SUBMISSION ON

Rangitīkei Draft Community Spatial Plan

21 April 2023

To: Rangitīkei District Council Name of Submitter: Horticulture New Zealand Supported by: New Zealand Asparagus Council and Tararua District Growers Inc.

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Our submission

Horticulture New Zealand (HortNZ) thanks Rangitīkei District Council for the opportunity to submit on the Rangitīkei Draft Community Spatial Plan and welcomes any opportunity to continue to work with Rangitīkei District 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 are set out in our submission below.

HortNZ's Role

Background to HortNZ

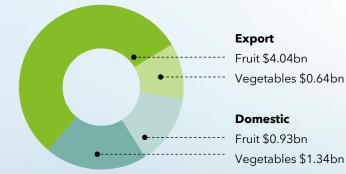
HortNZ represents the interests of approximately 5,500 commercial fruit and vegetable growers in New Zealand who grow around 100 different fruits, and vegetables. The horticultural sector provides over 40,000 jobs.

There is approximately, 80,000 hectares of land in New Zealand producing fruit and vegetables for domestic consumers and supplying our global trading partners with high quality food.

It is not just the direct economic benefits associated with horticultural production that are important. Horticulture production provides a platform for long term prosperity for communities, supports the growth of knowledge-intensive agri-tech and suppliers along the supply chain; and plays a key role in helping to achieve New Zealand's climate change objectives.

The horticulture sector plays an important role in food security for New Zealanders. Over 80% of vegetables grown are for the domestic market and many varieties of fruits are grown to serve the domestic market.

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



Industry value \$6.95bn Total exports \$4.68bn Total domestic \$2.27bn

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.

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Executive Summary

Spatial Planning to Encourage Horticultural Growth

In the Draft Community Spatial Plan, Rangitīkei District Council identifies horticulture as a potential growth area and path to diversify the primary sector.¹ HortNZ appreciates that the council is recognising the impacts of spatial planning on future horticultural development, particularly considering that the predicted climate change effects on the area (p. 208). Warming temperatures are expected to extend the growing season which may make the district more attractive for horticulture.²

Rangitīkei District Council can reap the social, economic, and environmental benefits of diversifying to horticulture if it accounts for development barriers in its plans through zoning productive land rural, maintaining infrastructure to support transportation of produce to market, and prioritising resource allocation for low emissions industry.

The Horizons One Plan restricts intensive farming, including commercial vegetable growing, in Coastal Rangitīkei, but horticulture comes in many forms like orchards and glasshouses that do not fall under these rules.³ Spatial planning should not assume that commercial vegetable growing will always be difficult, since a change in policy regime is possible.

HortNZ sees a happy marriage between the spatial plan's goals of expanding horticulture and developing Bulls into a "major food processing, distribution and logistics hub" (p. 45). This increased industrial capacity could support an expanding horticulture sector in the area by packing and distributing produce. Achieving this vision will require the preservation of quality soils for primary production use and allowing auxiliary activities to horticulture like packhouses to establish nearby.

We also recommend that BUL07, a block of LUC 2 soils near Bulls, is not considered for lifestyle development given the potential reverse sensitivity effects of building housing where horticulture could take place. The spatial plan identifies the block as fragmented, but the spatial unit of production for horticulture can be economically viable at a much smaller scale than other industries (p. 226). For instance, profitable orchards can be as small as a hectare or two. Thus, we do not think that "fragmented" label is appropriate.

The spatial plan says that "Reviewing minimum lot sizes in the Rural and Rural Living zones is needed to respond to national direction for highly productive land" (p. 143). If minimum lot sizes are set too small in rural areas, farmland may be earmarked for subdivision for lifestyle, residential or commercial use in future plan changes which could result in the permanent loss of productive land. HortNZ encourages the council to keep minimum lot sizes at an appropriate level for primary production.



¹ Pae Tawhiti Rangitīkei Beyond. April 2023. (p. 143)

² Climate change projections for the Manawatu-Whanganui region | Ministry for the Environment

³ Horizons One Plan, Chapter 14, Rule 14-1 Existing intensive farming land use activities (p. 14-8). <u>HRCOP</u> <u>Vol4 Cover 2014 Update v3.indd (horizons.govt.nz)</u>. Accessed 14/04/23.

PART 3

Submission

1. Horticulture in Rangitīkei

The Rangitīkei District has the potential for horticultural expansion. There are currently about 15 growing operations in the district which produce asparagus, beans, broccoli, cabbage, capsicum, cauliflower, citrus, cucumbers, garlic, potatoes, pumpkins, quinoa, squash, summerfruit, sweetcorn, and tomatoes. These growers operate in and around Bulls, Mangaweka, Marton, and Taihape.

HortNZ encourages Rangitīkei District to consider the impacts of spatial planning on future horticultural development, which has the potential to grow, particularly considering the predicted climate change effects on the area. Projections show that the district will experience warmer temperatures, a longer growing season, and fewer frosts, which all improve conditions for growing.⁴

2. Transition to a Low Emissions Economy

Diversification to horticulture presents an opportunity to reduce emissions while increasing food production. Local councils like Rangitīkei's have an opportunity to get ahead of the transition to a low emissions economy by providing for horticulture in their planning.

The Climate Commission advises that 2,000 ha of land in New Zealand will be converted to horticulture per year from 2025.⁵ The commission expects that this could increase if "barriers – such as water availability, labour, supply chains and path to market – are addressed".⁶ The District Council can reap the benefits of diversifying the local primary sector to horticulture if it accounts for each of these barriers in its plans through zoning productive land rural, maintaining infrastructure to support transportation of produce to market, and prioritising resource allocation for low emissions industry. A land use transition toward horticulture will not only help Rangitīkei meet its climate change mitigation goals, but it will also provide for community health and wellbeing through economic growth and local production of nutritious food.

3. Managing Natural Hazards

Flooding creates a range of issues for the horticultural industry. Crops can be damaged by the excess water, and land can become so waterlogged that crops struggle to grow in the soil. Surface runoff from adjoining properties can also be an issue, as this can create a large volume of water that flows onto crops and equipment, rendering them unusable and resulting in a loss of yield and income. Other natural hazards such as earthquakes and strong weather systems can also impact horticultural growth by displacing crops.

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⁴ <u>Climate change projections for the Manawatu-Whanganui region | Ministry for the Environment</u>

⁵Ināia tonu nei: a low emissions future for Aotearoa » Climate Change Commission (climatecommission.govt.nz) (p. 119)

⁶ https://www.climatecommission.govt.nz/our-work/advice-to-government-topic/inaia-tonu-nei-a-lowemissions-future-for-aotearoa/

HortNZ seeks that district planning addresses the requirements of drainage works, subsequent flooding and ongoing maintenance requirements in the rural environment to avoid or mitigate the effects of flooding and support rural production. Planning for hazard management should be mindful of the need to preserve high quality land, especially as we've seen how silt can decimate productive soil after the recent Cyclone Gabrielle.

4. Protecting Highly Productive Land

It is critical that highly productive land is protected for future generations from the trend of cumulative loss to urban and lifestyle development. Reverse sensitivity and competition for natural resources with urban communities are putting fruit and vegetable production at risk.

Protection of productive land should extend beyond Classes 1, 2, and 3 identified in the National Policy Statement for Highly Productive Land (NPS-HPL) because Class 4 land can still be used for high value horticultural production. While soil quality is especially important for growing, favourable climate, flat land, and access to transportation networks are all key considerations for growing areas.

HortNZ recommends that references throughout the spatial plan to "versatile soils" should be replaced with "highly productive land," to show the clear connection between the plan and the NPS-HPL.

The Rangitīkei Spatial Plan should provide a clear identification of land with the potential for high value production. High value production land should not be put into rural residential but retained for rural production, even when it is near settlements. Just because an area has been fragmented by dispersed rural residential activities does not mean that its best use is zoning for lifestyle blocks when there are other places to intensify housing for efficient use of infrastructure and walkability.

HortNZ seeks that the rural sector is included in decision making processes about housing development, as poor decisions could make generational damage on the productive capability of nationally significant production land.

4.1. Reverse Sensitivity

Reverse sensitivity issues are becoming an increasing problem for the horticulture sector as more people move into productive areas who do not have realistic expectations about how rural activities look, sound, and smell. Horticulture is susceptible to reserve sensitivity effects since highly productive land is often located near urban centres with demand for housing development.

Reverse sensitivity should be given more weight in spatial planning. Seasonal or short duration horticultural activities may generate noise or other effects for just part of the year, but there should still be provisions that ensure new development near those activities accept the prevailing working production environment of the rural area.

4.2. Packhouses On or Near Productive Land

The NPS-HPL is a necessary policy tool to provide clear direction on the way highly productive land is managed; however, it does present some challenges and questions

about how some aspects of horticulture are addressed, particularly if there is to be growth or establishment of the industry in an area.

Independent packhouse and processing facilities need to be located near horticultural production areas for processing produce. These are independent, off-site facilities. An independent packhouse facilitates the washing, preparation, packing and distribution of produce on behalf of growers. Time is a critical factor for quality and processing of fresh produce. As soon as produce is harvested, the countdown on its shelf-life for a consumer begins.

These activities directly support horticultural production, and they are often located on LUC 1-3 near where the produce is grown. Many of these facilities are long-established, servicing nearby horticultural enterprises, and have built up networks of suppliers, and their labour force, over a long period. To support the overall productivity of highly productive land, building packhouses on or adjacent to productive land may be the best outcome to support a productive land could create a symbiotic relationship between the two land uses through establishing a packhouse.

5. Flexibility for Future Growing Systems

Most vegetables for domestic supply are grown outside in soil, which is the most efficient way to produce the volumes of food consumed by New Zealanders. Other growing systems, such as glasshouses, covered cropping or vertical farms may become more popular in the future due to extreme weather events and constrained space. Currently, these growing systems are more often used to ensure year-round supply of crops like salad greens and tomatoes.

At present, natural resource allocation decisions to support our food system are about the availability of land and water, but planning frameworks also need to provide the flexibility of land use for growers to uptake new growing systems like glasshouses or intensive indoor production as technology becomes more economically viable. These activities can span the urban-rural divide and provide hyper-local food production. Spatial planning should consider where these indoor horticultural activities can take place in proximity to auxiliary infrastructure like packhouses and transportation corridors for distribution.

6. Horticulture Under the Horizons One Plan

Despite regional rules about intensive farming under the Horizons One Plan, many forms of horticulture are still economically viable in Rangitīkei. Coastal Rangitīkei falls under a targeted water management sub-zone in the Horizons One Plan which classifies commercial vegetable growing as a controlled activity.⁷ That said, spatial planning should not assume that commercial vegetable growing will always be difficult, since a change in policy regime is possible. Horticulture also comes in many forms, including orchards and glasshouses which are not impacted by those regional rules.



⁷ Horizons One Plan, Chapter 14, Rule 14-1 Existing intensive farming land use activities (p. 14-8). <u>HRCOP</u> <u>Vol4 Cover 2014 Update v3.indd (horizons.govt.nz)</u>. Accessed 14/04/23.

7. Draft Community Spatial Plan

7.1. Expansion and intensification

HortNZ favours intensification of existing residential areas over expansion outward. As the spatial plan acknowledges, Bulls and Marton are surrounded by LUC 2 soils which fit under the definition of highly productive land, making those outskirts unsuitable for housing development.⁸

We encourage the council to identify and map specific growth opportunities in horticulture based on land and climate, not just growth in people and housing.

7.2. Bulls

7.2.1. HOUSING GROWTH

HortNZ supports the spatial plan's intention to ensure any new housing development will be walkable, which we take to mean that the district council intends to avoid sprawl.

BUL07 was identified for future lifestyle growth, but it is comprised of LUC 2 soils. The spatial plan characterises the block as fragmented, but there is no evidence that this is the case (p. 226). The spatial unit of production for horticulture can be economically viable at a much smaller scale than other industries. For instance, profitable orchards can be as small as a hectare or two. There is plenty of space in blocks like BUL07 for that smaller scale of production.

That stretch of land must be protected from inappropriate development under the NPS-HPL, which requires that "the rezoning and development of highly productive land as rural lifestyle is avoided".⁹ Zoning this area as rural lifestyle would introduce potential reverse sensitivity effects, and the spatial plan does not demonstrate that this rezoning would have benefits that outweigh the loss of highly productive land for primary production for present and future generations. This disqualifies the block for lifestyle development under clause 3.10 of the NPS-HPL.¹⁰

Given that BUL01 and BUL02 are already considered more than sufficient to meet growth projections, the spatial plan need not consider BUL07 for development at all.

7.2.2. BUSINESS GROWTH

HortNZ supports the spatial plan priority to make Bulls a "major food processing, distribution and logistics hub" (p. 45). This increased industrial capacity could support an expanding horticulture sector in the area by packing and distributing produce.

We also support that the district council wants to "take a facilitative approach to the establishment of new businesses" (p. 45). If that is the case, then the council should



⁸ Rangitīkei District Council. *Pae Tawhiti: Rangitīkei Beyond* <u>Pae-Tawhiti-Rangitikei-Beyond-Spatial-Plan-</u> <u>Draft -Details-Web.pdf</u> (p. 209)

⁹ National Policy Statement for Highly Productive Land | Ministry for the Environment (p. 7)

¹⁰ National Policy Statement for Highly Productive Land | Ministry for the Environment (p. 13)

prioritise and provide for horticulture on productive land rather than building over those soils. More growing will provide the product for that food processing and distribution.

7.3. Rural Rangitīkei

7.3.1. DIVERSIFICATION OF THE PRIMARY SECTOR

HortNZ supports that the plan identifies horticulture as an opportunity for the district's rural areas (p. 140). To support that expansion of horticulture, the district needs to preserve land with quality soils and flat topography for rural use and prioritise horticultural activities for resource allocation.

The spatial plan says that "Reviewing minimum lot sizes in the Rural and Rural Living zones is needed to respond to national direction for highly productive land" (p. 143). If minimum lot sizes are set too small in rural areas, farmland may be subdivided for lifestyle, residential or commercial use in future plans which could result in the permanent loss of productive land. HortNZ encourages the council to keep minimum lot sizes at an appropriate level for primary production.

7.3.2. ENABLING INFRASTRUCTURE

HortNZ supports the intention to maintain a rural roading network that supports primary production (p. 147). We also support the facilitation of approaches that improve certainty over water access (p. 143). Reliable access to water is critical if the district wants to encourage more horticultural production, since water is necessary for both irrigation and processing fruits and vegetables.

Discussion Questions

This section responds to questions asked directly in the consultation on the Rangitīkei Draft Community Spatial Plan.

Q. 1.1 Does the vision reflect what you think is important? What do you like? What's missing?

The vision does well in considering soil quality, potential reverse sensitivities, and natural hazards in its assessment of future growth areas. We would encourage that the final spatial plan identifies land suitable for new primary production, specifically horticulture since that is a priority in the draft plan, as well as new housing.

Q. 2.1 What actions do you think should be prioritised for implementation? Are there other actions that should be added?

HortNZ encourages the Rangitīkei District Council to prioritise maintaining rural roads that are fit for purpose for primary production. Connectivity is essential to grow the horticulture sector so that produce can get to market.



Q. 2.2 What is important to you in planning for future growth?

Protecting highly productive land from inappropriate use and development is our priority. Future housing growth should focus on intensification rather than sprawl to preserve rural land for primary production. This is especially important for horticulture, which often takes place on the urban-rural boundary.

