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**To:** [Policy Shared](#)  
**Subject:** External Sender: Waipā District Plan - Plan Change Submission Form 5 - Lesley May Dredge  
**Date:** Rāmere, 19 Hōngongoi 2024 1:53:18 PM

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**Full name of submitter** Lesley May Dredge

**Contact name (if different from above)** Lesley Dredge

**Email address** [REDACTED]

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**Contact phone number** [REDACTED]

**This is a submission on the following proposed plan change to the Waipā District Plan**

14 – Rezoning part of C10 Growth Cell

**Could you gain an advantage in trade competition through this submission?** I could not

**Are you directly affected by an effect of the subject matter that - (a) adversely affects the environment; and (b) does not relate to trade competition or the effects of trade competition?** I am not

**Do you wish to be heard (attend and speak at the Council hearing) in support of your submission?** I do

**If others make a similar submission, will you consider presenting a joint case with them at the hearing?** Yes

**Do you support the proposed change(s)?** I oppose

**The specific provisions of the plan change my submission relates to are (give details):**

This submission relates to the Economics Assessment prepared by Property Economics for their client, Fonterra.

**My submission is**

See attachment: Lesley Dredge Submission PC14

**I seek the following decision/s from Council**

See attachment: Lesley Dredge Submission PC14

**Attachments**

[Lesley Dredge Submission PC14.pdf](#) (869 kb)

## Submission on Proposed Plan Change 14 – Rezoning Part of C10 Growth Cell

To: Waipā District Council

Re: Submission on Proposed Plan Change 14 – Rezoning Part of C10 Growth Cell

Full Name: Lesley Dredge

Mobile: [REDACTED]

Email: [REDACTED]

Address: [REDACTED]

Date: 15th July 2024

I welcome the opportunity to submit on Plan Change 14 (PC14) to the Waipa District Council.

I oppose PC14, overall, and seek amendment to the specific provisions as listed in the attached document which contains the following sections:

- Section 1: Background information
- Section 2: Scope of the submission
- Section 3: Reasons for the submission
- Section 4: Appraisal and analysis of the Economics Assessment
- Section 5: Concluding statements
- Section 6: Relief sought
- Section 7: Decision sought

I wish to be heard in support of this submission.

Lesley Dredge

## 1. Background information

- 1.1 I was first made aware of the Proposed Private Plan Change to the Waipa District Plan being prepared by Fonterra to rezone parts of the C10 Growth Cell from Rural to Industrial by way of a circular (not dated) dropped into our letterbox, early December 2023. It provided background information for the site, a map of the Structure Plan (working draft), key elements of the Structure Plan, a list of the Assessments prepared, and a list of the key stakeholders which included immediate surrounding landowners. Written feedback could be provided by Wednesday 13 December 2023.
- 1.2 My husband and I own the property at 174 Swayne Road, opposite the proposed site.
- 1.3 I have a BSC (Hons) degree from Canterbury University, Christchurch, majoring in Economics; and a Postgraduate Diploma in Educational Administration and Leadership (Distinction) from Massey University, Palmerston North.

## 2. Scope of the submission

This submission relates to the Economics Assessment prepared by Property Economics for their client, Fonterra.

## 3. Reasons for the submission

I oppose PC14 in its current form for the reasons set out below.

- 3.1 In its current form PC14 relies on the Economics Assessment's conclusion that there is insufficient industrial land capacity in the Cambridge-Karapiro (local) market and wider Future Proof sub-region, and understated forecasted industrial land demand in the short, medium and long term, resulting in insufficiency.
- 3.2 This conclusion, if accepted, has land-use implications which are likely to result in detrimental consequences such as high vacancy rates of industrial land within the Waipa District, fragmented infrastructure development, reverse sensitivity such as high volumes of commercial and heavy vehicles adding to congestion on local and rural roads and at the one point of connectivity the industrial area (Hautapu, Cambridge) has to the Waikato Expressway, State Highway 1.
- 3.3 The Economic Assessment's analysis relies on inappropriate data, incomparable variables and statements which are not collaborated by sufficient detail for veracity.
- 3.4 Waipa District Council is a partner of Future Proof. Waipa District Council refers to Future Proof in its policy statements and planning. There is significant variation between the outcomes and conclusions drawn by the Economics Assessment (Property Economics); and the Future Proof Business Capacity and Development Assessment 2023 (BDCA 2023) outcomes and conclusions. The Future Proof BDCA 2023 uses informed extensive research from wide-ranging arrays of reliable and recognised sources followed by valid statistical methods and modelling to make future predictions. This is endorsed by The

Future Proof Implementation Committee: Waipa District Councillors are members of this Committee.

## 4. Appraisal and analysis of the economics assessment (Application documents PC14 Appendix I)

Below is an appraisal and analysis of the outcomes and conclusions provided in the Economics Assessment (EA) in relation to the core research objectives (EA p7), specifically:

- Geospatially map the surrounding economic environment and zones of the PC14 land and identify and quantify the existing industrial zoned land capacity within the Cambridge market.
- Review the sufficiency of industrial land capacity within the local market and the wider Future Proof sub-region estimated by Future Proof Business Development Capacity Assessment (BDCA) 2023. This includes a review of the modelling approach, assumptions adopted, and veracity of the conclusions reached.
- Contrast the projections in BDCA 2023 with those in BDCA 2021 to identify the changing modelling methodology and assess the likely sufficiency of the Cambridge local market and the broader Future Proof sub-region.

### 4.1 Current local industrial land supply

4.1.1 The EA (p14) refers to PC17 which was made operative by Waipa District Council on 12<sup>th</sup> December 2023. There is 96 ha of land (C9 Growth Cell) intended for industrial development, which includes 16.3 ha deferred industrial land (subject to conditions). The C8 Growth Cell (36 ha, with a structure plan in place, and C9 Growth Cell (96ha) is identified by Waipa District Council as sufficient industrial land to meet Future Proof anticipated demand until 2041 (Waipa District Plan Appendix S1 – Future Growth Cells updated 10 August 2023). Vacant land area available for industrial development has increased over the 2 year period from 36 Ha to 132ha.

4.1.2 The EA (p14) notes that the Specialised Dairy Industrial Overlay area is “*relatively restricted compared to other industrial zones, only allowing as permitted activities those that are complementary to dairy processing activities*”.

Given that activities in the Specialised Dairy Industrial Area are restricted, applicants can make an application to Waipa District Council, who can impose conditions. (S21.1.7.14 Waipa District Plan). To determine whether the Overlay has restricted industrial activity the following needs to be provided:

- the area of the Overlay that remains undeveloped.
- the type of business activity within that area as compared to the surrounding areas.

4.1.3 Under the Waipa District Plan, the Airport Business Zone (41 ha) has been extended to encompass the remaining 89 ha of previously rural zoned land, a total of 130 ha. PC20 Airport Northern Precinct Extension became operative on 1st July 2024. This enlarged strategic industrial node (as identified in the Waikato Regional Council Policy Statement) will have access to air transportation, and road transport links to the south, north, east and west via the Southern Links project – a priority roading infrastructure for government.

The EA's justification for excluding this land requires further explanation. In particular:

- detail on how the Airport's sensitivity would restrict industrial activity and so development. In particular, quantification of the areas that would have restricted industrial activity, and so development, due to this sensitivity.
- a full explanation of the factors that enhance the demand for industrial land in Cambridge as compared to the Airport Industrial Zone which would include an explanation of the 'notably different surrounding environment'.

4.1.4 The introduction of the EA (p6) states that Property Economics has been engaged "to undertake an economic assessment of the Cambridge and the wider Future Proof industrial markets and the economic merits of proposed Plan Change 14 (PC14) to enable the development of the Mangaone Precinct.... to rezone circa 79.2ha (gross) of land within the C10 Industrial Growth Cell in Hautapu from Rural to Industrial."

The Kiwifruit Block (7.8 ha) is included in the area to be re-zoned (79.2 ha), but not the Mangaone Precinct (71.4 ha).

The EA needs to clarify what the land area the EA is referring to.

The Kiwifruit Block is not captured by the BDCA 2023, yet it is plan enabled (LU/0212/23) meaning that 7.9 ha should be added to industrial land capacity in the Cambridge- Karapiro area if development has not yet occurred.

## 4.2 Modelling outcomes

### Sufficiency according to the Future Proof Business Development Capacity Assessment 2023 (BDCA 23).

4.2.1 The BDCA 2023 concludes that plan enabled capacity for industrial demand (plus a competitiveness margin) is sufficient to meet the anticipated growth needs over the short, medium and long term for the Waipa District. For the Waipa District, by the long term, 2052, forecasted industrial demand (plus margin) is 43% of capacity. For Cambridge-Karapiro, by the long term, 2052, forecasted industrial demand (plus margin) is 53% of capacity.

Cambridge- Karapiro industrial land sufficiency forecasts for the 2022-2052 period from BDCA 2023 are shown below (sourced from BDCA 2023 by EA, p17).

BDCA 2023	Short Term	Medium Term	Long Term
	By 2025	By 2032	By 2052
Industrial Land Demand (ha)	2.5	8.6	29.4
Industrial Land Demand + NPS-UD Margin (ha)	3.0	10.3	33.8
Total Vacant Industrial Land (2023) (ha)	64.2		
Industrial Land Sufficiency (ha)	+61.2	+53.9	+30.4

Cambridge- Karapiro requires 3.0ha of industrial land in the short term, increasing to 10.3ha in the medium term, and 33.8 ha in the long term. Total vacant industrial land (capacity) is 64.2ha, which results in a potential 30.4ha sufficiency.

Sufficiency according to Waipa District Plan Appendix S1 –Future Growth Cells updated 10 August 2023

4.2.2 With the adoption of PC17, an additional 96 ha of land (C9) is intended for industrial development, this includes 16.3 ha deferred industrial, but will be uplifted under the conditions as above (no later than 31 March 2030.). The Waipa District Plan now identifies provision of 132 hectares of industrial land to be sufficient to meet Future Proof anticipated demand until 2041 in the Cambridge/Hautapu area.

**Cambridge / Hautapu Industrial Growth Cells – anticipated now to 2035**

GROWTH CELL	LAND AREA	OVERVIEW AND CAPACITY
C8	36ha	<ul style="list-style-type: none"> <li>Intended for industrial development, the C8 growth cell is zoned industrial within the Waipā District Plan and has a structure plan in place. A combination of both the C8 and C9 growth cells has been identified as necessary to satisfy the industrial needs for Cambridge.</li> <li>The area is currently unserviced, with the structure plan identifying needed infrastructure.</li> </ul>
C9 <i>[PC17]</i>	96ha <i>[PC17]</i>	<ul style="list-style-type: none"> <li>Intended for industrial development, the C9 growth cell is located within the Hautapu Industrial Structure Plan Area. A combination of both the C8 and C9 areas has been identified as necessary to satisfy the industrial needs for Cambridge. <i>[PC17]</i></li> <li>The area is currently unserviced, with the structure plan review identifying needed infrastructure. <i>[PC17]</i></li> <li>The deferred status of the Industrial Zone (Area 7) can be uplifted via a plan change once 'Area 6' of the Hautapu Industrial Structure Plan Area has reached 80% development (i.e., 80% of the developable land area is the subject of s.224 certificates) or by 31 March 2030, whichever occurs sooner. <i>[PC17]</i></li> </ul>
The industrial provision of 36 <del>36</del> <i>[96]</i> hectares of industrial land will be sufficient to meet the Future Proof anticipated demand until 2041.		

Sufficiency according to the Economics Assessment by contrasting the projections in BDCA 2023 with those in BDCA 2021.

4.2.3 The EA considers the forecast for the Cambridge-Karapiro local market, the Waipa District and the broader Future Proof sub region “unreliable and not reflective of ‘real world’ practicalities given the potential underestimated employment growth and land demand within the relevant markets [and] inappropriate industrial capacity modelling approaches adopted” (EA p9).

As evidence, the EA presents Table 2 (p16), shown below. This table calculates changes in estimated demand, capacity and sufficiency between the values provided in BDCA 2023 and BDCA 2021 for industrial land, for all local authorities in the sub-region over the three time periods, short, medium and long term.

**TABLE 2: DIFFERENCES BETWEEN BDCA 2021 AND BDCA 2023 FORECASTS**

	Changes in Demand (incl. Margins) (ha)		
	Short Term	Medium Term	Long Term
Hamilton City	-1.2	-65.5	-163.2
Waikato District	11.4	9.6	9.4
Waipā District	-1.9	-13.1	-47.7
<b>Sub-region Total</b>	<b>8.2</b>	<b>-69.0</b>	<b>-201.4</b>
	Changes in Capacity (ha)		
	Short Term	Medium Term	Long Term
Hamilton City	-144.7	-122.5	-296.9
Waikato District	-294.0	-507.7	75.8
Waipā District	-53.2	-53.2	-53.2
<b>Sub-region Total</b>	<b>-491.9</b>	<b>-683.5</b>	<b>-274.4</b>
	Changes in Sufficiency (ha)		
	Short Term	Medium Term	Long Term
Hamilton City	-143.5	-57.0	-133.7
Waikato District	-305.4	-517.3	66.4
Waipā District	-51.3	-40.1	-5.5
<b>Sub-region Total</b>	<b>-500.1</b>	<b>-614.5</b>	<b>-73.0</b>

Source: BDCA 2021 & BDCA 2023.

Note: Figures highlighted in red indicate declines in demand, capacity, or sufficiency, while figures highlighted in green denote increases in demand, capacity, or sufficiency.

This does not offer “*valuable insights into the sensitivity of the forecasts*” (p16). This is not a sensitivity analysis. BDCA 2021 and BDCA 23 are separate, distinct projections released every 2 years, reflecting the changes that have occurred over that time.

BDCA 2021 has a base year, 2020, with a base value of hectares for demand and capacity; BADC 2023 has a base year, 2022, with a different base value (almost certainly higher) of hectares for demand and capacity. There is no meaning to the differences in the projected values to indicate a lack of capture in the BDCAs.

However, the EA, referring to Table 2, states (p16) “*Some of the noteworthy changes include a substantial 492ha loss in short term industrial land capacity and around 684ha loss in industrial land capacity in the medium term within a 2-year assessment period. This raises concerns regarding how the definition of capacity is being applied across the two assessments.*”

When comparing BDCA 2021 and BDCA 2023 consideration must be given to the factors that have affected land capacity over that time. Loss of capacity cannot be attributed to “*how the definition of capacity is being applied.*”

The following table shows the forecasted data values for the projections for BDCA 2023 and BDCA 2021.

**Table A Industrial Demand Growth (ha) & Estimated Land Availability BDCA 2021, BDCA 2023**

BDCA 2023	Demand Growth (ha)			Estimated Land Availability (ha)		
	Short Term (+20%)	Medium Term (+20%)	Long Term (+15%)	Short Term	Medium Term	Long Term
Hamilton City	61.5	200.3	457.4	125.6	214.5	342.8
Waikato District	26.3	75.5	176.0	121.3	197.3	1250.2
Waipa District	8.4	24.7	76.8	177.7	177.7	177.7
TOTAL FUTURE PROOF	96.1	300.6	710.2	424.6	589.4	1770.6

BDCA 2023 p11

BDCA 2021	Demand Growth (ha)			Estimated Land Availability (ha)		
	Short Term (+20%)	Medium Term (+20%)	Long Term (+15%)	Short Term	Medium Term	Long Term
Hamilton City	62.64	265.8	620.54	270.3	337	639.7
Waikato District	14.88	66.12	166.64	415.3	705	1174.4
Waipa District	10.32	37.8	124.43	230.9	230.9	230.9
TOTAL FUTURE PROOF	87.84	369.72	911.61	916.5	1272.9	2045

BDCA 2021 p9

This table shows that when looking at the breakdown for each local authority, the Waikato District projections for BDCA 2021 are relatively high for estimated land availability, in the short and medium term (highlighted above). This is acknowledged and accounted for in BDCA 2021, S 2.2.2 (p30). This does not raise concerns regarding how the definition of capacity is being applied across the two assessments, as EA states.

Further evidence is required to justify “*changing modelling methodology*” or “*inappropriate industrial capacity modelling approaches*” as reported by the EA.

### 4.3 Employment projections and industrial land demand

#### Comparison of average annual employment and population growth

4.3.1 The Waikato Integrated Scenario Explorer (WISE) model is used to predict employment growth to inform projections for land demand. Population projections prepared by the NIDEA unit (Waikato University) are an input.

Employment, adjusted to a measurement of Modified Employee Counts (MEC's), across all sectors is provided in BDCA 2023 Figure 3-15 (p54). The average annual estimated % changes in total sector employment growth are calculated below:



<b>Total Sector employment growth (MEC's)</b>	<b>2022-2025</b>	<b>2025-2032</b>	<b>2032-2052</b>
<b>Growth/No. of years</b>	<b>8300/3</b>	<b>17900/3</b>	<b>39700/20</b>
<b>Average annual % change</b>	<b>1.69%</b>	<b>1.48%*</b>	<b>1.04%</b>

The EA presents Table 4 below: NIDEA's population projections (p18) (Source: University of Waikato)

Population - High	2022	2025	2032	2052
Hamilton City	179,120	193,088	213,910	270,900
Waikato District	87,870	89,760	98,660	124,010
Waipā District	60,050	61,144	66,090	80,540
<b>Sub-region Total</b>	<b>327,040</b>	<b>343,992</b>	<b>378,660</b>	<b>475,450</b>
		<b>2022-25</b>	<b>2025-32</b>	<b>2032-52</b>
<b>Cumulative Growth Rate</b>		+5.2%	+10.1%	+25.6%
<b>Annual Growth Rate</b>		+1.7%	+1.4%	+1.1%

The EA states, "Indeed, the BDCA 2023's anticipated employment growth, as depicted in the upper section of Table 4 mirroring NIDEA's population projections, remarkably coincides with the forecasted population trends. This synchronicity stands out as unusual, given that employment expansion typically responds to various economic factors, including labour force participation, migration patterns, technological advancements, industry shifts, and more." (EA p17).

The table below shows population growth for the sub region using population data extracted from Waikato Regional Council Technical Report 2021/22 prepared by the University of Waikato. The same source cited by the EA. There were minor discrepancies in the totals, and rounding errors were minimised by increasing decimal place values. Annual average growth rates are: +1.50%, +1.44% and +1.28%.

This shows no coincidental alignment of BDCA 2023 employment projections with NIDEA's population projections, as inferred by the EA.

Population -High	2022	2025	2032	2052
Hamilton City	184,404	193,088	213,903	271,072
Waikato District	85,737	89,760	98,648	124,128
Waipa District	59,035	61,144	66,064	80,594
<b>Sub-regional total</b>	<b>329,176</b>	<b>343,992</b>	<b>378,615</b>	<b>475,794</b>
		<b>2022-25</b>	<b>2025-32</b>	<b>2032-52</b>
<b>Cumulative growth %</b>		4.501	10.065	25.667
<b>Annual average growth rate %</b>		1.50	1.44	1.28

The EA in stating, "...employment expansion typically responds to various economic factors, including labour force participation, migration patterns, technological advancements, industry shifts, and more." (EA p17), has confused the supply of labour with the demand for labour. It is industries demand for labour that informs the

demand for industrial land. The supply of labour is influenced by labour force participation, migration patterns, technological advancements, industry shifts.

#### Comparisons of annual average Labour Force and Employment Growth.

4.3.2 The EA presents TABLE 4 NIDEA LABOUR FORCE PROJECTIONS (p 8) indicating notable average annual growth of +2.1%, +1.8%, and +1.4% over the short-, medium-, and long-terms, respectively:

Labour Force - High	2022	2025	2032	2052
Hamilton City	102,398	109,841	127,130	172,820
Waikato District	47,003	49,656	55,340	69,810
Waipā District	32,738	34,294	37,560	46,110
<b>Sub-region Total</b>	<b>182,139</b>	<b>193,791</b>	<b>220,030</b>	<b>288,740</b>
		<b>2022-25</b>	<b>2025-32</b>	<b>2032-52</b>
<b>Cumulative Growth Rate</b>		+6.4%	+13.5%	+31.2%
<b>Annual Growth Rate</b>		+2.1%	+1.8%	+1.4%

Source: University of Waikato

The EA provides labour force average annual growth rates and compares these to BCDA 2023's annual average employment rates to suggest BCDA 2023 underestimates business land demand: *"In my view, the BCDA 2023 employment projections, which appear to align with NIDEA's population projections, for unexplained reasons notably diverge from NIDEA's labour force projections, highlighting a discrepancy that should not be ignored. Essentially, assuming all other factors remain constant over the long term, the higher growth rates anticipated by NIDEA's labour force projections imply a substantially greater increase in employment over time, thus suggesting a heightened demand for industrial land compared to the current projections provided by the BCDA 2023. Without any rational explanation, Property Economics consider the BCDA 2023 has underestimated industrial land demand across the sub-region"* (p18).

As previously stated, it is the demand for labour that informs the demand for industrial land. The demand for labour should not be confused with the supply of labour, the willingness to work at different wage rates. The Household Labour Force Survey (HLFS) captures the supply of labour, in particular, labour force participation rates (the percentage of the working age population that is working or actively seeking work). This is used to estimate the size of the labour force. In the HLFSE, a person is employed if they work for one hour or more for pay or profit or worked without pay for one hour or more in work that contributed directly to the operation of a business.

*"The HLFS is the data source for official statistics about New Zealand's labour force. As a survey of households, it contains relatively few business-level dimensions. It should instead be looked at for published household and individual-level dimensions less likely to be included in business employment measures"* (Stats NZ, User guide

for Stats NZ's employment measures). Labour force projections do not have statistical or economic conceptual validity as a predictor of demand for industrial land and should not be used to suggest a greater demand for industrial land beyond the projections provided for in BCDA 2023.

The EA presents TABLE 5 (p19) Sub-region recent and historical population and employment growth from Stats NZ. It cannot be ascertained from this table if there is any link between the population growth values with employment growth values and the respective annual percentage changes. No commentary is provided for this table.

The EA has used data pertaining to all sectors and total population values to translate to a conclusion about industrial land demand.

There is insufficient evidence to prove *“potential underestimated employment growth and land demand within the relevant markets.”*

#### The EA has issues with demand modelling approach.

- 4.3.3 The EA sources a comment from the PC17 Decision Report: *“there has been sufficient evidence provided by expert witness that there is a demand for additional industrial land within the Cambridge area.”*

Details as to what this evidence is needs to be provided, as well as a full reference.

The forecasted demand (plus margins) for industrial land in the Cambridge-Karapiro area and the Waipa District has decreased from the BDCA 2021 to BDCA 2023, but more importantly industrial land sufficiency increases in the long term. BDCA 2021 forecasts a deficiency of 3.1 ha, whereas BDCA2023 forecasts a sufficiency of 30.4 ha. Assuming constant land demand, this sufficiency increases by 96ha with PC17 adopted (Waipa District Plan Appendix S1 –Future Growth Cells updated 10 August 2023).

**TABLE 3: CAMBRIDGE - KARAPIRO INDUSTRIAL LAND SUFFICIENCY FORECASTS COMPARISON**

BDCA 2021	Short Term By 2023	Medium Term By 2030	Long Term By 2050
Industrial Land Demand (ha)	5.4	15.9	51.9
Industrial Land Demand + NPS-UD Margin (ha)	6.5	19.1	59.7
Total Vacant Industrial Land (2020) (ha)	56.6		
Industrial Land Sufficiency (ha)	+50.1	+37.5	-3.1

BDCA 2023	Short Term By 2025	Medium Term By 2032	Long Term By 2052
Industrial Land Demand (ha)	2.5	8.6	29.4
Industrial Land Demand + NPS-UD Margin (ha)	3.0	10.3	33.8
Total Vacant Industrial Land (2023) (ha)	64.2		
Industrial Land Sufficiency (ha)	+61.2	+53.9	+30.4

Source: BDCA 2021 & BDCA 2023.

The EA has issues with capacity modelling.

- 4.3.4 The EA states “*capacity estimates presented in the BDCA 2023 are largely overstated and unreliable for understanding the industrial land sufficiency status of the Waipā District and the broader sub-region*” (p20).

In the Waipa District, “overstated capacity” is identified by the EA as being vacant land located within the Karapiro Events Centre and Mystery Creek Event Centre Zones; land which is included in BDCA 2023 capacity.

Future Proof identifies “*capacity on greenfields development areas that are not currently developable under the existing zoning [to identify nature, timing and future capacity enabled]. A reduction in greenfield areas of 33% has been applied across the Waikato and Waipā districts so that roads, reserves and infrastructure requirements are taken account of.*” (p7 BCDA 2023)

This complies with NPS-UD, Clause 2.29:

“2) A local authority may define what it means for development capacity to be “suitable” in any way it chooses, but suitability must, at a minimum, include suitability in terms of location and site size.”

The EA believes these areas should be excluded since industrial activities are not ‘permitted’ by WDC. Although industrial activities are presently not ‘permitted’, this is not a compelling reason for exclusion. Non-compliance can be mitigated with Land Use Consents, as evidenced by the non-complying, non-notifiable Land Use Consent (LU0212/23) obtained by BIL for the Kiwifruit Block, which is zoned rural.

The Mystery Creek Events Zone, with a number of titles, comprising a total area of 114 ha, has 47 ha allocated to vacant land capacity. This land is within proximity to the Airport Business Zone and in the future will in the future have connectivity to the Southern Links transport network. The Karapiro Events Centres Zone is smaller in size (18ha) with a smaller proportion allocated to capacity.

### Sub-Region Recent Growth Trends

4.3.5 The EA, using Business Demography data from Stats NZ, compares recent employment growth of the sub-region with projected employment growth from BDCA 2023

The following points should be noted:

- The EA, using Business Demography Statistics (Stats NZ), compares the sub-region's employment growth from 2020 to 2023 (10%) with the annual average growth rate of 1.7% (projected over 2022 to 2025 (BDCA 2023) (p22). Business demography statistics include the number of paid employees in NZ enterprises and is not an official employment statistic (NZ Stats).
- Labour force projections should not be used as a predictor for business demand for land.
- Sub- region total employment counts for 2020-2023 (Stats NZ) cannot be used as a predictor for industrial land up-take. A more appropriate comparison would industrial employment counts.
- The EA in Table 7 Future Proof Sub Region Industrial Employment Trends (p23), compares the sub-region industrial employment trends from 2000 to 2023 using Stats NZ, Property Economics. This data needs to be cited in full; in particular, what series is used and how values in the table were obtained.
- The EA in Table 7(p23), states Waipa District's contribution to the sub-region's overall industrial employment growth is 18.9% of the sub-region. However, with the time period being 23 years, this is an annual average growth rate of 0.82%.
- In addition, the EA notes "*An increase of 240 employees in Waipa contributed 23% of overall growth in the sub-region (2022-2023)*" (p23). The EA contrasts the 23% contribution by Waipa to the sub region's industrial employment growth to 8.7% which is Waipa's forecasted demand for industrial land (8.4 ha) as a percentage of sub region total demand, short term (96.1 ha). These percentages cannot be accurately compared. It assumes that the number industrial employees take up the same space on industrial land. If it is possible, the land area, hectares, need to be adjusted to reflect how many employees would take up that space; or the number of employees needs to be adjusted to the space they take up.

- BCDA 2023 provides detail for the Waipa District floorspace (sqm GFA) below. Figure 7-36: Waipa District Industrial Floorspace Sufficiency plus margin (sqm GFA) p105. There is no insufficiency forecasted for Cambridge – Karapiro.

Name	Short Term	Medium Term	Long Term	Total GFA Capacity (sqm)	Short Term	Medium Term	Long Term
Cambridge-Karapiro	17,835	59,964	192,353	259,634			
Te Awamutu-Kihikihi	19,181	47,225	142,495	127,848			Insufficient
Rukuhia-Ngahinapouri-Ohaupo-Pirongia	8,591	25,664	75,395	434,100			
Rest of Waipa	2,069	7,120	20,857	11,117			Insufficient
<b>Total</b>	<b>47,676</b>	<b>139,973</b>	<b>431,099</b>	<b>832,699</b>			

## Ground Truthing

4.3.6 The EA does not provide any local information on the amount of vacant industrial land that is presently for sale. Evidence suggests that the demand for, and development, of industrial land in the Cambridge area has declined over the past year.

The value of non-residential consents in the Waipa District decreased by 63.2% over the year to March 2024 compared to a year earlier, from a value of \$204.0m to \$75.1m (Stats NZ, Retrieved from [qem.infometrics.co.nz/waipa-district/economic/non-residential-consents](http://qem.infometrics.co.nz/waipa-district/economic/non-residential-consents)).

## 5. Concluding statements

Underpinning the creation of an industrial zone, is the requirement to prove without any uncertainty that there is a need for that industrial land. This is the objective of the NPS-UD, giving councils direction as to where and when development capacity should be provided. As a partner of Future Proof, Waipa District Council relies upon the Business Capability and Development Assessments released every 2 years to inform planning decisions, as directed by the NPS-UD.

Importantly, planning for the long term should take priority since the consequences of making poor decisions in the short term will have lasting detrimental social, and economic effects which may not be resolved and/or become a future cost burden on communities.

There is provision for 132 ha of industrial land available until 2041 in the Cambridge Hautapu area. There is no evidence of 'inappropriate' capacity modelling approaches. To use differences in values from different forecasts over different time periods is a manipulation of data which has no substance. There is no evidence of capacity estimates being overstated. BCDA 2023 provides full explanations of potential industrial land capacity in greenfield areas, and adjusts these areas accordingly.

BCDA 2023 has developed a model using adjusted sector employment data to predict demand for land and space. Without a complete understanding of this model, any critique of it relies upon the outcomes produced. These outcomes have been compared with population data to show an 'unusual' equality in percentage changes, which may be coincidental given that sector employment data may well track a similar path as population data, but inaccuracies occur if calculations are rounded, as shown in Section 4.3. This is not indicative of the model's inherent failure. The test of a predictive model is its past performance. No

evidence is provided on past performance. Confusion arises over the meaning of 'labour force', but in statistical terms its meaning is precise, and it is not equivalent to sector employment data, used by BDCA 2023. There is no evidence to prove that forecasted industrial land demand is understated in the Cambridge-Karapiro area or the Waipa District sub-region.

The Economics Assessment produced by Property Economics on behalf of Fonterra fails to provide evidence of a lack of industrial land sufficiency in the Cambridge and the Waipa District sub-region.

## 6. Relief sought

I seek the following relief:

1. A supplementary Business Capacity and Development Assessment to be prepared by Future Proof for the Cambridge-Karapiro locality and Waipa District for the period 2022 to 2024 to ascertain industrial land sufficiency.

This independent assessment should provide an up to date forecast for the short, medium and long-term enabling an informed decision to be made. (Future Proof is the choice of providers for this assessment given that it has proven local, district and regional knowledge and competence).

2. This assessment be presented as a submission.
3. Include the Kiwifruit Block in the Proposed Mangaone Structure Plan. The Kiwifruit Block has been omitted from a number of the Plan Change 14 reports. There are inconsistencies in the reports as to what the reference area is - the Mangaone Structure Plan land area or the proposed Industrial Zoned land area. Although a recent consent for industrial activity was granted on this site (LU/0212/23), there was no notification opportunity, despite PC14 being a special circumstance for this land.

## 7. Decision sought

1. If the supplementary Business Capacity and Development Assessment (as sought for relief, above) forecasts industrial land sufficiency for the medium and long term, the 79.2 ha of the C10 Growth Cell, identified in PC14, be rezoned Deferred Industrial Zone, with the deferred status being uplifted by a revised plan change once 'Area 7' of the Hautapu Industrial Structure Plan has reached 80% development (i.e. 80% of the developable land area is the subject of s 224 certificates) or by 31 March 2035, whichever is the sooner.
2. Include the Kiwifruit Block in all documentation relating to the Proposed Mangaone Structure Plan.