

Thursday, 26 June 2025

Te Hui o Te Kaunihera ā-Rohe o Heretaunga
Hastings District Council
Council Meeting

Kaupapataka

Attachments Volume 2

Te Rā Hui:
Meeting date: **Thursday, 26 June 2025**

Te Wā:
Time: **1.00pm**

Te Wāhi:
Venue: **Council Chamber
Ground Floor
Civic Administration Building
Lyndon Road East
Hastings**

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TE KAUNIHERA Ā-ROHE O HERETAUNGA

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~~Draft~~ Napier Hastings Future Development Strategy

~~2024~~ 2025 – 2054 ~~2054~~

~~November~~ May 2025 ~~2024~~



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1. Foreword

Creating a strong and sustainable future for the Heretaunga Plains has been the focus of the Heretaunga Plains Urban Development Strategy (**HPUDS**) since its inception in 2010. This Future Development Strategy (**FDS**) replaces HPUDS and builds on that legacy by looking out another 30 years. The FDS seeks to manage urban growth on the Heretaunga Plains in a way that acknowledges mana whenua and their aspirations for development, is respectful of the precious land and water resources that sustain us, while supporting our housing, business and community needs. This is not an easy task as there are many conflicts, tensions and trade-offs that need to be navigated, especially considering the challenges that climate change puts before us.

This Strategy looks out to 2054 and has been prepared jointly by the partner councils – Napier City Council, Hastings District Council and Hawke's Bay Regional Council, in partnership with mana whenua through Maungaharuru-Tangitū Trust, Mana Ahuriri Trust and Tamatea Pōkai Whenua. It sets out to meet the councils' obligations under the National Policy Statement on Urban Development 2022 (**NPS-UD**) but is essentially driven by a broader need for continued leadership and collaboration by the councils and mana whenua through the Treaty of Waitangi settlement entities in the way urban development occurs in this special part of Aotearoa New Zealand.

The NPS-UD requires the FDS to set out how well-functioning urban environments will be achieved and must show:

- the general locations for Napier and Hastings capacity to grow, including through intensification within existing urban areas
- the infrastructure needed to support and service that growth
- development constraints that need to be avoided or mitigated.

Three major factors driving our decision-making are mana whenua knowledge and expectations, the need to protect highly productive land, and managing the effects of natural hazards as far as possible. Many other factors have been considered, but we acknowledge that in 30 years many things will change that we cannot foresee. Accordingly, the strategy will be reviewed every three years, to incorporate and respond to current issues. Nevertheless, the strategy takes a long-term approach to how we address urban development on the Heretaunga Plains, with a focus on a preferred settlement pattern that will lead us to more compact development.

This approach means further changes in the current way growth is managed, but we believe that long-term leadership and robust growth management will lead to sustainable growth, while recognising that getting there will necessitate a transitional period over time.

We particularly acknowledge the input of mana whenua in the development of the strategy. Mana whenua have an important role in planning future growth in Napier and Hastings, including the delivery of housing, and the protection of our natural and physical resources. We

will continue to collaborate in genuine partnership with our Treaty partners on the future growth of Napier and Hastings.

Let us look forward, continue to work with our communities to create the kind of region we all love to live, work and play in.

Many thanks to all of those who have provided input into the development of this draft strategy through the informal and formal consultation processes. We look forward to your feedback on the Draft FDS.

Hawke's Bay Regional Council Chair Hinewai Ormsby

Napier City Council Mayor Kirsten Wise

Hastings District Council Mayor Sandra Hazlehurst



2. Mihi

Kei aku maunga whakahī, kei aku awa whakatere taniwha, tēnā koutou katoa.

Haramai rā ki a au, ki te rautaki nei, ka nui te mihi.

He hua te rautaki nei o te mahinga tahitanga a ngā kaunihera e toru, a Hastings District Council, a Napier City Council me Hawke's Bay Regional Council, ki a Tamatea Pōkai Whenua, Mana Ahuriri Trust me Maungaharuru Tangitū Trust.

I te marama o Hepetema ki te marama o Nōema i tēra tau, i whai wā te marea ki te tuku kōrero mai e pā ana ki tēnei rautaki. I wānangahia ērā whakahokinga kōrero, ā, anei te hua.

He tirohanga 30 tau tēnei, ā, e tūmanako ana ka pūawai te rohe mā roto mai i te rautaki nei.

Heretaunga Haukū nui

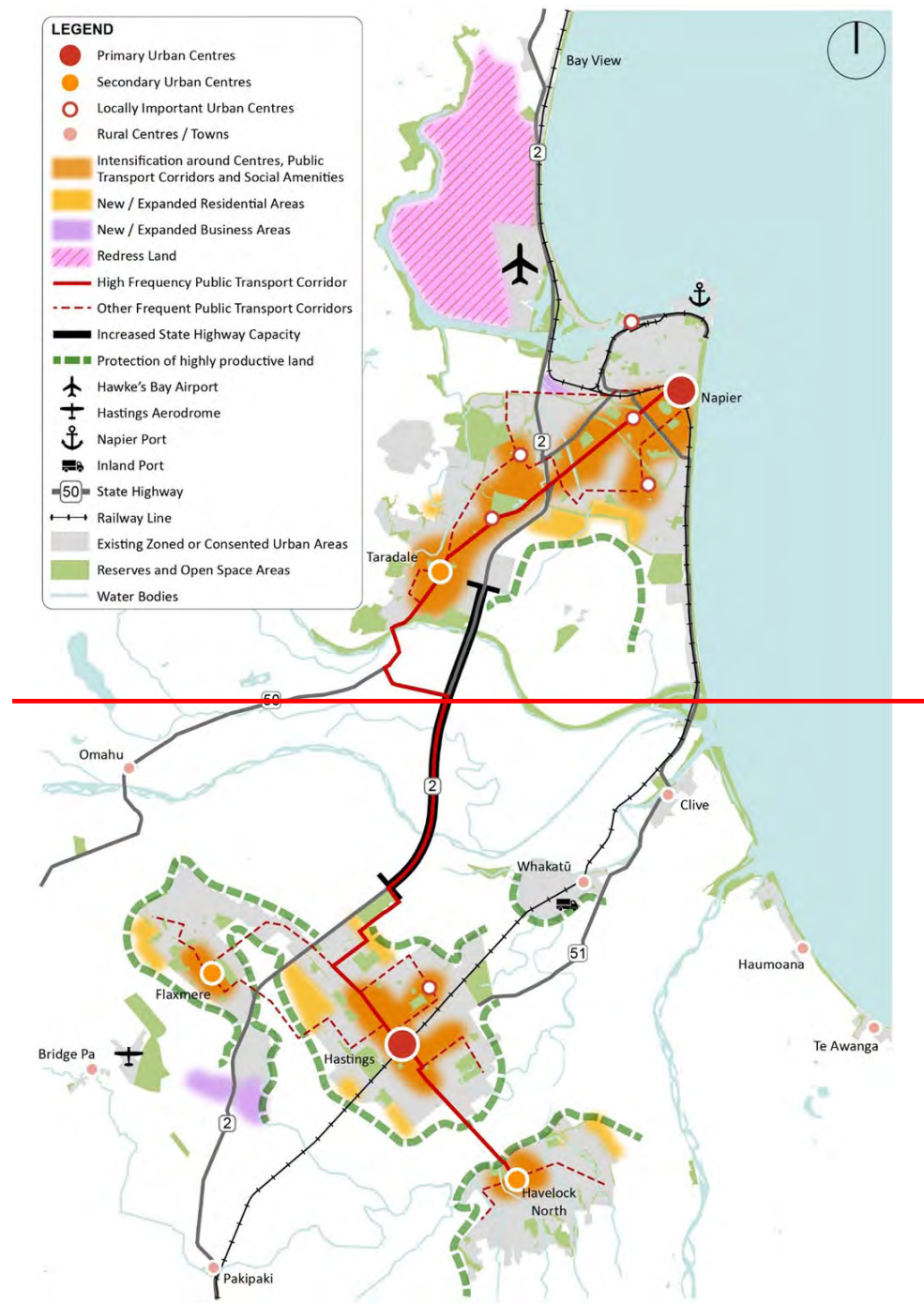
Heretaunga Ararau

Heretaunga Hāro o Te Kāhu

Heretaunga Takoto noa.

Kia tōaitia anō i konei, ko ā mātou mihi ki a koutou, kei aku rangatira.

3. Overview



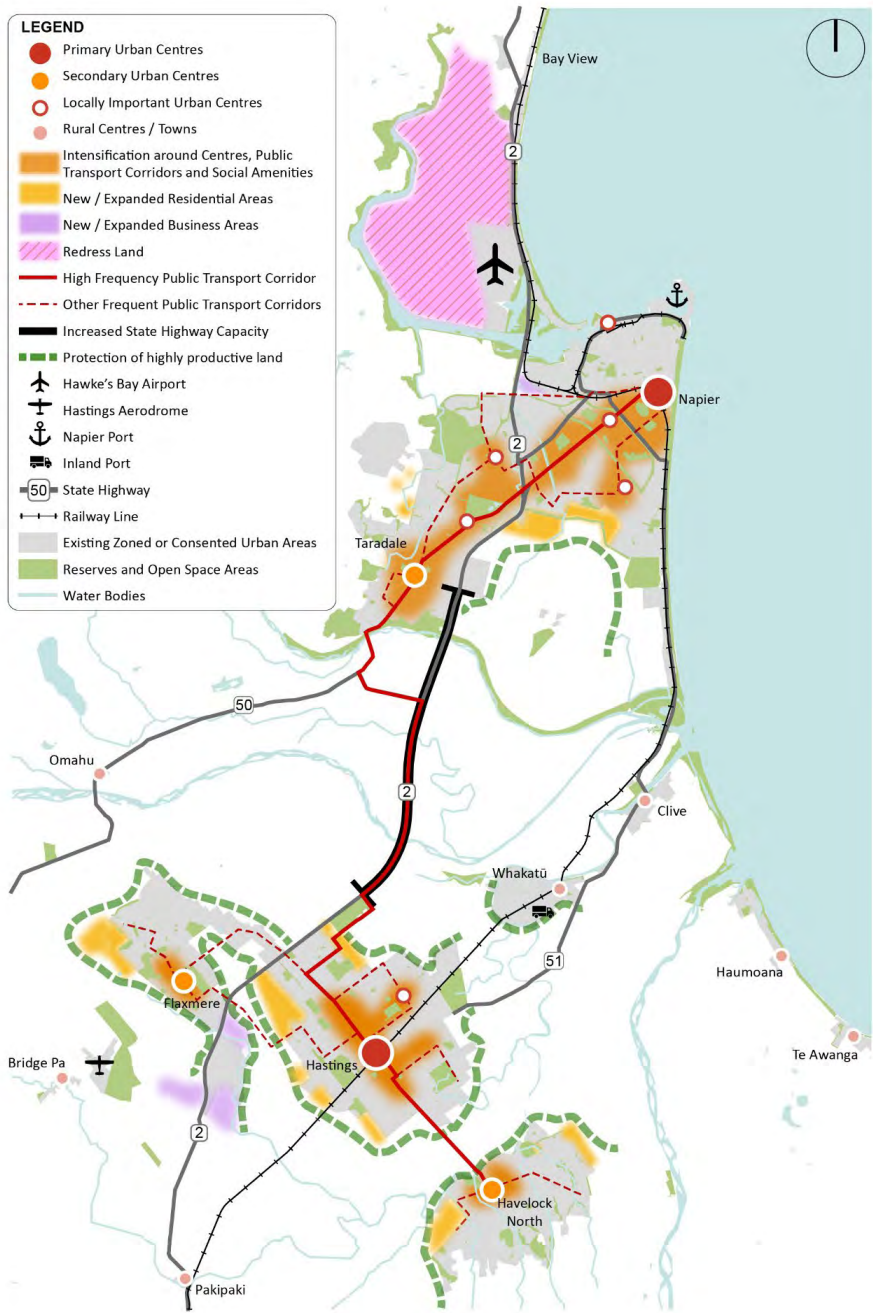


Figure 1 The Draft Future Development Strategy

At its heart, the ~~Draft~~-FDS ~~strategy~~ seeks to achieve a compact urban form, focussed around a network of consolidated and intensified centres in Napier and Hastings. The ~~draft~~ strategy achieves this by enabling more housing growth and choice within and adjoining the existing urban area in locations close to the public transport network and community services. It also achieves this by providing choices for different types of businesses in efficient locations.

The ~~Draft~~-FDS ~~strategy~~ provides for:

- **increased density and diversity of housing**, including apartments and terraced housing, within and close to Napier and Hastings' primary, secondary and locally important centres and high frequency bus corridors;
- **general residential development in other neighbourhoods** within existing urban areas, including small scale infill and suburban scale duplexes and terraced housing;
- **targeted expansion to enable new compact neighbourhoods with a mix of housing types** to the south of Napier's urban area, Mission Estate, and on the fringes of Havelock North, Hastings and Flaxmere, in locations that can integrate efficiently with existing transport networks and services, while avoiding the best productive land;
- **increased density and diversity of retail and commercial activities** in Napier and Hastings' primary, secondary and locally important centres, the Severn Precinct, and in new centres that support new compact neighbourhoods;
- **a new strategic industrial node at Irongate and Irongate West** that is efficiently located close to the state highway network and existing industrial areas;
- **supporting infrastructure**, including transport, three waters, open space and social infrastructure network improvements; and
- **opportunities to deliver ecologically sustainable, resilient urban development at Ahuriri Station.**

The ~~Draft~~-FDS ~~strategy~~ enables a number of benefits to be realised, including:

- providing the **best opportunity to achieve more compact housing** consistent with changing housing needs in Napier and Hastings;
- providing for new housing in a variety of areas which supports **reduced travel times for people with lower impacts on the transport network**;
- directing growth to areas that **better utilise existing amenities and infrastructure** (e.g. drinking water, wastewater, stormwater, roading, schools and public transport);
- **avoiding the need for significant new capital investment in new infrastructure** in areas with limited existing and planned infrastructure;
- **minimising urban expansion** in areas subject to significant natural hazard risks;
- providing opportunities to **more efficiently protect existing communities from natural hazard risks**;
- **minimising urban expansion in areas with highly productive land** used for productive activities;

- **providing opportunities for further economic agglomeration** of the Irongate industrial node should the uptake of industrial land occur faster than anticipated; and
- **recognising Mana Ahuriri's aspirations** for development by identifying Ahuriri Station as Redress Land.

4. Introduction

4.1 What is the Future Development Strategy?

The ~~Draft~~ Napier Hastings Future Development Strategy (**the Draft-FDS**) is a strategic tool to assist with the integration of planning decisions under the Resource Management Act 1991 (**RMA**) with infrastructure and funding decisions. It must show:

- where we will grow in Napier and Hastings, including the general locations for growth in existing and new urban areas over the next 30 years;
- The infrastructure needed to support and service that growth; and
- Development constraints.

The ~~Draft~~-FDS has been developed in partnership with Hastings District Council, Napier City Council, Hawke's Bay Regional Council, Maungaharuru Tangitū Trust, Mana Ahuriri Trust and Tamatea Pōkai Whenua. The ~~Draft~~-FDS satisfies the statutory requirements for future development strategies under the National Policy Statement for Urban Development 2020 (**NPS-UD**).

The NPS-UD states that the purpose of an FDS is to promote long term strategic planning by setting out how the partner councils and mana whenua intend to:

- achieve well-functioning urban environments in existing and future urban areas;
- provide at least sufficient development capacity over the next 30 years to meet expected demand; and
- assist with the integration of planning decisions under the RMA with infrastructure planning and funding decisions.

While establishing the overall direction for managing growth of urban environments across Napier and Hastings, it is important to note that an FDS does not:

- rezone land;
- make changes to any district or regional plan;
- set out details and standards around subdivision and building design;
- provide funding and other resourcing to meet costs of development, infrastructure and other services.

4.2 Where does it apply?

In preparing the ~~Draft~~-FDS we have identified a study area around the existing urban areas of Napier and Hastings. The study area is shown in Figure 2 and includes Napier, Taradale, Hastings, Flaxmere, Havelock North, the surrounding Heretaunga Plains and peripheral areas including Bay View and Whirinaki, Whakatū, Clive, Haumoana and Te Awanga, and a number of rural settlements on the Heretaunga Plains within an approximate 20-minute (uncongested) drive time from the main centres of Napier and Hastings.

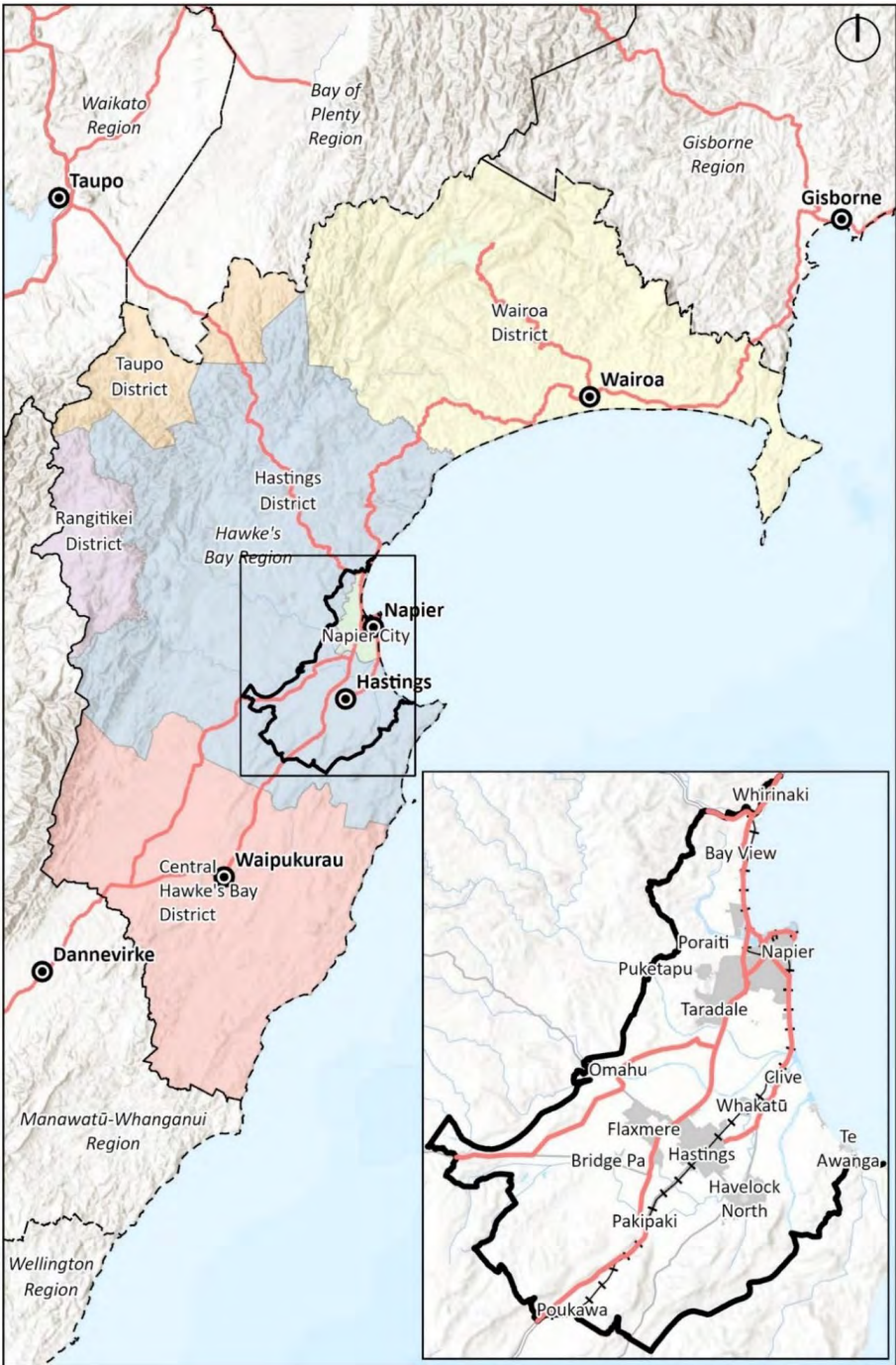


Figure 2 FDS Study Area Extent within Hawke's Bay Region

4.3 Cross Boundary Relationships

The neighbouring districts of Central Hawke's Bay and Wairoa were invited to participate in preparing the FDS, and the relationship of urban development in Napier and Hastings with the community and infrastructure networks in Central Hawke's Bay and Wairoa has been considered in developing the FDS. In terms of Wairoa, the relationship is reasonably limited. While there is movement of people and freight along State Highway 2 that connects the districts, there is a limited spatial connection between the developed urban areas.

The Central Hawke's Bay District is located to the south of Hastings, with the settlements of Ōtāne, Waipawa and Waipukurau being within 30-40 minutes drive time from central Hastings via State Highway 2. Commuting between these areas and Napier beyond is common, and anecdotally, there is a local sense that Ōtāne is becoming more of a satellite town. The FDS provides for strategic employment opportunities on the southern side of Hastings, which improves access for these communities. The relationship of these areas can be considered further through future regional spatial planning exercises.

4.4 Well-functioning urban environments

A key requirement of an FDS is to set out how the partner councils, and mana whenua, through the Treaty Settlement Entities, will achieve well-functioning urban environments. These are described in Policy 1 of the NPS-UD as urban environments that, at a minimum will:

- have or enable a variety of homes that meet the needs, in terms of type, price and location, of different households;
- have or enable a variety of homes that enable Māori to express their cultural traditions and norms;
- have or enable a variety of sites that are suitable for different business sectors in terms of location and site size;
- have good accessibility for all people between housing, jobs, community services, natural spaces and open spaces, including by way of public or active transport;
- support, and limit as much as possible adverse impacts on, the competitive operation of land and development markets;
- support reductions in greenhouse gas emissions; and
- be resilient to the likely current and future effects of climate change.

4.5 Heretaunga Plains Urban Development Strategy

The Heretaunga Plains Urban Development Strategy (HPUDS), initially developed in 2010, was a joint strategy developed by Hastings District Council, Napier City Council, Hawke's Bay Regional Council and mana whenua to manage urban growth on the Heretaunga Plains over a 30-year timeframe through to 2045. Subsequent updates and amendments to HPUDS were made in 2017.

The ~~Draft~~ FDS builds on and replaces HPUDS, responding to the new requirements of the NPS-UD and other recent national direction, including the National Policy Statement for Highly Productive Land 2022 (NPS-HPL). In preparing this ~~Draft~~ FDS, all unzoned future growth areas identified within HPUDS have been reconsidered to determine their appropriateness to accommodate future development.

HPUDS was based on a preferred settlement pattern that recognised the community's preference to maintain the versatile land of the Heretaunga Plains for production purposes. The strategy defined growth areas and urban limits, with a need to balance increased intensification and higher densities close to the commercial nodes and higher amenity areas in the districts, against the provision of lifestyle choice. Under HPUDS, development was expected to transition to 60 per cent intensification, 35 per cent greenfield, and five per cent in rural areas by 2045.

HPUDS sought to recognise and provide for mana whenua values and aspirations, including through governance and implementation of the strategy, and by recognising the unique relationship that mana whenua have with the land, waterways and other people. HPUDS specifically provided for Marae-based settlements at Bridge Pa and Omahu, noting that

servicing could be more practically achieved in these locations from a physical and cost viewpoint than more remote marae. HPU DS also acknowledged and supported the development of papakāinga housing. The ~~Draft~~-FDS continues to promote this approach.

Strong growth since 2015 has seen development in rural and greenfields areas maintain their shares of the market, although a significant proportion of greenfield development has been in higher density retirement villages. It is only in recent years, in a cooling housing market, that a proportionate shift towards intensification and more efficient use of greenfield growth areas has started to occur.

A number of growth areas identified within HPU DS have been enabled through plan changes and detailed planning, and now form part of the existing urban environment. Several have been recently developed or are under development, including:

- Parklands
- Te Awa
- Mission Hills
- Brookvale Road
- Lyndhurst
- York Road (Wairatahi Fast Track Consent)
- Howard Street
- Tomoana (industrial)
- Irongate (industrial)
- Omahu Road (industrial)

4.6 Cyclone Gabrielle

On February 14, 2023, the region experienced the devastating effects of Cyclone Gabrielle. While the full impacts of the cyclone continue to be assessed, significant investment will be required to rebuild and future-proof infrastructure. While the development of the FDS commenced prior to Cyclone Gabrielle, it is important that the ~~Draft~~-FDS responds to the information gathered as a result of, and as part of, the ongoing cyclone recovery process.

The recovery conversations with mana whenua, communities and the Hawke's Bay Regional Recovery Agency (**RRA**) to understand how communities and infrastructure were impacted, and how best to build back for long term resilience, have all influenced the ~~Draft~~-FDS issues and options, and the development of spatial scenarios.

Following Cyclone Gabrielle, councils and mana whenua developed their own locality plans to set out their recovery priorities. The RRA developed a Regional Recovery Plan which presented these priorities within a single cohesive document to advocate for the region and seek support from central government towards the recovery efforts.

In November 2023, a Briefing to Incoming Ministers (**BIM**) setting out the region's priorities was presented to Governments. Both housing and regulatory relief (primarily to support a streamlined planning process for necessary flood protection works) were identified within the

BIM. The region's housing shortfall has been exacerbated as a consequence of those whānau who have been displaced by the cyclone. The flood mitigation works, now able to proceed more quickly under a recently enacted Order in Council, will provide greater certainty to seven residential areas in the region, as well as for the Awatoto industrial area and Napier Wastewater Treatment Plant.

Plan Change 6 (PC6) to the Hastings District Plan is progressing which seeks to enable Category 3 impacted sites to relocate within close proximity. This provides the opportunity for cyclone-affected homeowners to relocate within their existing rural communities.

Following Cyclone Gabrielle, the Hawke's Bay Regional Council commissioned an independent review of the response to this major weather event¹. This review includes a number of recommendations for future planning work that should be carried through to the FDS Implementation Plan and future planning processes. This includes recommendations for future natural hazard data collection and Regional Policy Statement and District Plan reviews.

The ongoing cyclone recovery is a separate process from the ~~Draft~~ FDS but forms part of the evidence base which has informed decision making.

4.7 Why has the ~~Draft~~ FDS been prepared?

The councils are required to jointly prepare an FDS for Napier and Hastings in accordance with the requirements of the NPS-UD.

Over the next 30-years, the population of Napier City and the Hastings District is projected to increase by over 40,000 people from 2023 levels. The majority of this increase will be accommodated in or around the main urban areas of Napier, Hastings, Flaxmere and Havelock North. These projections are higher than those used to develop HPUDS and reflect changing migration policy settings from around 2015-2019 and the 2020 COVID-19 repatriation of New Zealanders from abroad. This has seen the growth projections for 2015-2020 (and expectations to 2045), which informed the development of HPUDS, exceeded by a considerable margin.

Strong population growth and the resulting national housing crisis has affected the Napier and Hastings housing market. While HPUDS growth expectations were met and even exceeded by new dwelling construction, this has not been sufficient to meet the unprecedented demand. A sizable backlog of demand for new housing across Napier and Hastings now exists.

The ~~Draft~~ FDS is needed to ensure that the projected population growth across Napier and Hastings over the next 30-years can be accommodated.

4.8 Where does the FDS fit with other council strategies?

Each of the councils involved in the development of the ~~Draft~~ FDS are ~~is~~ required to prepare and implement a number of Plans under various pieces of legislation including the RMA, Local

¹ <https://www.hbrc.govt.nz/our-council/hb-independent-flood-review/>

Government Act 2002 (**LGA**) and Land Transport Management Act 2003 (**LTMA**). These include District Plans, Regional Plans, Long-Term Plans, Regional Land Transport Plans, Infrastructure Strategies, and Annual Plans. The FDS provides strategic direction and is a tool to inform these plans and strategies.

The partner councils are also progressing their own local and regional planning processes, many of which have informed the ~~Draft~~ FDS.



Figure 3 Where the FDS sits

○

5. How the ~~Draft~~ FDS has been prepared

Developing the ~~Draft~~ FDS has involved a partnership approach with mana whenua, and extensive engagement with elected officials, the community, interested landowners and developers, as well as using detailed technical analysis and evaluation. Consistent with the requirements of the NPS-UD, we have undertaken the following steps to get to this point, informed by the RMA and relevant national policy statements.

- **Relevant existing plans, strategies and data have been reviewed**, including the Napier Spatial Picture and Structure Plans, Proposed Napier District Plan (**PDP**), Plan Change 5 to the Hastings District Plan (Right homes, right place) (**PC5**), the Napier Hastings Industrial Land Supply Strategy, the Housing Development Capacity Assessment 2021, Business Development Capacity Assessment 2022, the Hastings Medium Density Housing Strategy, and infrastructure plans and strategies.
- **Partnership and engagement with mana whenua** has enabled an understanding of their values and aspirations for urban development. This engagement has been integral to the development of the ~~Draft~~ FDS, to ensure the principles of the Treaty of Waitangi are taken into account.
- **Community engagement on issues and options**, including a ‘call for opportunities’ in September – October 2023 has resulted in many sites being put forward by the community and landowners for consideration in the ~~Draft~~ FDS.
- **Different spatial scenarios/options have been developed and identified** to accommodate urban growth based on the outcome of the above.
- **The advantages and disadvantages of spatial scenarios** have been evaluated with input from a multi-disciplinary team and supported by independent technical advice on residential and business demand and capacity, highly productive land and transport.
- **Infrastructure providers and Government organisations have been engaged with**, to test the spatial scenarios and supporting analysis. This group included the New Zealand Transport Agency, the Ministry of Education, Kāinga Ora, telecommunications providers, Transpower, Unison, Hawke’s Bay Airport, Port of Napier and the Ministry for the Environment.
- **A preferred spatial scenario was identified** based on the outcome of the above and direction from elected members and mana whenua partners.
- The relevant Council and central Government agencies were worked with to identify in further detail the infrastructure network upgrades necessary to support the preferred spatial scenario.

Further collaborative engagement with mana whenua is required to ensure the partner councils meet their obligations under Te Tiriti o Waitangi. This includes continuing to develop the information base relating to mana whenua demographics, including population distribution and housing needs, as well as information regarding the location of wāhi tapu and sites of cultural significance within the FDS study area. This information will inform the monitoring and

implementation of the FDS as well as future reviews. The Councils will also work collaboratively with Mana Ahuriri Trust to advance development processes for Ahuriri Station that provide for Ahuriri Hapū economic, cultural and social well-being.

6. Iwi and hapū values and aspirations

6.1 Te Tiriti o Waitangi context

Māori have enduring rights and interests affirmed under Te Tiriti o Waitangi/the Treaty of Waitangi and as indigenous peoples under international law.

The principles of Te Tiriti provide a framework for a dynamic and enduring relationship between local authorities and mana whenua that enriches the future of the region with the unique knowledge, wisdoms, practices, and aspirations of te ao Māori. The Councils recognise mana whenua as kaitiaki, contributors to the economy, and leaders within the Region.

Te Tiriti guaranteed Māori authority over their lands, villages and taonga. However, land confiscation and alienation of Māori land by the government occurred within a few decades of the signing of Te Tiriti. What has been left following confiscation or settlement is either encumbered or simply not economically sustainable to hold.

The Treaty settlement process has provided for the return of land to Māori, including for specific purposes. Such Redress Land is land intended to be transferred by the Crown to Treaty appellants claimants, so that those appellants-claimants and other descendants can realise the economic aspirations that should have been afforded to their tīpuna². The land returned through these processes is often located outside of existing urban and future urban areas, which can lead to perceived limitations for the enablement of socio-economic outcomes and undermine the potential for economic or commercial redress.

The use and development of Māori land, including land returned to Māori through Treaty Settlements, is to be enabled as provided for in Te Tiriti and intended by the purpose of Treaty Settlements, subject to relevant statutory resource management considerations being satisfied.

Māori have consistently expressed the aspiration to live on their takiwā with their people. Where they cannot live in papakāinga on their ancestral land, they have expressed a desire to live in papakāinga-style living arrangements with their extended whanau in other areas, including urban areas. It is likely that this can only be realistically achieved in new, affordable developments co-led or owned by mana whenua entities.

The councils will work collaboratively with iwi authorities to help facilitate their economic, environmental, cultural and social objectives.

6.2 Combined statement

An FDS is required to include a clear statement of hapū and iwi values and aspirations for urban development. Three Treaty settlement entities – Maungaharuru-Tangitū Trust, Mana

² Based on *Beresford, Bunker and Rouse v Queenstown Lakes District Council (2024) NZEnvC 182*, paragraph 65

Ahuriri Trust and Tamatea Pōkai Whenua, represent the hapū of Ahuriri (Napier) and Heretaunga (Hastings).

The hapū of Ahuriri and Heretaunga are mana whenua within their respective takiwā or traditional areas. Hapū statements for the three distinct mana whenua are included in this section. Maungaharuru-Tangitū Trust, Mana Ahuriri Trust, and Tamatea Pōkai Whenua participated with the three councils in preparation of this strategy.

Maungaharuru-Tangitū Trust

The hapū and marae of Maungaharuru (the mountain) to Tangitū (the sea) are represented by Maungaharuru-Tangitū Trust. Maungaharuru-Tangitū Trust represents six hapū and one marae within the Maungaharuru to Tangitū region. The Maungaharuru-Tangitū Hapū Claims Settlement Act 2014 finalised settlement redress for the historical Treaty grievances of Maungaharuru-Tangitū Hapū against the Crown. The Maungaharuru-Tangitū region is in northern Hawke's Bay, extending from Keteketerau (the former outlet of Te Whanganui-a-Orotu) in the south, northwards beyond the FDS boundary.

Mana Ahuriri Trust

The hapū and marae of Ahuriri are represented by Mana Ahuriri Trust. Mana Ahuriri Trust represents seven hapū and six marae within the Ahuriri region. The Ahuriri Hapū Claims Settlement Act 2021 finalised settlement redress for the historical Treaty grievances of Ahuriri Hapū against the Crown. The Ahuriri region extends from the Ngaruroro River in the south, northwards beyond the FDS boundary. The northern region of Ahuriri is shared with Maungaharuru-Tangitū.

Tamatea Pōkai Whenua

The hapū and marae of Heretaunga are represented by Tamatea Pōkai Whenua. Tamatea Pōkai Whenua represents 43 hapū and 23 marae within the Heretaunga and Tamatea (Central Hawke's Bay) regions. The Heretaunga Tamatea Claims Settlement Act 2018 finalised settlement redress for the historical Treaty grievances of Heretaunga Tamatea against the Crown. The Heretaunga region extends from the Tūtaekurī River in the north, southwards beyond the FDS boundary.

The following map outlines the regions and areas of interest of the three distinct mana whenua within and beyond the FDS [Study Area boundary](#).

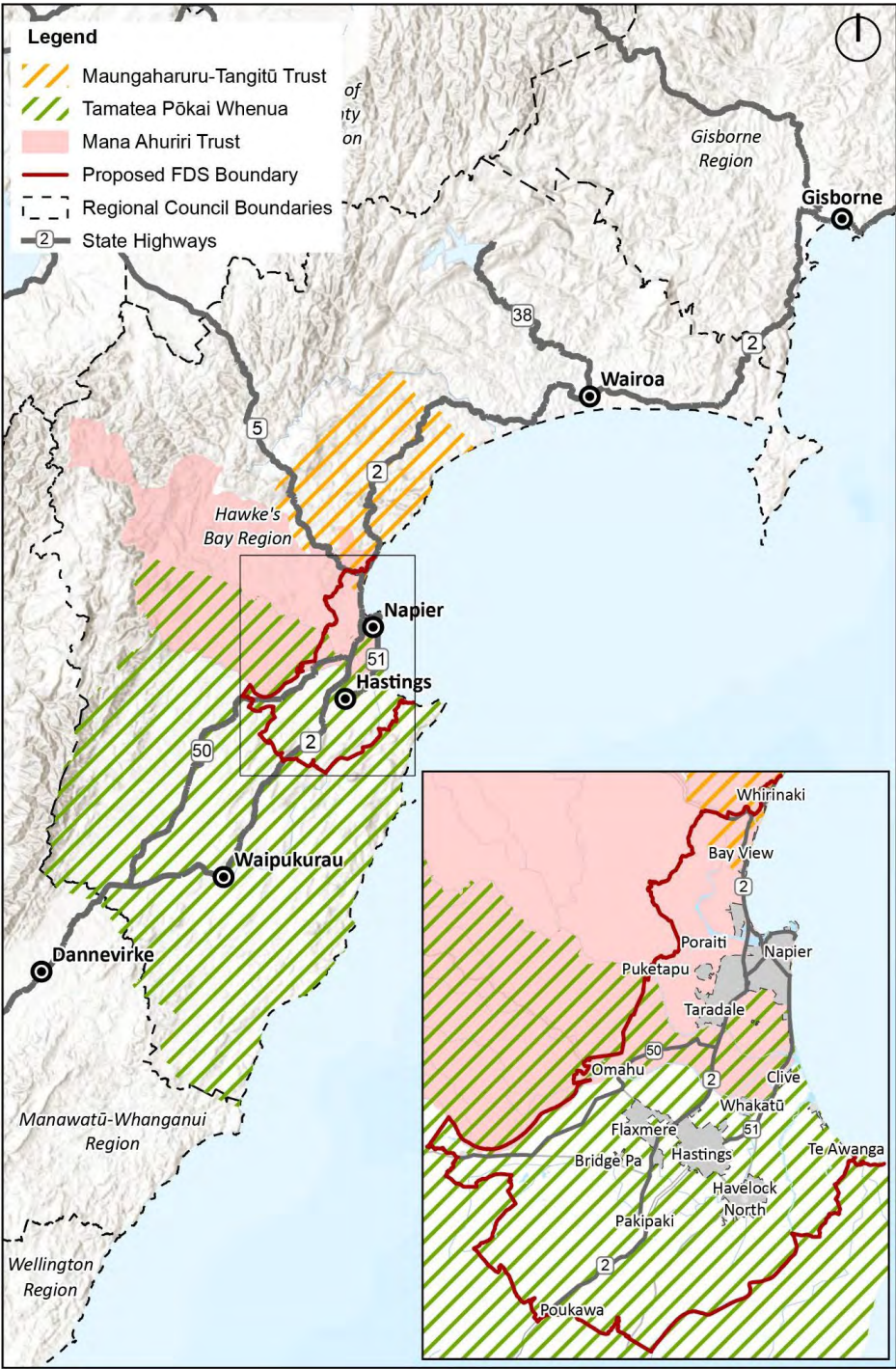


Figure 4 Areas of Interest within and beyond the FDS Study Area

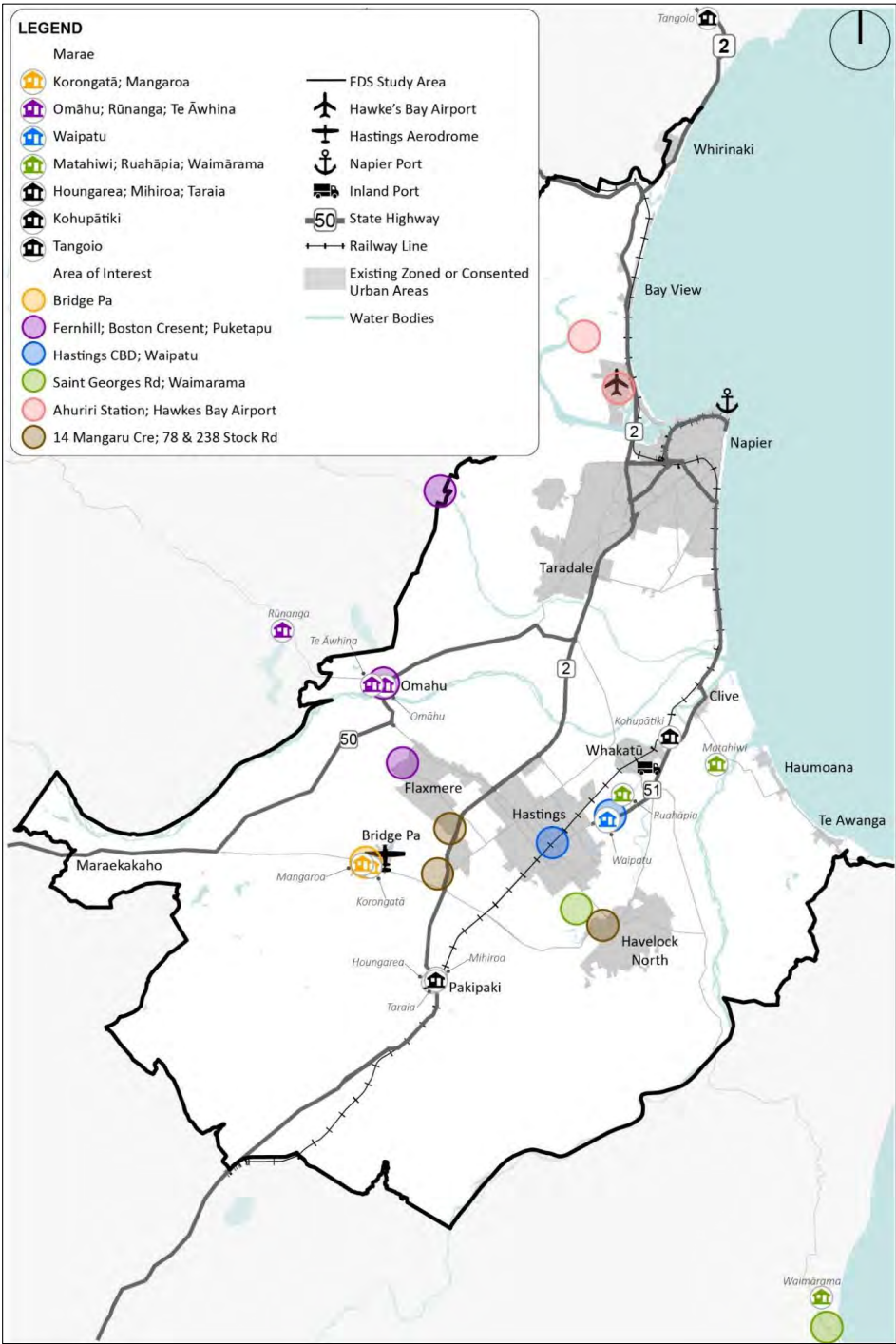



Figure 5 FDS Study Area and Area of Interest identified by PSGEs

6.3 Mana Ahuriri Trust



Mana Ahuriri Trust - Values and Aspirations

Statement of hapū values and aspirations for urban development for the Napier Hastings Future Development Strategy

Future Vision

Ko rua te paia ko Te Whanga.
He kainga tō te ata. He kainga ka awatea. He kainga ka ahiahi.
The Whanga is the storehouse that never closes.
A meal in the morning. A meal at noon. A meal in the evening.

Our statement for future development in our takiwa ensures we live up to the abbreviated whakatauki that describes what Te Whanga was and what it should be, a source that supports environmental, economic, social, spiritual, historical and cultural value for present and future generations. This sets the tone for Mana Ahuriri in delivering Hapū aspirations and values in future developments.

Te Tiriti o Waitangi roadmaps Ahuriri Hapū to engage in enduring partnerships with other Hapū and local Kaunihera into the Future Development Strategy (FDS), acknowledging each other's Rangatiratanga, mana motuhake and legislative responsibilities in future policy and decision-making.

We participate in this process with the aim to achieve our aspirations in assertion of our kaitiakitanga, increasing our whanaungatanga, providing manaakitanga, acting in tika and pono and strengthening wairuatanga.

We do so to protect, revive and enhance Te Taiao, provide for whanau culturally and socially and to build an economic base for future generations. We make mokopuna decisions.

Desired Goals

Water

Our waters are in optimal health

- FDS must provide for te Mana o te Wai to improve water quality through management of water source, use and discharge.
- Stormwater management ensures water discharge is of the highest possible quality.

Environment

We have a flourishing ecosystem to support resilient biodiversity

- Address climate change impacts in developments and hapū have a decision making voice in climate policy.
- All development activities respect and enhance our natural ecosystems, water sources, and biodiversity, aligning with our commitments to environmental kaitiakitanga.
- Future developments within our takiwa must adhere to the principles and guidelines set forth in the Te Muriwai o Te Whanga plan and the Mana Ahuriri Taiao plan.

Historical / Educational

Our stories are understood and embraced as we share with our hapori

- Whanau have a greater understanding of our sites of significance.
- Promote the historical activities within our takiwa so the Cultural / Spiritual – Ahuriritanga and Matauranga are embedded in the way we connect whanau to the whenua.
- Our community recognises wahi taonga and are active in their preservation and enhancement.
- Whanau have cultural identity to their whenua through tikanga application and mātauranga practices.

Social

We have clean sustainable use of Te Taiao to provide for the betterment of the community in the provision of healthy recreational activities

- Whanau have spaces and places where they can safely participate in activities that promote oranga.
- Whanau are acting socially responsible to Te Taiao.

Ohanga

We provide sustainable value through our developments that benefit whānau, hapū and the wider community

- Mana Ahuriri developments, including medium to long term aspirations for Ahuriri Station (refer to attached Masterplan), Hawkes Bay Airport, and general housing and industrial developments throughout our Takiwa are environmentally, culturally and economically sustainable.
- Mana Ahuriri and Councils work together in a Te Tiriti partnership to achieve Mana Ahuriri's specific development aspirations in identified areas.
- Mana Ahuriri is actively engaged in developments undertaken by others within our takiwa.
- Hapū members are given adequate opportunities to be utilised in developments.

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6.4 Tamatea Pōkai Whenua

Heretaunga Hapū

Statement of hapū values and aspirations for urban development for the Napier Hastings Future Development Strategy



Marae, hapū and Tamatea Pōkai Whenua Statements

The statements below are specific aspirations of hapū, marae and Tamatea Pōkai Whenua for sites and areas within the region to protect, enhance or develop. These aspirations have informed the priorities of this statement.

Waipatu Marae

Waipatu marae and associated hapū wish to continue the development of papakāinga and other housing developments on ancestral lands, including on Māori and general land titles. Support to achieve this, including strengthening existing and establishing new infrastructure, is sought. Hapū seek the provision of Council services such as rubbish and recycling collection for existing and future papakāinga. Waipatu Marae and hapū expressed an aspiration to establish urban papakāinga in the middle of the Heretaunga CBD with a kaumātua retirement village, apartments for whānau, a commercial hotel, restaurant and wānanga space. The creation of a Waipatu Boulevard from Karamu Bridge to ngā pou at the Hastings Library is also a desire of the marae and hapū. The Waipatu Community Plan sets out in more detail the priorities of Waipatu marae and hapū for future development in the area.

Ruahapia, Matahiwi and Waimarama Marae

Hapū expressed a strong desire to establish new and expand existing papakāinga and other housing developments on ancestral lands, including in Waimārama and on St Georges Road South, Havelock North. Hapū identified infrastructure and support through Council processes as high priority to enable these developments. The identification and protection of wāhi tapu and sites of cultural significance is a concern and priority, particularly for Te Awanga and the surrounding area. Climate change is a serious concern and issue for coastal hapū and marae due to the significant cost in future proofing marae and marae communities from a changing coastal environment. Mana whenua expect to be engaged and supported with climate change adaptation planning, pathways and implementation within these communities.

Korongatā and Mangaroa Marae

Korongatā and Mangaroa marae and associated hapū assert their role as partners in the community and expect to be consulted about development in the area. Hapū would like Bridge Pā to be zoned and warded as one community. Hapū have identified infrastructure and provision of services as high priority. Hapū seek infrastructure to support papakāinga and other housing developments, provision of social services facilities for the community, multifunctional recreational spaces, access to public transport, and a speed limit of 50km on Maraekakaho Road. Bridge Pā should be a destination, not a thoroughfare. Hapū have also identified the protection of waterways, including water flow, as a major concern and priority. Protecting, maintaining and enhancing the mauri of the waterways is imperative to ensure thriving mana whenua communities and to support biodiversity.

Kohupātiki Marae

Kohupātiki expressed aspirations to continue engaging in papakāinga development opportunities to support affordable housing and encourage the return of their people to their whenua, reconnecting with their grandparents, parents and Marae. *“Kohupātiki ki te rangi, Kohupātiki ki te awa, Kohupātiki ki te whenua”*.

Houngarea, Mihiroa and Taraia Marae

Hapū expect to be engaged and consulted on all developments in and around the area of Te Pakipakitanga o Hinetemoa. The protection of wāhi tapu, sites of cultural significance, waterways and the taiao is of paramount importance. This includes the protection and enhancement of streams, native species, flora and fauna. This is to ensure Te Pakipakitanga o Hinetemoa is culturally safe in all facets, maintains and upholds the mauri of the taiao, and upholds the mana of their tīpuna. Mana whenua seek papakāinga and other housing development opportunities, and support with infrastructure, to provide affordable housing options for whānau. Mana whenua also emphasized the need for community recreational areas in the village. Hastings District Council is encouraged to, and marae welcome, the opportunity to engage and collaborate on community recreational areas. In the short term, mana whenua request quality walkways from the village to Te Kura o Pakipaki and to the Poukawa School bus pickup point, and a new bus shelter to be built in the village.


Omahu, Runanga and Te Āwhina Marae

Omahu, Rūnanga and Te Āwhina marae and hapū were severely impacted by Cyclone Gabrielle. Te Piringa Hapū, the Hapū Authority for Omahu and the surrounding area has led the response and recovery for the community. The Utaina 10 Year Recovery Plan was prepared by Te Piringa Hapū in response to the cyclone and is a key document setting out the short to medium term hapū priorities for the recovery and rebuilding of the Omahu community and surrounding area. Te Piringa Hapū have also developed a Statement of Hapū Values and Aspirations for Future Development. This includes a Spatial Plan that visualises these aspirations, outlining their vision for sustainable and culturally aligned growth. This Statement is included in this strategy and is supported by Tamatea Pōkai Whenua. Both documents are integral to inform and support recovery priorities, and future development and investment in the area.

Tamatea Pōkai Whenua

Tamatea Pōkai Whenua seek to advance hapū aspirations and create valuable enhancements in the region. Tamatea Pōkai Whenua has properties for development at 78 and 238 Stock Road, Hastings and 14 Mangarau Crescent, Havelock North. Tamatea Pōkai Whenua request that these properties are prioritised for residential and industrial developments in the short-medium term. This prioritisation is critical. It will optimise development opportunities for realising hapū aspirations.

6.5 Maungaharuru-Tangitū Trust



**MAUNGAHARURU
TANGITŪ**

Te Hawaikitanga | Our Vision

Puāwaitanga o te Puawānanga | Living our Dreams
A future where our Hapū are living their dreams with our whānau prospering culturally, socially, spiritually and economically.

MAUNGAHARURU-TANGITŪ HAPŪ

The Trust represents a collective of hapū including in particular for the purposes of the Draft FDS, Marangātūhetaua (also known as Ngāti Tū), Ngāti Whakaari and Ngāti Te Ruruku ki Tangoio (the Hapū). The Trust is the voice and representative body of the Hapū.

The takiwā of the Hapū extends north of Napier from Keteketerau to the Waitaha River, from the Maungaharuru Range in the west to Tangitū (the sea) in the east. It includes the areas of the Draft FDS at Bay View, Te Waiohinga - Esk, Petane and Whirinaki. The Trust also acknowledges the overlapping interests the Hapū have with their whanaunga and neighbouring hapū, Ngāti Matepū.

The only marae of the Hapū at Tangoio and papakāinga at Tangoio, Te Waiohinga and Arapawanui were devastated by Cyclone Gabrielle in 2023 and large swathes of their takiwā have been determined to be Category 3. Supporting the relocation and rebuild of Tangoio Marae and papakāinga within the takiwā is a key focus for the Trust, as well as providing housing options for whānau within the wider areas covered by the draft FDS.

The following aspirations and values are based on the Trust's Strategic Plan 2019-2024.

Ngā Aronga | Focus Areas

<p>Kia Niwha Strong People</p> <p>building the capability and capacity of our people to achieve their potential, including the provision of papakāinga that ideally avoids or is resilient to natural hazards.</p>	<p>Kia rirā te Pā kai ngā Rekereke Strong Culture, Reo and Marae</p> <p>relocating and developing our Marae in an area that avoids or is resilient to natural hazards; strengthening our culture through te reo Māori revitalisation and mātauranga Māori to grow a sense of belonging, identity, confidence and pride.</p>	<p>He Kāinga Taurikura A Treasured Environment</p> <p>caring for and protecting our environment including wāhi taonga and taonga species, and planning for adaptations to the effects of climate change.</p>	<p>Kia Rawaka Strong Hapū Economy</p> <p>building our Hapū economy to provide the resources we need to plan and action our dreams and goals.</p>
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Ngā Matapono | Values

<p>Pūmau te Wairua Spiritually Strong</p> <p>understanding, appreciating and applying our spiritual beliefs.</p>	<p>Whai Hua Progressive</p> <p>a commitment to continuous improvement including innovation, ambition and discipline.</p>	<p>Tuakiri Motuhake Strong Identity</p> <p>acknowledging the importance of our cultural identity as a source of pride, uniqueness and connection and the importance of our cultural practices. Ensuring the wāhi taonga of the Hapū are protected and that the cultural identity, practices and mātauranga ā-Hapū are accommodated and expressed in future developments relevant to the Hapū.</p>	<p>Oranga Ngākau Wellbeing</p> <p>focusing on the holistic wellbeing of our people, acknowledging the interconnectedness of our world and promoting a balanced approach to development.</p>	<p>Whanaungatanga Family</p> <p>including: Manaakitanga - Caring, Aroha - Love Tauutuutu - Reciprocity Whakapapa - Connectedness</p>	<p>Te Piri Ngātahi Unity</p> <p>working together for our greater good. Unity provides greater strength and enables us to overcome challenges and achieve our future dreams together.</p>
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7. Vision and objectives

7.1 Te Pae Tawhiti | Vision

The overarching vision which has helped guide the development of the FDS is:

In 2054, Napier and Hastings have thriving, resilient, safe, equitable, sustainable and connected communities, within a protected and enhanced natural environment.

To achieve this vision, a number of principles and objectives were developed. The objectives are intended to state the goals or desired future state for urban growth in Napier and Hastings. The key principles outline our values and how we intend to work together to achieve the objectives.

Ngā Mātāpono | Key Principles

Mahi Ngātahi - Partnership

Mana Taurite - Equity and inclusion

Manawaroa - Resilience

Haumako - Productivity

Taiao - Environment

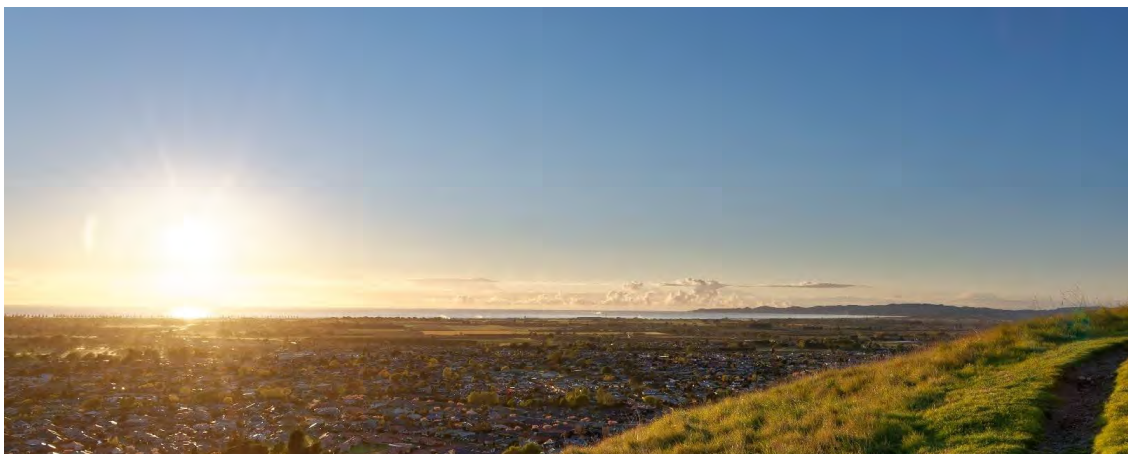
Tūhononga – Connectivity

Matahūhua – Diversity

7.2 Ngā Whāinga | Strategic objectives

The strategic objectives set out below describe what the ~~Draft~~ FDS is seeking to achieve to ensure the vision is realised. These objectives will form the basis of future implementation and monitoring of the FDS.

1. Mana whenua and councils work in a **genuine Te Tiriti partnership** to achieve their shared goals for urban development.
2. We have a compact urban form, focussed around **consolidated and intensified urban centres** in Napier and Hastings.
3. Our communities and infrastructure are **resilient to the effects of climate change** and risks from natural hazards.
4. We have a **diverse range of housing choices** that meet people's needs in neighbourhoods that are **safe** and **healthy**.
5. We have a **strong economy**, and businesses can grow in locations that meet their functional needs.
6. The highly productive land of the **Heretaunga Plains** is protected for productive uses.
7. Our communities and business areas are **well connected and accessible**, particularly by public and active transport.
8. We have **sufficient land** for housing and business to meet demand.
9. Te Taiao/our **natural environment is protected and enhanced**, including our water bodies, indigenous biodiversity, wāhi taonga and outstanding landscapes.
- 10A. Our **infrastructure** is planned and designed to ~~efficiently~~ **effectively support development and be resilient**.
- 10B. **Operational and functional needs** of nationally and regionally significant infrastructure ~~is~~ are not compromised by the location, design and suitability of new development.
11. Urban growth and infrastructure investment supports **equitable social outcomes**.
12. The **values and aspirations of mana whenua** for development are a priority and are recognised and supported.



8. The Growth Picture

8.1 Responding to demand

The starting point for the FDS is understanding how much residential and business growth to plan for over the next 30 years and what future communities will look like. Within the 30-year timeframe, the FDS needs to consider residential and business demand in the short term, medium term and long term.³

8.2 Residential demand

Population and households

Under a medium-high growth outlook the Statistics New Zealand ('StatsNZ') **subnational population projections** estimate that the populations of Napier City and Hastings District will increase to almost 200,000 people, an increase of over 40,000 people from 2023 levels.⁴ The majority of this increase will be accommodated in or around the main urban areas of Napier, Hastings, Flaxmere and Havelock North.

The census data on 2023 population and households in Napier and Hastings has recently been published. However, StatsNZ has not yet updated the forward-looking household and population projections. These updated projections will be used to inform the monitoring and implementation of the FDS.

To understand the future demand for housing in Napier and Hastings, a Housing Capacity Assessment (**HCA**) was prepared in 2021. The HCA demand has since been updated to include the most up-to-date StatsNZ population projections⁵ which reflects the impact of COVID-19 and more recent information about birth and mortality rates. The updated information is used to inform the ~~Draft~~-FDS and was based on the StatsNZ medium-high outlook. This included updating the baseline to 2022 and undertaking additional development capacity analysis of the Napier PDP and PC5 in Hastings.

Figure 6 shows the changing population composition by age across both Napier and Hastings. The ageing population, combined with factors such as affordability and accessibility have flow-on implications for the total housing demand, including on the type and size of dwellings that will be needed to accommodate our growing population. In response to this and projected reductions in average household sizes, we expect there will be greater demand for smaller houses over time compared to the housing available today.

³ Short term is defined as within the next three years, medium term as between 3 and 10 years, and long term as between 10 and 30 years.

⁴ The impact of Cyclone Gabrielle on population and household numbers and future demand are unknown and not reflected in this analysis. Short-term effects could see an increase in demand due to workers assisting with the rebuild moving to the area. But this could be tempered by shifting migration patterns.

⁵ December 2022.

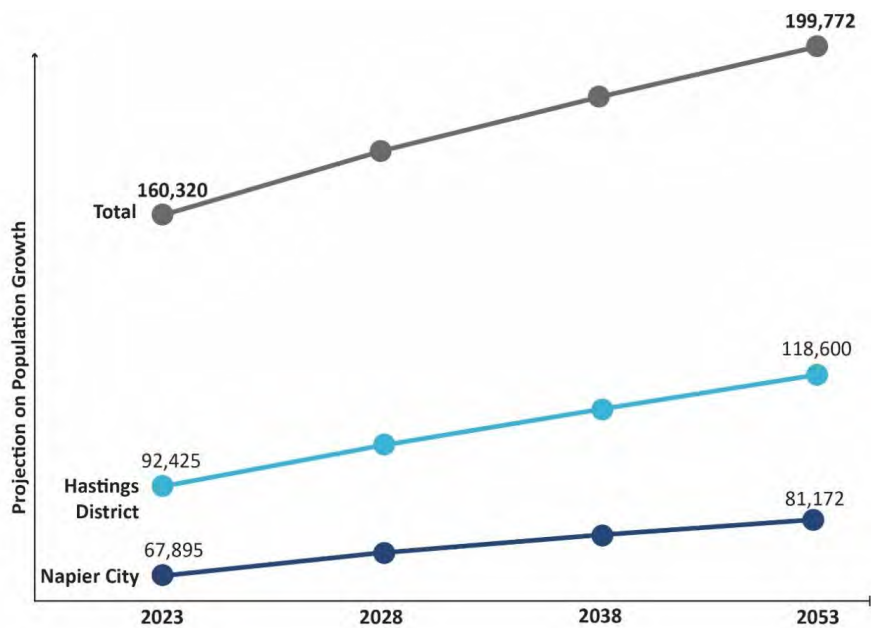


Figure 6 Population Growth (2018- 2048) for Napier and Hastings (Market Economics 2023; StatsNZ, 2022)

The HCA states that households identifying as Māori currently account for about 12 per cent of all households and this is expected to remain relatively stable, with growth of about 650 Māori households expected over the long term. Further analysis of the demand and specific needs of Māori housing is needed to better inform housing policies and initiatives. This is important considering Māori make up almost 28.6 per cent of the Hawke’s Bay population (Census, 2023).



Figure 7 Population Changes by Age Group 2018 - 2048 (StatsNZ, 2022)

How much housing does the FDS need to plan for?

In addition to the number of new dwellings required to accommodate projected population growth, the NPS-UD requires that an FDS also provides for a competitiveness margin in enabled housing supply. This is equivalent to 20 per cent over the short-to-medium term and 15 per cent over the long-term.

When we account for this, the FDS needs to ensure there is capacity for at least an additional **16,320 dwellings** across the Napier and Hastings urban area over the next 30-years. Of this, approximately **6,700 additional dwellings** will be needed in Napier and approximately **9,620 additional dwellings** will be needed in Hastings.⁶ Put differently, Napier needs to accommodate for average growth of up to 225 dwellings per annum while Hastings needs to accommodate for average growth of 320 dwellings per annum.

Short-term demand in Napier and Hastings is estimated to be around 980 and 1,510 additional dwellings respectively (equivalent to 830 dwellings per year). Growth is anticipated to slow over the medium-term to 2,040 additional dwellings in Napier and 2,500 additional dwellings in Hastings (equivalent to 650 dwellings per year). **Figure 8** shows the housing demand for Napier and Hastings over the short, medium and long term (including the competitiveness margin). The FDS must, at a minimum, provide sufficient development capacity to meet this demand.

This demand does not account for unmet demand (or latent demand) in the current housing market. Unmet demand refers to the number of households that are seeking housing but are unable to find any that meets their needs. Those households are typically looking for affordable housing, and capacity provided by community housing providers is therefore the key response.

⁶ Across the wider Hastings District, a further 2,050 dwellings, are required to meet demand in rural areas. These will need to be met in rural parts of the Hastings District (including rural residential areas) outside of the main urban areas and are not required to be provided as part of the FDS.

It is important that the FDS broadly provides additional capacity to cater for this demand through a mix of redevelopment and greenfield options.

We have analysed the extent to which this demand would reasonably be met by the supply of new housing within existing urban areas and new housing in greenfield areas. This is important to understand to ensure the ~~Draft~~ FDS provides a variety of homes that will meet the needs of the local market over time.

Within existing urban areas, redevelopment will take many forms, from small-scale infill, to comprehensive and compact redevelopment for townhouses, terraces and apartments. However, there is some uncertainty about how and where the market will deliver this, and how future home buyers will respond, which the FDS needs to account for. Development outside of the existing urban area (greenfield) can also deliver compact development but may offer a different lifestyle/location choice for people.

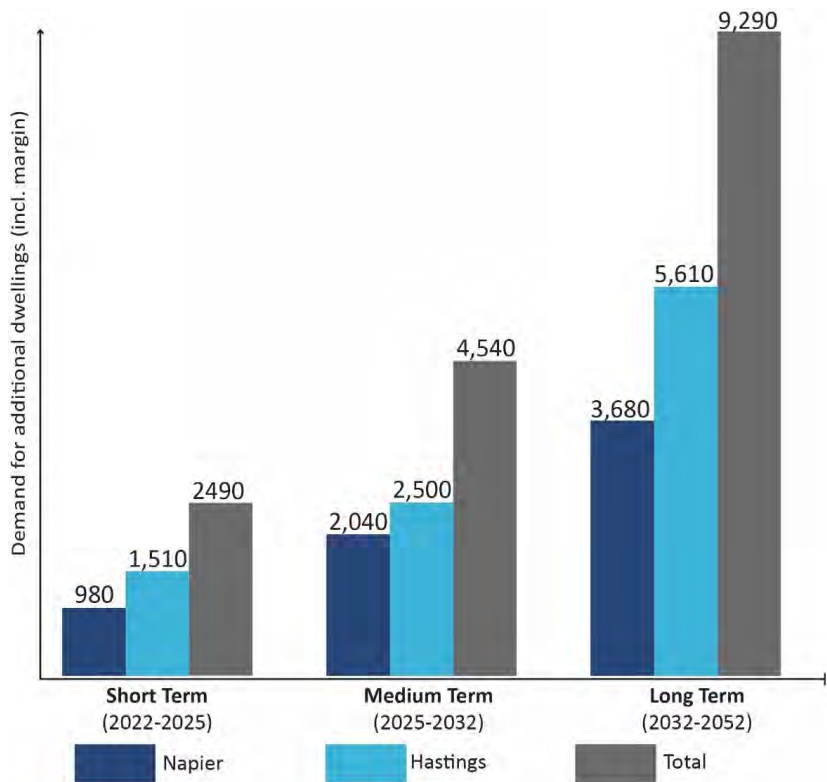


Figure 8 Housing Demand for Napier and Hastings

For these reasons, the ~~Draft~~ FDS splits the total housing demand by location, being that met within the existing urban area and in greenfield areas. These splits are set out in **Table 1** and are based on observed trends in other New Zealand cities. We expect that demand for housing

in the existing urban area will grow over time from 40 per cent in the short term to 60 per cent in the long term. Conversely, we expect that demand for housing in greenfield locations will decrease over time, from 60 per cent in the short term to 40 per cent in the long term. Over the life of the FDS we expect demand will be evenly split.

Adopting this approach is important to ensure the ~~Draft~~ FDS is realistic about the rate of development that might be delivered through redevelopment in the existing urban area, and ensures it does not over-provide or under-provide housing opportunities in greenfield locations.

However, the FDS can and should aim to achieve greater levels of development in the existing urban area. If the rate of development in the existing urban area in the future is greater than we predict today, the need to release greenfield areas for development will decrease.

Table 1 – Housing Demand by Location

Broad Type	Short Term	Medium Term	Long Term	Total
Redevelopment in the existing urban area	40% (996 dwellings)	50% (2,270 dwellings)	60% (5,574 dwellings)	54% (8,840 dwellings)
New housing in greenfield areas	60% (1,494 dwellings)	50% (2,270 dwellings)	40% (3,716 dwellings)	46% (7,480 dwellings)
Total	2,490 dwellings	4,540 dwellings	9,290 dwellings	16,320 dwellings

8.3 Business demand

The Napier and Hastings centres are the main economic centres in Hawke’s Bay. Napier has significant regional economic assets in the Port of Napier and Hawke’s Bay Airport. Napier is also viewed as the tourism and retail centre of the wider region. The Hastings economy includes a large rural and industrial component. The wider sub-region has a strong diversified primary sector economy including pip fruit, timber, viticulture, other crops and pastoral farming.

There are several factors currently putting pressure on the Hawke’s Bay economy, including higher interest costs, the increasing costs of production, labour shortages and tightening economic conditions in key export markets. Combined with the ongoing impacts and recovery from the COVID-19 pandemic and Cyclone Gabrielle, short-term economic growth in the region is likely to remain subdued. However, the medium-to-long term outlook for the economy remains positive, with growth forecast across a number of different sectors.

Figure 9 below shows the projected employment growth of Napier and Hastings over the short, medium and long term.

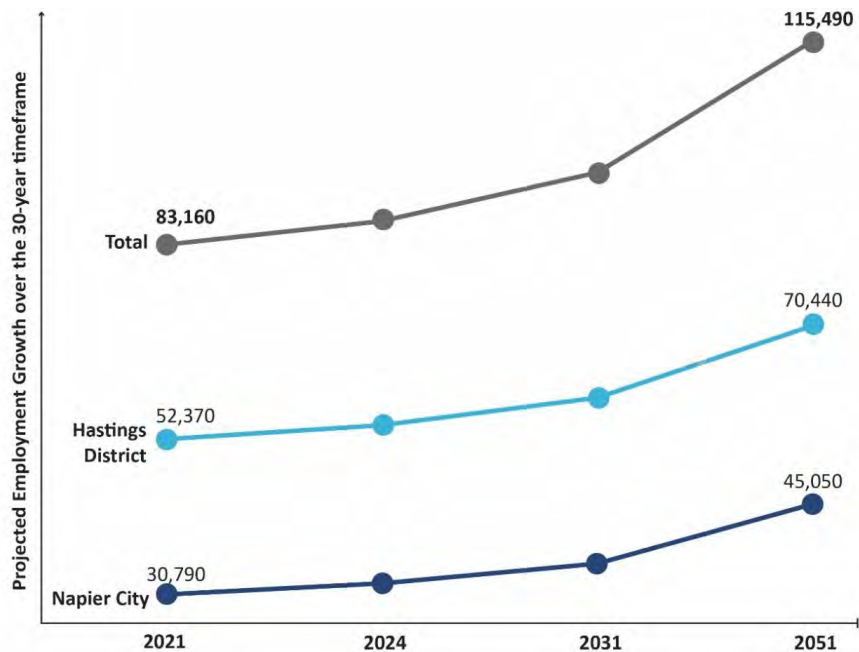


Figure 9 Employment Growth (2018-2048) for Napier and Hastings (Market Economics, 2022)

A Business Capacity Assessment (**BCA**) for Napier and Hastings was completed in September 2022 and has been used to inform the development of the ~~Draft~~ FDS. The BCA identifies the

retail, commercial and industrial land requirements over the next 30-years across Napier and Hastings.

Retail and commercial demand

Retail demand captures all forms of retail activity and retail-based services such as personal services (e.g. hairdressers) and repair services. Commercial demand generally refers to office-based activities and public administration, and includes visitor accommodation and the health and education sectors.

The BCA found there will be demand for 21.4 additional hectares of commercial and retail floorspace in Napier and 13 hectares in Hastings over the long term. Vacant land capable of redevelopment for retail and commercial use is limited in both Napier and Hastings. However, sufficient land is available to support this future demand if redevelopment and intensification of existing commercially zoned land occurs in line with what is currently enabled.

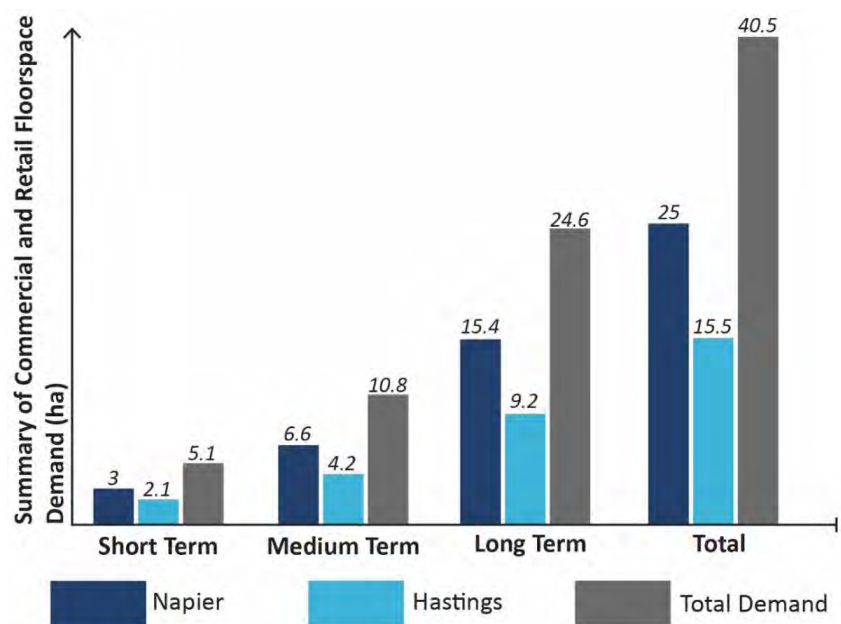


Figure 10 Commercial Floor Space Demand (incl. Competitiveness Margin) for Napier and Hastings (Market Economics, 2022)

Industrial demand

The BCA found there will be additional demand for industrial land of approximately 55 hectares in Napier and 141 hectares in Hastings over the long term. Of this demand, approximately 61 hectares is for wet industry, which is defined in the BCA and relate to certain types of manufacturing activities.

At a regional and city-wide level in both Napier and Hastings, there is sufficient industrial (plan-enabled) capacity to accommodate the future demand for industrial land. However, there are some identified deficiencies at a local level (e.g. Havelock North, light industrial and Whirinaki). It is assumed that some of the localised deficiencies in industrial capacity can be relocated elsewhere (e.g. to Irongate).

Within Napier, the consideration of sufficient capacity assumes that development within the vacant airport land to the south of Watchman Road can be realised. There are some constraints associated with development in this area associated with the location of the airport runway, natural hazards and ground suitability.

If development of the vacant airport land to the south of Watchman Road does not occur, then there would be a shortfall of 30 hectares of industrial land within Napier to meet future requirements.

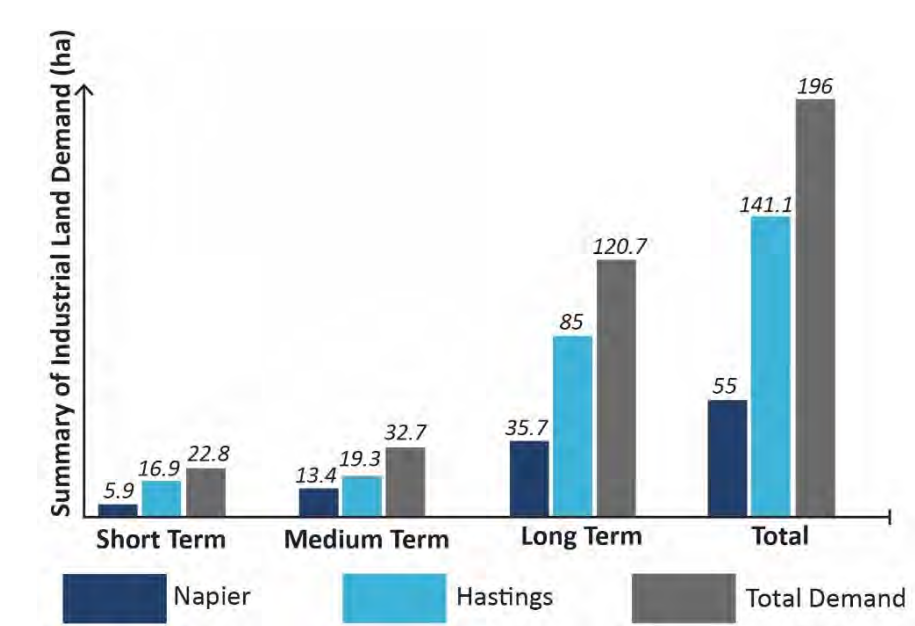


Figure 11 Industrial Land Demand (incl. Competitiveness Margin) for Napier and Hastings (Market Economics, 2022)

In addition to these capacity estimates, the BCA identifies strong recent growth in industrial development in Hastings. While this rate of growth will rise and fall over time, it indicates strong demand, at least in the short term. This is consistent with what we heard from the industrial development sector when preparing the ~~Draft~~ FDS.

Other key considerations for industry relate to water supply and trade waste capacity. Access to water is constrained, which limits the ability to establish new wet industry. Similarly, trade

waste networks that are needed to support wet industry are localised and in the Hastings context currently service the Whakatū and Omahu Road industrial areas. There is capacity in these areas to meet demand for wet industry in the long term, but there is a risk that this capacity is taken up by other industrial activities. If there is strong uptake of these areas for dry industry, then there may be a shortfall of capacity for wet industry in the long term.

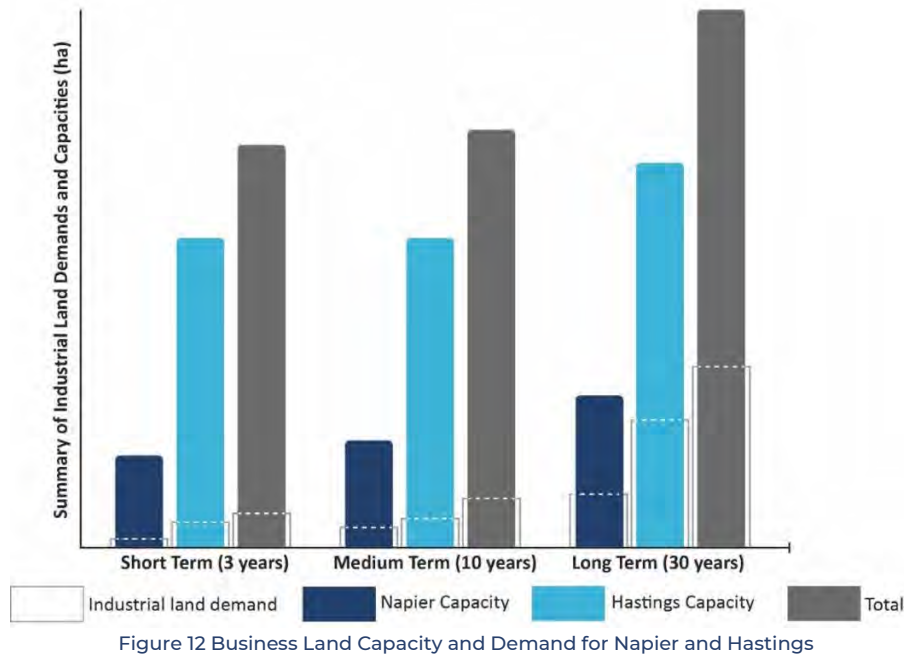


Figure 12 Business Land Capacity and Demand for Napier and Hastings

How much business land does the FDS need to plan for?

For commercial and retail the ~~Draft~~ FDS assumes that additional demand can be met within Napier and Hastings existing network of centres and commercial areas. That is consistent with Objective 2 of the ~~Draft~~ FDS, which seeks to deliver consolidated and intensified urban centres. Comprehensive development in greenfield locations also provides the opportunity to expand Napier and Hastings centre network in a strategic and coordinated way.

For industrial, there is technically sufficient zoned capacity to meet projected demand for industrial over the short, medium and long term. However, there are localised shortfalls and market feedback indicates there is strong and continuing demand. The need to provide secure long-term locations for wet industry is also important, taking into account the location of the trade waste network.

Tomoana, Whakatu and the industrial land to the south of Omahu Road (Omahu South) have access to Hastings' separated trade waste network. This is a strategic advantage for wet industries such as food processing that produce high volumes of trade waste. Notwithstanding

issues of water supply, if there is strong uptake at Whakatu, Tomoana and Omahu South for dry industry of 50 percent or more in these locations, then there may be a shortfall of capacity for wet industry in the long term of approximately 20 hectares or more. However, there is uncertainty regarding this, given that not all wet industries will require access to the separated trade waste network.

To address these matters the ~~Draft~~-FDS takes a strategic approach to industrial capacity and seeks to enable greater supply to encourage choice and competition in the market. This focuses on defining efficient long-term locations for industrial activities based on site suitability, access to transport networks, potential to minimise reverse sensitivity effects, and access to the employment base, amongst other matters.

Industrial development aspirations of mana whenua

Tamatea Pōkai Whenua and Mana Ahuriri Trust have expressed clear aspirations to develop land at 78 Stock Road and Ahuriri Station for industrial uses.

The ~~Draft~~-FDS seeks to prioritise and support the future development aspirations of mana whenua for their land, including the development of assets acquired through Treaty Settlement processes, where their aspirations align with other FDS objectives. Land that has been returned to (or retained by) mana whenua is often subject to development constraints. Where aligned with other FDS objectives, the ~~Draft~~-FDS recognises this restriction on Māori land and seeks to enable mana whenua to give effect to their development aspirations in a way that accounts for any development constraints while also ensuring mana whenua needs are met, including their economic development needs. In addition, the ~~Draft~~-FDS recognises Ahuriri Station as Redress Land.

9. Development constraints and opportunities

9.1 Introduction

Section 3.13(2)(c) of the NPS-UD requires every FDS to spatially identify “any constraints on [urban] development.” In many instances, constraints on urban development may also represent opportunities for other forms of development, involve values which the community have identified as being important and which must be protected, or which are necessary to support the creation of well-functioning urban environments (for example, avoiding development in areas likely to be subject to coastal inundation as a result of sea level rise).

Key constraints and opportunities of relevance to the ~~Draft~~-FDS are set out below. Further details are set out in the Technical Report.

9.2 Constraints

There are a wide range of development constraints that have been identified within the FDS study area. These are summarised in **Figure 13** and include areas for the safe operation and functional needs of nationally and regionally significant infrastructure, coastal hazards, land hazards, flooding, outstanding landscapes, significant natural areas, areas with limited infrastructure capacity, highly productive land, wetlands, and areas of conservation value. The attributes of particular constraints vary depending on location and some areas may contain multiple constraints that, when combined, could make an area unsuitable or unfeasible for development.

Some constraints relate to significant natural hazard risks, significant ecological sites and protected areas, which are matters of national importance under the RMA. In some instances, areas where these constraints have been identified are unsuitable for any urban development because they are either unsafe to develop (e.g. subject to significant and ongoing coastal inundation risks) or have significant values that need to be protected (e.g. Conservation land).

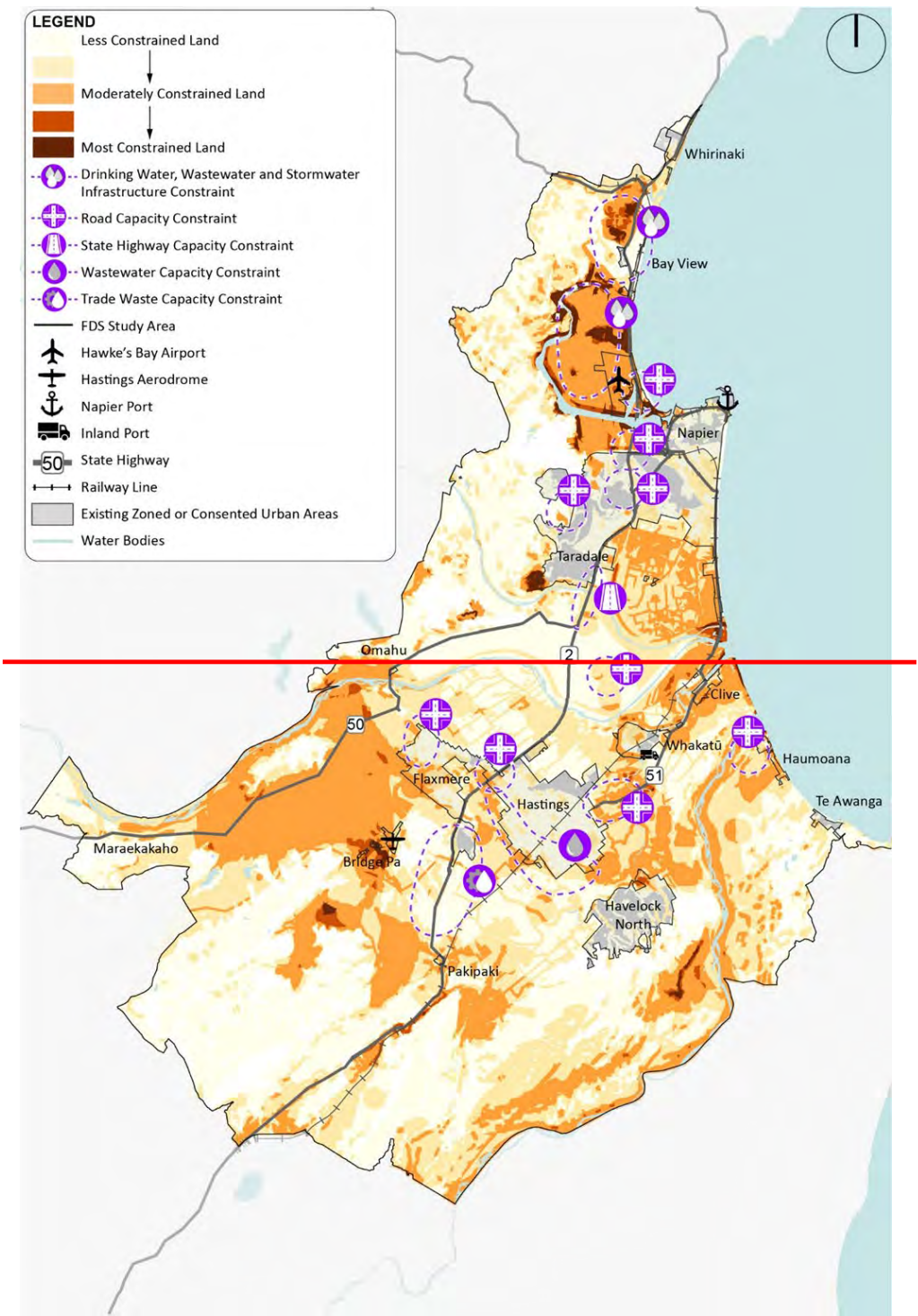
In other instances, identified constraints require careful consideration when urban development is undertaken. This may require some restrictions on the extent of development to protect identified values (e.g. building setbacks) or the application of mitigation options through design to ensure risks can be sufficiently mitigated (e.g. raised ground levels to avoid flooding). These areas would not, overall, be unsuitable for development, but rather greater care would be required to ensure an appropriate design solution is implemented.

Layering the FDS study area with the constraints highlights the most constrained areas for potential urban development (see **Figure 13**). These areas include the eastern areas along the coastline around Bay View, Clive, and Haumoana, areas to the east of Hastings and north-east of Havelock North, parts of land in proximity to Hawke’s Bay Airport, and areas south of Napier around Meeanee. These are affected by a variety of natural and man-made constraints which make them less suitable for long-term urbanisation, compared with other less constrained areas.

The sections below provide further information on natural hazards and highly productive land, which are key constraints that impact Napier and Hastings spatial pattern of growth.

Statutory acknowledgement areas, Wāhi Tapu and sites of cultural significance

Statutory Acknowledgement Areas present opportunities and constraints for urban development. Wāhi tapu and sites of cultural significance have not yet been fully identified in the FDS study area. In the past, wāhi tapu and sites of cultural significance have been negatively impacted by development. The councils will work with mana whenua to identify these areas and ensure they are appropriately protected. This is a key implementation action in the FDS.



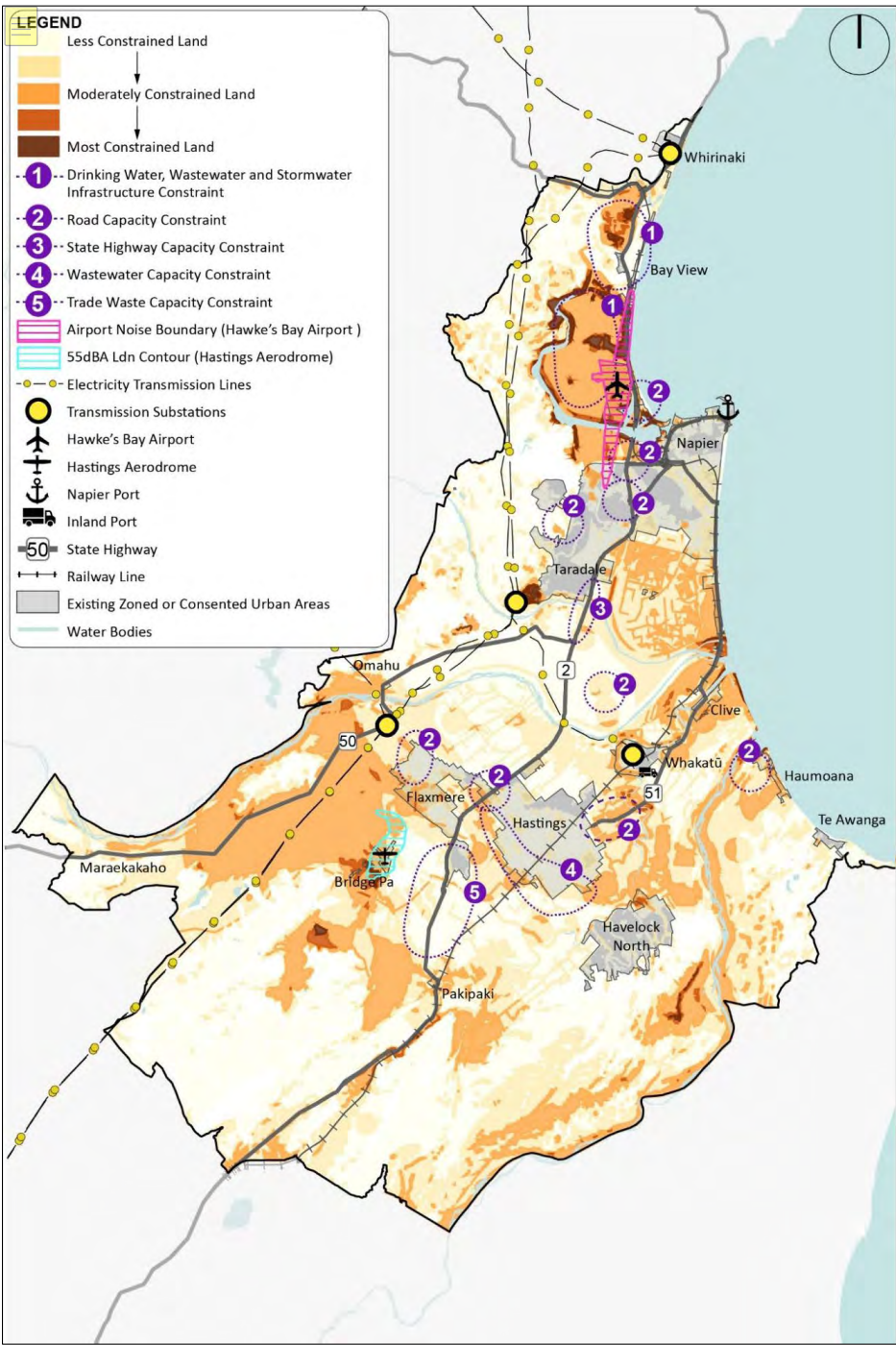


Figure 13 Summary of development constraints across the FDS study area

9.3 Natural hazards

Areas in Napier and Hastings are at risk from a number of natural hazards including flooding, droughts, coastal erosion and inundation, tsunami, landslide and seismic hazards, and the effects of a rising sea-level.

Each of these hazards will have varying impacts on different types of urban activities. Low probability events with high impacts need attention and management in a different way to frequently occurring hazards with lesser impacts. Therefore, it is important that the ~~Draft~~-FDS not only consider the type of natural hazards but also the varying degrees of impact (consequences) for different types of urban activities occurring in at-risk locations.

Land hazards

A number of different land hazards have been identified within the study area. These include liquefaction, land instability and fault lines.

The risks associated with these land hazards is unlikely to make development completely inappropriate however it does impact on building and infrastructure design/placement and can therefore ultimately impact on development cost and feasibility.

Flood hazards

The study area is subject to two main types of flooding events – fluvial flooding (i.e. rises in river levels following sustained rainfall over a period of time) and pluvial flooding (i.e. isolated events when extreme rainfall can exceed the infiltration capacity of the surrounding area and may or may not be associated with a nearby waterbody).

Floods and storms are the most frequent hazard in Hawke's Bay. With climate change, they will likely increase in frequency and intensity. Historically there have been numerous major storms resulting in severe flooding which has resulted in stop banks, pumping stations and other protection measures being put in place.

Flood modelling for the main river flood risk areas has been undertaken by the Hawke's Bay Regional Council, using a 100-year return and 50-year return period (1% and 2% annual exceedance probability). The flood risk results from this modelling are shown in **Figure 14** and the main areas of risk are located around the Tūtaekuri, Ngaruroro and Te Awa o Mokotūāraro (Clive) Rivers, Ahuriri Lagoon, low-lying areas of Napier such as Te Awa, Maraenui and Meeanee, and inland areas near Pakipaki.

However, flood risk modelling has not been undertaken for all of the FDS study area. Large portions of the study area, including existing urban areas in Hastings, are not included within existing models, as also shown in **Figure 14**. As such, a degree of caution is needed when assessing existing flood hazards.

While there are often engineering solutions available to address flood risk, other factors need to be considered. This includes the frequency and impact of the hazards and how residual risk

will be managed. The relative affordability of maintaining engineered solutions (e.g. stop banks and pumped stormwater systems) for ratepayers in the long term is also a consideration.

Cyclone Gabrielle

Figure 14 shows the area impacted by Cyclone Gabrielle land, and the land identified as Category 3 areas where the risk of future severe weather event risk cannot be mitigated and presents a risk to life. The impact and consequences of Cyclone Gabrielle illustrate how quickly one event can trigger a series of cascading and compounding events that have significant consequences. Cyclone Gabrielle resulted in:

- the tragic loss of eight lives, as well as hundreds more injuries or hospitalisations;
- the displacement of hundreds of families and whānau;
- significant damage to, or loss of, homes and property;
- the failure of bridges between Napier and Hastings and impacts on the transport network;
- power supply issues (including loss of supply to Napier) resulting in the declaration of a grid emergency for Hawke's Bay;
- the failure of telecommunication systems;
- stop bank breaches at Awatoto which led to inundation of the Napier wastewater treatment facility and other industrial operations, resulting in contamination of surrounding land;
- the failure of Napier's wastewater treatment plant; and
- the closure of flooded businesses.

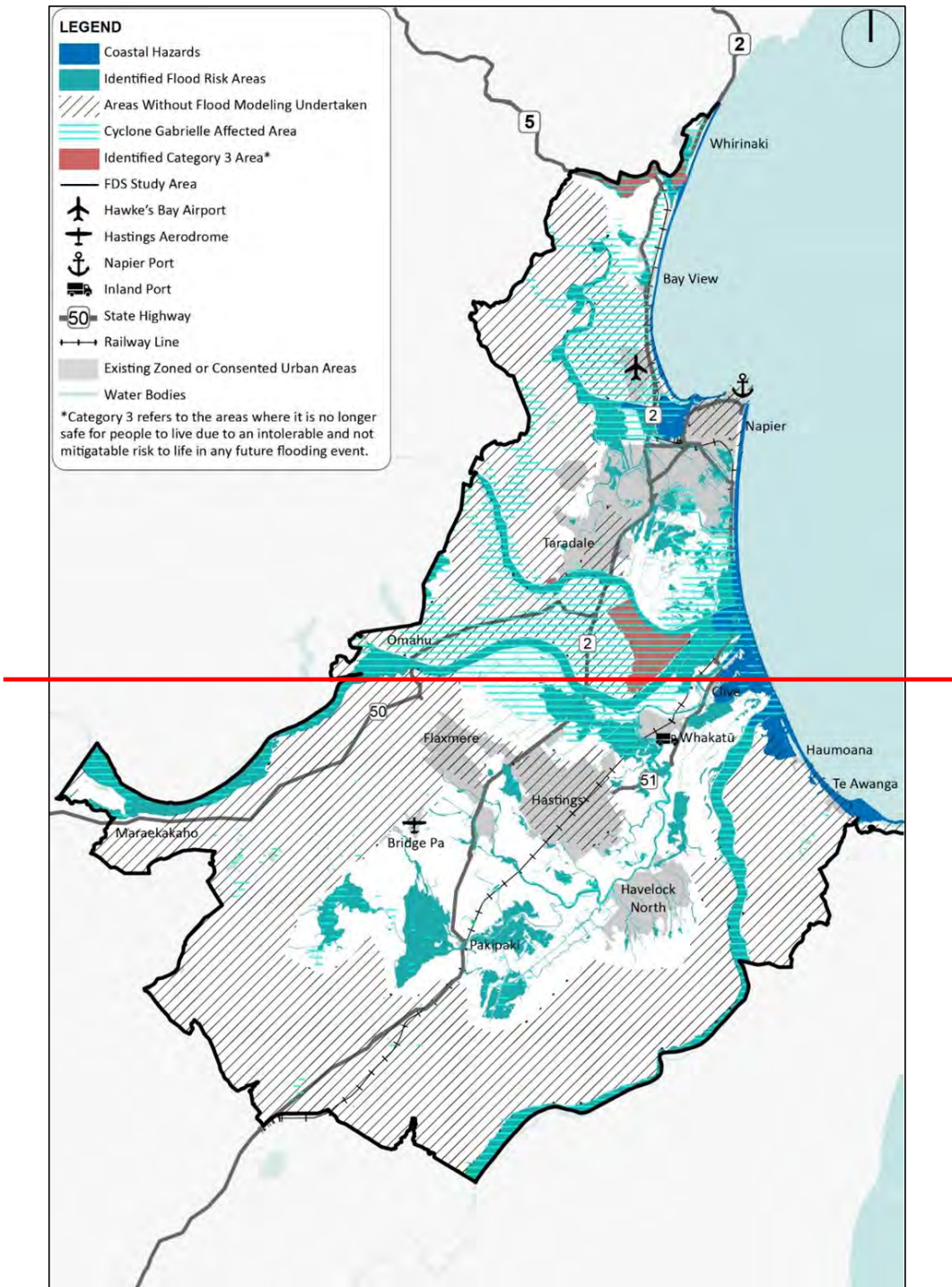
Collectively, this has significantly impacted the economic and social wellbeing of all communities, particularly in terms of property damage or loss, reduced productivity, and increased costs to ratepayers to pay for cyclone-damaged infrastructure and the worst affected properties.

Coastal hazards

Coastal hazards in Hawke's Bay include storm erosion, tsunami and coastal inundation. The present-day extent and likelihood of these coastal hazard risks are expected to increase as a result of climate change projections with increased storm intensities, sea level rise, and coastal subsidence. Low-lying parts of Napier including Pandora, Ahuriri, and Awatoto are identified as being particularly vulnerable. Coastal hazards in low-lying parts of Napier in particular, are also exacerbated by land subsidence.

The coastline south of Clive through to Te Awanga is particularly vulnerable to coastal hazards and has been subject to the effects of coastal inundation and coastal erosion, most recently in June 2024. The Clifton to Tangoio Coastal Hazards Strategy 2120 project aims to set an adaptive management pathway to manage these risks over the next 100 years. As at April 2025, the Hawke's Bay Regional Council is establishing a community reference group for further testing of the possible options, their costs and how those could be funded. In 2025, the

~~partner councils will be seeking feedback from the community on proposed coastal adaptation options.~~



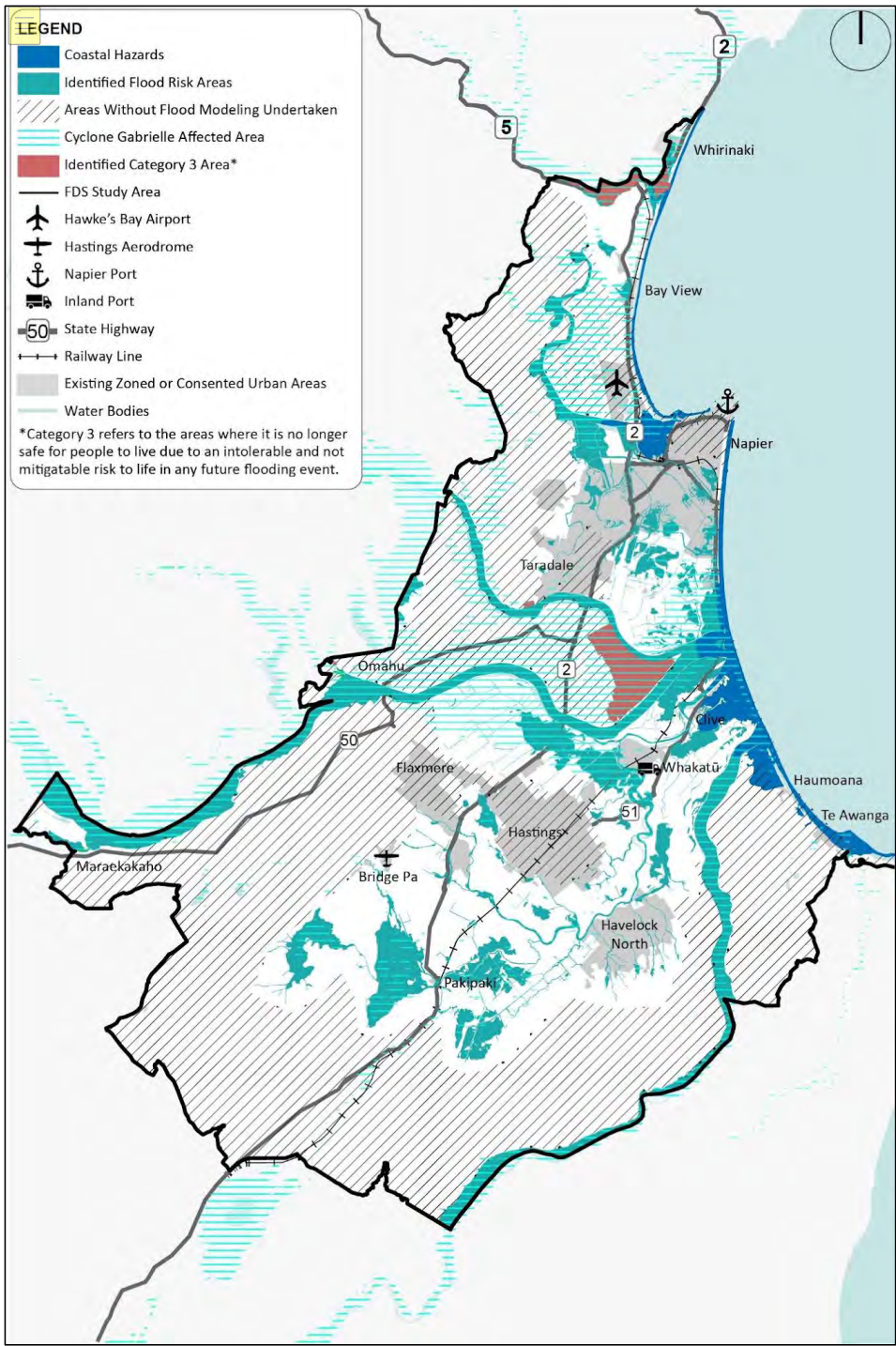


Figure 14 Natural Hazard Constraints across the FDS Study Area (Feb 2025 Cyclone Gabrielle data)

Tsunami

Hawke’s Bay faces tsunami risk from near and distant earthquake sources. Tsunami hazard mapping has been commissioned by the Hawke’s Bay Regional Council to help inform future land-use planning along the coastal margin. Within the FDS study area, a number of scenarios have been modelled, based on different earthquake sources and strengths, and considering a range of possible sea level rises.

Figure 15 demonstrates potential inundation for an infrequent but significant impact earthquake, using two sea level rise possibilities: a tsunami with a 1 in 1000 Year Annual Return Interval (**ARI**) event, and sea level rise of 1m and 1.99m. The latter has been used to inform an understanding of potential risks associated with new urban development of areas. However, it is acknowledged that tsunami inundation is a low probability, yet high consequence event affecting much of the urban area. Emergency management preparedness will also play an important role in managing some of this risk in the future.

Key areas impacted in a tsunami event include Bay View, Hawke’s Bay Airport, Ahuriri, Awatoto, Clive and Haumoana. Large areas within and to the south of Napier are also subject to tsunami inundation under a larger sea level rise scenario (1.99m)

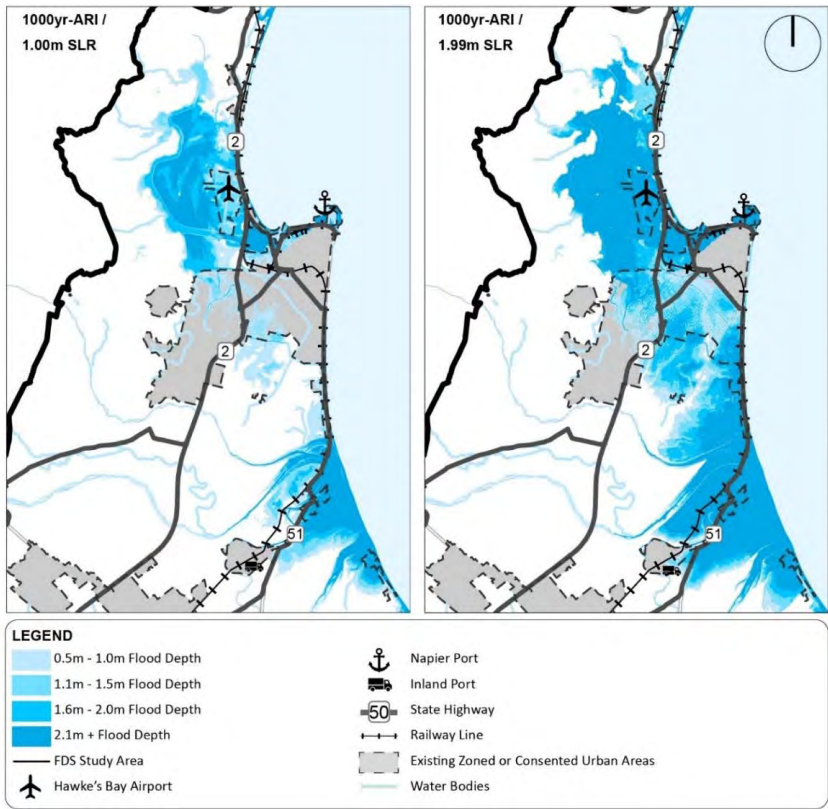


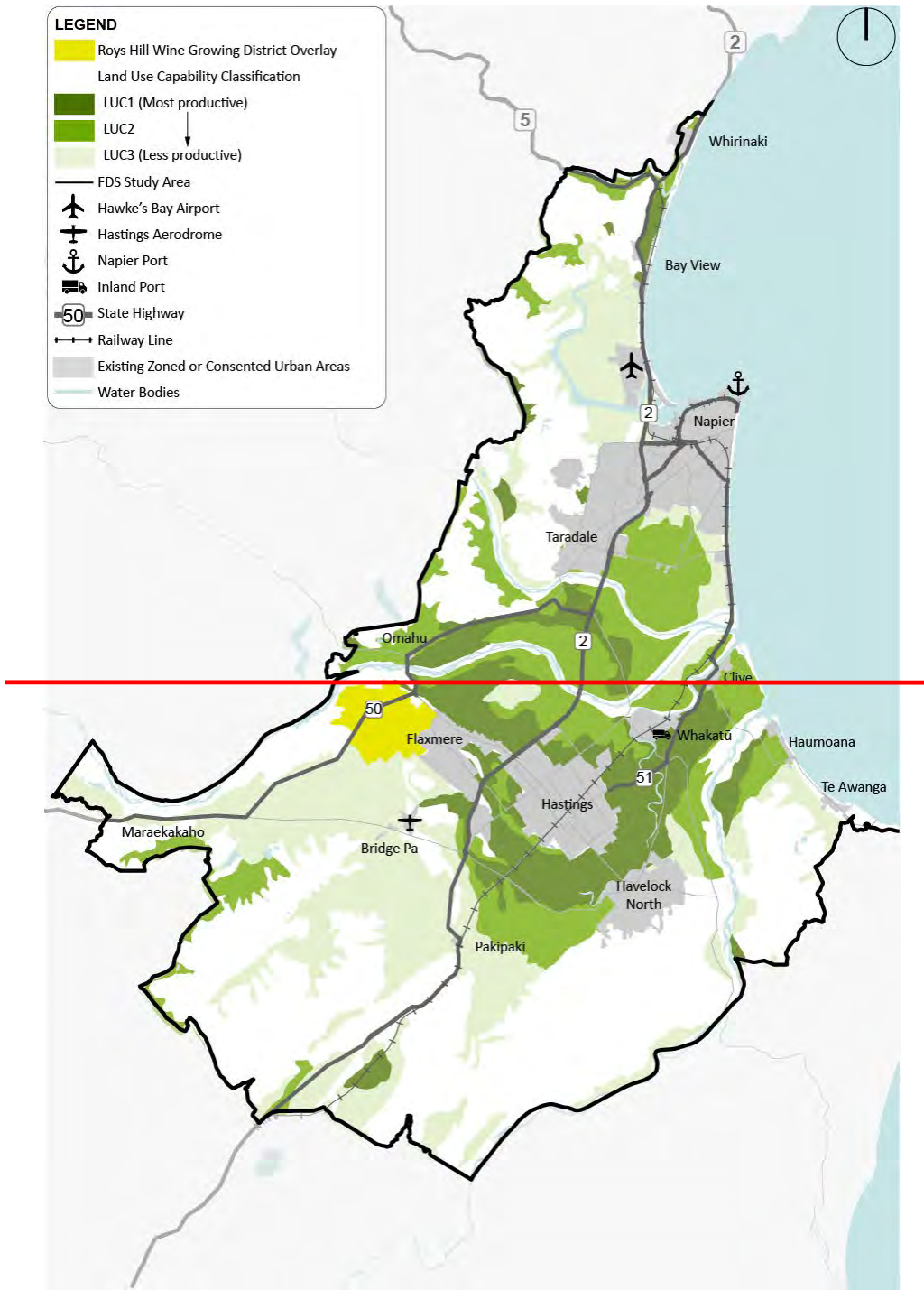
Figure 15 Tsunami Hazard Risks 1000 Year
ARI event

9.4 Highly productive land

The versatile and productive soils of the Heretaunga Plains are a significant productive resource for Hawke's Bay and New Zealand and are highly valued by the community. Hawke's Bay is one of the two largest fruit producing regions in the country, and the rural environment has become increasingly popular for vineyards and wineries. The primary sector (which includes agriculture and horticulture) is the largest employer across Napier and Hastings, supporting approximately one fifth of total employment.

The importance of the productive values associated with the land across the Heretaunga Plains, including its economic benefits for the region, is one of the primary constraints on urban development given its location on the urban fringes. The National Policy Statement on Highly Productive Land (**NPS-HPL**) places greater emphasis on protection of highly productive land and requires regional councils to map this land.

Until the Hawke's Bay Regional Council completes this mapping, the ~~Draft~~ FDS has identified LUC 1, 2 and 3 land and the Roy's Hill winegrowing area as highly productive land, as shown in **Figure 15**. This mapping excludes land with urban or rural lifestyle zonings.



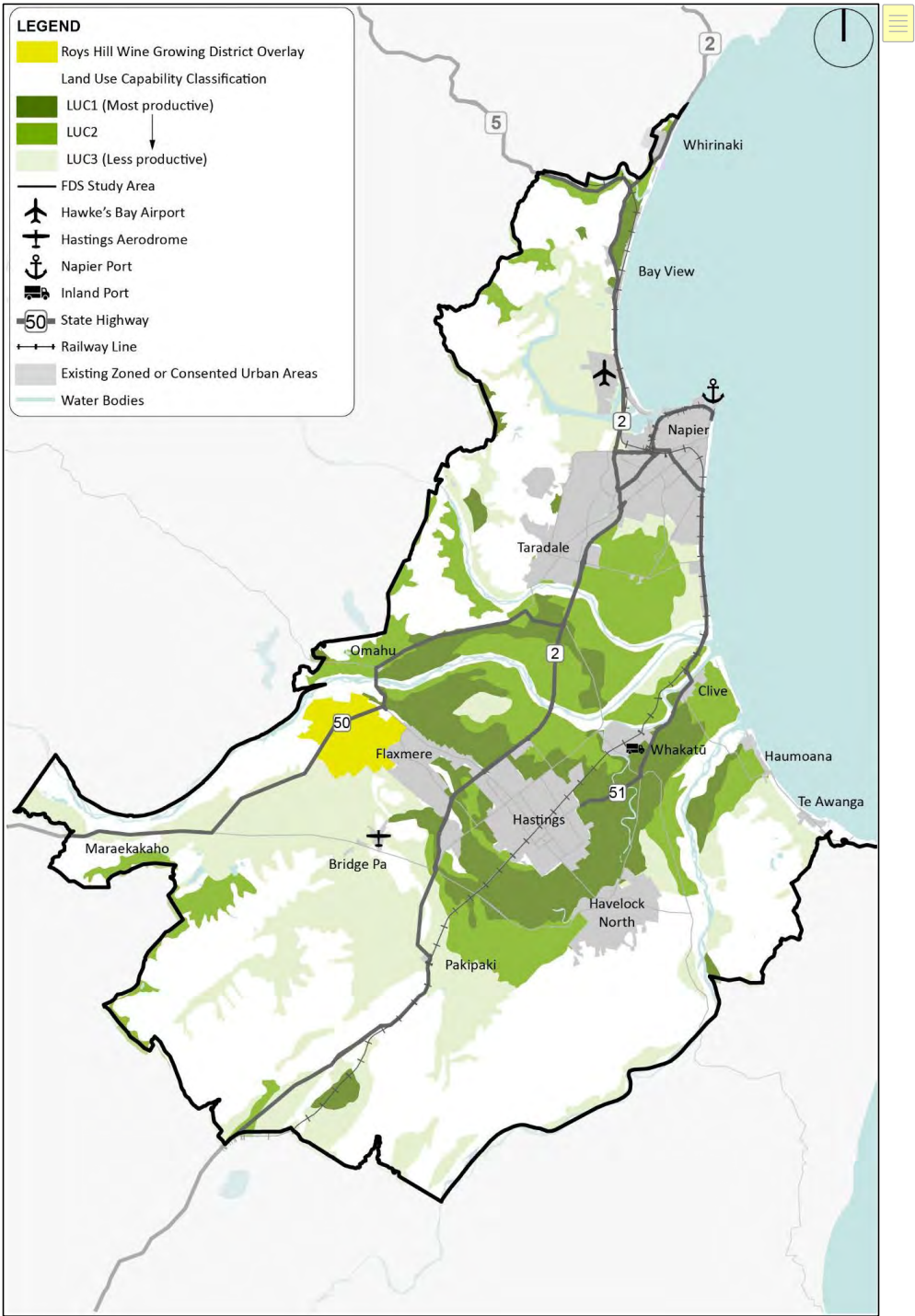


Figure 16 Highly Productive Land within the FDS Study Area

Napier

The most productive land in Napier is located to the north (around Bay View) and south (around Meeanee). These areas contain large expanses of land identified as either LUC1 or LUC2, the most productive type of land within the LUC system. LUC3 land tends to border existing urban areas in Napier, including around the airport and at the southern fringe. While LUC3 land is also considered productive, poor drainage and waterlogging has limited its use to seasonal cropping and pasture.

Hastings

Hastings, Flaxmere and Havelock North are largely surrounded by LUC1 and LUC2 land. While there are some isolated pockets of poorly drained and waterlogged soil, there are generally few limitations on this land's value for productive purposes. Limits on water allocation and reverse sensitivities to urban land uses place some constraints on productive uses.

South of Havelock North, the steeper hills are of lower soil quality, while south of Flaxmere and around Bridge Pa and Pakipaki, there are large areas of LUC3 land alongside organic soils and other soils of less productive value.

North-west of Flaxmere, the Roys Hill Wine Growing Area is a highly productive area for grape growing and wine production, known as the 'Gimblett Gravel' soils.

Māori land

Policy 3.8(1)(b) of the NPS-HPL provides a potential exclusion pathway for Māori land from the subdivision restrictions of highly productive land provided that any potential cumulative effects on the loss of productive capacity and reverse sensitivity effects are mitigated or avoided. This allows mana whenua to exercise rangatiratanga over their whenua and determine whether subdividing and building on their land is appropriate.



9.5 Opportunities

The low-lying land within and around Napier is subject to a number of natural hazard risks, while the Western Hills area is not suitable for significant levels of urban development due to the topography. In contrast, Hastings, Flaxmere and Havelock North are all relatively unconstrained by natural hazards but all border the Heretaunga Plains' most productive land, which is a critical feature of the local economy and important source of employment. Despite this, there are still opportunities for growth.

Intensification

Intensification of existing urban areas provides a significant opportunity to accommodate both Napier and Hastings' future housing demands. Intensification of existing urban areas can take many forms, including small scale infill, and comprehensive and compact redevelopment made up of town houses, terraces and apartments.

Intensification has a number of benefits, including:

- providing a greater variety of housing choices that can better serve a diverse range of socio-economic and demographic needs;
- allowing more people to live in close proximity to jobs, social amenities (e.g. schools) and areas of high natural amenity;
- reducing reliance on private vehicle travel, in turn supporting a reduction in greenhouse gas emissions and enabling a more viable public transport system; and
- Making more efficient use of existing infrastructure and reducing the need to extend existing networks.

In line with the NPS-UD, intensification should be targeted at those areas with good accessibility to a wide range of commercial and community services. This is reflected in the locations that enable greater levels of intensification by the Napier PDP and Hastings' PC5. Local area planning and other tools and incentives will support intensification by defining the local infrastructure needed to support growth in Napier and Hastings' neighbourhoods and centres.

The Hawke's Bay Racecourse is 32 hectares of land within a short walk of Hastings' city centre. There is potential for the racecourse to relocate in the future to a new purpose-built facility elsewhere in the Hastings district. While not factored into the ~~Draft FDS strategy~~, the redevelopment of the racecourse presents a significant opportunity to deliver a quality mixed-use development in a highly accessible location in the future.

Affordable Housing

Like many other urban centres across New Zealand, demand for social and more affordable housing options is growing. There is currently a waitlist of 1,380 households on the social

housing register across both Napier and Hastings⁷. Demand projections indicate the majority of demand will be for lower cost homes, which modelling indicates will be challenging from a commercial feasibility perspective.

Long-term, the provision of social and affordable housing will remain a critical issue for Napier and Hastings. Enabling higher density housing developments at different price points and in different tenure models, including public and community housing will remain vital to meeting the projected increase in demand for more affordable dwellings.

Mana whenua have shared their concern that intensification can lead to gentrification and increased prices and rates in areas where Māori have lived for generations. They have also shared concerns regarding increased council rates for Māori living rurally in areas bordering new greenfield development. In the past, Māori have experienced increases simply for adjoining these developments and it has priced them off their land.

Retirement villages

Due to the ageing populations in both Napier and Hastings, the retirement housing sector is likely to capture a significant portion of overall demand for housing. It is expected that up to 1,560 additional retirement units (or 52 units per year on average) may be needed over the next 30-years across Napier and Hastings combined.⁸

Retirement villages typically have unique land requirements compared with conventional housing. This reflects that retirement villages include a broader range of activities including, residential, care facilities, and recreation and support services. Greenfield options are more likely to suit this demand given the larger size of sites available.

Providing retirement living options in the community will be important in enabling intensification and greater housing choice. People of retirement age often sell up a larger family home in established communities to down-size and relocate to a retirement village. This can support increases in the availability of larger older homes for families, or alternatively help to deliver larger sites onto the market for developers to realise more intensive forms of housing.

⁷ Ministry of Social Development, March 2024.

⁸ Market Economics, 2024, pg. 19.

10. The ~~Draft~~FDS Strategy

10.1 Summary

At its heart, the ~~Draft~~FDS ~~strategy~~ seeks to achieve a compact urban form, focussed around a network of consolidated and intensified centres in Napier and Hastings. The ~~draft~~ strategy achieves this by enabling more housing growth and choice within and adjoining the existing urban area in locations close to the public transport network and community services. It also achieves this by providing choices for different types of businesses in efficient locations.

The ~~Draft~~FDS ~~strategy~~ provides for:

- **increased density and diversity of housing**, including apartments and terraced housing, within and close to Napier and Hastings' primary, secondary and locally important centres and high frequency bus corridors;
- **general residential development in other neighbourhoods** within existing urban areas, including small scale infill and suburban scale duplexes and terraced housing;
- **targeted expansion to enable new compact neighbourhoods with a mix of housing types** to the south of Napier's urban area, Mission Estate, and on the fringes of Havelock North, Hastings and Flaxmere, in locations that can integrate efficiently with existing transport networks and services, while avoiding the best productive land;
- **increased density and diversity of retail and commercial activities** in Napier and Hastings' primary, secondary and locally important centres, the Severn Precinct, and in new centres that support new compact neighbourhoods;
- **a new strategic industrial node at Irongate and Irongate West** that is efficiently located close to the state highway network and existing industrial areas;
- **supporting infrastructure**, including transport, three waters, open space and social infrastructure network improvements; and
- **opportunities to deliver ecologically sustainable, resilient urban development at Ahuriri Station.**

The ~~Draft~~FDS ~~strategy~~ enables a number of benefits to be realised, including:

- providing the **best opportunity to achieve more compact housing** consistent with changing housing needs in Napier and Hastings;
- providing for new housing in a variety of areas which supports **reduced travel times for people with lower impacts on the transport network**;
- directing growth to areas that **better utilise existing amenities and infrastructure** (e.g. drinking water, wastewater, stormwater, roading, schools and public transport);
- **avoiding the need for significant new capital investment in new infrastructure** in areas with limited existing and planned infrastructure;
- **minimising urban expansion** in areas subject to significant natural hazard risks;

- providing opportunities to **more efficiently protect existing communities from natural hazard risks;**
- **minimising urban expansion in areas with highly productive land** used for productive activities;
- **retaining future flexibility to accommodate changes in housing demand;**
- **providing opportunities for further economic agglomeration** of the Irongate industrial node should the uptake of industrial land occur faster than anticipated.; and
- **recognising Mana Ahuriri's aspirations** for development by identifying Ahuriri Station as Redress Land.

The ~~Draft~~ FDS ~~strategy~~ provides limited opportunities for new greenfield expansion in Napier and promotes development within the existing urban area. This reflects that land surrounding Napier's urban area is generally low lying, is vulnerable to land subsidence and rising ground water levels, and a range of other natural hazards. These hazards are also present in the existing urban area, and the ~~Draft~~ FDS provides the opportunity to concentrate efforts on mitigating these effects for existing communities.

The ~~Draft~~ FDS also avoids the best productive land in the Heretaunga Plains by promoting development within the existing urban area and directing opportunities for new greenfield development to locations with lower quality soils. This approach ensures that the life supporting capacity of the Heretaunga Plains is protected for future generations.

The boundaries of the new growth areas identified in the FDS are indicative only. Future structure planning and rezoning will determine the extent of any urban zones needed to support development and this will be based on detailed technical evaluations undertaken at the time.

The FDS is focussed on identifying strategic opportunities for growth across the urban areas of Napier and Hastings. Except in some circumstances, smaller sites with capacity for less than 100 dwellings or singular business/commercial development proposals are not identified. It is intended that proposals of this scale, or other unanticipated development, are considered on their merits through a plan change/review and/or resource consent processes. Collectively, development on smaller sites may make a meaningful contribution to housing and business capacity and this will be regularly monitored and documented through the Councils' three yearly Housing and Business Capacity Assessments.

Ahuriri Station Redress Land

Mana Ahuriri Trust has strong aspirations to deliver ecologically sustainable, resilient urban development at Ahuriri Station.

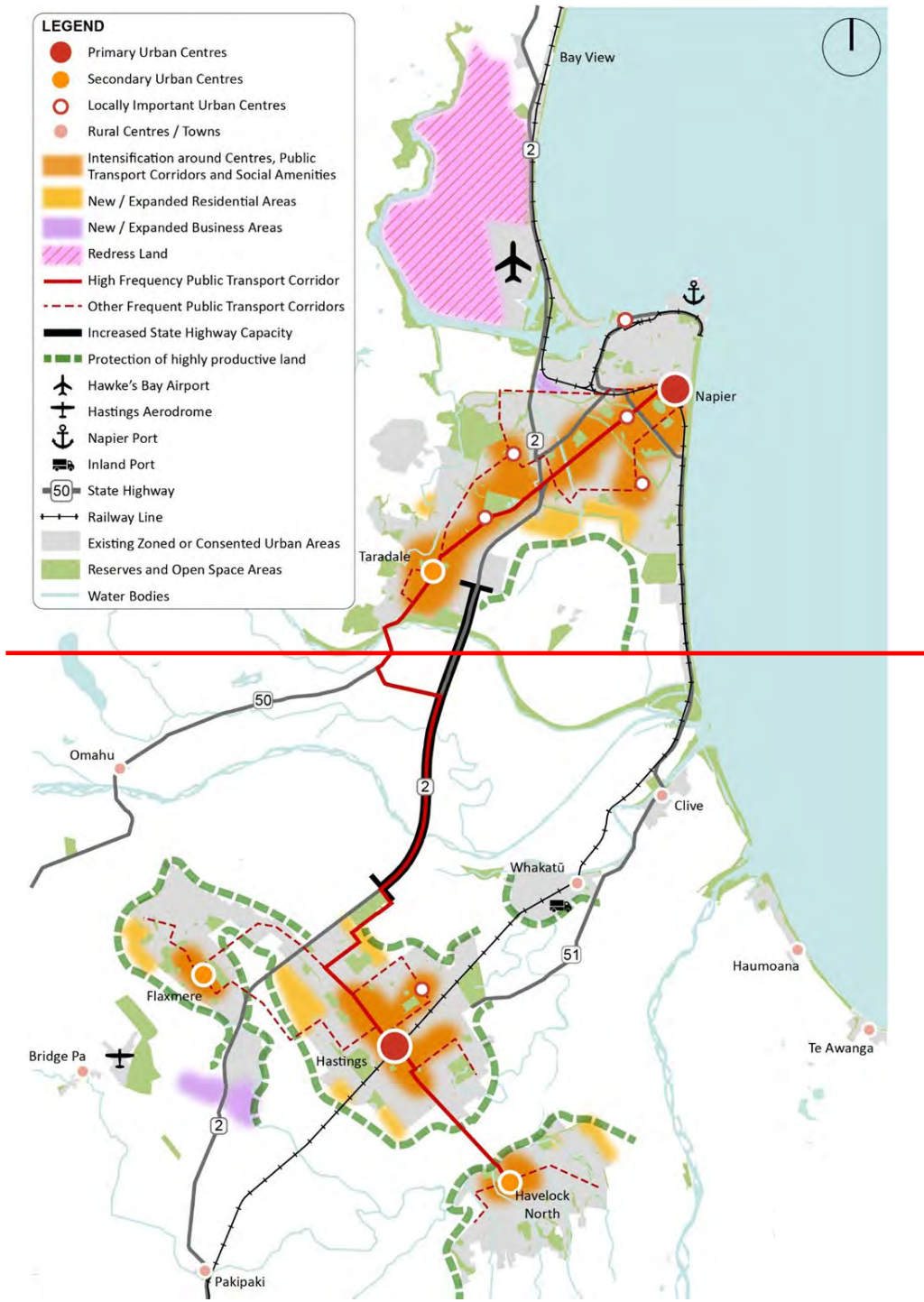
This land is available for Mana Ahuriri Trust to purchase as part of Mana Ahuriri's Treaty settlement with the Crown, which was received in 2022. The settlement recognises the losses suffered by Ahuriri Hapū arising from the breaches by the Crown of its obligations to Ahuriri Hapū under the Treaty of Waitangi and its principles. The ability to purchase Ahuriri Station is intended to provide Ahuriri Hapū with resources to advance the development of their economic and social well-being and assist with their cultural aspirations.

It is also recognised that some of the hapū represented by Mana Ahuriri Trust, such as Ngāi Te Ruruku ki Tangoio and Ngāti Tū, are also represented by the Maungaharuru-Tangitū Trust. This reflects shared and overlapping relationships and highlights that Ahuriri Station will provide benefits beyond Mana Ahuriri Trust's interests alone. Mana Ahuriri Trust acknowledges the support of its post settlement entity partners, the Maungaharuru-Tangitū Trust and Tamatea Pōkai Whenua, for the inclusion of the Ahuriri Station in the FDS.

The land comprised in Ahuriri Station is of a regionally significant and strategic scale for the Hawke's Bay region and there are potentially significant benefits to unlocking development of that scale. Developing the land has the potential to support the economic, social and cultural aspirations of Ahuriri Hapū, Napier, and the wider Hawke's Bay economy and its people. The site is of sufficient scale to present potential opportunities for resilience, adaptive design and ecological restoration.

Significant engineering works would be required to reduce potential or currently modelled natural hazard risks and maintain important environmental values to an acceptable level to enable a sustainable and resilient development both now and into the future. In addition to the mitigation measures required to safely enable any development, significant and ongoing infrastructure investment would be required, as with any project of this scale and regional significance given its engineering challenges and complexity. As part of its masterplanning, Ahuriri Hapū will take the lead on planning and developing Ahuriri Station.

The Councils will work collaboratively with Mana Ahuriri Trust to advance development processes for Ahuriri Station that provide for Ahuriri Hapū economic, cultural and social well-being. Given the scale of the opportunity, this will likely occur in stages over time and the FDS provides sufficient additional capacity for this to happen. Mana Ahuriri Trust does not intend to delay its planning for making the most of its redress land for Ahuriri Hapū.



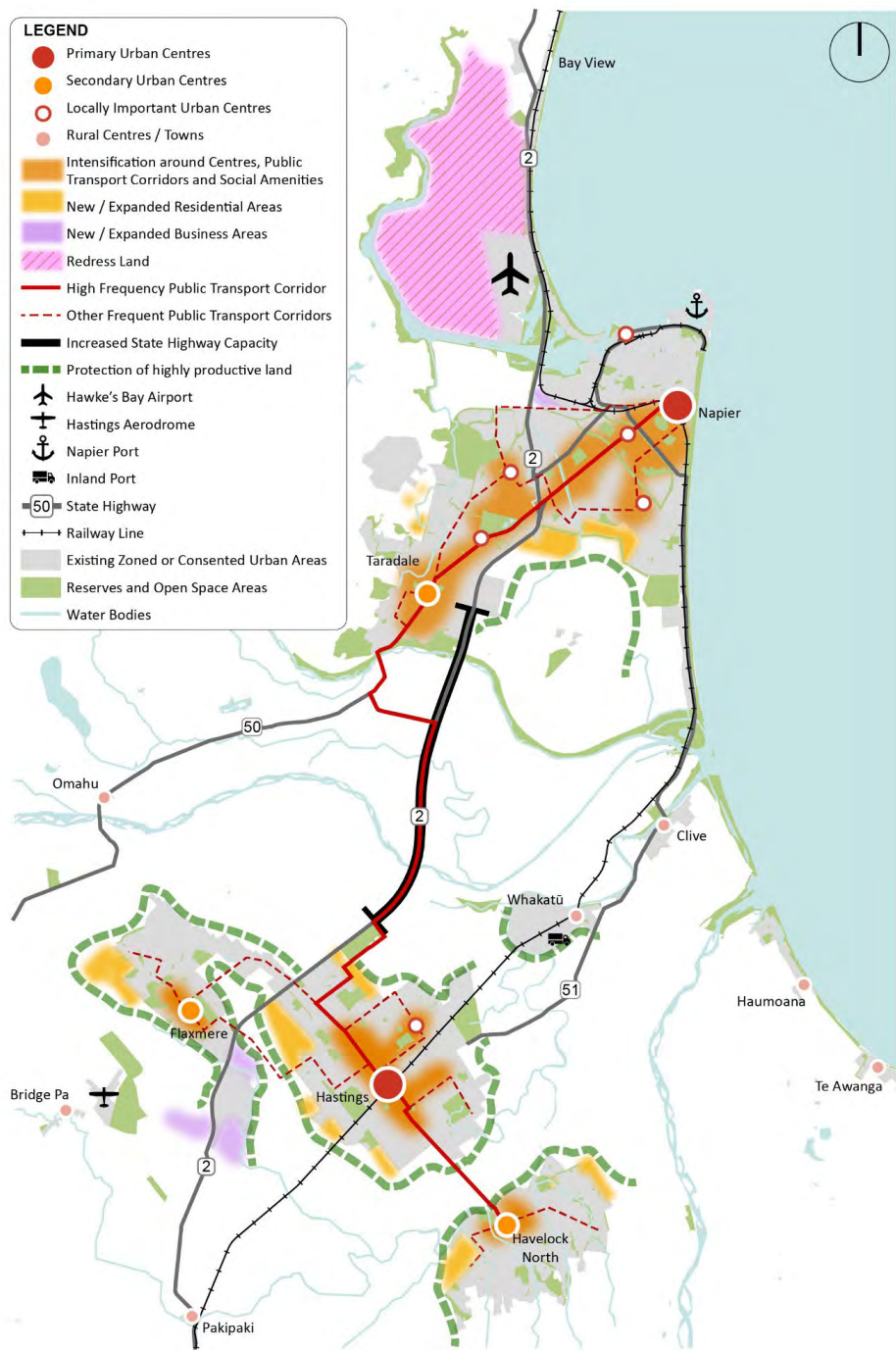


Figure 17 The ~~Draft~~ Future Development Strategy 2025-2055

10.2 Summary of residential development capacity

Consistent with the approach outlined above, approximately 80 per cent of future residential development capacity enabled by the ~~Draft~~ FDS ~~strategy~~ would be on land already zoned for urban development. About 60 per cent of this will be through redevelopment of existing sites, and about 20 per cent will be through development of already zoned greenfield land, some of which is consented but not yet developed. The broad location and type of residential growth enabled by the ~~Draft~~ FDS is set out in **Table 2** below and shown in **Figure 17**.

Table 2 – Residential Development Capacity Enabled by Council Area

Broad Type	Napier	Hastings	Total
Redevelopment / Infill in the existing urban area	4,070	5,840	9,910
Existing Zoned / Consented Greenfield Development	2,085	2,125	4,210
New Greenfield Development ⁹	2,420	1,660 2,695	3,980 5,115
Total Dwellings Enabled	8,575	9,525 10,660	19,235 18,100 ¹⁰
Total Demand	6,700	9,620	16,320
Sufficiency	+1,875	-95 +1,040	+1,780 +2,915

⁹ Unless detailed masterplanning information was made available by landowners / developers during the preparation of the Draft FDS, a conservative density of 15 dwellings per hectare on the net developable area has been used to derive capacity numbers. Based on detailed design, development capacity figures could be higher than this figure.

¹⁰ The total enabled residential development capacity does not equate to the total number of new homes that will be built. It includes allowance for a competitiveness margin which is equivalent to 2,390 dwellings across Napier and Hastings.

10.3 Redevelopment in the existing urban area

Promoting a compact urban form focussed around a network of consolidated and intensified centres in Napier and Hastings is the core concept underpinning the ~~Draft FDS strategy~~.

Over the 30-year life of the FDS, growth within the existing urban area is expected to deliver at least 50 per cent of all residential growth. Over the long-term, intensification is anticipated to deliver the majority (60 per cent) of future residential growth across both Napier and Hastings toward the end of the 30 years. This will mean new housing across the region will increasingly move towards medium and higher density housing types, such as townhouses, terraced housing and multi-storey apartment buildings.

Greater intensification in and around the key centres of Napier, Taradale, Hastings, Flaxmere and Havelock North and along more frequent public transport routes will help support the development of a range of dwelling types to meet the changing demographic profile in Napier and Hastings, particularly for an ageing population and smaller household sizes. Intensification in these areas will also have more proximate access to local shops and businesses for people to access their daily needs and services. They will also be closer to education, employment and community facilities. There are also opportunities for more mixed-use development along key public transport corridors.

Moving towards the delivery of more medium and higher density housing types and supporting mixed use development will take time. It requires a range of factors to come together, including willing landowners, enabling planning rules, available infrastructure and a development and construction sector willing and able to deliver different forms of housing. The community must also be willing to accept that existing amenity values may change, and that this can be positive for future generations and can help to protect those aspects of the natural environment that we value the most. These factors will be key to successfully implementing the ~~Draft FDS strategy~~.

10.4 Development in greenfield locations

Greenfield development allows for housing and supporting services to be delivered at scale and pace. This differs from growth in the existing urban area, which tends to occur incrementally over time.

The release of greenfield land for development can assist to moderate land prices and support overall housing affordability, however, it may also attract demand away from the existing urban areas and impact broader outcomes to intensify and achieve a compact urban form. Therefore, there is a need to closely monitor the uptake of development in the existing urban area and manage the timing of greenfield land release in response, to ensure there is sufficient land to meet demand.

There are a number of large development areas that have already been zoned or consented for urban development, or where subdivision and development has already commenced.

Combined, these currently provide capacity for approximately 4210 dwellings. These will provide sufficient capacity over the short-to-medium term to meet the demand for new greenfield housing. Significant areas of existing residential development capacity include:

- Mission Hills (800 dwellings)
- Te Awa (615 dwellings)
- Parklands (320 dwellings)
- Wharerangi Road (350 dwellings)
- Wairatahi (460 dwellings)
- Brookvale Road (550 dwellings)
- Howard Street (350 dwellings)
- Iona (350 dwellings)
- Lyndhurst Stage 2 (140 dwellings)
- other smaller-scale sites around the FDS Study Area (275 dwellings).

Over the long-term, the creation of new greenfield development areas will continue to be part of how Napier and Hastings meet future urban housing requirements. This will ensure that a range of lifestyle choices and sufficient residential development capacity can continue to be provided.

Opportunities for new greenfield growth across both Napier and Hastings outside of these areas are limited. A combination of development constraints including natural hazards, highly productive land and topography mean the greenfield growth locations signalled in the ~~Draft~~ FDS are limited to a number of smaller development areas at the edge of existing urban areas. They are broadly located close to existing centres, existing or proposed frequent public transport routes and social amenities.

These areas and their approximate development capacity are set out in **Table 3** below. In many instances, the development capacity set out in Table 3 is likely to be lower than what might be realised, given that the estimates are preliminary and site-specific investigations and structure planning have not yet been undertaken. When these areas are progressed for rezoning, greater density should be sought to reduce the need for further expansion into areas with known constraints.

Table 3 – New Residential Greenfield Development Areas (Currently not zoned for residential development)

Site Ref	Site Name / Location	Approx. Capacity
NC4a	Riverbend Road / Willowbank Avenue, Napier	290 dwellings
NC4b ¹¹	Riverbend Road, Napier	660 dwellings
NC4d	South Pirimai, Ulyatt Road, Napier	370 dwellings
NC6	Mission Estate, Church Road, Napier	100 dwellings
H2a	Lyndhurst Extension, Hastings	280 dwellings
H3	Kaiapo Road, Hastings	430 dwellings
H4	Murdoch Road, Hastings	120 dwellings
H8	Copeland Road, Hastings	130 dwellings
FM2 & FM9	Portsmouth Road, Flaxmere	330 655 dwellings
HN2b	Arataki Road Extension, Havelock North	440 170 dwellings
HN6	Brookvale Road, Havelock North	125 dwellings
HN10	Oderings Site, Havelock North	35 dwellings
H5	Wall Road, Hastings	110 dwellings
HN3a and HN3b	Middle Road, Havelock North	640 dwellings
AS	Ahuriri Station, Bay View	1,000 dwellings
Total		3,980 5,115 dwellings

10.5 Business land

The ~~Draft-FDS strategy~~ provides sufficient capacity to meet demand for business activities over the short, medium and long term. Business development will continue to be concentrated around established nodes and connected with an improved bus network. Capacity enhancements to the state highway network will help to improve the resilience and reliability of strategic freight corridors which provide access to the Port of Napier and Hawke's Bay Airport.

Centres (retail and commercial)

Centres are focal points where people meet to learn, work, shop and play.

Napier city centre and Hastings city centre will remain the primary retail, commercial, civic and entertainment hubs for the region. Intensification of commercial activities (e.g. offices) will need

¹¹ Additional land will be required to manage stormwater and flooding effects arising from development of Riverbend Road (NC4b), with the exact location to be determined through future planning processes.

to occur to ensure they can continue to support a growing population within their urban areas and across the region more broadly.

Taradale, Flaxmere and Havelock North Town Centres are also important centres for their local communities and provide access to a range of goods and services in close proximity to residents.

Over time, these centres, particularly Napier and Hastings city centres, will become increasingly important as places for people to live as well. An increased residential population in and around centres can help support new business establishing but has the potential to displace some commercial activity. Any shortfalls in commercial land across these centres, as well as other commercial zones, over the long-term are expected to be met through intensification. As such, planning controls will need to ensure a suitable balance between residential and commercial uses can be provided.

Development in greenfield locations also provide the opportunity to efficiently integrate new centres and commercial areas as part of delivering compact neighbourhoods. Careful consideration will be needed to ensure new centres and commercial areas support and reinforce the existing network of centres in Napier and Hastings. The planned centre as part of the Wharerangi Road development in Napier is a good example of how to achieve this through a structure planning and rezoning process.

In addition to intensification of centres, a further six hectares of commercial land in the Severn Precinct (off Prebensen Drive) has been identified within the ~~Draft~~-FDS. This provides opportunities for large format retail and other commercial activities in an area with good access to the strategic road network.

Industrial land

The ~~Draft~~-FDS ~~strategy~~ provides sufficient capacity to meet demand for industrial activities over the short, medium and long term. However, there may be localised shortfalls in capacity for wet industry depending on the extent to which future wet industrial activities require access to Hastings' separated trade waste network.

There is approximately 60 hectares of industrially zoned vacant land still to be developed in Napier, the majority of which is located within the vacant airport land to the south of Watchman Road. In Hastings, there is approximately 200 hectares of vacant industrial land primarily located in established nodes in Omahu Road, Irongate, Whakatū and Tomoana.

For Napier, a critical assumption around sufficiency is that the Airport Zone to the south of Watchman Road (42 hectares) will be available for development. This area faces some challenges around access, ground suitability and vulnerability to natural hazards. If development of this area was unable to occur, there would be a shortfall in industrial land of approximately 30 hectares. Such a shortfall could be met by additional development capacity in Hastings or in Napier if industrial development is realised at Ahuriri Station. Existing industrial capacity at Pandora is also vulnerable to a number of natural hazards.

Within Hastings, an additional ~~100~~ 119 hectares of industrial land has been identified around the Irongate industrial node, to be developed over the long-term. This area can accommodate dry industry, and wet industrial activities that do not have a functional need to access Hastings separated trade waste network. Council monitoring has indicated that uptake of industrial land at Irongate has been strong, and its location on the strategic road network, close to areas of primary production and between two main urban areas means it is ideally suited for further growth should demand arise. While this land is not required to meet any requirements under the NPS-UD, there are advantages in signalling that further development may occur in this location. These include that it:

- supports the development aspirations of Tamatea Pōkai Whenua which is a major landowner in the area;
- provides an opportunity for enabling established dry industries to decant/relocate from areas where there is existing trade waste capacity, potentially releasing vacated sites for wet industries (e.g. Tomoana and Whakatū); and
- provides opportunities to explore rezoning of existing industrial land close to Hastings city centre for commercial or mixed-use zones to better realise more intensive forms of residential and commercial uses.

The FDS does not identify additional areas for wet industry and relies on existing capacity in Omaha South, Tomoana and Whakatu in the short to medium term. However, In the long term, there is potential for a shortfall in development capacity for wet industry if a large proportion of that demand requires access to Hastings separated trade waste network and the level of dry industry uptake is greater in these areas. If that occurs, and if additional land is required, then further expansion to the existing industrial areas at Tomoana and/or Whakatu may be appropriate.

At that time, the available options would be comprehensively assessed in order to minimise loss of highly productive land. This includes ensuring that the planning framework protects any rezoned land for wet industry only, has a functional need to access Hastings separated trade waste network, and could not otherwise occur efficiently elsewhere with mitigation in place.

To reduce the likelihood of this occurring, the FDS recommends that the Hastings District Council explore policy options in the short term to better protect remaining capacity in Whakatu for wet industry, and potentially Omaha South depending on the amount of trade waste capacity available there.

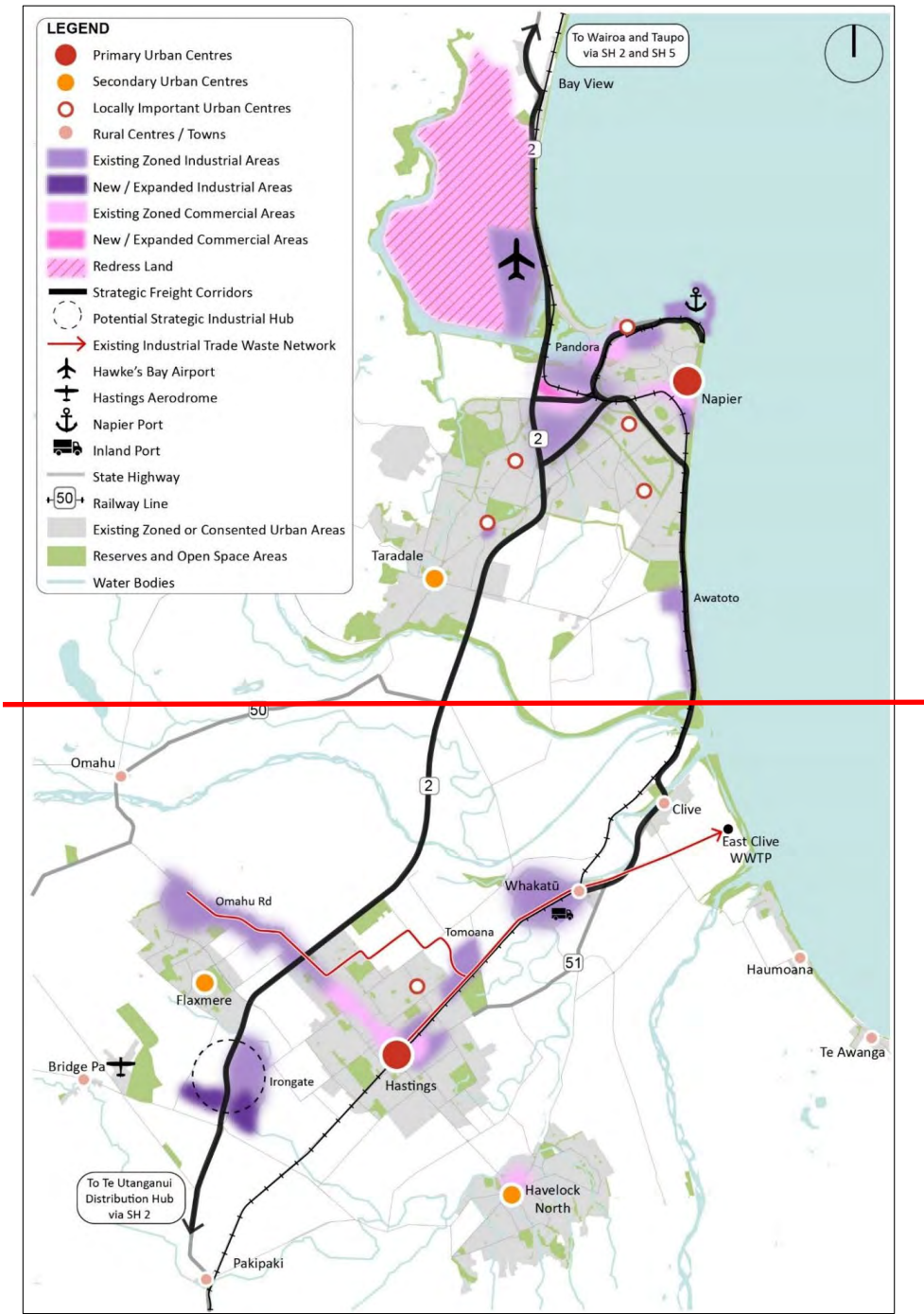
At the same time, a sustainable long-term solution for water supply should be progressed as a high priority as this is the key constraint for new industrial activities across Napier and Hastings.

Other strategies to better encourage wet industries to locate to areas with existing trade waste capacity will need to be considered if demand rises, and broader issues around water supply across the Horetaunga Plains must be addressed.

Other industrial options considered

The **Awatoto** industrial area and Wastewater Treatment Plant (**WWTP**) was heavily impacted by Cyclone Gabrielle. As part of the recovery process, flood mitigation and protection works are required to support the long-term operation of established industrial sites and the WWTP. Current investigations include the potential for flood protection along the alignment of McLeods Road. This could support the development of an additional 37 hectares of land for industrial development, contiguous with the existing industrially zoned land and with good access to strategic freight links. However, there are a number of constraints to redevelopment of the site related to natural hazards and ground conditions.

This option has been carefully considered but has not been included in the ~~Draft~~ FDS at this time as it is not needed to meet demand in the 2024-2054 period.



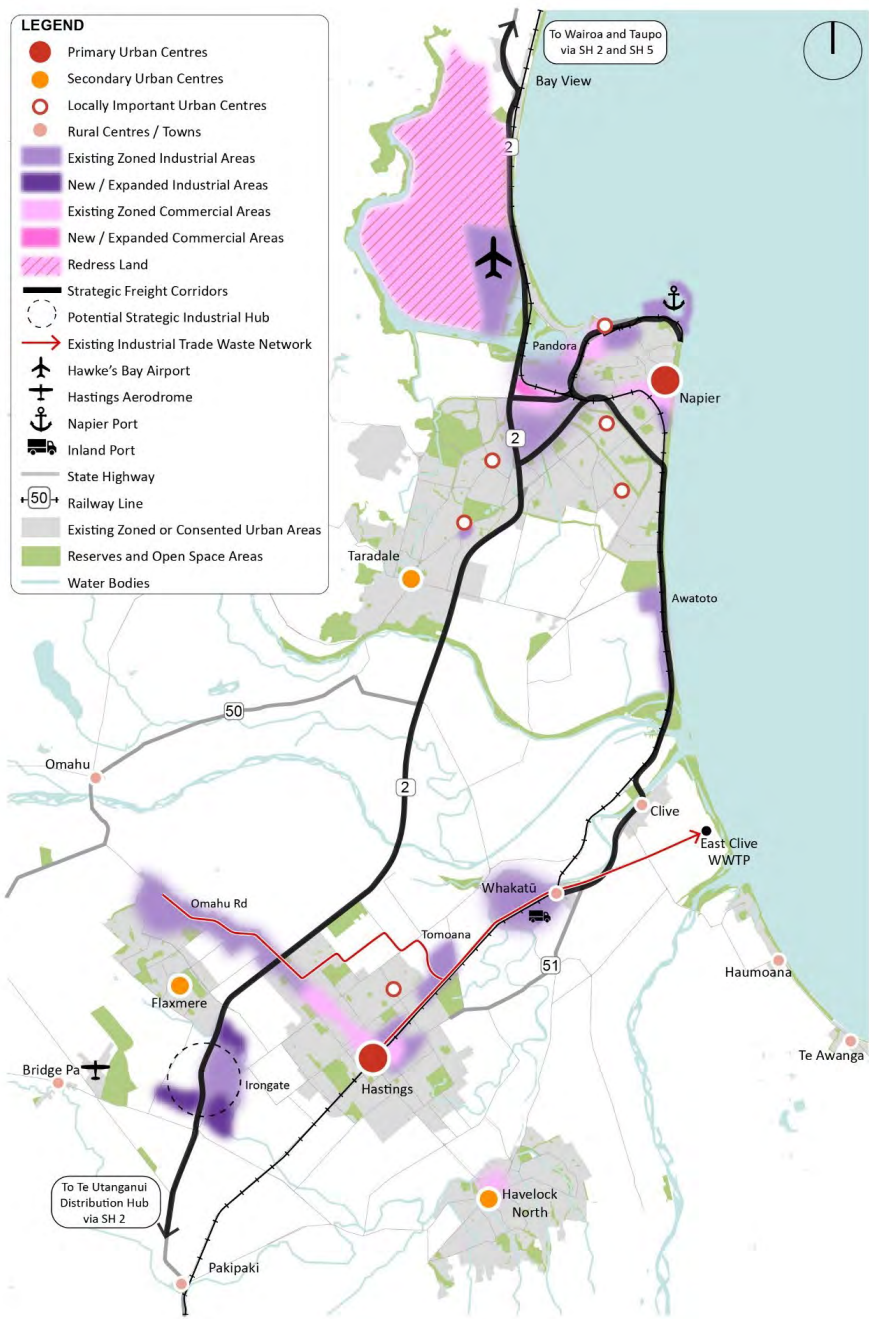


Figure 18 ~~Draft~~ Industrial and Business Land Strategy

10.6 Rural lifestyle and rural and coastal settlements

The ~~Draft~~-FDS strategy does not identify opportunities for new rural residential living. While rural residential development close to the existing urban area forms part of the urban housing market, it does not form a core component of urban growth. However, rural residential living does provide a type of housing and lifestyle that some households prefer. For this reason, the partner councils could consider separately progressing a Rural Residential Strategy. If progressed, this work would define future demand and supply for rural residential and would identify locations or other planning mechanisms available for meeting this demand over the short, medium and long term.

The ~~Draft~~-FDS does not identify the future form, function and growth potential of Napier and Hastings rural and coastal settlements. The ~~Draft~~-FDS promotes a compact urban form and does not propose significant intensification and growth of rural and coastal settlements on the grounds that these locations are distant from the urban area and would be challenging to affordably service with infrastructure.

However, area-specific planning for rural and coastal settlements is essential to ensure local community needs are met. This is particularly important for communities impacted by coastal hazards including Haumoana, Te Awanga and Clifton, and this will progress as a priority once the Clifton to Tangoio Coastal Hazards Strategy 2120 is further developed. The partner councils will progress planning for other rural and coastal settlements on a staged basis over time.

In the interim, the strategic direction for coastal and rural settlements from HPUDS 2017 is set out in the Appendix to the FDS. This ensures that the strategic direction for our rural and coastal settlements remains in place until such time as it is superseded by a Rural Residential Strategy or similar.

The strategic direction set out in HPUDS 2017 was high level and our rural and coastal communities have changed and evolved since then, so too has our understanding of environmental factors and limitations. It is important to note that the interim strategic direction imported from HPUDS 2017 does not account for changes in policy direction or the environment that have occurred since 2017, for example, the effects of Cyclone Gabrielle on affected rural communities, infrastructure and the environment.

10.7 Papakāinga

Mana whenua have expressed a clear desire to develop papakāinga. The partner councils will continue to work with mana whenua to realise their aspirations to develop papakāinga. This includes reviewing rules in the district plans to ensure they provide an enabling framework for development and potentially expanding the definition of land where papakāinga can be developed.

Te Piringa Hapū has also expressed strong aspirations to develop their whenua close to Omaha Marae, Te Awhina Marae and Rūnanga Marae for a mix of papakāinga, urban development and recreational facilities. The Hawke's Bay Regional Council is progressing consenting and design for flood protection works in Omaha which will provide greater resilience for the community. The partner councils will continue to work with Te Piringa Hapū to support it to realise those aspirations for development.

10.8 Mana whenua values and aspirations

Mana whenua expect that the taiao is at the forefront of all decisions on new development. This includes providing for Te Mana o te Wai – ensuring water supplies are prioritised and secured into the future, minimising the impact of development on the taiao, and protecting and incorporating native flora and fauna into residential and commercial developments.

10.9 Napier

The majority of future residential growth (up to 60 per cent) over the next 30-years is anticipated to be delivered through intensification within existing urban areas connecting to centres and employment nodes through more frequent public transport services. Up to 30 per cent can be delivered in existing greenfield areas which have already been zoned or consented for urban development, such as Mission Hills, Parklands and Te Awa.

A total of 2,420 dwellings have been identified as being located on land not currently zoned or consented for urban development, although the majority of these sites are identified as long-term development areas within HPUDS. If all of these areas were developed to this potential, this would be equivalent to 21 per cent of Napier's long-term housing demand.

Greenfield development in the southern part of Napier (incorporating South Pirimai, Riverbend and The Loop) has the potential to deliver approximately 1,320 new dwellings. Future development in this area is well located to take advantage of existing cycling and public transport infrastructure, and amenities including supermarkets, primary and secondary schools, and public open spaces.

Whilst some development has already occurred in this location (such as the Willowbank Retirement Village), the area has some known flooding constraints which will need to be addressed prior to any further development. This is likely to include raising the land to suitable levels and the development of extensive stormwater detention facilities. Significant planning and investigation has already been undertaken to support potential redevelopment in parts of this area. Significant investment in stormwater infrastructure will be required.

A small area of greenfield development has also been included on the southern portion of the Mission Estate area in the vicinity of Church Road and Tironui Drive. Development of this area provides an opportunity to enhance Taipo Stream, which passes through the site.

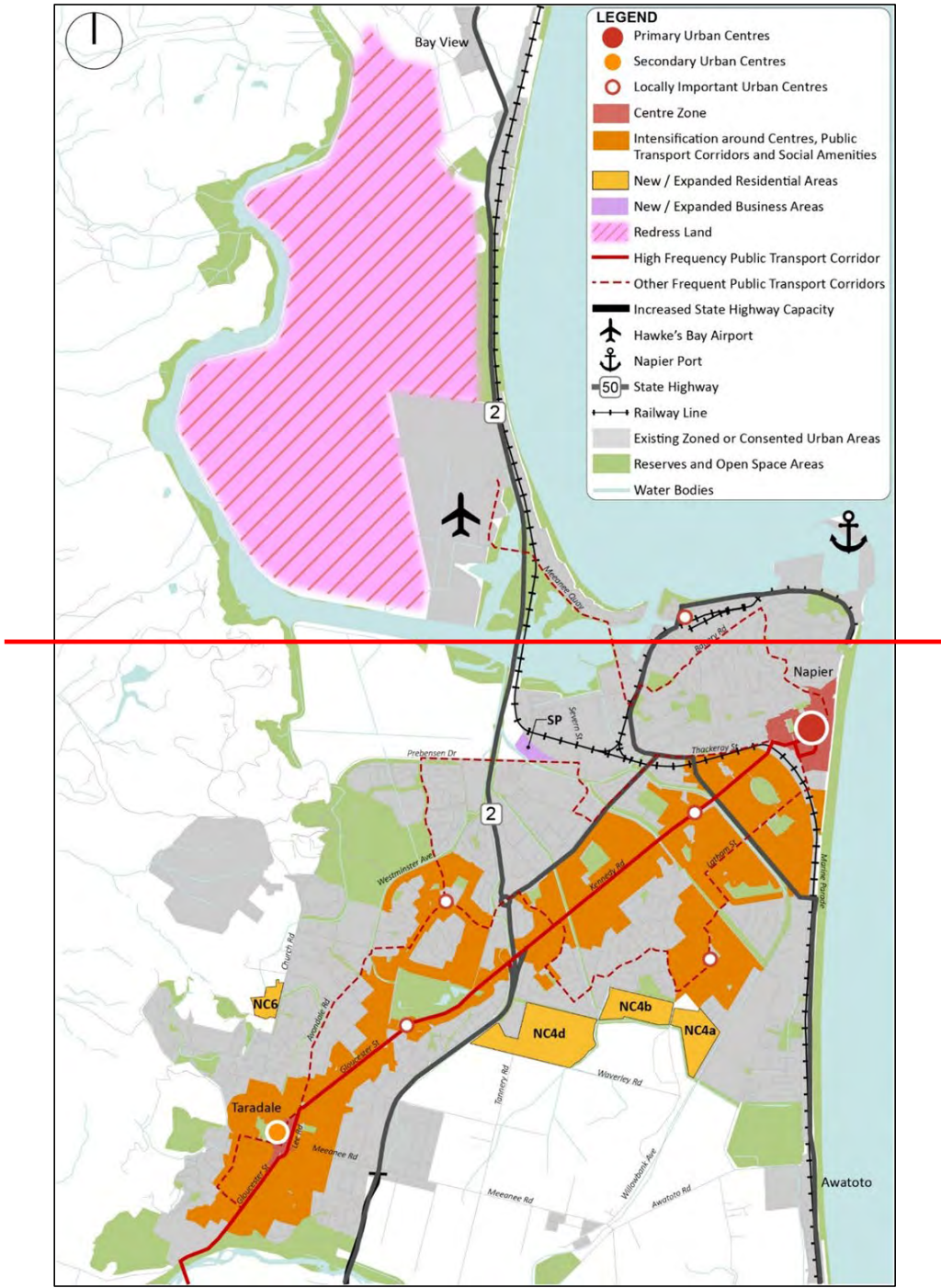
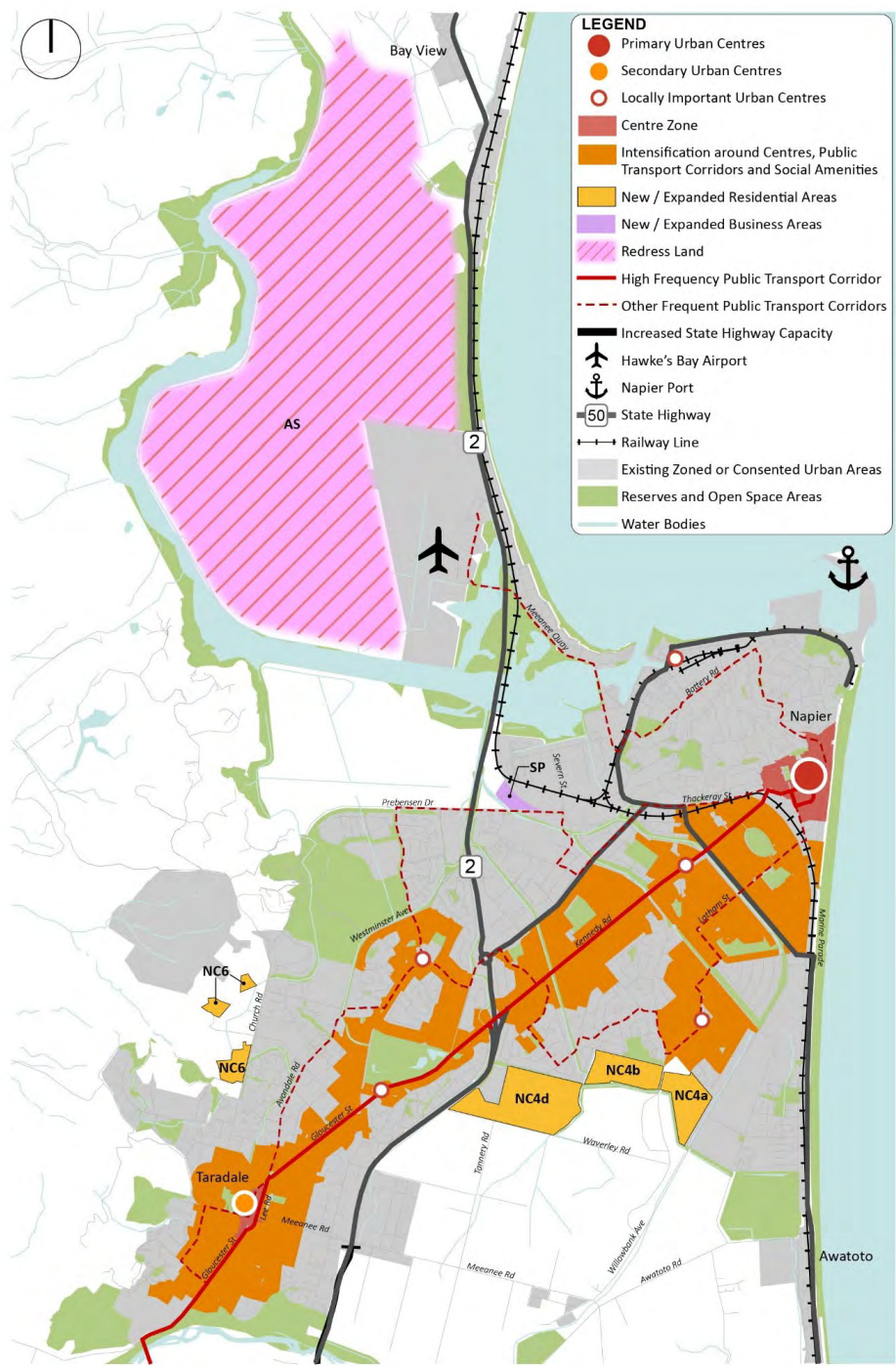


Figure 19 ~~Draft~~ Future Development Strategy (Napier)



10.10 Hastings

Hastings

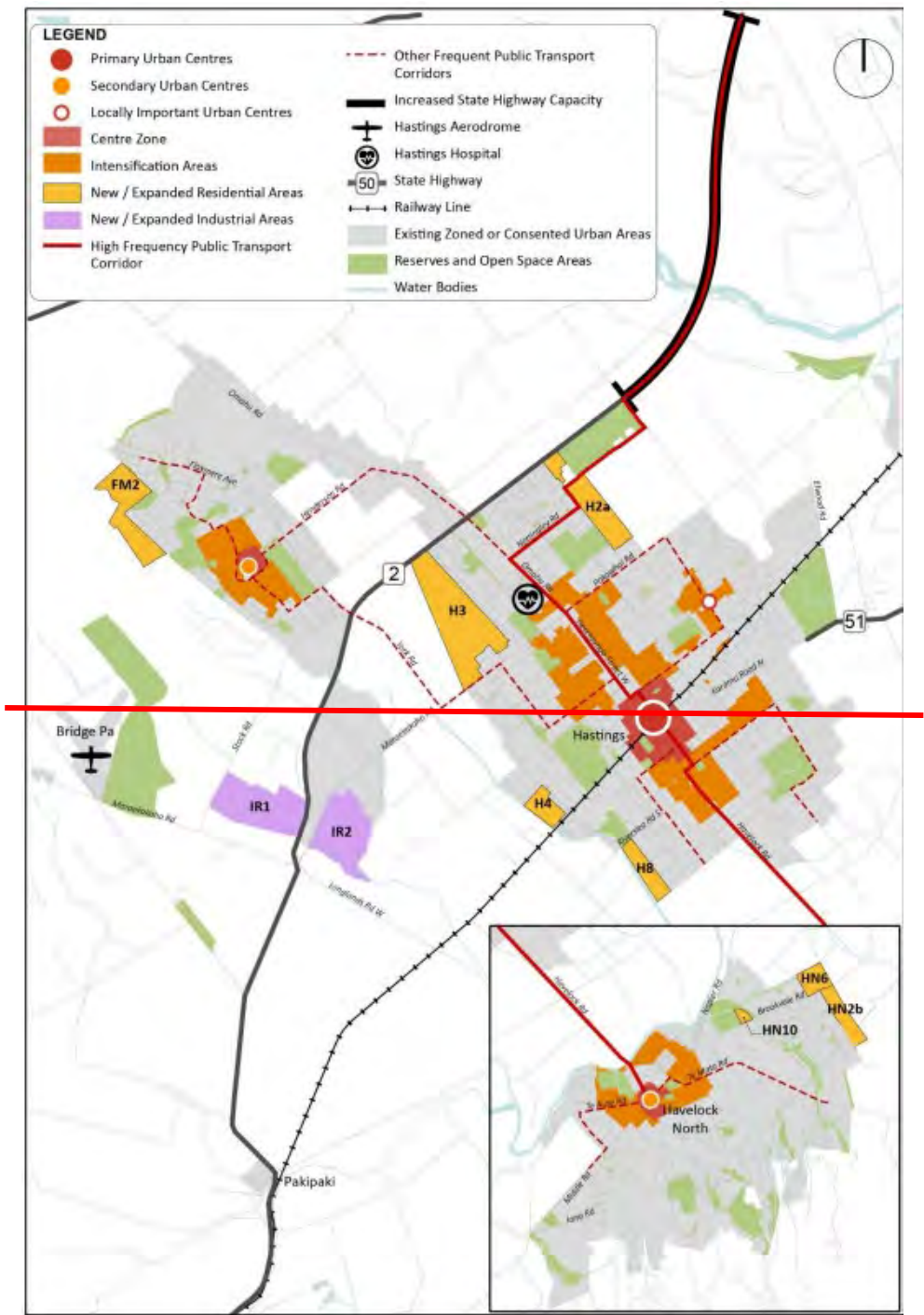
Hastings will accommodate the majority of its growth through intensification of existing residential areas and the city centre. A number of smaller scale opportunities for greenfield growth have been identified at the edge of the urban area. This includes approximately ~~680~~790 new dwellings along its western edge, with the Southland Drain forming the long-term western boundary of Hastings' urban area. These areas are generally well located in terms of proximity to employment, schools and public open space. However, there are known infrastructure capacity constraints which would need to be addressed before development can commence. A further 280 new dwellings have been identified as being located east of Lyndhurst Road. This land is ideally placed near the regional sports park, frequent public transport, schools and employment areas.

Flaxmere

The majority of future development in Flaxmere will occur within the existing urban area through intensification, as well as in the recently consented Wairatahi area south of Dundee Drive. Approximately ~~330~~655 new dwellings on a greenfield site extending along the northern end of Portsmouth Road has been identified. Existing development patterns mean this area can be well integrated into the existing residential environment and provide the opportunity to expand the services and amenities offered within the Flaxmere centre. These also ensure convenient connections with nearby amenities including public open spaces and schools. Consideration of appropriate acoustic treatment of any new dwellings may be required to mitigate any potential noise effects from the Hastings Aerodrome, while physical setbacks/landscaped buffers from adjoining productive uses will also be required.

Havelock North

Over the short-to-medium term, development in Havelock North will be enabled through intensification around the centre and in established greenfield locations including Brookvale, Arataki and Iona. Over the long-term, there is potential for further greenfield development of approximately ~~235~~ 640 new dwellings ~~east of Arataki and Davidsons Roads~~around Middle Road.



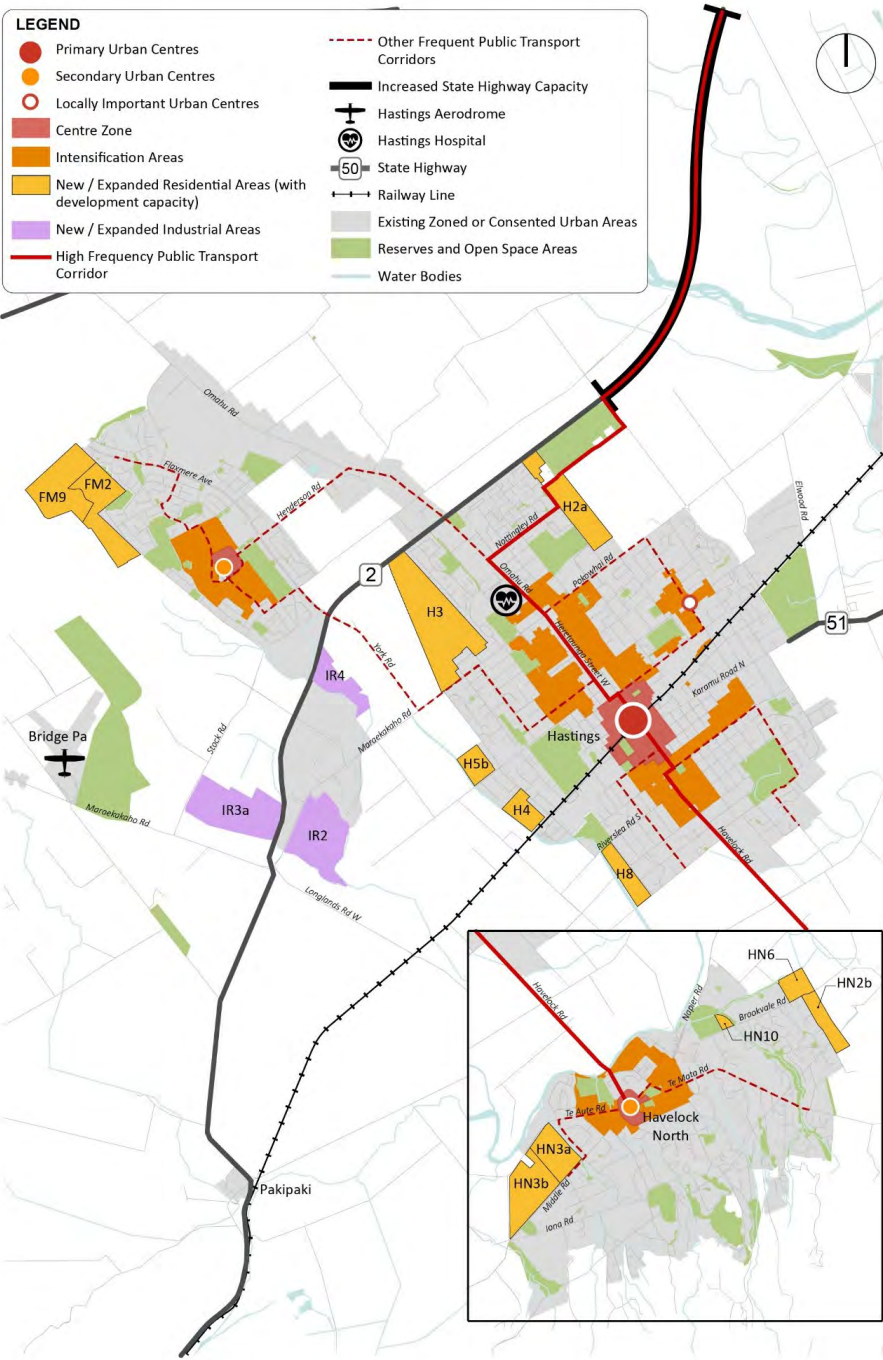


Figure 20 ~~Draft~~ Future Development Strategy (Hastings)

10.11 Strategic infrastructure

The NPS-UD requires an FDS to spatially identify development infrastructure and additional infrastructure required to support development. Development infrastructure refers to network infrastructure for three waters (drinking water, wastewater and stormwater) and land transport. Additional infrastructure includes things like social infrastructure (such as schools), public open spaces, and electricity and gas distribution.

This FDS also recognises the importance of the operational and functional needs of nationally and regionally significant infrastructure. The location, design and suitability of new urban development must not compromise the operational and functional needs of nationally and regionally infrastructure now or in the future. Nationally and regionally significant infrastructure refers to those types of infrastructure that are of national or regional significance – more than just local importance.

Drinking water supply is a significant infrastructure issue for mana whenua. Demands on water, the impacts of residential and commercial intensification, and plans for water storage must be factored into the viability and sustainability of the FDS as it is implemented.

Key development and additional infrastructure are shown in **Figures 21 – 23** and are described briefly below. This does not include the infrastructure required to support development at Ahuriri Station.

Water supply

Drinking water in Napier and Hastings is largely sourced from the Heretaunga Plains Groundwater Quantity Area, parts of which are identified as Hastings and Napier Source Protection Zones. This area is fully allocated, and the water management regime proposed by the Hawke's Bay Regional Council under changes to the Regional Plan is currently subject to appeal.

According to the Regional Water Assessment, the region could experience fresh water demand shortfall of nearly 25 million cubic metres, increasing to 33 million cubic metres by 2060.

Addressing this projected shortfall will require much more efficient use of existing water sources, demand management, new ways of securing water supplies, and consideration of the needs of all water users, including for municipal supplies, mana whenua, industry and primary production, such as horticulture, viticulture and agriculture.

Protecting waterways, water sources, and ensuring water is clean is of critical importance to mana whenua. Water scarcity is already an issue for mana whenua communities. Mana whenua believe we must reduce water allocation and improve the health of our waterways as quickly as we develop land.

Investigations of all practical options for increasing freshwater supplies in Hawke's Bay is being undertaken as part of the Regional Water Security Programme. This includes community-scale water storage investigations for Heretaunga. This work remains a high priority.

In addition to resolving water supply constraints for the Heretaunga Plains, growth identified in the ~~Draft~~ FDS will need to be supported. Improvements across the municipal water supply networks (including new and upgraded pipelines) have been programmed, committed to and funded to help accommodate growth, improve network efficiency and ensure network resilience across both Napier and Hastings.

In addition to network wide upgrades, key pieces of bulk infrastructure required to support growth are identified in **Figures 21 – 23**. This includes two new water reservoirs to enable intensification across Napier and greenfield development within the Taradale and Mission Hill areas. Upgrades and improvements are required to a number of existing water pump stations, storage, water bore and treatment plants across Hastings, Flaxmere and Havelock North areas. Upgrades to the existing Bridge Pa Drinking Water Supply have also been identified to better support the existing community as well as future industrial growth around Irongate.

Wastewater

The wastewater networks serving urban areas in both Napier and Hastings have been under significant pressure to accommodate recent housing growth. Many elements of the wastewater network (e.g. pump stations) are currently either at or reaching capacity.


Figures 22 and 23 show the general locations of upgrades required to the network to service existing or planned growth in Napier, Hastings, Flaxmere and Havelock North areas.

In Napier, the construction of new wastewater main trunk infrastructure and pump stations is required to enable wider uptake of medium-density development and urban intensification, and to provide for future residential greenfield growth in the south (South Pirimai, Riverbend and The Loop).

In Hastings, significant investment in wastewater capacity has already been planned and funded as part a 10-year wastewater programme. In addition to this, the construction of new wastewater main trunk infrastructure is required. This is shown as the Infrastructure Acceleration Fund (IAF) project in **Figure 23** and it comprises major new wastewater pipes that add capacity to the Hastings and Flaxmere network, improving capacity and connectivity to the main trunk interceptor pipes that convey wastewater to the East Clive Wastewater Treatment Plant. Further capacity upgrades will be required over the long-term to support intensification within Kaiapo and Akina (which includes the future residential greenfield growth around Copeland Road).

Stormwater

The approach to stormwater in Napier and Hastings will need to adapt to growth pressures, increasing environmental standards and the future impacts of climate change (e.g. more intense rainfall events). As development in greenfield areas occurs over time or as part of

structure planning or subdivision processes, new and upgraded infrastructure may be required to provide stormwater capacity, detention and treatment. The development of stormwater infrastructure may involve land acquisitions and is likely to be addressed catchment by catchment at the time development occurs. Any stormwater solution is encouraged to be developed in the most effective and efficient way to achieve yield while managing potential effects, whether this is located within or outside of FDS growth areas. 

Figures 22 and 23 show the general locations of new stormwater infrastructure that will be required to service future growth. This includes the provision of stormwater detention and storage facilities for planned development at Wharerangi Road and Parklands in Napier, and Iona in Havelock North. Additional stormwater detention and storage facilities will also be required to enable residential development and mitigate natural hazard risks in the Waverly area of Napier as well as Kaiapo Road (Hastings) . In addition to these new stormwater facilities, upgrades to the existing network will also be required.

Electricity

A reliable and resilient electricity supply is critical for both existing and future residents and businesses, as well as enabling transition to a lower carbon economy. The Napier and Hastings electricity supply is provided by the National Grid (the high voltage transmission network operated by Transpower) and the local electricity distribution network is operated by Unison.

National grid

Transpower has not identified the need for any significant upgrades or projects to support additional demand in the distribution network based on current forecasts. However, the forecasts will be annually reviewed in conjunction with Unison.

Transpower has announced its intention to strengthen and raise the Redclyffe substation in its current location in response to the impacts of Cyclone Gabrielle. Transpower will continue to monitor the resilience of the National Grid generally in the context of climate change and natural hazard risks.

The ~~Draft~~-FDS recognises the role that the National Grid will play in transitioning to a low carbon economy. To support this, the National Grid will need to be protected from inappropriate subdivision, land use and development, which will continue to be implemented through rules in the District Plan.

Electricity distribution

The majority of sites identified in the ~~Draft~~-FDS fall within Unison's existing planned growth zones. Some localised upgrades to existing electricity infrastructure will be required and this will be determined based on the timing and extent of residential and industrial development.

Telecommunications

Telecommunications is critical infrastructure providing digital services that support and enable social interaction, entertainment, education, business activities and engagement with Government, medical and emergency services.

The increased height of residential developments and building is increasingly leading to the need to replace existing poles and add new sites. Consideration of the existing telecommunications facilities is important as growth and development occurs to avoid unnecessary relocation of existing infrastructure. Telecommunications networks can be most effectively developed to suit the needs of a growing population by early planning in association with developers and councils.

Social infrastructure

Capacity in primary, intermediate, and secondary school networks across existing urban areas in Napier, Flaxmere and northern neighbourhoods in Hastings is expected to be sufficient to accommodate the growth anticipated in the ~~Draft~~-FDS strategy. There are some potential capacity constraints for primary schools that would service central Hastings, while there are potential constraints to primary, intermediate and secondary schools serving Havelock North. The Ministry of Education will work with schools and communities as growth occurs to ensure the appropriate responses, including new property provision where necessary. Close monitoring on the rates and timing of household growth in these areas will be needed over the life of the FDS to determine if capacity expansions will be required for schools in these locations.

~~The forecast demographic changes and population growth of the Māori population means existing schools may not meet the demand for Māori medium and kaupapa Māori education in Napier and Hastings. While there is growth in the Māori population, the overall school aged population is declining. Mana whenua have expressed aspirations for more kohanga reo, kura kaupapa Māori and wharekura over the next 30 years. Further consideration is required to determine whether existing schools are sufficient to accommodate the future growth and demand for Māori medium and kaupapa Māori schools in Napier and Hastings. The Ministry of Education is working with whānau, hapū and iwi and is expanding capacity at existing Te Kura Kaupapa Māori to meet any demand.~~

Redevelopment or replacement of the Hawke's Bay Fallen Soldiers Memorial Hospital has been identified in Tranche 2 of Te Whatu Ora / Health NZ's Regional Hospital Redevelopment Programme in response to seismic and capacity issues. Te Whatu Ora / Health NZ is currently (as at July 2024) undertaking a business case assessment.

Public open spaces

Public open spaces are vital for the wellbeing of the community and offer opportunities to gain multiple environmental benefits and help mitigate the effects of climate change.

Both Napier and Hastings have identified existing shortfalls in the provision of public open spaces across the urban area. Potential acquisition of land for use as public open space will need to be considered within existing urban areas to support growth informed by Local Area Plans. The provision of new public open spaces, including playgrounds, in existing urban areas will also be considered as part of master planning/neighbourhood planning of any large-scale developments. Structure planning or master planning being undertaken to inform development in residential greenfield areas will need to include provision for new public open spaces; the size and function of which will be informed by the overall scale of development proposed.

Transport

The strategic transport network provides regionally significant connections for people and freight within and beyond the region via road, rail, air and sea.

Figure 21 shows the key upgrades and committed projects under the Napier and Hastings strategic transport network, which is made up of:

- four-laning the Hawke's Bay Expressway between Napier and Hastings;
- planned service improvements on bus routes as part of the Regional Public Transport Plan 2022-2032;
- key prioritised capital projects as identified in the Regional Land Transport Plan 2024-2034;
- general improvements and upgrades of the existing cycling and walking networks across Napier and Hastings; and
- improvements and upgrades to identified intersections and roads to improve capacity across the Napier and Hastings roading networks.

Four-laning of the Hawke's Bay Expressway will improve capacity along this strategic freight connection to the port and airport, and improve access between existing and proposed areas of residential growth and employment areas.

Proposed increases to bus frequencies on a number of routes will better support transport choice and mode shift in areas where intensification is being enabled. Several high frequency routes will support the larger residential greenfield growth areas, including at the south of Napier, Portsmouth Road (Flaxmere), Kaiapo Road and Lyndhurst Road (Hastings).

Solid waste

Napier City and Hastings District Councils manage solid waste through a Joint Waste Management and Minimisation Plan, which is currently being reviewed. Omarunui Landfill serves both councils, receiving waste from the three refuse transfer stations at Henderson's Road, Redclyffe and Blackbridge, as well as kerbside waste and commercial and industrial waste. The new plan, Te Rautaki Para Waste Strategy, is expected to place more emphasis on achieving a low emissions and low waste society, built upon a circular economy, by 2050. New development needs to provide for operational needs for waste collection, transportation and resource recovery infrastructure when sites are being developed.

Nationally and regionally significant infrastructure

It is important that future urban development is appropriately located so that the safe and efficient development, operation and maintenance of nationally and regionally significant infrastructure is not compromised now or in the future. Careful consideration also needs to be given to protecting communities' health and safety and amenity values when planning for urban activities in proximity to nationally and regionally significant infrastructure.



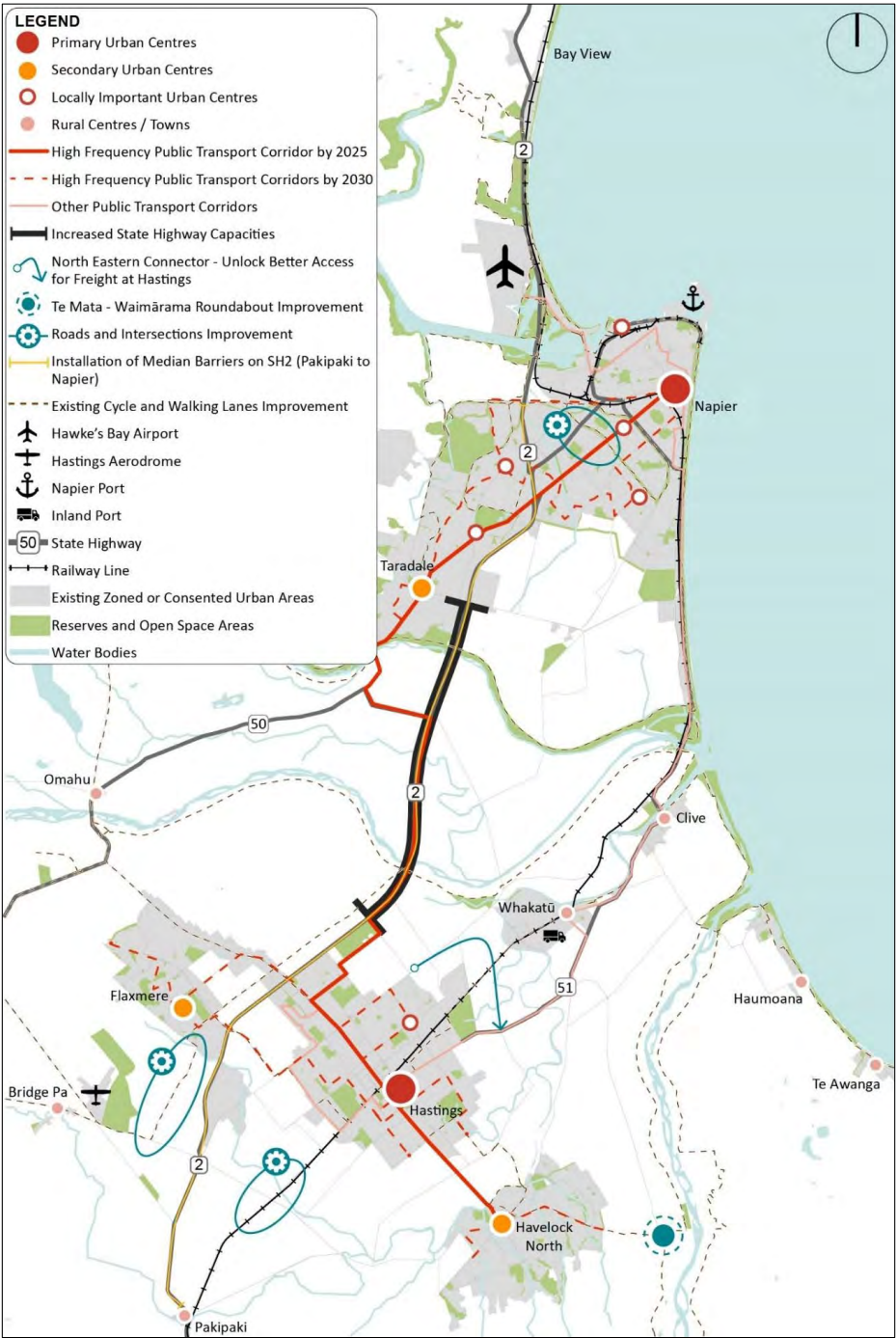
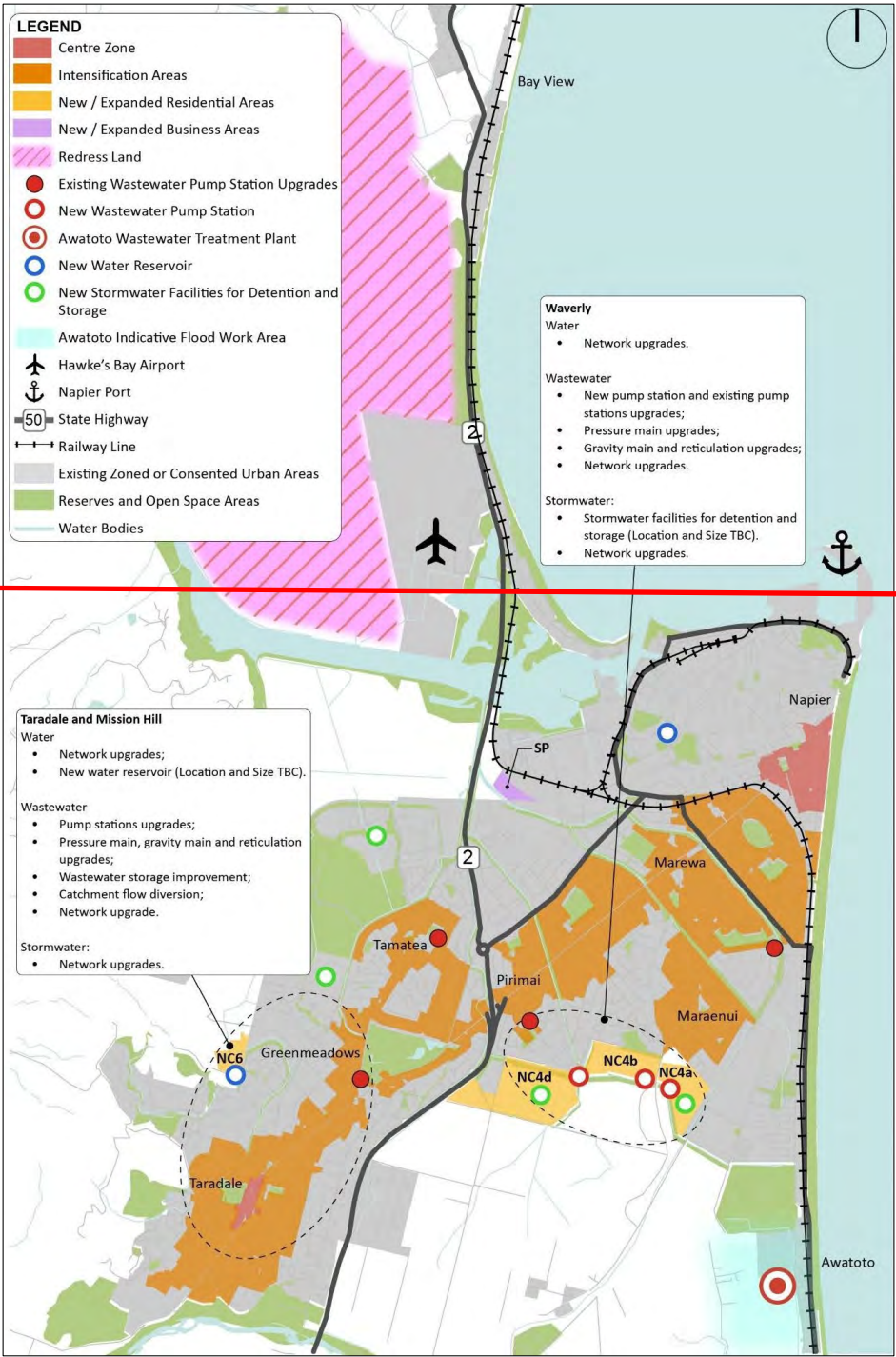


Figure 21 ~~Draft~~ Future Development Strategy – Transport Upgrades



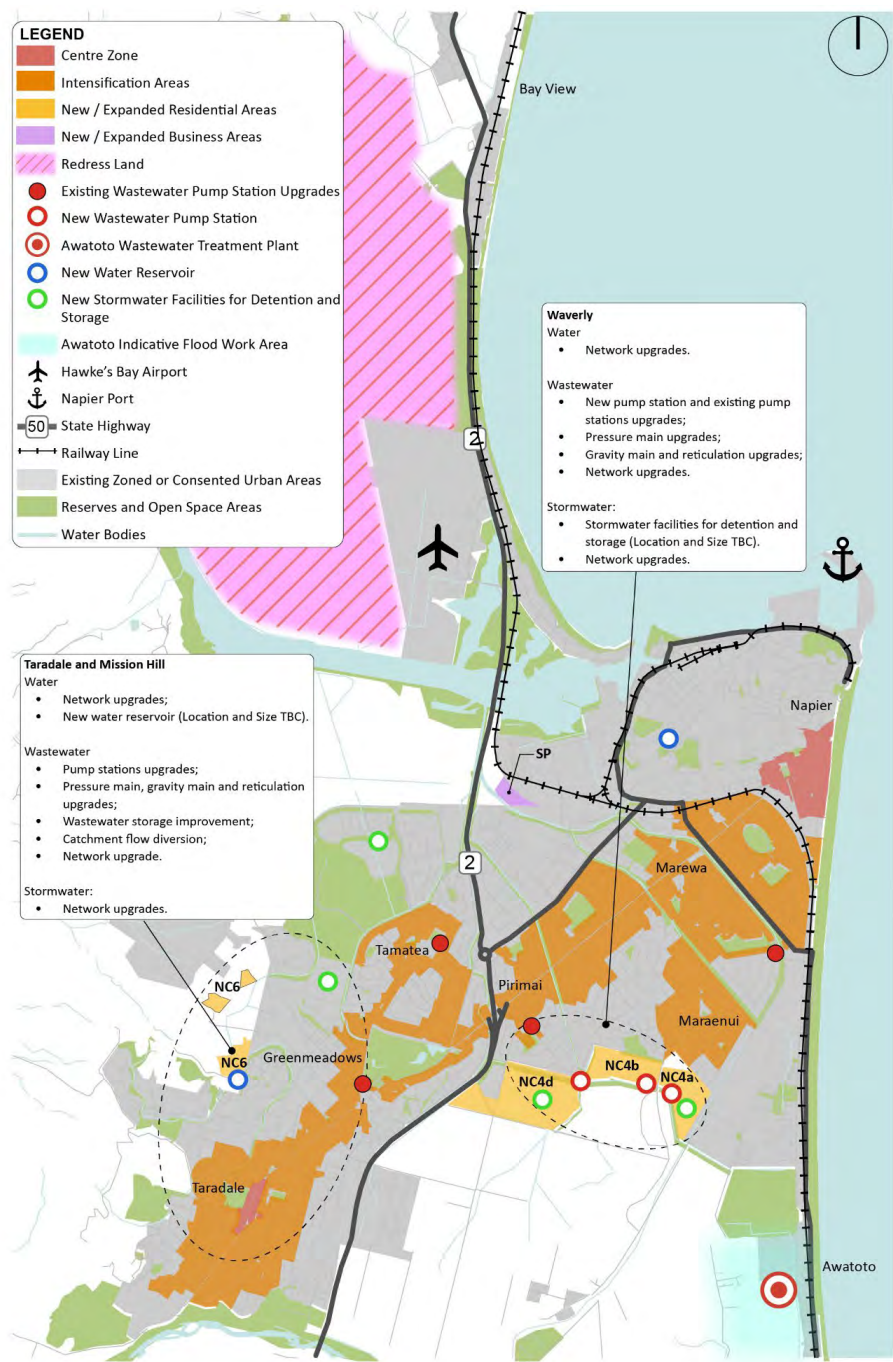
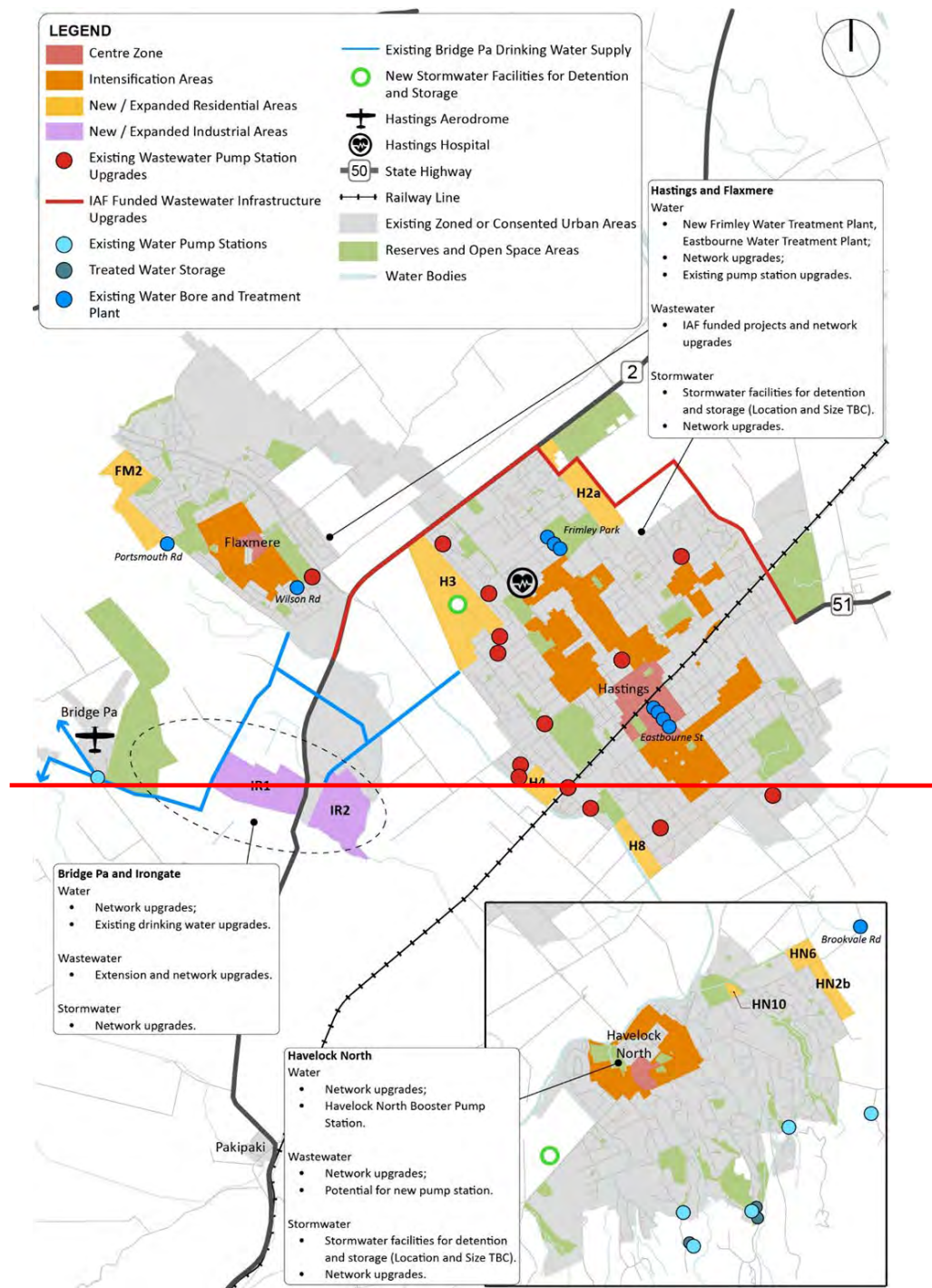


Figure 22 Draft Future Development Strategy – Napier 3 Waters Upgrades



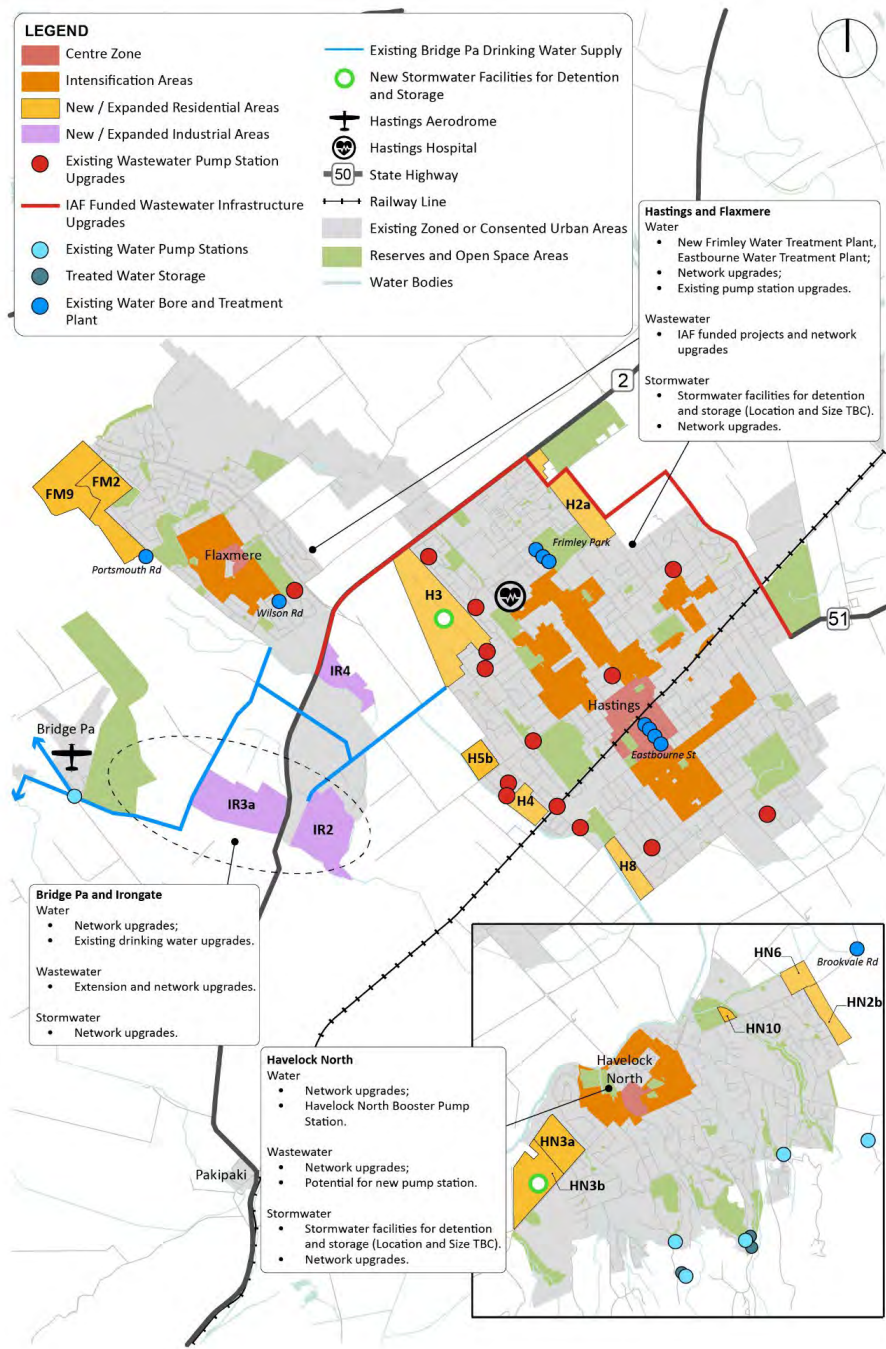


Figure 23 ~~Draft~~ Future Development Strategy – Hastings 3 Waters Upgrades

10.12 Staging/prioritisation

It is important to prioritise how and where Napier and Hastings grows over time to achieve a compact urban form. This will assist to focus councils' investment priorities and ensure the capacity provided meets housing needs and supports efforts to promote redevelopment within the existing urban area.

Figure 24 and **Table 4** below set out how the ~~Draft~~ FDS intends to stage development capacity to meet demand over the short, medium and long term across the FDS area. This is particularly important given the longer lead-in times and significant investment required to structure plan, rezone, plan and fund the infrastructure required to support new greenfield opportunities.

The ~~Draft~~ FDS staging is as follows.

- **Short-Long term:** Prioritise supporting redevelopment within the existing urban area from the short term onwards. These areas are currently being rezoned and the partner councils will need to support the level of development enabled with significant infrastructure planning and investment over time.
- **Short-medium term:** Prioritise supporting greenfield development within the existing urban area that is live zoned and progressing through the consenting and development process.
- **Medium-long term:** Identify greenfield areas at Kaiapo Road, Lyndhurst, Mission Estate and the Oderings site where some active planning work is currently being undertaken.
- **Long Term:** Identify other greenfield areas not currently zoned as long-term priorities. These areas may proceed earlier where infrastructure funding solutions are available, and the development would meet demand and support efforts to promote redevelopment in the existing urban area.

The ~~Draft~~ FDS provides sufficient capacity to meet the projected demand for new intensified housing types across Napier and Hastings. In the short-to-medium term there is more than sufficient capacity already zoned to meet demand. In the long term, there is ~~a slight shortfall in greenfield also sufficient~~ capacity ~~however there is sufficient capacity~~ enabled over the full 30-year horizon of the ~~Draft~~ FDS. The partner councils will also work with mana whenua to prioritise residential and papakāinga development as much as possible over the life of the ~~Draft~~ FDS.

Table 4 – Sufficiency of housing development capacity to meet demand

	Short Term	Medium Term	Long Term
Demand for redevelopment in the existing urban area	8,840		
Redevelopment Capacity	9,910 (+1,070)		
Greenfield Demand	3,770		3,710
Greenfield Capacity	4,310 4,605 (+540 +835)		3,880 4,720 (+170 +1,010)

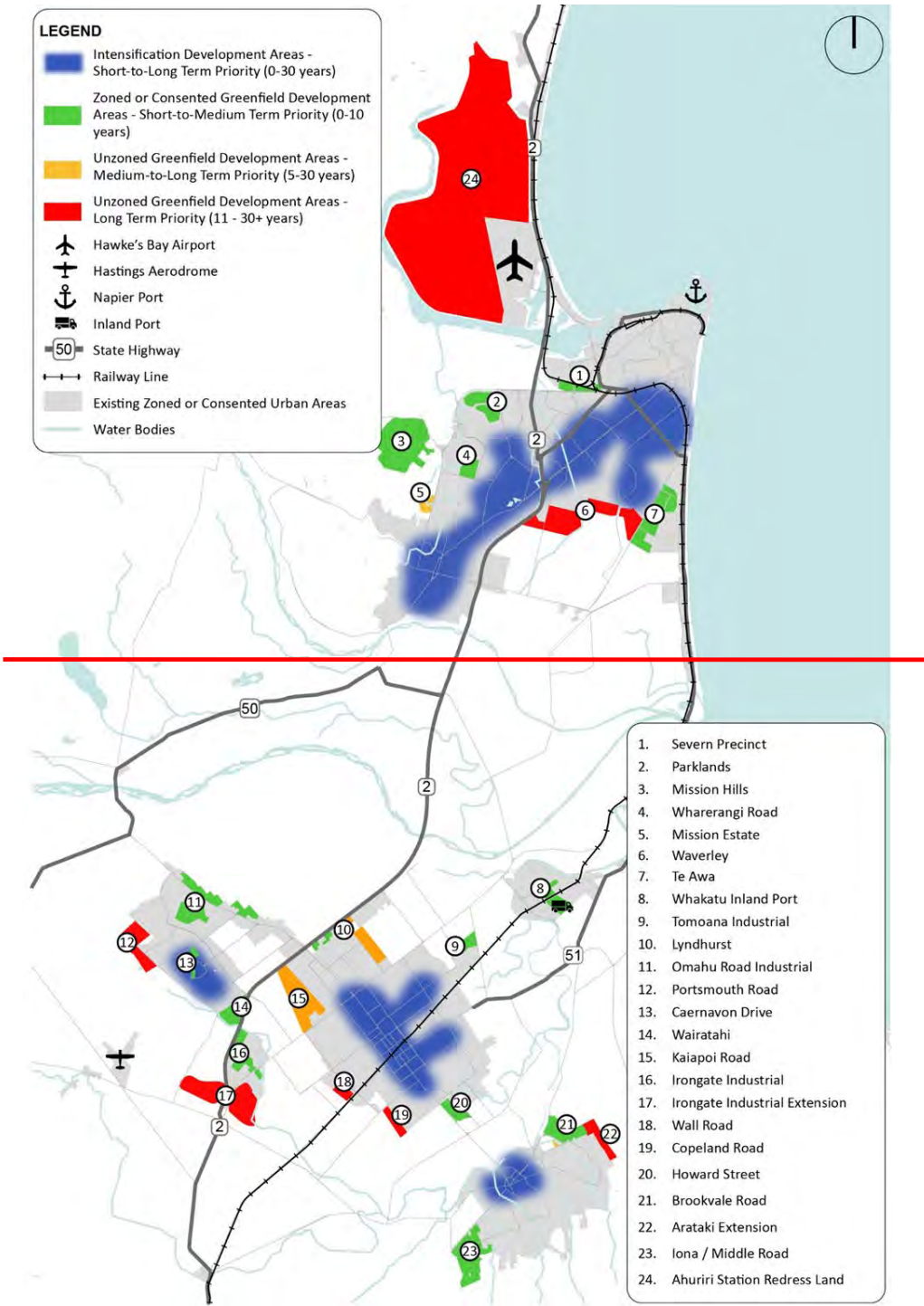
Future policy changes

In early July 2024 the Government announced its intention to amend the RMA and NPS-UD to require councils to live-zone 30 years of development capacity and plan for a 50-year period and a high growth scenario. The Government has also foreshadowed it will be making changes to how infrastructure is provided and incentives for councils and developers. These changes will not be introduced until 2025, consequently, the final form of those amendments is unknown and have therefore not informed the ~~Draft~~ FDS. Until there is greater clarity, the ~~Draft~~ FDS recommends that the partner councils be cautious about releasing too much greenfield land, which could undermine efforts to promote redevelopment in existing urban areas, increase pressure to zone scare highly productive land, and stretch financial resources.

Responsive planning

Both Napier and Hastings councils will need to be responsive to landowners wanting to bring forward areas for development through a plan change, should the development be required to meet changes in demand.

When reviewing any proposal to bring forward development, the scale of the opportunity and the ability of the proposal to deliver on the FDS vision and objectives will need to be considered. In addition, the impacts on the planned and funded programme for infrastructure delivery will need to be considered. Where significant changes from this would be required to enable development, developer-funded infrastructure and/or alternative funding arrangements (e.g. Crown infrastructure financing) will be needed before development can proceed. It will also be relevant to consider whether the proposal will support and reinforce the councils' efforts to promote redevelopment in the existing urban area.



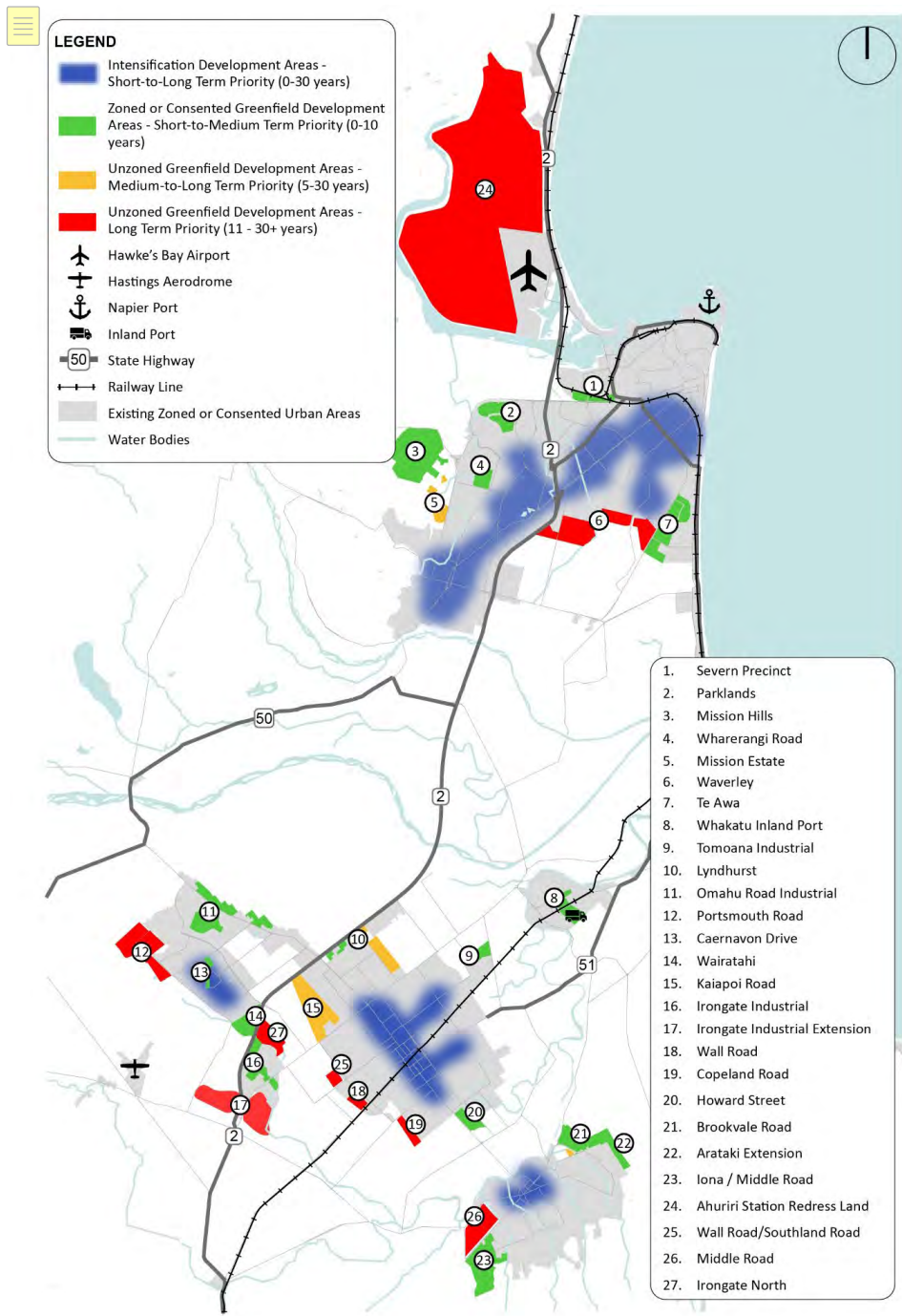


Figure 24 ~~Draft~~ Future Development Strategy Development Staging

Tables 5 and 6 provide a breakdown of development capacity over time for Napier and Hastings. Generally, sufficient development capacity has been provided across both Napier and Hastings to meet long-term housing demand. ~~In achieving this, the Draft FDS has taken an overs/unders approach to meeting the short, medium- and long-term requirements.~~

Table 5 – Sufficiency of housing development capacity in Napier to meet demand

	Short Term	Medium Term	Long Term
Intensification Development Demand	3,620		
Intensification Development Capacity	4,070 (+450)		
Greenfield Development Demand	1,610		1,470
Greenfield Development Capacity	2,185 (+575)		2,320 (+850)
Total Sufficiency of <u>Greenfield</u> Residential Development			+1,425

Table 6– Sufficiency of housing capacity in Hastings to meet minimum development targets

	Short Term	Medium Term	Long Term
Intensification Development Demand	5,220		
Intensification Development Capacity	5,840 (+620)		
Greenfield Development Demand	2,160		2,240
Greenfield Development Capacity	2,125 <u>2,420</u> (-35 +260)		4,560 <u>2,400</u> (-680 +160)
Total Sufficiency of <u>Greenfield</u> Residential Development			-715 <u>+420</u>

11. Implementation

The ~~Draft~~ FDS is a long-term strategic document with a 30-year view of growth and development, and it is acknowledged that it cannot be delivered all at once.

The FDS, once finalised, will be delivered jointly by Napier City Council, Hastings District Council and Hawke's Bay Regional Council, in partnership with iwi and hapū, and in collaboration with Government, non-government organisations, businesses and community groups.

11.1 Implementation plan

To achieve the FDS vision and strategic objectives, and deliver the growth and development set out the ~~Draft~~ FDS, a number of actions will need to be implemented throughout the life of the finalised document (and any subsequent updates). Many of these actions will be delivered through other statutory and non-statutory council processes, including reviews of the regional policy statement and district plans, structure planning, long-term planning and regional transport planning. The recommendations contained in the Hawke's Bay Independent Flood Review Panel's July 2024 Report will be considered in developing the implementation plan, as well as in future reviews of the FDS.

A supporting implementation plan will sit alongside the FDS as a roadmap for the actions required to implement the FDS, including those relating to strategic and statutory planning, advocacy and research, other initiatives and infrastructure investment. It also includes details of who is responsible for delivering each action, as well as supporting agencies and organisations. This plan will be a live document that will be reviewed and updated annually with those involved, as required by the NPS-UD. New actions can be added to the Implementation Plan should the need arise for this in the future.

Development of the implementation plan is a non-statutory process to ensure it will be flexible enough to respond to changing circumstances on the ground. It will involve engagement with a range of stakeholders and local communities will be kept up to date with progress. The actions will be informed by the strategic objectives that guide the FDS, which will provide a framework for prioritising actions over the short, medium and long term.

Joint working group

The FDS is a joint document between the partner councils, Maungaharuru-Tangitū Trust, Mana Ahuriri Trust and Tamatea Pōkai Whenua and implementing it will require a coordinated approach to decision-making.

The ~~Draft~~ FDS recommends retaining the FDS Joint Committee in some form to guide decision-making on the implementation plan to ensure actions are coordinated across the partner councils. This will be supported by a cross-council FDS implementation working group involving Maungaharuru-Tangitū Trust, Mana Ahuriri Trust and Tamatea Pōkai Whenua, key Government agencies and infrastructure providers.

Future planning processes

The FDS is a high-level strategic plan and we need to work through a number of steps before development happens in new greenfield areas.

Planning processes

1. Structure planning (an integrated land use and infrastructure plan)
2. District Plan Change for rezoning
3. Resource consents for development
4. Build

Infrastructure processes

1. Planning, design and funding supporting infrastructure
2. Designation and consents
3. Build

Undertaking structure planning and rezoning can be a council-led or a developer-led process progressed under the Resource Management Act 1991.

The process for supporting redevelopment in an existing urban area is slightly different as development is already enabled. The planning processes are therefore focussed on working with communities on **Local Area Plans** (or similar) to determine the future form and function of existing neighbourhoods, setting out how they will change over time and what amenities and infrastructure are needed to support growth. These plans, and other network planning will inform infrastructure planning processes, including development contributions or financial contributions and other funding allocation through the Long-Term Plans and Annual Plans.

The Government has signalled its intent to progress city and regional deals with councils. These are long-term agreements that set agreed regional outcomes and set out joint funding commitments. This provides an opportunity to help fund the significant infrastructure investment required to support growth in the long term. This opportunity will be explored through the Implementation Plan process.

11.2 Monitoring and review

The NPS-UD requires the FDS to be regularly reviewed and, if needed, updated every three years in time to inform the Long-term Plan processes of each partner council. At a minimum, there is a requirement to refresh and develop a new FDS every six years.

The next Housing and Business Capacity Assessment will be undertaken in 2026, which will involve an update of the outlook for residential and business demand and capacity. This will include an analysis of mana whenua housing needs. This will inform a review of the FDS in late-2027, early-2028.

12. Appendix to the Napier Hastings FDS 2025-2055

12.1 HPUDS strategic direction for Coastal and Rural Settlements

12.2 Preamble

The purpose of the FDS is to set out how the Councils will achieve well-functioning urban environments in its existing and future urban areas and show the broad locations within which development capacity will be provided in those areas to meet demand. To do this, the FDS has a strong focus on the urban areas of Napier and Hastings. Consequently, the FDS does not address rural residential growth in surrounding coastal and rural settlements.

Prior to the FDS, the Councils jointly prepared the Heretaunga Plains Urban Development Strategy (HPUDS) which was first adopted in 2010 and then reviewed in 2017. HPUDS included high level strategic direction for coastal and rural settlements and had a broader geographic Study Area than the FDS – stretching from Waipatiki in the north, Maraekakaho and Te Aute to the west/south-west and Waimarama to the east).

Because the FDS replaces HPUDS, the strategic direction for coastal and rural settlements from HPUDS 2017 is set out below as an Appendix to the FDS. Also included are the relevant maps from HPUDS 2017. This ensures that the strategic direction remains in place until such time as it is superseded by a Rural Residential Strategy or similar.

The strategic direction set out below is high level and was adopted in 2017. Our rural and coastal communities have changed and evolved since then, so too has our understanding of environmental factors and limitations. The strategic direction imported from HPUDS 2017 into this Appendix does not account for changes in policy direction or the environment that have occurred since 2017, for example, the effects of Cyclone Gabrielle on affected rural communities, infrastructure and the environment.

12.3 Coastal Settlements - Interim Strategic Direction

Waipatiki Beach

Waipatiki Beach is located approximately 45 minutes travelling distance north of Napier City and is a popular beach for day trippers and campers. The Hastings Coastal Strategy identifies it as a bach settlement and provides for modest growth in recognition of its high levels of natural amenity. This growth has largely been undertaken and no additional growth should be undertaken in the period 2015-2045 in recognition of its relatively remote location and to protect the scale and natural character of the settlement.

Tangoio Beach

Tangoio Beach previously housed a number of original baches located on the foreshore reserve. These were removed in the mid 2000s. The area is also in a flood hazard zone of the Te Ngarue Stream and in an area of high landscape and natural character values. An area

of land capable of containing 30-40 new baches was rezoned in 2008 as a result of a private plan change. District Plan rules relating to the new zoning require flood mitigation, an effluent treatment system and tight building and design controls to protect a coastal bach settlement character. Due to the aforementioned development constraints there is no additional growth outside of the newly rezoned land proposed over the HPUDS 2015-2045 timeframe.

Whirinaki Beach

Whirinaki Beach is located approximately 5 km north of Bay View. It is an established coastal settlement located between State Highway 2 and the coast and is adjacent to the Pan Pac Pulp Mill and Contact Energy's electricity generation site. There were limited water supply services, but those could be overcome by expansion of HDC's Esk/Whirinaki water supply scheme. While this allows Whirinaki to be removed from the 'inappropriate' list in HPUDS2017, there is insufficient basis or need at this time to include all or part of it as an appropriate residential greenfield growth area (or reserve area) as part of the HPUDS Settlement Pattern.

Haumoana

Haumoana is a popular coastal settlement located approximately 9km east of Hastings. The settlement is low lying and parts of it have been subject to flooding coastal inundation, and coastal erosion. Infrastructure limitations and topographical considerations generally make the settlement unsuitable for further growth. There is however a small area of land located off the southern side of East Road and contiguous to the existing Coastal Residential Zone and close to the Suburban Commercial Zone off Clifton Road, that is free of flooding and coastal hazard constraints and suitable for residential growth.

There is also an area of approximately 20ha on the corner of Raymond Road/Parkhill Road opposite the Haumoana School on 'Ruatanuiwha f' soils (also described as 'Waipukurau 30' soils), free of flooding and coastal hazard restraints that could be suitable for coastal growth choices. This would be subject to further assessment through the proposed Masterplan process to commence after the completion of the Clifton – Tangoio Coastal Hazards Strategy. This assessment would include matters such as:

- The productive versatility of this area and the Ruatanuiwha f soil type;
- Reverse sensitivity with nearby horticultural/viticultural and poultry farm activities; and
- Appropriateness in terms of contributing to the Haumoana / Te Awanga development options as part of the HPUDS preferred settlement pattern.

Te Awanga

Te Awanga is situated approximately 2 km to the south of Haumoana. For the most part it is not as low lying as Haumoana and as such is better suited as a growth option to provide for that segment of the market seeking a coastal location. There are however a number of issues that point to any growth being limited in this area. This includes land use compatibility with the area being a valued viticulture area. The landscape in this area also has special qualities. Any

future growth must be away from coast in recognition of climate change and the potential for coastal erosion.

Clifton

Clifton is the gateway to Cape Kidnappers and settlement is limited to the long established camp ground at the site. The area is severely affected by coastal erosion and no development should be permitted in recognition of the coastal hazard and natural character issues.

Ocean Beach

Ocean Beach is recognised by the wider community as a natural coastal environment of significance. Previous development proposals at Ocean Beach were met with considerable resistance from the community as result of the effect on the landscape quality of the area. There are also considerable infrastructure issues for any development at this location. Notwithstanding the Resource Management Act merits or otherwise of urban development at Ocean Beach, the Hastings District Council's preference is that there be no subdivision and development for residential or other significant development activities on the Haupouri Flats, including around and north of the Haupouri Woolshed area. Accordingly, it is not proposed to encourage or facilitate further housing development at Ocean Beach beyond the existing Waipuka settlement and consideration should be given to appropriate mechanisms for retaining this value for future generations. Accordingly, no allocation of projected demand has been made for Ocean Beach.

Waimarama

The Hastings Coastal Environment Strategy recommended that provision be made for future growth at Waimarama. The natural coastal character of Waimarama has already been impacted on by the existing level of development.

It is recommended that in order to provide for a range of living environments, low level growth be provided for at Waimarama. This is contingent on planning for infrastructure as the water supply is already fully committed and the surface waters in the area are sensitive to any development. The settlement may also provide an opportunity for further holiday home development once servicing constraints are overcome and depending upon demand this should be considered in the planning for Waimarama.

12.4 Rural Settlements - Interim Strategic Direction

Bay View

Bay View is located approximately 10km north of Napier City and has been a popular alternative to suburban living. Bay View is characterised by large sites and this is due to the area not previously being serviced. Since becoming part of Napier City in 1989 a water supply has been provided but this has placed additional strain on the onsite wastewater systems upon which the community relies. There is a proposal for a serviced wastewater system with cost implications for residents. In order to provide residential choice growth of the area is

recommended at a low level to recognise the infrastructure limitations which include development adjacent to the State Highway. This growth must be sequenced to occur when the servicing issues are resolved.

Puketapu

Puketapu was identified in the Hastings Low Density Strategy as a potential growth option. While the area is located in relatively close proximity to both Napier and Hastings there are parts of the settlement that are susceptible to flooding and servicing in the long term would be problematic. It is recommended that no further growth be provided for due to the natural character of the area and servicing issues.

Clive

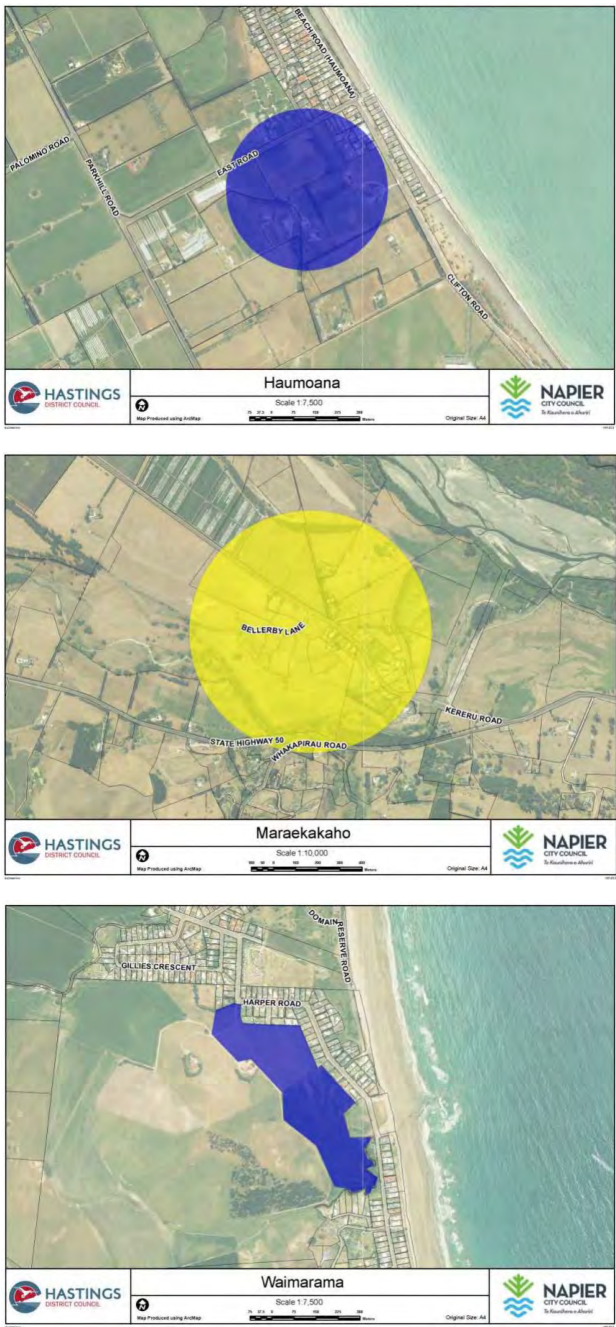
The Clive Development Strategy which was undertaken in 2002 looked at the servicing aspects of future growth to ascertain the potential for future development. Stormwater is the major issue for Clive and a number of sites were identified for future growth that were outside the potential flood hazard areas. Since that time these sites have largely been developed. There has been no stormwater upgrading and therefore it is recommended that no growth be provided for in Clive due to stormwater servicing issues, apart from some smaller parcels in Clive South where stormwater effects can be managed on site.

Maraekakaho Settlement
In considering the future of the Maraekakaho settlement consideration was given to a number of factors. It has an existing level of settlement and established social infrastructure including a school. The area is popular in the market but this must be balanced against the energy efficiency principles with the settlement located some distance from the main employment opportunities in Hastings. Previous flood hazards have been mitigated. However constraints around access to water are recognised and will need to be resolved. Maori have reservations about development west of Bridge Pa due to potential effects on the aquifer.

Overall it is recommended that low level growth be provided at Maraekakaho to ensure that there is rural settlement choice for Hastings.

Location Maps – Indicative Only







Recommendations of the Independent Hearings Panel to the Future Development Joint Committee on the Napier-Hastings Future Development Strategy

9 May 2025

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Glossary

The following table sets out some of the acronyms and abbreviations frequently used in this report.

Acronym / abbreviation	Meaning
FDS	Future Development Strategy
FDS Advisors	The Technical Advisory Group comprised of professional experts and advisors from Napier City Council, Hastings District Council and Hawke's Bay Regional Council as well as technical advisors from Tamatea Pōkai Whenua, Mana Ahuriri Trust and Maungaharuru-Tangitū Trust
HBAL	Hawke's Bay Airport Ltd
HBRC	Hawke's Bay Regional Council
HDC	Hastings District Council
HDP	Hastings District Plan
Hearing Report	Napier Hastings FDS Report for Hearings Panel on submissions to the Draft FDS dated 14 March 2025
HPL	Highly Productive Land
HPUDS	Heretaunga Plains Urban Development Strategy 2017
IHP / the Panel	Independent Hearings Panel
Joint Committee	The Napier-Hastings Future Development Strategy Joint Committee, being a partnership of Hastings District, Napier City and Hawke's Bay Regional Councils and Maungaharuru Tangitū Trust, Mana Ahuriri Trust and Tamatea Pōkai Whenua.
LGA	Local Government Act
LTP	Long Term Plan
LUC	Land Use Capability, derived from the NZLRI
MAT	Mana Ahuriri Trust
MCA	Multi-Criteria Analysis
MTT	Maungaharuru Tangitū Trust
NCC	Napier City Council
NDP	Napier City District Plan
NES	National Environmental Standards
NHC	Natural Hazards Commission
NKII	Ngati Kahungunu Iwi Incorporated
NPS	National Policy Statement
NPS-HPL	National Policy Statement for Highly Productive Land 2022
NPS-UD	National Policy Statement on Urban Development 2020
NZLRI	New Zealand Land Resource Inventory
Reply Report	Napier Hastings FDS Report for Hearings Panel on submissions to the Draft FDS Officer Reply dated 4 April 2025
RMA / the Act	Resource Management Act 1991
RPS	Hawke's Bay Regional Policy Statement
TPW	Tamatea Pōkai Whenua

The Councils	Hastings District Council, Napier City Council and Hawke's Bay Regional Council
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1. Executive Summary

1. Having considered the submissions received, the Independent Hearings Panel (IHP or Hearings Panel) has recommended several changes to the draft FDS. Most of those changes were recommended to us by the professional experts and advisors representing Napier City Council, Hastings District Council and the Hawke's Bay Regional Council and Tamatea Pōkai Whenua (TPW), Mana Ahuriri Trust (MAT) and Maungaharuru-Tangitū Trust (MTT) (FDS Advisors).
2. Our more substantive recommended changes to the draft FDS include:
 - (a) A new section 4.3 on cross-boundary relationships
 - (b) References to the Hawke's Bay Independent Flood Review Report recommendations in respect to natural hazard data collection and Regional Policy Statement and district plan reviews
 - (c) Amendments to section 6 to address redress land and papakāinga
 - (d) Amendment to the strategic objectives in section 7 to amend objective 10 and include a new objective relating to nationally and regionally significant infrastructure
 - (e) Reference to latent demand and that there may be a shortfall in wet industry in the long term in section 8
 - (f) Amend the constraints identified in Figure 13 to include areas for the safe operation and functional needs of nationally and regionally significant infrastructure
 - (g) Amend section 10 to address that growth area boundaries shown in the FDS are indicative only and why small sites have not been included
 - (h) Amend table 2 in section 10 to include the additional capacity identified for the Hastings District
 - (i) Inclusion of Middle Road (HN3a and HN3b), Wall Road (HN3b) and FM9 Portsmouth Road, Flaxmere as new Residential Greenfield Development Areas in Table 3, and include the additional land at the Mission Estate
 - (j) Include Irongate North as a new industrial area in section 10
 - (k) Include reference in section 10 about a potential shortfall in development capacity for wet industry and the approach to be taken if this eventuates
 - (l) Amend 10.6 to reference a carry-over of the strategic direction for coastal and rural settlements from HPUDS in an appendix, including maps, until such time as a Rural Residential Strategy is promulgated
 - (m) New paragraph in section 10.11 to reference the importance of the operational and functional needs of nationally and regionally significant infrastructure,
 - (n) Amend section 10.11 to say that stormwater solutions may occur out of identified growth areas and reference specific Māori education demands
 - (o) Include new sections in 10.11 on solid waste and nationally and regionally significant infrastructure
 - (p) Amend table 6 to reference additional greenfield capacity and remove reference to an "overs/unders" approach.

3. Other than for the matters listed above, we do not recommend any substantial changes to any 'spatial' components of the FDS are recommended.
4. Our recommendations are to be considered by the Napier-Hastings Future Development Strategy Joint Committee, with final decisions made by the Councils.

2. Introduction

Draft Future Development Strategy 2025-2055

5. Hastings District Council, Napier City Council, Hawke's Bay Regional Council (the Councils) and iwi Post-Settlement Groups (Maungaharuru Tangitū Trust, Mana Ahuriri Trust and Tamatea Pōkai Whenua) (the Joint Committee) jointly developed the draft Napier-Hastings Future Development Strategy (FDS).
6. The Councils' website sets out the following in respect to the purpose of the FDS:

The FDS will guide the location of urban, industrial and commercial development in the two districts over the next 30 years. It is a requirement of the Government's National Policy Statement – Urban Development. The FDS replaces the Hastings and Napier's long-standing Heretaunga Urban Development Strategy prepared by the councils in 2010 and updated in 2017.

The FDS will ensure development areas are available to meet projected residential and business needs, while protecting the region's highly productive soils, freshwater and natural environments, and sites and areas of significance to Māori. It also addresses the challenges natural hazards, including the affects posed by climate change, will have on development. The development constraints include flood risk information gathered post-Cyclone Gabrielle (2023). It will allow us to plan and deliver the necessary infrastructure to support growth.

Land identified for development in the FDS will still need to go through Resource Management Approval and Building Consent processes, which will address issues specific to a site and any mitigations proposed.

It is also of note that all areas included in the plan are private property, so decisions on whether or not to develop those areas will be made by the owners of the properties. The councils will consider the public infrastructure required to enable these developments during their Long-term Plan and Annual Plan deliberations¹.

7. In summary, a FDS is a high-level strategic guidance document that broadly shows how the Councils intend to achieve a "well-functioning urban environment", as required by the National Policy Statement on Urban Development 2020 (NPS-UD), and confirms that

¹ <https://www.hastingsdc.govt.nz/hastingsnapierfuturedevelopment/>

they have identified the general location and opportunities for how sufficient development capacity to meet future growth needs over the next 30 years will be provided. The FDS will inform the Council's planning and infrastructure investment decisions and be implemented through an Implementation Plan (which does not form part of our recommendations) and other relevant plans and strategies. These include the Hawke's Bay Regional Policy Statement, the Napier City District Plan, the Hastings District Plan, and the Councils' Long Term Plans (LTPs) and Annual Plans.

8. We also record our acknowledgement that section 3.16(1) of the NPS-UD requires every tier 1 and tier 2 local authority to "regularly review its FDS to determine whether it needs updating, and the review must be done in time to inform the next long-term plan (i.e. every 3 years)". This presents an opportunity on a regular basis to review, adjust and incorporate additional land areas or amend the approach to intensification as may be required and appropriate. Aside from the separate RMA opportunities that exists immediately through plan change and resource consent processes, this also means that this current FDS process does not foreclose options for requested areas to be included in the future.

Independent Hearing Panel

9. The Councils jointly appointed an Independent Hearing Panel (IHP / Hearing Panel) to hear and make recommendations on submissions made on the draft FDS. The IHP comprised:
 - Gina Sweetman (chair)
 - Julianne Chetham
 - Michael Parsonson
 - Shad Rolleston
 - Steven Wilson
10. We held a hearing on submissions to the draft FDS where the submitters wished to be heard from 24 to 26 March 2025. Initial deliberations were held on 27 March, with final deliberations occurring on 11 April 2025.

Officers' Reports

11. The IHP received two jointly authored reports prepared by the FDS Advisors. These reports were:
 - Napier Hastings FDS Report for Hearings Panel on submissions to the Draft FDS dated 14 March 2025 (Hearing Report)
 - Napier Hastings FDS Report for Hearings Panel on submissions to the Draft FDS Officer Reply dated 4 April 2025 (Reply Report)
12. We refer collectively to these reports as "FDS Advisors' Reports". Both reports were made available to the public on the FDS website.

Consideration of Submissions

13. The draft FDS was publicly notified on 23 November 2024, with the submission period ending on 23 December 2024, and it followed the Special Consultative Procedure in accordance with section 83 of the Local Government Act and the requirements of the NPS-UD 2020. In total 139 submissions were received. These consisted of Draft FDS Survey submissions² and other forms of submissions³. Eighty-six submissions were spoken to at the hearing as listed in Appendix Three. We record that we considered all submissions in making our recommendations to the Joint Committee.
14. To ensure that submitters had the opportunity to respond to the Hearing Report in a meaningful way before and at the hearing, we issued our Direction 1 on 4 March 2025. This set out our request for submitters to provide any further information, evidence or legal representations to support their submissions in advance of the hearing and in response to the Hearing Report. We thank those submitters who took up this opportunity, as it assisted all participants to the hearings to better understand the relief sought through submissions, most importantly ourselves in making our recommendations. This first Direction also set out our request for the FDS Advisors to provide a Reply Report after the conclusion of the hearing. Our Direction 2 on 6 March 2025 clarified some points from our first Direction in response to submitter feedback and our final Direction 3 on 28 March 2025 set out specific questions to be addressed in the Reply Report.
15. The two FDS Advisors' Reports assessed the submissions and recommended amendments to the draft FDS's narrative, maps, tables and figures, as well as all the additional information, evidence and legal representations provided through the hearing process. We have considered the FDS Advisors' recommendations alongside the submissions and all evidence and information that was presented to us before and at the hearing.

Approach to our recommendation report

16. We found that the FDS Advisors' Reports provide a comprehensive summary of submissions made on the draft FDS and the issues they raised in respect of the FDS narrative, maps, tables and figures. We have generally structured our report using that same format, however, there are some FDS-wide issues we have addressed first to avoid unnecessary repetition.
17. Also to avoid unnecessary repetition or duplication, we have adopted the approach of focusing our written analysis on those aspects of the FDS Advisors' Reports where:
 - (a) we disagreed with the reasoning and/or recommendations in the FDS Advisors' Reports

² 55 (39.6%)

³ 84 (60.4%)

- (b) material provided to us by submitters, either in the form of evidence or representations, called into question the reasoning/recommendations in the FDS Advisors' Reports
 - (c) there are additional matters that we wish to address in respect to FDS Advisors' recommendations on particular submissions or issues; and/or
 - (d) the FDS Advisors, having considered the evidence or representations of submitters, and following questioning from the IHP, altered their initial recommendations to us, as set out in the Reply Report.
18. If we do not refer to an individual submission or group of submissions on a particular matter addressed in submissions and during the hearing, or discuss the reasons for our recommendations in relation to it, that is because, having reviewed the submissions alongside the written and oral evidence and representations from submitters, and the commentary, recommendations and reasoning in the two FDS Advisors' Reports, we have accepted (and accordingly adopted) the FDS Advisors' final recommendations to us. This means that our recommendation report must be read in conjunction with both FDS Advisors' Reports, with our recommendations taking precedence over the FDS Advisors' recommendations where they differ.
19. Our recommendation report, accordingly, generally takes the form of an 'exceptions' report.

3. Recommended amendments with overarching consequence

Overview

20. There are several matters raised in submissions and addressed through the FDS Advisors' Reports which have overarching consequences for our subsequent recommendations on particular chapters of the FDS and / or are best addressed comprehensively. These matters are:
- (a) Urban Housing Demand, Capacity and Choice
 - (b) Staging of development
 - (c) Development constraints – highly productive land and natural hazards
 - (d) Riverbend - NC4b
 - (e) Ahuriri Station - AS1 and AS2
 - (f) Approach to smaller sites
 - (g) Wet industry
 - (h) Regionally and nationally significant infrastructure
 - (i) Coastal and rural settlements and rural lifestyle development.
21. We address these matters first and then move to consider more specific requests under the next section of this report.

Urban Housing Demand, Capacity and Choice

22. As outlined in the FDS Advisors' Hearing Report⁴, many of the submissions raised higher level issues regarding housing demand, development capacity and housing choice. Concerns raised from there being an over-supply, assumptions of uptake of intensification and greenfield development being wrong, latent demand and the needs of the retirement sector not having been considered, and that the NPS-UD does not allow for a shortfall in greenfield development capacity to be made-up by an over-supply in Napier. We carefully considered the FDS Advisors' evidence alongside that produced through submissions and in evidence before and during the hearing.
23. Overall, we find that the FDS Advisors' evidence-based approach to evaluating demand and consequential land allocation aligns with the objectives of the FDS and is consistent with national direction under the NPS-UD and National Policy Statement on Highly Productive Land (NPS-HPL).
24. We accept the FDS Advisors' assessment that with the inclusion of Middle Road (HN3a and 3b) and Wall Road (H5b), along with FM9, the FDS now identifies sufficient residential capacity for both Napier and Hastings to meet medium- to long-term demand and the requirements of the NPS-UD.
25. In respect of the retirement village sector and projected growth demands, we agree with FDS Advisors that it is not the place of an FDS to ringfence greenfield land specifically for retirement village development. This is the same with wet industry, which we address later in this report. We also agree with FDS Advisors that there are a range of considerations and constraints at play, which we also discuss in this report, which mean that this sector may need to consider different development models to a greenfield approach.
26. In respect of latent demand, we carefully considered the FDS Advisors' evidence and that provided by submitters. We are satisfied that the FDS Advisors' recommended approach as set out in section 4.4 of their Hearing Report to take into account latent demand in the overall demand projections set out in the FDS and provide greater greenfield capacity and flexibility, satisfactorily addresses the submitters' concerns.
27. We find that the FDS, through a combination of intensification and greenfield expansion, identifies sufficient land to meet expected population growth and urban development needs for residential and business, along with latent demand, without extending into additional unplanned or less serviceable areas. We also reiterate that this FDS is not the final document guiding growth over the next 30 years. It is required to be reviewed on a regular basis and amended where necessary.

⁴ Section 4.1 of the Napier Hastings FDS Report for Hearings Panel on submissions to the Draft FDS

Reprioritising the timing of development

28. There were a number of submissions where submitters whose land was recommended for inclusion within the FDS sought that their sites be “brought forward” for an earlier timing of development, for instance from long-term, to short or medium-term.
29. We carefully considered the submissions that sought these changes and the FDS Advisors’ responses in their Hearing Report and Reply Report. We record here that we agree with the FDS Advisors’ analysis that while there is no specific requirement under the NPS-UD to include staging and prioritisation within an FDS, being able to provide an indication of what is required over the short, medium and long term is good planning practice and provides an indication of development priorities over the 30-year period. The FDS Advisors’ Reply Report frames the NPS-UD’s meaning of ‘plan-enabled’ and ‘infrastructure ready’ development capacity and NPS-UD Clause 3.4 as helpful criteria guiding how sites should be considered in this regard.
30. FDS Advisors accepted that an indication of development timing within the FDS to ensure consistency for developers and landowners alike is helpful, but where individual submitters sought recognition of short-term timing then relative certainty that the project would be committed to within the short term is important. As the FDS Advisors highlighted, potential impacts of bringing development timings forward resulting in expectations that the Councils will change their respective LTPs and Infrastructure Strategies to align with the altered staging would have a flow on effect on development contributions and funding mechanisms. The FDS Advisors further cautioned that if the land is delivered to market as indicated, then while the generous supply could offset development contributions’ increases, the higher uptake stimulated may be at the expense of intensification. This could increase pressure for release of even more greenfield land in the longer term, thus undermining efforts to protect HPL and increase intensification.
31. In light of this analysis and additional evidence put forward at the hearing, FDS Advisors reconsidered submissions seeking amendments to indicated staging in the FDS. They recommended that the Arataki Extension land (HN2b) should be reconsidered as short-medium term supply. This was due to the Fast Track Approvals Act consenting requirements and pre-application discussions held with HDC signalling a reasonable likelihood that this development is achievable within the short-medium term period. Additionally, the FDS Advisors considered that the infrastructure upgrade requirements for this site are relatively minor, lessening the risks on HDC of bringing it forward. For similar reasons, FDS Advisors recommend bringing forward the timing of the Brookvale Extension (HN6) land to short-medium term. This land does not have the certainty and timeframe parameters as the Arataki Extension land but is reasonably far advanced in the private plan change process under the RMA. While granting of a plan change request is not absolute, they accepted that following approval the development would likely occur relatively quickly.
32. In terms of all other sites requested to be reprioritised, the FDS Advisors did not recommend amending staging of these as evidence was not sufficient to give reasonable

certainty as to when the development may occur, or when the location might be 'infrastructure ready.'

33. Finally, the FDS Advisors' Reply Report notes that the inclusion of both Arataki and Brookvale Extension as short-medium term priority will resolve the short-medium term deficit in the Hastings area, changing capacity from -35, to a surplus of +260 (being 170 dwellings for Arataki and 125 for Brookvale). We concur with the FDS Advisors that this level of sufficiency is adequate and will not negatively impact the intensification objectives of the FDS.
34. In accordance with these findings, we agree with the analysis provided and support the recommended amendments to the Strategy Prioritisation Map at Figure 24 of the FDS.

Development Constraints – highly productive land and natural hazards

Introduction

35. Development constraints are addressed in Section 5.0 of the FDS Advisors' Hearing Report, through various submissions, and in the FDS Advisors' Reply Report. The focus of the submissions were on:
 - (a) Highly productive land (HPL)⁵ – to what extent urban growth should avoid encroachment into Class 1, 2 and 3 land⁶ and balancing the outcomes sought by the NPS-UD and NPS-HPL
 - (b) Natural hazards – to what extent urban growth would mitigate or avoid natural hazards, in this case being focussed on flooding, liquefaction and tsunami risk. Land instability was not directly addressed by the FDS Advisors or submitters.
36. Potential HPL and flooding effects are relevant to both the Napier and Hastings urban areas, but in a general sense, the HPL issue is primarily focussed on the Hastings District portion of the FDS area, while flooding, liquefaction and tsunami risk is more focussed on the Napier City portion. Accordingly, while not reading down the relevance of all these issues to both districts, we take this focus in our following discussion.
37. Overall, we adopt the recommendations of the FDS Advisors' Hearing and Reply Reports. We consider that to have appropriately balanced the competing issues and opportunities.

Highly Productive Land

38. It is obvious that the pattern of urban development of the Hastings urban areas has been a patchwork extensions from the central hub of Hastings, and the settlements of Flaxmere and Havelock North.⁷

⁵ As defined in Section 3.4 of the National Policy Statement for Highly Productive Land, comprising Class 1, 2 and 3 land under the New Zealand Land Use Inventory 1:50,000 map series.

⁶ Ibid

⁷ This pattern is also evident in the urban growth between Napier and Taradale.

39. Significantly, those extensions have occurred across HPL and now result in quite significant areas of Class 1 and 2 land and associated primary production being situated between, and bounding directly with, residential, commercial and industrial urban areas. This fundamental characteristic of the Hastings district, and the significance of horticultural production to the district (fruit, vegetables and grapes), has been emphasised by many submitters, both for and against urban expansion onto that land.
40. The presence of HPL presents a tension between typical urban design efficiency and ongoing access to that productive land capacity. This is expressed through various submissions including the submissions from:
- the Heretaunga Connection Project that identified the approximately 470ha area of predominately Class 1 and 2 land between Hastings, Flaxmere and the Omaha Road industrial strip for long-term, master-planned urban expansion.
 - Mr Apple, who sought inclusion of its approximately 34ha Class 1 land holding at 334 State Highway 51, primarily but not exclusively for future wet industry use.
 - Save the Plains, Horticulture New Zealand, Hawke's Bay Vegetable Growers, Hawke's Bay Fruit Growers and others who promoted avoidance of HPL and a refocus of urban expansion onto lower class soils, including hill slopes and rural and coastal settlements.
 - Horticulture New Zealand, Hawke's Bay Vegetable Growers and Hawke's Bay Fruit Growers who considered the current absence of highly productive use of some land was a result of current restrictions that could be resolved through improved water availability and land parcel amalgamation. Hawke's Bay Wine Growers also identified the Gimblett Gravels as Class 7 land that has a high primary production value.
41. We find that the current patchwork pattern of development is not fundamentally inconsistent with the various policies of the NPS-UD, in that the provision of urban land uses can accommodate this District's distinct characteristics and resources. We do not accept that best urban outcomes for this district necessitates a complete 'closing the gaps' approach to urban form.
42. Distinct from the above issues, various submitters sought recognition of constraints at an individual property scale, as justification for inclusion of their properties within the area identified for future urban expansion. These issues included fragmentation of land parcels, isolation from other HPL land, reverse sensitivity caused by residential boundaries, other comprising characteristics of sites such as existing or proposed development and infrastructure, and inaccuracy of the New Zealand Land Resource Inventory (NZLRI) mapping system at a site-specific scale.
43. In relation to the accuracy of land use capability mapping, the report by Hanmore Land Management provided with the submission by Vermont Street Partners in particular, describes the scale and originally intended purpose of the NZLRI regional mapping system. This is not debated. However, until updated regional mapping is incorporated by way of a notified change to the Regional Policy Statement, the NPS-HPL requires us to adopt the NZLRI mapping for planning purposes. We were⁴ advised that the regional

mapping process is underway, but a change to the RPS has not yet been publicly notified under the RMA.

44. Various submitters described how the land area of their properties was no longer of an economical scale due to fragmentation and separate ownership of adjacent small land holdings. In general, we have not accepted that proposition, noting the options raised by Horticulture New Zealand for amalgamation and economic productive use of adjacent land parcels through purchase or lease by larger operators. The exception is Wall Road (H5b) and Middle Road (H3a and 3b), where we agree with the FDS Advisors' recommendation and reasons that they should be identified as Development Areas.
45. Gareth Holder on behalf of Hawke's Bay Vegetable Growers and others submitted in favour of protection of HPL across both districts. Through the Hawke's Bay Vegetable Growers submission, Mr Holder made particular reference to Class 3 land that he leases at Pirimai South (NC4d) in Napier, which is proposed for inclusion in the FDS for residential development. We acknowledge Mr Holder's stated investment in the productive capacity of that property. However, we accept the FDS Advisors' recommendation for its inclusion along with Riverbend (NC4b) and The Loop (NC4a), for the reasons discussed elsewhere in this report.
46. We consider that FDS Advisors have demonstrated that the recommended areas for inclusion have been selected to avoid or minimise the use of HPL wherever possible. In cases where some sites intersect with LUC 1 or 2 land, a robust justification has been provided that clearly outlines the functional or locational need for development, the absence of feasible alternatives, and the consistency of the proposed land use with broader urban planning strategies. In all such cases, the land is contiguous with existing urban form, does not lead to leapfrog development, and does not undermine the integrity of surrounding productive land holdings. The Panel is satisfied that these instances align with the limited exceptions stipulated under the NPS-HPL and that the required evidential threshold has been met for purposes of preparing a FDS under the NPS-UD.
47. Overall, we find that our adoption of the FDS Advisors' recommendations strikes an appropriate balance between retention of the long-term productive capacity of the land and particular constraints and limitations of the incorporated sites. We find that inclusion of a greater extent of HPL is not justified on the basis of necessary development capacity⁸. Doing so at an FDS level is not sufficiently justified under the NPS-UD and would be inconsistent with the NPS-HPL. This does not preclude the more granular consideration of rezoning of additional areas under future individual RMA plan changes and/or resource consent decision-making.

Natural Hazards

48. Overall, we adopt the FDS Advisors' recommendations with respect to inclusion and exclusion of properties that are subject to identified significant natural hazard risk, which we address in more detail through the body of this report. We acknowledge that

⁸ As discussed earlier in this report.

some sites nominated for inclusion in the FDS have other factors that must be given significant weight in their consideration. Below we make specific recognition of those sites which drew the greatest focus through submissions.

49. We take account of the Hawke's Bay Independent Flood Review Panel (HBIFRP) July 2024 report and its recommendations, as discussed in section 3.2.1 of the FDS Advisors' Hearing Report. In particular, we note its recommendation to update the RPS and the district plans in relation to managing natural hazards, including flood modelling. At the hearing, Gavin Ide, Principal Advisor for the Hawke's Bay Regional Council, advised that newer riverine flood hazard modelling is underway and continuing through 2025. The FDS Advisors' Hearing Report makes specific note of the HBIFRP's recommendation 25, which the FDS Advisors' Hearing Report states as "to ensure that new and intensified residential development and subdivision is prohibited in areas subject to unacceptable flood hazard".

50. We find that the FDS should acknowledge the risks presented by natural hazards and climate change, be forward-looking not only for urban development capacity but also the health and safety of people, and enable resilience for existing and future communities. In that we support the inclusion of FDS Objective 3:

Our communities and infrastructure are resilient to the effects of climate change and risks from natural hazards.

51. Avoiding unacceptable natural hazard risks and identified opportunities for mitigating risks guide our recommendations. In the absence of an updated RPS, natural hazards mapping, and national policy guidance on natural hazards management⁹, we agree with the FDS Advisors' Hearing Report statement that *"In the interim, the Draft FDS grapples with managing natural hazard risk in the existing policy environment and with best available information for now"*.
52. We accept there are site-specific opportunities to mitigate some risks but, consistent with the FDS Advisors' Hearing Report, we limit inclusion of sites with identified significant (before mitigation) natural hazard risk to the sites discussed below that are subject to other relevant factors that support their inclusion. We agree with the FDS Advisors' Hearing Report in its response to the Natural Hazards Commission and the Hawke's Bay District Health Board submissions, that site specific risk assessments for those future growth areas are most appropriately undertaken *"at the structure planning and plan change [and resource consent] stage, where a detailed stormwater and flood modelling can be undertaken in the context of a specific proposal"*.
53. We recommend an addition to the FDS Implementation section that the HBIFRP recommendations for RPS changes must be taken into account when preparing the FDS Implementation Plan and in future FDS reviews.

⁹ The National Policy Statement for Natural Hazards is currently expected to be in place late 2025.

Riverbend – NC4b

Introduction

54. Riverbend is a residential growth area in the Heretaunga Plains Urban Development Strategy (HPUDS) and meets the definition of being “*identified for urban development*.”¹⁰ The draft FDS identifies the area as a suitable specific growth area, acknowledging that the area is subject to complex and overlapping natural hazards constraints. While there are engineering solutions available to address these constraints, they may impact the feasibility and timing of development.¹¹
55. The development division of Ngāti Kahungunu Iwi Incorporated (NKII), K3 Development, has an interest in developing part of this area as a joint venture with several other parties. An application for referral through the fast track process under the Natural and Built Environment Act 2023¹² has been made to the Environmental Protection Authority, and is under consideration by the relevant Minister. NKII is a Post-settlement Governance Entity which resulted from a fisheries settlement in the 1990s stretching from Wairoa to Wairarapa. As such they do not have an interest in land that could support additional points being awarded through the multi-criteria analysis (MCA) to support the aspirations of the mana whenua of Ahuriri.¹³
56. Legal submissions¹⁴ on behalf of the Joint Venture provided the planning history of this site. It is clear that the site has a long history of recognition as a future development area, including through Heretaunga Plains Urban Development Strategy 2010 and 2017. It is also noted that a private Development Agreement between the Joint Venture and NCC was agreed in principle in 2023, to address infrastructure requirements and financial contributions. The current version of that agreement was executed on 18 February 2025. Additional land (the Southern Area – approximately 16.7ha) for stormwater management has been conditionally purchased by parties to the Joint Venture to the south of the Riverbend site and Cross-Country Drain.
57. Submitters had differing positions on including Riverbend area NC4b in the FDS; some supporting,¹⁵ some requesting more information¹⁶, and others opposing (on natural hazard and environmental grounds)¹⁷. The submissions are analysed in section 9.3.3 of the FDS Advisors’ Hearing Report and the analysis is not repeated here.
58. The Draft FDS notes the divergence in view with the Joint Committee’s recommendation to include the Riverbend site NC4b in the draft FDS, while the HBRC recommended

¹⁰ Section 5.3.1 of Napier Hastings FDS Report for Hearings Panel on submissions to the Draft FDS

¹¹ Section 4.3.5 of Napier Hastings FDS Report for Hearings Panel on submissions to the Draft FDS

¹² This is a referral application made prior to Parliament repealing much of the Natural and Built Environment Act 2003 in late 2024.

¹³ Section 6.3 of Napier Hastings FDS Report for Hearings Panel on submissions to the Draft FDS

¹⁴ Legal Submissions on Behalf of Te Orokohanga Hou Joint Venture; 19 March 2025

¹⁵ Te Orokohanga Hou Joint Venture, Bayden Barger for Ngāti Kahungunu Iwi Incorporated

¹⁶ Maungaharuru Tangitū Trust

¹⁷ Natural Hazards Commission; HBRC, John Reid; Myriam Parker; Gary Curtis; Andrew Lessells; Simon Nash; Samatha McPherson; Susan Garner; Forest and Bird

excluding NC4b from the FDS.¹⁸ HBRC submitted that “that inclusion of those sites within the FDS in no way guarantees any or all necessary consents and approvals required by the Hawke’s Bay Regional Resource Management Plan or national regulations administered by the Regional Council.”¹⁹

Development Constraints

59. The HBRC remains opposed to the inclusion of the site at this time, based on the ongoing uncertainty about methods to mitigate flood risk at this site to an acceptable level. We do not criticise HBRC for taking that stance. There is well documented recent evidence of rain event flooding of the site (2020 and 2023), with the site providing significant flood storage adjacent to the existing residential area.
60. Stormwater engineering evidence was presented on behalf of the Joint Venture by Ms Landon of Development Nous Limited. Ms Landon acknowledged that the site currently functions as an “unofficial” stormwater detention area for the surrounding urban areas. She described the likely approach to flood mitigation for development of the site, which included flood storage and pumping, and conservatism in her assumptions. This is subject to ongoing analysis and design and will require detailed interrogation through a resource consent process.
61. We agree with Mr Winchester at paragraph 8 of his legal submissions for the Joint Venture that “the history of planning for the land, the nature of the development proposed, the level of work, engagement and analysis which has been done to support the approval of the Riverbend proposal, and the likely processes that will be pursued in order to achieve those approvals” are relevant to our consideration of its inclusion in the FDS. We do not agree with his submission at paragraph 6 that:
- “With respect to the submissions lodged by both the Hawke’s Bay Regional Council (HBRC) and the Natural Hazards Commission (NHC), while their underlying concerns and their policy positions are understood, the issues that they raise are submitted to be at a level of abstraction that they should not be given significant weight.”*
62. The matters raised in the submission by HBRC in particular are highly relevant. We also acknowledge the submission by Dooney Brothers Partnership and evidence by Angela McFlynn that the adjacent Waverley Road site (NC4c), which is not recommended for inclusion, may have less flood risk than the Riverbend site (NC4b) and potentially less reliance on off-site areas for flood mitigation. HBRC’s submission also mooted that site as potentially more suitable for development.
63. FDS Advisors in their Reports recommended including a statement in the FDS explaining that additional land will be required to manage stormwater and flooding effects arising from development of the Riverbend site, with the exact location to be determined through future planning processes. This was addressed by the addition of footnote 11 to NC4b in Table 3 of the FDS. We think this appropriate as it recognises the constraints

¹⁸ Preamble, Draft Napier Hasting Future Development Strategy 2024 – 2054.

¹⁹ Hawkes Bay Regional Council.

associated with the site while not predetermining the design details still being worked through by the Joint Venture parties.

NPS-UD

64. We concur with the FDS Advisors' that the site represents a relatively efficient location for growth at the southern extent of Napier with good access to services and amenities in Onekawa and Maraenui. During our site visit it was apparent that this location would avoid ribbon development, and we observed the close connection of the site to existing urban development and public facilities such as sport and recreation facilities and Pukemokimoki Marae. Mr Barber's comments on behalf Ngāti Kahungunu Iwi Incorporated emphasised the benefits of this site being able to offer locational choice, housing types and price point and meet Iwi and community aspirations. He stated that most Māori who were not mana whenua to the area live in two main places, Maraenui and Flaxmere and Pukemokimoki Marae is a mātāwaka marae, which is available for all people and is a solution for Māori living in but who whakapapa to places outside the area.
65. We agree with these sentiments and are cognisant that removing Riverbend site NC4b from the FDS would result in a significant reduction in residential greenfield capacity of approximately 660 dwellings, and share the view presented in the FDS Advisors' Reports that there are no viable alternatives for that scale of capacity for Napier at present.

Summary

66. For the reasons outlined above, we accept and adopt the recommendation of the FDS Advisors' Hearing Report to include Riverbend site NC4b in the FDS, at the timing recommended by the FDS Advisors. Ultimately, its suitability for development will be managed through the more granular plan change and resource consent processes. Its planning history and the consequential investment in development planning weighs in favour of its inclusion. We also note that a rebalancing of the Napier residential development capacity might be achieved on the adjacent Waverley site if insufficient capacity can be achieved on the Riverbend site. We also note that should they choose, Dooney Brothers Partnership could separately seek a plan change and/or resource consents for development of their site.

Ahuriri Station – AS1 and AS2

Introduction

67. Submitters had differing positions on including Ahuriri Station in the FDS; some supporting²⁰, some requesting more information or seeking to partner with Mana Ahuriri Trust²¹, and others opposing (on natural hazard and environmental grounds).²²

²⁰ Mana Ahuriri Trust, Maungaharuru Tangitū Trust, Tamatea Pōkai Whenua, Hawke's Bay Airport

²¹ NZTA, Ministry of Education

²² Ahuriri Protection Society, Forest and Bird, Natural Hazard Commission, Simon Nash, Susan Garner, Lunne Anderson, Chris Maclean, Garth Eyles

68. Ahuriri Station is redress land available from the Tiriti o Waitangi settlement process. Ahuriri Station is a Listed Project under the Fast Track Approvals Act 2024. Rezoning is also being sought by Mana Ahuriri Trust through its submission on the proposed NDP.
69. Mr Pohio, the chair of Mana Ahuriri Holdings Limited Partnership, drew parallels with his experience with the Waikato Tainui (Tainui Group Holdings) development at Ruakura, *“a strategically located inland port and major industrial facility”*, and the aspirations for Ahuriri Station. He reinforced the development of Ahuriri Station as a taonga of great importance to Mana Ahuriri and their development aspirations, with such development being an expression of the rangatiratanga of the seven hapū of Ahuriri with the Station.²³
70. Mr Hawaikirangi, the chair of Mana Ahuriri Trust, reinforced those comments discussing the five pou of their strategic framework, Te Ara Whakamua, and how the FDS contributes to achieving their strategy.²⁴ Any development at Ahuriri Station must occur consistent with the values and kaitiaki responsibilities of the hapū of Ahuriri. This includes economic and environmental drivers, and papakāinga development at Ahuriri Station.

Natural Hazards

71. Evidence presented by Mana Ahuriri Trust detailed its aspirations for potential staged future development of that land, and also the various and significant natural hazards that actually and potentially impact the site. Primarily these risks are related to flooding and coastal inundation. A high-level discussion on possible engineering approaches to mitigate those hazards was also provided in evidence.
72. Mr Gardner-Hopkins, for Mana Ahuriri Trust, noted that Mana Ahuriri had spoken with the Natural Hazards Commission (NHC) and he noted that NHC were *“pleased to hear that any development would meet or exceed the relevant MFE’s guideline requirements.”* Following our query, Mr Gardner-Hopkins provided further detail of the meeting with NHC, a meeting prompted by NHC’s initial submission. NHC had a level of comfort following the meeting with Mana Ahuriri and were looking forward to further engagement. While acknowledging the flood risk, NHC are not recommending amending the way in which AS1 and AS2 are provided for in the Draft FDS.²⁵
73. There is no question that significant natural hazard constraints exist on this land. Other submissions also identified these risks²⁶. The final development potential is unknown. We accept that the extent and form of development across the site will be determined through the extent of mitigation that can be achieved through engineering design and construction practicalities. As noted by the Mana Ahuriri Trust and the NHC, this will be tested through future plan change and consenting processes.

²³ Mike Pohio speaking notes

²⁴ Te Kaha Hawaikirangi speaking notes

²⁵ Natural Hazards Commission Further Information

²⁶ Andrew Caseley and Chris Maclean

Other constraints

74. Although acknowledging Mana Ahuriri Trust's aspirations for the Ahuriri Station, Hawke's Bay Airport Ltd (HBAL) raised concerns with the inappropriateness of residential and ecological activities in close proximity to the airport, such as proposed at Ahuriri Station. Their concerns related to ensuring safe and efficient airport operation (e.g., wetland development increasing the risk of bird strikes and potential loss of aircraft or occupants), and reverse sensitivity issues (e.g., protecting residents from the adverse effects of aircraft noise).
75. In response to our query on ways to resolve their concerns, HBAL noted that they are submitting to the NCC District Plan review and are seeking relief with statements in the NDP that acknowledges the risk of bird strike and that any habitat restoration that could affect HBAL's operational requirements is required to have an approved Wildlife Management Plan. Following our query Mr Greening, for Mana Ahuriri Trust, commented that Mr Hawaikirangi and he had met with the HBAL and discussed their proposed development at Ahuriri Station and how with, following best practice development, the Trust expected that should allay HBAL's concerns.
76. Mr Maclean spoke of the ecological value of the Ahuriri Station area and the constraints to its development. He talked of how cycling the tracks across the block enables a full appreciation of the site, and how doing so has led him to conclude that the site is unsuitable for development. We address the development challenges of the site. On this matter, we find that the provision of access is a matter of detail that can be addressed through master planning and plan change processes.
77. The Ahuriri Estuary Protection Society sought greater protection for the estuary and opposed encouragement of development that might adversely impact on its natural values. For Mana Ahuriri Trust, Mr Gardner-Hopkins asserted that they believed the Ahuriri Estuary Protection Society's concerns would be *"well addressed by Mana Ahuriri in their development of the Station."*²⁷
78. We find that the matters raised by these submitters are best addressed through future district plan change processes and/or resource consent processes and the inclusion of Ahuriri Station within the FDS now does not foreclose on outcomes acceptable to the airport and those submitters in that regard.

Summary

79. We note above the comments from Mana Ahuriri Trust that, at the level of the FDS, satisfies most of the concerns submitters have raised.
80. As per section 96(2) of the Ahuriri Hapū Claims Settlement Act 2021,²⁸ we have reviewed and had regard to Te Muriwai o te Whanga Plan (2024) ('Plan'). We expect that Te Komiti Muriwai o Te Whanga will give effect to this Plan as the Ahuriri Station is developed.

²⁷ James Gardner-Hopkins speaking notes

²⁸ <https://www.legislation.govt.nz/act/public/2021/0054/latest/whole.html#LMS300576>

81. The impact of development constraints on the Ahuriri Station and the effect of that on future business / industrial land supply can be reconsidered through future reviews of the FDS and district plan change processes.

Approach to smaller sites

82. During the hearing, several submitters requested the inclusion of smaller residential or industrial sites in the FDS. After careful consideration, we recommend that these sites be excluded, based on the FDS Advisor's approach of applying clear and consistent criteria across all proposals. Our approach was guided by the FDS's strategic objectives, as well as the national direction set by the NPS-UD and NPS-HPL, along with the evidence presented in the FDS Advisors' Hearing and Reply Reports.
83. Regarding residential land, we accepted the FDS Advisors' recommendation to include only those sites that demonstrated alignment with compact urban form principles, infrastructure readiness, and the avoidance of HPL, as detailed in the MCA analysis. Most smaller site submissions fell short on one or more of these criteria. Many were either located on LUC 1 or 2 soils, disconnected from existing urban areas, or did not demonstrate sufficient strategic merit to warrant inclusion at this time. We agreed that the currently identified growth areas provide adequate capacity to meet short, medium and long-term demand. Further inclusion of smaller, isolated sites would fragment the urban form and undermine the FDS's integrated and infrastructure-led approach. The only exception where we have included a smaller area is the land sought to be included at Mission Estate (NC6). We address this later in this report.
84. In respect to the submission of Mr. and Mrs. Holder, supported by Willowbrook Village Development, who sought the inclusion of 63 Main Road, Clive, we agreed with the FDS Advisors not to include it in the FDS. While the site has limited productive value, minimal hazard risk, and is well located between existing semi-urban development, in our view, its small scale means it does not meet the threshold for inclusion as a strategic growth area in the FDS. However, we note that the site's development would not offend the principles of the FDS, and the landowner has the opportunity to progress the proposal through a private plan change or resource consent process.
85. Similar considerations applied to industrial land. We endorsed the FDS Advisors' methodology, which was evidence-based and consistently applied across all sites. With one exception (the Irongate North Extension), we agree with FDS Advisors that smaller or ad hoc industrial land submissions should be excluded due to constraints such as hazard exposure, insufficient servicing, and encroachment onto HPL. These recommendations were consistent with the NPS-HPL directive to avoid unnecessary urban expansion into productive soils unless there is a clear and demonstrable need.
86. In summary, the exclusion of smaller sites reflects the strategic, evidence-based approach taken in preparing the FDS. It ensures that urban growth is well integrated with infrastructure and aligns with national policy. We note that future opportunities remain available through subsequent FDS reviews, Council-initiated or private plan changes and resource consent applications.

Wet industry

87. We received several submissions and requests for the inclusion of land identified for wet industry. However, we are satisfied that sufficient capacity exists within the zoned industrial land at Whakatu, Tomoana, and Omahu to accommodate the anticipated short to medium-term wet industry demand. This approach aligns with the evidence presented in the FDS Advisors' Hearing and Reply Reports, which confirmed that the available land at Whakatu remains the most appropriate and strategically located option to support wet industry activity, considering the existing servicing infrastructure and land characteristics.
88. We support the FDS Advisors' recommendation to retain flexibility in the FDS by incorporating a short-term action to investigate policy changes aimed at protecting the remaining capacity for wet industry use at Whakatu. This action acknowledges the importance of maintaining viable land options for water-intensive operations while recognising that the suitability and uptake of land may evolve.
89. Proposals from submitters for additional wet industry land, particularly those situated on HPL or in areas with unresolved servicing or hazard constraints, did not meet the high policy thresholds required under the NPS-HPL. We agree with FDS Advisors that expansion into these areas is not justified at this stage and could risk fragmenting the supply of industrial land, thus undermining the strategic, infrastructure-led direction of the FDS.
90. Importantly, we reiterate that the FDS is not a static document. It will be reviewed every three years as required under the NPS-UD, allowing reconsideration of new evidence and emerging demand trends over time. In the meantime, submitters seeking to facilitate wet industry development in other locations are not precluded from pursuing alternative RMA processes, such as private plan changes or resource consent applications.

Coastal and rural settlements and rural lifestyle development

91. We received many submissions and heard evidence from several submitters who sought inclusion of coastal and rural settlements within the FDS, as well as the identification of new areas for rural lifestyle development. Many of these submissions expressed concern that the HPUDS had included these areas, and these were now excluded from the FDS. As a consequence, they sought identification of areas suitable for new and expansions to existing coastal and rural settlements and rural lifestyle development areas. They also sought high-level policy support that would influence future zoning changes to the Hastings and Napier City District Plans. Submissions also expressed concern that there was no certainty as to when a Rural Residential Strategy would be

developed and that the existing Regional Policy Statement and District Plan provisions are restrictive and at odds with commentary in the draft FDS.²⁹

92. Conversely some submitters supported removing these areas from the FDS, so as to minimise urban sprawl and the risk of natural hazards and the timing of development of a more detailed Rural Residential Strategy.
93. We have carefully considered the submitters' requested relief and the FDS Advisors' recommendations. We concur with the FDS Advisors' advice set out in both reports that the purpose of a FDS as stated in clause 3.13 of the NPS-UD is to set out how the Councils intend to achieve well-functioning urban environments in its existing and future urban areas³⁰, provide at least sufficient development capacity over the next 30 years to meet demand, and to assist with the integration of RMA planning decisions with infrastructure planning and funding decisions³¹. We accept the FDS Advisors's advice that the FDS is focussed on ensuring that Hastings and Napier's future urban housing needs are met, rather than broader rural residential style development in the wider area, and that the approach to development and scope of this FDS is consistent with a number of other FDSs prepared through the country³².
94. We agree with the FDS Advisors' recommendations and reasons given to include the relevant strategic direction set out in the HPUDS as an Appendix to the FDS as an interim measure before a Rural Residential Strategy is promulgated, and to the associated amendments to Section 10.6 of the FDS. We agree with the caution expressed in the recommended new text that the HPUDS was not prepared with the same level of information in respect to environmental factors and limitations. We note the officers comment that the indicative Maps for some of these areas in HPUDS could also be included here. We recommend that the relevant indicative Maps from the HPUDS for each of the areas mentioned in the Appendix are specifically included. We also agree that this should only be an interim measure, and we recommend that the Councils prioritise the development of a Rural Residential Strategy so that it can more meaningfully respond to the issues raised by submitters.

Summary

95. We agree with the FDS Advisors' recommendations, subject to the inclusion of the indicative Maps from the HPUDS for all the areas mentioned in the recommended new Appendix.

²⁹ Sections 8.1 to 8.3 of the Napier Hastings FDS Report for Hearings Panel on submissions to the Draft FDS

³⁰ Sec 8.2 of the Napier Hastings FDS Report for Hearings Panel on submissions to the Draft FDS

³¹ NPS-UD

³² Sec 8.3.1 of the Napier Hastings FDS Report for Hearings Panel on submissions to the Draft FDS and section 2.3 of the Napier Hastings FDS Reply Report.

4. Chapter-related amendments

Iwi and Hapū Development Aspirations and Papakāinga

Introduction

96. Multiple submitters raised a number of key issues in the matter of iwi and hapū development aspirations and papakāinga. These included the approach to council and mana whenua relationships in the planning process, the role of Ngāti Kahungunu Iwi Incorporated in the FDS process, the relative treatment of Māori land and redress land emerging from Te Tiriti o Waitangi settlement processes, resilience of and adaptation to changes, natural hazard risks, a Māori-led study of Māori demographics, a suggested wording change (p 69 of Draft FDS regarding education requirements for Māori populations), and commentary on papakāinga/marae-based development (managing risk in hazard-prone areas, supporting infrastructure and services)³³.
97. The FDS Advisors' Hearing Report responded to the key issues raised and the responses are not repeated here. Following analyses of the submissions received, FDS Advisors recommended *"a range of amendments to the Draft FDS to better reflect iwi and hapū development aspirations. This includes spatially identifying areas of interest, and other actions to be addressed in the FDS Implementation Plan."*³⁴ FDS Advisors summarised the main themes and key issues raised in submissions:
- i. *Recognition that papakāinga, redress land development, and Māori-led demographic studies must be supported as part of any long-term strategy.*
 - ii. *Recognition of stronger meaningful partnership in decision-making, enabling Māori to co-lead growth planning consistent with Te Tiriti commitments.*³⁵

Mana Whenua – Ngāti Kahungunu

98. Bayden Barber, on behalf of Ngāti Kahungunu Iwi Incorporated ('NKII') criticised the Councils in the process to develop the draft FDS in that NKII were not invited to participate in the Napier-Hastings FDS Joint Committee. The FDS Advisors' Hearing Report provides a response to that concern at 6.2, outlining the process to establish the Joint Committee. That response is not repeated here though we do note the FDS Advisors' comment that *"[t]he Implementation Plan should identify actions relating to the partnership approach going forwards (sic.)"*³⁶
99. At the hearing, Mr Barber spoke to his submission expanding on the population and geographical scope of Ngāti Kahungunu. He stated that Ngāti Kahungunu Iwi Incorporated is the only mandated Iwi Authority across the whole of the Ngāti

³³ Section 6 of Napier Hastings FDS Report for Hearings Panel on submissions to the Draft FDS

³⁴ Executive summary of Napier Hastings FDS Report for Hearings Panel on submissions to the Draft FDS

³⁵ Section 2.2 of Napier Hastings FDS Report for Hearings Panel on submissions to the Draft FDS

³⁶ Section 6.3 of Napier Hastings FDS Report for Hearings Panel on submissions to the Draft FDS

Kahungunu rohe. He reiterated his concern at NKII not being at the Joint Committee table.

100. As mentioned in the hearing, we do not comment on the approach to establish the Joint Committee, nor on NKII's involvement in developing the draft FDS, as both are beyond the Panel's scope. We do support the FDS Advisors' comment regarding the partnership approach and hope that this may be a way to resolve Ngāti Kahungunu Iwi Incorporated's concerns in the FDS implementation.

Papakāinga

101. The FDS Advisors' Hearing Report notes:

"Most submitters considered that mana whenua aspirations have been adequately addressed and papakāinga and marae-based development contributed appropriately towards achieving the FDS objectives. However, a few were concerned at the preferential treatment of Māori over non-Māori, perceived non-utilisation of Māori land, or that there were more important priorities to address first."³⁷

102. Submitters raised issues around developing papakāinga in hazard-prone areas, the need for local government to genuinely partner with mana whenua to fix issues with servicing papakāinga, and further consideration to developing papakāinga on land in Māori title, General title, in urban and rural settings.³⁸ These issues are analysed in the FDS Advisors' Hearing Report and are not repeated here.
103. We heard from submitters L Walford and J Scott who, though not speaking on behalf of their hapū and marae, spoke about the importance of marae and papakāinga in the context of their hapū and marae vision, aspirations, tikanga and approach. They discussed the book, 'Te Tangi a te Manu' and 'Te Aranga Māori Cultural Landscapes Strategy', Te Aranga design principles being mentioned in Mr Scott's written submission. We note that reference to Te Aranga design principles form part of the FDS Advisors' recommendations.³⁹
104. Mana Ahuriri Trust referred to their aspirations for papakāinga housing as part of the proposed Ahuriri Station development. NKII noted that Māori owned land was also on HPL. However, the land was where it was and Mr Barber believed that if whānau wanted to develop papakāinga on their land, then they should be able to develop those papakāinga, even if they were on HPL. Whānau often do not have the option of moving to other areas to develop papakāinga.
105. The FDS Advisors' Reply Report helpfully explained how Hastings District Council and Napier City Council are providing for or amending their respective District Plans to enable papakāinga development. They also noted how the NPS-HPL allows subdivision

³⁷ Section 6.4 of Napier Hastings FDS Report for Hearings Panel on submissions to the Draft FDS

³⁸ Ibid.

³⁹ Section 6.5 of Napier Hastings FDS Report for Hearings Panel on submissions to the Draft FDS

on Māori Land providing effects on HPL are avoided or mitigated.⁴⁰ These explanations are not repeated here.

Business and Industrial

Introduction

106. We note that we did not hear from any submitters who sought changes to those aspects of the FDS that dealt with areas identified for business growth. We therefore focus on industrial growth in this section.
107. We generally support the industrial areas identified in the draft FDS, which direct future business and industrial growth to strategic nodes such as Irongate, Irongate West, Tomoana, and Whakatu. We are satisfied that the areas identified in the draft FDS represent a well-considered and efficient industrial footprint that supports the region's long-term economic development while aligning with infrastructure capacity and environmental constraints.
108. The Panel accepts the overall strategic direction the Joint Committee took regarding which sites to include or exclude. We consider the methodology was consistent, evidence-based, and appropriately risk-averse in situations involving constraints such as hazard exposure, lack of servicing, or high soil productivity. In this context, the Panel concurred with all of the FDS Advisors' recommendations *except one*: the proposed extension of the Irongate industrial area to the north.

Irongate North Extension

109. Our recommendation to incorporate the Irongate North Extension into the final FDS represents the only deviation from the FDS Advisors' recommendations in relation to business and industrial land. The submission from the Irongate Landowners Group, backed by Phoenix Contracting, proposed a modest northern extension to the existing Irongate industrial area. The Panel also heard the proposal directly from the submitters. FDS Advisors advised against the extension, primarily because the stream north of the current zone was considered a natural and defensible boundary to further industrial growth.
110. After a thorough evaluation, the Panel found this rationale inadequate. While the stream was identified as a potential boundary, it already intersects with a section of the existing industrial zone. Moreover, there is a precedent for industrial development occurring near the stream, and the submitters convincingly demonstrated to us the technical feasibility of managing stormwater and riparian values through best practice design.
111. Crucially, the land subject to the extension is classified as LUC 7 according to the NZLRI, which is not defined as highly productive under the NPS-HPL. This distinguishes it from other industrial land requests that proposed development on LUC 1 or 2 land. The

⁴⁰ Section 6.1 of Napier Hastings FDS Report for Hearings Panel on submissions to the Draft FDS Officer Reply

absence of HPL constraints, combined with the site's contiguity to the existing Irongate node and its proximity to planned infrastructure, such as the Irongate Road East roundabout and State Highway network, means the extension offers a coherent and efficient expansion opportunity.

112. We also noted that uptake within the Irongate zone has been strong, with industrial land in high demand. The submitters highlighted the risk of land banking or constrained supply, and we agree that a modest extension would provide additional flexibility and resilience within the regional industrial land market. In this case, we considered the expansion to be not only appropriate but also desirable in terms of regional employment, infrastructure optimisation, and long-term economic planning.
113. Therefore, we find that including the Irongate North Extension is warranted due to its planning merits, policy alignment, infrastructure readiness, and the FDS's strategic goals. Given the current availability of zoned industrial land within Irongate and the wider FDS area, and the need to align development with future infrastructure investment, the Panel recommends that Irongate North be identified for long-term growth. Its development should be sequenced accordingly to support coordinated infrastructure planning and ensure a resilient industrial land supply over time.

Additional commentary on industrial land submissions

114. For all other industrial land submissions, the Panel concurred with the recommendations provided by the FDS Advisors. Although the submitters raised valid and often well-reasoned points during the hearing regarding economic development, infrastructure access, landowner aspirations, and regional demand, each proposal fell short in one or more critical respects under the FDS's strategic and statutory frameworks.
115. Most notably, several proposed areas, including those at Wilson Road, Whakatu (Mr Apple Ltd), Awatoto, and other isolated or privately held parcels, are situated on LUC 1 or 2 land. Under the NPS-HPL, such land must be protected unless urban development is deemed necessary, it cannot be reasonably located elsewhere and is strategically justified. In all these cases, business land capacity assessments confirmed that the existing zoned industrial land at Irongate, Tomoana, and Whakatu is sufficient to meet short- to medium-term demand, including the demand for wet industry.
116. During the hearing, we considered Mr. Apple's proposal regarding Whakatu and noted the advice from FDS Advisors, as outlined in both their Hearings and Reply Reports, that the site is located entirely on LUC 1 land. FDS Advisors advised that the proposed expansion did not meet the high threshold required under the NPS-HPL, as it had not been demonstrated that the operational needs could not be met within existing industrial zones. We accept that advice and are satisfied that excluding this site at this point in time aligns with the strategic direction and policy framework underpinning the FDS.
117. Similarly, the Wilson Road submissions and presentation at the hearing highlighted the strategic infrastructure benefits and existing industrial activity. This is within the greater

area promoted for inclusion by the Heretaunga Connection Project. However, the land is highly productive, and the overarching FDS objectives of protecting such land and promoting coordinated growth outweigh the individual site benefits. We acknowledge that Wilson Road may have long-term potential, but equally the amalgamation of smaller land holdings (through ownership or lease) could create economically sustainable production units. We find its inclusion at this stage to be premature.

118. We agree with the FDS Advisors' position in respect to the Awatoto submissions due to unresolved natural hazard risks, particularly flooding from the Tūtaekurī River and servicing limitations. Despite strong arguments regarding existing industrial uses and future potential, the lack of 1:100-year flood protection rendered the proposals inconsistent with the risk-based planning principles underpinning both the FDS and national policy.
119. Finally, we also recommend that the submissions from Te Aratika Group, Hamachek Holdings Ltd, Jim Bishop, and Wrightson Contracting Ltd are rejected. While these submissions proposed socially valuable, innovative, or historically established activities, each was situated on HPL, represented ad hoc development beyond urban nodes or were not of a sufficiently strategic nature to warrant inclusion within the FDS. We accepted the officers' advice that these matters should be addressed better through district plan processes or private plan changes rather than the regional-level FDS.

Summary

120. The Panel's support for most of the FDS Advisors' recommendations reflects our shared commitment to upholding the purpose, objectives and integrity of the FDS. We reaffirm the importance of aligning growth with infrastructure, protecting productive land, and avoiding speculative or ad hoc development. The only exception, the Irongate North Extension, was justified by its strong planning rationale, compatibility with policy, and the absence of constraints affecting other areas nominated in various submissions.

Greenfield Residential Napier

121. As identified in the FDS, there are limited opportunities for new greenfield expansion in Napier due to its low-lying nature, vulnerability to land subsidence and rising ground water levels, and a variety of natural hazards. Overall, we support the conclusions reached by the FDS Advisors in their Reports regarding all new residential growth areas identified in the draft FDS, namely to include Ahuriri Station, Mission Estate, Riverbend, The Loop and South Pirimai, and exclude Waverley Road & Willowbank Road sites. We have addressed the Ahuriri Station and Riverbend site earlier in this report.

Mission Estate

122. In considering Mission Estate, there was a difference of opinion between FDS Advisors and Mr Phil McKay on behalf Marist Holdings Greenmeadows Limited regards identifying the Artisan Village and 'Future Area' of the Mission Estate Masterplan on Figure 18 as part of NC6. While the FDS Advisors saw merit in potentially developing these areas, their preferred approach was to incorporate the two smaller areas by

reference note in the FDS rather than spatially identifying them, which they considered would have limited strategic benefit. Mr McKay while supportive of the footnote, remained firmly of the view that the Artisan Village and Future Area extents need to be spatially incorporated into NC6 as well. In reply, FDS Advisors maintained that subject to the recommended footnote, this matter is best addressed through the proposed NDP or future resource consent pathway. While we understand this logic, as pointed out by Mr McKay, the Mission Estate land scored highly in the comparative analysis exercise (ranked 3rd of 28 sites in the MCA shortlist), and the FDS states a development capacity of 100 dwellings for this location. As these two additional areas are contiguous components of the wider Mission Estate and can help support the developable area to achieve the allocated 100 dwelling development capacity, we recommend that the Artisan Village and Future Area extents be added to the map at Figure 18 (now 19) of the FDS as part of NC6, and retaining NC6 as a medium term priority. To that end, we have not carried through the footnote in Table 3 of the FDS as recommended by FDS Advisors' Reply Report.

Summary

123. In conclusion, the Panel supports including all new residential growth areas recommended by FDS Advisors for Napier, with a minor amendment to the mapped extent of Mission Estate NC6 to include the Artisan Village and Future Area.

Greenfield Residential Hastings/Havelock North/Flaxmere

124. The IHP supports the FDS Advisors' recommendation to include all new residential growth areas identified in the draft FDS, and we accept both the officers' initial report and their subsequent reply report. We agree with the FDS Advisors that the recommended proposed growth areas in Hastings, Havelock North, and Flaxmere represent a logical, coordinated, and well-considered response to projected population growth, housing demand, and regional urban development pressures over the medium to long term.
125. In terms of the relevant tests under the NPS-UD, we find that the new residential areas in Hastings and Havelock North are appropriately situated near existing urban nodes, schools, community amenities, and employment areas, supported by infrastructure planning frameworks that allow for timely servicing. Their inclusion in the FDS fulfils the NPS-UD's directive to enable strategic and forward-looking growth, especially in locations where demand is already demonstrably strong. We support and agree with the FDS Advisors' recommendations and reasons for inclusion of Middle Road {HN3a and HN3b) and Wall Road (H5) development areas. We find that their inclusion is consistent with the application of the MCA used for all other areas.
126. In Flaxmere, the additional growth areas address current housing needs and the identified lack of affordable housing options in the western urban corridor of the Hastings District. The recommendation from FDS Advisors reflects a strong alignment with the FDS objective to enable inclusive, diverse, and resilient communities. The Panel agrees that including these areas is warranted and strategically important. The proposed

sites in Flaxmere are situated on land that can be effectively serviced with wastewater and water supply upgrades already programmed through HDC's Long-Term Plan. This ensures alignment with the FDS principle of infrastructure-led growth.

Summary

127. In conclusion, we support including in the FDS all new residential growth areas recommended by FDS Advisors within Hastings, Havelock North, and Flaxmere.

Additional commentary on land not recommended for residential identification

128. We recognise that the submitters' requests for inclusion of land that we have not recommended be included are driven by a growing demand for residential land, particularly in areas where population growth, market interest, and infrastructure investment converge. Many of the proposed sites requested for identification are located on the outskirts of existing urban areas or in places that, at first glance, seem suitable for greenfield development. Some submitters cited the benefits of proximity to established amenities, future transport corridors, and servicing capacity as key justifications for inclusion in the FDS. We understand the importance of providing a pipeline of development-ready land and the private sector's significant role in ensuring land supply and market responsiveness.
129. However, after carefully considering the submissions, supporting documentation, and the planning analysis provided by FDS Advisors in their Reports, the Panel agree with their recommendations not to include most of these requested areas in the current iteration of the FDS. We consider that the FDS Advisors undertook a robust and methodical assessment of all proposed growth areas using an MCA that considers factors such as land productivity, servicing feasibility, natural hazard exposure, connectivity, and alignment with compact urban form principles.
130. Our recommendations do not reflect on the quality or intent of the submissions; rather, they stem from the FDS's strategic and evidence-based framework, designed to prioritise growth in areas well-aligned with infrastructure readiness, environmental constraints, hazard risk, and national policy direction.

Infrastructure

131. A range of submitters identified infrastructure issues associated with provision for future growth, and we generally agree with the way the Draft FDS has addressed strategic infrastructure given that the availability of, and provisioning for, infrastructure has guided preferential locations for urban development along with indicative timings of development in those locations. Based on feedback received through the submissions and evidence presented before and at the hearing, the FDS Advisors, through their Hearings and Reply Reports, have recommended adding text to the Infrastructure section to clearly identify planning requirements for solid waste management, the effective and efficient development of stormwater solutions, and protecting the

development, operation and maintenance of nationally and regionally significant infrastructure. We agree with the general intent of those recommended additions.

132. Infrastructure providers such as the New Zealand Transport Agency (NZTA), Transpower and the Ministry of Education (MoE) as well as HBAL and Hawke's Bay & East Coast Aero Club Incorporated (HBECAC) raised matters specific to them and sought changes to the Draft FDS.
133. Turning to the FDS strategic objectives, HBAL requested Objective 10 be amended to better recognise the relationship between the provision and operation of infrastructure and urban development. In response to evidence from HBAL and the NHC, FDS Advisors recommended amending this objective through their Hearing and Reply Reports as follows:
 - 10A. *Our infrastructure is planned and designed to effectively support development and be resilient.*
 - 10B. *Operational and functional needs of nationally and regionally significant infrastructure are not unduly compromised by the location, design and suitability of new development.*
134. We consider these amendments to be appropriate, apart from use of the word "unduly" proposed in Objective 10B which is somewhat vague and likely subjective in interpretation and implementation. We are uncomfortable with an objective that implies that new development could compromise the operational and functional needs of nationally and regionally significant infrastructure. We agree that the operational and functional needs of such infrastructure should be maintained for the benefit of current and future generations. The requirement to avoid compromising the operational and functional needs of such infrastructure does not preclude all development. It just requires appropriately located and designed development. As such, we recommend that the word "unduly" be removed from recommended new Objective 10B as it does not add anything and the objective is sufficiently clear that new development can still occur, provided it does not compromise nationally and regionally significant infrastructure.
135. Consequential to amending Objective 10, FDS Advisors recommended rewording in section 9.2 and 10.11. While we address development constraints elsewhere in our recommendation report, we note that the relevant submissions consistently called for infrastructure to be referenced as a constraint and mapped. FDS Advisors have recommended updating Figure 12 (now 13) accordingly to include noise contours for both airport facilities and have added electricity transmission lines and substations. They have also recommended amending Section 9.2 of the FDS to clarify that areas for the safe operation and functional needs of nationally and regionally significant infrastructure are also constraints. Having heard evidence of the relevant submitters and advice that the Hastings Aerodrome would fall within the definition of strategic infrastructure under the RPS we recommend that these changes are accepted. Our only caveat to the additional wording at section 10.11 is inclusion of the term "unduly" and for the reasons mentioned above we recommend that it is also removed from paragraph 2 of section 10.11.

136. In relation to social infrastructure, we agree that the minor revision proposed in section 10.11 responding to the Ministry of Education is needed to properly reflect Māori demographics in education. The Ministry of Education also highlighted that future development will require planning for additional educational services. We agree with the FDS Advisors' comments that engagement with MOE and other providers/government agencies in such specifics is more appropriately addressed via the proposed Implementation Plan than in the FDS itself.
137. Lastly, we consider the FDS Advisors' recommended addition of a subsection on "nationally and regionally significant infrastructure" as worded in their Reply report strikes the right balance between HBAL's proposed wording and being overly prescriptive. We agree with the FDS Advisors' position that "the FDS should not be confused or conflated with being an infrastructure strategy" (pg. 30).

Summary

138. In conclusion, the Panel supports the recommendations made by FDS Advisors in reply in respect of Strategic Infrastructure and recommend a minor amendment to delete the word "unduly" from Objective 10B and paragraph 2 of section 10.11.

5. Conclusion

139. The Panel acknowledges the submissions received from landowners, developers, and community representatives seeking amendments to the FDS. We appreciate the time, effort, and detailed evidence provided by submitters to support their proposals, reflecting a clear commitment to addressing the region's future urban development needs and a desire to contribute constructively to the long-term development of Napier City and the Hastings District.
140. Through this process, we have aimed to balance landowners' economic ambitions with the long-term public interest in coordinated, sustainable, and equitable urban growth and provision of infrastructure.
141. Subject to our recommended amendments, we find that the FDS provides a strategic, efficient, and sustainable response to the Councils' future urban development needs and demands. While we acknowledge the aspirations of submitters seeking additional areas for inclusion, our responsibility is to ensure growth is directed in a manner that integrates with infrastructure, maximises sustainability outcomes, and is consistent with long-term planning objectives. The input provided through submissions has been valuable to this process and will continue to inform future planning. We encourage ongoing engagement between submitters and the Joint Committee to ensure the FDS, the Regional Policy Statement, the two District Plans and Councils' Long Term and Annual Plans are responsive to current and emerging urban development demands.

Signed by the Independent Hearings Panel



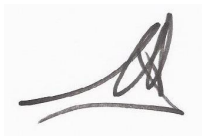
Gina Sweetman (Chair)



Juliane Chetham



Michael Parsonson



Shad Rolleston



Steven (Tipene) Wilson