

IN THE MATTER of the Resource Management Act
1991

AND

IN THE MATTER of an application to Kapiti Coast
District Council for non-complying
resource consent for a proposed 53 lot
subdivision¹ (including earthworks and
infrastructure) at Otaihanga, Kapiti
Coast.

**STATEMENT OF EVIDENCE OF DEREK RICHARD FOY ON BEHALF OF
THE APPLICANT**

1. INTRODUCTION

Qualifications

1.1 My full name is Derek Richard Foy. My qualifications are degrees of Bachelor of Science (in Geography) and Bachelor of Laws from the University of Auckland. I am a member of the Population Association of New Zealand, New Zealand Association of Economists, and the Resource Management Law Association.

Experience

1.2 I am a Director of Formative, an independent consultancy specialising in social, economic, and urban form issues. Prior to this, I was an Associate Director of Market Economics Limited, a research consultancy for six years, and was employed by Market Economics for 18 years.

1.3 I have 22 years consulting and project experience, working for commercial and public sector clients. I specialise in retail analysis, assessment of demand and markets, the form and function of urban economies, the preparation of forecasts, and evaluation of outcomes and effects.

¹ The original application was for a 56 lot subdivision – 49 residential lots and 7 lots infrastructure

- 1.4 I have applied these specialties in studies throughout New Zealand, across most sectors of the economy, notably assessments of housing, retail, urban form, land demand, commercial and service demand, tourism, and local government.

Background

- 1.5 I have been involved in assessing the likely economic effects of the proposal. I have not produced a report but have been asked to consider the economic effects of the proposal prior to the hearing. Specifically, this has involved:
- (a) Reviewing population and dwelling demand and capacity assessments to understand residential supply and demand issues in Kapiti Coast District.
 - (b) Reviewing the planning and policy objectives for accommodating residential growth in Kapiti Coast District, and
 - (c) Understanding the employment and economic output generated with the rural productive land that is proposed to be converted into residential activity.
- 1.6 I confirm that I have read the briefs of Messrs Hansen, Compton-Moen, Martell and Hansen, to which I refer. However, my evidence will focus on my area of expertise of assessment of economic effects.

2. CODE OF CONDUCT

- 2.1 Although not necessary in respect of council hearings, I can confirm I have read the Expert Witness Code of Conduct set out in the Environment Court's Practice Note 2014. I have complied with the Code of Conduct in preparing this evidence and I agree to comply with it while giving oral evidence before the hearing committee. Except where I state that I am relying on the evidence of another person, this written 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 expressed in this evidence.

3. EXECUTIVE SUMMARY

- 3.1 My evidence has examined the likely economic effects of the proposed development of 46 residential lots on a 18ha² area (western) portion of the Mansell Farm (“the Site”). That 18ha is bordered by Tiekō Street and Otaihanga Road along most of its western boundary, and the Kapiti Expressway along the eastern boundary, and was severed from the rest of the Mansell Farm by the Kapiti Expressway.
- 3.2 The Site is zoned ‘Rural Residential’ in Kapiti District’s now operative District Plan (“ODP”). When the application was lodged in June 2021 this was the then Proposed District Plan (“PDP”).
- 3.3 I have examined the alignment of the proposed residential development with key objectives and policies in the PDP and the non-statutory District Growth Strategy “*Te tupu pai – Growing well*” (“DGS”). I have also assessed the likely demand for and supply of residential dwellings in Kapiti and the viability of rural production on the land to determine whether it can return viable economic returns.
- 3.4 The proposed 46³ residential lots would equate to 5% of the housing demand projected for the area around Paraparaumu and extending north to the Waikanae River out to 2031, and 2% of demand out to 2051. That proposal would therefore accommodate a small but needed share of projected residential growth in the area, and would provide housing choice for residents wishing to locate on larger lots and in close proximity to Paraparaumu.
- 3.5 The Site is not viable as an operating farm due to the poor quality of soils, the small size of the Site, and its severance from the rest of the original farm.
- 3.6 Although not included in the PDP, plans for residential intensification have progressed significantly since the application for this resource consent was lodged. Both the DGS and the Medium Density Residential Standards (“MDRS”, which are to be included in a proposed Plan Change to provide for Intensification to be notified by August 2022), will

² The original application was for 17ha but additional land has been included as a result of Waka Kotahi offering back land no longer required for the Expressway,

³ The original application was for 49 residential lots, but three lots have been deleted in the southern area in response to visual and amenity concerns raised by KCDC’s landscape Peer Reviewer

likely have significant effects on the residential development markets for two main reasons:

- (a) First, the DGS identifies the Site as a medium priority greenfield residential location.
- (b) Second, the MDRS will enable much higher intensities in existing and future residential zoned areas of the District.

3.7 The Site is part of a medium-priority greenfield growth area in the DGS, which I understand indicates that the area is generally considered to be suitable for future residential development, subject to further investigation. I understand the types of investigation that would be required to advance that greenfield growth area to a live-zoned residential area have been undertaken as part of this application, including in relation to landscape and visual,⁴ traffic and infrastructure,⁵ and conclude that there are no barriers to residential development of the Site. That being the case, in my opinion the Site should now be a high priority for development to meet immediate demand.

3.8 There is very little economic downside to the proposed residential development. The proposal is for a small scale of development in a location that is directly adjacent to an existing residential area, and which has poor quality soils that are uneconomic to farm productively. The Site has good access to the shared use path along the Kapiti Expressway, has good proximity to Paraparaumu, and is located against the Expressway which provides a well-defined edge would limit future urban expansion in the vicinity of the Site. The proposed development would provide additional residential choice within Kapiti in a location which is envisaged in the DGS to accommodate residential dwellings in the future.

4. SCOPE AND STRUCTURE OF EVIDENCE

4.1 I have structured my evidence as follows:

- (a) Summary of my evidence and key conclusions as to effects

⁴ Mr Compton-Moen holds the opinion that the current proposal is in keeping with the rural amenity objectives of the PDP which seek to ensure that rural amenity and character are maintained, and KCDC's Peer Reviewer has indicated in the Addendum to her landscape review that she considers the revised proposal is now acceptable.

⁵ Current council infrastructure has been assessed to have capacity to accommodate the development proposed by the current application.

- (b) Response to matters raised by submitters
- (c) Response to Officers' section 42A report
- (d) Conclusion.

5. SUMMARY OF ECONOMICS EFFECTS ASSESSMENT

Otaihanga Proposal

5.1 The proposal is for a subdivision of 18ha of the Mansell Farm to the west of the Kapiti Expressway. The proposed Otaihanga Estates subdivision will create a total of 53 lots, including:

- (i) 22 rural lifestyle lots in the northern part of the Site
- (ii) 24 residential lots adjacent to Otaihanga Road in the southern part of the Site
- (iii) 5 lots for internal roads and road widening
- (iv) 1 lot each for recreation reserve and storm water ponding.

Policy Context for Residential Growth

5.2 I understand that the resource consent application was lodged in June 2021 and the provisions of the then Proposed District Plan ("PDP") apply to this proposal.

5.3 A number of key objectives and policies contained in the PDP are relevant to this proposal, including:

Residential Development

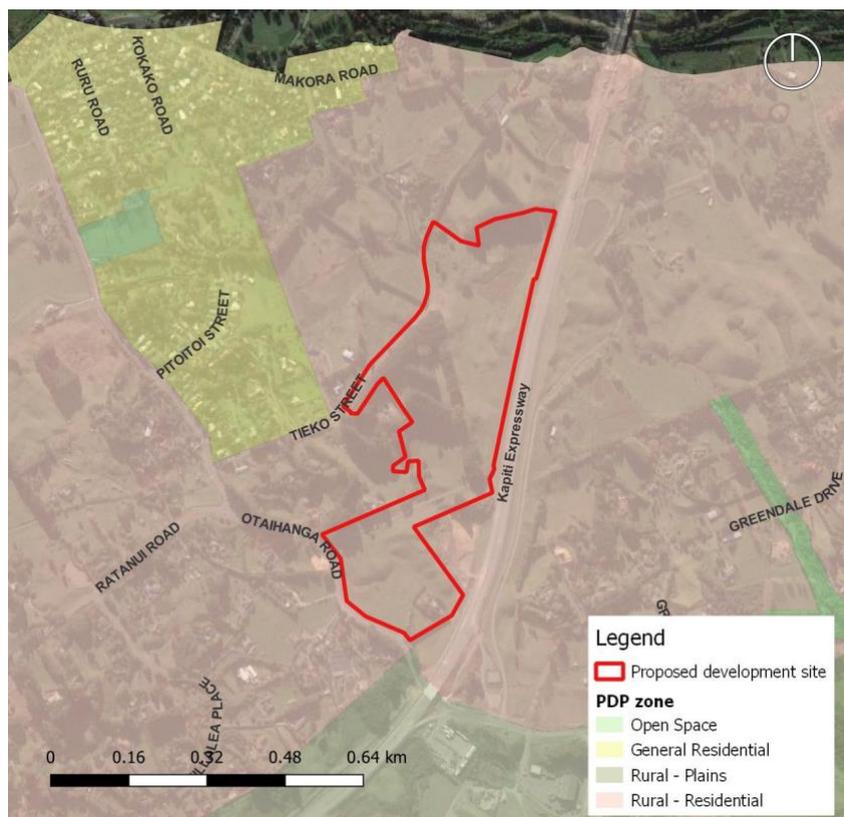
- (a) Objective 2.3 Development Management, Policy DW1 Growth Management and Policy 7.11 Rural Residential Zone. The overall intention is to maintain a compact urban form limited to existing urban areas and a small number of identified growth areas. Otaihanga is not identified as one of the growth areas in the PDP. This objective aims to achieve a range of urban form outcomes including efficient use of energy; integration with infrastructure, open spaces and public transport; access to centres-based activity; provision of an adequate supply of housing and business/employment; and maintenance or enhancement of areas of special character or amenity.

- (b) Objective 2.12 Housing Choice and Affordability, Policy DW3 Housing Choice and Policy DW5 Residential Density. Increasing the residential dwelling stock will: provide a range of densities, locations, types, attributes, size and tenures that meet residents' needs; improves housing affordability; is adaptable to changing needs; while enhancing the amenity of living environments and contributing towards sustainability goals.

Rural Activities and Amenity Values

- (c) Objective 2.6 Rural Productivity and Policy 7.1 Primary Production. The key intentions are to retain land which is suitable for primary production; enable activities that can add economic and social value from primary production activities; and reduce conflict between land uses in the rural environment.
 - (d) Objective 2.11 Character and Amenity Values, Policy DW4 Managing Intensification, Policy DW14 Amenity Values and Policy 7.2 Rural Character. The intention is to maintain and enhance the unique character and amenity values of individual communities, including having productive rural areas characterised by openness, natural landforms and indigenous vegetation and primary production activities; and well managed interfaces between land use activities to minimise reverse sensitivity.
- 5.4 The proposal will provide additional residential dwelling stock in a location that is suited to those wanting to live in a semi-rural lifestyle environment with relatively low residential density characterised by stand-alone housing. It is well connected to the former State Highway 1 (which will revert to a local road once NZTA Waka Kotahi has completed its State Highway 1 corridor improvement initiatives), and the Paraparaumu Town Centre through existing urban roads.
- 5.5 The PDP describes Otaihanga as “a quiet low density area which is set apart from the main urban area”. It also notes that the area is strongly linked to the river. Much of Otaihanga is rural in nature, although the Site is directly adjacent to the General Residential Zone that is bounded by Tieko Street in the south, Otaihanga Road to the west, and rural land and the river to the north (Figure 5.1).

Figure 5.1: Spatial extent of the Site



5.6 The Site would be a logical extension of residential activity on land which is no longer useful in a rural productive sense, as I discuss later in this section. The Site will effectively fill the gap between the Kapiti Expressway and the residential activity north-west of Tieko Street with lower intensity residential reflective of the semi-rural character of the surrounding area and the adjacent residential area.

5.7 The General Residential zoned land to the north-west of Tieko Street is likely to be subject to the intensification provisions dictated by the Medium Density Residential Standards, which will allow for infill and redevelopment of lots by up to three houses of three storeys high. Those provisions may change the character of the area to much higher intensity residential activity as property owners and developers choose to provide more dwellings. That potential development trajectory is, however, highly uncertain at present given the MDRS are yet to be notified, and because they are expected to apply to a broad geographic area the change in intensity in any small geographic area, such as Otaihanga, may be limited.

- 5.8 Another key policy document guiding residential growth and development in Kapiti District is the Council's District Growth Strategy Te tupu pai | Growing well ("DGS"). That document anticipates residential growth of 32,000 people in the district between 2021 and 2051, broadly equivalent to 13,850 households, as identified in the "Kapiti Coast Commercially Feasible Residential Capacity Assessment"⁶ (December 2021). That assessment was used as input to the Housing and Business Development Capacity Assessment ("HBA") update.⁷
- 5.9 The DGS's approach for managing growth is to pursue a mix of growing up (through intensification in and around centres and rail station nodes), and growing out (in identified greenfield locations). Future development in greenfields locations is anticipated to achieve higher densities than in many established suburban areas, and should be linked with good public transport.
- 5.10 The key growth principles and priorities that the current application helps to achieve are (relative to growth principles in the DGS, page 35): enabling choice; embracing the opportunities of growth; and enabling affordable and efficient urban form outcomes. Provision of a wide range of housing choices, apartments, semi-detached, terraced and affordable homes and in this case more traditional homes such as single home dwellings on comparatively large sections as envisaged on the Site, is an important consideration of the DGS.
- 5.11 The DGS requires that these growth outcomes must be balanced with ensuring that the things that make Kapiti a special place to live and work are retained, including preserving green, rural and open spaces, and protecting and enhancing the waterways and coastline. It is also important that rural productive land is protected from further fragmentation. The strategy to prevent land fragmentation has been to identify future greenfield areas in appropriate locations.
- 5.12 Like other councils, KCDC is tasked with incorporating the MDRS (as required by the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021, "EHA") and giving effect to the NPSUD's policy 3. Together, the MDRS and policy 3 aim to achieve greater dwelling capacity throughout residential areas, and around

⁶ Property Economics Limited

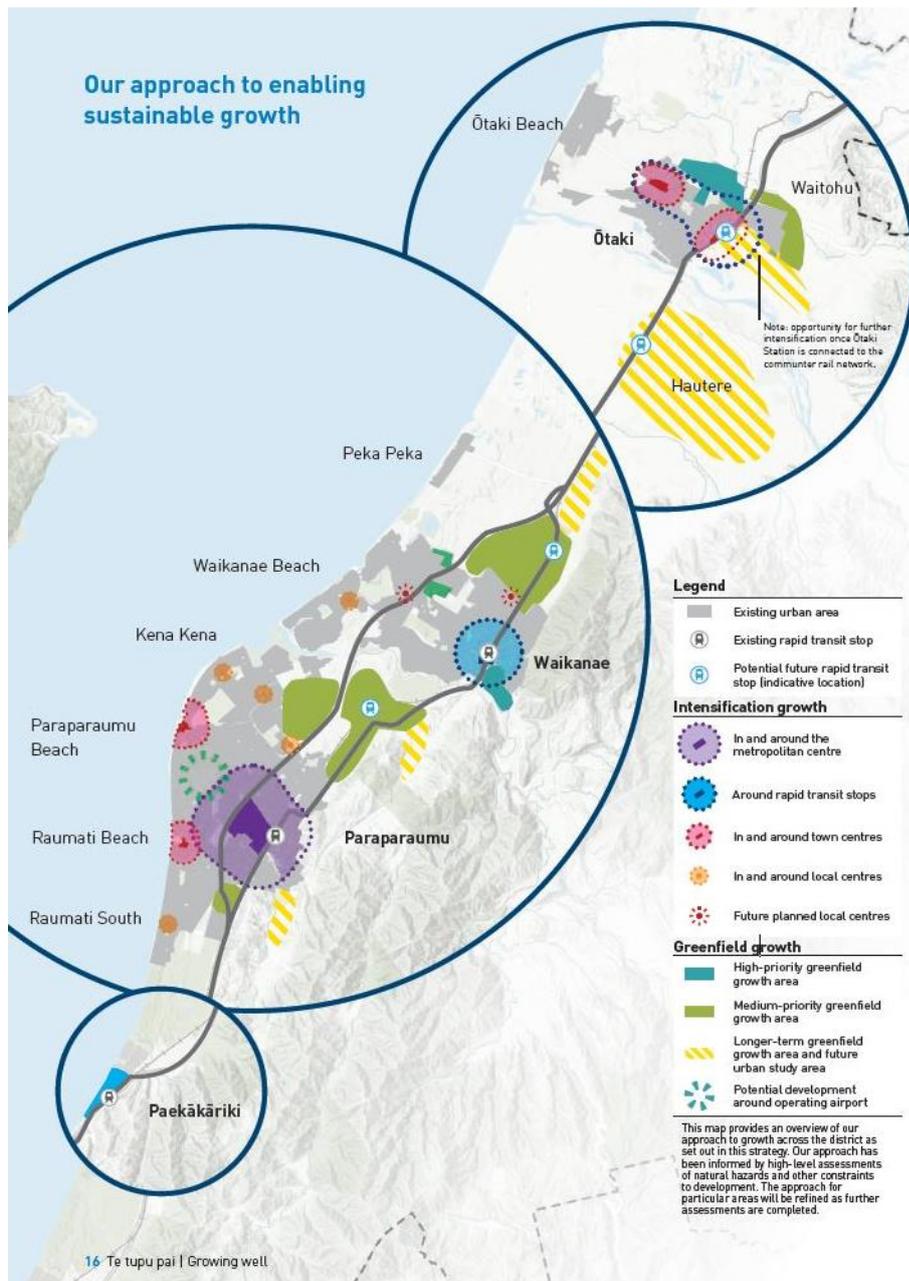
⁷ Sense Partners, May 2022

existing and future centres, public transport nodes and rail stations. In most Kapiti towns, and surrounding rail stations, the DGS envisages four to six storey buildings within walkable catchments, with up to 12 storey buildings in the Paraparaumu town centre. In other residential areas infill can be achieved up to three storeys.

- 5.13 KCDC intends to incorporate the MDRS into the District Plan through a proposed plan change to provide for Intensification, that is required to be notified by August 2022. The proposed plan change provisions are stated to be the first step towards implementing the DGS, as discussed below.
- 5.14 Together, these EHA-directed changes represent a significant change from the existing built form and character that is evident in Kapiti Coast.
- 5.15 In greenfield areas, a greater intensity of housing is expected to be achieved, including through some provision of terraced housing and apartments, with three storeys enabled in all areas, and six storeys enabled around rapid transit stops. The exact details of how that will be achieved are still in their infancy.
- 5.16 Otaihanga, including most of the Site, has been identified as a medium priority greenfield growth location, along with other urban fringe areas in Kapiti⁸ (Figure 5.2). The areas currently identified as medium-priority are stated to require further investigation of constraints, including what infrastructure development would be required (page 27 of the DGS), and I understand those investigations have been carried out as part of this application.
- 5.17 The application proposes only 46 dwellings on the Site. Under the MDRS, and the provisions of the DGS, the Site could yield significantly higher residential intensities. That would provide better outcomes for the district in terms of providing for residential growth, but poorer outcomes in relation to maintaining the current character of the area and rural amenity that is valued under the PDP.
- 5.18 High priority greenfield areas are intended to be developed ahead of medium priority greenfield areas. There are high priority areas in the Future Urban Zoned land in south-east Waikanae, Waikanae and Ōtaki, and potentially in land surrounding the Paraparaumu airport (Figure 5.2).

⁸ Raumati South, Paraparaumu North/Otarua Park, north of Waikanae and Waitohu in Ōtaki

Figure 5.2: KDC identified growth areas (DGS, page 16)



5.19 The location of the Site in relation to the medium priority greenfield area is shown in Figure 5.3.

Figure 5.3: Location of the Site relative to DGS growth areas



Assessment of Residential Demand and Supply

- 5.20 KCDC engaged Sense Partners to undertake a HBA update, which was finalised in May 2022. The HBA assesses the likely demand for and supply of residential development capacity from 2021 to 2051.
- 5.21 The HBA shows demand for an additional 6,120 dwellings between 2021 and 2031 (of which 30% or 1,860 dwellings will be within the Paraparaumu catchment where Otaihanga sits), and a further 10,065 dwellings between 2031 and 2051 (Figure 5.4). That growth will result in the existing surplus capacity being taken up by sometime in the early 2030s, leading to a projected shortfall of nearly 8,400 dwellings by 2051 (based on current development provisions in the Operative District Plan, “ODP”).
- 5.22 Otaihanga and other medium priority greenfield areas have not been considered in the HBA due to their availability having not yet been assessed by Council and their existing zonings reflecting this. That exclusion means that eventual capacity will be somewhat higher than the HBA assesses, once greenfield areas are included.

Figure 5.4: Kapiti HBA dwelling demand projections⁹

	Dwelling Demand				Share of Kapiti Demand			
	2021-2024	2024-2031	2031-2051	Total	2021-2024	2024-2031	2031-2051	Total
Paraparaumu								
Stand alone housing	366	899	1,668	2,932	21%	21%	17%	18%
Joined housing	212	391	1,064	1,667	12%	9%	11%	10%
Total	569	1,288	2,728	4,584	32%	29%	27%	28%
Other towns								
Stand alone housing	687	1,652	3,034	5,371	39%	38%	30%	33%
Joined housing	429	856	3,339	4,623	24%	20%	33%	29%
Total	1,074	2,566	6,316	9,955	61%	59%	63%	62%
Other								
Stand alone housing	94	294	500	888	5%	7%	5%	5%
Joined housing	26	157	573	756	1%	4%	6%	5%
Total	120	493	1,044	1,657	7%	11%	10%	10%
Total								
Stand alone housing	1,145	2,844	5,200	9,189	65%	65%	52%	57%
Joined housing	618	1,505	4,870	6,993	35%	34%	48%	43%
Total	1,756	4,367	10,063	16,185	100%	100%	100%	100%

5.23 Importantly, the HBA does not make provision for the higher levels of residential intensity that will be enabled under the MDRS, which will be significantly different from the current urban form and character. The degree to which intensification occurs will depend on property owner motivation and financial capacity to redevelop their properties – some owners will appreciate their existing amenity and have no desire to subdivide or intensify residential development on their properties.

5.24 This intensification potential will be quite new within the Kapiti market, and the MDRS will provide for decades of infill development potential. MDRS-enabled redevelopment will, however, occur in an ad hoc manner initially, and is highly unlikely to ever be achieved across all areas where it could theoretically apply, because those areas are geographically large.

5.25 Nevertheless the MDRS will enable additional capacity within existing and future residential areas. For that reason, and because the HBA does not include greenfield capacity, the deficits estimated in the HBA are likely to be overstated.

5.26 Figure 5.5 shows the demand and supply situation by housing type for three locations in Kapiti District. The Site is within the Paraparaumu

⁹ Including competitiveness margin, from Sense Partners median forecast, 2021-2051, adapted from HBA Table 8

catchment where the HBA assesses a shortfall in housing of 2,466 dwellings by 2051. Approximately 69% of that deficit will be for stand-alone dwellings.

- 5.27 The current application seeks to provide an additional 46 residential lots, which is equivalent to only 3% of the projected shortfall in stand alone housing required in Paraparaumu over the next 30 years. That is a small proportion of total demand, however the proposal will help to provide additional capacity and residential choices which are consistent with the intentions of both the PDP and the DGS, and importantly are much more consistent with the current rural amenity and character than would be achieved under higher intensities aligned with the MDRS provisions.

Figure 5.5: Sufficiency of residential development capacity by dwelling type and housing are for the Kapiti Coast District, 2021-2051 – adapted from HBA Table 17

	Demand	Capacity	+/-
Paraparaumu			
Stand alone housing	2,932	1,219	- 1,713
Joined housing	1,667	899	- 768
Total	4,584	2,118	- 2,466
Other towns			
Stand alone housing	5,371	4,513	142
Joined housing	4,623	159	- 4,464
Total	9,955	5,672	- 4,283
Other			
Stand alone housing	888	28	- 860
Joined housing	756	-	- 756
Total	1,657	28	- 1,629
Total			
Stand alone housing	9,191	5,760	- 2,431
Joined housing	7,046	1,058	- 5,988
Total	16,196	7,818	- 8,378

Loss of Rural Productive Land

- 5.28 As discussed above, the PDP has objectives and policies that support the retention of land that could be used for rural production activities.
- 5.29 I have been advised by the applicant that their land has been farmed on a part-time basis for producing beef bulls for sale to dairy herds for breeding purposes. The largest farm size was 40 heifers producing 40 calves per annum. The farm has rarely made a profit, due to poor quality

land, and in recent time also due to high feed costs and land rates. The farm was originally 60ha, but the Expressway split the land roughly into thirds, with one third use for the Expressway, and one third on each side of the Expressway. The 18ha Site is the western third of the original 60ha farm.

- 5.30 Soils on the Site are classified as Land Use Capability Class 6 (specifically 6e5), non-arable, “rolling to moderately steep consolidated sand dunes with weakly developed and excessively drained soils with potential for moderate wind erosion”. An average carrying capacity of six stock units per hectare on this type of soil is identified.¹⁰
- 5.31 I have examined Statistics New Zealand’s Agricultural Production Statistics and the Business Directory to estimate the average size of beef cattle and dairy farms in the Wellington Region to understand the likely employment generated by the 18ha Mansell farm.
- 5.32 In 2020, the average Wellington Region beef cattle farm had approximately 525 animals, (570 in Manawatu-Whanganui Region). The average employment for beef cattle farms in each region was 0.80-0.86 workers. For dairy cattle farms, the average Wellington farm had 390 animals in 2020 (10 animals in Manawatu-Whanganui), and employed 2.6-2.8 workers.
- 5.33 The total number of animals farmed in the most buoyant years was 40-80 animals across the entire original 60ha Mansell farm. That is somewhat lower than the average indicated for soils of the farm, and equivalent to 8-15% of the average size of beef cattle farms and 10-20% of the average size of dairy cattle farms in Wellington Region. At that level of activity, even the entire 60ha farm would employ less than 0.2 workers as a beef cattle farm or less than half a worker as a dairy cattle farm. For the 18ha part proposed to be rezoned, total employment supported would be much less than 0.2 workers, at which level it provides negligible economic benefit for either the owner or the local economy.

¹⁰ Page M, “Land use capability classification of the Wellington region : a report to accompany the second edition New Zealand Land Resource Inventory”, Manaaki Whenua Press, 1995.

- 5.34 In summary, the original Mansell farm was only ever borderline viable as an operating farm, and we understand from the applicant that the 18ha Site is now not viable at all due to its small size and poor quality soils.
- 5.35 Given the existing non-productive use of the land, residential use of the Site is a more appropriate and efficient use of the Site than a farm, particularly given the good locational attributes of the Site for residential activity.

Economic benefits

- 5.36 Development of the Site for residential activities will yield some economic benefits, arising from expenditure and employment on the planning, site and earthworks, and civil and building construction stages of the development. The Applicant is a local business owner and has a preference to use local firms to develop the Site, and advises that preliminary costings indicate that expenditure on civil works to develop the Site would be in the order of \$4 million.
- 5.37 It is likely that some of the development resources that would be applied to the project would be allocated to other projects, if the current application were to be unsuccessful. For that reason not all of the economic contribution of the project will be net additional to the local and regional economies, however the development will produce a positive contribution to the local economy.

6. KEY FINDINGS

- 6.1 The Site is not viable as an operating farm due to poor quality soils and its small size, which occurred due to the original farm being severed by and land taken to form the Kapiti Expressway.
- 6.2 Although not yet zoned for future residential growth included in the PDP, the more recent DGS has identified the Site as being (mostly) within a medium priority greenfield growth area, although subject to more detailed assessments of site suitability. I understand that those assessments have been carried out as part of the current application, at the applicant's expense, and on that basis there should be no constraints to enabling residential development on the Site now, in order to meet immediate dwelling demand. My economic assessment, and those of

other experts engaged by the applicant, provides the detailed assessments required to support the establishment of residential development in the area.

- 6.3 While development of the Site for residential dwellings now would be in advance of the timing implied by the categorisation of the area as a medium, rather than a high priority greenfield growth area, there is no economic reason why residential growth should not be accommodated on the Site now. I understand from the statements of Messrs Martell and Taylor that there are no infrastructure concerns arising from the proposal.
- 6.4 The proposed development of 46 residential lots on the Site will provide for 5% of the housing demand projected in Paraparaumu over the medium term and 2% out to 2051. This is a small share of demand that will not result in any material unanticipated redistribution of growth within Kapiti, and would not alter the viability of other residential developments being undertaken simultaneously.
- 6.5 The proposed development will, however, provide housing choice in a location that has been identified by Council as being appropriate for greenfield residential development in the DGS. I understand from Mr Compton-Moen's landscape and visual assessment that the land use intensity of the development proposed is generally consistent with that of nearby existing residential areas. Because the Site is within a greenfields growth area, residential dwellings are likely to establish on the Site at some point in the future, and a future development would be likely to be at higher intensities, less in keeping with the semi-rural amenity and character of the existing area, and more reflective of the provisions contained in the MDRS.
- 6.6 Therefore, the proposal is consistent with the overall intent of both the PDP and DGS, with the timing of the proposed subdivision being the only inconsistency. However, there is no economic downside to enabling the development ahead of the timeframes identified in the DGS, and there will be no adverse economic effects of the proposed development.
- 6.7 There will be some positive economic effects arising from the development of the Site, including employment and spend in the economy.

7. RESPONSE TO SUBMITTERS

- 7.1 Several submissions¹¹ raised the issue that residential development on the Site is unanticipated and would result in effects on amenity and outlooks that are inconsistent with what is expected based on the operative zoning and location.
- 7.2 That matter is addressed in the statements of Mr Compton-Moen and Mr Hansen. However in general terms, and as described above, the area is in a transitional phase and has been identified as being a medium priority greenfield growth area, and as such the loss of the current rural and semi-rural amenity in the area could occur in the future, subject to KCDC's investigations into the suitability of the Site and surrounding areas for residential development.

8. RESPONSE TO OFFICER'S REPORT

- 8.1 The only matter the Officer's Report addresses that is relevant to my area of expertise is the loss of agricultural productivity from the Site.
- 8.2 The Officer's Report draws similar conclusions to those I draw above, as to the viability of a farm on the Site, stating that "it has been established that the land is not productive".¹²
- 8.3 The Officers Report does not explore the changing planning for growth framework for the area in significant detail. In my view it is an important component to take in account when considering the effects of development.

9. CONCLUSION

- 9.1 From my assessment the type and scale of proposed residential development is consistent with the future urban form anticipated for the Otaihangā area by the DGS.
- 9.2 While the proposed development would occur somewhat earlier than anticipated in the DGS, there are no economic costs associated with bringing that development forward. The availability of existing

¹¹ NZ Custodial Trustees (103) Ltd & Pendennis Custodial Trustees Ltd (44 Tieko St); Middleton (34 Tieko St); Earl (31D Tieko St)

¹² Draft Officer's Report, paragraph 250

infrastructure with capacity to service the subdivision provides a good opportunity to do so.

- 9.3 The proposed development would provide additional dwelling supply and increased choice of housing options, and would not generate adverse effects on the distribution of growth or urban development within Kapiti.
- 9.4 Overall it is my opinion that there would be no adverse economic effects of the proposed development, some positive economic effects, and therefore net positive economic effects.

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Derek Richard Foy

18th July 2022