BEFORE THE WAIPĀ DISTRICT COUNCIL

IN THE MATTER	of the Resource Management Act 1991
AND	
IN THE MATTER	of Proposed Plan Change 20 – Airport Northern Precinct Extension to the Operative Waipā District Plan

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STATEMENT OF EVIDENCE OF JEREMY HUNT

(NATIONAL POLICY STATEMENT - HIGHLY PRODUCTIVE LAND)

28 FEBRUARY 2023

Counsel acting:
JR Welsh
ChanceryGreen
223 Ponsonby Road
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ChanceryGreen
Environment Law and Strategy

INTRODUCTION

Qualifications and experience

1. My name is Jeremy Bryce Hunt.

2. I am an Environmental Agribusiness Consultant at AgFirst Waikato (2016) Limited in Hamilton, a role I have had for approximately five years.

3. I was employed by AgFirst Waikato as an environmental agribusiness consultant from 2018 and became a director and shareholder in April 2020.

4. I hold a Bachelor's degree in Environmental Science obtained in 2004 from the University of Canterbury. I have completed the intermediate and advanced sustainable nutrient management and advanced soil conservation papers at Massy University. I also have a Land Use Capability Mapping Workshop Certificate. I am a member of the New Zealand Institute of Primary Industry Management (MNZIPIM).

5. I have been engaged in the field of environmental science for 18 years. The majority of my experience has been based in agribusiness, ecological and air quality consultancy work, with the past 5 years as an expert in nutrient management and soil versatility and productivity assessments.

6. My previous experience has been as a dairy farmer between 2016-2018. I worked for URS and AECOM as a senior environmental consultant and project manager from 2010-2016. I contracted to Halcrow Group in London, United Kingdom as an environmental site engineer for the development of the London Olympic Park from 2008-2009. From 2006-2008 I worked for the National Institute of Water and Atmosphere (NIWA) as an environmental technician from, in the air quality, ecology and hydrology fields.

7. I am familiar with the application site and the surrounding locality. I have read the relevant parts of: the application; submissions; further submissions and the Section 42A Report.

Involvement in Proposed Plan Change 20

8. I have been engaged by Titanium Park Limited ("TPL") and Rukuhia Properties Limited ("RPL") to prepare evidence for Proposed Plan Change 20 ("PC20"). I was the author of *TPL (PC 20) NPS - HPL Assessment* and *RPL (PC20) NPS - HPL Assessment* associated with TPL/RPL's request.

9. I have visited the Site and the locality on multiple occasions since 2022, while AgFirst has been the farm consultants for TPL and RPL for several years.

Code of Conduct

10. I confirm that I have read the Code of Conduct for Expert Witnesses contained in the Environment Court Practice Note (2023) and I agree to comply with it. In that regard, I confirm that this evidence is written within my expertise, except where I state that I am relying on the evidence of another person. I have not omitted to consider material facts known to me that might alter or detract from the opinions expressed.

SCOPE OF EVIDENCE

11. In my evidence, I:

(a) provide an executive summary of my key conclusions;

(b) summarise the relevant aspects of PC20 with respect to the NPS-HPL;

(c) set out an assessment of PC20 against the NPS-HPL;

(d) additional assessment

(e) address relevant submissions; and

(f) Respond to the s42A Report.

EXECUTIVE SUMMARY

12. I have assessed PC20 which consists in part of highly productive land (HPL) against the provisions of the NPS-HPL. Of the PC 20 site, approximately 62.9ha of HPL is within the TPL block and approximately 28.5ha within RPL block.

13. I engaged Hanmore Land Management to map the PC20 Site using an appropriate scale and methodology to provide a breakdown of the soils. Most of the PC Site has been classified as LUC 1 and LUC 2 with a small proportion of LUC 3 soils. This indicates that the soils are in the of high-quality category and highly versatile, with this classification being suitable for most productive agricultural systems.

14. While the land and soils within the PC20 Site are categorised as high-quality under the NPS-HPL, the practical likelihood of any sustained existing or intensive agricultural operation would be restricted due to:

a) Surrounding land uses not being in land-based primary production namely the Airport, motorway, the adjacent business zoned land, and the Southern Links designation.

b) Soil conditions which in summer are dry causing reduced yields, and the requirement for freshwater irrigation for any intensification or land use change into horticulture or commercial vegetable operations.

c) Lack of expansion or improvement options due to national regulations restricting intensification into various land uses and physical boundaries and amalgamation opportunities.

d) The productive capacity of the RPL site as a result of the R&D facility leaving less than 10ha of HPL for cropping and compromised yields due to R&D trials.

15. To address the NPS-HPL requirements, I have reviewed and assessed the productive capacity of the PC20 and comparing this with additional localities surrounding the Waipā District growth cells that would be deemed to be 'other reasonably practicable and feasible options'. I also assessed an additional area located within Hamilton City.

16. Of the alternative growth cell options, the PC20 site has overall greater limitations and constraints with regard to the HPL and the productive capacity. The alternative growth cells typically had larger areas of contiguous land-based primary production with less fragmentation.

17. It is my opinion that allowing the PC20 to proceed from rezoning from rural to airport business zone will have a less material impact of the district's productive capacity than developing alternative greenfield sites that have fewer productive constraints.

18. I do not consider that the loss of the well below average yields from the PC20 Site will have a significant loss on the district's production, and proceeding with the PC20 would not cause any fragmentation or further disruption of additional highly productive land.

OVERVIEW OF THE PLAN CHANGE AND NPS FOR HIGHLY PRODUCTIVE LAND

19. TPL and RPL have jointly made a request for a plan change (PC20) to the Waipa District Plan to extend the Airport Business Zone. Approximately 91.4ha of the land to which PC20 applies is subject to the transitional provisions of the National Policy Statement for Highly Productive ("NPS-HPL"). My role has therefore been to assess PC20's rezoning of approximately 91.4ha of land from the Existing Rural Zone to Airport Business Zone.

20. I address below the NPS-HPL with a particular focus on (in part) 3.6 subclause (1)(c) and (2)(b) and (c) by assessing the productive capacity of the PC20 and comparing this with additional localities surrounding the Waipā District growth cells that would be deemed to be 'other reasonably practicable and feasible options'.

21. The NPS-HPL commenced on 17 October 2022 after PC20 was lodged. The NPS-HPL will take full effect once maps of highly productive land are contained in operative regional policy statements (required by October 2025) and following that (by October 2027) changes to district plans are made. In the meantime, the NPS-HPL provides for transitional arrangement for rural zoned land that has a Land Use Capability Class (LUC) 1, 2 or 3 as if it were highly productive land under the NPS-HPL.[1]

22. The NPS-HPL has a single object that highly productive land is protected for use in land-based primary production, both now and for future generations. For plan changes, clause 3.6 of the NPS-HPL is the relevant provision and those parts of clause 3.6 that relate particularly to my expertise are:

> *"(1) Tier 1 and 2 territorial authorities may allow urban rezoning of highly productive land only if:*
>
> *(a) [….]*
>
> *(b) [….]*
>
> *(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) [….]*
>
> *(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."*

23. Messrs Colegrave and Grala address the NPS-HPL in further detail and those statements of evidence need to be read in conjunction with my evidence.

[11] Clause 3.5(7). See also clause 3.5(7)(b) for circumstances where the transitional arrangements do not apply.

ASSESSMENT AGAINST THE NPS-HPL

Site Description - TPL

24. Approximately 62.9ha of TPL land is subject to the NPS-HPL. AgFirst had the TPL site mapped by Hanmore Land Management, an expert in land management and soil mapping, using an appropriate scale and methodology to provide a breakdown of the soils[2].

25. Most of the TPL site has been classified as LUC 2s. This indicates that the soils are in the high-quality category and highly versatile, with this classification being suitable for most productive agricultural systems. See Appendix 1.

26. The majority of the TPL site consists of soils that are free draining, however due to the characteristics of these loamy and sandy soils, they are very prone to summer droughts. Additionally, there are areas within the TPL site with wetness limitations, that would make these areas unsuitable for many crops and horticultural systems.

27. The TPL site is used to grow maize silage and maize grain between September/October through till March/April. Over the winter, annual ryegrass is grown and harvested for silage. Pasture silage is harvested from permanent pasture on areas that are unsuitable for growing maize.

28. The total income from the TPL site from the various operations is presented in the table below. This is expressed as earnings before interest, taxes, depreciation, and amortisation (EBITDA).

29. Table 1 – TPL EBITDA

TITANIUM PARK LTD (62.9 ha)	$
Cropping net income	
- 30 ha maize silage/annual ryegrass @ $3,209/ha	$96,270
- 21 ha maize grain/annual ryegrass @ $3,127/ha	$65,667
- 11.9 ha permanent pasture silage @ $831/ha	$9,675
Other expenses (rates/R&M) - ESTIMATE	-$20,000
EBITDA	$151,612
EDITDA/hectare	$2,410

[2] LUC 1,2, or 3 land is defined to include such land mapped by the NZ land Resource Inventory or by any more detailed mapping that uses the Land Use Capacity classification.

30. The yields from the TPL site do not demonstrate that the land is highly productive, with below average yields harvested over the 2021-2022 season. With rapidly rising input costs, the returns for marginal yields will be reduced, consideration will need to be given regarding the optimum land use for the TPL site.

31. When discussing the long-term productivity of the TPL site, with expenses and input costs rapidly rising, the current system may not be economically viable as a productive unit.

32. Based on observations of maize yields over many years, it is my opinion that significant areas of the TPL site are moderately to severely impacted by summer dry. In terms of maize yields this would be estimated to be impacted two years out of five.

33. Based on the National Environmental Standards for Freshwater (NES-F) and Proposed Waikato Regional Plan Change 1 (PC1), there are land use restrictions on what TPL site can be used for. The following would be considered either a discretionary activity or non-complying activity:

- Conversions of land on farm to dairy farmland (NES-F)
- Use of land as dairy support land (NES-F)
- Any change in the use of land to commercial vegetable production (PC1)

34. I note that care also must be given to what type of rural production could be established next to an operational airport. For example, certain crops have the potential to attract high levels of bird activity, especially if plants are left unharvested if the harvesting period is missed for a period of time. Increased bird activity next to the airport would increase the risk of bird strike and create an aeronautical safety hazard, which would likely rule those crops / rural production out as a viable alternative.

Site Description - RPL

35. Approximately 25.8ha of RPL site is subject to the NPS-HPL and AgFirst also had the RPL site mapped by Hanmore Land Management.

36. Most of the RPL site has been classified as LUC 1s1 and LUC 2w3. This indicates that the soils are in the of high-quality category and highly versatile, with this classification being suitable for most productive agricultural systems. See Appendix 2.

37. The LUC 1s1 soils are free draining, however, due to the characteristics of these sandy soils, they are very prone to summer droughts. The LUC 2w3 soils are Te Kowhai silt loams that have a slight wetness limitation and are poorly drained.

38. This land is used as a research and development (R&D) facility by Genetic Technologies and has an implemented resource consent to expand the current R&D facility, which will result in a reduction of the cropping area to three maize trial plots being 5.9 ha, 3.0ha and 0.8 ha, providing a total of 9.7ha of cropping land.

39. The Site and cropping grounds are focused on R&D for Genetic Technologies' arable seed products. Therefore, any commercial returns take second priority. Historically, only 20.5ha of the 28.5ha block is harvested for sale with the balance of the land being used for tracks, races, buildings or trial areas.

40. The total income from the RPL Site from the various operations has been presented in the table below. This is expressed as earnings before interest, taxes, depreciation, and amortisation (EBITDA).

41. Table 2 – RPL EBITDA

Rukuhia Properties Limited (28.5 ha)	$
Cropping net income	
- 20.5 ha maize silage/annual ryegrass @ $1,437/ha	$29,459
Rates	-$5,774
Other expenses (track R&M, fencing)	-$1,000
EBITDA	$22,685
EBITDA/ha	$796

42. The yields and productive capacity from the RPL site are significantly compromised due to trials that are undertaken. Because much of the land is able to be used for the R&D development, the highly productive land remaining for land-based primary production is effectively reduced to 9.7 ha. Therefore, the land use potential is significantly impacted by fragmentation and its small size.

43. Like the TPL site, alternative productive uses of the RPL would be subject to restrictions on land use under the NES-F and PC1).

ASSESSMENT OF ALTERNATIVE GROWTH CELLS IN WAIPA

44. In accordance with clause 3.6(2) of the NPS-HPL I assessed the productive use of land identified by WDC as potential industrial growth cells to determine whether there are any other reasonably practicable and feasible options for providing additional development capacity (i.e. are there already identified growth cells that are not on highly productive land or lower productive capacity).

45. This comparative assessment has taken into account a range of characteristics, which are relevant to the relative productive potential including:

- Size of growth cell and expansion opportunity;
- Current and surrounding land use;
- NZLRI LUC classification, soil characteristics and drainage;
- Environmental constraints and risk;
- Economic limitations arising from small, fragmented portions of land and its productive potential; and
- Land use limitations.

46. Locations and LUC as represented by NZLRI are presented in Appendix 3.

Growth Cell C8 and C9– Hautapu West

47. The vicinity of Growth Cells – C8 and C9 both have a higher productive capacity compared to PC20, due to the slightly higher quality soils and R&D limitations of the RPL site.

48. There are more established productive systems offering higher versatility and land use in the vicinity of Growth Cells – C8 and C9. The RPL site is impacted due to the fragmented site as a result of the consented R&D facility, providing less than 10ha of effective highly productive land.

49. There are less restrictions on expansion and amalgamation of properties in the vicinity of Growth Cells – C8 and C9, compared to the physical land uses immediately surrounding PC20 (airport, Southern Links motorway interchange, State Highway 3 and industrial and business zones to the south).

Growth Cell C10– Hautapu East

50. The vicinity of Growth Cell – C10 has a higher productive capacity compared to PC20, due to the slightly higher quality soils and R&D limitations of the RPL site.

51. Outside the already zoned industrial area to the southwest of Growth Cell – C10, there are very few physical or primary production constraints, which means the land has very high versatility. The dairy farm is currently operational and is adjoining other dairy farms, while the maize and drystock areas to the southeast are currently utilised by the Hautapu Fonterra dairy factory for wastewater irrigation.

52. Growth Cell – C10 also provides less land use restrictions (ability to farm more intensively as a dairy support or dairy grazing operation without requiring resource consent), which provides more agricultural opportunity and diversity.

Growth Cell Bond Road – North Te Awamutu

53. The vicinity of Growth Cell – Bond Rd has a similar or slightly higher productive capacity compared to PC20.

54. 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 to the adjoining farms to the north. Particularly compared to the fragmented RPL site as a result of the consented R&D facility.

Growth Cell Paterangi – North Te Awamutu

55. The vicinity of Growth Cell – Paterangi has lower quality soils (LUC 2, LUC 3 and LUC 4) compared to the PC20 site, but it has much more established productive systems offering moderate versatility and land use.

56. Outside the already zoned industrial area to the southeast of Growth Cell – Paterangi, there are very few primary production constraints, is less fragmented, which means the land has a relatively high versatility.

57. Growth Cell – Paterangi also provides less land use restrictions (ability to farm more intensively as a dairy farm, dairy support or dairy grazing operation without requiring resource consent), which provides more agricultural opportunity and diversity for expansion and amalgamation in the future.

NPS-HPL SUMMARY

58. Listed below are the constraints and restrictions for any sustained existing or agricultural operations on the TPL and RPL sites:

- Surrounding land uses not being in land-based primary production (airport, Southern Links motorway interchange, State Highway 3 and industrial and business zones to the south);
- Dry soil conditions and requirement for freshwater irrigation for any land use change;
- The productive capacity of the RPL site as a result of the R&D facility, with less than 10ha available long-term for cropping and compromised yields;
- Lack of expansion or improvement options due to regulations and amalgamation opportunities; and
- Alternative industrial options within the same locality having higher productivity potential.

59. 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 re-zoning of P20 meets the requirements of Clause 3.6 (1)(b) and (c).

60. It is my opinion that by allowing PC20 to proceed to change the zoning from rural to airport business zone, it will have a less material impact of the district's productive capacity than developing additional greenfield sites with fewer constraints.

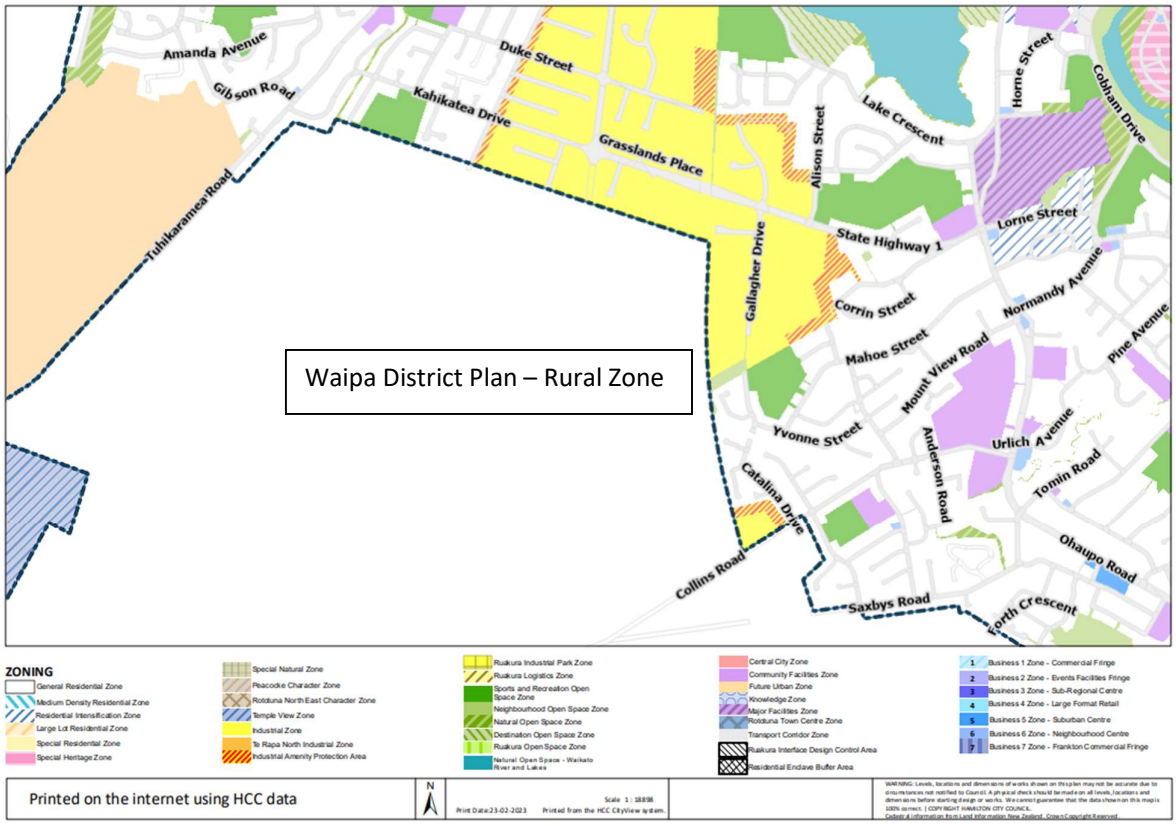
61. With regards to productive capacity, I do not consider that the loss of well below average yields and a site that has productivity compromised due to R&D to have a significant loss on the district's production, and the conversion of the land into airport business zone would not cause any fragmentation or further disruption of additional highly productive land.

ADDITIONAL ASSESSMENT

62. Following a discussion with Mr Grala, it was identified that an additional industrial growth cell be assessed within or closer to Hamilton city to complete the NPS-HPL assessment against Section 3.6(1)(b).

63. Mr Grala has identified an area to the southwest of Hamilton that is zoned industrial within the Hamilton City Operative District Plan that is also considered the same locality as the PC20. This area is shown as yellow on Figure 1. The area immediately to the south of the industrial zone (white area) is rural zoning within the Waipa District Plan.

Figure 1 – Industrial Zone within Hamilton City



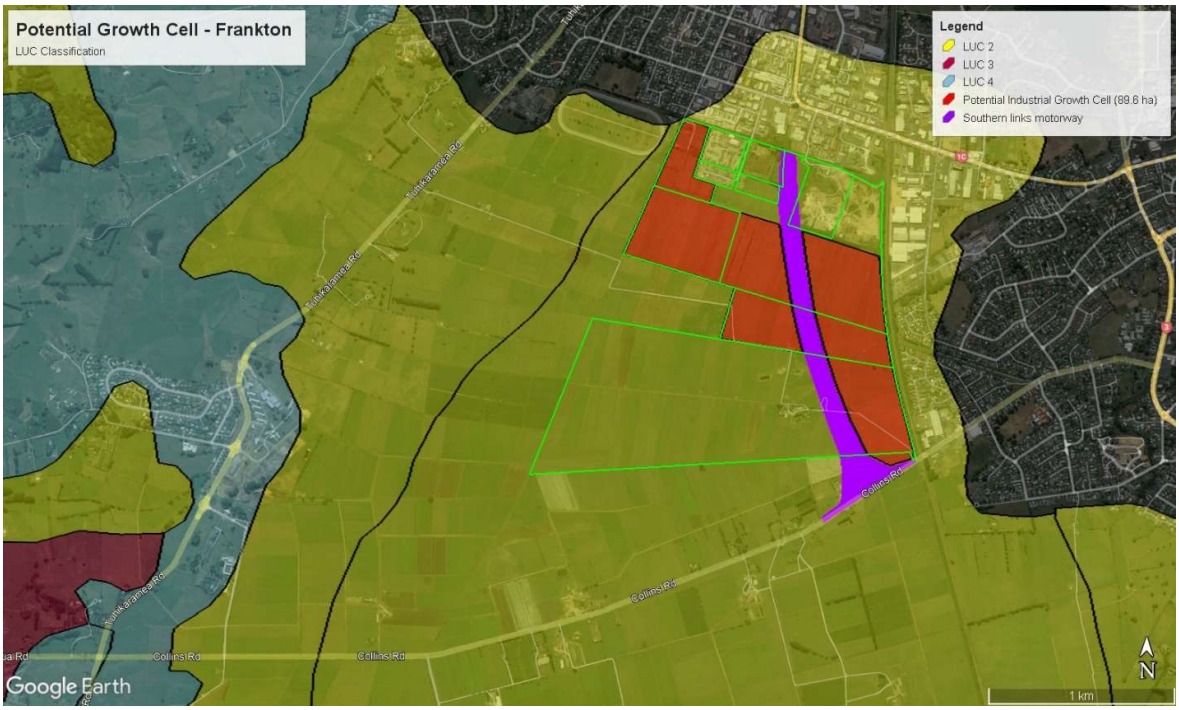
64. The rural zoned area (Frankton – Potential Growth Cell) already contains an area to the north that has been developed and is also subject to the Southern links motorway. To make a comparative assessment, I have included 39.4ha of area to the east of the Southern links motorway and an additional 50.2ha of rural land to the west. This makes up a total growth cell of 89.6 ha, which is comparable to HPL assessment area within PC20. This is presented in Figure 2.

Figure 2 – Potential Frankton Growth Cell

65. Frankton Growth Cell has the potential for industrial expansion to the south and west of the existing industrial zoned area. The potential Frankton Growth Cell extends across a large dairy farming operation with rotational maize cropping. Note that this farm will already be subject to future fragmentation from the Southern links motorway. However, the dairy shed and infrastructure will unlikely be disrupted, and the much larger proportion of the farm to the west of the southern links designation has very few limitations or constraints.

66. The LUC classification for this area and its locality is LUC 2. This is considered to be land that is of high versatility and high-quality soils. This is evident as it is a large operational dairy farm with maize that rotates across the majority of the area as part of a pasture renewal programme. The LUC map is presented in Figure 3.

Figure 3 – LUC classification of Frankton Growth Cell



67. The LUC classification for this growth cell is higher compared to the TPL site, with only LUC 2 soils present. The RPL site is a mix of LUC 1 and LUC 2 soils, however the productive capacity is severely compromised due to the R&D facility.

68. Other than the 39.4ha of land to the east of the Southern links motorway, I believe that the agricultural value of the balance of this potential growth cell has a greater productive capacity when compared to the TPL and RPL (PC20) sites. The land is contiguous with a very large area (greater than 600 ha) of intensive and established primary production (mostly dairy farms). Compared to the constraints and limitations of the PC20 land, including lack of expansion or improvement opportunities, surrounding land use not in primary production and an already fragmented area.

69. In summary, the vicinity of Potential Growth Cell – Frankton has a higher productive capacity compared to PC20, due to the slightly higher quality soils compared to TPL and the limitations of the RPL site due to the consented R&D operation.

70. Other than the land to the east of the Southern links motorway, there are very few physical or primary production constraints. With less fragmentation the land has very high versatility. The dairy farm is currently operational and is adjoining other dairy farms.

71. Potential Growth Cell – Frankton also provides less land use restrictions (ability to farm more intensively as a dairy farm, dairy support or dairy grazing operation without requiring resource consent), which provides more agricultural opportunity and diversity for expansion and amalgamation in the future.

RESPONSE TO SUBMISSIONS RAISED

72. Several submissions raised issues relating to the NPS-HPL including Ms McDowall (#1), Forest & Bird (#7), Waikato Regional Council (#11), Waikato Branch of F&B (#19), the Director-General of Conservation (#20). Most of those submissions seek an analysis of PC20 against the NPS-HPL. As noted earlier, the lack of analysis within the PC20 request was simply due to the NPS-HPL being issued after the filing of the PC20 request. In any event, since the submissions an addendum thoroughly addressing the NPS-HPL has been prepared and provided. There are no additional matters contained in the submissions that have not been addressed in my statement of evidence.

RESPONSE TO THE SECTION 42A REPORT

73. I have read the relevant aspects of the Section 42a Hearing Report with regards to the NPS-HPL.

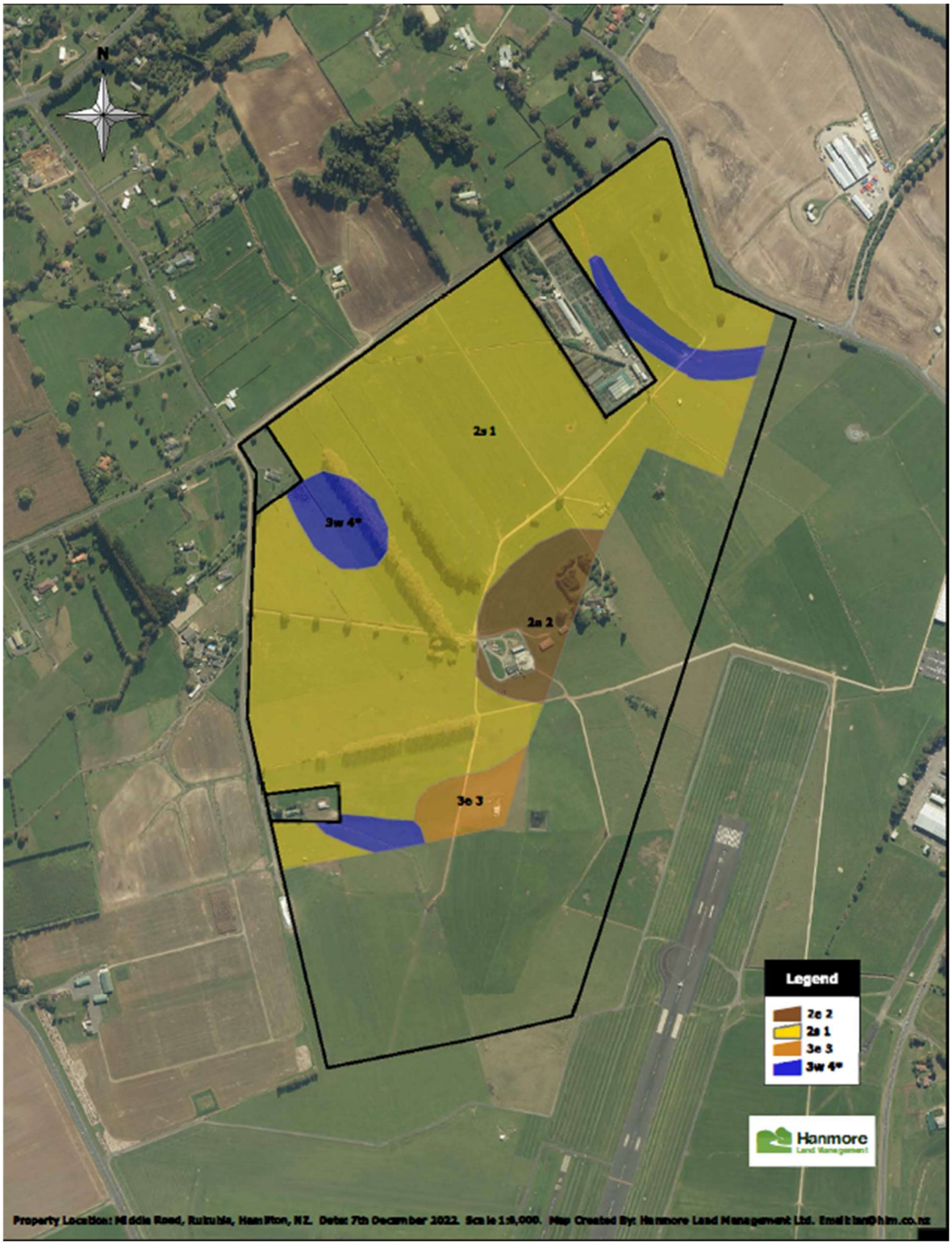
74. The S42a author is satisfied that the PC20 gives effect to the NPS-HPL.

75. The S42a author also summarises the submissions relevant to the NPS-HPL. Recommendations and amendments for the PC20 are noted as “nil”.

Jeremy Hunt
AgFirst
28February 2023

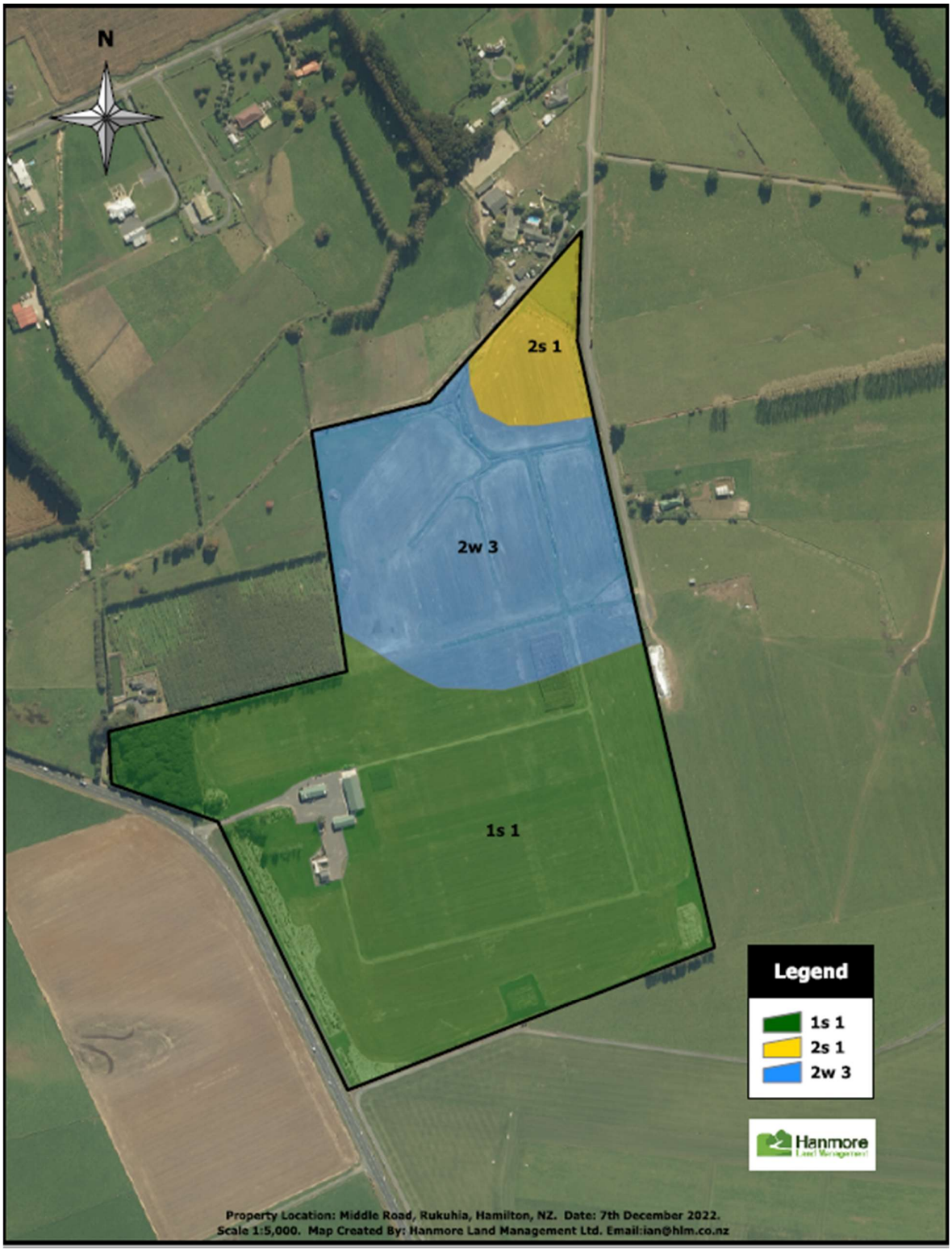
APPENDIX 1

TPL SITE



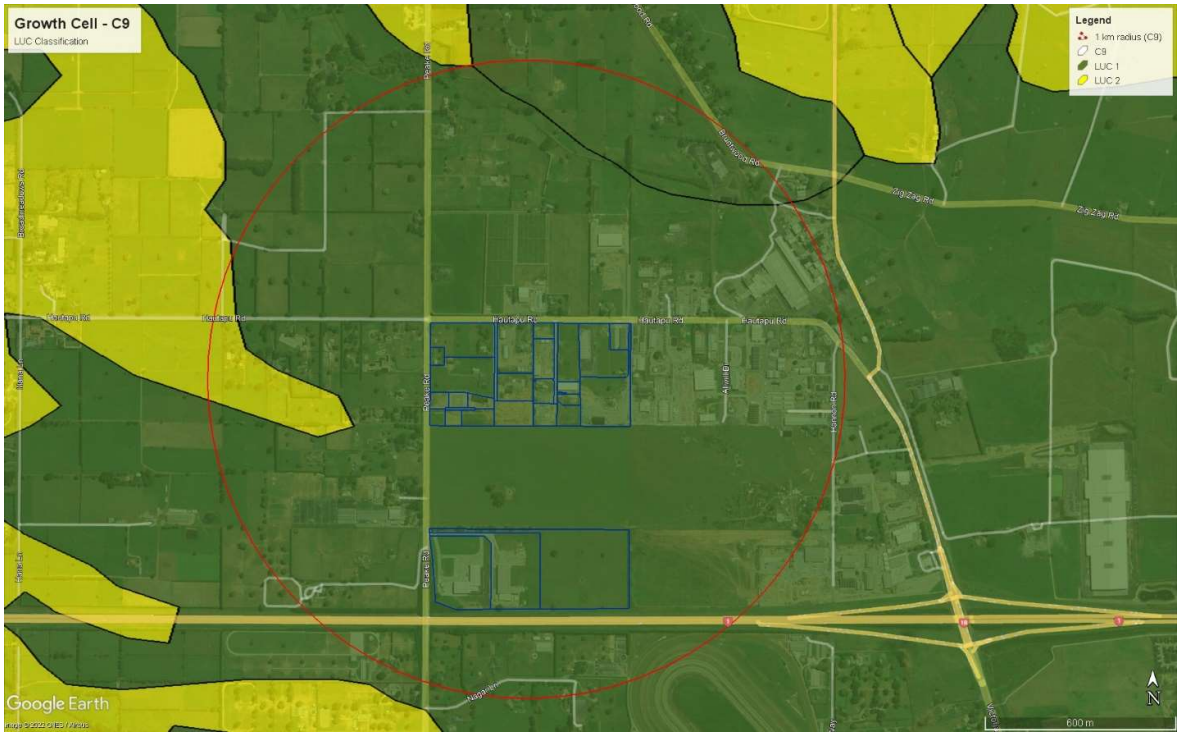
APPENDIX 2

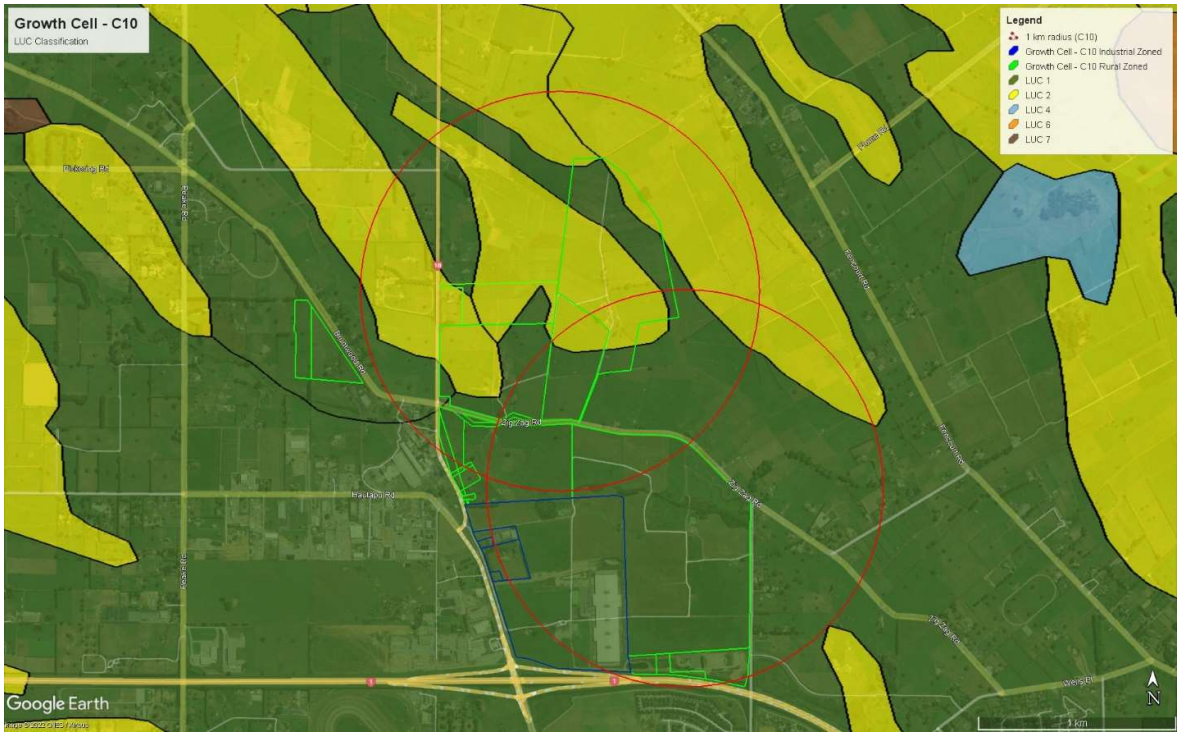
RPL SITE

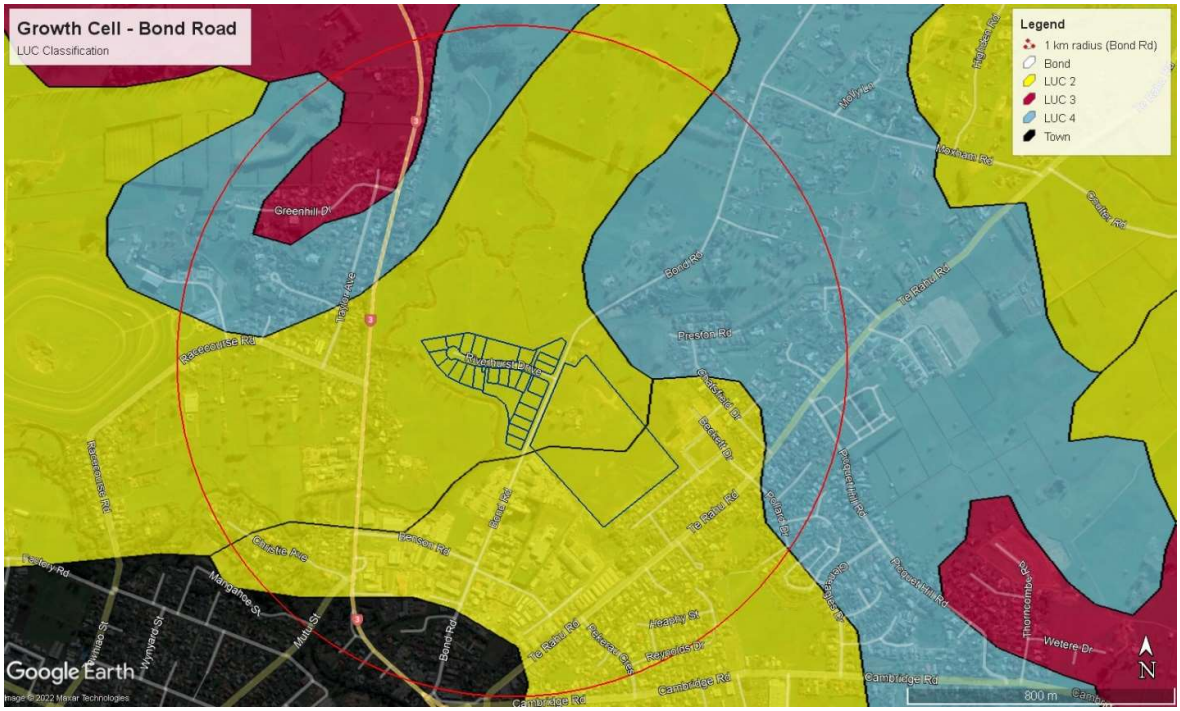


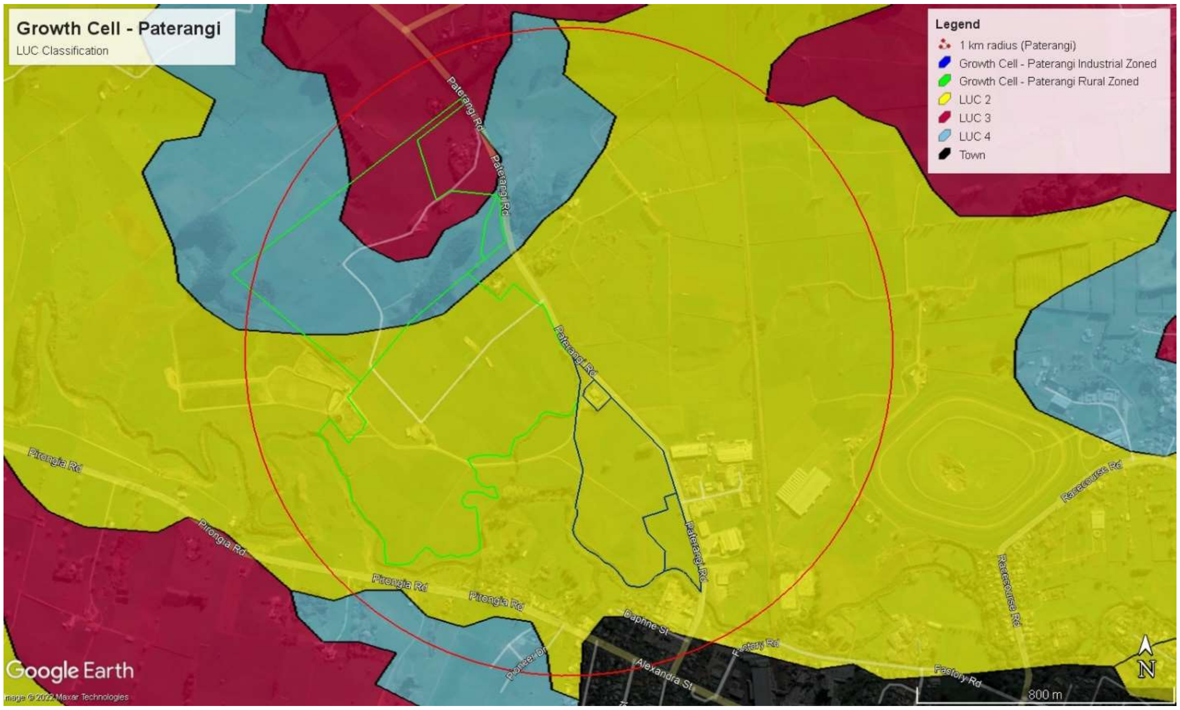
APPENDIX 3

WAIPA GROWTH CELLS




Growth Cell - C10
LUC Classification
Legend
1 km radius (C10)
Growth Cell - C10 Industrial Zoned
Growth Cell - C10 Rural Zoned
LUC 1
LUC 2
LUC 4
LUC 6
LUC 7
Google Earth
1 km
N


Growth Cell - Bond Road
LUC Classification
Legend
1 km radius (Bond Rd)
Bond
LUC 2
LUC 3
LUC 4
Town
Google Earth
800 m
N


Growth Cell - Paterangi
LUC Classification
Legend
1 km radius (Paterangi)
Growth Cell - Paterangi Industrial Zoned
Growth Cell - Paterangi Rural Zoned
LUC 2
LUC 3
LUC 4
Town
Paterangi Rd
Pirongia Rd
Daphne St
Alexandra St
Factory Rd
Racecourse Rd
Google Earth
800 m
N