

Proposed Private Plan Change 85 Mangawhai East to the Kaipara District Plan

Summary statement of position (Economics and Housing Capacity), Derek Foy on behalf of Kaipara District Council

Introduction

1. My full name is Derek Richard Foy. My qualifications and experience were stated in my primary statement of evidence dated 1 December 2025. I have also prepared a supplementary statement (dated 23 January 2026) and a rebuttal statement (9 February 2026).

Primary statement

2. The key issues I identified in my primary statement of evidence in relation to the plan change were:
 - a. Whether additional residential and business land supply is required in Mangawhai, based on projected growth in order to provide sufficient development capacity under the National Policy Statement for Urban Development Capacity 2020 (**NPS-UD**).
 - b. Whether the plan change meets the requirements of the National Policy Statement for Highly Productive Land 2022 (**NPS-HPL**).
 - c. The urban growth and urban form outcomes that might arise from the proposed rezonings.
3. I concluded that additional residential capacity under the NPS-UD is not required in Mangawhai to accommodate demand within the next 30 years, with there being sufficient capacity to accommodate growth for at least the next 30 years.
4. I also concluded that the amount of business land proposed in PPC85 was larger than required to provide for the Mangawhai East population.
5. While the NPS-UD does not restrict KDC from supplying more capacity than there is demand for, there are requirements that the capacity provided can be serviced and will result in a well-functioning urban environment.

Supplementary statement

6. Since I prepared my primary statement, changes to the NPS-HPL have meant that the HPL issue has fallen away, and the assessment I undertook in relation to the NPS-HPL is no longer required.

7. One new matter has arisen since I prepared my primary statement, and in my supplementary statement I addressed the effect of the introduction of the Resource Management (National Environmental Standards for Detached Minor Units) Regulations 2025 (NES-DMRU). The DMRU will apply to all of the Site, and to Mangawhai's residential, rural and rural lifestyle zones. I concluded that the DMRU will increase the dwelling capacity that is enabled in Mangawhai's to a greater level than I assessed in my primary statement.

Rebuttal statement

8. In my rebuttal statement I responded to matters raised in Mr Thompson's primary evidence, and I consider those matters remain as the live issues before this hearing from an economics perspective, and I limit my response in this summary to those issues, which are:
 - a) Residential development capacity in Mangawhai;
 - b) Predicted growth in Mangawhai, and
 - c) The amount of business land proposed.

What is the existing residential development capacity in Mangawhai and is there sufficient planned capacity in the MCWWS to service this and PPC85

9. As outlined in the Hearing Summary of Mr Thompson, a key outstanding area of disagreement between Mr Thompson and myself is what is the existing residential development capacity in Mangawhai, and whether there is sufficient planned capacity in the Mangawhai Community Wastewater Scheme (**MCWWS**) to service this and PPC85.
10. In relation to this, I understand it is common ground between the applicant and the section 42A team that:
 - The upgrades to the MCWWS described by Mr Cantrell will result in a total capacity of 6,500 HUES.
 - There are 2,900 connections at present.
 - This means that there is headroom of approximately 3,600 connections to service existing residential development capacity in Mangawhai and the 989 HUES that would be enabled under PPC85.
11. Mr Thompson has set out in Figure 1 in his Hearing Summary why he considers there to be capacity for existing residential development capacity and PPC85.

12. I set out below an updated version of Mr Thompson’s Figure 1 from his Hearing Summary, with a further column indicating areas of agreement and disagreement.

Location	Foy	Thompson	Comment
PC83	324	324	Agreed
PC84	600	100	Agreed
Mangawhai Central	785 – subject to evidence	785	Agreed – subject to evidence
Metlifecare	160	160	Agreed
60 Mangawhai Heads Road	206	206	Agreed
Total Greenfield	1,575	1,575	Agreed
Small vacant lots	593	297	Not agreed
Infill	1,497	749	Not agreed
Total infill	2,090	1,045	
Grand total	3,665	2,620	
Capacity for PPC85	No	Yes	

13. By way of summary:

- Subject to the Hearing Panel being provided with sufficient evidence that the subdivision consents for Mangawhai Central have been implemented to the point that development capacity of 785 will not change, we are agreed that total Greenfield capacity to be serviced by the MCWWS (i.e. PC83, PC84, Mangawhai Central, Metlifecare, and 60 Mangawhai Heads Road) is 1,575.¹
- If this is subtracted from the 3,600 connections available once planned upgrades to the MCWWS are complete, this leaves 2,025 connections available for PPC85, small vacant, lots and infill.
- Accordingly, the key outstanding difference in opinion between myself and Mr Thompson is then the level of development capacity that should be assumed for small vacant residential lots and infill.
 - In relation to this, I have assumed 593 for small vacant lots and 1497 for infill. This totals 2,090, and means the capacity of 2,025 available connections to the MCWWS is all used up – with no capacity for the 989 HUES needed for PPC85.

¹ For completeness, I note that as explained in the Evidence-in-Chief of Mr Cantrell, the section 42A team never assumed the 500 lots at Mangawhai Hills that would be serviced by a private scheme would be connected to the MCWWS,

- Mr Thompson has applied a 50% discount to the 593 for small vacant lots and 1497 for infill resulting in a total of 1,045. This means that, in his view, there is 980 HUES available to service PPC85.
14. The key issue is whether it is reasonable to apply a 50% discount to the figures I have assessed for small vacant lots and infill, as is done by Mr Thompson. It is only if this 50% discount is applied, that there is capacity for the 989 HUES enabled by PPC85.
 15. In relation to this I note that the 593 connections I have assumed for small vacant residential lots is robust. It is not clear why Mr Thompson has applied a 50% discount. In my experience, for vacant residential lots i.e. existing vacant sections, close to 100% is likely to be realised – very few people purchase a residential section and then do not develop it for 30 years.
 16. In relation to my assessment of 1497 HUES of Infill capacity:
 - First, the capacity numbers I presented for this in my primary evidence (Figure 4.1) are reasonably expected to be realised (**RER**), as I explain in paragraph 4.8 of that statement. Those capacity estimates are not plan enabled as Mr Thompson appears to have interpreted in his summary statement which was circulated yesterday. I calculated the plan enabled infill capacity in Mangawhai to be nearly 2,800 dwellings, which is nearly twice the 1,497 RER capacity I present in my Figure 4.1. I have in effect already applied an approximate 50% discount to 'plan enabled' capacity.
 - Second, I wish to clarify what types of properties are included in my "Infill" capacity. My Infill category includes residential zoned parcels in Mangawhai that have an existing dwelling on them, no matter the size. That means that even large residential zoned parcels of 0.5ha or more (of which there are many in Mangawhai) that have a dwelling on them now are included in this category as having infill capacity. Some of those large parcels have significant capacity for additional dwellings, and the capacity that exists on those large parcels makes up a substantial share of my 1,497 RER infill estimate. My estimate does not require 1,497 different parcels to each contribute one additional dwelling.
 17. Further, the NES-DMRU will unlock development opportunities to landowners that have previously not had those opportunities, creating further potential for minor dwellings to be developed in Mangawhai over and above my above 'infill' figure.
 18. Taking all those factors into account, it remains my opinion that my estimate of 593 small vacant residential lots and 1,497 infill lots in Mangawhai is more reasonable than Mr

Thompson's estimate of 297 small vacant residential lots and 749 residential lots. If my figures are preferred, then there is no additional capacity to service the 989 HUES needed for PPC85.

Predicted dwelling growth

19. On the second live issue, in my rebuttal I explain why in my opinion my estimates of projected dwelling demand in Mangawhai should be preferred to Mr Thompson's projections. Those reasons include that:
 - a. Mr Thompson's projections start from a much higher starting point than current demand (as evidenced by current building consent data), and then his projections increase further from there. I believe it will take many years for demand to reach the level Mr Thompson assumes already exists, if it is ever reached.
 - b. I explain how empirical data of town growth does not support Mr Thompson's 'exponential growth' theory, and projections derived from analysis of growth in towns of a comparable size to Mangawhai supports growth slower than the Infometrics projections that I have adopted.
 - c. Mr Thompson's projections factor in an allowance for the additional demand he expects will be stimulated for infill dwellings by new greenfield supply. However, his assessment assumes that greenfield growth causes infill growth, when a reasonable interpretation (which I prefer) is that greenfield and infill dwelling uptake both respond to similar underlying demand conditions, rather than the latter causing the former. Accordingly, in my opinion PPC85 will not stimulate additional demand/growth in Mangawhai, but will instead result in a redistribution of growth within Mangawhai.
20. I continue to prefer the Infometrics projections to the projections that Mr Thompson is proposing, and Mr Thompson's evidence has not presented any robust information that causes me to change that position.
21. In summary, I estimate that there is capacity within the existing urban zoned parts of the township to accommodate more than 5,000 additional dwellings, which is approximately twice the 2,500 dwelling demand anticipated over the next 30 years.

Business land

22. In my rebuttal I continue to maintain the position I reached in my primary statement that there is sufficient commercial, residential and industrial space in Mangawhai, taking into account the business land enabled in the PC84 area and Mangawhai Central. However, if

PPC85 were to be approved, some provision of commercial activity would be required to service that development, to contribute to a well-functioning urban environment.

23. My assessment indicates that the appropriate scale of such a development would be much smaller than the scale proposed in the PPC request. In my rebuttal I compare the proposed PPC85 centre against the existing Wood St (Mangawhai Heads) centre, and conclude the former should be much smaller than Wood Street's 5,000m² of floorspace. Taking into account the relative size of the catchments of those two centres, in my opinion the PPC85 commercial centre need be no more than 2,500m² to service the Mangawhai East population.
24. Notwithstanding that conclusion, I note that if the Mangawhai East centre is larger than needed based on demand, the risk of that lies with the developer, and there is no issue from an economic perspective, other than the possibility of not positively contributing to a well-functioning urban environment.

Conclusion

25. My conclusion on the plan change request remains as stated in my rebuttal. Having considered the evidence of the applicant and submitters, it remains my conclusion that additional residential capacity is not required in Mangawhai to accommodate demand within the next 30 years, with there being approximately twice the capacity needed to accommodate projected growth over that time. The Council is therefore more than fulfilling its NPS-UD responsibilities regarding the need to ensure that sufficient capacity is available as required by the NPS-UD.
26. However, I acknowledge that nothing in the NPS-UD restricts supplying capacity that will exceed future demand, as long as that additional capacity can be adequately serviced and will result in a well-functioning urban environment. It remains my understanding from the evidence of Mr Cantrell that there is a high degree of uncertainty regarding the ability to service the site with reticulated wastewater. In light of this, as outlined in Mr Bennett's evidence, the Council does not agree to service the plan change area using the Council owned and operated Mangawhai Community Wastewater Scheme. In the absence of wastewater servicing, PPC85 cannot be said to be delivering additional development capacity as it is not 'infrastructure ready'.

Derek Foy

18 February 2026