



**To**

Ministry of Primary Industries

Delivered via email to [soils@mpi.govt.nz](mailto:soils@mpi.govt.nz)

Name of submitter: Classic Group

This is a submission on the Proposed National Policy Statement for Highly Productive Land (NPS-HPL)

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Classic Group welcomes the opportunity to submit on the Ministry of Primary Industries' discussion document on the proposed National Policy Statement for Highly Productive Land (NPS-HPL).

Background: The Classic Group of companies includes Classic Builders, and Classic Developments. Classic Builders is the second largest residential home builder in New Zealand. Classic Developments is our development company which undertakes a variety of commercial and residential developments throughout New Zealand. In terms of residential development, we undertake a combination of greenfields, brownfields redevelopment, medium density and retirement villages. Though now nation-wide, our companies have started, and have our head offices in Tauranga.

Summary of Key Points:

- 1) Land Zoned 'Future Urban' in District Plans is currently excluded from the NPS-HPL. This exclusion needs to also capture areas such as Tauriko West in Tauranga that aren't technically zoned future urban but has clearly identified for future urban development
  - 2) We support stronger regulation for rural-lifestyle development compared to comprehensive urban development. (2 dwellings per hectare on productive land is inappropriate but 15-20 dwellings per hectare is probably justified).
  - 3) Where development occurs on productive land, MPI should investigate practical ways to support the reuse of highly productive topsoil that is currently often dumped.
  - 4) We consider that there is a conflict between the NPS-HPL and the National Policy Statement on Urban Development. We are concerned that managing and balancing the conflict between these two separate policy directions should be left to Local Authorities, particularly given that the ability of Councils to make decisions based on an 'Overall Judgement Approach' has been eroded by recent case law (King Salmon).
  - 5) Councils, particularly high-growth Councils have severe resource capacity issues (eg Tauranga City Council). Central government enforcing additional workload without providing additional resource will delay current workstreams.
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Further Explanation:

**1) Land Zoned 'Future Urban' in District Plans is currently excluded from the NPS-HPL. This exclusion needs to also capture areas such as Tauriko West in Tauranga that aren't technically zoned future urban but has clearly identified for future urban development**

When identifying highly productive land, existing urban areas are excluded. Policy 1 excludes future urban areas identified in District Plans. However, future urban areas that are identified in future development strategies and other strategic documents are not excluded from being identified under the NPS-HPL.

Explanations provided by the Ministry regarding why "District Plan recognised" future urban areas are excluded, but future urban areas identified in non-statutory strategic documents are not excluded. We understand these. However, we maintain that relying solely on District Plan status to determine what land is subject and what is exempt and what is not, is not practical and will result in added delays to advanced and comprehensively planned urban development, undermining the requirements of the NPS-UD/UDC. In Tauranga and Western Bay, there are a number of future growth areas that are not rezoned in the District Plan. The planning for these areas are already well-underway. For example, the Tauriko West growth area, which we have an interest in, whilst technically not rezoned future urban, has already been subject to the following processes:

- Tauriko West identified and agreed on a growth area by all smartgrowth partners (TCC, WBOPDC, BOPRC);
- NZTA letter of support to progress the growth area
- BOPRC Plan Change to bring Tauriko West within the Urban Limits Line.
- Local Government Commission boundary alteration to transfer Tauriko West from WBOPDC to TCC jurisdiction
- Tauriko Network Connections business case led by NZTA
- Ministry of Education has planned for a future primary and secondary school for this growth area
- Significant investment in the structure planning process and preparation of a future Plan Change to rezone the area for urban development.
- Funding allocated in the 2018-28 Long Term Plan for infrastructure (roads, water, wastewater, stormwater and social) for the future growth of this area.

Yet, Tauriko West is still zoned Rural, not future urban. Tauriko West is absolutely critical to meeting development capacity requirements. If the exemption is not widened to capture areas such as Tauriko West, Council will be forced to reconsider this area which will result in additional time delays and cost.

We strongly submit that the NPS-HPL is amended to include areas such as Tauriko West, where the planning can be demonstrated to be sufficiently advanced, that it is equivalent to be rezoned future urban, should also be excluded from the NPS-HPL.

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- 6) **We support stronger regulation for rural-lifestyle development compared to comprehensive urban development. (2 dwellings per hectare on productive land is inappropriate but 15-20 dwellings per hectare is probably justified).**

Urban development and productive land uses are competing needs that need careful consideration and balancing.

Fragmentation of land into rural lifestyle properties is an issue that the NPS-HPL should focus on, because it effectively removes this land from being productive, but also makes it particularly challenging to re-aggregate these parcels for comprehensive urban development. Effectively, it's a lose-lose situation (except for the few that live there). We agree that removing land from rural production, at the benefit of approximately two dwellings per hectare is not a good outcome. However, in high growth areas where dwellings are being provided at 15-20 dwellings per hectare, the removal of land from production is more justified (as more people are being housed). We consider that the NPS-HPL should be strengthened to give greater certainty to Councils which circumstances urban development onto productive land should be considered appropriate (ie where the net benefit is serving many), as well as strengthening guidance about where this is inappropriate (where the net benefit serving an elite few).

- 7) **Where development occurs on productive land, MPI should investigate practical ways to support the reuse of highly productive topsoil that is currently often dumped.**

Often, when development occurs on productive land, significant earthworks are required to make the land suitable for urban development. There is often excess topsoil volumes that result from these works. Although not covered by the NPS-HPL, we maintain that there is potential for this topsoil to be reused by horticulturalists or on land that has been degraded due to topsoil erosion etc. MPI could investigate ways to facilitate and encourage this reuse of topsoil, as it is currently often too onerous due to consenting requirements, costs and time involved, to reuse this topsoil and it often dumped.

- 8) **We consider that there is a conflict between the NPS-HPL and the National Policy Statement on Urban Development..** The NPS-UD and the Urban Growth Agenda both speak to building cities “up and out”

and the proposed NPS-UD provisions enable consideration of Greenfields areas that are not anticipated by spatial plans. Policy 6 of the NPS-HPL and the definition of highly productive land will undermine these provisions from achieving their desired outcomes. There needs to be better clarity and direction given to local government from central government about how to reconcile and implement these conflicting priorities.

We are concerned that managing and balancing the conflict between these two separate policy directions should be left to Local Authorities, particularly given that the ability of Councils to make decisions based on an ‘Overall Judgement Approach’ has been eroded by recent case law (eg King Salmon). We believe that it needs to be clearer direction given to local government decision makers about how to manage competing priorities. This could be in the form of strengthening the RMA, or alternatively by incorporating the NPS-HPL into the NP-UD. Strengthening the RMA framework to provide greater clarity and certainty to local government on competing land use would be highly valuable. Transport, population growth pressures, natural hazard resilience and infrastructure provision are other significant factors to consider. Alternatively and/or additionally, we suggest that central government consider integrating the NPS-HPL into the NP-UD, so that highly productive land is

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a matter that Councils must account for when considering options for urban development, but it is within one clearer framework.

- 9) **Councils, particularly high-growth Councils have severe resource capacity issues (eg Tauranga City Council). Central government enforcing additional workload without providing additional resource will delay current workstreams.** We have a close working relationship with the Councils that we deal with regularly, particularly TCC, WBOPDC and BOPRC. We are aware they are already stretched to capacity and have a programme of work ahead of them that we are relying on them delivering. We are concerned that central government adding to their workload, without providing any additional resources will result in current workstreams being de-prioritised, despite them being of greater local urgency simply because they are not mandated by central government timeframes.

