

UNDER

the Resource Management Act 1991
(“**RMA**”)

IN THE MATTER

of the Proposed Waikato District Plan:
Hearing 10 – Residential Zone.

**STATEMENT OF EVIDENCE OF PHILIP MARK OSBORNE ON
BEHALF OF KĀINGA ORA-HOMES AND COMMUNITIES**

ECONOMICS

3 FEBRUARY 2020

**ELLIS GOULD
LAWYERS
AUCKLAND**

**Level 17 Vero Centre
48 Shortland Street, Auckland
Tel: 09 307 2172 / Fax: 09 358 5215
PO Box 1509
DX CP22003
AUCKLAND**

**REF: Daniel Sadlier / Alex
Devine**

1. INTRODUCTION

1.1 My full name is Philip Mark Osborne. I am an economic consultant for the company Property Economics Ltd, based in Auckland.

Experience

1.2 My qualifications include Bachelor of Arts (History/Economics) (1994), Masters in Commerce (1997), a Masters in Planning Practice (2002) from the University of Auckland and I have provisionally completed my doctoral thesis in developmental economics.

1.3 I have 16 years' experience advising local and regional councils throughout New Zealand in relation to economic impacts, industrial and business land use issues as well as strategic forward planning. I also provide consultancy services to a number of private sector clients in respect of a wide range of property issues, including economic impact assessments, commercial and industrial market assessments, and forecasting market growth and land requirements across all property sectors.

Involvement in the Proposal

1.4 I have been commissioned by Kāinga Ora-Homes and Communities ("**Kāinga Ora**") to prepare this statement of evidence to address matters raised in reference to the submission of Kāinga Ora primary and further submissions (as successor to Housing New Zealand Corporation) relating to the residential objectives of the Proposed Waikato District Plan ("**PWDP**").

Code of Conduct

1.5 I confirm that I have read the Expert Witness Code of Conduct set out in the Environment Court's Practice Note 2014. I have complied with the Code of Conduct in preparing this evidence and agree to comply with it while giving evidence. Except where I state that I am relying on the evidence of another person, this written evidence is within my area of expertise. I have not omitted to consider material facts known to me that might alter or detract from the opinions expressed in this evidence.

Scope of Evidence

- 1.6 My evidence will address the following:
- (a) The economic objectives of the PWDP;
 - (b) Outlining the economic benefits pertaining to the objectives;
 - (c) Kāinga Ora's submission;
 - (d) Residential efficiency and density and centres;
 - (e) The high-level economic appropriateness of the Kāinga Ora submission to meet Strategic and Growth objectives.

2. EXECUTIVE SUMMARY

- 2.1 From an economic perspective I support the overall strategic direction and objectives, pertaining to residential development to support market growth outlined in the PWDP including:
- (a) The consolidation of activities in and around towns and villages;
 - (b) Encouraging high density housing near centres and transport networks; and
 - (c) Efficient utilisation of infrastructure through residential development patterns.
- 2.2 From an economic viewpoint residential zoning is a crucial tool in directing residential growth and development to achieve greater degrees of efficiency and certainty in terms of public and private investment. The level of flexibility and capacity indicated by zoning also impacts upon housing fundamentals such as choice and affordability.
- 2.3 The economic benefits of providing for greater residential densities in and around centres and transport networks include:
- (a) Improved infrastructure efficiencies;

- (b) Improved centre vibrancy and vitality;
- (c) Lower housing prices;
- (d) Improved competitiveness leading to greater employment opportunities;
- (e) Improved housing choice; and
- (f) Improved land efficiencies.

2.4 The Residential Zone provisions of the PWDP provide for a minimum lot size of 450sqm, with a land use consent available for multi-unit development at 300sqm. The Kāinga Ora submission seeks a Medium Density Residential Zone that would reduce this to 200sqm for vacant lot subdivision, with no minimum lot size for subdivision in accordance with an approved land use consent.

2.5 When considering the propensity for residential development to occur at greater densities in and around centres, it is important to understand the relative competitiveness of these areas as development locations. Waikato District provides for a significant level of residential capacity beyond proximity to these centres. As such the potential for more intensified development in and near these centres must represent a degree of certainty that can compete.

2.6 This opportunity for intensified development requires two key components (from a regulation viewpoint). First, a degree of certainty in terms of what can be achieved and where. The s32 for Council has indicated that requiring a consent for multi-unit development will increase costs and risk thereby adversely affecting the properties developed. In comparison, the Kāinga Ora proposal clearly sets out the medium density provisions within a geo-spatial defined zone (i.e. within the Medium Density Residential Zone). This provides greater certainty to the market and ultimate greater impetus for residential development in and around centres and transport networks.

2.7 Additionally, the Medium Density Zone proposed by Kāinga Ora is likely to improve development feasibilities through greater site coverage provisions.

2.8 The inclusion of the Medium Density Residential Zone proposed in the Kāinga Ora submission is likely to better meet the objectives of the PWDP and provide an improved position for the community's economic well-being than the provisions currently proposed under the Council's Residential Zone.

3. WAIKATO DISTRICT PLAN OBJECTIVES

3.1 From an economic perspective I support the overall strategic direction of the PWDP. Namely, the integration of land use activities and infrastructure, as well as the provision of sufficient feasible capacity of residential development to support market growth.

3.2 Of particular relevance to this topic are the following key strategic objectives of the PWDP:

- (a) *Liveable, thriving and connected communities that are sustainable, efficient and co-ordinated; and Provision of sufficient residential capacity to meet the NPS UDC (“PWDP 4.1.1 (a) and (b)”);*
- (b) *Future settlement pattern is consolidated in and around existing towns and villages in the district (“PWDP 4.1.2 (a)”);*
- (c) *Subdivision and development of a residential, commercial and industrial nature should occur within towns and villages where infrastructure and services can be efficiently and economically provided (“PWDP 4.1.3 (a)”);*
- (d) *Encourage higher density housing and retirement villages to be located near to and support commercial centres, community facilities, public transport and open space. (“PWDP 4.1.5 (a)”);*
- (e) *Residential zoned land near the Business Town Centre Zone and close to transport networks is used for higher density residential living with access to public transport and alternative modes of transport. (“PWDP 4.2.16 (b)”);*

(f) *Enable a variety of housing types in the Residential Zone where it is connected to public reticulation, including:*

(i) *Integrated residential development such as low-rise apartments and multi-unit development; (“PWDP 4.2.17 (a)(i)”);*

3.3 These high-level objectives are crucial in understanding the relief sought by Kāinga Ora to the PWDP.

3.4 The PWDP identifies the need to provide for choices, not only in terms of typology, but also in terms of location. Alongside being a key social objective for the community, providing for choice is important from an economic perspective because it allows for affordable housing as well as access to employment and amenities and is supported on this basis.

3.5 The PWDP seeks to provide for a compact / efficient urban form by efficiently utilising the land resource, as well as existing and new infrastructure. This objective holds significant economic merit and is also supported.

3.6 As identified in Kāinga Ora’s submission, while there are several key themes evident in the relevant issues, objectives and policies of the PWDP that are supported in terms of their direction, the lower order PWDP provisions fail to sufficiently or appropriately implement these key policy directives of the PWDP. In terms of this evidence these key themes include:

(a) The ability for the PWDP to enable people and communities to provide for their social and economic wellbeing;

(b) The optimisation of development opportunities for Kāinga Ora and the District that are consistent with the Kāinga Ora’s objectives;

(c) The provision of housing choice and affordability; and

(d) The efficient use of land.

- 3.7 In providing for these objectives, the PWDP has identified areas of potential capacity both through urban consolidation and the provision of additional greenfield development opportunities.
- 3.8 The likely market response to the changes proposed by the PWDP in relation to residential development mean that they are not the most appropriate means by which to meet the high order objectives. In my view, the likely market response to changes proposed by Kāinga Ora in its submission (for example the introduction of a Medium Density Residential zone) mean that those provisions will better implement the higher order objectives seeking to provide for compact / efficient urban form.

4. THE PWDP'S ABILITY TO MEET OBJECTIVES

- 4.1 In considering the ability for the Residential Zone provisions of the PWDP to meet the stated objectives it is critical to have regard to the likely direction and level of market response to these provisions.
- 4.2 Within the Residential Zone the Council has proposed a minimum lot size of 450sqm coupled with a minimum 300sqm 'multi-unit' lot with an approved consent while Kāinga Ora has sought that this be reduced to 200sqm for vacant lot subdivision, with no minimum lot size for subdivision in accordance with an approved land use consent.
- 4.3 Accompanying the Council's s32 analysis is an economic assessment entitled "Residential Zone Minimum Lot Size Topic" which considers the Council's proposed Residential Zone provisions, including minimum lot size and associated controls on intensity of development.
- 4.4 The potential economic costs associated with the Councils potentially lower densities are highlighted in this s32 analysis as including:
- (a) Higher dwelling prices;
 - (b) Less efficient urban form;
 - (c) Urban expansion and lower accessibility;

- (d) Less choice;
- (e) Lower property values;
- (f) Inefficient land use;
- (g) Increased infrastructure costs;
- (h) Increased transaction costs for multi-unit developments; and
- (i) Increased Council costs.

4.5 The potential economic benefits associated with the Council's position that are identified in the s32 analysis relate to the efficiencies of greater residential density (in a general sense).

4.6 The s32 analysis does not provide any evidence relating to the economic benefits of providing a minimum vacant site subdivision lot size of 450sqm, or indeed the 300sqm minimum lot size for consented multi-unit developments specifically. In fact the costs identified previously would suggest that the Council's own supporting cost benefit analysis indicates that smaller lot sizes around centres and transport corridors would provide greater economic benefits.

4.7 From an economic perspective, a primary factor which will impact on the ability for the proposed Residential Zone provisions to meet the objectives of efficient consolidation is certainty within the market. Once again, an economic cost identified within the Council's s32 analysis is that "*The development cost will increase through requiring a land use consent for multi-unit developments, which will adversely affect the number of properties developed*"¹. Without clear guidance to the market, the potential for intensified residential development is significantly reduced. This is not only based on the increased costs relating to consent applications but also the greater likelihood of private developers declining to utilise the multi-unit development

¹ Section 32 Analysis, Residential Zone Minimum Lot Sizes Topic – Assessment Framework, Market Economics, 20 June 2018 at p. 30.

opportunity in favour of much lower risk development options in greenfield and lower density development scenarios.

- 4.8 Additionally, without clear demarcation regarding the geographic extent of the primary areas earmarked for these more intensive development typologies the risk associated with such applications are increased. While the provisions proposed by Council arguably provide increased flexibility for the Council to approve multi-unit residential development they do not provide the market with certainty about where such developments will be considered appropriate. The result of that is increased risk and costs that will ultimately reduce the level of intensified residential development and lead to greater economic costs as outlined in the supporting s32 analysis.
- 4.9 The likely market response to this uncertainty is that the Residential Zone is unlikely to be redeveloped in the short-term to the future assessed capacity given that development will need to be of an appropriate scale to meet the market at the time of development (i.e. the land resource will not be developed to satisfy the future market potential, but rather to simply satisfy the need for short term confidence in the viability of development.
- 4.10 Commercial economic realities around the 'life' of such residential development (i.e. probably 50 years plus as a minimum) means that such development would remove the site's ability to be redeveloped within this timeframe. The implications of this is that the theoretical capacity would be undermined and have no real potential for the market to deliver efficient residential densities beyond the life of the PWDP. This could have the longterm effect of actually amplifying residential demand and capacity in areas outside these efficient locations (primarily greenfield sites) due to lack of supply and residential opportunities in and around centres and the transport network.
- 4.11 Building on this theme further in terms of housing typology, the market response from the reduced competitiveness for intensified residential product (as a result of this increased development risk), is reduced choice in terms of housing typologies. This would provide a narrower

spectrum of choice for consumers in terms of housing typology and by default higher sale price points, particularly at the lower–middle price bands within the market. A larger minimum lot size would result in higher nominal site prices with developers seeking to avoid ‘under capitalising’ therefore tending to develop larger dwellings to maximise land areas.

- 4.12 Associated with this theme also, or a by-product of the likely market outcome, is the likely reduced ability for site agglomeration within appropriate locations. This further lowers the development potential, feasibility and capacity to develop higher density residential product within the primary nodes. In effect the outcome would lessen the likelihood and enablement of higher density development.
- 4.13 An additional downstream consequence of the likely market outcome outlined above is that the absorption of greenfield land for residential development will be at a faster rate than anticipated or desired. Under such a scenario (greenfield land being developed at an increased rate), the proportional split between redevelopment/infill and greenfield development is likely to be rebalanced, with the greenfield proportion increasing to a level such that it could undermine any redevelopment potential of brownfield land.
- 4.14 This could have significant implications for infrastructure development around the District, and consequently for Waikato District Council’s capital expenditure programmes over the long term. This also increases the risk profile to Waikato District Council significantly in terms of potential capital expenditure in that it increases the level of investment uncertainty for both the market (in terms residential location) and Waikato District Council (in respect of capital expenditure investment requirements) over the medium to long term to accommodate anticipated residential demand.
- 4.15 This outcome can also increase the cost of residential development as a result of higher Waikato District Council development contributions required to accommodate larger sites and a higher proportion of greenfield development and growth than envisaged than what has likely been ‘factored into’ longer term infrastructural

investment (and maintenance), as well as lowering economic and land use efficiencies due to a less compact urban form.

5. KAINGA ORA SUBMISSION

5.1 Section 8 of my Evidence in Chief for Topic 9 – Business Zones summarised the background to Kāinga Ora’s submission to the PWDP.

5.2 The Kāinga Ora submission, as it relates to my evidence, identifies concerns regarding the ability for the PWDP to efficiently and appropriately supply residential housing product to the market that provides for the community’s wellbeing. This concern stems from the ability for identified areas of intensified development to supply timely, appropriate and sufficient capacity to meet demand in a manner that also considers affordable and economically efficient housing requirements.

5.3 The Kāinga Ora submission seeks the inclusion of a Medium Density Residential Zone that provides specifically for increased density of residential development in and around identified centres and the transport network. It is acknowledged that some degree of provision for higher density development, however impractical, is made within the Residential Zone as notified through the multiunit development rule, but the concern is that the provisions as notified:

- (a) Will not result in sufficient and efficient levels of higher density development; and
- (b) Do not provide the sufficient differentiation (or competitive advantage) between efficient locations for residential development and competitive alternatives, so as to provide certainty for investment.

5.4 This evidence seeks to provide an understanding from a high level economic view point of the potential market responses resulting from the direction of the PWDP and its ability to meet the strategic objectives and directions regarding a compact form and consolidation that are set out in the plan.

6. INTENSIFIED RESIDENTIAL DEVELOPMENT AND CENTRES

6.1 From an economic viewpoint residential zoning (and the intensity of land use enabled by the provisions) is a crucial tool in directing residential growth and development to achieve greater degrees of efficiency and certainty in terms of public and private investment. The level of flexibility and capacity indicated by zoning also impacts upon housing fundamentals such as choice and affordability.

6.2 While this instrument is necessary to achieve these levels of certainty it does not in itself generate the level of development that the provisions would suggest. The market is also driven by social and economic factors including:

- (a) Tenure;
- (b) Demand;
- (c) Acceptance of Risk;
- (d) Knowledge of 'Best' Fit;
- (e) Capital to Improvement Ratios;
- (f) Construction Costs;
- (g) Construction Restraints;
- (h) Fragmented Ownership;
- (i) Inaccessibility to Capital Funds;
- (j) Least Path of Resistance: the development of least risk may not result in the greatest level of capacity realisation; and
- (k) Future market expectations.

6.3 While these market factors determine the market response to zoning, zoning itself plays a significant role in the efficient and effective geospatial distribution of residential activity. This is a fact that is crucial to the objectives of the WDP, and in particular the key

difference between the provisions of the Residential Zone and those for the proposed Medium Density Residential Zone.

- 6.4 A key consideration in the objectives for residential development is the utilisation of appropriate land around centres (and transport networks) to provide efficient access to centre services and increase Waikato's housing supply. In considering these objectives, it is important to understand what, if any, impact introducing a Medium Density Residential zone will have on them. As identified above this goes beyond the act of applying a zone to an area of land and must consider the potential market response and therefore the practical outcome of applying a higher density zone.
- 6.5 The ability for the PWDP to accommodate future residential growth in the existing urban areas hinges on its ability to function as a catalyst for residential development of greater density. In order for the market to accept this product (residential development of greater density) here need to be several overt factors in play. The driving force behind the market's acceptance is clarity over future demand and the certainty of development potential. In order to achieve this clarity it is important that the intensified product attains a competitive advantage in the market through high quality product and associated amenity. Accompanied by this potential change in dwelling preference must be a viability and manageable risk for development of the product itself.
- 6.6 The rezoning of medium density residential areas in Waikato must therefore consider the accessibility and associated amenity of the locations and the development viability relating to the market variables that are likely to exist.
- 6.7 For rezoning to achieve this level of development it must provide appropriate levels of redevelopment choice in appropriate locations while still delivering certainty to the market.
- 6.8 An important consideration in evaluating the merits of the Kāinga Ora proposal to introduce a Medium Density Residential zone which would be applied in proximity to centres and transport networks is the potential economic benefits (balanced against potential risks)

provided to the centres in providing increased opportunity for a greater residential yield with respect to dwelling numbers around the centre network of the District.

- 6.9 Spreading the potential for demand of residential growth throughout the Residential Zone means any one centre is unlikely to experience a significant population boost to a level where it would provide a material economic benefit to the centre. Even when considering the provision for multi-unit development, the resulting uncertainties identified above, coupled with lower densities than those proposed in Kāinga Ora's Medium Density Zone, mean that Council's proposed Residential Zone is unlikely to result in appropriate levels of development. This in my opinion represents a missed market opportunity within the PWDP provisions.
- 6.10 As outlined in my evidence on Topic 9 relating to the Business and Business – Town Centre zones, many centres across Waikato's network are struggling to perform their role and function successfully in the market and provide a quality retail offer an environment that meets consumer expectations in today's environment, competition, changing retail formats, and evolution in the way retailers offer goods and services to the market has altered shopping patterns markedly over the last 10-15 years. This is not necessarily a 'bad thing', simply a reflection of 'normal' market workings in a competitive consumer goods sector.
- 6.11 This has diminished the relevance of many (typically older) centres in Waikato and depleted their economic and employment base in many instances², as well as the economic return from public investment in infrastructure and services in these centres.
- 6.12 The Kāinga Ora proposal provides an opportunity for the market to deliver increased volume of residential development in a Medium Density Residential Zone around centres to a level where it would provide a greater economic benefit to a centre's performance and the economic and social wellbeing of the communities it primarily

² With Huntly commercial and retail employment falling nominally over the past 15 years

services. This is in relation to increased sales performance, larger population base in surrounding centre locales, increased local employment opportunities, increased accessibility to public transport infrastructure, increased market efficiencies, increased return on investment on public expenditure (particular upcoming public transport initiatives), etc.

- 6.13 The Kāinga Ora proposal of 400m to 800m walking catchments for Medium Density Residential development opportunities provides additional capacity closer to areas with the highest levels of amenity, services and infrastructure (centres) rather than semi-rural environs around the District.
- 6.14 Additional to this is the increased market flexibility of the dwelling typologies that are likely to be developed, and increased opportunity and certainty for the market, to deliver higher residential densities close to the District's centre and public transport networks.
- 6.15 To balance this consideration there is a need to consider the economic risks associated with enabling a greater provision of higher density residential development around centres. From an economic perspective there is potential for medium density residential development to occur marginally further away from the centre initially. However, providing potential for development within 400m of an existing centre, even if the development first occurs at the edge of that 400m, is preferable in my opinion to the alternative of development within greenfield locations that are typically more competitive in terms of barriers to development.
- 6.16 When considering the strategic objectives of the PWDP the Council's proposed Residential Zone provisions are likely to lead to significantly lower residential densities, and therefore provision, around centres. This is the result of lower overall densities provided for in comparison to Kāinga Ora's Medium Density Residential Zone as well as significantly less certainty provided (primarily by multi-unit consents) to the market for intensified development and higher costs. In my view, the PWDP provisions do not go far enough in enabling a competitive environment in which the market could provide more

intensified housing and is therefore likely to result in a continuation of low density residential spread.

- 6.17 The potential risk of not introducing the zone as sought by Kāinga Ora is the likely outcome of a more dispersed development pattern (and the associated economic cost / inefficiencies), and Council's PWDP objectives concerning residential consolidation around centres not being realised. Having a greater certainty around the volume of medium density dwellings (and therefore people) within close proximity to centres represents a significantly better economic outcome for Council, developers, the community and the centres themselves.

7. POTENTIAL ECONOMIC BENEFITS FROM KAINGA ORA SUBMISSION

- 7.1 A key (although not the sole) consideration in the relief sought by Kāinga Ora is its ability as a property owner and public housing provider to meet the high level PWDP objective of a quality and diverse compact urban form.
- 7.2 Having considered the potential feasible outcomes resulting from the PWDP in terms of adequate and appropriate supply of residential product it is important to consider how Kāinga Ora's relief can more appropriately meet this need.
- 7.3 There are a variety of economic benefits that relate to the higher-level objectives that are likely to result from Kāinga Ora's relief including but not restricted to:
- (a) Increasing land use efficiencies;
 - (b) Improving access to higher amenities and servicing;
 - (c) Improving Kāinga Ora's ability to produce an integrated diverse higher density product;
 - (d) The efficiency gains from a highly motivated land owner with agglomerated sites;

- (e) The potential impact on the provision of social housing within the District;
- (f) The long-term perspective of land owners increasing marginal densities thereby meeting capacity rather than motivated by 'quick' market turnover;
- (g) Potential to increase underlying land values in appropriate locations catalysing redevelopment rather than just greenfield options;
- (h) Utilising existing infrastructure capacities;
- (i) Greater levels of locational choice;
- (j) Providing more diverse lower cost housing options; and
- (k) Reducing the potential for a centres'-based land banking situation in certain locations.

7.4 As identified previously many of these benefits are identified within the supporting documentation for s32 analysis.

7.5 As a significant property owner Kāinga Ora is in a relatively unique position with regard to its ability to help facilitate the high-level objectives of the PWDP. Its ability to aggregate sites in an efficient and timely manner provides additional certainty to the market in terms of the ability to achieve the stated intensification objectives as well their viability.

7.6 Kāinga Ora's operational and development decisions are not based around a standard development timeframe but seek to maximise land efficiencies with longer term considerations. It is this approach that increases the propensity for sites to reach their development capacity rather than that capacity being undermined by short term motivations.

7.7 The submission by Kāinga Ora is likely to result in an increase of residential capacity within the urban area. This increase will improve the ability of the PWDP to meet the objectives of a more efficient, consolidated and intensified urban form around higher amenity and

service areas, while providing greater certainty within the residential market and reducing the pressure for greenfield development.

- 7.8 Diverse locational and lifestyle choices are clear considerations within the PWDP. An issue raised in the preceding section relates to the risk of the current PWDP limiting the housing choices, especially for affordable housing. An overly restrictive plan has the potential to not only curtail overall capacity within the residential market, but also ‘pigeonhole’ new public and affordable housing development to specific locations. While it is agreed that these locations typically exhibit greater degrees of efficiency relating to transportation and accessibility etc., it is important both from a social and economic perspective that flexibility is provided to the community in the form of choice.
- 7.9 Choice is also important from a development perspective with areas of intensification, often restricting development participants and thereby producing situations of development stagnation and potential land banking.
- 7.10 Finally, Kāinga Ora’s submission provides for a specific sector of the residential housing market, albeit not exclusively. While the provision of affordable housing has received significant attention more recently, social housing is a key consideration for a community’s overall economic and social wellbeing. The provision of this housing need is dynamic with Government seeking to provide the private sector with the opportunity to supply this demand, including through the broader “facilitation” role that is envisioned for Kāinga Ora going forward. However, Kāinga Ora also plays, and will continue to play, a pivotal role in the supply of this market. In this market Kāinga Ora offers a diversity of product that is likely to be reduced in a market that will seek the lowest cost options.

8. CONCLUSION

- 8.1 The PWDP has some very clear objectives relating to the supply of residential housing and the consolidation of residential activity around centres and service provision. These objectives seek to encourage

resource efficiency, improve the utilisation of infrastructure, provide diversity of choice and advance the Waikato community's overall wellbeing.

8.2 It is my economic opinion that the provision of greater capacity sought through Kāinga Ora Medium Density Residential Zone submission represents an improved position to meet the objectives of the District due to:

- (a) The potential inability for the market to supply sufficient intensified feasible capacity and diversity under the current PWDP provisions and zones;
- (b) The provision of greater residential diversity within the lower sectors of the Waikato housing market;
- (c) Providing increased certainty regarding the long-term urban form outcome;
- (d) Provides greater confidence and certainty within the market and overall investment, regarding the effectiveness of the consolidated form direction;
- (e) Reduces marginal infrastructure costs;
- (f) Lowers overall site costs;
- (g) Provides economic impetus and support for the centres network;
- (h) Reduces the potential for pressure to development additional greenfield sites; and
- (i) Increases the provision of a diverse range of affordable and social housing options.

8.3 It is my opinion that Kāinga Ora's submission will better achieve the objectives of the PWDP as set out in this evidence.

3 FEBRUARY 2020

PHILIP OSBORNE

