



25 July 2023

c/o Feathers Planning

**Re: RFI for Proposed Plan Change, Ongaroto Road, Whakamaru**

Dear Louise Feathers,

I understand that South Waikato District Council (“SWDC”) have raised a query regarding the potential for the proposed plan change at 1861 Ongaroto Road, Whakamaru. In particular, whether there are other potential options for the property, for example 20 larger lots that could operate as small farms or 5 larger rural lots.

I have undertaken several comprehensive evaluations of rural subdivision for District Plan reviews and proposed rural subdivisions. Typically, rural lifestyle properties predominantly occur on smaller properties of 1-2 ha’s, however become less predominant on rural properties of 2-10 ha’s, and uncommon on rural properties of 10-20 ha’s. Typically, rural lifestyle provisions enable property sizes of up to 0.4 - 2.0 ha’s, as this size is both the market preference and ensures the rural lifestyle outcome is achieved.

The proposal would enable rural lifestyle properties of 0.5 ha’s. If the size was increased to 1.5 ha, it would be unlikely to result in any hobby farms, rather these would continue to function as rural lifestyle properties however with additional land allocated to landscaping, planting and lawn maintenance. Generally, rural properties of 1.5 ha’s would only be viable for rural production if they had productive soil and were in a location that supported uses such as vineyards, kiwifruit or specialised market gardens (for example in Marlborough, Bay of Plenty or Pukekohe).

The proposed development is in a location that has attributes that are more suited to rural lifestyle than hobby farms, most notably its location near a lake with recreational and attractive amenity. On this basis, I consider that the possible increase in size of the proposed lots would not result in land being used as hobby farms, and would rather result in a net increase the amount of land allocated to rural lifestyle. This is because, if the proposal was reduced from 66 to 20 rural lifestyle properties, there would be continue to be unmet demand for 35 lots that needs to be met elsewhere. Generally, smaller rural lifestyle properties should be preferred, as they meet market demand for this type of property, are generally preferred by the market, and utilise less rural land.



The following table provides additional responses to the various options identified by Feathers Planning, as required for a more detailed s32 analysis.

	Option 1 Maintain rural land (status quo- no change or development)	Option 2 Rezone to Rural Residential & bespoke rule changes – ie the proposal	Option 3 Retain rural zone and apply for resource consent for 66 non- compliant lots	Option 4 Compliant rural lots (5 lots)	Option 5 Compliant rural residential lots (circa 50 lots)	Option 6 Half number of lots proposed in rural- residential zone (circa 30 lots)
<b>Cost</b>	Other lifestyle development would need to occur elsewhere in the District, or would not occur in the District and this would forgo economic benefits of population growth, construction-added GDP, employment, tourism, and not meet housing needs.	Refer to original report	The maximum potential benefits may not occur, if Resource Consent is not approved, regarding (a) providing for the greatest quantity of rural lifestyle housing, and (b) retaining economic activity and employment in the district.  Rural land would not remain in forestry use.	Other lifestyle development would need to occur elsewhere in the District, or would not occur in the District and this would forgo economic benefits of population growth, construction-added GDP, employment, tourism, and not meet housing needs.	When compared to the proposed plan change, additional rural land elsewhere in the district would be utilised to meet rural lifestyle property demand (for 16 properties) that could have otherwise been met on this property. This is a lost opportunity to maximise economic benefits that would be achievable if 66 lots were created.	When compared to the proposed plan change, additional rural land elsewhere in the district would be utilised to meet rural lifestyle property demand (for 36 properties) that could have otherwise been met on this property. This is a lost opportunity to maximise economic benefits that would be achievable if 66 lots were created.
<b>Benefit</b>	Rural land would remain in forestry use.	Refer to original report	Provides flexibility for returning to forestry use if desired.	Rural land would remain in forestry use.	¼ of the GDP, tourism, population growth and employment would occur – from that proposed/could be realised under the proposed plan change	Half the GDP, tourism, population growth and employment would occur – from that proposed/could be realised under the proposed plan change

Based on the above analysis, it is my opinion that the proposal as originally requested, being to rezone the property with bespoke rules to permit 66 lots, produces the greatest net economic benefits.

Kind Regards

**Adam Thompson**  
Lead Economic & Property Researcher