1. INTRODUCTION

1.1 Introduce self.

2. Overview of memorandum in support of the section 42A Report

- 2.1 In my s42A memo I concluded that additional residential capacity is not required in Mangawhai to accommodate demand before 2038.
- 2.2 However I acknowledge that dwelling demand is difficult to quantify for Mangawhai, where the proximity to urban Auckland means there a very large pool of potential demand that might buy dwellings in Mangawhai if the right product was available. For that reason, if PPC84 was approved it is likely that there would be demand for its dwellings.
- 2.3 Mangawhai's ongoing growth will continue to cause challenges in achieving a well-functioning urban environment. The town is outgrowing its current business base, and while the Mangawhai Central development will help to rectify that for a while, additional expansion of business land supply and new community, education and recreation facilities will be required to continue to appropriately provide for local needs.
- 2.4 The replacement District Plan is one obvious mechanism to achieve that additional supply, however because it is only at an early pre-notification stage there is significant uncertainty about what growth it might enable. Without a significant new enabling of business and other opportunities in Mangawhai there is a risk that the community's needs are not adequately provided for locally, and significant inefficiencies result, including the need to travel large distances to access businesses and facilities.
- 2.5 While PPC84 is well located adjacent to the existing Mangawhai urban edge to contribute to a logical urban expansion of Mangawhai, 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 non-residential activity.
- 2.6 From my assessment the risk is manageable for PPC84 alone, but there is a real possibility of an imbalance of residential and non-residential activity arising in Mangawhai if the town's non-residential activities do not grow in line with population growth.

3. Overview of rebuttal

- **3.1** In response to those concerns the applicant's evidence proposed to increase the number of Community Hub areas from one to four. My rebuttal statement responded to that proposal, which comprised:
 - (a) At hubs A and B, and at 104-110 Moir Street, up to 1000m² net floor area in each location for commercial activities and community facilities

- (b) In hub C up to 5000m² net floor area of Educational Facilities".¹
- **3.2** I consider the changes proposed appropriately address the concerns I raised in my memo, and to be positive changes that will provide for community needs without adversely affecting Mangawhai's existing centres.
- **3.3** I note however that DEV1-R5 states that the <u>cumulative total</u> of commercial activities and community facilities within Mangawhai Hills must not exceed 1,000m² net floor area, contrary to the description in the statement of Ms Neal and Ms McGrath which is <u>three</u> separate amounts of 1,000m².
- 3.4 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 <u>each</u> of Community Hubs A and B, and at 104-110 Moir Street.
- **3.5** The applicant has not proposed to include the consented Causeway Church as a Community Hub area, and in my opinion it need not be, because the four proposed Community Hub areas are sufficient, and the church's activities are appropriately provided for by the existing resource consent.
- **3.6** I noted that the land area proposed for Community Hubs A and B (1.65ha) is large in relation to the maximum amount of floorspace proposed (2,000m²), and equates to a building floor area ratio of only 12%, which is a very low. I am not sure why the land area is so large compared to the maximum floorspace enabled, and I noted in my rebuttal that 2,000m² is an appropriate maximum commercial floorspace in those areas and the large land area should not be taken as an implicit approval of future floorspace expansion.
- 3.7 In conclusion, Council will need to continue to monitor and increase the supply of business and community land in Mangawhai to provide for growth, particularly given proposals for significant new residential growth areas.
- **3.8** In my opinion there are no other outstanding matters of concern from an economics perspective.

¹ Paragraph 51(a)