

Before Kaipara District Council

In the Matter of the Resource Management Act 1991 (**RMA**)

And

In the Matter of an application for Private Plan Change 84 (**PC84**) by **MANGAWHAI HILLS LIMITED** to rezone 218.3 ha of land between Tara Road, Cove Road, Moir Road and Old Waipu Road, Mangawhai from Rural Zone to the Mangawhai Hills Development Area.

Summary Statement of Philip Osborne on behalf of Mangawhai Hills Limited

(Economics)

Dated 28 May 2024

Jeremy Brabant
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Introduction

1. My name is Philip Osborne. I am an economic consultant for the company Property Economics Ltd, based in Auckland. I have 20 years' experience advising local and regional councils, as well as central government agencies, throughout New Zealand in relation to economic impacts, industrial and business and residential land use issues as well as strategic forward planning.
2. I have prepared evidence on behalf of the Mangawhai Hills Limited, dated 29 April 2024, in respect of economic matters arising from the proposed rezoning of 218.3ha of rural land to enable residential activities through Private Plan Change 84 (**PC84**).
3. My evidence identified:
 - a. The Mangawhai catchment has encountered substantial population and household growth over the past decade. These growth pressures have contributed to rapid house price growth in the area, over the same period, in excess of 200%.
 - b. This growth trend is expected to continue with Mangawhai expected to accommodate 60% of Kaipara Districts population growth projected at 7,000 residents, to 2051, resulting in additional demand for 3,000 dwellings.
 - c. There are several factors that have resulted in Mangawhai consistently outperforming historic growth projections, including its proximity to Auckland and improved accessibility to the wider markets.
 - d. Identified dwelling capacity under the District Plan indicate a capacity that has the potential to meet this demand. A crucial consideration with regard to the appropriate level of this capacity is the potential level of feasible and realisable capacity. These

considerations would materially reduce the extent and sufficiency of this capacity to provide for an efficiency housing market.

- e. PC84 has the potential to contribute up to 600 residential sites to the market over the short to medium term. The plan change area represents an extension to the existing urban area and an efficient location in terms of existing infrastructure.
 - f. While I do not accept that the position of Mr Foy establishes a lack of need for this rezoning to meet demand, in any event the overall high level position and efficiency provided by the plan change offers desirable economic benefits.
 - g. The key economic consideration is whether the rezoning of PC84 would contribute to a well-functioning housing market as well as urban form. The recognition of the PC84 site in the Mangawhai Spatial Plan 2020 highlights the locational advantages as well as the contiguous nature of the site. The addition of this level of additional residential land capacity within the market is likely to provide a greater safeguard for growth as well as improving the counterfactual affordability.
 - h. The economic assessment of Mr Foy for Council identifies a potential issue relating to the accommodation of these commercial services and the potential for an undersupply of business and community service land.
 - i. While the majority of the activity in this development area is expected to be residential the areas within the community hubs (A – C), in addition to the commercial potential of 1,000sqm at 110 Moir Street, represent opportunities to efficiently provide for the convenience needs and services of the immediate community.
4. Having considered the economic context in which PC84 sits, as well as relevant submissions and the economic review, I support the proposed plan change and its associated economic benefits.

Philip Osborne

Dated 28 May 2024