SUBMISSION ON

Hastings - Napier Future Development Strategy

23 December 2024

To: Hastings District Council

Name of Submitter: Horticulture New Zealand

Supported by: SummerfruitNZ, T & S Averill, Strawberry

Growers NZ, NZ Apples & Pears, Hawke's Bay Winegrowers,

Hawke's Bay Fruitgrowers Association, Tomatoes NZ Inc,

Hawkes Bay Vegetable Growers Association,

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OVERVIEW

Submission structure

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Our submission

Horticulture New Zealand (HortNZ) thanks Hastings District Council for the opportunity to submit on the Hastings and Napier Future Development Strategy and welcomes any opportunity to continue to work with Hastings District Council and to discuss our submission.

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

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

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



HortNZ's Role

Background to HortNZ

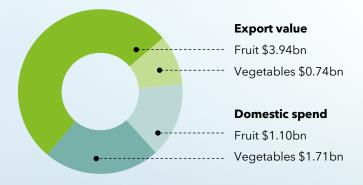
HortNZ represents the interests of approximately 4,200 commercial fruit and vegetable growers in New Zealand who grow around 100 different fruits and vegetables. The horticultural sector provides over 40,000 jobs.

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

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

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

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



Industry value \$7.48bn

Total exports \$4.67bn

Total domestic \$2.81bn

Source: Stats NZ and MPI

HortNZ's Resource Management Act 1991 Involvement

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



Executive Summary

- Growers and industry are concerned that the Future Development Strategy will signal housing growth on the highly productive Heretaunga Plains, yet there has been no discussion with our sector in its development.
- There needs to be consideration of what is considered highly productive land and how to recognise the unique soils, such as the Gimblett Gravels. Some of the most productive land in the region is on the Heretaunga Plains and stronger protections should be put in place to prevent inappropriate development.
- HortNZ believes there is other land available on the hillsides surrounding the
 plains that could be made available for urban development before productive
 land on the plains. While it can have a higher cost to develop land that is on
 hillsides, this is generally recovered through the sale of sections.
- Future development strategies are not solely about providing for housing for an
 increased population. There needs to be consideration about how this population
 will be supported to live. This means considering how to feed the population,
 meet freshwater requirements and provide for urban development in a way that
 protects highly productive land.
- HortNZ believes development on the Heretaunga Plains is incompatible with Strategic Objectives 2, 5, 6, 9, 11 and potentially 12 of the Draft Future Development Strategy and does not align with Manawhenua visions included within the document.
- Neither Napier City nor Hastings District Council require metering of water used on residential properties. There is no oversight of the residential demand for water which we believe will contribute to less water security on the Heretaunga Plains given this is the subject of Plan Change 9 which is in mediation with the Environment Court currently.
- HortNZ is of the view that the following need to be provided to support the rural
 area: provision for activities that support production of crops ready for market,
 including post-harvest facilities, water for irrigation and preparation of crops to
 meet food safety standards and good transport networks that facilitate the
 transportation of produce to markets and distribution centres.
- Manawatū District, which has some similarities to Napier and Hastings Districts has recently had consultation on a draft Future Growth Strategy which is a good model. It is concise and focused around avoiding development on highly productive land.





Submission

1. Horticulture in Hawke's Bay

The Hawke's Bay region plays a critical role in the national domestic supply of fruit and vegetables. The unique soils and climate provide an ideal environment for year-round growing. Māori have had a long history of cultivation. Many pā and Māori communities have resided in the Hawke's Bay region and made use of the natural climate to both sustain their communities and support a robust economy, trading crops with other communities outside the region¹. Hawke's Bay still maintains a high degree of crop diversity with a climate that is ideal for growing a wide range of horticultural crops both for the domestic and export markets².

There are approximately 14,549 ha of horticultural production in the wider region, with much of the region's produce being transported, packaged and prepared for market in packhouses and cool stores located within the Napier-Hastings area.

Table 1. Area (ha) of fruit planted in Hawkes Bay³

Crop	Apples	Kiwifruit	Summerfruit	Avocados	Citrus	Berryfruit	Other subtropical	Other	Total
Area (ha)	5,860	130	467	40	24	115	12	16	6664

Table 2. Area (ha) of vegetables planted in Hawkes Bay4

Crop	Asparagus	Brassicas	Carrots	Peas beans	Lettuce	Onions	Potatoes	Squash	Sweet corn	Other	Total
Area (ha)	24	110	41	1434	1	710	110	3320	1170	888	7808

The main crop in Hawke's Bay is apples, which makes up the majority of horticultural production; however, there is considerable production of summerfruit, fresh vegetables and process vegetable crops in the region.

The data above has been sourced from the 2024 Fresh Facts publication and may nor may not reflect the production area impacted by Cyclone Gabrielle.

¹ Heritage resources: Heritage (doc.govt.nz)

² Hawke's Bay Climate NIWA.pdf

Fresh-Facts-2024---Online-Version.pdf
 Fresh-Facts-2024---Online-Version.pdf

ECONOMIC IMPACT

The combination of soil and climate in Hawke's Bay make it suitable for supporting a diverse range of horticultural operations. The apple and pear industry in Hawke's Bay contributes \$892 million⁵ which is 67% of the industry's national GDP contribution and a significant contributor to the Hawke's Bay economy⁶. The industry ranks third highest out of ANZSIC level 4 industries for its contribution to regional GDP in Hawke's Bay⁷. The apple and pear industry within the Hawke's Bay region is a significant employer, both directly on orchard and through other supporting activities such as packhouses and cool stores.

Vegetables are also grown in the area, both for fresh consumption and to be processed. There are a number of process vegetable facilities located in the Hawke's Bay region, such as Heinz-Watties and McCains, that rely on transport networks and the port for shipping of produce. 80% of fresh vegetables grown nationally are to supply the domestic market, meaning they are to support the health and food requirements of our population. Due to the short shelf-life and perishable nature of fresh vegetables, these cannot be substituted easily with imported goods. Having good support and policies that support horticulture are important to ensure the national food network is maintained.

2. National Issues

2.1. Food security

The Paris Agreement speaks to a 'fundamental priority of safeguarding food security' and action in a manner that does not threaten food production. Food security is a nationally important issue which needs to be addressed at a strategic level. We have a national food producing system that relies on growing vegetables and fruit in pockets of highly productive land, with good climate and access to freshwater.

The price of New Zealand grown fresh fruit and vegetables has been steadily increasing prior to the recent weather events, such as Cyclone Gabrielle⁸. This can be attributed to labour shortages, increased costs in compliance, increased costs of horticultural supplies as well as freight and energy costs⁹. The increase in energy costs directly impacts the cost of production in New Zealand of fresh produce. Consumers are price driven, and the consequence of high production costs of New Zealand produce is that retailers will look to import produce or substitutes to meet consumer expectations of price. Importing fresh fruit and vegetables produced in other countries that can otherwise be grown in New Zealand increases carbon leakage due to freight and supports less climate-friendly growing and environmental practices in other countries.

2.2. Weather events and the impact on domestic food supply

⁵ New Zealand Apples and Pears October update - Hawke's Bay Fruitgrowers' Association | Hawke's Bay Fruitgrowers' Association

⁶ Martin Jenkins. (2024). 'Economic contribution of the New Zealand Apple and Pear industry 2024'

⁷ Martin Jenkins. (2024). 'Economic contribution of the New Zealand Apple and Pear industry 2024'

⁸ Fruit and vegetables drive up annual food prices | Stats NZ

⁹ Food prices are up, but the cost to grow it has skyrocketed | Stuff.co.nz

Vulnerabilities in our domestic food supply network have been highlighted during recent weather events with availability of fresh New Zealand grown produce being impacted by the 2023 rain events ¹⁰ and Cyclone Gabrielle causing damage to key horticultural growing areas such as Pukekohe, Northland, and The East Coast regions of Gisborne and Hawke's Bay¹¹.

The timing of these events has also increased the scale of impact, as many seasonal crops were in their harvest period. Considerable investment into growing the crop has been lost, along with the product, which has flow-on impacts to employment, health and safety.

The recovery for some growers from these events is long, and the ongoing supply of fresh fruit and vegetables is vulnerable during this recovery. Greenhouse crops aren't exposed to the same vulnerabilities, so while they require a certain level of energy in their production, they provide a more secure growing environment which is less likely to be disrupted due to extreme weather events.

This is important to take note of in the Hawke's Bay context as the recovery from Cyclone Gabrielle may see growers look to incorporate newer or more innovative ways of growing that incorporate use of covered structures.

3. Horticulture needs

3.1. Land use, water and horticulture needs

It is the view of HortNZ and growers that the Future Development Strategy (FDS) is an opportunity for Hastings District Council, Napier City District Council and Hawke's Bay Regional Council to work more closely with the horticultural community and industry to create a strategy that enables primary production activities to occur while also providing for population growth and development.

Freshwater use and access is important to consider in the context of the FDS as short rotational cropping is dynamic in both use of water and location. Semi-permanent tree crops, such as apples, have a large focus on water efficiency and considerable investment into irrigation infrastructure¹². As fertile soils are naturally occurring and a finite resource, it is important to consider land availability, capability and access to freshwater together to ensure development is occurring in such a way that it does not adversely affect horticultural production.

3.1.1. PLAN CHANGE 9 - (TANK)

The TANK (Tutaekuri, Ahuriri, Ngaruroro and Karamu) Plan Change has been appealed to the Environment Court, and court assisted mediation continues at the time of writing. One of the key focuses of TANK is managing an increasingly short supply of freshwater resource across the TANK catchments. It is concerning that signalled within the FDS is the intention to develop land on the Heretaunga Plains when there is over allocation of the Heretaunga Plains aquifer, and the plan requires clawback of water from primary



¹⁰ Auckland storm event 9 May 2023 rapid analysis (knowledgeauckland.org.nz)

¹¹ Cyclone Gabrielle's impact on the New Zealand economy and exports - March 2023 | New Zealand Ministry of Foreign Affairs and Trade (mfat.govt.nz)

¹² Fresh fruit from freshwater

producers on the Heretaunga Plains. HortNZ is keenly aware that household users of water generally have less awareness about their water use and the impacts of their use on the total freshwater available. Napier is currently using around 500 to 570L of water per person, per day, whereas the national average is 281.8L per person, per day. In Auckland, where there is metering in place, usage is around 146L per person, per day¹³. Neither Napier City nor Hastings District Council currently require metering of all domestic water use. Policy 47 of the TANK decision recognises the need for urban development planning to be undertaken acknowledging the limitations of the freshwater resource, and that Councils in their planning need to consider National Policy Statements¹⁴. HortNZ is concerned that without prior development of alternative water supplies (such as water storage), infrastructure and capacity, intensification of the Heretaunga Plains into urban development will result in further reductions in the volume of water available for primary production.

3.1.2. IRRIGATION

Water takes for irrigation of horticultural crops are used to supplement rainfall. Irrigation is used more frequently in the summer months when rainfall is lower, and typically less through the winter months. Irrigation of crops is matched to crop demand, and it is important to note that over-irrigation of a crop can be as problematic as underwatering a crop. Many factors influence how much water a crop will require, including type of crop, stage in growth cycle and climatic conditions.¹⁵ Growers work within their local climate and environment to ensure crops receive adequate water to produce a marketable yield. It is important to note that water demand on a parcel of land is variable as short-rotational vegetable cropping practices mean soil health is managed by ensuring crops are rotated across different parcels of land to reduce soil, pest and disease pressure. Different crop types have different water and nutrient requirements.¹⁶

Water use by irrigators is carefully monitored, with most of the water takes on the Heretaunga Plains for irrigation having their water meter data telemetered to Hawke's Bay Regional Council in real time. Any exceedances of allocated volumes are followed up quickly.

3.1.3. POST-HARVEST WATER REQUIREMENTS

Growers need to work within food safety and market requirements to ensure produce is safe and fit for human consumption. Food safety frameworks which are incorporated into commercial accreditation programmes such as New Zealand Good Agricultural Practice (NZ GAP) require water to be tested for contaminants such as *E. coli*. It is important that water used to wash produce is of a quantity and standard to ensure produce is clean and safe for consumers before it makes it to market. In addition to water testing and food safety processes within an operation, produce sold through retailers and markets is subject to random testing to provide consumers with confidence that the produce they purchase has been grown and produced in a way that it is safe to eat.

¹³ Huge regional disparities in water wastage - new NPR report : Water New Zealand

¹⁴ PPC9-Commissioners-Decisions-Tracked-Version-Aug22.pdf

¹⁵ CHAPTER 2: CROP WATER NEEDS (fao.org)

¹⁶ Importance of Crop Rotation (bayer.com)

¹⁷ 2019-07-24-Guidelines-for-Fresh-Produce-Food-Safety-2019-WEB.pdf (hortnz.co.nz)

3.1.4. NATIONAL DIRECTION AND SUPPORT FOR HORTICULTURE

The National Policy Statement for Highly Productive Land (NPS HPL) provides clear direction about how to protect highly productive land for land-based primary production. The NPS HPL, as currently drafted, does not distinguish between LUC 1, 2 or 3 land as needing different levels of protection and treats these classes equally in recognition of the productive capacity of this land.

Minister Parker's letter to regional councils sent in April 2023 sought information about how vegetable growing was being provided for in NPS FM plans. The change of government has seen a reform programme across a suite of legislation including the NPS FM, NPS HPL and RMA, and a directive from central government was issued to Regional Councils earlier this year restricting notification of freshwater plan changes before gazettal of the replacement of the NPS FM¹⁸.

In addition, the Aotearoa Horticulture Action Plan seeks to provide a framework to grow the value of the horticulture industry to \$12 billion by 2035.¹⁹ This is a 'quadruple helix' strategy that involves a combination of effort between industry, government, Māori and growers.

HortNZ believes there is clear support for the horticulture industry and ensuring domestic vegetable production particularly is provided for when developing plans and documents that guide the future of regions. HortNZ is mindful that the Future Development Strategy will inform other planning documents and have a direct impact on land use.

If the ultimate higher purpose is to create plans for the future that help guide development and determine where and how our population will be housed, it is critical the following are considered:

- Climate change adaptation and opportunities;
- Land use change;
- Horticulture's potential and role in transitioning to a low emissions economy; and
- How we feed the growing population and support populations through employment opportunities.

The FDS needs to provide structure and guidance on how Napier and Hastings will grow and where urban and housing development will occur. There needs to be balance between development of land for urban growth purposes and production on the land to support the population. The FDS needs to balance the National Policy Statement for Urban Development (NPS UD) with the NPS HPL to ensure production and urban development are considered together.

¹⁸ Government provides clarity to farmers and councils on freshwater plans | Beehive.govt.nz

¹⁹ Growing together 2035 - Aotearoa Horticulture Action Plan (February 2023) (mpi.govt.nz)

3.1.5. NATIONAL POLICY STATEMENT FOR HIGHLY PRODUCTIVE LAND

The NPS HPL came into effect in October 2022. The NPS HPL is a blunt tool to manage appropriate use of land deemed highly productive (LUC 1, 2 & 3), primarily through the requirement of Councils to map and zone highly productive land and manage the subdivision, use and development of this land.

The recent amendments to the NPS HPL make it clear that greenhouse production is an appropriate activity to be located on highly productive land; however, in the Hawke's Bay context, we see this activity best situated on non-highly productive land as there is ample supply. This also could be an opportunity to harvest rainwater from these operations if located on non-highly productive land. The complexity for a greenhouse operation is that it requires access to the same markets, transport routes and horticultural support services as a traditional soil-based operation. Growers planning for the future may look to incorporate greater levels of environmental protection into their operation to provide support and protection of crops from weather events. This may be in the form of covered crop protection structures or investment into complete environmentally controlled greenhouse operations.²⁰ There is likely to be a challenge to the traditional approach to horticulture with growers incorporating greater levels of technology and automation into their operations to support better environmental practice and crop production.

Land needs to be managed to meet the needs of people now and those of future generations. In our view, sustainable food production is the primary value associated with this resource. Highly productive land is made up a combination of natural and physical resources, and these together with social, legal and investment decisions define the potential productive capacity of land.

Policies to manage ad-hoc urban and lifestyle development are essential to maintain highly productive land resource for future generations. Highly productive land is a finite resource and intergenerational asset that is under threat in New Zealand - most significantly due to urban development, as reported in 'Our Land 2021' which states that the area of highly productive land that was unavailable for horticulture because it had a house on it increased by 54% from 2002 to 2019.²¹

The values of highly productive land and potential costs and benefits of enabling and/or allowing urban expansion onto highly productive land should be specifically considered as part of the process of identifying areas that may be appropriate for future expansion. The impact of losing that land to primary productive use is a matter that should be specifically investigated, and those findings then considered, alongside other relevant matters, when decisions about areas that are potentially suitable for future urban expansion are made.

The Heretaunga Plains is unique and special, in both climate and considerable amount of LUC 1, 2 and 3 land present²². Further to this, there are the unique Gimblett Gravels and other soil types which make for a uniquely diverse region able to support a wide range of primary production. The NPS HPL requires regional councils to complete mapping of highly productive land in the region. To HortNZ's knowledge, this has not been

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²⁰ LeaderBrand | Grow Regions

²¹ Our Land 2021. Ministry for the Environment.

²² Baseline Highly Productive Land » Maps » Our Environment (scinfo.org.nz)

completed. It would be prudent to first understand and know where the highly productive resources are through mapping, and then identify areas for greenfield development that do not compromise this resource. Non-productive land on the periphery of highly productive land would be well suited to support activities like greenhouses and post-harvest facilities that support horticulture, ahead of urban development.

HortNZ does not consider it acceptable to continue the loss of highly productive land to urban use in the Hawke's Bay when a national policy statement is in place and other options are available to address urban growth needs. The food security of the region and nation should not be compromised.

3.2. Examples from other regions

3.2.1. WAIKATO FUTURE PROOF STRATEGY

As a result of the HortNZ submission to the Waikato Future Proof Strategy, Waikato Regional Council are investigating an additional KPI in the implementation plan considering the loss of highly productive land. This will allow for further consideration of the overall impacts of the loss of productive land to balance the desire for the spread of urban development into productive areas²³.

This could be a useful metric to consider implementing in the Napier-Hastings FDS to help assist with analysing or assessing the impact of the loss of productive land to urban development.

3.2.2. PROPOSED OTAGO REGIONAL POLICY STATEMENT

Acknowledgement and consideration have been given to what constitutes 'productive soil' in the Central Otago region. During the Proposed Otago Regional Policy Statement process it was recognised that some of the region's most productive soils were in areas of Central Otago on land use classes not currently provided for under the NPS HPL. In giving effect to the NPS HPL and recognising the importance of key horticultural production areas that are not Land Use Class 1–3, such as Central Otago, it was acknowledged that these could be captured by the NPS HPL when the unique climate is considered in conjunction with the free-draining soils.

Recognition of food production has been incorporated into the purpose of the Proposed Otago Regional Policy Statement, and the following policy to give consideration of wider interpretation of the NPS HPL:

LF-LS-P19 - (e) Land may be identified as highly productive if:

- (i) it is in a general rural zone or rural production zone, and
- (ii) it is predominantly LUC 1, 2 or 3 land, and

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²³ 24.07.03 WRC FPS website summary.pdf (hortnz.co.nz)

(iii) it is or has the potential to be highly productive for *land-based primary* production in Otago, having regard to the soil type, the physical characteristics of the land and soil, and the climate²⁴.

This is important to consider in the Hawke's Bay context. Some of the most productive orcharding areas are on land that is not LUC 1, 2 or 3, but because of the combination of soil type, climate and physical characteristics of the land, it is well suited to the production of some crops.

4. Draft Napier Hastings Future Development Strategy

The timing of consultation on the FDS is during the busiest time of year for our growers. During this time, growers have little capacity to be involved in any activities that are not directly related to their growing operations. However, due to the high level of interest and concern from growers, they have made time to put forward their concerns and provided robust feedback on their views. HortNZ would like to see any oral submission opportunities scheduled at a time that works better for growers, after the autumn harvest has been completed.

HortNZ notes the FDS has taken a lead from the previous Heretaunga Plains Urban Development Strategy (HPUDS). The HPUDS was first adopted in 2010 and further amended in 2017. HortNZ sees the FDS as an opportunity for the involved Councils to reflect on the region, its environmental constraints and economic realities. Hawke's Bay is a predominantly rural region, with horticulture being one of the top five regional earners²⁵, and supports many of the other key industries that make up the fabric of the communities. To plan for housing without consideration of any of the other factors that contribute to the ongoing success and support of the community is both concerning and short-sighted.

The draft FDS is very focused on development. There is very little consideration of rural resilience and how the rural economy is supported and enabled. Considering the region is predominantly rural, with a large concentration of LUC 1, 2 and 3 land and has an economy that is based on primary production, it should be expected that these factors are more heavily reflected in the draft FDS. In contrast, the Manawatū Growth Strategy, which does have similarities in terms of lots of LUC 1, 2 and 3 land, flood plains and a predominantly rural economy, is succinct and has a key focus on how development, especially urban and lifestyle development, will be provided for in a way that protects highly productive land²⁶. The following sections respond directly to sections of the draft FDS.

4.1. Overview

One of the benefits to be realised in the draft FDS is 'minimising urban expansion in areas with highly productive land.' However, the FDS also indicates there will be urban expansion onto the Heretaunga Plains. HortNZ believes there is a need to provide for

²⁴ appendix-4-tracked-proposed-otago-regional-policy-statement-2021-hearing-panel-recommendations-1.pdf (orc.govt.nz)

²⁵ Which industries contributed to your region's GDP? | Stats NZ

²⁶ Our Growth Strategy | District Plan Review | Make your mark Manawatū

rural industrial development to provide a place for post-harvest and other ancillary activities that support horticultural production, and these could be appropriately located in the rural areas, such as the Heretaunga Plains. Urban development should not spread onto the Heretaunga Plains.

There is land available on the hillsides surrounding the plains that could be made available for urban development before productive land on the plains is looked to. Costs of development are generally recovered through the sale prices of sections.

4.2. Introduction

4.2.1. WHAT IS THE FUTURE DEVELOPMENT STRATEGY?

The Future Development Strategy has been drafted in response to the requirements of the NPS UD; however, the draft FDS still needs to have regard to other legislation and should be an integrated plan. The NPS UD has a focus on providing for the requirements of anticipated population growth; however, the NPS HPL is designed to protect finite highly productive land resources that will support our population and economies. It is important to consider these needs together when looking to provide for regional growth, support its population while also ensuring that the region can continue to play its important role in the national food supply network.

4.2.2. WHERE DOES IT APPLY

HortNZ acknowledges that the draft FDS relates to the Napier City and Hastings Districts within the Hawke's Bay Region; however, these are areas that have significant highly productive land resources that support the wider regions productivity²⁷.

The draft FDS should have regard to the wider context of the region and the role these districts play in the success and productivity of the area.

4.2.3. HERETAUNGA PLAINS URBAN DEVELOPMENT STRATEGY

The HPUDS was drafted in 2010, with subsequent amendments in 2017. While useful as a reference tool for what planning has occurred for the area in the past, HortNZ believes there have been significant changes and learnings that require a new approach. The draft FDS needs to recognise and provide for future urban growth requirements and protect the highly productive land resource in the region.

4.2.4. CYCLONE GABRIELLE

Cyclone Gabrielle had a devastating effect on the Hawke's Bay region and the draft FDS process was started prior to the event. It is acknowledged that the region is still recovering and understanding the impacts of the event. It is important to note that horticultural production was significantly impacted with the timing of Cyclone Gabrielle meaning many orchardists were not yet in their harvest. Growers faced the economic impacts that came with the loss of an annual crop, as well as significant costs for clean-up, silt removal and damage to trees. It is important to consider the opportunities for the

²⁷ Baseline Highly Productive Land » Maps » Our Environment

sector that can be realised both through the learnings of the impact of the Cyclone and what is required to support a thriving horticulture sector to support the area.

What is required to support the rural area is provision for activities that support production of crops ready for market, including post-harvest facilities, water for irrigation and preparation of crops to meet food safety standards and good transport networks that facilitate the transportation of produce to markets and distribution centres.

4.2.5. WHERE DOES THE FDS FIT WITH OTHER COUNCIL STRATEGIES

This section refers to the other planning processes and legislation that influence the draft FDS. HortNZ would like to see amendments to the FDS that better reflect the tension between the NPS UD and other national direction such as the NPS HPL and provide a clear direction on how the rural community and primary production will be planned for and its needs reflected.

4.3. How the draft FDS has been prepared

HortNZ is aware that the draft FDS has been developed with no consultation with the horticultural community. Given the draft FDS signals development onto the Heretaunga Plains, we are concerned that the views of key stakeholders in the rural community, particularly those involved in production on the Heretaunga Plains, have not had the opportunity to have their views reflected in the draft FDS. HortNZ encourages the draft FDS writers and Councils to work more closely with the horticultural community in order to better understand the concerns and pressures the sector has that need to be provided for in the FDS.

These conversations need to be focused and occur in addition to any general public consultation opportunities. Growers have been working hard recovering from the impacts of the Cyclone and managing businesses through economically challenging times. Given there is urban development intentions signalled in the draft FDS that would have a direct impact on the ability for production to occur on the Heretaunga Plains, there are a multitude of reasons this group should be involved in any discussions relating to future development on the Plains.

4.4. Iwi and hapū values and aspirations

HortNZ notes in the iwi and hapū trust values and aspirations, there is a requirement of the plan writers to genuinely include and involve iwi and hapū in FDS development discussions.

In the Mana Ahuriri Trust Values and aspirations, there is a desired goal to ensure all development activities respect and enhance our natural ecosystems, water sources, and biodiversity, aligning with our commitments to Kaitiakitanga. Concentrating urban development onto the Heretaunga Plains, given the ongoing Environment Court mediations regarding freshwater resource availability and allocation would contradict the Mana Ahuriri Trusts goals to have development occurring that respects water sources.

Heretaunga Hapū also have a specific priority regarding conserving the fertile resources of Heretaunga. This raises the concern expressed in this submission that urban development on the Heretaunga Plains is inconsistent with Manawhenua aspirations.

4.5. Vision and objectives

The overarching vision which has helped guide the development of the FDS refers to having safe and resilient communities, within an enhanced environment.

4.6. Strategic Objectives

4.6.1. STRATEGIC OBJECTIVE 3 SPECIFIES 'OUR COMMUNITIES AND INFRASTRUCTURE ARE RESILIENT TO THE EFFECTS OF CLIMATE CHANGE AND THE RISK FROM NATURAL HAZARDS.'

The Hawke's Bay has over 2300 hours of bright sunshine per year. This warm, sunny climate along with versatile soils are ideal for growing. However, the Heretaunga Plains commonly has about 95 days between November and April when there is insufficient soil moisture to maintain plant growth without irrigation²⁸. Climate change is expected to bring warmer weather and changes in rainfall seasonality to Hawke's Bay. Growers are very aware of the changing climate and the potential for more frequent droughts, including this summer. Ensuring good quality water continues to be available for irrigation of horticultural crops is critical to the ongoing success of the sector and the region.

Supporting horticultural production is also very important in terms of New Zealand's response to climate change. Less than 1% of the country's greenhouse gas emissions are produced by horticulture. Supporting land use diversification to allow increased horticulture is critical to New Zealand achieving a transition to a low emission economy in line with the Climate Change Response (Zero Carbon) Amendment Act 2019²⁹.

The Heretaunga Plains support a low-emissions horticultural activity that is a significant contributor to the local and national economy³⁰. It is important that the highly productive land resource is protected from inappropriate development and its use for primary production purposes enabled through good plans and policies.

4.6.2. STRATEGIC OBJECTIVE 5 SPECIFIES 'WE HAVE A STRONG ECONOMY AND BUSINESSES CAN GROW IN LOCATIONS TO MEET THEIR FUNCTIONAL NEEDS'.

The horticultural industry is the key contributor to a strong Hawke's Bay economy and requires land and sensible approaches to urban development that protect highly productive land and manage the impacts of reverse sensitivity on rural production.

HortNZ would like to see inclusion of the requirement for facilities, such as post-harvest facilities, to be enabled and supported through inclusion of a rural production zone, to ensure the produce is able to be washed/cleaned and prepared for market. Post-harvest

30 Normal.dotm A4 US English

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²⁸ NIWA 2013. The climate and weather of Hawke's Bay.

²⁹ Climate Change Response (Zero Carbon) Amendment Act 2019 | Ministry for the Environment

washing and preparation is a time sensitive activity and necessary to ensure produce is able to meet consumer and food safety requirements.

Rather than urban expansion on the Heretaunga Plains, post-harvest facilities such as independent packhouses would be a more appropriate activity to be located out in the rural production area that enables produce to be prepared and packed accordance with market and food safety requirements.

4.6.3. STRATEGIC OBJECTIVE 6 SPECIFIES 'THE HIGHLY PRODUCTIVE LAND OF THE HERETAUNGA PLAINS IS PROTECTED FOR PRODUCTIVE USES.'

The Heretaunga Plains are a nationally significant source of highly productive land and protection of this land has been regulated within district and regional planning tools due to pressures from urbanisation. Food and fibre production are recognised as a significant value within the Regional Policy Statement and as 'primary values and uses' for the Greater Heretaunga/Ahuriri. Any intention to develop on the Plains for a purpose other than supporting the rural production of the area would be inconsistent with this objective.

4.6.4. THE GROWTH PICTURE

This section outlines our understanding of the residential and business growth anticipated over the next 30 years. HortNZ believes much of the population and business growth will be directly and indirectly linked to the diverse range of horticulture which is a significant contributor to the regional economy. It is counter-intuitive to plan for residential growth into production areas that would both impact the availability of and ability for producers to use highly productive land for its best purpose. Arguably, urban expansion onto the Plains will also increase demand and competition for a limited freshwater resource. As noted above, there is currently no water metering of residential properties in the Napier-Hastings districts, so there is little understanding or motivation for urban users of freshwater to conserve or even become aware of their freshwater use. Freshwater resources need to be available for the continued success of the local horticultural sector.

The draft FDS is planning for an additional 16,320 dwellings, with the plan indicating 46% of these will be sourced through greenfield development. HortNZ is of the view that the flat productive Heretaunga Plains area needs to be protected to enable primary production to continue. There are other areas within the district that may be more appropriate for development, such as on the hills surrounding the plains. Development in these areas could then incorporate the requirement for water storage to support the new housing and generally development costs are recovered through the sale of sections. While it can have a higher cost to develop land that is on hillsides, this is generally recovered through the sale of sections as well.

4.7. Development constraints and opportunities

HortNZ acknowledges there are considerable challenges with planning for increased residential growth, especially in areas at higher risk of flooding or damage from significant weather events.

HortNZ notes that the maps indicate the land on the Heretaunga Plains is less constrained. Given the impacts of Cyclone Gabrielle, the role of the Heretaunga Plains as a traditional

flood plain was highlighted. More consideration of the development constraints needs to be given to this area.

4.7.1. HIGHLY PRODUCTIVE LAND

The NPS HPL, as currently drafted, requires regional councils to map LUC 1, 2 and 3 highly productive land and protects this land from development. However, it is important to note that production of certain crops occurs on land use classes outside of those considered highly productive under the NPS HPL.

There are many elements that contribute to the productive capacity of land, but land itself is the primary aspect. When land is fragmented or urbanised it is seldom retuned to productive uses.

4.8. Opportunities

There needs to be consideration of what activities and requirements there are to support the rural production in the area. There is a need for a rural industrial zone/s to support activities such as post-harvest facilities.

There is also an opportunity to ensure any developments occur in a way that they do not impact rural production. For example, including a requirement for a 30m vegetated buffer strip within urban developments that border rural zones both can add to the amenity of a new development, and provide a buffer to minimise reverse sensitivity impacts from residential developments on rural production.

HortNZ does not support urban development onto highly productive land or the Heretaunga Plains.

4.8.1. RURAL LIFESTYLE AND RURAL COASTAL SETTLEMENTS

HortNZ supports no new land being zoned for rural lifestyle in the area. An opportunity to consider is whether reducing land parcel size may enable intensification in existing rural lifestyle areas. In most cases, this land has been developed in a way that it is unable to be used for rural production. This may be another pathway to consider.

4.9. Strategic infrastructure

Hastings, Napier City and Hawke's Bay Regional Councils should consider installing water metering on residential properties to enable more efficient use of the freshwater resource. Demand for freshwater in the region is anticipated to increase and there is a need to consider how water storage can be enabled to help create resilience and reliability in freshwater supply. Further pressure on the ground water resource in the Heretaunga Plains will put further pressure on this diminishing resource. It is important that the FDS considers how to provide for water storage and treatment to support the growing population and production.

4.9.1. FUTURE POLICY CHANGES

In addition to the signalled changes to the NPS UD, the FDS will also need to consider other legislative and policy changes across a number of Acts, NPS and NES that will be

announced in the next year. Planning for growth requires a holistic view and integrated plan development approach that considers more than just urban housing needs. The local economy and production that supports the community in the area will be essential to support the other requirements of a growing population, such as feeding the growing population and providing employment opportunities.

4.10. Implementation

HortNZ and growers would like to have further conversations with decision makers prior to finalisation of the plan. HortNZ notes there will be reviews of the FDS in late-2027, early 2028. Our growers and their representative groups are concerned about the lack of discussion with their community in the development of this draft and would like to help the relevant planning committees understand their concerns, pressures and needs.