Hawke’s Bay
Regional Council
Coastal Hazard Zones

Valuation Report

4 April 2008
EMI 0808
HBRC Plan Number 4021
Environmental Management Group
Policy Report

Policy Section

Hawke's Bay Regional Coastal Environment Plan
Valuation Report:
Hawke's Bay Regional Council Coastal Hazard Zones

Prepared by:
Paul Harvey and Bill Hawkins
Williams Harvey Limited
PO Box 232
HASTINGS

4 April 2008
EMI 0808
HBRC Plan Number 4021

© Copyright: Hawke's Bay Regional Council
VALUATION REPORT

HAWKE’S BAY REGIONAL COUNCIL
COASTAL HAZARD ZONES

PREPARED BY

WILLIAMS’ HARVEY
REGISTERED VALUERS

PAUL HARVEY & BILL HAWKINS
4 APRIL 2008
4 April 2008

The Hearings Committee  
Hawkes Bay Regional Council  
Private Bag 6006  
NAPIER 4142

Attention: Mr G Ide

Dear Sir

Re:   HAWKE’S BAY REGIONAL COUNCIL  
ADVICE ON COASTAL HAZARD ZONES AND PROPERTY VALUE IMPACTS

Further to your written instructions of 15 January 2008 to provide the Hawke’s Bay Regional Council (HBRC) with professional advice on Coastal Hazard Zones, associated rules and impact on property values, we advise having now undertaken the necessary investigations and report as follows:

1.0 BACKGROUND

The HBRC publicly notified its Proposed Regional Coastal Environment Plan (RCEP) in August 2006. The proposed RCEP identifies Coastal Hazard Zones and applies rules restricting some land use activities within these zones.

The HBRC’s Hearings Committee has heard submissions on the RCEPs Coastal Hazard Provisions. The Committee is now seeking professional advice on the effects of the Coastal Hazard Zones and associated rules on property values.

Before making decisions on those submissions, the Committee must make evaluation which takes into account the benefits and costs of policies, rules and other methods. Therefore the Committee wants to better understand the benefits and costs of identifying (or not identifying) Coastal Hazard Zones in the RCEP, particularly in relation to coastal property values.

2.0 PURPOSE

To provide HBRC with advice on the impact that Coastal Hazard Zones and associated rules in the proposed RCEP have had, and are having, on property values.

3.0 SCOPE OF WORKS – AS PROVIDED BY HBRC

(a) Assess the extent to which the RCEP’s Coastal Hazard Zones and associated rules have affected the market value of properties within those Coastal Hazard Zones. In particular:

(i) Briefly identify and summarise the key generic factors contributing to the changes in coastal property values. Based on professional opinion and experience rather than any property specific assessments.

(ii) Identify any location specific attributes that may affect coastal property values.
(iii) Assess up to three localities for specific investigation as case studies. The case studies selected are likely to be dependent on sales history statistics and geographic location within the Hawke's Bay Region. This is not intended to be a site by site valuation assessment exercise, but rather a generic assessment of historic and future trends at the chosen locations based on professional opinion and experience.

(b) If technically practicable, assess the change in market values of properties located within Coastal Hazard Zones against a "control" location where properties are not located within Coastal Hazard Zones.

We are of the view that the analysis of item (a)(iii) above goes some way to providing the answers to this question. We have looked at four coastal localities and compared the trends of those localities with the wider residential real estate markets of Hawkes Bay, Napier and Hastings. The analysis shows that each of the localities are individual in their own right, they have their own level of median sale price and they have their own level of volume of sales. Each is independent as are all of the other seaside settlements located throughout Hawkes Bay and in our view it would be a flawed and very inaccurate assessment to try and assess a flat percentage change across all property located within the Coastal Hazard Zones throughout Hawkes Bay, even it were technically possible. We are therefore of the view that the analysis and data already provided provides sufficient evidence as to the effect (if any) that the proposed RCEP and the Coastal Hazard Zones have had and are having on the assessed localities.

4.0 WHY AND WHAT ARE COASTAL HAZARD ZONES

4.1 Hawke’s Bay Regional Council

The HBRC has already produced a very accurate and easily understood information sheet for landowners and property developers relating to the RCEP and the Coastal Hazard Zones.

This information sheet explains the relationship between the Resource Management Act 1991, Regional Council’s responsibility, City or District Council’s responsibilities and the Building Act and respective Building Code requirements.

It is not the intention of this report to regurgitate this document, however it does provide in our view a very good summary of the situation and we have included a copy in the appendices for further reading should readers wish to gain a better understanding of who is responsible for what, how and why.

Please also see the appendices for Part C Section 15 Coastal Hazards of the Proposed Hawke’s Bay Regional Coastal Environment Plan. This section identifies the issues and provides guidelines to the issues. Also enclosed in the appendices are the Regional Rules Part E 27.6 Coastal Hazards.

The proposed RCEP’s rules are based on three hazard risk zones defined in the 2004 Hawke’s Bay Regional Coastal Hazard Assessment and subsequent reports by Tonkin and Taylor Limited.

Stricter controls generally apply in high risk zones and lesser restrictions apply in medium and long term risk zones. Three hazard management zones are as follows:

**Coastal Hazard Zone 1 (CHZ 1)** – An area predicted to be at risk of coastal erosion and extreme inundation over the next 10 years. This includes allowances for risks from severe sea storms, short term variations and dune instability.

**Coastal Hazard Zone 2 (CHZ 2)** – An area predicted to be potentially at risk over the next 100 years due to moderate inundation, long term rates of erosion and allowance for predicted sea level rise.
Coastal Hazard Zone 3 (CHZ 3) – An area predicted to be potentially at risk due to moderate inundation (where ground levels are below the 2% AEP level), including allowance for predicted sea level rise over the next 100 years.

These three zones have not been identified on an individual site by site basis, but instead are intended to be used as a planning tool to assess regional and local risk.

4.2 Hastings District Council

The Hastings District Council zoning for the residential localities of Waipatiki, Whirinaki, Haumoana, Te Awanga and Waimarama are all zoned “Coastal Residential” under the Operative District Plan effective 10 June 2003. Four of these localities have become our chosen case studies, have special character and sense of place satisfying niche residential markets. A range of servicing and natural hazard constraints exist warranting careful development and control. The foreshore of all these localities are incorporated within the Coastal Resource Management Unit and parts of the settlements are also affected by the Flooding Resource Management Unit of the Hastings District Council. These items relate to natural hazards which may or may not occur in the future and relate generally to flooding and erosion. In effect performance standards require minimum floor levels of residential buildings to be RL11.5 metres or .5 metres above ground level, whichever is the greater. These identified hazards do not necessarily preclude future development, however consents are required, and the 2004 Building Code specifically requires floor levels of habitable buildings to be constructed above flood levels resulting from storm having a 2% probability of occurring annually. It is commonly (but not entirely accurately) referred to as a 1 in 50 year event.

5.0 IMPACT ON A PROPERTY OWNERS BUNDLE OF RIGHTS

Every property owner has what is known as a “bundle of rights” associated with ownership of property. Factors that may affect market value depends on the individual perspective of buyers and sellers and some view these bundles of rights as advantages or disadvantages.

There are already some controls in place with regards to the Hastings District Council Operative District Plan with relation to hazard Resource Management Units and also building consent applications and building codes and minimum floor levels. The proposed RCEP goes further by introducing Coastal Hazard Zones 1-3 which have their own rules, activity and classifications. Please see the appendix documents for full details of these rules. In summary:

Permitted activities for existing structures in Coastal Hazard Zone 1, 2 or 3 include the replacement, maintenance, repair, removal or demolition of a lawfully established building or structure.

Restricted discretionary activity for external building work in Coastal Hazard Zone 2 includes any external building work, including construction of a new building or relocation of a building.

Non complying activity for replacement of structures in Coastal Hazard Zone 1 or 2 relates to any replacement of a structure damaged or destroyed by the action of the sea.

Non complying activity for external building work in Coastal Hazard Zone 1 provides for any external building work, including construction of a new building in Coastal Hazard Zone 1.

In simple terms our understanding of the rules and activities around the Coastal Hazard Zones are as follows:

1. Although commonly referred to as a 1 in 50 year event, the technically correct term is an event having a “2% Annual Exceedance Probability” or 2% AEP
If there is an existing structure of say 100 square metres located within the Coastal Hazard Zone the property owner as a permitted activity has the right to replace or maintain, repair or remove the structure as of right. The effect of any works must be the same or similar in character, intensity and scale to the effects of that existing at the notification date of the RCEP. There are a couple of exceptions to this. Firstly replacement of a structure damaged or destroyed by action of the sea (Rule 86) and secondly, work on coastal protection structures (Rule 85).

If the property owner wishes to renovate and extend the floor area of the dwelling the activity becomes a non complying activity in Coastal Hazard Zone 1 and a restricted discretionary activity in Coastal Hazard Zone 2. Consent is therefore required and consent maybe declined or granted with conditions imposed. The matters for control/discretion for approval relate to:

(a) intended purpose of use of building work,
(b) location of building work in relation to any existing buildings on the property,
(c) effects on peoples health and safety,
(d) effects of building work on natural coastal processes,
(e) effects of natural coastal processes on building work,
(f) probability and magnitude of erosion,
(g) methods to avoid or mitigate effects of coastal hazards to building work,
(h) degree to which any protection works to the property or building have been carried out

In case of a non complying activity consent will only be granted if effects of activity are less than minor, or activity is consistent with the plans, objectives and policies.

While the proposed Coastal Hazard Zones don’t totally and outright preclude new building work there is now a further process required to obtain all relevant approvals, permits, consents etc.

Some parties may view this as a disadvantage in affecting the owners bundle of rights in a negative manner. Others may view this as an advantage where they are being made fully aware of the potential hazards that may arise in the future with regard to the property.

6.0 SCOPE OF WORKS: (a)(i)

Briefly identify and summarise the key generic factors contributing to the changes in coastal property values. This is based on professional opinion and experience rather than any property specific assessments.

6.1 Introduction

Coastal property for many generations has been acknowledged by most New Zealanders as part of our natural heritage, being locations ideal for rest and recreation and “kicking back” from the mundane nature of everyday life in suburbia or work on the family farm.

Traditionally coastal residential properties were pretty much “family affairs” the land having been purchased inexpensively and residential accommodation in various forms having been constructed, generally over holiday periods by family members and with relatively cheap materials. The family bach or crib as referred to in the South became furnished with surplus family belongings and as the generations rolled along family memories, nostalgia, traditions and memories of the good times have become associated with these properties.

The calming and soothing nature of the sea, changing weather patterns, solitude and the totally relaxational attributes of living at the coast together with the availability of recreational activities such as boating, fishing, surfing, having a four wheeler, and gazing out into the great blue yonder have all contributed to happy associations with the coast.
As society has changed, along with the economy with aspects such as work deadlines, family employment patterns, daylight saving, educational and economic demands within families, peoples mobility and many other social factors has accentuated the desire to be associated with the coast and the sea.

Since the new millennium, property values throughout New Zealand started to rise and coastal land and property for recreational purposes was no exception.

As illustrated in the media and those selling the product, nostalgia sells, especially if it harks back to warm memories of our own childhoods in our 1960’s togs, running through the sand dunes to a beach draped in Pohutukawa trees and having it all to ourselves.

In many cases coastal values have now moved beyond the grasp of middle New Zealand, the very people who used to live for their weekends at the beach.

6.2 Summary – Generic Factors

The main generic factors that we consider contribute to changes in coastal property values are as follows:

- Supply and demand, a limited supply creates scarcity.
- Lifestyle aspects.
- Desire to be at the beach.
- The Kiwi dream – beach, bach, barbecue.
- Family making lifelong memories.
- Fishing/boating/surfing.
- A very active property market, increasing demand, overseas demand, developer demand and the traditional local family demand.
- A strategic change from the traditional beach environment to high quality subdivisions, taking over of coastal camping grounds and creating eco friendly type subdivisions of a high quality and increasing prices.
- Supply outstrips demand, affordability of high priced sections is questionable, sales volumes stall as do market values.

In summary coastal property values are not dissimilar from all segments of the property market throughout the country and have experienced strong capital value growth from 2002 through to 2005. The demand for such property was driven from all sectors of the market whether that be families, investors/developers, relocated nationals and overseas buyers. The overseas buyers tended to drive the upper end of the market and the local marketplace scrambled to purchase property before it became out of their price range. There was real pressure in the marketplace from the local buying public to secure their typical Kiwi bach to preserve historic family memories for future generations. Volumes of sales started to dissipate during 2005 and values had escalated to such levels where local buyers were struggling to afford such investments. A number of coastal land had been purchased and redeveloped with modern environmentally friendly coastal type subdivisions of a high quality and therefore demanded high purchase prices. These subdivisions initially sold well in their early stages however sales have stalled through 2007 and 2008. In general it appears that the hype has now left the market and the highly inflated prices paid in coastal regions seems to have settled where there is a slowing in growth rates and some modest decline in certain areas.

7.0 SCOPE OF WORKS: (a)(ii)

Identify any location specific attributes that may affect coastal property values.

7.1 Location

Location of coastal properties is a major contributor to demand. Locations such as Haumoana and Te Awanga and the Whirinaki area north of Napier City are all within commuting distances from either Napier or Hastings. Haumoana and Te Awanga are approximately 13 kilometres and 18 kilometres equidistant from Napier and Hastings and Whirinaki approximately 16 kilometres north of Napier.
The Waimarama location, being 27 kilometres east of Hastings, is a slightly more distant location with some property owners prepared to commute while other property owners are of a less permanent nature.

Locations which are more remote may have appeal to certain parts of the market having the aspect of getting away from it all for peace and quiet.

The desirability of a coastal location is also affected by the services available, such as schooling, retail, servicing, public transport availability, community water supply and waste water provision as well as other public utilities such as parks, recreational areas and golf courses together with other community facilities including camping grounds, public halls and play centres, all of which provide for a stronger community spirit.

The presence of other major developments such as wineries, tourist accommodation, restaurants and continually developing lifestyle attributes, particularly around the Te Awanga area all create a pleasant atmosphere for the location and one in which people feel relaxed.

The country village atmosphere of Haumoana also benefits from a similar location with the attributes of a small shopping area and good primary schooling facilities.

Te Awanga and Haumoana also derive benefit from the small residential settlement of Clive which provides some services including retailing and being a convenience location removed from Napier and Hastings city.

The residential settlement of Whirinaki to the north of Napier derives benefit from its location relatively close to the small village of Bay View while the Whirinaki Mill is a large infrastructure within the locality providing employment opportunities.

The Esk Valley and associated viticultural, lifestyle and recreational developments also provide an attractive backdrop for the coastal settlement.

Waimarama being a further travelling distance to main centres is acknowledged as a good surfing beach with wide expanse of sand and is a relatively safe swimming beach serviced during the summer season by a surf lifesaving service.

### 7.2 Access

Quality of access to coastal properties is a major factor, particularly if commuting to main services is a consideration.

Fast good quality tar sealed roads can be an asset to some locations with commuting qualities, however conversely a winding metal road may be considered appropriate for a remote or exclusive private location.

The nature of the countryside and environment encountered during the journey to a locality is of consideration, with aesthetically pleasing views such as vineyards, views of the sea and the coast all contributing to the destinations “locality” value.

The locations of Haumoana and Te Awanga enjoy a generally pastoral and horticultural journey from either Napier or Hastings, a feature being the crossing of the Tukituki River which provides the perception of a boundary between the city locations and the coast. The drive through to Te Awanga provides views of Hawke Bay and the outstanding natural feature of Cape Kidnappers.

Travelling distance from Napier to Whirinaki of approximately 15 minutes duration follows the main highway and crosses the Esk River also achieving the feeling of removal from the major cities.

Road access to Waimarama commences at the attractive residential suburb of Havelock North, travelling through particularly attractive country dominated by Te
Mata Peak, wineries and quality lifestyle properties before crossing the Tuki Tuki River and travelling through open hill country towards the coast.

First views of the coast and the settlement of Waimarama are exceptional before descending the hills to arrive at the beach settlement.

7.3 Coastal Topography
The contour of coastal land can have significant effects on property values. Land adjacent to the coast with elevation may provide building platforms with expansive views of the coast while easy contoured land adjacent to the coastal frontage provides easy built on building platforms and with immediacy to the beach frontage.

The physical nature of the beach and its frontage is significant, which can range from sandy easily accessed frontage with safe swimming to stony unattractive beach frontage with dangerous boat access, pedestrian access and swimming characteristics.

Physical land forms such as rocky coastline, outlying islands and other major land forms all create unique characteristics of individual coastal localities.

In the case of Te Awanga the relatively close presence of Cape Kidnappers and its Gannet colony form an attractive and unique backdrop to that settlement, while at Haumoana the Napier Hill and wide vistas of Hawke Bay are obtained.

Waimarama enjoys the presence of Bare Island a short distance off the coast and also expansive sea views Cape Kidnappers to the north.

Whirinaki Beach is a predominantly black sand and stony foreshore which enjoys physical topography of generally flat residential sites which enjoy views in a southerly direction back to Napier City and the Port while in a north easterly direction Mahia Peninsula can be visible.

7.4 Summary – Location Specific Attributes
The main location specific attributes that we consider may affect coastal property values are as follows:

- Location to city centres, services and amenities, utilities and community facilities.
- Access to the beach.
- Coastal topography adjacent to the coast and physical nature of the beach.

8.0 SCOPE OF WORKS: (a)(iii)
Assess up to three locations for specific investigations as case studies. The case studies selected are likely to be dependent on sales history statistics and geographic location within the Hawkes Bay region. This is not intended to be a site by site valuation assessment exercise, but rather a generic assessment of historic and future trends at the chosen locations based on professional opinion and experience.

8.1 METHODOLOGIES

8.1.1 Localities Chosen
- Whirinaki Beach which includes Whirinaki Road and North Shore Road
- Haumoana
- Te Awanga
- Waimarama
In general coastal localities are small seaside settlements with a very small annual volume of sales. The above localities have been specifically chosen because they are the most heavily populated seaside settlements and hence provide the largest volume of annual sales of any seaside settlements located throughout Hawkes Bay. When trying to analyse any trends in a real estate market a certain volume of sales is required to produce accurate and consistent results. If the collection of sales is too small the accuracy of the data is compromised and there can be quite large swings and volatility due to a very large or a very small sale taking place in any given calendar year. While sales volumes in the above localities are the largest of any Hawkes Bay seaside settlements they are still considered to be relatively small and therefore the accuracy of the analysis can sometimes vary greatly from year to year simply due to one or two very high or very low sales.

8.1.2 Timeframe
The timeframe parameters have been set from 1 January 2002 through to 31 December 2007, therefore producing six years worth of analysis and trends.

Our analysis started in 2002 which enabled us to provide two years worth of analysis prior to the HBRC receiving a coastal hazard report in February of 2004 by Tonkin and Taylor Limited. This report identified the entire region's shoreline as prone to storm damage and the influence of cyclical erosion and accretion trends, the region also being prone to inundation due to storm surges. During 2004 this report started to filter into the public arena along with the planning maps which identified the Coastal Hazard Zones 1, 2 and 3.

2002 also coincided with the start of a very buoyant property market.

We consider that the timing of the analysis of trends in coastal localities is appropriate as we now have four years of data (including 2004) and sales history since Coastal Hazard Zones and the Proposed Regional Coastal Environment Plan have been in place and the public now being well aware of such.

8.1.3 Market Value
In our opinion the only appropriate method to determine if there has been any change in value for affected or potentially affected properties is a market based sales approach providing analysis of data prior to Coastal Hazard Zones becoming public, a period of time of analysis after the Coastal Hazard Zones have become public knowledge and then a comparison back to what is considered a normal market.

Market value as defined in the Property Institute of New Zealand Professional Practice Standards as: “Estimated amount for which a property should exchange on the date of valuation between a willing buyer and willing seller in an arms length transaction after proper marketing wherein the parties had each acted knowledgably, prudently and without compulsion”.

The concept of market value reflects the collective perceptions and actions of a marketplace and is the basis for valuing most resources in market based economies. All properties come with a bundle of rights or advantages and disadvantages depending on the individual perspective of buyers and sellers. Repairs and maintenance become absorbed in the market dynamics.

Valuation has been recognised as a subjective, rather than an objective, science with various influences determined by a range of factors including external elements as well as specific details such as supply and demand. Market conditions can alter at any given time. The important thing to do in attempting to value a property is to make sure that appropriate market comparisons are obtained so that valid comparisons can be drawn. It is important to research evidence of market values as thoroughly as is possible, to ensure that any comparison is based on sound principles. When comparing the trends of an overall marketplace (as distinct from a specific property) it is important to establish the trends of what is perceived to be the normal market.
To gather appropriate material, tools are available to valuers to assist them. A tool which can be used is the District Valuation Roll, although we have not used it in this exercise and do not favour using it as a basis for property valuation methodology. I do not consider that the District Valuation Roll (Rateable Value), which was last updated as at 1 September 2007 provides a reliable basis for market analysis. Although the Rating Valuation may cite market value as its assessment basis, methods used to estimate the value may produce results that differ from market value as defined. The Property Institute of New Zealand Practice Standards note that Rateable Value cannot be considered to comply with market value as defined unless explicitly indicated to the contrary. In effect, the process employed to create that Roll is a mass appraisal exercise primarily to produce a rating base only. In my opinion Rating Valuations do not provide a reliable base to establish value or any loss in value.

Any reliance on cost based methodology to fix a value, by which we mean the cost of repairing erosion related damage, is inappropriate as that approach does not conform to a market based concept. It is a well known axiom of valuation that the cost of undertaking work does not necessarily reflect its value in an open market. Value is not a function of cost it is a function of market activity.

8.1.4 Median Sale Price Versus Average Sale Price

The median sale price simply means the middle sale price in a volume of sales which are ranked from the lowest to the highest. The average sale price simply means the total of all the sales prices divided by the number of properties sold. In our view the median sale price provides a more accurate and less volatile result in a collection of sales where the volume of sales is small. By simply taking the middle number in a range of sales tends to even out the anomalies especially if there are one or two very high sales or transversely one or two very low sales which can skew an average quite considerably producing varying results from month to month.

8.1.5 Comparison to Overall Hawkes Bay, Napier and Hastings Residential Sales

The results analysed from all the seaside settlements have been graphed with trend lines plotted. Trend lines for Hawkes Bay, Napier and Hastings have also been plotted to compare the general seaside settlements performance.

In general terms since 2002 the Hawkes Bay property market along with the rest of New Zealand has experienced very strong capital value growth with growth rates easing in 2006 however still showing positive growth right through to the end of 2007. The overall Hawkes Bay marketplace provides a much larger volume of sales ranging between 3,348 sales per annum to a peak in 2003 of 4,296 sales. Due to the large volume of sales the results provided produce a very accurate and reasonable reflection of what is the median sale price throughout Hawkes Bay. The overall annual sale price was analysed by taking the individual medians from the months of January through to December and then averaging those median sale prices.

It is this benchmark that we consider to represent what was the normal market conditions throughout the selected timeframe to which we have compared the seaside settlements.

8.1.6 Source of Data

The data used for each of the individual settlements was sourced from RPNZ Information Services who provide an online total property database of all property transactions that take place. Sales data was captured for the respective date periods for properties classed as single residential dwellings and owner occupier flats, excluding vacant sections.

The sales statistics provided by RPNZ Information Services includes all private sales and Trust transactions. We have deleted the Trust and family transactions from our analysis as we consider these sales to be non bona fide, an internal transaction and therefore may not be at current market levels.
The overall Hawkes Bay, Napier and Hastings residential data was taken from data provided by the Real Estate Institute of New Zealand and represents all sales that were undertaken through a licensed real estate agent. It has been our experience that the REINZ statistics capture approximately 90% of the overall markets sales however given the large volume of sales of the overall market it is considered that the trends generated from this data are accurate. The residential sales data captures all stand alone residential dwellings, flats, units, townhouses and apartments but excludes vacant sections.

Suburbs captured in the analysis are as follows:

**Hawkes Bay:** Napier City
Hastings City

Waipukurau Area: Waipukurau, Porangahau
Waipawa Area: Waipawa, Elsthorpe, Otane

**Dannevirke Borough:** Dannevirke, Norsewood, Pongaroa, Tiraumea, Wimbeldon, Woodville

**Napier City:**
Ahuriri, Awatoto, Bay View, Bluff Hill, Eskdale, Greenmeadows, Hospital Hill, Maraenui, Marewa, Meeanee, Napier, Napier Port, Onekawa, Pirimai, Puketapu, Rawhiri, Tamatea, Taradale, Waiohiki, Westshore.

**Hastings City:**
Akina, Bridge Pa, Camberley, Fernhill, Flaxmere, Frimley, Hastings Central, Havelock North, Karamu, Longlands, Mahora, Mangateretere, Mayfair, Omahu, Paki Paki, Pakowhai, Parkvale, Raureka, St Leonards, Tomoana, Twyford.

### 8.2 THE RESULTS

#### 8.2.1 Whirinaki Beach

The sales captured at Whirinaki Beach include properties located in Whirinaki Road and North Shore Road. This settlement of residential housing runs in a ribbon strip and all properties are partly covered by Coastal Hazard Zone 2 apart from a very small number of houses in North Shore Road which are positioned on the leg-in access roadway running from State Highway 2 to the coastline. Please see appendix documents plan Whirinaki (N) and Whirinaki (S).

The analysis of data produced the following results:

<table>
<thead>
<tr>
<th>Year</th>
<th>Median Sale Price</th>
<th>Volume of Sales</th>
<th>Value % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>$222,000</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td>2003</td>
<td>$350,000</td>
<td>11</td>
<td>57.66%</td>
</tr>
<tr>
<td>2004</td>
<td>$378,500</td>
<td>11</td>
<td>8.14%</td>
</tr>
<tr>
<td>2005</td>
<td>$460,000</td>
<td>12</td>
<td>21.53%</td>
</tr>
<tr>
<td>2006</td>
<td>$358,000</td>
<td>11</td>
<td>-22.17%</td>
</tr>
<tr>
<td>2007</td>
<td>$422,000</td>
<td>8</td>
<td>17.88%</td>
</tr>
</tbody>
</table>

Table 8.2.1.1

The results show very strong growth from 2002 to 2003 of 57.66% then an easing of the growth rate to 2004 and another strong growth spurt from 2004 to 2005 of 21.53%, a reasonably substantial reduction from 2005 to 2006 of -22.17% and then a claw back from 2006 to 2007 of 17.88%.
The market performance in 2005 and 2006 appeared inconsistent with the overall market trends and further analysis of the sales data was undertaken to try and find reasons why the results for 2005 and 2006 showed some inconsistency.

The volume of sales ranged between 8 and 13 per annum for the locality however in 5 of the 6 years that range was 11 to 13. Therefore a very consistent volume of sales, albeit small, and therefore any small variation in the spread of sales can have major impacts on the median sale price.

An analysis of the spread of sales was undertaken as follows:

<table>
<thead>
<tr>
<th>Price Range</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0-149</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>$150-199</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>$200-249</td>
<td>6</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>$250-299</td>
<td>3</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>$300-349</td>
<td>0</td>
<td>4</td>
<td>1</td>
<td>0</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>$350-399</td>
<td>1</td>
<td>4</td>
<td>5</td>
<td>1</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>$400-449</td>
<td>0</td>
<td>0</td>
<td>3</td>
<td>3</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>$450-499</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>$500-599</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>$600+</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>13</td>
<td>11</td>
<td>11</td>
<td>12</td>
<td>11</td>
<td>8</td>
</tr>
</tbody>
</table>

This data has also been graphed to try and identify what is the normal distribution for this data. A curved flaring shape results which is often referred to as “the bell curve”. The normal distribution arises in many areas of statistics. The normal distribution is the most widely used family of distributions in statistics and many statistical tests are based on the assumption of normality.

When graphing the statistical data comparing the volume of sales in the above quoted price ranges produced some interesting results. One would expect, if everything was normal, that each year would produce a symmetrical bell curve with maybe a ripple at the lower end and a ripple at the upper end which shows the small numbers of low and high sales which happen in any marketplace, however 95% of the sales are contained within a close spread of the median sale price. As the median sale price has moved forward from year to year you would expect the bell curve to symmetrically move further up the price scale from year to year.
Spread of Sales Whirinaki Beach, Hawkes Bay

Graph 8.2.1.2

2002 produced a very normal and symmetrical bell curve with a slight ripple at the upper end. 2003 produced another reasonably symmetrical bell curve with a ripple at the upper end and 2004 also produced a reasonably symmetrical bell curve with a ripple at the upper end. All these results appeared normal.

However 2005 produced a very abnormal curve with a ripple at the lower end rising to more of a plateau and continuing right throughout the price band. This result shows the spread of sales not to be normal as compared to the previous 3 years and the result shows two sales over $450,000, two sales over $500,000 and three sales over $600,000. Therefore an unusually high number of sales at the upper end of the market in 2005. Most other years only producing one or two sales over the $500,000 mark. This explains why the median for 2005 was unusually high.

The 2006 year also produced an abnormal result producing two bell curves one at the mid value market point and then rising again towards the upper value levels. This had the effect of weighting the median sale price downwards slightly.

2007 returned to a more normal result with a slight ripple at the lower end and then a symmetrical bell curve result.

In summary the results of 2002, 2003, 2004 and 2007 all produced expected reasonably normal results however 2005 and 2006 produced abnormal bell curves. This indicates that the spread of sales in those two years was not considered normal. 2005 had an unusual number of high sales and due to the overall small volume of sales in total this had the effect of producing an over inflated median sale price for the 2005 year. Transversely 2006 provided a reasonable volume of sales in the mid market which had the effect of weighting the median sale price lower than normal. Therefore producing an unusually large decrease percentage in the median sale price movement in the 2006 year.

When applying a trend line to the median sale price for Whirinaki this trend line has the effect of smoothing out the anomalies from year to year and shows reasonably steep growth from 2002 through to 2004 and then a very slight softening and flattening of the median sale price. When superimposing the Hawkes Bay residential marketplace onto this graph which shows a slower and steadier growth rate through the same period and slight flattening of that growth rate towards 2007.
Whirinaki Beach Compared to Hawkes Bay Median Sale Price

<table>
<thead>
<tr>
<th>Year</th>
<th>Median Sale Price</th>
<th>Volume of Sales</th>
<th>Value % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>$162,000</td>
<td>29</td>
<td></td>
</tr>
<tr>
<td>2003</td>
<td>$235,000</td>
<td>29</td>
<td>45.06%</td>
</tr>
<tr>
<td>2004</td>
<td>$296,000</td>
<td>35</td>
<td>25.96%</td>
</tr>
<tr>
<td>2005</td>
<td>$308,500</td>
<td>32</td>
<td>4.22%</td>
</tr>
<tr>
<td>2006</td>
<td>$337,500</td>
<td>33</td>
<td>9.40%</td>
</tr>
<tr>
<td>2007</td>
<td>$365,000</td>
<td>38</td>
<td>8.15%</td>
</tr>
</tbody>
</table>

The results showed very strong growth in 2003 of 45.06% and 2004 of 25.96% and then a softening in the value growth of 4.22% in 2005, 9.4% in 2006 and 8.15% in 2007.

8.2.2 Haumoana

A small cluster of housing towards the northern end of this settlement and then a ribbon development along the coastline heading towards Te Awanga. The bulk of the housing is covered in Coastal Hazard Zone 3 and there are some properties affected by Coastal Hazard Zone 2 and a small cluster located on Clifton Road opposite the shops affected by Coastal Hazard Zone 1. Please see appendix documents plan Haumoana (N) and Haumoana (S).

The analysis of data produced the following results:

<table>
<thead>
<tr>
<th>Haumoana Year</th>
<th>Dwellings Median Sale Price</th>
<th>Volume of Sales</th>
<th>Value % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>$162,000</td>
<td>29</td>
<td></td>
</tr>
<tr>
<td>2003</td>
<td>$235,000</td>
<td>29</td>
<td>45.06%</td>
</tr>
<tr>
<td>2004</td>
<td>$296,000</td>
<td>35</td>
<td>25.96%</td>
</tr>
<tr>
<td>2005</td>
<td>$308,500</td>
<td>32</td>
<td>4.22%</td>
</tr>
<tr>
<td>2006</td>
<td>$337,500</td>
<td>33</td>
<td>9.40%</td>
</tr>
<tr>
<td>2007</td>
<td>$365,000</td>
<td>38</td>
<td>8.15%</td>
</tr>
</tbody>
</table>

The results showed very strong growth in 2003 of 45.06% and 2004 of 25.96% and then a softening in the value growth of 4.22% in 2005, 9.4% in 2006 and 8.15% in 2007.
The volume of sales in Haumoana is the largest of all the seaside settlements and produced a range of 29 to 38 sales per annum and again a reasonably consistent volume of sales for this locality throughout the period.

When applying a trend line to the median sale price for Haumoana the trend line showed steeper growth through 2003 and 2004 and then tapering off to more modest growth through 2005 to 2007. Superimposing the Hawkes Bay residential marketplace onto this graph shows a slightly flatter growth rate initially but otherwise comparable performance.

As previously mentioned valuation is a subjective science influenced by a range of factors. One of the factors that can influence price is a perception that a property is affected by a stigma, in the case of Hawkes Bay coastal property the influence of Coastal Hazard Zones potential effects on property rights. From time to time Hawkes Bay is prone to high tides and large sea swells and when these events occur they are usually well reported in local media.
The worst affected properties to our knowledge are a small cluster of residential property located in the Haumoana settlement at the southern end of the Haumoana settlement located opposite the superette on Clifton Road being on the seaward side between numbers 1 to 41 Clifton Road. These properties are contained entirely in Coastal Hazard Zone 1 and some of the more southern properties being in Coastal Hazard Zone 1 and 2. The northern end of this group of properties is regularly affected by high tides and large sea swells and there are regular photographs and newspaper reports showing the damage to these properties and the building improvements on such. An analysis of this small cluster of properties has been undertaken to look at any multiple sales of the properties since 2002 and has produced the following results.

<table>
<thead>
<tr>
<th>Address</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>9 Clifton Rd</td>
<td>$153,000</td>
<td>$267,200</td>
<td></td>
<td>$267,200</td>
<td>$230,000</td>
<td>74.64%</td>
</tr>
<tr>
<td>23 Clifton Rd</td>
<td>$240,000</td>
<td>$230,000</td>
<td></td>
<td></td>
<td></td>
<td>-4.17%</td>
</tr>
<tr>
<td>27 Clifton Rd</td>
<td>$195,000</td>
<td>$260,000</td>
<td></td>
<td></td>
<td></td>
<td>33.33%</td>
</tr>
<tr>
<td>33 Clifton Rd</td>
<td>$195,000</td>
<td>$475,000</td>
<td>$290,000</td>
<td></td>
<td></td>
<td>-38.95%</td>
</tr>
<tr>
<td>37 Clifton Rd</td>
<td>$238,000</td>
<td>$440,000</td>
<td></td>
<td></td>
<td></td>
<td>2.27%</td>
</tr>
<tr>
<td>41 Clifton Rd</td>
<td>$360,000</td>
<td>$450,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 8.2.2.2

To our knowledge these properties are by far the worst affected by coastal erosion and inundation at the present time and the statistical analysis appears to show that properties have been affected in a negative manner, although the results are inconsistent, however I would consider that these results have occurred due to the actual physical damage and widespread publicity of the coastal hazards as opposed to the mere fact that the Regional Council is proposing to implement Coastal Hazard Zones. When looking at the overall trend of Haumoana of which these above properties form part, Haumoana has actually bucked the trend with regard to growth in the median sale prices in 2006 and 2007 and also growth in the volume of sales.

It is our view that when stigma is associated to a property the sorts of stigmas can be perceived as onerous and usuallysales of properties affected with the stigma show a trough shaped curve, associated with the initial public concern. If the unpopular activity persists for some time without causing problems then, so far as the sales history is concerned, there is usually a settling down in any disturbance to values. In our experience negative effects on property values are not normally sustained over the longer term. Other features are obviously important such as the desirability of the area and the attributes of the particular property. This type of stigma is distinct from actual physical effects that are affecting individual properties which can have major negative effects on value as being shown by some of the specific property sales located above.

It is generally considered that this settlement has performed well with no major inconsistencies or variations when compared to the overall Hawkes Bay marketplace trend line, even though it does include some individual properties that are being affected by coastal erosion and inundation.

8.2.3 Te Awanga

A small cluster of housing with some inland development and a strip ribbon development along Clifton Road and reserve and estuary frontage properties along Wellwood Terrace. Properties on the seaward side of Clifton Road are all affected by Coastal Hazard Zone 1 and 2, some property along Wellwood Terrace is affected by Coastal Hazard Zone 2 and a large amount of property is affected by Coastal Hazard Zone 3. The more inland developed areas of Gordon Road and Cedar Road and their offshoots are predominantly unaffected by the Coastal Hazard Zones as are some areas of Kuku Street. Please see appendix plan Te Awanga.

Analysis of data produced the following results:
Table 8.2.3.1

<table>
<thead>
<tr>
<th>Year</th>
<th>Median Sale Price</th>
<th>Volume of Sales</th>
<th>Value % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>$220,500</td>
<td>24</td>
<td></td>
</tr>
<tr>
<td>2003</td>
<td>$310,000</td>
<td>25</td>
<td>40.59%</td>
</tr>
<tr>
<td>2004</td>
<td>$346,250</td>
<td>24</td>
<td>11.69%</td>
</tr>
<tr>
<td>2005</td>
<td>$420,000</td>
<td>17</td>
<td>21.30%</td>
</tr>
<tr>
<td>2006</td>
<td>$408,500</td>
<td>18</td>
<td>-2.74%</td>
</tr>
<tr>
<td>2007</td>
<td>$415,000</td>
<td>17</td>
<td>1.59%</td>
</tr>
</tbody>
</table>

The results show very strong growth in 2003 of 40.59%, reasonable growth in 2004 of 11.69% and strong growth in 2005 of 21.3%, modest decrease of 2.74% in 2006 and then a modest increase in 2007 of 1.59%. The volume of sales ranges from 17 to 25 sales per annum with the first three years producing 24 to 25 sales and the last three years at a reduced level of 17 to 18 sales per annum.

Te Awanga Settlement, Hawkes Bay Median Sale Price & Volume of Sales

When applying a trend line to the median sale price for Te Awanga which shows reasonably steep growth at a faster rate than the Hawkes Bay marketplace from 2003 right through to 2005 and then flattening off through to 2007 which is comparable to the overall Hawkes Bay residential marketplace trend line.

Te Awanga Settlement Compared to Hawkes Bay Median Sale Price
Of more interest at the Te Awanga settlement was the reduction in volume of sales which appeared to be reasonably stable and steady at the 24 to 25 sales per annum in the years 2002, 2003, and 2004 however dropped to a lower bench at a level of 17 to 18 sales for the years 2005, 2006 and 2007. Further analysis of the locality of the sales was undertaken to see if there was any movement away from the sea front properties especially affected by Coastal Hazard Zones 1 and 2.

This analysis produced the following results:

<table>
<thead>
<tr>
<th>Vol. of Sales Located on the Seaward side of Clifton Road</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
</tr>
<tr>
<td>3</td>
</tr>
</tbody>
</table>

Table 8.2.3.2

Overall there has been a reduction of approximately 7 sales per annum for the period 2005 to 2007. Sea front properties along Clifton Road range between 3 and 5 sales per annum for the years 2002 through to 2004 and then showed a reduction in volume which coincides with the overall locality of 2 to 3 sales from the years 2005 to 2007. This reduction of 1 or 2 sales per annum does not account for the total of 7 sales and therefore we have concluded that there does not appear to be any specific exclusion of the sea front properties along Clifton Road as opposed to the whole locality of Te Awanga. Our opinion is that the general buyers looking to purchase in seaside settlements have been affected by affordability and with the median of Te Awanga sitting above $400,000 from 2005 some of those buyers appear to have changed localities to Haumoana which has a much more affordable median sale price of $308,500 in 2005. In general the overall marketplace volume has reduced and Te Awanga is no exception to the norm.

An analysis of multiple sales of properties at Te Awanga located on the seaward side of Clifton Road particularly affected by Coastal Hazard Zones 1 and 2 has been undertaken which produced the following results:

<table>
<thead>
<tr>
<th>Address</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>225 Clifton Rd</td>
<td>$570,000</td>
<td>$470,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-17.54%</td>
</tr>
<tr>
<td>235 Clifton Rd</td>
<td>$328,000</td>
<td>$585,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>78.35%</td>
</tr>
<tr>
<td>263 Clifton Rd</td>
<td>$375,000</td>
<td>$472,500</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>26.00%</td>
</tr>
<tr>
<td>297 Clifton Rd</td>
<td>$360,000</td>
<td>$565,000</td>
<td>56.94%</td>
<td>$610,000</td>
<td></td>
<td></td>
<td>7.96%</td>
</tr>
</tbody>
</table>

Table 8.2.3.3

This strip of properties is not as seriously affected as the cluster located in Haumoana however nonetheless it has been widely reported that these properties also experience inundation from time to time by the sea. Of all the sales quoted there is only one that provides a negative result and all the rest show positive results in line with normal market conditions. From the data available it is inconclusive to suggest that the perceived effects of the Coastal Hazard Zones have had any real negative impact on these coastal property values.

### 8.2.4 Waimarama

A coastal settlement further removed from the city centres of Hastings and Napier, providing a lovely sandy beach and is considered more a holiday destination with a few permanent, as compared to the other localities which tend to generally be permanent residents that commute to cities. Waimarama provides a reasonably small cluster of housing, some inland, and a small portion provide a ribbon strip development more towards the southern end of the beach. Generally the housing that has beach front access is affected by Coastal Hazard Zones 1 and 2 with the balance of the settlement unaffected by the Coastal Hazard Zones. See appendix plan Waimarama.

The analysis of data produced the following results:
<table>
<thead>
<tr>
<th>Year</th>
<th>Median Sale Price</th>
<th>Volume of Sales</th>
<th>Value % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>$235,000</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td>2003</td>
<td>$367,500</td>
<td>14</td>
<td>56.38%</td>
</tr>
<tr>
<td>2004</td>
<td>$400,000</td>
<td>13</td>
<td>8.84%</td>
</tr>
<tr>
<td>2005</td>
<td>$467,500</td>
<td>12</td>
<td>16.88%</td>
</tr>
<tr>
<td>2006</td>
<td>$565,000</td>
<td>7</td>
<td>20.86%</td>
</tr>
<tr>
<td>2007</td>
<td>$568,500</td>
<td>10</td>
<td>0.62%</td>
</tr>
</tbody>
</table>

Table 8.2.4.1

The results show very strong growth in 2003 of 56.38%, more modest growth in 2004 of 8.84%, strong growth in 2005 of 16.88%, strong growth in 2006 of 20.96% and very modest growth in 2007 of 0.62%. The volume of sales was reasonably small ranging between 7 and 15 sales per annum however if you remove the 2006 results of 7 the range is much closer being 10 to 15 sales per annum.

Waimarama Settlement, Hawkes Bay Median Sale Price & Volume of Sales

Graph 8.2.4.1

Waimarama is the only seaside settlement that has experienced any subdivision and a volume of vacant section sales that provides any useful data. However the volume is still considered very small and therefore median prices can vary greatly from year to year.

The analysis of the vacant residential sections market produced the following results:

<table>
<thead>
<tr>
<th>Year</th>
<th>Median Sale Price</th>
<th>Volume of Sales</th>
<th>Value % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>$153,000</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>2003</td>
<td>$180,000</td>
<td>3</td>
<td>17.65%</td>
</tr>
<tr>
<td>2004</td>
<td>$235,000</td>
<td>2</td>
<td>30.56%</td>
</tr>
<tr>
<td>2005</td>
<td>$285,000</td>
<td>6</td>
<td>21.28%</td>
</tr>
<tr>
<td>2006</td>
<td>$380,000</td>
<td>1</td>
<td>33.33%</td>
</tr>
<tr>
<td>2007</td>
<td>$320,000</td>
<td>9</td>
<td>-15.79%</td>
</tr>
</tbody>
</table>

Table 8.2.4.2

Again these results show strong value growth throughout the years however the 2006 result of the median of $380,000 was of a volume of 1 sale. This is not considered to provide a reliable guide as to an accurate median and when considering the results of 2005 at $285,000 and the result of 2007 at $320,000 off a volume of 9 sales I consider the result of 2006 appears to be high and has therefore distorted the negative effect of the 2007 result.
The performance of the residential median sale price of the Waimarama market has consistently produced strong growth above the Hawkes Bay marketplace right through from 2003 to 2006. When comparing the results on the below graph Waimarama appears to have continued to be a sought after seaside holiday destination. The volume of sales has steadily dropped at Waimarama and considering there has been such a consistent pattern with the growth of the median sale price I consider that the reduction in volume of sales is more to do with affordability as the median sale price of Waimarama is now $568,500.

Waimarama Settlement Compared to Hawkes Bay Median Sale Price

While we are looking at overall trends of the Waimarama marketplace it is of particular interest that two properties transacted over $1,000,000 during 2007 both of which are located in Coastal Hazard Zones 1 and 2. This further confirms our view the difference between actual physical damage being created to property by coast erosion and inundation as opposed to stigma that may have been created by the proposed Coastal Hazard Zones. As markets continue to grow and evolve with time without adverse effects the stigma dissipates and property values continue to grow.

8.2.5 Comparison to Hawkes Bay/Napier/Hastings Median Sale Price

The graph below depicts a comparison between all the seaside settlements of Whirinaki, Haumoana, Te Awanga and Waimarama and has placed them alongside the performance of the Hawkes Bay, Napier City and Hastings City median sale prices.

The methodology behind this comparison is to try and draw some parallels with the seaside settlements performance as compared to a benchmark which provides a fair reflection of the overall property market throughout the period of time analysed from market related data which is considered to be broad enough to encapsulate what was the normal market conditions at the time. The difficulty in assessing a locality and making comments on the localities performance can only be undertaken if there is the ability to compare that locality with a benchmark that is considered normal.

The blue smooth lines have been used for Hawkes Bay, Napier and Hastings and the orange to brown coloured lines are used for the various seaside settlements as indicated in the legend below the graph. All of the seaside settlements out performed the main marketplaces with steeper growth rates through the years 2003 to 2005 and then all the localities showed similar results with softening growth rates through 2006 to 2007.

Abnormalities were Whirinaki which showed an abnormal reduction in the median sale price in 2006 due to an over inflated median in 2005 with a large volume of high sales in that year, and a lower than expected median in 2006 with a larger number of
lower value sales in that year. Waimarama also out performed the rest of the marketplace which continued its strong growth right through to 2006. In general all localities out performed the larger marketplaces finishing the survey period with a wider gap between the medians of Hawkes Bay/Napier and Hastings than when the survey started in 2002.

**Seaside Settlement Median Sales Price Compared to Hawkes Bay/Napier/Hastings Median Sale Price**

![Graph 8.2.5.1](image)

8.2.6 **Comparison to Hawkes Bay/Napier/Hastings Annual Volume of Sales**

The below graph depicts the annual volume of sales of the seaside settlements as compared to Hawkes Bay, Napier and Hastings. Obviously the volume of sales varies greatly from very small numbers at the seaside settlements to quite substantial numbers for the whole Hawkes Bay. Therefore the graph provides two axis the left being the seaside settlement volume of sales and the right being the volume of sales for Hawkes Bay/Napier and Hastings. What we are trying to achieve with this graph is to see if there is any major difference in the general directions of the trend lines.

Once again the blue lines represents Hawkes Bay, Napier and Hastings and the orange to brown lines represent the seaside settlements of Whirinaki, Haumoana, Te Awanga and Waimarama. In general terms all of the localities show a very gentle downward slope which is showing a reducing volume of sales apart from Haumoana which is bucking the trend and showing an upward slope and increasing volume of sales. As previously mentioned I consider that this is more than likely due to affordability as Haumoana is the most affordable of all the seaside settlements.
In summary this analysis shows up no abnormal movements in the volume of sales when compared to the larger marketplaces of Hawkes Bay/Napier and Hastings. Activity seems consistent with the overall current market dynamics which is slowing and reducing in volume.

9.0 MARKET COMMENTARY

9.1 Hawkes Bay Residential

We have come out of a period where we have had a very strong sellers market which has seen considerable capital value growth through the period 2002 – 2005 in Hawke’s Bay. 2006 saw a settling of this where the market swung from a strong sellers market to a more normal market with the pendulum swaying more towards a buyers market at present.

2007 saw a fluctuating performance of the Hawkes Bay Real Estate market with signs of the market starting to slow down. On average 279 residential sales per month for the year being 9% down on the 2006 monthly average of 307 sales per month. The average median sale price for the same twelve month period was $275,200 showing 6% growth in value over the 2006 average median sale price of $259,800.

In general the Hawke’s Bay economy is still relatively strong with unemployment at very low levels, building consents are still at high levels, investment in the region while slowing is still taking place and tourism and the popularity of Hawke’s Bay as a visitor’s destination and a province to live have also increased. On a national scale net migration has slowed which reduces demand for property. Interest rates are moving upwards with 2 year fixed rates in the 9.5% region and floating rates around 10.5%. These increased rates are starting to have an effect on the market. As more mortgages are renewed these increased rates are starting to slow growth rates and seem to have affected first home buyers and investors the most. These rates have impacted largely on people’s affordability and some maybe forced to sell as they are unable to meet the higher repayment levels.

While our market is still active it appears that the hype has now left the marketplace and we have moved into a period where we are experiencing a reducing volume of sales and a level/reducing median sale price with a longer period taken to sell property. The properties that are selling readily are ones where the vendors have realistic expectations and the property is presented in the best possible condition. I expect these market conditions to continue through 2008 which makes for a slowing marketplace.
9.2 Hawkes Bay Coastal

Coastal Hawkes Bay like most parts of New Zealand’s coastal environs has experienced considerable capital value growth and strong demand over recent years especially for beach front property or property with direct ocean outlook and views. This growth not unlike the Hawkes Bay residential market slowed through 2006 and appears to have seen a modest reduction in values in some localities through to 2007. The hype that was experienced through the boom has now left the marketplace and the highly inflated prices paid in coastal regions seems to have settled and hence slowing in growth rates and modest decline. Properties are still selling however sales volumes are reducing and it is taking much longer periods of time to sell property. This has been particularly borne out in the Shoal Beach subdivision which was approximately 50 lots with slightly more than half of those selling prior to the start of 2006. There have been only two sales in the Shoal Beach subdivision through 2006 and none in 2007 and one in 2008. Similarly the Blue Bay subdivision located in Mahia is showing similar results. Both these subdivisions are high quality eco friendly superior type subdivisions where premium prices were sought. They were achieved early on the marketing during the boom of the overall property market however sales have now stalled in this new slower market environment.

10.0 CONCLUSIONS AND SUMMARY

Prior to undertaking this survey we had a general view that seaside settlements are considered desirable and have grown at faster rates than general residential property. This affected by supply and demand, the general economic climate and property market factors at the time. Seaside settlements and holiday destinations generally tend to feel downward movement in the property market more than general residential areas as they are often secondary housing and when market conditions change and finances tighten are generally the first property to be disposed of to alleviate those pressures. Therefore being exposed to not only the high growth rates but also reasonable downward pressure in values in less buoyant times. We have come through a period of a very buoyant real estate market which is now starting to slow and the signs of that slowing have been apparent in the marketplace since 2006.

After undertaking the analysis of each of the localities and analysing median sale prices, volume of sales and graphing this data and comparing it to the benchmarks or Hawkes Bay, Napier and Hastings we are of the view that there is insufficient evidence that anything other than normal market forces are at play in affecting property values at the localities analysed as stated above. This analysis also confirms my view that demand and economic factors can quickly overcome the perception of negative effects of property damage and adverse publicity, even when it is of a potentially reoccurring nature.

Given the explanations as to the variation and drop in median sale price from 2005 to 2006 for Whirinaki all other localities appear to be performing adequately as compared to the overall wider residential property market for the same period of time.

The results confirm that the wider property market and economic factors have outweighed any stigma that may be apparent with the initial announcement of Coastal Hazard Zones, the publicity received and the lack of understanding of how the zone rules are to be applied. As time has moved forward markets have continued to operate consistently in line with general market trends. I therefore conclude that there does not appear to have been any adverse effects to value that can be identified as caused by the proposed RCEP and the introduction of Coastal Hazard Zones.

11.0 STATEMENT OF LIMITING CONDITIONS
I further advise that I, William Paul Symes Harvey, was granted registration pursuant to the Valuers Act 1948 on 15 August 2001, I hold a current Annual Practising Certificate No. 357 and have acted in an independent capacity in preparation of this report. The writer formally complies with the requirements of the New Zealand Institute of Valuers Continuing Professional Development (CPD) Programme.

I advise that I, William Richard Hawkins, was granted registration pursuant to the Valuers Act 1948 on 26 December 1970 and was admitted as an Associate member of the New Zealand Institute of Valuers on 26 December 1972 and awarded Fellowship of that Institute in April 1998. I hold a current Annual Practising Certificate No. 358. The writer formally complies with the requirements of the New Zealand Institute of Valuers Continuing Professional Development (CPD) Programme.

This report has been undertaken on the basis of analysis of overall trends of localities as distinct from individual property valuation and analysis. As such we advise we have not sighted any copies of any Land Information Memoranda or associated building consents relating to any properties located at the subject case study localities. Accordingly we assume that all properties encapsulated within the analysis comply with relevant by-laws and regulations and that there are no outstanding requisitions against any of the properties.

We advise that this report does not purport to be a building or site engineering survey of any of the properties encapsulated within this report and no responsibility is taken for omission or other defects that would not be apparent without such a survey.

This valuation has been prepared for the person to whom it is addressed for the purposes referred to in this valuation and no other person should rely upon this report for any reason without reference to us and should they do so without reference to us they do so at their own risk.

Thank you for your instructions in this matter, I trust you will find the above satisfactory and should you require any further information or explanation please do not hesitate to contact me.

Yours faithfully

WILLIAMS' HARVEY LTD

Assisted by:

Paul Harvey BBS AREINZ MPINZ
REGISTERED VALUER

W R Hawkins FNZIV FPINZ
REGISTERED VALUER
Proposed Regional Coastal Environment Plan
PROFESSIONAL ADVICE ON COASTAL HAZARD ZONES AND PROPERTY VALUE IMPACTS
CONSULTANTS’ BRIEF

5 November 2007 (amended 21 January 2008)

1. Background
The HBRC publicly notified its Proposed Regional Coastal Environment Plan (RCEP) in August 2006. The proposed RCEP identifies coastal hazard zones and applies rules restricting some land use activities within those zones.

The HBRC’s Hearings Committee has heard submissions on the RCEP’s coastal hazard provisions. Having heard submissions and visited many of the beaches, the Committee is seeking professional advice on the effects of the coastal hazard zones and associated rules on property values.

Before making decisions on those submissions, the Committee must make evaluation which takes into account the benefits and costs of policies, rules and other methods. The Committee must also take into account the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the policies or rules.

Therefore, the Committee wants to better understand the benefits and costs of identifying (or not identifying) coastal hazard zones in the RCEP, particularly in relation to coastal property values.

The Committee wishes to commission appropriately qualified personnel to prepare a report which specifically assesses the matters outlined in Section 3 below.

2. Purpose
To provide HBRC with advice on the impact that coastal hazard zones and associated rules in the Proposed Regional Coastal Environment Plan have had, and are having, on property values. This advice will enable HBRC to better understand the costs and benefits of identifying coastal hazard zones in the Proposed Hawke’s Bay Regional Coastal Environment Plan.

3. Scope of Work
   a) Assess the extent to which the RCEP’s coastal hazard zones and associated rules have affected the market value of properties within those CHZs. In particular:
      i) Briefly identify and summarise the key generic factors contributing to the changes in coastal property values. This should be based on professional opinion and experience rather than any property specific assessments.
      ii) Identify any location-specific attributes that may affect coastal property values (eg: presence or absence of services, availability and condition of access, driving distance to urban areas, presence of any existing coastal protection structures, elevation of land, etc)
      iii) Assess up to three locations for specific investigation as case studies (eg: Pourerere; Waimarama; Mahia Beach). The case studies selected are likely to be dependent on sales history statistics and geographic location within the Hawke’s Bay region. This is not intended to be a site-by-site valuation assessment exercise, but rather a generic
assessment of historic and future trends at the chosen locations based on professional opinion and experience.

b) If technically practicable, assess the change in market values of properties located within coastal hazard zones against a 'control' location where properties are not located within coastal hazard zones.

4. Costs
Payment can be by lump sum at the end of the work or by arrangement based on the progressive completion of key tasks.

5. Timeframes
The Hearings Committee is eager to maintain momentum on these submissions but accepts that a rushed decision without sound advice is not desirable. The work should be completed by 29 February 2008-4 April 2008 to enable further Committee deliberations on submissions.

6. Outputs
The completed consultant's report will be circulated to members of the Hearings Committee. The Committee will then consider that report alongside other material in evaluating the benefits and costs of including coastal hazard zones and associated rules in the RCEP.

7. Deliverables
An electronic copy of the final report shall be provided to HBRC. This shall be in a format that will enable HBRC to readily reproduce the report. In addition, two (2) printed copies shall be provided to HBRC. Following the completion of the final report, the consultant may also be required to present the report to the Hearings Committee.

8. Project management
HBRC’s project manager will be Gavin Ide. The consultant's project leader is to make email progress reports to the project manager on a fortnightly basis.

9. Conditions of engagement
The conditions of engagement will be the IPENZ Short Form Agreement for Consultant Engagement (Commercial), dated November 2005.

10. Information to be submitted with proposal
The following information is to be submitted with the proposal:
- key personnel to be used on the project (including their roles) and brief description of their relevant experience and skills (one paragraph per person)
- confirmation of ability to meet the timeline set out in this brief
- fixed price cost inclusive of disbursements for completing the work

---

1 NOTE: HBRC has not defined a set budget for this work, however the estimated total cost for this project will be a key factor in the awarding of this work.
Proposed Plan

COASTAL HAZARDS

Introduction
This information sheet outlines the Proposed Hawke’s Bay Regional Coastal Environment Plan’s (RCEP) content in relation to coastal hazards in the region.

It is one of a series of information sheets outlining various aspects of the Proposed RCEP that has been publicly released for public submissions by people interested in future management of the Hawke's Bay coast.

Why plan for coastal hazards?
With people living and working along the coast, active coastal processes can create hazards, threatening people’s safety and well-being, their property and the environment. The use and development of the coastal environment, climate change and possible sea level rise are also factors. Government departments currently recommend local councils adopt sea level rise predictions as a rate of 5mm per year. A panel of international experts regularly reassesses those predictions.

A coastal hazards report was completed in February 2004 for the Hawke’s Bay Regional Council by consultants Tonkin and Taylor Limited. It identified that the entire region’s shoreline is prone to storm damage and the influence of cyclical erosion and accretion trends. The region is also prone to inundation due to storm surges. High sea swells or storm surges lead to coastal erosion and inundation of land adjacent to the coast as seawater is driven over the beach crest.

While most natural coastal processes contributing towards coastal hazards originate in the coastal marine area (ie: coastal areas below average high tide mark), their adverse effects are usually experienced on land, where the regional council and city and district councils have joint responsibilities.

Who does what?
The Resource Management Act 1991 (RMA) requires all local authorities to address coastal hazards in order to promote the sustainable management of natural and physical resources.

Under the RMA, the Regional Council:-
- is responsible for controlling the use of land for the purposes of the avoidance or mitigation of natural hazards; and
- may control any actual or potential effects of the use, development or protection of land within the coastal marine area, for the avoidance or mitigation of natural hazards.

City and district councils are empowered by the RMA:-
- to control effects of land use activities for the purpose of the avoidance or mitigation of natural hazards.

The functions of the Regional Council and territorial authorities under the RMA are similar in relation to land use controls for avoiding and mitigating natural hazards. It is therefore important that overlaps and duplication in the management of natural hazards are avoided and consistent environmental policy and rule structures are developed. Representatives from all councils in Hawke's Bay are in regular contact discussing effective management arrangements on a wide variety of issues, including coastal hazards.

What does the Building Act require?
As well as having responsibilities under the RMA, city and district councils are also responsible for processing and issuing building consents under the Building Act. The Building Act has its own requirements applicable to proposed structures and buildings in hazard-prone locations.

The 2004 Building Code specifically requires floor levels of habitable buildings to be constructed above flood levels resulting from a storm having a “2% Annual Exceedance Probability” or 2%AEP. In terms of coastal flooding, this level includes allowance for a combined storm surge and high tide event.

RMA and Building Act requirements do not duplicate each other – instead, they complement one another to ensure threats of coastal hazards are taken into account in any coastal development proposals.

1 Although commonly referred to as a 1 in 50 year event, the technically correct term is an event having a “2% Annual Exceedance Probability” or 2%AEP. In terms of coastal flooding, this level includes allowance for a combined storm surge and high tide event.
What does the Proposed RCEP cover?
In Chapter 15, the proposed RCEP outlines a policy framework in relation to avoidance and mitigation of coastal hazards in the region. Those policies suggest that responses to coastal hazards should be prioritised.

These priorities are:
1. avoidance of the hazard in the first instance (or in cases where existing development is threatened, then evaluation of the feasibility of relocating such development should be the first priority);
2. maintaining and enhancing natural features and buffers (eg: sand dunes, gravel barriers and inter-tidal rock structures);
3. evaluating the use of beach nourishment solutions to mitigate the coastal hazard; and then...
4. the use of hard structures only after these other priorities have been evaluated and deemed unfeasible. The use of hard coastal protection works would typically be adopted where all other options are inappropriate.

Rules in the Proposed RCEP
The proposed RCEP includes rules (79-92) to implement these coastal hazard response priorities. Those rules (on pages 124-129 of the proposed plan) are written to allow, restrict or prohibit activities located in coastal hazard areas. More detail on these rules is set out on the next page.

The proposed RCEP’s rules are based on three hazard risk zones defined in the 2004 Hawke’s Bay Regional Coastal Hazard Assessment and subsequent reports by Tonkin & Taylor Ltd.

Stricter controls generally apply in high risk zones and lesser restrictions apply in medium and long term risk zones. The three hazard management zones are:

- ‘CHZ1’ – an area predicted to be at risk of coastal erosion and extreme inundation over the next ten years. This includes allowances for risks from severe sea storms, short-term variations and dune instability.
- ‘CHZ2’ – an area predicted to be potentially at risk over the next 100 years due to moderate inundation, long-term rates of erosion and allowance for predicted sea-level rise.
- ‘CHZ3’ – an area predicted to be potentially at risk due to moderate inundation (where ground levels are below the 2%AEP level), including allowance for predicted sea-level rise over the next 100 years.

These three zones have not been defined on an individual site-by-site basis, but instead are intended to be used as a planning tool to assess regional and local risk. The zones are intended to be regularly reassessed. The most appropriate timing of that reassessment would be before the RCEP needs to be reviewed – which is at least every ten years.

How can I find out if my property is within a coastal hazard zone?
Volume 2 of the Proposed RCEP contains a series of maps covering the region’s coastal environment. Coastal hazard zones are overlaid on those maps. The Proposed RCEP’s maps are printed at one of two scales - 1:50,000 or 1:12,500 (where 1cm on the map represents 125m on the ground).

For more detailed information - A4-sized maps for specific properties (at 1:2500 scale) can be produced by HBRC staff. A charge of $5.00 per map will apply.

What coastal hazards the Proposed Plan covers
The proposed RCEP only addresses the Hawke’s Bay Regional Council’s resource management role. This complements the Regional Council’s other roles in undertaking physical works and services, and emergency management co-ordination and response.

District plans may also contain information on coastal hazards. District plans are available for viewing at public libraries and city/district council offices.

Policies are included in the proposed RCEP relating to coastal cliff erosion and sea inundation of coastal land. All councils in Hawke’s Bay will need to take those policies into account when making decisions on coastal development proposals in the future.

The proposed RCEP does not include any policies or rules in relation to the threat of tsunami on the region.

A closer look at the Rules applicable within CHZs...
Figure 1 summarises rules in the Proposed RCEP that allow, restrict or prohibit various land use activities. Some of those activities require a resource consent from the Regional Council before the activity can be lawfully carried out (NB: a resource consent is not the same as a building consent from city or district councils). Depending on the coastal hazard risk and any mitigating circumstances, the Regional Council may decline consent, or grant consent subject to conditions. Figure 2 summarises the different types of resource consent activity classifications.

The replacement (eg: in event of fire), maintenance, repair, removal or demolition of most existing buildings and structures is permitted. This does not include extensions, alterations or replacement work that increases the floor area of existing buildings.

Rules in the proposed RCEP also apply to areas where coastal flooding presents a risk, although those rules only address non-reticulated wastewater systems, landfills etc. Rules in the proposed RCEP do not apply to dwellings and other habitable buildings within CHZ3 as the 2004 Building Code already requires those buildings to be built above predicted flood levels.
**Figure 1: Summary of Rules** (definitions of key terms overleaf)

<table>
<thead>
<tr>
<th>Activity</th>
<th>CHZ1</th>
<th>CHZ2</th>
<th>CHZ3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Replacement, maintenance, repair, removal or demolition of lawfully established building or structure</td>
<td>Permitted Activity Rule 79</td>
<td>Permitted Activity Rule 79</td>
<td>Permitted Activity Rule 79</td>
</tr>
<tr>
<td>Temporary activities</td>
<td>Permitted Activity Rule 81</td>
<td>Permitted Activity Rule 81</td>
<td>Permitted Activity Rule 81</td>
</tr>
<tr>
<td>External building work, including construction of a new building or relocation of a building</td>
<td>Non-Complying Activity Rule 87</td>
<td>Restricted Discretionary Activity Rule 82</td>
<td>n/a*</td>
</tr>
<tr>
<td>Construction of a new structure for purposes of a network utility operation</td>
<td>Restricted Discretionary Activity Rule 83</td>
<td>Restricted Discretionary Activity Rule 83</td>
<td>Restricted Discretionary Activity Rule 83</td>
</tr>
<tr>
<td>Permitted Activities not complying with conditions</td>
<td>Restricted Discretionary Activity Rule 84</td>
<td>Restricted Discretionary Activity Rule 84</td>
<td>Restricted Discretionary Activity Rule 84</td>
</tr>
<tr>
<td>Replacement, maintenance, repair, erection placement, construction demolition or removal of any coastal protection structure</td>
<td>Non-Complying Activity Rule 85</td>
<td>Non-Complying Activity Rule 85</td>
<td>-</td>
</tr>
<tr>
<td>Replacement of a structure damaged or destroyed by the action of the sea</td>
<td>Non-Complying Activity Rule 86</td>
<td>Non-Complying Activity Rule 86</td>
<td>-</td>
</tr>
<tr>
<td>Deposition of sediment in volumes greater than 5m$^3$ per property in any six consecutive month period</td>
<td>Restricted Discretionary Activity Rule 89</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Removal of sediment and other earthworks* in volumes greater than 5m$^3$ per property in any six consecutive month period</td>
<td>Non-Complying Activity Rule 91</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Landfills or dumping of hazardous substances</td>
<td>Prohibited Activity Rule 92</td>
<td>Prohibited Activity Rule 92</td>
<td>Prohibited Activity Rule 92</td>
</tr>
</tbody>
</table>

* By definition, earthworks in CHZ1 under this Rule do not include non-mechanical (ie: hand-held) domestic landscaping or gardening.
+ The 2004 Building Code specifically requires floor levels of habitable buildings to be constructed above flood levels resulting from a storm having a 2% probability of occurring annually. This is commonly referred to as a 1 in 50 year event.

**Figure 2: Summary of Activity Status**

<table>
<thead>
<tr>
<th>Activity Status</th>
<th>Consent required?</th>
<th>Can consent be declined?</th>
<th>Can conditions be imposed?</th>
<th>Matters Council can consider</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permitted</td>
<td>No</td>
<td>N/A</td>
<td>N/A</td>
<td>Activity must comply with all performance standards</td>
</tr>
<tr>
<td>Controlled</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Specific matters identified in rule</td>
</tr>
<tr>
<td>Restricted Discretionary</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Specific matters identified in rule</td>
</tr>
<tr>
<td>Discretionary</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Effects of activity and consistency with RMA and Plan’s policies</td>
</tr>
<tr>
<td>Non-Complying</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Consent only granted if effects of activity less than minor, or activity is consistent with Plan’s objectives and policies</td>
</tr>
<tr>
<td>Prohibited</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>Activity is prohibited – no resource consent can be applied for</td>
</tr>
</tbody>
</table>

Disclaimer: Material in this publication is intended as a guide only. As a guide, it does not attempt to explain any or all provisions of the Proposed Hawke’s Bay Regional Coastal Environment Plan in detail. Readers should refer to the proposed plan itself for a more comprehensive picture of the material referred to in this Information Sheet.
### Meaning of key terms

The following is a list of key words and their meanings used in the context of the Proposed RCEP’s coastal hazard policies and rules.

**Building** means any temporary or permanent moveable or immovable structure, including a structure used or intended to be used for occupation by people, animals, machinery or chattels; a non-reticulated wastewater system for storage, treatment and/or disposal of wastewater; and a bore.

**Coastal protection structure** means any structure used to reduce risks posed by coastal erosion and/or inundation by the sea to human life, property or the environment and includes seawalls, groynes, rip-rap, bunds, breakwaters, revetments, gabions and reinforced fences.

**Coastal protection work** means any works used to reduce risks posed by coastal erosion and/or inundation by the sea to human life, property or the environment and includes coastal protection structures and beach nourishment.

**Earthworks** means the disturbance of land surfaces by blading, contouring, ripping, moving, removing, placing or replacing soil or earth, or by excavation or by cutting and filling operations. In relation to CHZ1, it does not include non-mechanical domestic landscaping or gardening.

**External building work** means work for or in connection with the exterior alteration, construction, or placement of a building and includes earthworks and other site preparation work. It does not include: temporary storage stacks of goods or materials; structures less than 10m² not containing sleeping accommodation, sanitary fixtures or facilities for storing potable water; work closing in an existing veranda or patio not exceeding 5m²; fences, hoardings or free-standing walls less than 2m in height or greater than 75% of the structure; any mast, pole, pylon or similar structure; any interior alteration, construction or destruction of a building; and maintenance or repair of a lawfully established building.

**Maintenance** in relation to a structure, means to keep in existing order, to prevent loss or deterioration, or to restore to working order. It does not include extending, replacing, removing or demolishing a structure or any substantive change to the form, orientation or outline of the structure.

**Repair** means to restore or mend to good condition after damage or wear and includes the reconstruction or alteration of any part of a structure, providing that the repair does not result in any increase in the area of land occupied by the structure; and the repair does not change the character, scale and intensity of any effects of the structure on the environment. It does not include extending, replacing, removing or demolishing the entire structure.

**Replacement** in relation to a building or structure, means putting back in place of, or taking the place of, or substitution.

**Structure** means any building, equipment, device or other facility made by people and which is fixed to land.

**Temporary activity** in relation to the use of land, means the use of land that lasts for a duration of no longer than 7 days and does not recur for at least another 28 days.

### Further Information

For further information on the Proposed HB Regional Coastal Environment Plan, contact:-

Hawke’s Bay Regional Council
159 Dalton Street
Private Bag 6006, NAPIER
ph: (06) 835-9200
fax: (06) 835-3601
email: coastalplan@hbrc.govt.nz
web: www.hbrc.govt.nz
15. Coastal Hazards

OBJECTIVES

Obj 15-1 Risks posed by coastal hazards to people and property are avoided or mitigated.

Obj 15-2 The avoidance of new and further development in areas identified as being at risk of coastal erosion or inundation during the next 100 years, taking into account the risk associated with global sea level rise and any protection afforded by natural coastal features.

POLICIES

Policy 15-1 To manage coastal erosion and inundation risks in accordance with the environmental guidelines set out in Table 9.

Table 9: Environmental Guidelines – Coastal Hazards

<table>
<thead>
<tr>
<th>Issue</th>
<th>Guideline</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Management approach</td>
<td>Coastal hazards will be proactively managed in the following prioritised ways:</td>
</tr>
<tr>
<td></td>
<td>i) avoidance of new development in areas that are, or have potential to be, subject to coastal erosion or inundation</td>
</tr>
<tr>
<td></td>
<td>ii) maintaining and enhancing natural values and features that provide a buffer against coastal erosion and inundation</td>
</tr>
<tr>
<td></td>
<td>iii) evaluating the feasibility of relocation and/or retreat of, existing uses and development</td>
</tr>
<tr>
<td></td>
<td>iv) evaluating, then implementing if appropriate, activities which mitigate coastal hazards (for example, beach renourishment; and then</td>
</tr>
<tr>
<td></td>
<td>v) evaluating, then implementing if appropriate subject to Guideline 10, permanent structures (for example, sea walls, groynes, artificial reefs) to mitigate coastal hazards.</td>
</tr>
<tr>
<td>2. Identification of coastal hazard areas</td>
<td>With the availability of new or updated information, areas subject to, or likely to be subject to, short and long-term coastal erosion, sea-water inundation, and cliff shoreline instability should be reviewed, identified and managed in an integrated manner. The most recent mid-range IPCC sea level rise scenario should be taken into account in these reviews.</td>
</tr>
<tr>
<td>3. Precautionary approach</td>
<td>a) A precautionary approach will be adopted in the assessment of:</td>
</tr>
<tr>
<td></td>
<td>i) areas at risk from short, medium and long-term coastal erosion and inundation hazards and</td>
</tr>
<tr>
<td></td>
<td>ii) potential adverse effects of subdivision, use and development in the coastal environment.</td>
</tr>
<tr>
<td></td>
<td>b) Where a district plan gives effect to a more precautionary approach to the assessment and management of hazard areas and controls on subdivision, use and development of land within those hazard areas than this Plan, then any regional rules for coastal hazards shall not apply to those areas.</td>
</tr>
<tr>
<td>4. Information</td>
<td>The most up to date information on coastal processes and coastal hazards within the region will be made available to local authorities, statutory agencies and the public to encourage people to avoid developing in areas at risk of coastal hazards.</td>
</tr>
<tr>
<td>Issue</td>
<td>Guideline</td>
</tr>
<tr>
<td>-------</td>
<td>-----------</td>
</tr>
</tbody>
</table>
| **5. Foreshore protection** | a) Protection of natural values and features will be promoted, particularly those that provide a natural buffer against coastal erosion and inundation. These features include significant landscape forms and features which have high amenity, cultural or historical values, along with dunes, gravel barriers, active off-shore sediment reservoirs, intertidal rock platforms and coastal vegetation.  
  
b) Allowance shall be made for the future inland migration of natural features such as dunes and gravel barriers, as a result of coastal processes (including sea level rise). |
| **6. Existing subdivision, use and development** | a) Where existing subdivision, use and development is subject to, or is likely to be subject to, coastal erosion or inundation, further subdivision, use and development within those existing developed areas should be avoided.  
  
b) Avoidance of further development, relocation and/or retreat of existing uses and development shall be recognised as an appropriate means of managing coastal erosion and inundation hazards. |
| **7. New use and development** | New uses and development, (in particular, buildings and infrastructure) should not be located in areas that are, or have potential to be, subject to coastal erosion or inundation, unless it:  
  
i) is for a temporary activity and/or  
  
ii) protects or enhances natural buffers between existing development and the sea and  
  
iii) presents less than a minor risk of exacerbating coastal erosion or inundation. |
| **8. New subdivision** | New and further subdivision shall be strongly discouraged within areas subject to, or likely to be subject to, coastal erosion or inundation hazards. |
| **9. Hazard mitigation works** | The ability for local authorities to carry out hazard mitigation works shall be provided for. Such works undertaken to mitigate coastal hazards must not adversely affect public access, natural character, dynamic coastal processes, landscape and ecological values in the coastal environment. |
| **10. Coastal protection structures** | Structures should only be used to mitigate coastal hazards when:  
  
i) it is the best practicable option and  
  
ii) no other non-structural alternative is effective or feasible to reduce coastal hazard risk and  
  
iii) the structure is to be located and designed so as to avoid adverse environmental effects to the greatest extent practicable, particularly effects on coastal processes, landscape values and the existing natural character of the coastline and  
  
iv) the structure is to:  

a. serve a use with a functional need to locate in the coastal marine area or  

b. protect areas of existing development and network utility operations from coastal erosion or inundation risks. |
| **11. Network utility operations** | a) The continued use and protection of essential infrastructure and services in coastal hazard areas shall be provided for, where no reasonable alternative location or service delivery option exists.  
  
b) New infrastructure and services should not be located in areas that are, or have potential to be, subject to coastal erosion or inundation risk. |
| **12. Temporary activities** | a) The use of land subject to, or likely to be subject to, coastal erosion or inundation for the purposes of temporary activities (and any associated structures) shall be provided for.  
  
b) Upon completion of any temporary activity that altered the profile of the fore dune, the fore dune should as far as practicable, be restored to no lesser state than it was in prior to the activity taking place. |
Policy 15-2 To implement the environmental guidelines for coastal hazards set out in Policy 15-1 predominantly in the following manner:

(a) **Resource consents** - The environmental guidelines will be used in the process of making decisions on resource consents, in accordance with the RMA.

(b) **Regional rules** - The environmental guidelines have been incorporated into rules, (including conditions, standards and terms) set out in Part E of this Plan and provide a basis for the level of regulation used.

(c) **Non-regulatory methods** - The environmental guidelines for coastal hazards may also be implemented through non-regulatory methods where appropriate, including the provision of information, advocacy on district plans and resource consent applications, environmental monitoring and reporting, financial incentives, and liaison/consultation with territorial authorities.

**Explanation and Reasons**

15.1 Natural disasters or the potential for disasters arise where these dynamic coastal processes interact with human use, property and infrastructure. Primary hazards arising from these interactions include erosion, inundation of low lying areas, and land instability including major slumping, slips and earthflows. There is a significant history of natural disasters and lesser adverse events affecting property at numerous locations along Hawke's Bay’s coastline. The entire region’s shoreline is prone to storm damage and the influence of cyclical erosion and accretion trends. There is also a risk of erosion due to ongoing and accelerated global sea level rise. Coastal erosion and inundation can and have damaged property and threatened people’s safety and wellbeing. Limitations on the supply of sediment to coastal areas and impediments to sediment transport can affect the risks posed by coastal hazards. Also, in many instances, risks of damage to property, people’s safety and the environment have increased due to the inappropriate location of assets and activities within hazard-prone areas.

15.2 While most natural processes which generate the coastal hazard originate in the coastal marine area, the adverse effects are usually expressed on the land above mean high water springs, where the regional council and territorial authorities have joint responsibilities to ensure such impacts are avoided or mitigated. Sustainable management of the coastal environment with respect to hazards involves consideration of the particular hazard in the wider context (both above and below mean high water springs), and over long-term timeframes. This is necessary to ensure appropriate methods are used to effectively avoid or mitigate natural coastal hazards.

15.3 Avoiding permanent development in areas prone to coastal erosion or inundation and taking into account the risk associated with global sea level rise is necessary to promote the sustainable management of the coastal environment’s natural and physical resources. This approach enables the community to provide for efficient and effective use of resources and the safety of people and property and recognises the reasonably foreseeable needs of future generations. It also gives a clear indication to resource users that development in these areas is inappropriate. Where existing development is within areas subject to coastal hazards, the risk needs to be minimised. This may be achieved through strategies involving planned retreat of existing development or perhaps strategies to implement physical solutions to mitigate coastal erosion or inundation processes.

15.4 Responses to coastal hazards should be prioritised. Guideline 1 outlines a prioritised approach (from avoidance of the hazard in the first instance; then in cases where existing development is threatened, consideration of relocating or abandoning such development; followed by maintenance and enhancement of natural features and buffers; then evaluating the use of beach nourishment solutions to mitigate the coastal hazard. The use of structural works is considered only after these other priorities have been evaluated and deemed inappropriate or not feasible. Even then, the use of structural protection works needs to be proven as the best practicable option. These priorities are outlined further in Guidelines 5-9 that give effect to policies in Chapter 3 of the NZCPS, particularly Policy 3.4.6.

15.5 Guidelines 2-4 are consistent with Policies 3.4.1 and 3.4.2 of the NZCPS which suggest local authorities should identify areas where coastal hazards exist and also take into account the possibility of sea level rise and its effects. A consistent regional approach should give a clear indication of which areas, on extrapolated trends, will be at risk from coastal erosion and inundation within defined time periods.

15.6 Guideline 3 gives effect to NZCPS Policy 3.3.1. Adopting a precautionary approach recognises that with further monitoring and research about the region’s coastal processes and the effects of activities on those processes, adjustments to the policy and regulatory structure may need to be made at the next review of this Plan. Guideline 3(b) states that regional rules for coastal hazards will not be applied in areas where district plans identify coastal hazard zones and rules apply to subdivision, use and development within such zones. At the time of adopting this Plan, these circumstances were only relevant along the Westshore and Bay View coastline in Napier City.

**ANTICIPATED ENVIRONMENTAL RESULTS**

15.7 Assessment and identification of areas of land subject to, or likely to be subject to, coastal erosion and inundation.

15.8 Increased public awareness of coastal hazards and associated risks.

15.9 Risk to people’s safety and property from coastal erosion and inundation is minimised.

15.10 New and further subdivision, use and development in the coastal environment is not located within identified high-risk coastal hazard areas.

15.11 No increase in coastal erosion rates, inundation or the risk of flooding due to use of land within identified coastal hazard areas.

15.12 Natural buffers such as dunes, beach crests and wetlands are maintained.

15.13 Structural coastal protection works are only implemented where all other hazard avoidance or mitigation options are not suitable.
## COASTAL HAZARDS

<table>
<thead>
<tr>
<th>Rule</th>
<th>Activity</th>
<th>Classification</th>
<th>Conditions/Standards/Terms</th>
<th>Matters for Control/Discretion</th>
<th>Non-notification</th>
</tr>
</thead>
</table>
| **Rule 79**  
Existing structures in CHZ1, CHZ2 or CHZ3 | Except as provided for in Rule 82, Rule 85, Rule 86, Rule 87 and Rule 102, the replacement, maintenance, repair, removal or demolition, of a lawfully established building or structure (including network utility operations), but not any coastal protection structure, in any of the following:  
- Coastal Hazard Zone 1  
- Coastal Hazard Zone 2  
- Coastal Hazard Zone 3. | Permitted | a) The effects of any works must be same or similar in character, intensity and scale to the effects that existed at the notification date of this Plan. |  |  |
| **Rule 80**  
Non-reticulated wastewater systems in CHZ1, CHZ2 or CHZ3 | Notwithstanding any other rule in this Plan, a non-reticulated wastewater system in any of the following:  
- Coastal Hazard Zone 1  
- Coastal Hazard Zone 2  
- Coastal Hazard Zone 3. | Permitted | a) Systems shall be designed and installed to:  
    i) operate in all ground conditions; and  
    ii) ensure contents do not mix with flood waters in an event of inundation by coastal water having a 2% probability of occurring annually. |  |  |
| **Rule 81**  
Temporary Activities in CHZ1, CHZ2 or CHZ3 | Except as provided for in Rule 85 and Rule 92, a temporary activity in any of the following:  
- Coastal Hazard Zone 1  
- Coastal Hazard Zone 2  
- Coastal Hazard Zone 3. | Permitted | a) Any vegetation clearance or soil disturbance must comply with rules elsewhere in this Plan.  
b) Notwithstanding condition (a), the activity must not remove, damage, or destroy any sand dune or vegetation present in a sand dune system.  
c) All buildings, structures and materials used for the temporary activity must be removed from the site upon completion of the activity. |  |  |
| **Rule 82**  
External building work in CHZ2 | Except as provided for in Rule 79, any external building work, including construction of a new building or relocation of a building, in Coastal Hazard Zone 2.  
---  
  Removal or demolition of a existing lawfully established coastal protection structure is subject to Rule 85.  
---  
  This rule also applies to activities, (other than network utility operations) in CHZ2 that do not comply with Rule 79. | Restricted Discretionary | a) Intended purpose or use of building work  
b) Location of building work in relation to any existing buildings on the property  
c) Effects on people’s health and safety  
d) Effects of building work on natural coastal processes  
e) Effects of natural coastal processes on building work  
---  
  Except where an applicant requests or where special circumstances exist, an application will not be publicly notified, but HBRC will require notice of an application to be served on all affected persons (if any), unless all affected persons have provided their written approval. |  |  |
<table>
<thead>
<tr>
<th>Rule</th>
<th>Activity</th>
<th>Classification</th>
<th>Conditions/Standards/Terms</th>
<th>Matters for Control/Discretion</th>
<th>Non-notification</th>
</tr>
</thead>
</table>
| Rule 83 | New utilities within CHZ1, CHZ2 or CHZ3 | Restricted Discretionary | f) Probability and magnitude of erosion  
g) Methods to avoid or mitigate effects of coastal hazard to building work  
h) Degree to which any protection works to the property or building have been carried out  
i) Matters in Chapter 26.4. | Except where an applicant requests or where special circumstances exist, an application will not be publicly notified, but HBRC will require notice of an application to be served on all affected persons (if any), unless all affected persons have provided their written approval. |

| Rule 84 | Activities not complying with rules | Restricted Discretionary | a) Intended purpose or use of any structure(s)  
b) Effects on people’s health and safety  
c) Effects of any structure(s) or use of land on natural coastal processes  
d) Effects of natural coastal processes on structure and network utility operation  
e) Probability and magnitude of erosion and inundation  
f) Degree to which any protection works to the property or structure have been carried out  
g) Matters in Chapter 26.4. | Except where an applicant requests or where special circumstances exist, an application will not be publicly notified, but HBRC will require notice of an application to be served on all affected persons (if any), unless all affected persons have provided their written approval. |

---

For the avoidance of doubt, this rule also applies to network utility operations in CHZ1, CHZ2 or CHZ3 that do not comply with Rule 79.
<table>
<thead>
<tr>
<th>Rule</th>
<th>Activity</th>
<th>Classification</th>
<th>Conditions/Standards/Terms</th>
<th>Matters for Control/Discretion</th>
<th>Non-notification</th>
</tr>
</thead>
</table>
| Rule 85 | Coastal protection structures⁷¹                                             | Non-Complying  | a) In the case of a structure which is approximately parallel to the line of mean high water springs and located in the coastal marine area, the structure must not exceed 300m in length.⁷²  
                        |                             |                |                                           | b) In the case of a structure approximately perpendicular or oblique to the line of mean high water springs and located in the coastal marine area, the structure must not exceed 100m in length.⁷³ |                 |
| Rule 86 | Replacement of structures in CHZ1 or CHZ2 damaged by action of the sea   | Non-Complying  |                                           |                                                                                                 |                 |
| Rule 87 | External building work in CHZ1                                            | Non-Complying  |                                           |                                                                                                 |                 |
| Rule 88 | Deposition of sediment for purposes of the Westshore Beach Renourishment Scheme. | Controlled      | a) The sediment shall be deposited within the Westshore Renourishment Area identified in Volume 2 of this Plan | a) Duration of the deposition and possible reinstatement of land                                 |                 |

⁷¹ For the avoidance of doubt, this rule does apply to coastal protection structures that may span or cross mean high water springs, but does not apply to post wire fences, temporary fences, or fences for impounding stock on production land.

⁷² A structure exceeding 300m in length in the coastal marine area is a restricted coastal activity in accordance with Rule 114 of this Plan.

⁷³ A structure exceeding 100m in length in the coastal marine area is a restricted coastal activity in accordance with Rule 115 of this Plan.
<table>
<thead>
<tr>
<th>Rule</th>
<th>Activity</th>
<th>Classification</th>
<th>Conditions/Standards/Terms</th>
<th>Matters for Control/Discretion</th>
<th>Non-notification</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Deposition of sediment for Westshore Beach Renourishment Scheme</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>application will not be served on any person or publicly notified.</td>
</tr>
<tr>
<td><strong>Rule 89</strong></td>
<td>Deposition of sediment in CHZ1</td>
<td>Restricted Discretionary</td>
<td>b) Any material deposited must not include any of the following: i) septic tank sludge ii) toxic wastes iii) organic materials or iv) any other domestic or industrial waste, except cleanfill such as concrete, sand or gravel.</td>
<td>b) Effects on people’s health and safety c) Potential for damage to existing lawfully established structures e) Effects of displacing of erosion processes onto nearby land, property, public works and network utilities f) Degree to which any protection works to the land have been carried out g) Matters in Chapter 26.4.</td>
<td>Except where an applicant requests or where special circumstances exist, an application will not be publicly notified, but HBRC will require notice of an application to be served on all affected persons (if any), unless all affected persons have provided their written approval.</td>
</tr>
<tr>
<td></td>
<td>Except as provided for in Rule 88, deposition of sediment in volumes greater than 5m³ per property in any six consecutive month period within Coastal Hazard Zone 1.</td>
<td></td>
<td>a) Any material deposited must not include any of the following: i) septic tank sludge ii) toxic wastes iii) organic materials or iv) any other domestic or industrial waste, except cleanfill such as concrete, sand or gravel.</td>
<td>a) Intended purpose of the filling or excavation works b) Duration of the filling or excavation and possible reinstatement of land contours c) Effects on people’s health and safety d) Potential for damage to existing lawfully established structures e) Probability and magnitude of erosion f) Effects of displacing of erosion processes onto nearby land, property, public works and network utilities g) Degree to which any protection works to the land have been carried out</td>
<td></td>
</tr>
</tbody>
</table>

---

34 This rule does not apply to: a) non-mechanical domestic gardening and landscaping or b) sediment imported or stored on industrial or trade premises.
<table>
<thead>
<tr>
<th>Rule</th>
<th>Activity</th>
<th>Classification</th>
<th>Conditions/Standards/Terms</th>
<th>Matters for Control/Discretion</th>
<th>Non-notification</th>
</tr>
</thead>
</table>
| Rule 90   | Removal of sediment and other earthworks in CHZ1 for Westshore Beach Renourishment Scheme | Controlled    | a) The sediment shall be removed from areas within the Parade Gravel Extraction Site identified in Volume 2 of this Plan.  
b) The quantity of sediment removed must not exceed 50,000m$^3$ in any 12 month period. | a) Duration of the excavation and possible reinstatement of land contours  
b) Effects on people’s health and safety  
c) Potential for damage to existing lawfully established structures  
d) Probability and magnitude of erosion  
e) Effects of displacing of erosion processes onto nearby land, property, public works and network utilities  
f) Matters in Chapter 26.4. | Except where an applicant requests or where special circumstances exist, an application will not be served on any person or publicly notified. |
| Rule 91   | Removal of sediment and other earthworks in CHZ1                          | Non-Complying  |                                                                                          | f) Matters in Chapter 26.4.                                                                 |                 |
| Rule 92   | Landfills and dumping of hazardous substances in CHZ1, CHZ2 or CHZ3       | Prohibited     |                                                                                          |                                                                                               |                 |

75 This rule does not apply to:
   a) removal of sediment for the purposes of opening river mouths; or clearing outfall structures, bridges, seawater intakes, and culverts or
   b) removal of sand, shell gravel or other natural material under Rule 135, Rule 136, Rule 137 or Rule 138 or
   c) removal of sediment imported or stored on industrial or trade premises.

76 This rule does not apply to:
   a) removal of sediment for the purposes of opening river mouths; or clearing outfall structures, bridges, seawater intakes, and culverts or
   b) removal of sand, shell gravel or other natural material under Rule 135, Rule 136, Rule 137 or Rule 138 or
   c) removal of sediment imported or stored on industrial or trade premises.
Whirinaki Beach, Hawkes Bay Median Sale Price & Volume of Sales

Year

Median Sale Price

Volume of Sales Per Annum

Median Sale Price Trendline

Prepared by Williams' Harvey Registered Valuers
Source of Data: RPNZ Information Services

4/4/2008
2005 year showing an abnormal bell curve with unusually high number of sales at the upper end. 2 over $500,000 and 3 over $600,000. Most other years show 1 sale over $600,000. Explains why median for 2005 was unusually high.

2006 year a little abnormal with two bell curves weighting the median price to the lower end.
Haumoana Settlement, Hawkes Bay Median Sale Price & Volume of Sales

Year
2002 2003 2004 2005 2006 2007

Median Sale Price
$0 $50,000 $100,000 $150,000 $200,000 $250,000 $300,000 $350,000 $400,000

Volume of Sales Per Annum

Median Sale Price Trendline

Prepared by Williams' Harvey Registered Valuers
Source of Data: RPNZ Information Services
Te Awanga Settlement Compared to Hawkes Bay Median Sale Price

Year | Median Sale Price
--- | ---
2002 | $220,000
2003 | $225,000
2004 | $250,000
2005 | $300,000
2006 | $350,000
2007 | $400,000

Te Awanga Trendline | Hawkes Bay Trendline
Seaside Settlement Median Sales Price Compared to Hawkes Bay/Napier/Hastings Median Sale Price

<table>
<thead>
<tr>
<th>Year</th>
<th>Whirinaki</th>
<th>Haumoana</th>
<th>Te Awanga</th>
<th>Waimarama</th>
<th>Hawkes Bay</th>
<th>Napier</th>
<th>Hastings</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2003</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2004</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Prepared by Williams' Harvey Registered Valuers
Source of Data: RPNZ Information Services and REINZ
4/4/2008
Annual Volume of Sales

Seaside Settlement Volume of Annual Sales

- Whirinaki
- Haumoana
- Te Awanga
- Waimarama
- Hawkes Bay
- Napier
- Hastings

Hawkes Bay/Napier/Hastings Residential Volume of Annual Sales

- Hawkes Bay
- Napier
- Hastings

Year

2002 2003 2004 2005 2006 2007

Prepared by Williams' Harvey Registered Valuers
Source of Data: RPNZ Information Services and REINZ

4/4/2008

CHZ Locality Medians & graphs.xls Total Volume graph
This map contains cadastral and/or topographic information obtained from Land Information New Zealand. The Hawke’s Bay Regional Council cannot guarantee that the data shown on this map is 100% accurate.

Legend

- Coastal Hazard Zone 1
- Coastal Hazard Zone 2
- Coastal Hazard Zone 3
- Address Points
- Properties
- CERZ
- 2060ERZ
- 2100ERZ
- Transition Hazard Zone

Proposed RCEP: Coastal Hazard Zones

Whirinaki (N)

Scale: 1:5,000
This map contains cadastral and/or topographic information obtained from Land Information New Zealand. The Hawke’s Bay Regional Council cannot guarantee that the data shown on this map is 100% accurate.

Legend
- Coastal Hazard Zone 1
- Coastal Hazard Zone 2
- Coastal Hazard Zone 3
- Address Points
- Properties
- CERZ
- 2060ERZ
- 2100ERZ
- Transition Hazard Zone

Proposed RCEP: Coastal Hazard Zones
This map contains cadastral and/or topographic information obtained from Land Information New Zealand. The Hawke’s Bay Regional Council cannot guarantee that the data shown on this map is 100% accurate.
This map contains cadastral and/or topographic information obtained from Land Information New Zealand. The Hawke's Bay Regional Council cannot guarantee that the data shown on this map is 100% accurate.

Legend
- Address Points
- Properties
- CERZ
- 2060ERZ
- 2100ERZ
- Transition Hazard Zone
- Coastal Hazard Zone 1
- Coastal Hazard Zone 2
- Coastal Hazard Zone 3

Proposed RCEP: Coastal Hazard Zones

Waimarama

Scale: 1:5,000
Paul is an urban qualified valuer and specialises in the commercial, industrial and residential sectors. After graduating from Massey University in 1989 with a BBS majoring in Valuation and Property Management, Paul’s career has been diverse giving him an extremely broad knowledge of the property industry in New Zealand. Starting as a Property Manager at New Zealand Rail in 1990 he was promoted to being one of their youngest areas managers until he left for his OE in 1994. On his return Paul joined his father in the old family business where he sold residential/commercial real estate for three and a half years. After completing his valuation registration in 2001, Paul then became the General Manager for Harveys Real Estate in 2002 where he managed four business branches with over 50 staff through to 2006, when Williams’ Harvey was formed. Paul is the great grandson of the original founder and is the owner and Director of Williams’ Harvey.

Paul has had specific involvement with valuing coastal property at Te Awanga, Waimarama and Kairakau Beach. He was heavily involved with the recent Kairakau Beach subdivision and provided the developers with valuation advice right through the whole process, managing the marketing and sale of the sections and provided further valuation advice during the holding period before titles issued and settlement could take place.

Paul is the Immediate Past President of the Hawkes Bay Branch of the Real Estate Institute of New Zealand and is an Associate of that Institute. Paul is also a member of the Property Institute of New Zealand.

William Paul Symes Harvey was granted registration pursuant to the Valuers Act 1948 on 15 August 2001. He holds a current Annual Practising Certificate No. 357 and has acted in an independent capacity in preparation of this report. Paul formally complies with the requirements of the New Zealand Institute of Valuers Continuing Professional Development (CPD) Programme.

Bill is a rural specialist with over 35 years of experience in the field. Bill has been a Registered Valuer since 1970 and been in continuous employment with Valuation New Zealand (now Quotable Value) in Hawkes Bay for some 30 years and the last 8 years in the private sector with firstly Harvey Coxon Limited and more recently Williams’ Harvey Limited. Bill has had wide experience in all fields of valuation, has knowledge of all coastal settlements in Hawkes Bay and has been involved with coastal pastoral properties including compensation assessments for the Crown. Bill has undertaken many compensation valuation assignments on the Heretaunga Plains for Hawkes Bay Regional Council in recent years and has assisted in settlement of those claims.

Bill is a Fellow of the New Zealand Property Institute and has extensive experience and knowledge required to undertake the requested assignment.

William Richard Hawkins, was granted registration pursuant to the Valuers Act 1948 on 26 December 1970 and was admitted as an Associate member of the New Zealand Institute of Valuers on 26 December 1972 and awarded Fellowship of that Institute in April 1998. He holds a current Annual Practising Certificate No. 358. Bill formally complies with the requirements of the New Zealand Institute of Valuers Continuing Professional Development (CPD) Programme.

William Paul Symes Harvey was granted registration pursuant to the Valuers Act 1948 on 15 August 2001. He holds a current Annual Practising Certificate No. 357 and has acted in an independent capacity in preparation of this report. Paul formally complies with the requirements of the New Zealand Institute of Valuers Continuing Professional Development (CPD) Programme.