it is then serviced.
- [22] Technical reports prepared for the Council’s s.42A report have considered the infrastructure requirements for the Whisky Creek with a view to confirming the land is suitable for residential zoning, with sufficient development capacity (including strategic infrastructure services) to service the rezoned land.

[23] The wastewater servicing report confirms that wastewater can be accommodated through the provision of pressure sewer systems. This is becoming a standard servicing approach for new urban growth areas in Palmerston North, having been formally introduced as a servicing method in the District Plan in 2020. Mr Asgar has made recommendations to identify Whisky Creek as a pressure sewer area to align with this approach.

[24] With regards to water supply, the water servicing report has identified an existing level of service deficit for the wider catchment adjacent to Whisky Creek. Adding Whisky Creek to the catchment would exacerbate this problem. The water servicing report identifies that growth at Whisky Creek cannot be accommodated until this is resolved. This problem was unknown until the detailed servicing assessment for this plan change was undertaken. The servicing report notes that Council will need to address the existing infrastructure deficit quickly, due to firefighting implications. However, this is expected to take 3-5 years to be fully addressed. This means that Council's consideration of Whisky Creek as a potential short-term growth option in the 2021 Housing Capacity Assessment is not achievable. To ensure that development meets the requirements of the NPS-UD Whisky Creek, if approved, would need to be repositioned as a medium-term growth option. The District Plan would also need to reinforce this by putting in place restrictions on development until supporting infrastructure is available. Mr Asgar has addressed this in his evidence.

CONCLUSION

[25] In summary, the Private Plan Change for Whisky Creek is generally consistent with Council's strategic growth planning and its approach to managing greenfield growth in the District Plan. While infrastructure is not yet fully available to enable immediate feasible development capacity, Council's Long Term Plan does provide for the ability to service Whisky Creek in the medium term and would therefore align with the requirements of the NPS-UD if the plan change is approved.



Michael Duindam