

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

**STATEMENT OF REBUTTAL EVIDENCE OF ADAM JEFFREY THOMPSON ON BEHALF
OF THE APPLICANTS
(ECONOMICS & PROPERTY MARKET)
9 February 2026**

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INTRODUCTION

1. My full name is Adam Jeffrey Thompson.
2. I have been asked by Foundry Group (formerly Cabra Mangawhai Limited) and Pro Land Matters Company Limited, to provide independent expert advice on Private Plan Change 85 Mangawhai East (**PC85**) to the Kaipara District Plan.

QUALIFICATIONS AND EXPERIENCE

3. My qualifications and experience are outlined in my primary evidence.

EXPERT WITNESS CODE OF CONDUCT

4. Although this is not a hearing before the Environment Court, I record that I have read and agree to and abide by the Environment Court's Code of Conduct for Expert Witnesses as specified in the Environment Court's Practice Note 2023. This evidence is within my area of expertise, except where I state that I rely upon the evidence of other expert witnesses as presented to this hearing. I have not omitted to consider any material facts known to me that might alter or detract from the opinions expressed.

PROJECT INVOLVEMENT

5. My project involvement is outlined in my primary evidence.

SCOPE OF REBUTTAL EVIDENCE

6. My rebuttal evidence responds to the following evidence:
 - i. Supplementary Statement of Rebuttal Evidence of Derek Richard Foy, Economics and Housing Capacity, 23 January 2026.
 - ii. Supplementary Statement of Evidence of Jonathan Guy Clease, Planning, 23 January 2026.
 - iii. Expert evidence on behalf of submitters. Specifically the expert evidence of Mr Brett Hood on behalf of Black Swamp Limited.
 - iv. Evidence Of Derek Richard Foy on Behalf of Kaipara District Council, Economics and Housing Capacity, 1 December 2025.
 - v. Section 42A Report, prepared by Jonathan Clease, 1 December 2025.

NPS-HPL CLAUSE 3.6 TEST & S32 RMA

7. As noted in my Supplementary Evidence, the NPS-HPL has recently been amended with clauses 3.6(1)–(4) no longer applying to the urban rezoning of LUC3 land.
8. Mr Foy [para 7.2] confirms in his supplementary evidence that the assessment undertaken in his primary evidence against clauses 3.6(4) and 3.6(5) is no longer relevant, and that there is now no impediment under those provisions to the urban rezoning of the land.
9. Mr Cleese [para 9.5] similarly confirms in his supplementary evidence that the tests previously applied under the NPS-HPL no longer govern the assessment of the urban zoning aspects of PC85.
10. I also understand that clause 3.6 of the NPS-HPL is no longer relevant to the assessment of the urban rezoning aspects of PC85.
11. On that basis, I understand the proposal is no longer required to demonstrate district-wide insufficiency of development capacity or a lack of alternative locations in the context of the NPS-HPL (clause 3.6 (5)). Instead the relevant framework for assessing PC85 is now section 32 of the RMA and the need for other National Policy Statements to be addressed and given effect to as per s75 (3) of the RMA. Of relevance to my discipline is the NPS UD. I address the assessment of economic costs and benefits below, given this is now the relevant test.

ECONOMIC BENEFITS - ENABLING ADDITIONAL RESIDENTIAL SUPPLY

12. In my primary evidence, I conclude that additional housing supply will result in additional demand (i.e the development will have a net additive impact on the rate of construction and growth in Mangawhai), and that this will bring benefits, mostly relating to a greater range of housing, including affordable housing, and stronger economic growth. These are significant economic benefits for Mangawhai and Kaipara.
13. Mr Foy agrees that enabling additional supply via PC85 will increase demand and housing take-up. He states:

“So while my assessment indicates that there is more than sufficient capacity to provide for demand within Mangawhai’s residential zones, in my opinion it is likely that if more residential dwellings were enabled and

made available for purchase then they would be bought. This is a 'chicken and egg' scenario, where the demand-supply relationship is circular – the more supply that is enabled, the more dwellings are likely to result, and so supply can increase demand..”

“...it is likely that if the price of new parcels is attractive to the market, then there will be demand for the additional capacity that would be provided by the plan change, and that demand may have been stimulated by the new residential land ‘product’ sought to be established at Mangawhai East.”

(para 4.35, 4.36, primary evidence, emphasis added).

14. I consider these statements to be important areas of agreement. They indicate that the proposal would result in increased demand, increased housing take-up, and by implication increased additional economic activity related to the construction and ongoing operation (occupation) of the dwellings. These benefits are substantial and it is agreed that these would not otherwise occur.
15. With regard to additional economic growth and employment derived from PC85, and the requirement to assess the efficiency and effectiveness of the proposal under s32(1)(b)(ii), I consider the proposal meets section 32(2)(a) of the RMA which states (emphasis added):

*“identify and assess the benefits and costs of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the provisions, including the **opportunities for-***

***economic growth** that are anticipated to be provided or reduced; and*

***employment** that are anticipated to be provided or reduced...”*

ECONOMIC BENEFITS - LOCATION AND AMENITY

16. I outline in my primary evidence that PC85 responds to the fundamental driver of market demand in Mangawhai, which is its coastal setting and associated lifestyle amenity. Any historical analysis of urban development patterns, in New Zealand or overseas, will confirm that towns and cities located on the coast have a pattern of growth over time that orientates towards the coast. This pattern of growth is driven by coastal views and amenity. Mangawhai is no exception, with its growth driven by and orientated towards the coast.

17. Mr Foy agrees that Mangawhai's coastal setting and associated lifestyle amenity are key drivers of residential demand. He states:

"There is a very large pool of demand from potential property owners who might consider living in Mangawhai ... given Mangawhai's proximity to Auckland and its attractiveness as a coastal town." (para 4.34, primary evidence, emphasis added).

"...the UEL assessment applies a multi-criteria analysis (MCA) that includes criteria of proximity to the beach and harbour. In my opinion, while undoubtedly desirable characteristics for a new residential subdivision..."

18. Mr Cleese also agrees that the Proposal will add to the housing provided in Mangawhai:

"...the proposal will nonetheless facilitate a wide range of housing typologies that will positively add variety to the housing on offer in Mangawhai and will therefore enable a wider cross-section of the community to match their housing needs with the housing products available. I consider the improvement in housing diversity to be a strong positive feature of the application." (para 288, S42A)

19. In my opinion, there is general agreement that the location of PC85, adjacent to the harbour, will respond to Mangawhai's fundamental demand driver, which is its coastal setting and associated lifestyle amenity.
20. Further, I note some submitters suggest that growth can be redirected to, or accommodated at, other locations in the District, such as Kaiwaka. This is not possible, as Mangawhai is a high amenity coastal lifestyle, which is materially different to a quiet small-town rural lifestyle offered in places such as Kaiwaka. This is reflected in the very different demographic and economic profiles of the towns.

ECONOMIC BENEFITS - COMMERCIAL CENTRE EMPLOYMENT AND ECONOMIC ACTIVITY

21. While Mr Foy raises concerns about the scale and location of business zoning under the former NPS-HPL framework, he nevertheless accepts that the proposal would generate positive economic effects in terms of employment. Mr Foy states:

“In fact the proposed business land component of the proposal (5.0ha of Neighbourhood Centre and Mixed Use zones), would positively contribute to local employment opportunities..”(para 5.6, primary evidence)

22. I agree with Mr Foy, and in this regard, consider the proposal meets section 32(2)(a) of the RMA (outlined above).

ECONOMIC COSTS – RURAL PRODUCTION

23. Mr Foy and I identify only one economic cost - the displacement of rural production land. I estimate this has a small cost (reflecting the per hectare economic value of rural land, i.e. circa \$10,000 per ha.).
24. Mr Foy does not quantify the economic cost of the displaced rural production. He does however reach the same conclusion:

“...on balance I consider it probable that the economic benefits of a large proposed urban development such as Mangawhai East would exceed the public costs of loss of agricultural land.” (para 8.4 primary evidence).

25. I agree with Mr Foy in this regard.
26. I note this indicates general support for part of the site to be used for rural lifestyle, reflecting limitations on more intensive urban uses on parts of the site subject to flooding.

ASSESSMENT UNDER SECTION 32

27. The Proposal enables development in an attractive coastal location that Mr Foy and I agree is a key driver of demand and market up-take. Also noting this demand cannot be met in other parts of the District, due to the unique lifestyle offered at Mangawhai.
28. The Proposal supports housing choice, responsiveness of supply, and local employment opportunities.
29. The only identified cost is the displacement of a small amount of rural production. In particular, the current production occurring on the site, which is minimal, will not continue if the proposal is approved.

30. Given the benefits of the Proposal significantly outweigh the costs, I consider it meets the provisions of section 32 of the RMA, with regard to economic costs and benefits.

31. Mr Foy reaches the same conclusion regarding economic costs and benefits:

“I agree with the UEL report’s conclusion that the proposal would generate economic benefits that significantly exceed the economic costs arising from the loss of productive land.” (para 6.22, primary evidence, emphasis added).

32. Mr Clease reaches a similar conclusion with regard to weighing of costs and benefits under clause 3.6(1)(c):

“I consider that it is likely that the proposal could pass this final test due to the practical constraints which limit the productive benefits of the soil, and therefore likewise limit the associated costs if it is lost.” (para 389, s42A).

33. Mr Foy and Mr Clease do not identify any other economic costs, beyond the loss of productive capacity.

CONCLUSION

34. Having considered the evidence of Mr Foy and Mr Clease, and having reviewed the further submissions, I confirm that I continue to reach the conclusion that the Proposal would provide a net economic benefit.

Adam Thompson

9 February 2026