

BEFORE THE KAIPARA DISTRICT COUNCIL'S HEARING PANEL

IN THE MATTER OF the Resource Management Act 1991 (**the Act**)

AND

IN THE MATTER An application for Private Plan Change 85 (**PC85**)
-**MANGAWHAI EAST** by Foundry Group Limited
(formerly Cabra Mangawhai Limited) and Pro
Land Matters Company to rezone approximately
94-hectares of land at Black Swamp and
Raymond Bull Roads, Mangawhai

HEARING SUMMARY OF ADAM JEFFREY THOMPSON ON BEHALF OF THE

APPLICANTS

(ECONOMICS & PROPERTY MARKET)

17 February 2026

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Summary

1. Mr Clease concludes that wastewater servicing is the only remaining substantive issue, with all other matters resolved or narrowed.
2. Both Mr Clease and Mr Foy acknowledge that there is sufficient wastewater capacity to meet the anticipated demand they assess across the short, medium and long term.
3. Mr Clease's only identified concern relates to infrastructure staging risk. However, no evidence demonstrates that a shortfall will arise within the relevant planning horizons.
4. Current achievable wastewater capacity is agreed to be approximately 6,500 HUEs. With around 2,900 existing connections, this leaves headroom for approximately 3,600 additional dwellings.
5. Relevant to uptake of that headroom is development capacity. Mr Foy identifies 4,880 dwellings of plan-enabled capacity. However, this reflects a theoretical maximum under District Plan rules, not feasible and reasonably expected to be realised development capacity. Once infrastructure, feasibility, and "reasonably expected to be realised" considerations are applied, in my opinion current development capacity reduces to approximately 2,620 dwellings (plus 500 privately serviced dwellings in the PC84 area which have no implication for wastewater).
6. Of note when considering what is reasonably expected to be realised, Mangawhai Central is assumed by Mr Foy to yield 1,500 dwellings, but current developer advice indicates approximately 785 dwellings will in fact be delivered¹. This is because the nature of the existing, consented and soon to be consented development will simply not allow sufficient remaining land area for anything close to 1500 HUEs to be realised in the Mangawhai Central area.
7. When considering uptake of wastewater treatment headroom, 500 of the 600 plan enabled dwellings in PC84 should be discounted, as they will be serviced by onsite wastewater systems. Therefore only 100 HUEs from the PC84 area will rely on the public network. The onsite servicing of this plan change area is recognised in Mr Clease's rebuttal statement.

¹ Email from Civix Ltd to Foundry Group Ltd dated 12.12.2025.

8. The outcome is wastewater treatment headroom of 3600 HUEs, feasible and reasonably expected to be realised development capacity requiring servicing of 2620, leaving 980 for PC85 to use.
9. Turning to demand, Mr Foy projects demand of around 1,000 dwellings over 10 years and 2,500 dwellings over 30 years (approximately 84 per annum). On that basis, available wastewater capacity would meet projected demand for approximately 43–49 years.
10. My projections of demand are significantly higher. That is why PC85 is required. However that is a separate matter to my view that based on feasible and reasonably expected to be realised development capacity and available wastewater connection headroom, PC85 can be serviced without constraint.
11. The relevant consideration under the NPS-UD is feasible and reasonably expected to be realised development capacity, not total plan-enabled capacity. It is common for plan-enabled capacity to exceed infrastructure capacity at any given time, especially in developing areas. This situation also ensures infrastructure is delivered in an efficient manner when it is required.
12. Mr Clease's concern that the Proposal creates a fourth node does not reflect Mangawhai's coastal development pattern. As a coastal lifestyle town oriented toward the harbour and beach, growth has historically followed the coast. The Proposal is consistent with that pattern and reinforces Mangawhai's amenity.
13. In summary, no quantified infrastructure shortfall is identified. Wastewater capacity comfortably accommodates feasible and reasonably expected to be realised development capacity and PC85, all of which is required to meet my projected demand within the planning horizon. The Proposal would enable a high-quality development in an appropriate location, with only minor loss of rural production land where the overall benefits of the development are agreed by all experts, to outweigh any costs associated with the loss of the productive land. Overall, I support the Proposal on economic grounds.

Wastewater

14. In his rebuttal evidence, Mr Clease makes it clear that wastewater servicing is the only remaining substantive issue. At paragraph 2.2(b) he states:

"The remaining key area of difference. The primary concern is the ability of the site to be serviced for reticulated wastewater and the interplay that this matter has with

the National Policy Statement on Urban Development (NPS-UD) and the associated assessment of housing demand and capacity.”

15. He then confirms at paragraph 3.3 that other matters are either agreed or narrowed:

“I now consider that the following matters are either agreed between the experts or the remaining points of difference are narrow.”

16. The issues have therefore narrowed to wastewater capacity and how it aligns with projected demand and the NPS-UD.

Mr Clease’s Position

17. At paragraph 4.15, Mr Clease expresses concern that PPC85 may create a mismatch between zoned land and wastewater capacity. He states:

“My key concern is that PPC85 simply creates an overhang or disjunct between the extent of land needing to be serviced and the ability of council’s infrastructure to meet that demand. WWTP capacity is limited. If PPC85 takes up that capacity then existing landowners in Mangawhai who have purchased sections with a longstanding urban zone and with the clear understanding that they can build will find that they cannot...”

18. However, at paragraph 4.20 he says:

“Relying on the rebuttal of Mr Foy and Mr Cantrell, I consider that sufficient zoned capacity with available services is available to meet anticipated demand over the short to long term time horizons.”

19. For reasons I have identified above, I disagree there is sufficient zoned feasible and reasonably expected to be realised development capacity to meet long term demand. However consequent on my feasible and reasonably expected to be realised development capacity assessment I do agree there is sufficient wastewater servicing capacity to include PC85. As set out above the assumptions regarding zoned capacity will not be realised. Mangawhai Central will deliver 715 dwellings less than Mr Foy expects. Plan Change 85 Mangawhai East anticipates approximately 800 HUEs. This in conjunction with the assumptions made regarding infill capacity (which Mr Worsfold addresses) will mean that Plan Change 85 is required to achieve the required development capacity and that the area can be serviced.

20. On that basis, what remains is not a quantified infrastructure deficit, but a concern about sequencing or how capacity might be allocated under different uptake or demand scenarios.

Mr Foy Does Not Identify a Capacity Deficit

21. Mr Foy does not conclude that demand exceeds wastewater capacity (which differs from my position in the long term). Rather he identifies a risk scenario, namely that if Council zones more land than can ultimately be serviced, and if further disposal options cannot be delivered, land could be zoned but unable to be developed because it cannot be serviced. At paragraph 3.8 he states:

“This would then result in the Council having zoned land for development, with it being unable to be developed.”

22. This is however not evidence of a quantified shortfall within the current infrastructure capacity or staging.

Plan-Enabled Capacity Versus Realistic Development Capacity

23. My summary above addresses this issue. Mr Foy’s key figure is 4,880 ‘plan enabled’ dwellings. The table below shows that when realistic adjustments are made, to account for infrastructure, commercial feasibility and what is reasonably expected to be realised, the appropriate development capacity number requiring a wastewater connection is significantly less.
24. In summary, no quantified infrastructure shortfall is identified. The Proposal would enable a high-quality development in an appropriate location, with only minor loss of rural production land. Overall, I support the Proposal on economic grounds.

Figure 1: Mr Foy’s Plan Enabled Capacity Estimate

Location	Foy	Foy Revised	Revision Comment
PC83	324	324	None
PC84	600	100	500 Dwellings are serviced with onsite system, only 100 connect to public system
Mangawhai Central	1500	785	Correspondence with developer
Metlifecare	160	160	None
60 Mangawhai Heads Road	206	206	None
Total Greenfield	2790	1575	
Small vacant residential lots	593	297	50% infrastructure ready, commercially feasible, and reasonably expected to be realised.
Infill	1497	749	50% infrastructure ready, commercially feasible, and reasonably expected to be realised.
Total Infill	2090	1045	
Grand Total	4880	2620	

25. The reduction of more than 2,300 dwellings from Mr Foy's assessment in Figure 1 is significant.
26. Two points are important to note. First, regarding PC84, of the 600 dwellings identified, 500 are on onsite wastewater systems. Only 100 connect to the public wastewater network. Those 500 dwellings do not draw on WWTP capacity. Treating all 600 as if they do materially overstates infrastructure demand.
27. Second, regarding Mangawhai Central, while the District Plan technically enables up to 1,500 lots, correspondence from the developer indicates an expected yield of approximately 785 dwellings. It is not realistic to assess infrastructure demand on the assumption that the theoretical maximum will eventuate in full.
28. The same applies to infill. A 50% adjustment has been applied to reflect what is infrastructure-ready, commercially feasible, and reasonably expected to be realised, consistent with clauses 3.4–3.5 of the NPS-UD.
29. The key point is that Mr Foy's and Mr Cleese's concerns rely on the higher 4,880 plan-enabled figure. The NPS-UD, however, is concerned with 'development capacity', that is, capacity that is actually deliverable. When a 'development capacity' figure of approximately 2,620 dwellings is used, there is no potential for that capacity to exceed infrastructure capacity over the long-term and there is spare capacity for PC85 to be added.

Wastewater Capacity Compared with Demand

30. In addition to the points I have already made, I would add that it is also not unusual for plan-enabled capacity to exceed infrastructure capacity at any given point in time. For example, Auckland's PC120 seeks 2 million plan enabled dwellings (of which only a fraction is expected to be built) in circumstances where there will never be ringfenced infrastructure capacity for that entire plan enabled capacity.

NPS-UD

31. The NPS-UD requires sufficient development capacity in the short, medium and long term. It does not require that all long-term infrastructure be fully built or funded before rezoning occurs. In any event, as I have addressed above there is sufficient wastewater capacity for feasible and reasonably expected to be realised development and PC85.

Conclusion

32. When realistic development capacity is used, there is wastewater capacity for PC85.
33. At most, the issue relates to the timing and staging of infrastructure upgrades. That is an infrastructure management matter, not a demonstrated capacity constraint.
34. On the evidence provided, in my opinion wastewater servicing does not provide a basis to decline PPC85.
35. As for demand, my assessment of projected demand demonstrates that PC85 is required.

Adam Thompson