

RMA HEARINGS PANEL REPORT



To: RMA Hearings Panel Commissioners

From: Neda Bolouri, Consultant Planner; Beca Ltd on behalf of Waipa District Council

Subject: **Addendum to Section 42A Hearing Report on Proposed Plan Change 17 Hautapu Industrial Zone**

Hearing Date: 14th June 2023

EXECUTIVE SUMMARY

This Addendum to the Section 42A Report (s42A Report) has been prepared primarily due to the S357 Objection Decision Report (Objection Decision) dated 12 April 2023. That Objection Decision has resulted in a need to consider a submission point by the Hautapu Landowners Group (Submitter #21), which was previously determined to be “out of scope” by the Hearings Panel. The submission point (21.1) sought the land to the north of “Area 6”, collectively owned by the Hautapu Landowners Group (HLG), to be re-zoned as Deferred Industrial as part of this Proposed Plan Change 17 (PC17).

The Objection Decision by Independent Hearings Commissioner Alan Withy has now determined this submission point to be within scope of this proposed plan change, and therefore this addendum will consider the effects of this, as well as include any additional changes since the filing of the s42A Report on 29 March 2023.

Table of Contents

1. Introduction	3
2. Additional Changes	3
2.2. Submission Withdrawals.....	3
2.3. Updates to the s42a report.....	3
3. Additional changes raised by submitters.....	4
4. Assessment of Deferred Industrial zone	7
5. Conclusion and recommendation	19
5.1. CONCLUSION.....	19
5.2. RECOMMENDATION	19
Appendix A – Recommended Track Change Amendments to Plan Change	
Appendix B – List of Resource Consents granted on Hautapu and Peake Road from late 2019 to early 2023.	

1. INTRODUCTION

- 1.1.1. This addendum to the Section 42A Report PC17 Hautapu Industrial Zone (s42A Report) has been prepared to address the following:
- Section 2 – Additional changes or other matters to clarify in the s42A Report.
 - Section 3 – Additional changes to PC17 from matters raised in submitters' evidence.
 - Section 4 – Assessment and recommendations in relation to submission point 21.1 by HLG, for the rezoning of HLG land as Deferred Industrial.

2. ADDITIONAL CHANGES

- 2.1.1. A number of changes have come to light since the s42A Report was filed on 29 March 2023. These are relatively minor changes and are elaborated on below.

2.2. SUBMISSION WITHDRAWALS

- 2.2.1. On 14 February 2023 submitter #23 – Owen David John Hayes, requested that his submission on PC17 be withdrawn. While this was requested before the s42A Report was filed, the report was already in the process of being finalised and this withdrawal was not able to be captured in the report. The submitter opposed the rezoning of Area 6 and had concerns about amenity and elite soils. This submission is now formally withdrawn and will not be considered further.

2.3. UPDATES TO THE S42A REPORT

Stormwater Basin

- 2.3.1. A clarification is required on Page 17, Paragraph 6.1.18 of the s42A Report when describing the proposed stormwater basin and the potential mitigating effects for visual amenity.
- 2.3.2. When describing the proposed stormwater basin I stated that the width will be approximately 60m. I want to clarify that this is an assumption based on early modelling, and the exact width of the proposed stormwater basin is still subject to detailed design, and could increase or decrease.

Recommendation

- 2.3.3. Amend Paragraph 6.1.18 of the s42A Report as follows:

For this reason, the proposed stormwater basin (basin 4) was repositioned during the preparation of PC17, in order to be located in the northern part of Area 6, acting as a further buffer between the industrial area and the properties to the north that contain these agistment businesses. This, coupled with the Perimeter Boundary Treatment that requires landscaping and an earth mound, ~~will~~ could result in approximately 75m (≈ more or less 60m width from basin #4 + 15m of building setbacks and landscaping) between any industrial land use and the northern boundary of the Industrial Zone adjacent to the equine businesses.

Growth Cell Maps

- 2.3.4. Clarification is required of the proposed growth cell maps in the s32 and s42A Reports. On pages 50 and 51 of the s42A Report when referencing Appendix S1 – Future Growth Cells, the map shows C9 as 77ha, whereas the text in the Cambridge/Hautapu Industrial Growth Cells – anticipated now to 2035, says 75ha. While this may seem like an error, Council’s GIS team have confirmed that this is the way that Council has mapped the area. The change from 75ha to 77ha is that additional roads are included in the latter figure, and 75ha refers to the developable land. Due to where this is stated in the report, no change is recommended to the actual report.

3. ADDITIONAL CHANGES RAISED BY SUBMITTERS

Waikato Regional Council - Dry Industry Definition

- 3.1.1. Following the tabled letter submitted by Waikato Regional Council (further submission #FS29 – Katrina Andrews) and further deliberation within Council, an update is proposed to the definition of Dry Industry.
- 3.1.2. As outlined in their further submission, Waikato Regional Council (WRC) was concerned about ground disposal for process waste streams, particularly from operations such as concrete batching plants (which I note are non-complying activities in the notified version of PC17). WRC stated that any discharges that are disposed to ground need to be treated prior to discharge.
- 3.1.3. The revised definition as recommended in the s42A Report mentioned treatment of stormwater via soakage disposal. This definition could have the impact of encouraging more disposal of process water to ground soakage before it is treated. The definition did not make this clear enough and therefore I agree with Ms Andrews that a revision is required so the intent is clear. Therefore, a minor change to wording is recommended below, replacing the word “via” and adding “prior to”. This reflects the intent of the definition and has, overall, better outcomes for the environment.

Recommendation

- 3.1.4. Change Definition of “Dry Industry” as follows:

Means any industrial operation that does not use water for processing, manufacturing, or production purposes; and does not discharge nor generate any liquid effluent from its operation (aside from domestic wastewater).

Includes any industrial operation that uses and/or disposes of water from processing, manufacturing and production but is self-contained on site. The activity does not require the use of council water and wastewater infrastructure and is adequately able to treat primary discharge stormwater ~~via~~ [prior to](#) soakage disposal on site.

Fonterra

- 3.1.5. Fonterra, while largely supportive of PC17, have sought to extend the Specialised Dairy Industrial Area over Area 6 (submission point 20.1). Firstly, it was disputed in expert evidence submitted by Mr Mark Chrisp on behalf of Fonterra, that the phrasing of the term “Specialised Dairy Industrial Area” and “Specialised Dairy Industrial Zone” were used incorrectly and are inconsistently portrayed in the District Plan and online intramaps. This point is valid, and a correction can be made to the intramaps labelling to correct the term to refer to it as an “area” as opposed to a “zone”. Thus, any reference in the s42A Report to “re-zoning” should be reflected as an overlay or area.
- 3.1.6. Secondly, Mr Chrisp has requested additional consideration of the submission point to extend the Specialised Dairy Industrial Area to include Area 6, stating that the s42A Report “*has not acknowledged that the purpose of the Specialised Dairy Industrial Area is to protect the Hautapu Site from incompatible activities establishing or expanding in close proximity*” (Statement of Evidence on behalf of Fonterra - Mark Chrisp (Planning) - 13 March 2023). To respond to this matter, it is understood that the Specialised Dairy Industrial Area (SDIA) was established to identify and protect sites that are locally and regionally significant, hence the creation of very specific provisions as to what activities are permitted, as well as a policy framework as identified below:

Policy - Dairy manufacturing sites

7.3.1.2 To protect the ability of the Te Awamutu and Hautapu Dairy Manufacturing Sites to continue to operate and develop by:

- (a) Providing for tall buildings within identified areas, and use and storage of hazardous substances where located over 40m from the zone boundary; and*
- (b) Managing activities on surrounding sites within the specialised dairy industrial area, where they could adversely affect the operation of the Dairy Manufacturing Sites.*

- 3.1.7. What is noted here is the word “within” in Policy 7.3.1.2(b). Activities that are on surrounding sites, but **within** the SDIA, should be carefully managed to avoid adverse effects. The understanding gleaned here is that the SDIA has been established because these food producing activities are sensitive to other activities and therefore the SDIA offers a level of protection from inappropriate use. It is acknowledged that some activities that may border the SDIA might produce adverse effects on the Fonterra site, however, this is not anticipated in this scenario as this proposed plan change addresses this issue by disallowing heavy industry and activities that generate nuisance effects. Furthermore, the Hautapu Industrial Structure Plan outlines the “light industrial” nature of the area which are not considered to be threatening to the Fonterra site.
- 3.1.8. By agreeing to extend the SDIA, Council will be creating a further limitation on the types of activities that are able to operate, when an appropriate buffer has already been established. Only very specific types of activity can be established in the SDIA which are listed below:

Rule 7.4.1.1 (t) Permitted Activities

Notwithstanding any other permitted activities, only the following activities are permitted within the Specialised Dairy Industrial Area:

Activities relating to the processing of milk and production of milk related products, including:

- (i) Milk reception facilities*

- (ii) *Tanker wash facilities*
- (iii) *Site access*
- (iv) *Parking*
- (v) *Rail sidings*
- (vi) *Storage, processing and disposal of waste material*
- (vii) *Water treatment facilities*
- (viii) *Stormwater ponds and/or facilities*
- (ix) *Storage facilities*
- (x) *Workshops*
- (xi) *Accessory buildings to any permitted activity (not for habitation)*
- (xii) *Ancillary activities including offices associated with any permitted activity*
- (xiii) *Demolition of buildings and structures*
- (xiv) *Laboratories and research establishments*
- (xv) *Rural based industries*

3.1.9. Only activities that relate to the processing of milk and production of milk are permitted in the SDIA. The list outlines a number of activities permitted (if they relate to milk processing or production) and this list is very specific. If this submission point was accepted it would remove 20ha of industrial land from PC17 which would affect Council’s aspiration of providing adequate industrial land for the relocation of Carter’s Flat industry and for the entirety of the district to meet required development capacity associated with the National Policy Statement for Urban Development (NPS-UD). It can be argued that area C9 would still be available, but it reduces the industrial offering by limiting it to milk-related activities.

3.1.10. Additionally, a number of activities listed above are potentially either high water users or result in high levels of waste and water discharge, these mainly being:

(ii) Tanker wash facilities...

(vi) Storage, processing and disposal of waste material

3.1.11. Clarification is needed at this point to outline that these activities are able to be established in Area 6, as long as it meets the definition of dry industry, but to limit the activities “permitted” to this specific list, and any other activity requiring consent, did not meet the issue identified early in the plan change process; being the lack of available industrial land.

3.1.12. Furthermore, in the Hautapu Industrial Structure Plan S5.1.4 it is stated that the Structure Plan provides for dairy industries. No change is recommended for this submission point.

Christina Walker on behalf of Maria Barrie - Economics assessment

3.1.13. Ms Walker was correct in identifying that there was no economics analysis prepared to support the statements that there was a need for more industrial land in Cambridge and in the district. It is my understanding that Council was confident in the lay evidence collated that there was a need for more industrial land. This came in the form of numerous requests/phone calls/enquiries to Council about industrial land availability as well as from wider consultation with the Cambridge Chamber of Commerce and real estate agents in the area.

3.1.14. It is acknowledged that the figures shown in the Housing and Business Development Capacity Assessment stated that there was enough industrial land availability, however this assessment is over two years old now and it is my understanding that this does not take into consideration the

unique situation in this location where industrial zoned land is not available for purchasers or developers, or the fact that Carter’s Flat has just been rezoned to Commercial, disallowing industrial activities to expand there. The qualification in s32(1)(c) of the RMA states that the level of detail in the s32 Evaluation correspond to the sale and significance of the effects, in this case economic; in my opinion PC17 did not warrant a district-wide review of all industrial land in the district.

- 3.1.15. Additionally, if there was any ambiguity about the industrial land availability, Mr Tim Heath’s economic evidence which has been filed on behalf of HLG further supports this need for industrial land. Another supporting piece of evidence is included as Appendix B of this Addendum Report. It is a list of industrial resource consent applications approved on Hautapu and Peake Roads since the second half of 2019 from Council’s resource consent database. This shows the volume of resource consents approved in this area ahead of the live zoning, which indicates a potential lack of available industrial land, and that this area is an ideal location for industrial activities. No change is recommended from this submission.

4. ASSESSMENT OF DEFERRED INDUSTRIAL ZONE

- 4.1.1. Submitter #21, HLG’s submission point to rezone land to the north of Area 6 as Deferred Industrial was originally deemed to be “out of scope” by the Hearings Panel. Following an objection and subsequent decision by an Independent Hearings Commissioner, the submission point is now determined to be within scope. As this submission point was not considered in the s42A Report due to the timing of the decision, an assessment of the effects of this proposed rezoning is now provided below.
- 4.1.2. It should be noted however, that this assessment of the potential effects of the Deferred Zoning and any relief sought, is based on the concept that detailed design of infrastructure or specific rules are not required for a deferred zoning. The effects of rezoning must still be considered, if and when a live zoning to Industrial is sought by the submitter via a future plan change, a detailed structure plan will be required at that time, as well as detailed technical reports, that address matters such as stormwater and transportation solutions, and the planting and enhancement of the interface between the Industrial Zone and the Mangaone Stream.

Elite Soils

- 4.1.3. This section of the Addendum will rely on the National Policy Statement for Highly Productive Land (NPS-HPL) for an assessment on elite soils. The NPS-HPL was not thoroughly assessed as part of the s32 or s42A Reports as PC17 was notified before the commencement date of the NPS on 17 October 2022. However, the submission and further submission of HLG and the decision to allow their submission point to be within scope was after this commencement date.
- 4.1.4. Legal advice from counsel for Council, Ms Theresa Le Bas, has confirmed that the HLG site is subject to an assessment against the NPS-HPL. This is based on a recent Environment Court decision (*Balmoral Developments v Dunedin City Council [2023] NZEnvC 59*), where a submission on a plan change was held to not form part of a notified Council plan change, and therefore did not fall within the exemptions of Clause 3.5 of the NPS-HPL.
- 4.1.5. The NPS-HPL will take full effect once maps of highly productive land are contained within the Operative Regional Policy Statements (required by October 2025). In the meantime, rural zoned land that has a Land Use Capability Class (LUC) of 1, 2 or 3 is identified as highly productive land

under the NPS-HPL. The HLG site contains LUC 1 soils, which is the highest quality soil, as is much of the surrounding land in Cambridge. The purpose of the NPS-HPL is to protect highly productive land from inappropriate use. The NPS-HPL directs Council to prioritise these areas of land for land based primary production, and any departure from this will need justification.

- 4.1.6. For a proposed rezoning of land from rural to urban, clause 3.6 of the NPS-HPL is the relevant provision. It identifies matters to determine if highly productive land can be rezoned:

(1) Tier 1 and 2 territorial authorities may allow urban rezoning of highly productive land only if:

(a) the urban rezoning is required to provide sufficient development capacity to meet demand for housing or business land to give effect to the National Policy Statement on Urban Development 2020; and

(b) there are no other reasonably practicable and feasible options for providing at least sufficient development capacity within the same locality and market while achieving a well-functioning urban environment; and

(c) the environmental, social, cultural and economic benefits of rezoning outweigh the long-term environmental, social, cultural and economic costs associated with the loss of highly productive land for land-based primary production, taking into account both tangible and intangible values.

(2) In order to meet the requirements of subclause (1)(b), the territorial authority must consider a range of reasonably practicable options for providing the required development capacity, including:

(a) greater intensification in existing urban areas; and

(b) rezoning of land that is not highly productive land as urban; and

(c) rezoning different highly productive land that has a relatively lower productive capacity.

- 4.1.7. Each subclause will be explored below, noting this assessment is limited to my area of expertise as a planner, and not as a primary production or economics expert.

- 4.1.8. Clause 3.6(1)(a) – *“the urban rezoning is required to provide sufficient development capacity to meet demand for housing or business land to give effect to the National Policy Statement on Urban Development 2020”*. This first test recognises the importance of the NPS-UD and that it must be given effect to. In my planning opinion I believe the Deferred Industrial rezoning request to be defined as ‘urban rezoning’ under the NPS-HPL.

- 4.1.9. Clause 3.6(1)(a) requires an assessment of current industrial land capacity, and this was submitted in evidence by Tim Heath for HLG. Mr Heath utilised the latest industrial employment data and the Future Proof Business Development Capacity Assessment 2021 (“BDCA”) which projected the future industrial land demand within the Cambridge – Karapiro area for the 2020 – 2050 period. It is noted that the results of the BDCA is that there is sufficient industrial zoned capacity to meet short and medium term growth. In the long term, *“there is a minor shortfall of*

approximately 3.1 hectares of industrial zoned land by 2050 when the appropriate NPS-UD margins are applied” (Evidence of Tim Heath (HLG)).

- 4.1.10. However, Mr Heath rightly identifies that during the previous 2-year growth period, employment growth had already exceeded the BDCA's projection of 4.3% growth over the longer 3-year period between 2020 - 2023. Mr Heath's assessment outlines the implications of the Carter's Flat Commercial Zone (rezoning from industrial to commercial in PC19 in 2022), which has eliminated a large portion of previously industrial zoned land (20ha), which was not factored into the BDCA projections.
- 4.1.11. It concluded that there is a shortfall of business land supply within the sub-region (including the Waipā District) and that additional land is required to meet demand over the short-term and medium-term. The additional 16ha that is proposed by HLG to be rezoned Deferred Industrial under PC17 is concluded to be necessary to provide sufficient development capacity in accordance with the NPS-UD. This position is corroborated by evidence from Mr David Totman on behalf of Council and his involvement with Future Proof discussions.
- 4.1.12. This approach is also consistent with clause 3.11(b) of the NPS-UD, which directs local authorities to use evidence about land and development markets when changing plans and meeting the requirement to provide at least sufficient development capacity. This means that the HPL site meets this first test of clause 3.6(1) of the NPS-HPL.
- 4.1.13. Clause 3.6(1)(b) – *“there are no other reasonably practicable and feasible options for providing at least sufficient development capacity within the same locality and market while achieving a well-functioning urban environment”*. This second test again links with Objective 1 of the NPS-UD. This emphasises that any alternative option must still be able to result in a well-functioning urban environment before it can be deemed to be a relevant alternative.
- 4.1.14. Alternative options have been assessed as part of Mr Heath's evidence. In summary of, and in addition to this, it is my view that the most appropriate locations for industrial zoned land, is in conjunction with, or adjacent to other industrial zoned land. This creates efficiency of infrastructure and minimises further effects on potentially sensitive activities, and is more likely to result in a well-functioning urban environment as required by the NPS-UD. Therefore, the obvious locations for additional industrial land are those locations that are an extension of an existing industrial growth cell within the Waipā District, rather than the creation of a new standalone industrial area for the purposes of this plan change.
- 4.1.15. The limitation with this exercise is that the majority of land around Cambridge and the wider Waipā District, is classified as LUC 1, 2 or 3 type soils (see figures below). Figure 1 demonstrates that all the land surrounding the Cambridge Urban limits are classed as high quality soils. Based on this, there is no clear area that would be able to be rezoned for urban use based solely on soil type, consequently there would be no alternatives to provide for this development capacity in or around Cambridge when only considering the NPS-HPL. Figure 2 identifies that there are parcels of land on the periphery of the district that are of lower quality soils and therefore not subject to the NPS-HPL. However, these have been discounted as not viable alternatives due to the lack of infrastructure, mainly stormwater, wastewater, water supply and transportation, and therefore not conducive to achieving a well-functioning urban environment.
- 4.1.16. In accordance with Clause 3.6(2) an assessment of alternative locations has been carried out in paragraph 4.1.27 below. In addition to that, looking beyond the district, there are areas of industrial zoned land in Hamilton City, such as Frankton, Rotokauri Growth Cells, as well as Te

WAIPĀ DISTRICT PLAN: PROPOSED PLAN CHANGE 17– HAUTAPU INDUSTRIAL ZONE

Rapa North. These areas are considered viable alternatives simply in the context of the NPS-HPL. However, when taking a more pragmatic approach, these areas are not within Waipā District or Cambridge more specifically, and by not providing sufficient development capacity, businesses will leave Waipā District, which is not a desired outcome. A sustainable urban environment provides an appropriate balance between the needs of the community, employment and business opportunity are one of those needs.

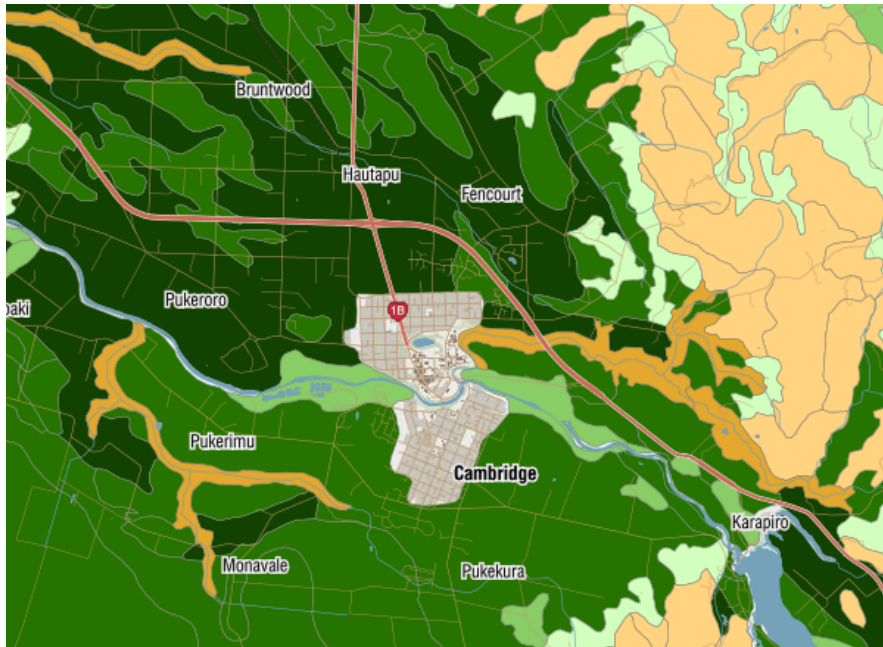


Figure 1: Land Use Capacity soils around Cambridge

(https://ourenvironment.scinfo.org.nz/maps-and-tools/app/Land%20Capability/Iri_luc_main)

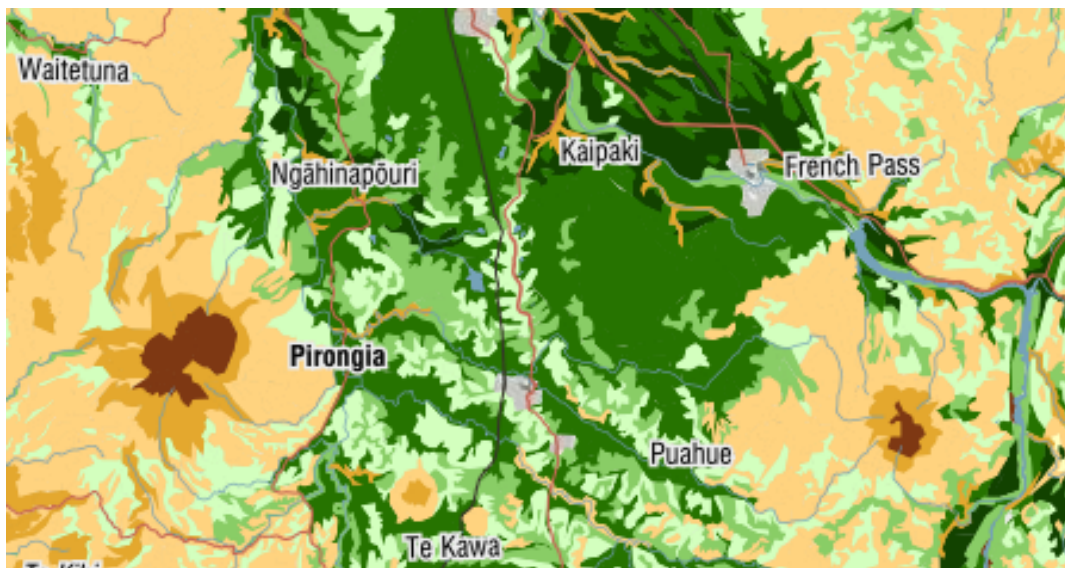


Figure 2: Land Use Capacity soils around Waipā District

(https://ourenvironment.scinfo.org.nz/maps-and-tools/app/Land%20Capability/Iri_luc_main)

- 4.1.17. The assessments in Mr Heath’s evidence and the observations above have demonstrated that there are no other reasonably practicable and feasible options for providing sufficient development capacity within the same locality and market that would also achieve a well-functioning urban environment as required to give effect to Objective 1 of the NPS-UD. I also note that the evidence of Mr Nick Grala and Mr Jeremy Hunt for the Private Plan Change 20 –

Airport Northern Precinct Extension came to similar conclusions. I acknowledge that the circumstances of that plan change are different to PC17, however there are similarities with the economic context. In my opinion PC17 meets this second test of clause 3.6(1) of the NPS-HPL.

- 4.1.18. Clause 3.6(1)(c) – *“the environmental, social, cultural and economic benefits of rezoning outweigh the long-term environmental, social, cultural and economic costs associated with the loss of highly productive land for land-based primary production, taking into account both tangible and intangible values”*. This third and final test requires a cost – benefit analysis of the proposed rezoning. It should be noted that each cost and benefit identified, only relates to the use of the highly productive land being specifically the HLG site, in accordance with the wording in clause 3.6(1)(c) above. It does not go wider to identify the overall costs and benefits of the entire plan change. It is also important to note here that given the size of the area to be rezoned (16ha) it is somewhat limited in productive potential as it is not once parcel of land but multiple land owners and separate smaller land parcels. This makes it more difficult and less likely to be used collectively for viable primary production activities.
- 4.1.19. The environmental cost associated with the proposed rezoning is the loss of highly productive land that could otherwise be used for primary production purposes. Mr Heath explains the unique position for this plan change in that Waipā District has approximately 55,700ha of land identified as high-class soils. This is a much larger figure than most councils around the country and creates a tension particularly for a Tier 1 Council in meeting the needs of the NPS-UD. I am of the opinion that the environmental cost associated with potentially rezoning this land as deferred industrial is low due to the small scale of the site, the surrounding industrial zoned land and the wider context of significant areas of available high-class soils in the district at the localised level. Rezoning the HLG land is unlikely to have a detrimental impact on the total level of Waipā’s primary production.
- 4.1.20. Another potential environmental cost, although it is more difficult to quantify, is locating the interim Deferred Industrial boundary and future relocation of the Industrial Zone boundary to the natural boundary of the Mangaone Stream. Matters to consider here will include avoiding runoff or stormwater drainage to the stream, however these can be appropriately mitigated through future Structure Plan detailed design and/or resource consent processes, which would also need to give effect to Te Ture Whaimana (Waikato River Vision and Strategy).
- 4.1.21. The environmental benefits with rezoning the HLG site include the potential improvements to the fringe of the Mangaone Stream through riparian planting that would be required once the deferred status is uplifted, as can be seen on the Fonterra land and the interface with the stream. Another environmental benefit of rezoning the HLG site, which again is harder to quantify, is the value in locating required additional capacity for industrial land in conjunction with other industrial land. This avoids the use or proposed rezoning of other high-class soils that are in more rural settings and / or are not adjacent to existing industrial land, to meet the required development capacities. While the HLG site is considered a greenfield site, it is bordered on two sides by industrial zones. Additionally, through geotechnical testing of the Kama Trust site, it was found that soil conditions vary considerably across the site, and it can safely be assumed that the HLG site might return similar results in variability. There are areas of the HLG site that are quite steep and wet, which may impose limitations on its productive capacity use. Overall, I believe the environmental benefits slightly outweigh the environmental costs.
- 4.1.22. The social costs of this proposed rezoning centre around the social effects (people and communities) resulting from the loss of rural character that would be associated with primary

production. As the landowners of the HLG site itself have given their approval for the rezoning implicitly through their submission requesting Deferred Industrial zoning, the social costs identified will focus on the surrounding landowners. It should be noted that the site is not currently used for primary production purposes, it is currently used for equestrian purposes, including businesses, as well as rural residential purposes and a homestay. The perceived loss of primary production land therefore has a negligible social impact as the site is not used for primary production purposes. This does not negate that the site could in the future be used for primary production, and the purposes of the NPS-HPL is to protect high quality soils for future uses. I believe there may be a perceived loss of primary production on the community as a social cost.

- 4.1.23. The social benefits of the use of highly productive land for (deferred) industrial purposes is not apparent. There are of course social benefits to rezoning the HLG site in that the residents (in this case the landowners represented by HLG) would not have to live in close proximity to an industrial zone (it is assumed the HLG landowners would relocate as their land is developed for industrial uses in the future), but these social impacts are not directly related to highly productive land as the clause entails and will not be elaborated on here. I believe that the social benefits do not outweigh the social costs of the rezoning.
- 4.1.24. The cultural costs of the use of highly productive land can only be articulated by mana whenua. In this situation the plan change was circulated to all iwi groups in the region as well as to those who have a Joint Management Agreement with Council, multiple phone calls were made as well as follow up emails and no response was received. In the absence of any response, I have identified that the site does not have any current archaeological sites of significance, that it is again bounded by industrial land on the south and east. It is bounded to the north by the Mangaone Stream, which holds significance to mana whenua. However, as mentioned above, measures will be needed to ensure the stream and the interface with the deferred (and then future live) industrial zone is managed appropriately through future Structure Plans and/or resource consents. If the site is to be live zoned industrial, a plan change will also be needed at which time mana whenua will have the opportunity to comment at that stage. Overall, the cultural costs and benefits of this loss of highly productive land is inconclusive, however, due to the lack of identified cultural significance of the site I do not believe that the costs outweigh the benefits or vice-versa.
- 4.1.25. The economic costs of utilising highly productive soils for non-primary production purposes have been explored in the evidence of Mr Heath in his area of expertise as an economist. That assessment highlighted the loss of productive capacity of the land and the economic benefits of rezoning to (deferred) industrial and identified that the benefits of the rezoning outweigh the costs of the productive land loss.
- 4.1.26. To summarise, the costs and benefits assessment in accordance with Clause 3.6(1)(c) of the NPS-HPL above, I am of the opinion that the overall benefits of the proposal outweigh the costs, both tangible and intangible in accordance with my area of expertise and where I have relied on the expertise of others.
- 4.1.27. As noted earlier, in accordance with Clause 3.6(2) of the NPS-HPL, a consideration of alternative options is required to meet the required development capacity. In the context of elite soils, the options of locating industrial zoned land with a Land Use Capacity of 4 and lower would be ideal in that the rezoning or urbanisation of rural land would not be to the detriment of using highly productive soils for production purposes. However, looking at the maps above (Figures 1 and 2), the soil surrounding or in close proximity to Cambridge is all classed as high quality soils for the

purposes of the NPS-HPL. In reference to Figure 2 above, zooming out to show the entirety of the Waipā District, there are areas of land with lower quality soils. This has been discussed in paragraph 4.1.15 above and options to rezone other areas of land will not be repeated here. Another option includes bringing forward land already identified in growth cells. This has already been done as part of this plan change by bringing forward the development of the C9 growth cell.

- 4.1.28. Another option available is bringing forward development of growth cell C10 which is 162ha of land identified for industrial use post 2035. The C10 growth cell also contains high class soils, however is part of an existing identified growth cell so would not be subject to an assessment against NPS-HPL. C10 is privately owned land and Council has stated that should the owners wish to proceed with a plan change for C10 and provided all appropriate technical assessments are carried out, that a plan change could go ahead. The timing of this is not certain and is somewhat out of Council's control. The site has very few physical or primary production constraints, which means the land has very high versatility. The site is currently used as a dairy farm, including maize and drystock areas to the southeast. While there are similar quality soils, there are more established productive systems in the vicinity offering higher versatility and land use. While there are limitations to the south, east and west with zoning and development, there are fewer physical constraints in relation to the adjoining farms to the north.
- 4.1.29. Growth Cell Paterangi – North Te Awamutu has lower quality soils (LUC 2, LUC 3 and LUC 4) compared to the PC17 site, but it has much more established productive systems offering moderate versatility and land use for productive purposes. It is, however, discounted as a viable alternative as while it is located in the same district, it is not in the same township as many industrial activities are seeking to locate to (i.e. Carter's Flat industrial activities seeking relocation to alternative Cambridge based industrial sites).
- 4.1.30. Another option when considering alternatives is the possibility of intensification of existing industrial land. This option has not been explored further due to the impractical nature of intensifying brownfield industrial land and the requirements to meet the design guides of the relevant structure plans (such as Hautapu and Bardowie).
- 4.1.31. Given the constraints identified above, and a comparison against other growth cells within the Waipā District that have higher proportions of highly productive land, my opinion is that the rezoning of the HLG site meets the requirements of Clause 3.6(1)(b) and (c) and Clause 3.6(2) of the NPS-HPL.

Amenity

- 4.1.32. There are a few additional properties that would be closer to a potential Industrial Zone, whether or not they have been given appropriate notice of this possibility is beyond the scope of this addendum as the Objection Decision considered this and it will not be discussed further.
- 4.1.33. Should the HLG site be rezoned as Deferred Industrial, it would be included in the Hautapu Industrial Structure Plan in the Waipā District Plan. Therefore, all the requirements relating to built form, landscaping, colour schemes, setbacks etc, would all apply. As assessed in the s42A Report, these measures are considered to be appropriate to mitigate adverse effects related to visual amenity.

WAIPĀ DISTRICT PLAN: PROPOSED PLAN CHANGE 17– HAUTAPU INDUSTRIAL ZONE

- 4.1.34. The noise, vibration and lighting effects on the surrounding properties is assessed similarly as in the s42A Report. Appropriate measures have been taken in regard to noise and lighting restrictions in the form of additional rules.
- 4.1.35. Overall, if the HLG site was not included as a Deferred Industrial Zone, there are a number of properties, dwellings and businesses which would be quite close to an Industrial Zone and therefore, have increased adverse amenity effects. I believe that PC17 has introduced a number of measures to mitigate the change of use from rural to industrial. By accepting the submission point to rezone the HLG site from rural to deferred industrial, subject to the same restrictions on Area 6, it removes contention between these sensitive properties and an Industrial Zone.
- 4.1.36. It is acknowledged that there is still one property, being 345 Peake Road (Maria Barrie submission #7), which is a residential dwelling in close proximity to the proposed Industrial and Deferred Industrial Zones. It is acknowledged that this property will experience a change in use looking south east and now north east of the property with the inclusion of the HLG site. While change in use does not necessarily constitute an effect, we must look at the nature of the change and its magnitude, what mitigations are offered, which results in the actual effect. The visual effect is from the change in use and appearance of the property, however landscapes change constantly, in particular as this area is in such close proximity to identified industrial areas that have been changing and developing over the last 20 years. Mitigations offered in the proposed Structure Plan changes have already been identified above and in the s42A Report, and I am still of the opinion that these are appropriate while not being overly onerous for industrial users. Therefore, no change is recommended as a result of the inclusion of the HLG site. Noting that no specific mitigation has currently been offered, and may not be needed at a Deferred status zoning, and this will form part of any future plan change to live zone the land.

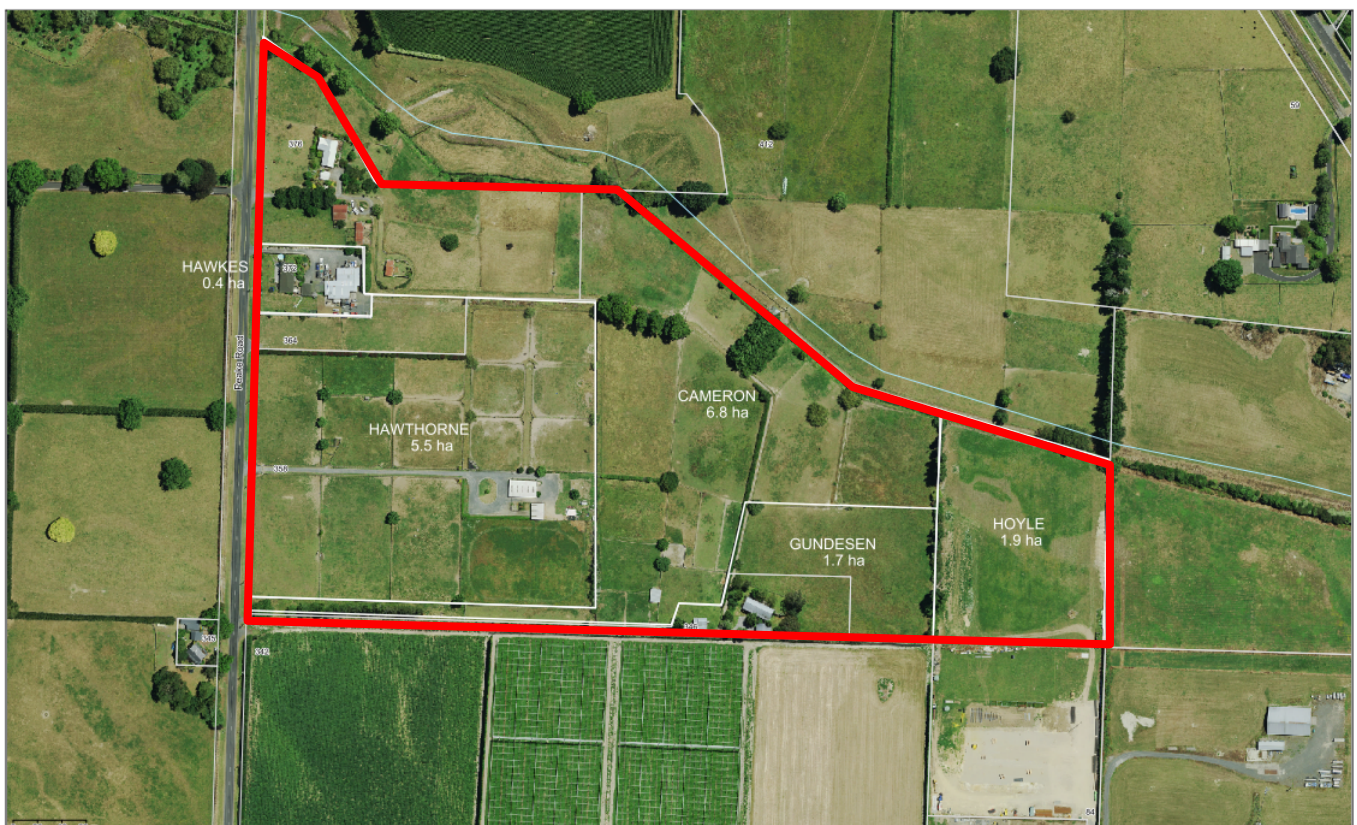


Figure 3: Red outline shows the HLG site, being the sum of all HLG owned sites.

Transportation

- 4.1.37. Council's Transportation experts Ms Rhulani Mothelesi and Mr Mark Apeldoorn have considered the additional traffic volumes associated with the future use of the HLG site should it be rezoned Deferred Industrial.
- 4.1.38. Through expert caucusing with the three experts for Council, Kama Trust and HLG, a number of agreements were reached in regards to how the transportation effects were assessed in the transportation report and modelling. Agreements were reached in a Joint Witness Statement, and are summarised below:
- It was agreed that Road 4 could be extended to the boundary on the Structure Plan through a solid grey line as per the key in the Structure Plan which identifies it as an indicative local road. (It is noted here that Planning expert for Kama Trust, Gareth Moran, agreed that this should only be done once the Hearings Panel makes a decision in favour of HLG).
 - Everyone agreed that a right turn bay facility is required and the assessment is accepted.

All were in agreement with the text below (which outlines the proposed text in the Structure Plan) except where highlighted in grey (which Michael Hall, transportation expert for Kama Trust disagreed with, not wanting a reference to Area 6 in the text which he may wish to further elaborate on in the hearing)):

- HANNON ROAD INTERSECTION TO CLOSE FOLLOWING OPENING OF THE PLANNED VICTORIA ROAD / HAUTAPU ROAD ROUNDABOUT. ~~TO TRAFFIC IN THE 2023-24 FINANCIAL YEAR WHEN 5HA OF NEW DEVELOPMENT HAS OCCURRED.~~
- ~~STAGE 1 ROUNDABOUT ON VICTORIA ROAD TO BE CONSTRUCTED IN THE 2023-24 FINANCIAL YEAR AND IS REQUIRED PRIOR TO HANNON ROAD CLOSURE.~~
- ~~ALLWILL DRIVE INTERSECTION TO BE UPGRADED WITH A LINK INTO THE AREA 2 FURTHER UPGRADE TO SIGNALS WITH AREA 3 DEVELOPMENT.~~

HAUTAPU ROAD, HANNON ROAD TO ALLWILL DR, INCLUDING ALLWILL DRIVE SIGNALS, TO BE UPGRADED PRIOR TO ALLWILL DRIVE CONNECTION WITH ROAD 1 OR DEVELOPMENT WITHIN AREA 6 (WHICHEVER COMES FIRST), UNLESS SUITABLE SAFETY IMPROVEMENTS FOR ACTIVE MODE CONNECTIVITY TO AREA 1-5 AND 6 CAN BE DEMONSTRATED TO BE PROVIDED BY ALTERNATIVE MEANS, TO THE SATISFACTION OF THE TRANSPORTATION ENGINEERING MANAGER, WAIPĀ DC.

- HAUTAPU ROAD, ALLWILL DRIVE TO PEAKE ROAD, INCLUDING PEAKE ROAD INTERSECTION IMPROVEMENTS, TO BE UPGRADED PRIOR TO DEVELOPMENT WITHIN AREA 6.
- A RIGHT-TURN BAY AND PEDESTRIAN/CYCLE CROSSING TO BE ESTABLISHED AT THE HAUTAPU ROAD / ROAD 4 INTERSECTION PRIOR TO DEVELOPMENT WITHIN AREA 6.
- NO INDIVIDUAL ACCESS TO PEAKE ROAD.
- CYCLE WAY TO BE CONSTRUCTED FROM VICTORIA ROAD THROUGH AREAS 1 AND 3 TO PEAKE ROAD AS SHARED PATH. TREATMENT REQUIRED AT VEHICLE CROSSINGS ALONG ROUTE TO ALERT VEHICLES TO CYCLISTS ON PATH.
- INTERSECTION UPGRADE HAUTAPU ROAD AND SH1B / VICTORIA STREET REFER TO GREY MATTER DESIGNS REF# ECM10796019.

Three Waters

- 4.1.39. Council’s Three Waters expert Ms Britta Jensen has stated that there are no outstanding matters should the HLG site be rezoned Deferred Industrial. That there are solutions available to address water, wastewater and stormwater, these solutions do not need to be in a detailed state for a deferred status, but rather the possibility of solutions should be explored. Once it is determined that there are no issues that need to be addressed, and that solutions are available, there are no adverse three waters effects that need to be considered that are dissimilar to the assessment carried out in the s42A Report.
- 4.1.40. Furthermore, expert caucusing was carried out with the three waters experts for Council, Kama Trust and HLG. The results of this caucusing is recorded in the Joint Witness Statement filed on Council’s PC17 webpage. In regards to water supply and wastewater management it was agreed that solutions are available and HLG would be able to tap into Council’s existing and planned infrastructure. For stormwater, the agreements reached are below:
- There is agreement from the Three Waters Experts that if the whole area, Kama Trust and HLG, were considered for a stormwater solution, better outcomes could potentially be achieved (through reconfiguring the stormwater basin).
 - The preferred option (noted not the only option available) for HLG is a discharge consent from WRC, the uncertainty with this and uncertainty with soakage rates (which aren’t currently known for the HLG site) isn’t desirable for Kama Trust and Council.
 - The ideal scenario for all is that the Structure Plan is approved as outlined in the s42a report.
 - Kama Trust will operate independently to progress their stormwater design. However in the event that HLG land be rezoned, that an integrated solution could be explored.
 - Landowners (HLG and Kama Trust) have all confirmed their willingness to make their land available immediately for stormwater assessments and use.
 - The sizing of the pond might be similar with this redesign, but the location and soakage rates might be better.
 - Noting that the stormwater pond in the current form may need a road to go through it to provide access to HLG, which could be culverted. There are no issues with this.
- 4.1.41. These agreements show that there are no fatal flaws in incorporating the HLG site in PC17, and that further conversations can be had if the HLG site is rezoned Deferred Industrial.

Future Proof

- 4.1.42. Future Proof and its maps have never been detailed to the extent that parcels of land are shown, so Area 6 was not intended to be included in the Future Proof maps even though a decision was made by Future Proof to accept the Kama Trust submission seeking that outcome. In light of the requirement in section 75 of the RMA that district plans give effect to any relevant RPS, while the Future Proof Growth Strategy is a broad policy document, any changes proposed to the District Plan must align with the intentions of Future Proof because the RPS sets the status for Future Proof as a document to ‘give effect to’. The addition of 16ha being the HLG site is not of a scale that would be shown in Future Proof maps but is still consistent with the approach.

Environmental

- 4.1.43. Should the HLG site be rezoned Deferred Industrial, this will bring the Industrial Zone to the boundary of the Mangaone Stream. The matters to consider are ensuring there are adequate buffers and setbacks, that there are no adverse effects on the stream in terms of water quality (an assessment against the National Policy Statement for Freshwater Management will be

WAIPĀ DISTRICT PLAN: PROPOSED PLAN CHANGE 17 – HAUTAPU INDUSTRIAL ZONE

required before the land can be rezoned from Deferred to a live Industrial zone), and landscaping and enhancement of the interface is incorporated into the future structure plan appropriately.

4.1.44. One point raised by submitter #21 HLG is that *“the planting of the land between the top of the escarpment and the Mangaone Stream (which could be required by a rule in the Plan) would be a further environmental enhancement which would help ‘contain’ any effects associated with industrial activities to the south”*. While this will not be added to the District Plan as part of PC17 because this level of detail is not required for a deferred zoning, it will be considered as part of a future plan change to rezone the HLG site to a live Industrial zone.

Recommendation

4.1.45. Now that the HLG submission point seeking to rezone their site from Rural to Deferred Industrial is determined to be within scope of PC17, a recommendation in response is now needed, as with all other submission points on PC17. It is recommended that the HLG submission point be accepted, the rezoning of the HLG site will result in better outcomes by creating a logical boundary for industrial zoned areas. Timing triggers would be required as part of PC17 and these changes are listed below.

Submission / Point	Submitter name	Plan Change Reference / District Plan Provision	Support/ Oppose / In Part	My submission is (summary):	Decision requested	Recommendation
21.1	Planning Maps	Oppose in part	Oppose the plan change in its current form due to the effects of rezoning Area 6 on their rural-residential properties (homes and businesses). The submitters seek the addition of land to the north of Area 6 to be re-zoned as Deferred Industrial to mitigate these effects. An argument has also been made as to the benefits of this additional re-zoning including land compatibility, seamless/rational boundaries for the industrial zone, compatibility with Fonterra to the east.	Amend PC17 to include a Deferred Industrial Zone to encompass the land to the north of Area 6, bounded by Peake Road, Fonterra and Managone Stream. Amend to include additional rules regarding timing; i.e., to uplift deferment once Area 6 is 80% developed or by 31 March 2030. Should this not be accepted, the submitter seeks the deletion of Area 6 rezoning from the plan change.	FS07 – Oppose FS08 – Oppose FS29 – Oppose FS20 – Support in part FS25 – Oppose	Accept

4.1.46. Additional changes will be required to the Hautapu Industrial Structure Plan and Planning Maps. These changes have not been actioned in this Addendum Report but can be prepared during the hearing or as a result of a decision made by the Hearings Panel and would include:

- Showing the land to the north of Area 6 as Deferred Industrial Zone in the Planning Maps.

WAIPĀ DISTRICT PLAN: PROPOSED PLAN CHANGE 17– HAUTAPU INDUSTRIAL ZONE

- Including the land to the north of Area 6 as a part of the Hautapu Industrial Structure Plan Area and within the urban limits of Cambridge in the Planning Maps and the Hautapu Industrial Structure Plan maps (x4).
- Potential alteration to the configuration of stormwater basin 4.
- Change to the internal roading layout of Area 6 to provide for access to the new Deferred Industrial Zone, as access via Peake Road is not permitted, and access is currently a cul-de-sac.
- Change to Appendix S01 – Future Growth Cells, and the inclusion of the Deferred Industrial Zone and its triggers added as below:

“The deferred status of the Industrial Zone 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.”

4.1.47. A deliberate decision has been made, should the HLG land be rezoned, that no changes are proposed to Appendix A: Perimeter Boundary Treatment to include the Deferred Industrial Zone. As the triggers for the rezoning of the HLG site from deferred to live industrial zoning are potentially a few years away (at 80% development of Area 6 or 2030 whichever is sooner), the Perimeter Boundary Treatment affords a level of buffer and amenity to the properties in the HLG site while Area 6 is developed and becomes operational. When the HLG site has its deferred status uplifted and live industrial zoning commences, the Perimeter Boundary Treatment Plan should be updated to incorporate the HLG site and include additional planting and setback requirements on the northern boundary with the Mangaone Stream.

5. CONCLUSION AND RECOMMENDATION

5.1. CONCLUSION

- 5.1.1. That the additional information contained in this Addendum to Section 42A Hearing Report be taken as an update to the original s42A Report dated 29 March 2023 prepared for PC17 on behalf of the Waipā District Council.
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5.2. RECOMMENDATION

- 5.2.1. Having considered the additional submission point and evidence, I recommend that PC17 should be amended as set out in Appendix A of this Addendum.
-

Report prepared by:



Neda Bolouri
Consultant Planner (Beca)
on behalf of Waipā District Council

Report reviewed and approved by:



Wayne Allan
**Group Manager – District Growth and
Regulatory Service**

Appendix A - Recommended Tracked Changes to Waipā District Plan

5.2.2. Change Definition of “Dry Industry” as follows:

“Means any industrial operation that does not use water for processing, manufacturing, or production purposes; and does not discharge nor generate any liquid effluent from its operation (aside from domestic wastewater).

Includes any industrial operation that uses and/or disposes of water from processing, manufacturing and production but is self-contained on site. The activity does not require the use of council water and wastewater infrastructure and is adequately able to treat primary discharge stormwater **via prior to** soakage disposal on site.”

5.2.3. Additional changes will be required to the Hautapu Industrial Structure Plan and Planning Maps. These changes have not been actioned until a decision is made by the Hearings Panel, these changes include:

- Showing the land to the north of Area 6 as Deferred Industrial Zone in the Planning Maps.
- Including the land to the north of Area 6 as a part of the Hautapu Industrial Structure Plan Area and within the urban limits of Cambridge in the Planning Maps and the Hautapu Industrial Structure Plan maps (x4).
- Potential alteration to the configuration of stormwater basin 4.
- Change to the internal roading layout of Area 6 to provide for access to the new Deferred Industrial Zone, as access via Peake Road is not permitted, and access is currently a cul-de-sac.
- Change to Appendix S01 – Future Growth Cells, and the inclusion of the Deferred Industrial Zone and its triggers added as below:

“The deferred status of the Industrial Zone 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.”

Appendix B - List of Resource Consents granted on Hautapu and Peake Road from late 2019 to early 2023.
