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Land and Water Policy Team Ministry for Primary Industries soils@mpi.qovt.nz

#### RE: Proposed National Policy Statement for Highly Productive Land

The Far North District Council (Council) welcomes the opportunity to provide feedback to the Ministry for the Environment and the Ministry for Primary Industries regarding a proposed National Policy Statement for Highly Productive Land (NPS-HPL).

The feedback is structured to provide general comments on the topic followed by responses to the targeted and specific questions raised in the 'Valuing highly productive land' discussion document.

#### GENERAL COMMENT - Support for the National Policy Statement

- Council understands the importance of the rural environment, with its significant contribution to
  employment, commerce and industry in, not only our district / region, but the nation itself.
  Community investment in these areas is substantial and sound guidance and policy direction from
  central government will aid in ensuring that highly productive land is retained for future
  generations. The creation of a National Policy Statement (NPS) is strongly supported.
- 2. This NPS is of particular relevance to areas and cities experiencing high growth. However, the NPS-HPL must also provide for smaller townships and settlements scattered throughout New Zealand (NZ) which face similar rural land fragmentation and uncoordinated urban / rural lifestyle development, but are not considered a city or a high growth area. These districts are likely to have a greater reliance on the primary sector for their economic wellbeing, due to their smaller urban populations.
- 3. The loss of highly productive land and a rise in reverse sensitivity issues around areas such as Auckland, Tauranga and Hamilton has resulted in the primary sector looking for alternative locations in the regions. Therefore protection of highly productive land in these area are just as important as protecting land around our cities, as it provides alternatives if highly productive land in these areas are lost to urban growth pressures.
- 4. The Far North District has the second largest land area of north island territorial authorities and its population is dispersed through the districts expansive rural and coastal areas. This means that while our three main town centers (Kaikohe, Kerikeri and Kaitaia) are all located on or near highly productive land they are facing different issues and have different natural resources available to them. For example Kerikeri has a large scale irrigation network and an established kiwifruit industry, while Kaitaia and surrounds have access to a large scale aquifer and the avocado industry has established on land that has not historically seen as being highly productive. Kaikohe, has Land Use Classes (LUC) 2 to 3 which are supporting pastoral activities, due to limited water resources. There are also different climates and subsequent growing conditions throughout the district due to its scale and land form. Many parts of the district have their own micro climate.
- 5. The land area of the Far North District is 732,400 hectares. Our own analysis has determined that the district has only 0.01% of LUC 1, 2.26% of LUC 2 and 6.6% of LUC 3. The actual land

available for primary production activities will be less than the figures above, due to existing urban settlement locations, fragmentation in the rural environment and reverse sensitivity issues. Kerikeri has converted large areas of horticulture land into residential and rural lifestyle activities over the last 20 years. Therefore it is vital to protect this remaining finite resource and other rural land that is highly productive.

- 6. The Operative Far North District Plan 2009 (the Plan), was notified in 2000 and there has not been any subsequent subdivision plan changes. The Rural Production zone, which is the zoning for the majority of the district, has a very permissive subdivision framework. It gives additional development rights if the date of the properties title is April 2000 or older. A property that has this title date, can be subdivided as a restricted discretionary activity to create 5 lots of 2ha or 2 lots as small as 4,000m². The Plan does not require any consideration over the loss of primary production potential or the LUC being developed irrespective of the status of the application. The creation of a NPS will help address this deficiency in the Plan and will support strengthening this framework as part our District Plan review.
- 7. The Plan does not have a framework in place that is effectively managing the issues identified in the proposed NPS-HPL. Council is currently undertaking a consolidated review of the Plan and is intending to notify a Proposed Plan in the later part of next year. As part of that review process the issues raised in the NPS-HPL have been identified by staff administration. The Draft Plan released last year stated that LUC 1 to 3 and LUC 4 were to have greater protection, subject to certain criteria. In addition, it states that a Horticulture zone will be created for the Kerikeri / Waipapa area to protect the horticulture industry located around the two settlements and the irrigation network, which have been undermined due to land fragmentation and un-coordinated development.
- 8. Having the NPS-HPL will help Council implement our proposed framework, and give us the ability to also consider land beyond LUC 4. Having an NPS will reduce or confine the scope of appeals on the Proposed Plan, which will be of great financial benefit to the Council and its ratepayers. It may also result in appeals not delaying the implementation of this vital framework.
- 9. Irrigation scheme options are currently being considered for Northland, which could result in the activation of previously unviable horticulture land, in areas such as Kaikohe which have a high Māori population that would benefit from the creation of new jobs, and revitalisation of the township. Kerikeri benefits from an irrigation scheme that was constructed in 1980, which was subsided by the Crown with a government investment of \$23 million. This has resulted in a high value citrus and kiwi fruit industry being established. In 2018 Seeka purchased 80ha of kiwifruit orchards in and around Kerikeri, plus post harvest facilities for packing and storing avocados, kiwifruit and citrus from T&G Global for approximately \$40m. The enterprise has plans to upgrade the pack house facilities for an additional \$18 million<sup>1</sup>. Craigmore Sustainables is currently converting 137ha of diary farmland near the Bay of Islands airport, which is a \$38 million investment. They have indicated that they will only be farming half of the land. The Aupouri Peninsula has had 1000ha of avocado orchards planted in the last three years due to climate, soil suited to avocados and access to ground water3. This relatively recent investment demonstrates the potential economic value and employment generation derived from the land resource and the relative importance of protecting highly productive land.

https://www.nzherald.co.nz/the-country/news/article.cfm?c\_id=16&objectid=12194441

https://www.nzherald.co.nz/the-country/news/article.cfm?c\_id=16&objectid=12252571

<sup>&</sup>lt;sup>3</sup> https://industry.nzavocado.co.nz/avocado-orchards-take-over-dairy-farms/

- Direction must also be provided on how to deal with development in the general rural environment, as the issues identified in this NPS can apply to rural land in general regardless of it meeting the definition of highly productive land. There must still be appropriate management of the rural environment as a whole, and not have land not identified as highly productive seen as then being eligible for any type of urban or lifestyle development.
- 11. Consideration should be given to the NPS-HPL requiring council's to understand demand for rural residential and lifestyle development in their region and districts. Having higher order documents that only look at providing for urban growth and protection of highly production land, without understanding and providing for rural residential / lifestyle development will result in continued pressure on highly productive land, and potentially uncoordinated urban growth. Our district is experiencing residential and lifestyle demand within the rural environment, that is within a 20 minute drive to a main town center (e.g Kerikeri surrounds). What can attract people to live in the regions is having a residential styled property in the rural environment, without the responsibly of undertaking a primary production activity. Highly productive land can not be protected without providing for rural residential and lifestyle demands. Not controlling this type of development can undermine providing cost effective infrastructure, as overtime these areas can become urbanised or people perceive they are urban and demand urban infrastructure and services.
- 12. The focus of the NPS-HPL is the protection of highly productive land, but the rural environment is more than just a food basket, it is also a place that supports our tourism industry, our biodiversity and contains important landscapes and historic heritage for example. There has to be a requirement to look at the rural environment holistically and determine at a district and regional level over how it should be managed, to provide for growth and industries while still protecting these values. This is way there has to be a higher order document or changes to the Resource Management Act that requires councils to understanding the growth demands in our rural environments and provide for this while protecting and managing its resources and values.
- 13. It is important that any national direction for the protection of highly productive land is developed on principles that can be transferred across different contexts and scale, as there is no one size fits all. This national framework will provide local government the ability to more effectively manage inappropriate development to safe guard food production for future generations, and enable the primary industry sector to continue to contribute to the regions economic wellbeing.

### **Targeted Questions**

#### 2.3 Defining highly productive land

- a) What are the values and benefits associated with highly productive land?
  - It is highly suitable for any activity, and in many cases it will be located within or near existing settlements to draw upon a labour force. Due to this it has a high land value.
  - In most instances highly productive land is located in areas that have a climate that is attractive to those wanting to undertake a range of activities e.g residential, lifestyle, primary production.
  - It is suitable for any type of primary production activity, subject to the appropriate water supply being available for example.
  - Lower building costs to develop this type of land due to its good drainage, lack of slope and erosion issues.
  - Lower input costs to undertake primary production activities as its likely to be cleared of vegetation, have good drainage, limited slope and erosion, and good soil.
  - It may require fewer nutrients to be applied, which has benefits for fresh water quality.
  - Primary production activities can be undertaken on smaller land areas, and still be commercial
    viable on highly productive land. This can free up other land to be used for alternative activities
    such as conservation, tourism or residential / lifestyle development.

## b) What are the values and benefits associated with existing food hubs and how can these be maximized?

- Existing infrastructure and associated industries;
- · Existing skilled workforce supply;
- Existing knowledge and skill base;
- Existing transport networks in place;
- · It's easier to attract investment in established areas with a proven track record;
- In many instances they are located near their consumer base, or near major centers that make it more cost effective to produce and get to market.
- Food hubs normally evolve into producing value added products, which create higher returns and more employment opportunities.

The ability to benefit from existing networks of labour, knowledge and services are key considerations. The Far North has a regional office of Plant and Food Research, located in Kerikeri. There is also an irrigation scheme that has enabled a core area to be intensively developed for horticultural purposes. These supporting networks should be taken into account with respect to the multiple benefits achievable for the horticultural land use in an area. The absence of this supporting infrastructure should not exclude an area for establishing primary production activities. However, the presence of such networks should be able to create a stronger framework for protection of production potential.

#### 3.1 Problem Statement

### a) Does the RMA framework provide sufficient clarity and direction on how highly productive land should be managed? Why/why not?

The Resource Management Act 1991 (the RMA) framework does not provide sufficient clarity and direction on this matter. This is demonstrated by the concerns raised in the "Our land 2018 and Environmental Actearoa" report's. While the RMA does provide a framework that requires land resources to be managed and protected it does not identify what rural land should be safeguarded for primary production activities. It has not been identified as a matter of national importance, which has resulted in the countryside not being protected from inappropriate / uncoordinated urban / rural lifestyle sprawl. The RMA framework has unfortunately allowed regional and district councils to have no or limited regard to the protection of productive land or versatile soils. For example our Operative District Plan does not require any consideration of highly versatile soils or highly productive land. An earlier version of the current plan now known as "can the plan" did include protection of this finite resource but due to community concern and loss of political support over this document this component was removed. This has resulted in poor environmental outcomes for the district, and is preventing consenting administration staff from being able to avoid or mitigate inappropriate residential / lifestyle sprawl and land fragmentation in the rural environment.

# b) Does the RMA framework provide sufficient clarity on how highly productive land should be considered alongside competing uses? Why/why not?

The RMA framework does not provide sufficient clarify on how competing uses on this land should be managed. This has resulted in inconsistencies in the development of plans and resource consent decisions, as it has been either ignored or not appropriately managed. Applicants will always argue that their development is the most appropriate outcome for the land, and it is becoming common place to receive arguments from proponents that their development is addressing the housing crisis even if it's for 1 additional lot or it's a rural lifestyle development. It is also difficult to understand how the competing uses should be considered, for example, arguments are put forward that building residential units provides a better economic outcome than pastoral farming, therefore unless a high value horticulture activity can be undertaken on the land the economic argument is likely to be lost. However this does not factor in issues such as climate change, food production demand, and loss of this infinite resource around our major cities

for example. In most instances competing uses are considered in the short term rather than considering the economic impact it will have on future generations. Urban growth is a legitimate issue needing consideration, and this is especially the case for the regions where concentric growth patterns need to be balanced against productive land uses and potential.

c) How are values and wider benefits of highly productive land being considered in planning and consenting processes?

Our District Plan does not consider the values and wider benefits of highly productive land. The Plan does however, recongise its values and wider benefits by having a permissive framework that enables primary production activities. However on the other hand it has a permissive subdivision and land use framework for residential and lifestyle activities in the rural environment. On the 13 May 2016 a new Northland Regional Policy Statement (RPS) become operative, and created policy 5.1.1(f):

#### 5.1.1 Policy - Planned and coordinated development

(f) Ensures that plan changes and subdivision to / in a primary production zone, do not materially reduce the potential for soil-based primary production on land with highly versatile soils, or if they do, the net public benefit exceeds the reduced potential for soil-based primary production activities

The RPS identifies highly versatile soils as being Land Use Capability Classes 1c1, 2e1, 2w1, 2w2, 3e1, 3e5, 3s1, 3s2, 3s4 as mapped in the New Zealand Land Use Inventory. Consideration is limited to plan changes and subdivision in a primary production zone and does not capture soil classes 4 for example. Our consenting administration staff can only have regard to this higher order document if a subdivision application is discretionary or non complying as the Plan's controlled and restricted discretion assessment criteria does not list soil resources or loss of production potential as a matter of consideration. This policy is also only applicable to subdivisions and plan changes in a primary production zone. This creates a gap when dealing with land use applications and zoning such as Rural Living.

Applications normally state that their development will not materially reduce the potential, and if they do having residential activities results in a better economic outcome than pastoral farming for example. Having only one policy managing highly productive land in the RPS does not create a clear directive framework or understanding of what outcomes are wanted. There is also uncertainty over what information is required to address this policy. Greater direction and certainty is required to enable appropriate decisions to be made.

#### 3.2 Urban expansion on to highly productive land

a) How is highly productive land currently considered when providing urban expansion? Can you provide examples?

Our Plan was notified in 2000, and has been fully operative since 2009. We are currently undertaking a consolidated review of the Plan. As part of that review process we are considering LUC, whether primary production activities are still occurring, the extent of land fragmentation and sterilisation, water resources and considering alternative locations for urban / rural lifestyle growth. We can not currently provide examples are we are still in the drafting stages of the review.

b) How should highly productive land be considered when planning for future urban expansion?

It should be treated as a constraint in the first instance, and other location options should be considered. If it is found that the other options are not viable, only then should highly productive land be reconsidered for urban expansion. There should be a very high test to demonstrate why highly productive land should be developed with non primary production activities and decision should not be just based on economic reasons. This is likely to result in giving urban expansion priority, which will result in poor long term

outcomes. The role of spatial planning, future development strategies and the responsibilities under section 31 of the RMA to provide sufficient development capacity for housing and business land will all be factors in the process.

#### 3.3 Fragmentation of highly productive land

a) How is highly productive land currently considered when providing for rural-lifestyle development?

Can you provide examples?

The same principles as stated above are being considered, as developing rural lifestyle on your highly productive land is not an efficient use of this type of resource. It should in theory have an even higher test than urban development as you are not getting the scale of development which would offset the loss off primary production. .

b) How should the tensions between primary production activities and potentially incompatible activities best be managed?

Development should be directed to areas that will not result in reverse sensitivity issues. The most effective way to manage incompatible activities is to not create the potential tensions in the first place. If a site already exists then there should be land use controls in place to avoid or mitigate reverse sensitivity issues.

#### 3.4 Reverse sensitivity

a) How can reverse sensitivity issues at the rural-urban interface best managed?

Plan's must clearly identify that a rural zoning means that primary activities is likely to occur on this land, and that these types of activities can result in adverse noise, chemicals, dust and smells. Residential and Commercial zoning should not abut Rural Production land to reduce these tensions and there should be controls that require certain standards to reduce this potential for reverse sensitivity. This could be the planting of shelter belts or increased setbacks for example.

b) <u>Do you agree that there is a problem? Has it been accurately reflected in this document?</u>

Yes this is a significant problem. The general principles of reverse sensitivity have been reflected in the document, but it has not identified the issue of perception vs fact. For example if a person is opposed to the use of chemicals near them, irrespective of all correct process being applied, they may still complain or raises concerns over the activity occurring near them. Tension can also escalate if, due to land fragmentation, landowners no longer consider they are in a rural environment or consider that residential activities are the prominent use. Many people choose to live on rural residential or lifestyle properties due to the amenity values of rural areas. Tensions can be created when this environment is altered, and its perceive that the new activity or building is not in keeping with the rural character of their area, due to changes in noise, landscape, open space and use of chemicals for example. People may not understand that it is a working environment and business practices or enterprises may change. This is an issue affecting the Waimate North area in our district, where rural lifestyle development is popular due to heritage and landscape amenity values. Concerns have been raised over a large scale pototoe grower establishing in the area, due to their chemical use and practices, and the development of a large scale commercial shed supporting an apiary business.

### 3.5 These issues are being seen throughout New Zealand

a) Do you agree that there is a problem? Has it been accurately reflected in this document?

Yes there is a problem. Generally it has been accurately reflected in the document.

#### b) Are you aware of other problems facing highly productive land?

The fragmentation of this land irrespective of it being used for a primary production activity is another problem. For example horticulture landuses can be economic on smaller areas of land due to the high return for certain crops, e.g. berry growing, or gold kiwi fruit. This makes the land more vulnerable to further fragmentation or changes in land use, if prices drop, or landowners want to retire and retain ownership of their existing homes (but sell surplus land). Careful consideration has to be given to creating titles that have sufficient land area to adapt to market demands, and climate and pest / disease changes. Financial pressures or need to raise capital can result in highly productive land being subdivided. For example family farms, needing to raise capital to buy out parents or a sibling or low returns requiring sale of land to raise capital for improvements on a property.

#### 4.5 Preferred option - a National Policy Statement

# a) Which option do you think would be the most effective to address the problems identified in Chapter 3? Why?

The creation of a NPS is the most effective RMA tool, when comparing the three options. The problem should not be managed through amendments to the National Policy Statement on Urban Development Capacity 2016 (NPS-UDC), as the issues affecting highly productive land goes beyond urban development. Developments within the rural environment are also adversely impacting this type of land, due to demands for rural lifestyle / residential development. However, any higher order RMA document dealing with urban development and capacity must be consistent with NPS-UDC to avoid confusion and uncertainty over which NPS takes priority if there is a conflict.

Over time it may be determined that a National Environmental Statement can be used to create consistency across New Zealand. At this point in time, however it is unclear if a one size fits all approach would work. In addition one of the disadvantages of an NES is if consent is applied for, poor decisions can be made if there is no higher order direction, such as a corresponding NPS.

#### b) Are there other pros and cons of a National Policy Statement that should be considered?

The negative implications of a NPS is that it can be ineffective for resource consents that have controlled or restricted discretionary status, that do not allow regard to be given to higher order RMA documents, eg there is no assessment criteria linkage. This is an issue with our Plan currently. A NPS can be open to interpretation and may result in costly legal battles, until there is adequate caselaw to provide further guidance on interpretation. The NPS is enabling each region or district to determine how to manage this finite resource, this may result in some councils creating a very permissive framework which does not result in the appropriate long term outcomes required for their communities. The time lag of giving effect to the NPS (e.g mapping) will be an issue for some districts, who are being affected by this issue right now.

#### c) Are there other options not identified in this chapter that could be more effective?

The appropriate options have been identified. Reference has also been made to the RMA reform and Council supports consideration of this matter being managed as a matter of national importance.

#### 5.2 Purpose of the proposed National Policy Statement

## a) Should the focus of the National Policy Statement be on versatile soils or highly productive land more broadly? Why/why not?

It should be on highly productive land, with a stronger framework potentially on versatile soils. This is due to different climates, soil and water resources enabling the use of land that is not LUC 1 -3. It also will offset the loss of versatile soils where urban development can not avoid it. This is important for our district

as only protecting versatile soils would mean that land that supports the avocado industry in the Far North would not be covered by the NPS and areas of Kerikeri that are supported by a irrigation network would not be protected as they are LUC 4. While versatile soils are important they may not reflect where a horticulture industry can establish due to the lack of adequate water resources for example.

However taking this approach will mean greater expense for regional and district council's to determine what their highly productive land is. Therefore financial support and guidance from central government is critical if the protection is to extend beyond LUC 1-3.

b) Should the focus of the National Policy Statement be on primary production generally or on certain types of food production activities? Why/why not?

It should be on primary production generally as picking certain food production activities does not give flexibility to future generations to adapt to climate change, changes in consumer demand and biosecurity issues. In addition, how would certain types of food production activities even be identified as warranting protection over general primary production? Would it be based on commodity prices, if it can be imported instead, or if we were world leaders in that field? This could also result in some areas or communities being exempt from any regulation. However the NPS needs to give the flexibility to allow district plans to nominate special zones for certain food production activities that are already established and clustered. For example our draft district plan promoted the creation of a horticulture zone around Kerikeri and Waipapa to reflect the horticultural values of this area and the supporting infrastructure and irrigation network.

#### 5.3 The scope of the proposal

a) Do you support the scope of the proposal to focus on land use planning issues affecting highly productive land? Why/why not?

Council does support the scope of the proposal focusing on land use planning issues affecting this resource. A lack of intervention is likely to result in a loss of potentially productive land and an associated loss in diversified economic opportunities.

b) What matters, if any, should be added or exclude from the scope of the National Policy Statement? Why?

Existing urban zoned areas should be excluded from the scope of the NPS so that development is not constrained. It would be anticipated that these areas will already be developed with urban activities and have supporting infrastructure that would make undertaking primary production activities unlikely.

The term future urban zones are used in the discussion document. It is assumed that this is based on the zone specified in the National Planning Standards. It is unclear if the Rural Living zone (which is considered our future potential urban areas) in our Plan would meet this definition as it states it must be for activities that are compatible with and do not compromise potential future urban uses. The Rural Living zone provides a framework that is primarily for residential activities, also enables farming, forestry and horticulture activities, and is used as buffer between the Rural Production zone and the urban environment. If the intent is to exclude areas with a zone called future urban, then it is considered that this is appropriate. However if there is potential for other zones in plans such as rural living to be excluded then this is not considered appropriate due to the primary production activities occurring on this land, and due to some of our rural living land not being contiguous with our urban zoning.

Non statutory plans should be included in the scope of the NPS, as they can be developed without any regard to the protection of primary production and high value land. In addition it is unclear what is meant by non statutory plans? Could this in theory apply to high level spatial plans that are based on 50 to 100 year horizons, which were created with limited analysis and evidence required through a Schedule 1 RMA

process. In addition these non statutory documents can be based on current community aspirations as against what is actually feasible to provide. An example of this is the non statutory structure plan we have for the Kerikeri / Waipapa area. This plan was approved in 2007, and did not consider this finite resource. It was also based on a much higher growth rate than what has or is likely to occur, and did not factor in the economic costs of providing infrastructure to these areas. In some instances this land is serviced by the irrigation scheme and is currently being used for horticulture activities. If the concern is that areas such as Auckland and Tauranga would be adversely affected, an "opt-out" could be given to districts not experiencing high growth in their urban areas, especially if they did not have confidence in the appropriateness of their non statutory documents.

# c) Should future urban and future urban areas be excluded from the scope of the National Policy Statement? What are the potential benefits and costs?

Future urban areas should be excluded from the scope of the NPS, if the zoning provided for this future urban development is very clearly indicating that this land is providing for urban growth. If however you have a zone such as Rural Living in a plan, which may be sending mixed messages and would result in reverse sensitivity issues, then it may be more appropriate to include it. Either way, if this zoning is not correct district councils are likely to undertake plan changes to alter the zoning to correct this issue. As stated above, a different framework could be applied to high growth areas identified in the NPS-UDC and include their future urban areas, but take a more conservative approach to those settlements that don't have these growth pressures by including them in the NPS.

If this is still the most appropriate location or infrastructure has been provided, the NPS provides the scope to proceed irrespective of the land classification or zoning. The main costs lie with the landowner, due to potential opportunity losses. However, as stated in the discussion document development and subdivision is not an automatic right given to landowners. Our district is currently reviewing its district plan, so this matter is already being considered and therefore limited additional costs would be incurred. By not excluding future urban areas it gives councils and communities the ability to reassess where their growth should go, and provides for the wellbeing of future generations rather than just looking at short term needs or wants. If there is concern that this will create issues for a high growth cities, this inclusion may not apply to them, or plans made operative in the last 3 years maybe exempted.

# d) Should the National Policy Statement apply nationally or target areas where the pressure on highly productive land are greater?

By applying it to target areas it is likely to result in only larger cities and surrounding areas being protected. It is considered this would be ineffective, as the issue needs to be managed nationally, as the regions rely on the primary production sector for their economic well being, and there may be greater demand to grow in these areas with the loss of farm land around large cities and changes in climate. Also, if applied in a targeted fashion, there is likely to be more perverse economic impacts on landowners.

#### 5.4 The proposed NPS

## a) What would be an ideal outcome be for the management of highly productive land for current and future generations?

That new urban development avoids, were possible, highly productive land, and that food production options are retained for future generations. That over time, a national strategy is created to manage this resource, which may then allow regions or district to identify what type of food production they should protect. This national approach would also better address the loss of highly productive land in high growth areas, or, understand if there are alternatives locations elsewhere in NZ that would offset this loss of productive land.

### Policy 1: Identification of highly productive land

#### a) If highly productive land is to be identified, how should this be done and by whom?

The proposed identification options in the proposed NPS appear to be appropriate. Ideally the remapping of LUC should be undertaken by central government, versus these costs being born by different regions and districts. Regions and districts that have large land areas but small rating bases will be unfairly burdened by these costs in comparison to areas such as Auckland and the Waikato. It would also provide a consistent approach to the identification of this land, and look at it from a national perspective. To identify highly productive land beyond LUC 1 -3 will require expertise that may be beyond in-house staff in smaller councils. Additional funding or support from central government will need to be provided to enable this work to be done effectively if it's to be done by regional councils. If central government is unwilling to take on this responsibility then regional councils would be the best alternative, as they are also responsible for water quality and quality for example.

## b) Are the proposed criteria all relevant and important considerations for identifying highly productive land?

Using the LUC system is appropriate, however further consideration should be given to whether LUC 4 should also be automatically considered highly productive land. This is applicable in areas such as the Far North where there is limited LUC 1 – 3 and the use of LUC 4 is highly productive compared to other parts of the district where pastoral activities are occurring on LUC 6. It is likely that the majority of LUC 1-3 land will already be fully developed, but in some instances significant vegetation may be located over this type of land. This may be relevant to areas such as the Far North which has significant areas of Maori land, which have ceased to be used for a primary production activities and now has significant areas of regenerating vegetation. Therefore when considering whether land is highly productive consideration of significant biodiversity must occur, as identifying land for primary production activities will result in pressure to undertake vegetation clearance. Timing is an issue for our Council. We are currently reviewing our district plan and will have to address this issue prior to the timeframe required to undertake the mapping work. This is likely to result in inconsistency and duplication of work and costs, or a need to undertake an additional plan change.

#### Alignment with the Urban Growth Agenda

## a) <u>Do you think there are potential areas of tension or confusion between this proposed National Policy Statement and other national direction (either proposed or existing)</u>

There is the potential for tension and confusion, as the proposed NPS is not requiring absolute protection of highly productive land, and allowing each region to determine what it considers to be highly productive land. This may result in urban growth being treated as a priority over protecting this type of land. There may be confusion or tension with the NPS on Fresh Water Management and the Proposed NES on Fresh Water Management. It also assumes that each region understands its current and future water resources. Different primary production activities have different associated adverse effects and the identification of highly productive land, in theory, is enabling a range of primary production activities to be undertaken. If a parcel of land is identified as highly productive but is covered in high value vegetation, is this signaling that the land should be cleared for a productive land use? If it's in a coastal environment does it then enable large scale earthworks, which may have adverse amenity or historic heritage effects. There is potential to create tensions and confusion at times over which outcome should take priority, e.g. amenity, biodiversity, heritage or the economic primary production activity as this land has been identified as being identified for its primary production potential.

b) How can the proposed National Policy Statement for Highly Productive Land and the proposed National Policy Statement on Urban Development best work alongside each other to achieve housing objectives and better management of the highly productive land resource?

Planning decisions must take into account both NPSs and the outcomes wanting to be achieved under each policy statement. A holistic view will ensure that appropriate land is set aside to enable growth of urban areas, while protecting this important infinite resource. If the NPSs are only considered in isolation inconsistencies and poor outcomes are more likely.

### Policy 3: New urban development on highly productive land

#### a) How should highly productive land be considered when identifying areas for urban expansion?

It should be treated as a constraint, and should be avoided unless there is no alternative. It should have to be demonstrated that all alternatives have been considered, that there is need for the urban expansion, and that costs of growth is not the sole reason for eliminating the other options. As identified in the discussion document, it is difficult to demonstrate the economic cost and benefits of protecting highly productive land, and in most instances it can be argued that the urban expansion has the better economic returns. However the reality is there will be long term costs of developing over this land. This is demonstrated in the issues we are seeing now from our historic settlement over highly productive land. We need to learn from our mistakes rather than continuing to repeat them.

The NPS needs to clearly identify whether only a suitably qualified person can respond to these matters. For example proposed instrument refers to a cost-benefit analysis and determining if the benefits outweigh the continued use of the land for primary production, and feasibility of alternative locations. If that is the case who is a suitably qualified person? Is it an economist? A guidance document is required to support this NPS based on the policy framework proposed to understand how these matters are determined to help applicants as well as councils. In addition how do you measure the loss of that productive potential for future generations? And do you only consider the current primary activity being undertaken or do you have to consider all potential activities? And if so how do you determine that.

#### Policy 4: Rural subdivision and fragmentation

a) How should the National Policy Statement direct the management of rural subdivision and fragmentation on highly productive land?

The NPS must protect this important finite resource. It should require regional and local authorities to create a restrictive rural subdivision framework on land identified as being highly productive. This framework needs to extend beyond subdivision and must also apply to land uses. This is due to industrial and commercial activities being established in rural environments vs urban zoned land. This can occur due to rural land being cheaper, lower development contributions and due to lack of infrastructure being available in urban areas. Our district provides many examples of these issues occurring. The policy framework could provide for development to occur on this land in certain circumstances. Activities that needed to be located in the same area such as horticulture processing plants could have a more enabling framework applied to them, due to their relationship with primary production activities.

Larger lots should have to be retained, to enable a range of primary production activities, and the ability to adapt to climate change. To offset the restrictions placed on highly productive land, district plans should have to provide alternative locations to enable rural residential and rural lifestyle living options, ideally with a framework that enables increasing intensity in response to future urban development pressures.

The framework has to be restrictive, otherwise development will continue on this finite resource, due to the competing interest in this type of land. The identification of highly productive land will give councils the ability to ensure there is sufficient land to provide for urban and rural lifestyle growth in alternative

locations. Therefore once this land has been identified it should be protected for future generations, and be set aside mainly for primary production activities. By having a restrictive framework it sends a clear signal to your community and developers as to what land is not appropriate for lifestyle and urban development, and needs to be protected from fragmentation and reverse sensitivity.

The policy states that minimum lot sizes need to be set, but what is an appropriate minimum lot? How is that determined by each territorial authority? A guidance document will be required to support this policy framework to enable council's to understand how to determine what is an appropriate minimum lot size to retain primary production potential. This is important as people will put forward the argument that a 1 hectare lot is viable for certain horticulture activities, or once it's under 40 hectares its lost its productive potential for pastoral activities, and therefore it should be used for lifestyle development.

#### Policy 5: Reverse sensitivity

a) How should the National Policy Statement direct the management of reverse sensitivity effects on adjacent to highly productive land?

Having a restrictive subdivision and landuse framework in place, will reduce the potential for reverse sensitivity issues being created. Once a title is created, it is anticipated in most cases that a residential activity will likely occur on that site; therefore it's important to make sure this will not result in reverse sensitivity issues that can not be appropriately managed. It should also be recongised, that while you can protect highly productive land you can not make a landowner undertake a primary production activity. Therefore a feasible outcome is residential activities being the main use of land in the rural environment located in close proximity to urban settlements. This is why it's important to maintain larger lots, and limit the type of activity that can occur on a site in this environment, for example, a single residential unit, no accommodation or childcare facilities. This also means consideration should be given to to having a restrictive land use framework, as per the above, to address the issue of historical titles that have been created.

The lots have to have sufficient size to create a buffer internally within the site for both a primary production activity and also any sensitive activity (e.g a residential unit). If there is an interface with an urban or future urban zone then there should be a requirement to have shelter belt planting within the non rural zone. Setbacks need to apply not only to a building but associated outdoor areas, for example you could require a residential unit to be setback 30m, but then they locate their outdoor living area within this setback and it creates concerns over noise, odour and use of chemicals.

By identifying this land either through a zone or resource overlay it will also highlight the likely use of the land. Having a generic Rural Production zone creates an impression that all these different activities can be undertaken in harmony and that the rural environment is not an industrial / commercial working environment in terms of effects. The management of reverse sensitivity issues should be the responsibility of the person not undertaking the primary production activity subject to the primary production operator internalising their effects where they practicably can. Many reverse sensitivity issues are based on a lack of understanding of how the rural environment actually works as people may be relocating from a city, or did not anticipate primary activities changing over time (e.g beef operation converting into horticulture). This can also be a perception of there being an adverse effect vs the reality. This can result in greater tensions as the complainant will be advised no action will be taken, and they will feel frustrated that their concerns have not been addressed.

Guidance from central government is required to manage this issue. This would avoid unnecessary duplication and costs to the different territorial authorities, who each have to identifying the adverse effects of primary production activities and ways of avoiding or mitigating reverse sensitivity effects. There should be standard guidance notes on these matters.

# Policy 6 and 7: Consideration of private plan changes and resource consent applications on highly productive land

a) How should the National Policy Statement guide decision-making on private plan changes to rezone highly productive land for urban or rural lifestyle use?

The same principles that are applied to Council when undertaking a plan making process should be applied to private plan changes. There should be a requirement to demonstrate that there is insufficient land currently zoned for these purposes. It should only be allowed if it can be demonstrated that there is no alternative location available for this this rezoning. It should be a requirement to demonstrate then that the development of this land is the best use of this land. In terms of urban development it should have to be contiguous with existing urban zoned land, and that infrastructure will be provided. If highly productive land is being taken out of primary production activities for urban development, it should have to be developed to its full capacity to offset the loss of this finite resource. It will also need to demonstrate that it can avoid or mitigate reverse sensitivity issues.

It needs to be clear in this NPS whether only a suitably qualified person can respond to these matters. For example it refers to determining if the benefits outweigh the continued use of the land for primary production, and feasibility of alternative locations. If that is the case who is a suitably qualified person? Is it an economist, soil scientist, development industry specialist? A guidance document will be required to support this NPS based on the policy framework proposed to understand how these matters are determined to help applicants as well as councils.

For policy 7 it is stated that for resource consents a site-specific Land Use Capability Assessment prepared by a suitably qualified expert is required. Why is this not applicable to plan changes and rezoning?

b) How should the National Policy Statement guide decision-making on resource consent applications for rural lifestyle subdivision and urban expansion on highly productive land?

For policy 7 it is stated that for resource consents a site-specific Land Use Capability Assessment prepared by a suitably qualified expert is required. If this is required, then it should also be clear in any guidance document that smaller councils are unlikely to have the in house expertise to peer review these documents and that using a contractor may be required and this cost will have to be born by the applicant. In addition the guidance notes, needs to clarify who is a suitably qualified expert? It is not uncommon in our district to have planner and landowners undertake this assessment. If this assessment is required then the NPS or a supporting guidance note will need to specify what is required in this assessment.

#### 5.6 Implementation

- a) What guidance would be useful to support the implementation of the National Policy Statement?
  - How to avoid and manage reverse sensitivity issues
  - Lot sizes that are required to retain potential productivity options
  - How to undertake an assessment to determine if it is appropriate to allow a urban or lifestyle development.
  - What information has to be provided by a suitability qualified person, and if so who is a suitably qualified person.
  - What additional matters should be considered when identifying highly productive land.
  - Any contextual land use issues.

### Specific / technical questions

#### 5.3 Scope of the proposal

a) How should the National Policy Statement best influence plan preparation and decision-making on resource consents and private plan changes?

By requiring the applicant to demonstrate that developing rural land for non primary production activities will not result in undermining others from continuing with their primary production activities. That there is not a suitable alternative location to undertake this development, and that using the land for a urban or rural lifestyle activity will result in the best use of the land.

b) Should the National Policy Statement include policies that must be inserted into policy statement and plans without going through the Schedule 1 process? What are the potential benefits and risks?

Yes, the NPS should have objectives and policies that take immediate effect, and do not have to go through the Schedule 1 process. This would avoid the time delay in undertaking a plan change, to an address a significant issue occurring right now. This would also avoid the cost and time delays associated with plan changes that are challenged through the courts. There is however a risk, that issues will be identified after policies came into effect. However it is considered that the benefits outweigh any potential risk, as this is finite resource that can not be replaced once it's lost.

c) What areas of land, if any, should be excluded from the scope of the proposed National Policy Statement? Why?

Land that is zoned urban (commercial, residential or industrial) should be excluded from the scope of the proposed NPS. All other land should be considered as part of the regional or district council mapping of highly productive land.

#### 5.4 The proposed NPS

a) What level of direction versus flexibility should the objectives provide to maintain the availability of highly productive land for primary production?

Objectives must be directive otherwise it will result in mixed messages and unclear outcomes to be achieved. Flexible objectives increase the risk of policies not addressing the significant issue identified. If the objectives are not directive, a range of policies will be created that will enable an out for developers and councils. This will result in the current situation where in theory this resource is protected, but decisions are made in favor of lifestyle and urban development.

b) Should the objectives provide more or less guidance on what is "inappropriate subdivision" use and development" on highly productive land? Why/why not?

A well written objective should give clear guidance, as to what outcomes are wanted. This is needed to enable the writing of polices that will then achieve these identified outcomes. The policy framework should identify what is an inappropriate subdivision, use or development on highly productive land. Guidance notes will help councils understand what is inappropriate. Inappropriate is a standard term used in planning documents and it would not be standard to define what that means within an objective.

#### Policy 1

a) What are the pros and cons of requiring highly productive land to be spatially identified?

Mapping high productive land will give certainty to plan users. However there are normally high costs associated with mapping a resource, and any mapping will not be a 100% correct. Equally if this resource

is not mapped it creates confusion and debate over whether land is highly productive and would result in any applicant or council having to determine if the land was highly productive, when applying for a resource consent or undertaking a plan change. The costs are borne by the district / region versus an individual when they undertake their development. It is Council preference that the land is spatially identified, as it will enable better integrated planning decision to be made when looking at the development of the district as whole, rather than dealing with sites in a piecemeal fashion.

#### b) Is the identification of highly productive land best done at the regional or district level? Why?

This should be done at a regional level, as there should be a consistent approach across the region vs different district councils having different approaches. Regional council is also more likely to have the required in-house expertise. However timing is an issue, as some district councils may have just notified or are intending to notify a plan before this work will be completed. For example Council is are intending to notify our new District Plan in the later part of 2020. This identification will not be completed by then. This may result in duplication of costs, conflict through the different stages of the Schedule 1 process, appeals or result in the need to undertake an additional rural plan change.

### c) What are the likely costs and effort involved in identifying highly productive land in your region?

The cost and effort involved in identifying highly productive land in your region will depend on its complexities. For example, Northland has a very different landscape across the region, and as result each district may need to have its own criteria to some extent. This will create additional cost and effort as a one size fit approach is unlikely to work. In addition there will be a lot of competing interested parties which will create large scale debate over what is highly productive land. It would be expected that any plan change identifying highly productive land will result in Environment Court appeals, which may also result in district councils challenging their regional council decisions.

# d) What guidance and technical assistance do you think will be beneficial to help councils identify highly productive land?

Councils will require guidance and technical support on understanding what the different primary production activities require, e.g. water volumes, soil type, climate and land area. While this information can be generic it also must be relevant at the regional and district level. There will be a need for technical assistance and guidance to understand what type of crops can be grown in the different parts of a region or district. Technical assistance will be required to identify water resources and constraints, and sensitive environments that should not used for primary industry activities. Guidance is required to help understand what subdivision framework will protect highly productive land. This is an important issue as the different primary industries all have different land size requirements eg a diary farm vs kiwifruit orchard. Guidance needs to be provided on whether the lot sizes should be based on what is required for a commercial operation, or whether it's about retaining the productive potential? This is important as technology, consumer demand or prices change influence what people consider to be highly productive land for example. Any guidance document also needs to clearly demonstrate that while a site may have limited production potential it does not mean it shouldn't be identified as highly productive land, as it may be amalgamated with other land in the future, or a boundary adjustment undertaken. It may also need to be identified as this resource to address reverse sensitivity issues.

#### Appendix A

## a) Should there be a default definition of highly productive land based on the LUC until councils identify this? Why/why not?

The LUC should be the default method until councils undertake their own spatial analysis and identification. This is the mechanism currently being used in the RPS for Northland. Therefore it would not alter to some extent the framework already in place for our region. However the proposed definition

has additional criteria regarding parcel size and percentage. This is of concern as with the uncertainty over the mapping this may result in land that contains larger areas being exempt from the NPS. It is considered that it would be better to regulate any site that is being developed that contains LUC 1, 2 and 3, as this is an finite resource, which has had limited protection or management since the RMA replaced the Town and Country Planning Act. Using the definition, as currently written, would reduce the amount of land that our district could manage as it would be less restrictive than the Northland RPS. This would result in poor outcomes for the Far North district as our Plan does not have any framework to manage this issue.

# b) What are the key considerations to consider when identifying highly productive land. What factors should be mandatory or option to consider?

Mandatory factors should be LUC 1, 2, 3 and 4. Using only LUC 1, 2, 3 is too heavily weighted to protecting land mainly for cropping purposes. LUC 4 should also have this protection as it is highly suitable for pastoral grazing and forestry. As stated in the discussion point if just LUC 1, 2 and 3 is used only 14% of our land will be protected (this excludes conservation land and existing urban areas). It is likely to be even less, as some of this land will already be developed with non primary production activities such as rural residential, commercial / industrial and rural lifestyle. It should be mandatory to have to consider the size and cohesiveness of land properties to support primary production, and the current or potential availability of water. It should be optional to consider access to transport routes and appropriate labour, as these are factors that can respond to landuse changes. It should be mandatory to consider the impact on land that is in Maori tenure. This would enable councils to determine whether it appropriate to include this land, or to create a framework that provides more flexibility to undertake different activities due to multiple ownership pressures and cultural associations with the land. It should also be mandatory to consider biodiversity, eg would this create a pressure to undertake vegetation clearance.

### c) What are the benefits and risks associated with allowing councils to consider the current and future availability of water when identifying highly productive land? How should this be aligned with Essential Freshwater Programme?

It will be difficult to understand future water availability with the climate change issues facing the country, and water quality issues not been fully understood yet. Not all councils may know their current water availability. It may also be difficult to understand whether identifying this land may result in greater water demands, and adverse impacts on water quality, as it may signal to the market that this is where intensive farming should be located and enabled. However identifying this land does not mean it will have a change in use, as water availability or regulation restrictions will influence what activities are undertaken. For example if you do not have the appropriate water source you would not convert your beef farm into an avocado orchard. It should only have to be a consideration as it is impossible to know what water resources future generations will have, and how farming practices will be undertaken. Alignment should be required, but this may require future plan changes to occur as our understanding of the management of water evolves and we respond to climate change and degradation. The Far North experience has r demonstrated that a secure volume of water for production purposes has enabled horticulture activities to successfully establish and operate.

# d) Should there be tiered approach to identify and protect highly productive land based on the LUC class (e.g higher levels of protection to LUC 1 and 2 compared to LUC 3 land)? Why/why not?

There should not be a tiered approach in relation to LUC 1, 2 and 3. This is due to some districts perhaps having limited LUC 1 and 2. This is reflective our district where we have 0.01% of LUC 1, 2.26% of LUC 2 and 6.6% of LUC 3. Therefore LUC 3 requires the same level of protection as LUC 1 and 2. What could be considered instead is if these classifications are under a certain threshold they have a stronger regulatory framework applied to them. For example, if you have only a certain percentage of LUC 1, 2 and 3 land available for primary production activities, then it is protected to a higher level than other land

you have identified. One of the dangers of having a tiered approach between LUC 1,2 and 3 is it may send a signal that LUC 3 is where urban development can occur.

#### Policy 2

a) What are the pros and cons associated with prioritising highly productive land for primary production?

The pros are that greater protection of this land will be achieved, and it would require greater consideration of whether it should be used for an alternative land use such as housing. It will protect food production for future generations. It will provide greater ability for NZ to adapt to climate change, by ensuring we still have this land available for a range of landuses. It will make councils undertake spatial planning to better understand how urban centers can grow, and where rural lifestyle should occur. It will also enable the primary sector to understand where their significant resources are located. Currently primary production opportunities are being lost, due to urban and rural lifestyle development taking priority. It will clearly inform people that this land will likely be used for primary production, which may reduce reverse sensitivity issues arising. The market will also be sent a signal that alternative land should be considered for non primary production activities.

The cons are that urban development may be more costly as the alternative land available may have greater development constraints. The cost of identifying this land and the additional costs for council or developers demonstrating that this land is suitable for urban and rural lifestyle development. It may result in rural lifestyle development being less attractive as the alternative land may be a greater distance from urban centers, and it may be more costly to develop due to contours for example.

It is however considered the benefits of prioritising highly productive land outweighs the cons in the long term.

#### Policy 3

a) How can this policy best encourage proactive and transparent consideration of highly productive land when identifying areas for new urban development and growth?

The policy framework has the right parameters, but it's not clear as to what would be given a priority. For example would you still develop the land even if there were alternative locations, if it was demonstrated that this result in the better economic outcome? There is difficulty in determining the long term costs of losing highly productive land, so intensive urban development are usually the better economic option. Feasibility in most case for alternative locations will likely be based on the cost of development, therefore will this policy actually result in urban development being refused, if it i addressing an urban development capacity shortfall. It is also unclear as to who can provide this costs assessment. Would an economist have to do the cost benefit analysis for any development, or would this be dependent on scale and significance?

b) How can the proposed National Policy Statement for Highly Productive Land best align and complement the requirements of the proposed National Policy Statement on Urban Development?

Both NPS's have to have corresponding policies that require consideration of the outcomes being sought by each NPS. For example Policy 3 requires regard to be given to the Urban Development NPS, therefore that NPS should have to have a policy that requires a similar assessment when looking at developing land that is highly productive, or is being used for primary production activities. It should not be just about this NPS aligning, unless the government wishes to have the other NPS take precedence.

#### Policy 4

a) Should the National Policy Statement provide greater direction on how to manage subdivision on highly productive land (e.g setting minimum lot size for subdivision), If so, how can this best be done?

Due to the different primary activities and perhaps different demands and existing land fragmentation in some districts it may not be feasible to set minimum lot sizes for subdivision for example. If however the government was confident that it could set a minimum lot size that could apply across NZ then this approach would be supported. However that may perhaps be better dealt with via a National Environmental Standard. If the NPS does not provide this level of direction, then clear guidance on subdivision issue and ways to deal with it should be provided to support the implementation of the NPS. If the NPS has this level of direction, it would provide greater certainty and reduce costs in debating this issue in every district, which is likely to result in legal costs. To do this you would need to understand land fragmentation in every district, the average lot sizes for the different primary industries in each district, and buffer required to address market changes. In addition climate change, and water quantity and quality issues may need to be considered for example to understand land area required to offset these issues.

b) Should the proposed National Policy Statement encourage incentives and mechanisms to increase the productive capacity of highly productive land (e.g amalgamation of small titles)? Why / why not?

It is difficult to promote incentives and mechanisms through a district plan to encourage amalgamation of small titles for example. Titles can be amalgamated directly with LINZ without having to involve a council. However boundary adjustments may be a mechanisms to create larger lots, but the downside of this is whether its appropriate to create smaller rural lots that will only be used for residential activities. That reflects the debate over whether its better to have a small lot with just a residential unit, or larger lifestyle lots so that small scale primary activities can still occur, and there is a larger buffer between adjoining landowners. Our council rating framework allows land that is being used as a single productive unit, rated as a single title subject to it being continuous. Perhaps consideration could be given to not allowing this benefit to titles under a certain size. But this is governed by a different piece of legislation. There could be incentives and mechanisms encouraged in the NPS but they may have a limited scope and in most case people will want to retain separate titles to keep their options open, unless there is significant financial benefit.

#### Policy 5

How can the National Policy Statement best mange reverse sensitivity effects within and adjacent to highly productive land?

By having a framework in place that prevents or reduces the potential for these issues to arise in the first place. By reducing fragmentation and the creation of rural residential / lifestyle activities amongst areas undertaking primary production activities is the best way to manage reverse sensitivity. However there will be a legacy of titles created that still need to be managed. This may require avoiding certain activities from establishing e.g child care centers, and putting in place mitigation measures for residential activities which you can not avoid (e.g a person having a single residential unit).

#### Policy 6 and Policy 7

a) Should these policies be directly inserted into plans without going through the Schedule 1 process (i.e as a transitional policy until each council gives effect to the National Policy Statement)? What are the potential benefits and risks?

Yes, these policies should be directly inserted into plans. In terms of Policy 6, there is concern that there is no clear direction to consider the NPS for Urban Development Capacity. By having this it would require evidence that there is a need for additional urban zoning. This is important if policy 3 is not directly inserted into plans. Consideration should also be given to expanding Policy 6 to require evidence that there is a shortage of alternative development capacity for the proposed landuse. For example if the plan change is to create additional rural lifestyle zoning, there should be a need to demonstrate there is a lack of supply, as this will not be required under the NPS for Urban Development Capacity. It is vital that Policy 7 is directly inserted as many district plans currently do not have any policy framework relating to this issue. The risk associated with directly inserting an NPS framework into a district plan is that the public does not have the same ability to request changes, or appeal the end decision. This may result in lost opportunities to create a better policy framework. However there are financial benefits for council's, not having to fund a Schedule 1 process. There is even the possibility that going through the Schedule 1 process may not result in any significant changes to the proposed policy framework, due to having to give regard to the NPS. It is considered that the benefits outweigh any risk due to the significance of the issue and the time delays it would take to go through the Schedule 1 process.

b) How can these policies best assist decision-makers consider trade-offs, benefits, costs and alternatives when urban development and subdivision is proposed on highly productive land.

It is unclear what is meant by urban development (expansion), does this mean anything that is not a primary production activity. This is important as any landuse that is not a primary production activity should have Policy 7 apply to it. For example, residential development associated with a rural lifestyle activity is unlikely to be considered "urban expansion", but this should also be managed in terms of creating land sterilisation and reverse sensitivity issues. This is important as titles have already been created which have to be carefully developed to reduce or avoid undermining this finite resource.

c) Should the policies extend beyond rural lifestyle subdivision and urban development to larger sale rural industries operations on highly productive land? Why / why not?

Policies should apply to all of the above, however a more enabling framework should apply to rural industries that are ancillary to activities that are occurring in that associated rural environment. But there should be a requirement to demonstrate that there is a functional need to be located on that site and that there is no suitable alternative on general rural land. The primary production industry should also have to consider whether this is the best use of this highly productive land, as in many instances these activities can be located on less productive land. However it is noted that the planning standards and this proposed NPS include initial processing of agricultural, pastoral, horticultural, or forestry activities as being a primary production activity. Therefore there may not be the ability to apply a different framework unless processing is separated out in some manner.

#### Interpretation

a) Do any of the draft definitions in the National Policy Statement need further clarification? If so, how?

#### Highly productive land

This definition is rather wordy, and it could be simplified. Clause b it refers to "land parcel", but what does that mean? District plan rules normally refer to allotments, titles or sites. The planning standards define

allotment and site put not a parcel. This needs to be clarified or a different term used to avoid confusion. Clause b states "at least 50% or 4 hectares of land (which ever is the lesser), does this actually require the additional wording "which ever is the lesser". If the intent is to capture an allotment that has either 4 hectares or 50% coverage of highly productive land, then could it not just say that.

### Primary Production

If it decided to regulate ancillary processing activities, then they will need to be excluded from this definition. However this may not be possible as the definition is based on the national planning standard definition.

#### Sensitive activity

This is a term not defined in the planning standards. Therefore having it in this NPS will result in this being used as baseline for what is a sensitive activity in a rural environment. Does an education facility include day care facilities for pre schoolers? Are there other commercial activities that would be incompatible e.g. a café, a dog day care center?.

#### Rural area

It is unclear how this definition would work in relation to "special zones" in rural areas. For example our Plan has the Waimate North zone, which is in the rural environment and has a similar subdivision and land use framework to our Rural Production zone. This could open the door to debate over whether a "special zone" is a rural or urban area if its framework allows for the creation of small rural lots.

b) Are there other key terms in the National Policy Statement that should be defined and, if so how?

If it is not already defined in the national planning standards and it's not a common planning term that everyone understands clearly, then yes it should be defined, to provide certainty. There is some concern over the terms rural residential and rural lifestyle used in the discussion document. What is mean by rural residential vs rural lifestyle. Rural lifestyle zone is defined, but not rural residential. Our Rural living zone allows the creation of lots as small as 3,000m², while our Rural Production zone allows lots as small as 2,000m², yet only one would be considered Rural lifestyle due to the zoning. Rather than link to size should it be about the intended purpose of the zone, eg Rural Living is residential, while Rural Lifestyle is being able to have your own stock, or a pony in the backyard.

c) Should there be minimum threshold for highly productive land (i.e as a percentage of site or minimum hectares)? Why / why not?

Due to the uncertainty over the mapping, and the significant issues with this land being inappropriately developed, it is considered that no minimum thresholds should apply. The current RPS for Northland requires greater protection from LUC 1, 2 and 3, but does not set a minimum standard for area or percentage. The framework of the RPS also requires consideration to the productive potential of all rural land. It is therefore consider appropriate to have no minimum thresholds, while more detailed analysis is being undertaken to identify this land. This is as place holder, and while it may penalise some landowners and councils, the benefits of making the right decision outweigh the additional costs of determining whether the site contains sufficient LUC 1, 2 or 3 to be considered highly productive. Consideration should also be given to other constraining factors such as slope and natural hazards.

#### Implementation

a) <u>Do you think a planning standard is needed to support the consistent implementation of some proposals in this document?</u>

Not at this stage, while the NPS is new and being tested.

b) If yes, what specific provisions do you consider are effectively delivered via a planning standard tool?

If it was decided to create a planning standard, then it could relate to how mapping should be undertaken and the land identified, eg resource overlay. Definitions could be brought into the general planning standards. It could even specify policies and objectives that should be in plans and policy statements as per the outcomes sought in the NPS.

#### **Timeframes**

a) What is the most appropriate and workable approach for highly productive land to be identified by Council? Should this be sequenced as proposed?

Yes, there should be default position while this work is undertaken at a regional and district level.

b) What is an appropriate and workable timeframe to allow councils to identify highly productive land and amend their policy statements and plans to identify that land?

We are currently reviewing our district plan, and therefore we need this work to be done as quickly as possible to inform our new plan. However the reality is this timeframe to do this work will depend on resources available and how complex it is deal with this issue within the districts / regions.

If you require any further information please do not hesitate to contact Tammy Wooster, Senior Policy Planner on Provided Plan

Yours sincerely

Darrell Sargent

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