

**BEFORE WAIPĀ DISTRICT COUNCIL**

**UNDER** the Resource Management Act 1991 ("**RMA**")

**AND**

**IN THE MATTER** of Proposed Plan Change 14 of the Waipā District  
Plan ("**PC14**")

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**SUMMARY STATEMENT OF TIMOTHY JAMES HEATH  
ON BEHALF OF FONTERRA LIMITED**

**ECONOMICS**

**6 MARCH 2025**

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## 1. ECONOMIC SUMMARY

- 1.1 My full name is Timothy James Heath. My experience and qualifications are set out in paragraphs 1.2 and 1.3 of my primary statement. I repeat the confirmation in my Statement of Evidence that I have read and agree to comply with the Code of Conduct for Expert Witnesses.
- 1.2 My Economic Assessment of May 2024 assessed the key economic matters relating to PC14 to enable industrial development within the Mangaone Precinct. The conclusions I reached was PC14 would generate net economic benefits for the local economy and community and is supportable in the context of the RMA, National Policy Statement on Urban Development 2020 ("**NPD-UD**"), Waikato Regional Policy Statement ("**WRPS**") and National Policy Statement on Highly Productive Land ("**NPS-HPL**").
- 1.3 In this assessment, I have identified several concerns with the BDCA 2023 including, but not limited to:
- (a) the potential underestimated employment growth and land demand within the relevant markets.
  - (b) the Waikato Expressway proving attractive to industrial activity beyond those servicing the Cambridge market.
- 1.4 My economic position has been confirmed by the author of the BDCA in the M.E Peer Review who specified that demand factors – such as the completion of the Waikato Expressway and the recent growth of the Cambridge market – *"have not been incorporated into the BDCA work to date and are likely to increase demand at Cambridge significantly"*<sup>1</sup>.
- 1.5 The implications of M.E Peer Review mean that the BDCA 2023 demand estimates are no longer suitable to rely on in these proceedings. I therefore disagree with the suggestion by Ms Andrews that there is no industrial land shortage.
- 1.6 In my view, with the M.E Peer Review supporting my economic position, Cambridge, Waipā district (and the wider Future Proof sub-region) would face a shortfall in industrial land capacity over the medium and long term. The

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<sup>1</sup> -Refer Pages 7-10 of M.E's review.

remedy requires the timely and efficient provision of additional industrial land to accommodate the faster growth, industrial land deficits and ongoing industrial expansion of the economy.

- 1.7 I consider allocating additional industrial land provision through PC14 is suitable to address a portion of the anticipated higher demand in the sub-region increasing supply in an efficient location.
- 1.8 Importantly, the entire PC14 Site is identified as an industrial growth cell, the urbanisation of this land is a planned and anticipated outcome to accommodate local industrial growth. Therefore, the loss of productive land due to PC14 should not be regarded as an additional cost to the wider district or the local economy, firstly due to there being a time limit to its productive capacity (2035), and secondly its current use as a receptor of Fonterra's by-product (which is due to be substituted to a wastewater plant on Fonterra's existing premises in 2028).
- 1.9 Considering its adjacency to the existing Hautapu industrial environment and Waikato Expressway interchange, the PC14 Site stands as an appropriate and market appealing location for industrial land utilisation.
- 1.10 Taking the above considerations into account, along with the underestimation of industrial land demand in Cambridge, the economic benefits of advancing the PC14 Site (e.g., increased industrial land capacity, increased surety and market certainty for industrial land supply and improved land use efficiency would significantly outweigh the economic costs associated with additional infrastructure investment requirement (if land supply to meet demand was provided in a separate less efficient location)).
- 1.11 Overall, the economic findings of all my analysis support PC14 to rezone the PC14 Site from Rural to Industrial as an appropriate outcome in the context of the RMA, NPS-UD, WRPS and NPS-HPL. The rezoning would bring material economic benefits to Cambridge, stimulate employment and local economic growth, create a more competitive industrial market and contribute positively to a 'well-functioning' urban environment.

**Tim Heath**  
**6 March 2025**