

**PROPOSED VARIATION 2 (ADDITIONAL HOUSING CAPACITY) TO THE 2GP:
MINUTE 17**

The new National Policy Statement for Highly Productive Land 2022:

To the Chairperson, Variation 2 (Additional Housing Capacity) Hearing Panel

12 October 2022

Thank you for the opportunity to present further submission on the topic of Highly Productive Land in relation to the request for subdivision detailed in **RS154 and RS175 – 85/91/103 Formby Street, Outram.**

Before addressing the implications of the recently notified **NPS-HPL Sept 2022** we would like to clarify the intent of the present landowners. To date we see no evidence the applicants value the highly productive soil contained in these three parcels of land, and no evidence they intend to farm any of the land in the future.

85 Formby Street was sold to Outram Development Ltd in March 2021 for \$1.5 million (CV \$760,000). Up until the sale of this property it was in active food production via a lease.

91 Formby Street was sold to Mr Horne along with **99 Formby Street** in Feb 2017 for \$1.06 million. Mr Horne subsequently resold **91 Formby Street** in May 2017 to Mr and Mrs Butson for **\$385,000**. They resold in May 2020 for **\$415,000** to Mr K Duncan, who in turn on sold the property to Mr and Mrs Doherty in June 2020 for **\$525,000**.

This is a 36% increase in value over three short years for undeveloped land. The present owner, Mr Doherty has declared he has no interest in the highly productive land and describes himself a retired farmer who only wants to retain part of this property (with approved building site) - 3000m² as a **large residential site**.

99 Formby Street (now described as 103) was retained by Mr Horne for the purpose of subdividing 7 sites for the Formby Strip Subdivision (**LUC 2017-553**). He has recently been given permission to subdivide an additional site fronting Formby Strip (**LUC-2022-74**). He also holds one consented building platform on the northern end of 103 (99 previously) Formby Street, zoned rural and mapped LUC Class 1 highly productive.

It is clear none of the present owners have any interest in farming or horticulture. Outram Development Ltd's purchase of 85 Formby Street at nearly twice the CV, clearly shows farming was never the intent. This property was marketed as 'a land banking opportunity', despite being mapped as the most valuable high-class soil in the district.

The extremely high 'land banking' value placed on these properties has meant no buyer with intention to farm can compete. We hope the National Policy Statement for Highly Productive Land 2022 will put a stop to this speculation, and reduce these blocks to affordable small primary production options.

HPS- HPL 2022

There can be no doubt about the quality of the land contained in the applicants' submission. All maps of this land describe it as **LUC Class 1 – 'Arable, most versatile, multi-use land. Minimal limitations, highly suitable for cropping, viticulture, berry fruit, tree crops, and forestry'**. Once the HPS-HPL 2022 is fully operative there will be no basis on which to remove or alter this classification whatsoever.

The policies detailed in **2.2** of the HPS-HPL provide significant protection for all highly productive land, including:

Policy 4 - 'land based primary production is prioritised and supported'

Policy 5 - 'urban rezoning of highly productive land is avoided'

Policy 6 - 'the rezoning and developing of highly productive land as rural lifestyle is avoided'

Policy 7 - 'the subdivision of highly productive land is avoided'

Policy 8 - 'Highly productive land is protected from inappropriate use and development'

Policy 9 - 'Reverse sensitivity effects are managed so as not to constrain land-based primary production activities on highly productive land'

These policies, as always allow for exceptions which are detailed within the National Policy as discussed below.

3.2 Regional council and territorial authorities must identify HPL and manage the effects of subdivision, use, and development in an integrated way. **(1)(c)** Taking a long-term, strategic approach to protecting and managing highly productive land for future generations.

This is a critical factor in the protection of HPL. We have seen in the recent history of lots 91 and 103 Formby Street how cumulative seemingly minor consent alterations have contributed to the inability to ensure the HPL within these properties remains available and viable for primary production.

91 Formby Street originally contained a smaller residential zoned area adjacent to Formby Street on which to build. During the process of **LUC-2017-553** a residential building platform was allowed on the larger HPL rural portion of 91 Formby. Effectively this created a rural lifestyle block with a portion of unused residential zone which contains an entrance way, nothing more. Subsequently the building platform, which was intended to contain **ALL** residential **AND** rural buildings, has been moved and divided, spreading building activity over a significantly larger area of HPL. This is neither protective of valuable HPL nor strategically managing this land for future generations.

103 Formby Street, during the same process (**LUC 2017-553**) was awarded the right to a building site on HPL despite having a residential site (**113 Formby Street**) attached and under a 'no future subdivision' ruling. Yet recently this block of HPL has been permitted to subdivide (**SUB-2021-279/LUC-2022-74**) and sell site 113 Formby Street and also permitted to distribute future rural buildings to areas other than the designated building platform; another lifestyle block?

Integrated management of HPL via rule **3.2 (1)(c)** is perhaps the most powerful tool to ensure HPL is not destroyed by surreptitious means through the repeated application of the 'effects less than minor' tool of the RMA.

3.6 Restricting urban rezoning of highly productive land details how land might be rezoned. **(1) (a) (b)** give opportunity for council to rezone HPL for the purpose of providing sufficient housing capacity.

As reviewed and documented in **Memorandum from City Development on Residential Development Capacity (31 August 2022)**, no shortage of capacity has been established by the applicant.

3.1 of the memorandum states ‘A significant amount of development capacity that is reasonably expected to be realised has recently been enabled in/around Mosgiel and the other suburbs through the resolution of appeals.’

An approximate total of 770 sites within Mosgiel have been enabled and another 15 sites in Outram (still under appeal) would bring the catchment total to nearly 800 dwellings. More than sufficient to provide for the long-term. In fact, in the long-term it is expected there will be a surplus of around 420 sites.

(Please also note my comments regarding the information supplied by Mr Horne post hearing regarding specifics on demand within Outram - Appendix 1)

(c) *Where environmental, social, cultural and economic benefits from rezoning outweigh the value of HPL.*

Any suggestion that Outram needs more subdivision to provide environmental, social, cultural and economic benefits is pure nonsense. It is more likely subdivision will make Outram less resilient in all ways. It will force the primary school to increase class room space using precious playground area, inundate the medical centre that is already at capacity and put more pressure on the ORC to improve flood protection resulting in an extremely high Lower Taieri Flood Protection rate charge. Currently this specific rate averages \$1000 per household (Total ORC rates PA average around \$1500 per household), and these are predicted to rise significantly over the next 5 – 6 years.

3.8 *Subdivision of highly productive land must be avoided unless **(1) (a)** the applicant can show the productive capacity will be unchanged.*

Clearly not the intent of these particular applicants.

(2) (a) *Any subdivision of HPL cannot initiate further cumulative loss of availability and productive capacity of HPL in the district.*

The owners of the neighbouring property, Willowcroft Contracting, have in fact indicated they would also like to subdivide and are keen to supply infrastructure support to the present applicants that might in turn support their application to subdivide in the future. If it were not for the ‘Out of Scope’ decision on their application, they would have joined the applicants in submission against their combined rejection.

3.10 *Exemption for subdivision of HPL may be possible if it is subject to permanent or long-term constraints, **(1) (a)** suggests land that is not able to be economically viable for at least 30 years could be subdivided.*

We see no such constraints other than the inflated ‘value’ of the land due to ‘land banking’ for future potential subdivision. No economically based primary production venture is possible when the land is marketed at near twice its value. A clear ruling of no further subdivision of HPL surrounding Outram would reduce the value of small land lots (with or without building platform) to enable economic investment in primary production.

3.10 offers further extensive restriction on the subdivision of HPL **IF (1) (a)** can be proven. These protections include **(b) (i)** avoiding significant loss of HPL within the district **(ii)** avoiding fragmentation of cohesive areas of HPL **(iii)** avoiding reverse sensitivity **(2) (a) – (g)** further protect economically non-viable HPL through various options to improve or mitigate viability.

Also **3 (c)** goes further to rule the viability of HPL cannot be limited to its past or present uses and **(4)** clarifies that size of any HPL does not determine its viability or lack thereof.

We believe all three sites would not qualify for exemption and should remain small HPL blocks, albeit with previously approved building platforms.

3.12 Support must be provided to protect productive land, using rules and objectives in the district plan including **(1) (a)** Prioritising the use of HPL for land-based production over any other use, **(b)** encourage opportunities to maintain use and increase production on HPL.

The best and most effective way to encourage the use of HPL is to reduce the value of the land, in particular small lots that would otherwise be snapped up for 'lifestyle-blocks'. This can be achieved by the restriction of building sites to small areas which must include all residential and rural production related structures. Also, all buildings, whether residential or farm related, should have the ability to be removed and land returned to HPL status. Any small HPL lots without consented building sites can be amalgamated with neighbouring property, creating larger cohesive areas of HPL.

To protect HPL, a clear determination must be made that no further subdivision will be permitted.

3.13 (1) (a) (b) Managing reverse sensitivity and cumulative effects, using district plan rules.

Small lots of HPL can act as significant buffer zones between large rural blocks and residential areas.

Rural townships such as Outram have a history of significant primary production on a smaller scale. Creating urban styled, high value subdivision on the edge of rural settlements, using historic small lot HPL buffer property is a recipe for discontent. Ultimately larger scale primary industry is forced to modify their activity to manage reverse sensitivity. This will lead to loss of production. Small lot buffer properties are important to the structure and harmony of a township such as Outram.

(c) Cumulative effects of subdivision.

Cumulative loss of HPL has already been significant in Outram.

For example, Balmoral Subdivision on Holyhead Street began several decades ago with a subdivision of property directly bounding onto Holyhead and Mountfort Streets. It has now expanded to include the majority of the Ferguson market garden and at present awaiting the outcome of an appeal under the 2GP process for 15 more building sites.

91 and 103 Formby Street provide another example of cumulative destruction of HPL. Formby Strip was developed into 7 sites only a few short years ago on land zoned part rural HPL and part residential. Now the potential for another 70 homes on adjacent HPL is looming, despite Mr Horne's consent (**LUC-2017-553**) denying him any further subdivision. If this development is permitted, the

next applicant will no doubt be the neighbouring property of Willowcroft Contracting and on and on and on.

These HPL sites may appear to be a small part of a much larger LUC class 1 and LUC class 2 area covering the greater Taieri Plains but their value in food production for the future is immense. As small affordable blocks, their potential contribution in the regeneration of food production on the Taieri is invaluable. To reignite food production, innovative small holders will likely 'lead the charge' but only if they can acquire long-term leases or purchase affordable HPL. With the 'land banking' mentality behind recent land purchase, food production on small lot HPL will sadly remain a piece of Outram history.

We request the Dunedin City Council not only deny these applicants the right to further subdivide, but also provide more robust rules in line with the NPS-HPL 2022 to protect small lot HPL from further subdivision. We request all building sites on HPL are rigorously controlled in size, placement and construction and any further new application for building sites on small lot HPL is denied.

Thank you for this opportunity to submit once again.

Susan and Donald Broad



(Note further comments in Appendix 1 below)

Please Also Note:

Due to volunteer work commitments, we will not be available for your Zoom session on Friday 21 October 2022, but we are available via email if you have any questions for us regarding this submission.

Appendix 1:

Our comments regarding the applicants

'Response to Further Information Request from Panel' 13 September 2022.

As 'lay' submitters we do not understand the protocol for further comment on information acquired by the Panel through request, post hearing. We feel the concerns we have with the statistical information contained in this document is significant enough to warrant challenge. If process dictates these comments are inappropriate then please ignore them.

The information contained in this document included a detailed evaluation of each household.

We have taken the opportunity to study this information and have a number of issues regarding its accuracy and relevance:

- No conclusion of work and travel status can be made where the site is unoccupied (8 sites)
- Several details of age and occupation are incorrect
- The conclusion that working from home equates to working in Outram

Firstly, those who are not in residence should not be included in the statistical analysis. These property owners may or may not take up the opportunity to live in this subdivision so their inclusion is pure conjecture.

There are a number of omissions and incorrect details relating to age, occupation and travel habits.

There is a glaringly obvious skew of statistics involving the suggestion that those working from home need to specifically travel to work in Outram. If home is where the work is then work can be wherever the home is surely. Taking this statistic and reversing it, to suggest if home was not in Outram then increased travel to work would be required for those working from home, is bordering on bizarre.

To our knowledge, there are no residents in Maungatua View who work in permanent occupations in the Outram township. There are however a number of tradesmen (4) who at times have work locally but also work further afield when required.

We submit this statistical analysis lacks reliability and should not be considered relevant in this process.