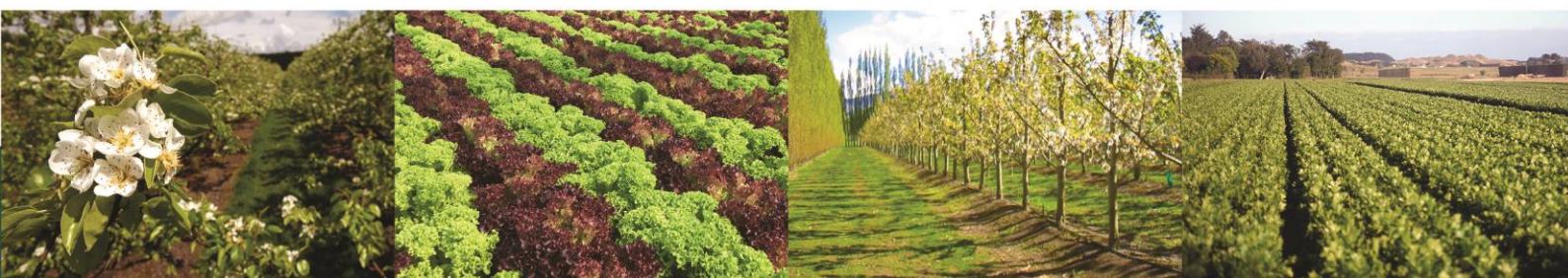


SUBMISSION ON the Draft Whangarei District Growth Strategy 2020

4 December 2020

TO: Whangarei District Council

NAME OF SUBMITTER: Horticulture New Zealand



CONTACT FOR SERVICE:

Lucy Deverall
Environmental Policy Advisor
Horticulture New Zealand
PO Box 10-232 WELLINGTON
Ph: 021 581 6655
Email: lucy.deverall@hortnz.com

Horticulture New Zealand (HortNZ) thanks Whangarei District Council for the opportunity to submit on the proposal and welcomes any opportunity to work with Council and to discuss our submission.

HortNZ could not gain an advantage in trade competition through this submission.

HortNZ wishes to be heard in support of our submission and would be prepared to consider presenting our submission in a joint case with others making a similar submission at any hearing.

The details of HortNZ's submission and decisions we are seeking from Council are set out below.

Background to HortNZ

HortNZ was established on 1 December 2005, combining the New Zealand Vegetable and Potato Growers' and New Zealand Fruitgrowers' and New Zealand Berryfruit Growers Federations.

HortNZ advocates for and represents the interests of 5000 commercial fruit and vegetable growers in New Zealand, who grow around 100 different crop types and employ over 60,000 workers. Land under horticultural crop cultivation in New Zealand is calculated to be approximately 120,000 hectares.

The horticulture industry value is \$6.39 billion and is broken down as follows:

Industry value	\$6.39bn
Fruit exports	\$3.5bn
Vegetable exports	\$0.7bn
Total exports	\$4.2bn
Fruit domestic	\$0.88bn
Vegetable domestic	\$1.28bn
Total domestic	\$2.19bn

It should also be acknowledged that it is not just the economic benefits associated with horticultural production that are important. The rural economy supports rural communities and rural production defines much of the rural landscape. Food

production values provide a platform for long term sustainability of communities, through the provision of food security. The essential service that horticulture provides has been further highlighted through the Covid-19 response.

HortNZ's purpose is to create an enduring environment where growers thrive. This is done through enabling, promoting and advocating for growers in New Zealand.

HortNZ's Resource Management Act 1991 Involvement

On behalf of its grower members HortNZ takes a detailed involvement in resource management planning processes around New Zealand. HortNZ works to raise growers' awareness of the Resource Management Act 1991 (RMA) to ensure effective grower involvement under the Act.

The principles that HortNZ considers in assessing the implementation of the RMA include:

- The effects based purpose of the RMA;
- Non-regulatory methods should be employed by councils;
- Regulation should impact fairly on the whole community, make sense in practice, and be developed in full consultation with those affected by it;
- Early consultation of land users in plan preparation;
- Ensuring that RMA plans work in the growers interests both in an environmental and sustainable economic production sense.

Executive Summary

HortNZ generally supports the intent of the strategy being to focus growth in existing areas, in existing growth nodes and avoid urban sprawl. However, there are a number of inconsistencies between the strategic drivers, the future development plan and other strategic and statutory documents. As well, recognition of rural needs more broadly (and particularly relating to reverse sensitivity) throughout the document would assist in strengthening direction to support future growth of primary production and avoid sprawl.

HortNZ has opposed the draft greenfield development areas identified in Kamo and Maunu and believes more detailed analysis is required to ensure consistency with Sustainable Futures 30/50 and the Operative District Plan. In particular, analysis should consider:

- the productive capacity/capability of the land identified for future growth,
- the impact of the loss of that land to the wider values of highly productive land (such as food production) and
- the impact of converting that land to the productive capability of remaining rural land surrounding those future growth areas.

Consideration should also be had for the wider regulatory framework such as the Northland Regional Plan. HortNZ is currently in the process of appealing parts of the regional plan to the Environment Court due to the limitations it will place on horticultural operations such that many will become unviable.

HortNZ supports the development of a future strategy to sustain and develop the rural economy. We believe this should be developed alongside the current strategy for future urban growth.

Introduction

Horticulture in the Whangarei District

There is more than 4,400ha of horticultural activity within the Northland region, approximately 1500 hectares of which is within the Whangarei District¹. The main crop is avocados, however other crops including kiwifruit, tamarillos, leafy green vegetables, citrus fruit, onions, berries and passionfruit, are also grown.

Whangarei horticulture is unique in that productivity of land is not necessarily hindered by lot size. HortNZ's evidence to the 2017 hearings on the Proposed Whangarei District Plan detailed the types, sizes, productivity and financial viability of avocado and kiwifruit orchards in the district². It is clear that horticultural operations are capable of being economically viable on lots of 2-3ha. This is unlike the rest of the country where larger lot sizes correlate with viability.

¹ <https://whangareinz.com/business/key-industry-sectors/agriculture-horticulture-forestry>,
<https://www.freshfacts.co.nz/files/freshfacts-2018.pdf>

² Statement of Evidence by Jerome Hardy for Horticulture New Zealand, 29 June 2017

Horticulture is limited in where it can locate due to a reliance on a number of factors, including:

- soil quality
- supply of land
- access to quality water
- the right climate – temperature, sunshine hours, rainfall, wind
- proximity to reliable transport routes, markets and labour
- access to supporting infrastructure and services
- a supporting regulatory framework.

Typically, horticulture is best suited to land classified LUC 1-4, with commercial vegetable production being best suited to LUC 1-2. This type of land is in short supply, with LUC 1 – 2 representing only 5% of New Zealand's landmass and LUC 1 – 3 representing 14%³.

Whangarei has good access to a number of the factors that support successful horticulture. The biggest restraint is land supply. Due to historical regulatory frameworks, urban development is scattered throughout the rural environment. This limits the land available for primary production, but also generates on-going reverse sensitivity issues. Another current constraint is the wider regional regulatory framework. This is discussed further in the submission.

These are all important factors for consideration when assessing the need and location of future greenfield development.

Proposed National Policy Statement on Highly Productive Land (NPSHPL)

The NPSHPL recognises that the productive capacity or versatility of land may become compromised and that it may no longer be suitable for use by primary production activities. HortNZ's submission to the NPSHPL recommended a range of factors that should be considered when assessing the productive capacity of land. Matters to consider include:

a) physical and legal constraints and enhancements for the productive capacity of land. The assessment must include all relevant factors, including the following factors, and may include others:

- Water allocation limits and allocation policy;
- Water quality limits and allocation policy;
- Lot size;
- Presence of structures and buildings;
- Access to transport routes;
- Access to appropriate labour markets;
- Supporting rural processing facilities and infrastructure;

³ Fiona Curran-Cournane, Melaine Vaughan, Ali Memon, Craig Fredrickson 'Trade-offs between high class land and development:Recent and future pressures on Auckland's valuable soil resources' 2014 https://ac.els-cdn.com/S0264837714000489/1-s2.0-S0264837714000489-main.pdf?_tid=5b7e5b49-7e73-495c-8ec3-369768f8c264&acdnat=1549862995_9760292b4378403cd35bfc49fb0434c3

- The current land cover and use and the environmental, economic, social, and cultural benefits it provides;
- Availability of suitable land for crop rotation;
- Lack of reverse sensitivity constraints;
- Access to energy for greenhouses;
- Access to transport routes;
- Worker accommodation; and
- Other constraints that may limit the use of land for primary production.

b) whether investment could feasibly resolve any of the physical and legal constraints above or identified as relevant to that property.

With regards to lot sizes, our submission to the Proposed NPS-HPL highlights that where land is fragmented or urbanised it is seldom returned to productive uses.

The finalised NPSHPL is anticipated to be notified in 2021. Given the opportunities for horticultural growth in the district and the historical issues relating to sprawl, HortNZ recommends that Council consider the above factors when assessing rural land for urban growth.

Submission

The draft growth strategy fails to consider the value of highly productive land. HortNZ acknowledges and supports the key theme of avoiding sprawl and directing new urban development in and around existing development. It is also acknowledged that the draft strategy identifies primary industries and production as leading opportunities for growth in the district. This is supported by HortNZ.

However, the draft future development plan does not consider implications of the loss of highly productive land. Furthermore, many of the strategic drivers and outcomes need to be improved if the district is to truly realise the opportunities for growth from primary production and industries.

Strategic Drivers

Strategic driver 1 – sustained growth and development:

HortNZ supports the decision to avoid sprawl and provide for new development in and around existing urban areas. However, the strategy should also recognise that due to historical sprawl and operational need, there is a lot of horticulture located in proximity to urban areas. Land that is identified as being highly productive should be protected and measures to manage reverse sensitivity should be strengthened to ensure avoidance in the first instance on established rural production activities.

Strategic driver 2 – economic success:

HortNZ supports the recognition for the potential growth of primary sectors in the district. However, we are not sure what is meant by the statement that growth in this sector “increases vulnerabilities in times of economic downturn”. Covid-19 has demonstrated the

flexibility and necessity of the primary industry sectors, not just for supplying essential fresh food but for maintaining employment opportunities and contributing to sustaining the New Zealand economy through on-going export demand. For example, apple and kiwifruit exports grew 18% between March and June 2020⁴. This has assisted in protecting New Zealand's economy and keeping people employed.⁵

As outlined throughout this submission, HortNZ believes that the wider strategy document does little to support the potential growth opportunities of primary sectors in the district. Further emphasis is needed on identifying and protecting highly productive land for productive uses and managing actual and potential reverse sensitivity effects.

Strategic driver 5 – infrastructure:

HortNZ supports the recognition of both physical and social infrastructure and the key principle of managing incompatible activities. We believe more emphasis should be placed on avoiding incompatible activities in the first instance.

HortNZ notes the need for some appropriate social infrastructure in rural areas, but cautions that social infrastructure does include some sensitive activities such as child care, education and health care facilities. In identifying appropriate locations and developing regulatory framework, consideration should be had to:

- the functional and operational need of activities to location in the rural environment
- the impact to existing rural activities and
- the impact to the productive potential of land as a result.

A similar approach should be applied to physical infrastructure such as the National Grid Yard.

Strategic driver 8 – community resilience:

HortNZ is generally supportive of this strategic driver. The driver could be improved through discussion on how to enable communities to be proactive in their response to adverse situations. For instance, enabling the ability to undertake different types of primary production and flexibility to adapt key farming practices that support primary production. Food security is a key consideration when assessing the social and environmental costs of climate change.

Strategic outcomes:

There is no strategic outcome supporting the ongoing operation and growth of primary production and ancillary industries. Given the significance of the sector is recognised throughout the document, a strategic outcome to this effect is critical to ensuring the ongoing contribution of the sector to the district.

An outcome relating to a resilient community is also appropriate. Ensuring communities are educated on climate change, and providing a regulatory framework that enables flexibility in practice, will support adaptation and response to climate change.

Action plan:

⁴ <https://www.mpi.govt.nz/dmsdocument/40808-Economic-Update-for-the-Primary-Industries-June-2020>

⁵ <https://www.scoop.co.nz/stories/PA2004/S00038/nz-horticulture-sector-feeding-kiwis-and-the-world-during-covid-19.htm>

HortNZ is supportive of the allocation for resourcing to deliver a future strategy to sustain and develop the rural economy. HortNZ would welcome the opportunity to work with Council and the local horticultural sector in the development of such a strategy. We believe that the development of this strategy should occur alongside the development of this urban development strategy.

Future development plan

The strategy sets out that the strategic direction for growth outside the existing urban areas and identified growth nodes as being:

To provide managed opportunities for development whilst:

- Maintaining existing rural areas and highly productive land
- Protecting our natural environment and coastal landscapes.

HortNZ maintains that the focus should be on maintaining existing rural areas and “protecting” highly productive land. This is consistent with the approach taken in the Operative District Plan and Sustainable Futures 30/50.

Sustainable Futures 30/50

Sections 4.1 and 4.2 of Sustainable Futures 30/50 recognise that there are significant areas of highly productive land in both Kamo and Maunu and that productive activities are under pressure from reverse sensitivity. Actions 1.3 for both Kamo and Maunu direct future structure planning to “protect” productive farmland and identify locations of highly productive land.

Whangarei District Plan

The Rural Area Chapter of the Operative Plan sets out the objective and policy framework that is considered when assessing rezoning of rural land. The objectives and policies of particular relevance are set out as follows:

Objective 2 - Protect the long-term viability of the productive functions of rural land in a manner that delivers economic benefit and sustains the environment.

Objective 4 - Provide for a range of appropriate land uses in the Rural Area, including rural production activities, residential, rural residential, rural lifestyle, commercial, industrial, strategic rural industries, activities ancillary to farming or forestry and mineral extraction activities, in appropriate areas.

Objective 5 - Avoid, remedy or mitigate reverse sensitivity impacts, including on established rural production activities, strategic rural industries and network utilities.

Objective 6 - Provide for a range of appropriate land uses in the Rural Area, including rural production activities, residential, rural residential, rural lifestyle, commercial, industrial, strategic rural industries, activities ancillary to farming or forestry and mineral extraction activities, in appropriate areas.

Policy 2 - To protect highly versatile soils from activities which would materially reduce the potential for soil based rural production activities.

A series of policies follow that enable the consideration of different types of urban development in the rural area. All of which contain reference to ensuring development:

- does not compromise highly productive soil,

- will not materially increase potential for reverse sensitivity effects, and
- will not materially reduce the potential for rural production activities on land with highly versatile soils or established rural production activities.

Greenfield development in Maunu and Kamo

HortNZ believes that the future development areas for Maunu and Kamo are not consistent with the strategic direction set out in Sustainable Futures 30/50 or the Operative District Plan. Both documents seek to protect highly productive soil and the potential for productive use and in the first instance, and avoid reverse sensitivity effects on established rural production activities.

The proposed future development areas around Maunu are situated on land containing LUC 1 and 2. In Kamo, the land is identified as LUC 2 and 3.

Both of the identified growth areas contain existing horticultural activities. With regards to the Manau area, there is considerable horticulture directly impacted by the proposed growth area, and extensive horticulture along Cemetery Road and further west of Manau. The Kamo growth area only directly impacts a few horticultural operations but again, there is further horticulture further west.

In both instances, the strategic priorities are silent on the matter of reverse sensitivity effects on existing rural production. This is inconsistent with the Sustainable Futures 30/50 and with the strategic direction reflected in the District Plan.

The impact on remaining rural land has become increasingly significant due to changes in the Northland Regional Air Plan relating to the application of agrichemicals. The decision version of Rule C.6.5.1 stipulates that for ground-based or aerial spraying undertaken within 100m of a spray sensitive area:

- Agrichemicals must only be applied when the wind direction is away from the spray sensitive area, and
- The application equipment must produce a spray quality no smaller than “coarse” according to Appendix Q Application Equipment of the New Zealand Standard. Management of Agrichemicals (NZS 8409:2004).

These standards will impact a huge percentage of the hundreds of growers in Northland – particularly given historic planning frameworks which have enable extensive urban sprawl throughout the rural environment. The impact of these standards is such that many growers will not be able to spray and their operations will become unviable.⁶

It is relevant and important to highlight that the Northland District Health Board are appealing this rule to the Environment Court, seeking an increase to the distance of aerial spraying from 100m to 300m.

This, combined with the draft future growth areas shown in the strategy, will render the subject and surrounding highly productive land, completely unproductive.

Rezoning these areas from rural production is also inconsistent with Strategic drivers 2 (economic success) and 8 (community resilience). These drivers recognise the potential for

⁶ HortNZ is appealing this decision to the Environment Court. The responsibility to manage spray drift is not disputed. However, there are a range of tools available and the most suitable will depend on the particular operation and circumstance. Wind direction and droplet size are only two of the tools and they may not be suitable in all circumstances.

future growth of primary sector industries and highlight the pressures on rural resources from urban growth as a key constraint to this growth.

In identifying future greenfield development areas, HortNZ would expect robust analysis on the following matters as a minimum:

- the productive capacity/capability of the land identified for future growth,
- the impact of the loss of that land to the wider values of highly productive land (such as food production) and
- the impact of converting that land to the productive capability of remaining rural land surrounding those future growth areas.