

BEFORE THE HEARING PANEL APPOINTED BY KAIPARA DISTRICT COUNCIL

Under the Resource Management Act 1991

In the matter of the hearing of submissions on Proposed Private Plan
Change 84: Mangawhai Hills Limited

REBUTTAL EVIDENCE OF DEREK RICHARD FOY ON BEHALF OF KAIPARA DISTRICT COUNCIL

ECONOMICS

13 May 2024

**SIMPSON
GRIERSON**

Warren Bangma
T: +64-9-358 2222
warren.bangma@simpsongrierson.com
Private Bag 92518 Auckland

1. INTRODUCTION

1.1 My full name is Derek Richard Foy.

1.2 I prepared a memorandum dated 8 April 2024 provided in support of the section 42A Report in this matter addressing economics. My qualifications, experience, and background to my involvement in this matter are as set out in that memorandum.

2. CODE OF CONDUCT

2.1 I confirm that I have read the Code of Conduct for Expert Witnesses contained in the Environment Court Practice Note 2023 and have complied with it in preparing this evidence. I confirm that the issues addressed in this evidence are within my area of expertise and I have not omitted material facts known to me that might alter or detract from my evidence.

3. SCOPE OF EVIDENCE

3.1 This statement of rebuttal evidence on behalf of Kaipara District Council responds to matters arising from the statements of evidence of:

- (a) Ms Neal and Ms McGrath; and
- (b) Mr Osborne.

4. EVIDENCE OF MS NEAL, MS MCGRATH AND MR OSBORNE

4.1 Ms Neal, Ms McGrath and Mr Osborne have prepared primary statements of evidence on behalf of the applicant dated 29 April 2024. Whilst those statements address a wide range of topics, my rebuttal is limited to responding to the parts of that evidence relating to the proposed Community Hub areas.

4.2 As explained in the statement of Ms Neal and Ms McGrath¹ the plan change request has now been amended to change the location and extent of Community Hub areas within the Plan Change area, to now provide three Community Hub areas comprising:

(a) In hubs A and B “a total of approximately 16,645m² area to provide up to 1000m² net floor area within each hub of commercial activities and community facilities”

(b) In hub C “approximately 41,128m² area to provide up to 5000m² net floor area of Educational Facilities”.²

4.3 Ms Neal and Ms McGrath also support including 104-110 Moir Street as a fourth Community Hub area, relying on the evidence of Mr Osborne who identifies that the area is already used for a range of commercial activities.

4.4 Amendments are proposed to DEV1-P7, DEV-R5 and DEV-R5A to enable the activity proposed in the three hubs.

4.5 Notwithstanding my observation in the next paragraph, I consider those changes to be positive, and they will provide well for the convenience needs of the immediate new residential catchment, and make a useful contribution to addressing the key concern I raised in my memo, which was as follows:

the key economic risk of approving the plan change relates to timing, and avoiding residential growth occurring too far in advance of growth in the suite of non-residential activity that is required in a growing town such as Mangawhai.³

4.6 I note that DEV1-R5 is that “The cumulative total of commercial activities and community facilities within Mangawhai Hills development Area does not exceed 1000m² net floor area.” That is, the maximum floor area within the entire area is 1,000m², and 1,000m² is not the amount enabled in each of the hubs. I understand that the Causeway Church that

¹ Paragraphs 19, 50, 51, 187-190

² Paragraph 51(a)

³ Paragraph 6.5 of my memo

has been consented, but not yet built, at 30 Moir Street would be a community facility, and would take up a significant part of that 1,000m² allowance. That means that there would be very little additional space remaining under the 1,000m² maximum floorspace limit to be occupied by non-Church activities, once the Church floorspace is taken into account.

4.7 In my opinion it would be appropriate from an economics perspective to enable a maximum of 1,000m² net floor area for commercial activities and community facilities in each of Community Hubs A and B, and the proposed fourth hub at 104-110 Moir Street.

4.8 In my opinion the proposed changes to the Community Hub areas (including 104-110 Moir Street) would (if changed to be 1,000m² in each hub, not a cumulative total) provide an appropriately scaled amount of non-residential activity that would enable an increase in commercial activities, community facilities and educational facilities in Mangawhai while maintaining the vitality and vibrancy of the existing commercial zones within Mangawhai, and avoiding any more than minor retail distribution effects.

4.9 Notwithstanding my conclusion that the proposed classification of 104-110 Moir Street as a Community Hub is appropriate from an economics perspective, that proposal may benefit from urban design input. Only a very small proportion of 104-110 Moir Street is currently used for non-residential activity, and much more non-residential activity could be accommodated. That would have potential implications for contributing to ribbon or strip development along Moir Street away from Mangawhai Village, although I understand that Council has purchased an area for sportsfields (Urlich Park, Figure 4.1) which would break that ribbon to some extent.

Figure 4.1: Location of 110 and 114 Moir Street (red outline) in relation to Urlich Park (blue outline) and Mangawhai Village Commercial Zone (shopping centre)



4.10 I have been asked to provide an economics opinion on the appropriate planning treatment of the Causeway Church that has been consented, but not yet built, at 30 Moir Street (on a large site to the rear of Urlich Park in Figure 4.1). The applicant has not proposed to include that as a Community Hub area, and in my opinion the four proposed Community Hub areas are sufficient to provide for local needs and the church site is not required to provide additional Community Hub capacity. Further, I consider that the church's activities are appropriately provided for by of its existing resource consent, and the church does need to be a Community Hub to operate as a church.

4.11 While the changes proposed by the applicant are an appropriate response to the concern raised in my memo, and will assist in contributing to better supply of commercial activities, community facilities and educational facilities in Mangawhai, Council will need to continue to monitor and increase the supply of business and community land in the future to continue to provide for the needs of growth,

particularly in response to any additional proposals for significant new residential growth areas.

4.12 It will be important that Mangawhai's existing centres are enabled to grow, to maintain them as the primary focal points of commercial activity, and to enable co-location of new activities with existing activities, in addition to creating small new nodes such as the Community Areas proposed in the PC84 area.

4.13 The final matter I wish to raise in response to the proposed Community Hub areas A and B is the land area proposed for those two areas (16,645m², or 1.65ha), which is large in relation to the maximum amount of floorspace proposed (2,000m²). That equates to a building floor area ratio of only 12%, which is a very low site coverage for a commercially oriented area. It is possible that large parts of the Community Hub areas might accommodate open space and recreation activities such as playgrounds, but otherwise it is not clear why the land area needs to be so large in relation to the floorspace enabled. In my opinion it would not be appropriate for commercial presences in those areas to be larger than the 2,000m² proposed in the absence of assessment of retail distribution effects on Mangawhai's centres, and the large land area should not be taken as an implicit approval of future floorspace expansion.

4.14 In my opinion there are no other outstanding matters of concern from an economics perspective.

Derek Richard Foy

13 May 2024