

# Plan Change 58 – Avenue Business Park

Request for Plan  
Change

Warwick and Marion  
Steffert

# Document Control Record

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# 1. Introduction

## 1.1. Applicant and Property Details

<b>Applicant</b>	Warwick and Marion Steffert
<b>Site Address</b>	2581 State Highway 26 (SH26), Morrinsville
<b>Address for Service</b>	Warwick and Marion Steffert C/- Monocle Consulting Ltd Panama Square, 14 Garden Place Hamilton 3204 Attention: Ben Inger
<b>Legal Description</b>	Lot 2 DPS 78100 (SA62A/392) and Lot 1 DPS 78100 (SA62A/391)
<b>Site Area</b>	14.265ha (total area of Lot 2 DPS 78100 and Lot 1 DPS 78100) of which approximately 13.4ha is proposed to be rezoned from Rural Zone to General Industrial Zone (GIZ)
<b>District Plan</b>	Operative Matamata-Piako District Plan (ODP)
<b>District Plan Zoning</b>	Rural Zone
<b>District Plan Overlays</b>	None
<b>Road Classifications</b>	State Highway 26 (SH26) is a Significant Road and Avenue Road North is an Arterial Road under the ODP
<b>Hazards</b>	The site is not subject to any mapped hazards under the ODP

## 1.2. Overview

Matamata-Piako District is located within a high growth area, forming part of the 'golden triangle' which is bounded by the key urban environments of Auckland, Hamilton and Tauranga. Recent assessments have confirmed that there is a shortage of Industrial zoned land in Morrinsville necessary to meet expected demand in the medium-term and long-term and that addressing this shortfall is a key issue for the district.

This Plan Change request and Assessment of Environmental Effects relates to a proposal by Warwick and Marion Steffert to rezone approximately 13.4ha of land near the western edge of Morrinsville from Rural Zone to GIZ to

provide additional industrial land supply in Morrinsville. The Plan Change request would add approximately 10.1ha of net developable land to the industrial land supply for Morrinsville once expected non-developable areas such as roads, stormwater and wastewater infrastructure are excluded.

The land that is subject to the proposed rezoning has been owned by the Steffert family for 35 years. The land will form Stage 2 of the Avenue Business Park development. Stage 1 of the development, which is under construction, comprises approximately 10.7 hectares of land immediately east of the Plan Change site. The Stage 1 land is zoned Industrial under the Operative Matamata-Piako District Plan. Warwick and Marion Steffert are part-owners of the Stage 1 land and are involved in its development.

## 2. Site and Locality

### 2.1. Site Location

The Plan Change site is located near the western edge of Morrinsville (refer to **Figure 1** below) and is contiguous with land located to the east which is zoned Industrial under the ODP.

Although the site forms part of two Records of Title (Lot 2 DPS 78100 and Lot 1 DPS 78100) which have legal access to SH26, the land that is proposed to be rezoned to GIZ excludes the land which has direct frontage to SH26. The remaining land adjacent to SH26 is not proposed to be rezoned and will remain within the Rural Zone. Future industrial access to the Plan Change site will be from Avenue Road North through the Industrial zoned land immediately east of the site which comprises Stage 1 of the consented Avenue Business Park. Construction of the Stage 1 development is underway.

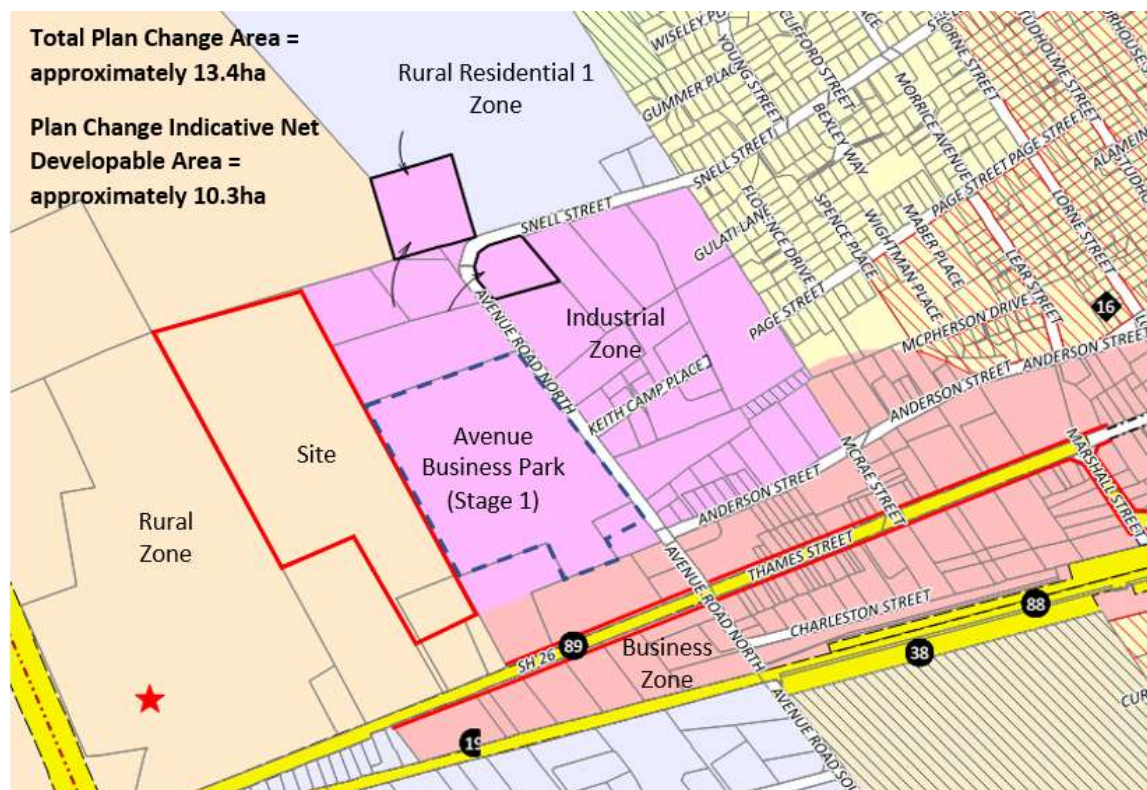
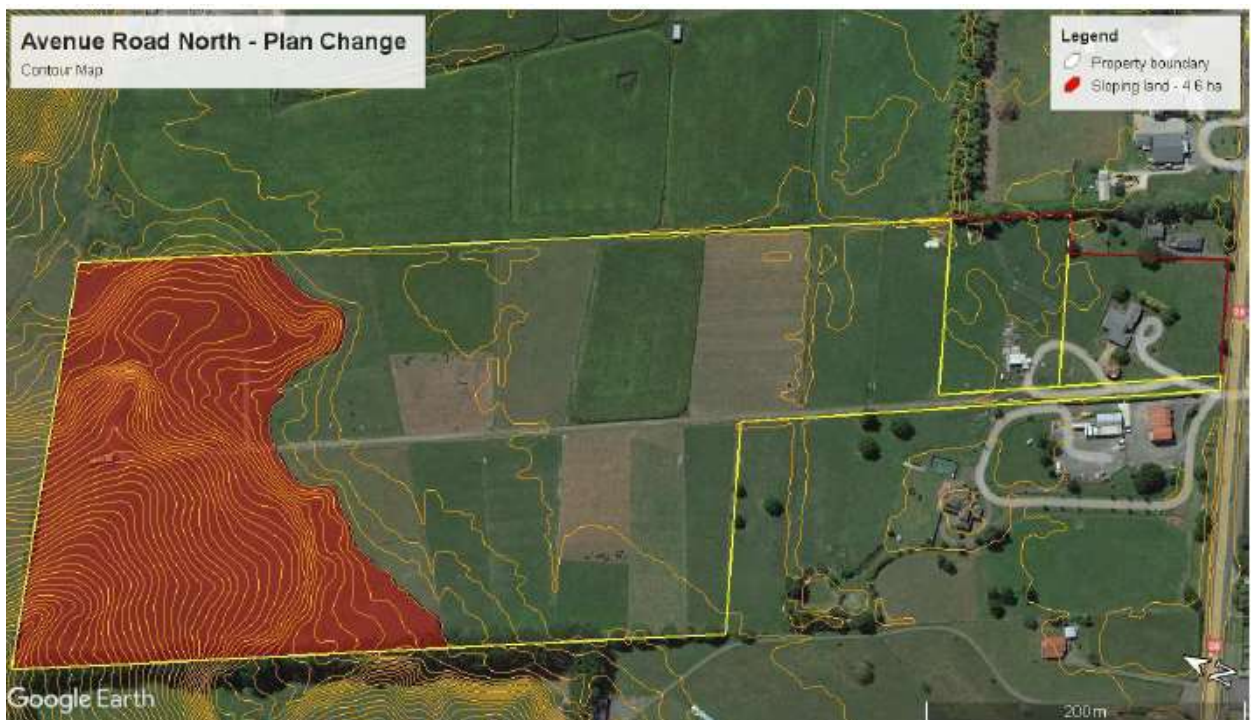


Figure 1: Plan Change Site (Base Map from Matamata-Piako District Plan)

## 2.2. Site Characteristics

The Plan Change site is in pastoral cover with a central race, a network of farm drains and a stockyard located in the southern part of the site to the rear of the dwelling on Lot 1 DPS 78100. The site, which is currently used as a small drystock beef farm, mostly comprises Land Use Class (LUC) 2 land (approximately 13.1ha) with a small area of LUC 4 land (0.3ha).

The Plan Change site comprises a flat area in the south (of approximately 8.8ha) and a moderately sloping area in the north (of approximately 4.6ha). The flat area in the south generally slopes in a west to east direction at an average grade of approximately 0.3% with ground levels ranging between RL28m and RL29m. The sloping area in the northern part of the site also slopes in a west to east direction with an average grade of approximately 10% and ground levels ranging between RL29m to RL51m near the site's northern boundary. The existing site contours are shown in **Figure 2**.



**Figure 2:** Existing Contours

The site is located within the Morrinsville Stream catchment. Drainage to the Morrinsville Stream, which is located approximately 550m east of the site, occurs via farm drains, a recently constructed conveyance swale along the southern boundary of Stage 1 of the Avenue Business Park and a piped network which includes existing culverts under Avenue Road North. The site does not contain any natural waterways. The lower-lying flat area of the site has high winter groundwater levels and experiences localised ponding following sustained periods of rain.

There are currently no reticulated wastewater or water supply services to the site. However, there are existing networks in the vicinity of the site which are being extended as part of the Avenue Business Park Stage 1 development.

No archaeological features are identified on the site or in the immediate surrounds in either the New Zealand Archaeological Association records or the ODP.



## 2.3. Locality

Land to the east of the Plan Change site is zoned Industrial under the ODP and is in a state of transition from rural to industrial land use. A large yard has recently been constructed north-east of the Plan Change site for Bowers Concrete over a site of approximately 5.4ha. Stage 1 of the Avenue Business Park is located immediately east of the Plan Change site and south of the Bowers Concrete site. Pre-loading has occurred for roads and services within Stage 1 of the Avenue Business Park and other civil works associated with the subdivision have recently begun. Development of individual lots within Stage 1 is expected to occur from 2023 onwards.

Land immediately west, north and south of the Plan Change site is zoned Rural. The land to the west and north is farmed and the land to the south predominantly comprises rural lifestyle properties, including one property which also contains a building depot/yard (W.D Davenport & Co. Ltd).

A strip of Business zoned land exists along both sides of SH26 to the south of the Plan Change site. West of Avenue Road North, businesses located within the Business Zone along SH26 include Ebbett Toyota (corner of SH26 and Avenue Road North), the Top Pub (corner of SH26 and Avenue Road South), Lorne Street Motors, Andy Smith Livestock Ltd, Waikato Dairy Effluent Services, VTNZ, On Site Auto Electrical, Vege Heaven, Storage Concepts, Learning Curves Childcare and the Morrinsville Community Menzshed. There are also several dwellings within this area.

## 2.4. Zoned Industrial Land in Morrinsville

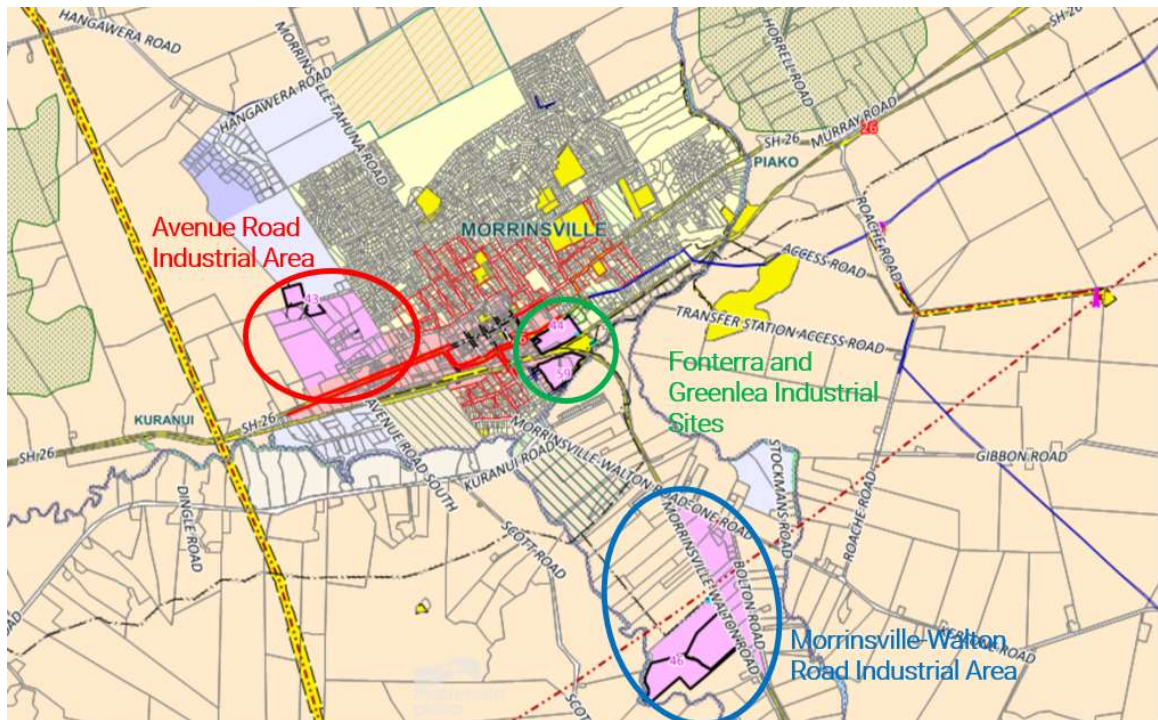
The Industrial zoned area of land which is located east of the Plan Change site on either side of Avenue Road North is the largest Industrial zoned area under the ODP within the Morrinsville township, with a total area of approximately 38.2ha. It comprises approximately 19.3ha of Industrial zoned land west of Avenue Road North and approximately 18.9ha of Industrial zoned land east of Avenue Road North. Approximately 16.2ha (i.e. less than half) of the total Industrial zoned area currently remains undeveloped. The undeveloped land includes Avenue Business Park's Stage 1 subdivision which is approximately 10.7ha, and another subdivision underway on Keith Camp Place which is approximately 2.84ha. These areas, and the approximately 2.66ha of remaining undeveloped Industrial zoned land, are shown in **Figure 3**.



**Figure 3:** Industrial Zoned Locations (Base Map from Matamata-Piako District Plan)

There are two other Industrial zoned sites within the Morrinsville township, which are located on Allen Street and Somerville Street. Those sites are occupied by large, established industrial users, being Fonterra and Greenlea Meats respectively. Another Industrial zoned area of approximately 51.4 hectares is located approximately 1-2 kilometres south of the Morrinsville township on Morrinsville-Walton Road, Kereone Road and Bolton Road. That area is largely developed with limited additional capacity. It includes two large industrial operations, being Evonik Industries (Hydrogen Peroxide plant) and Balance Agri-nutrients.

The areas described above are identified in **Figure 4**.



**Figure 4:** Industrial Zoned Locations (Base Map from Matamata-Piako District Plan)

## 3. Plan Change Proposal

### 3.1. Purpose of the Plan Change

A Business Development Capacity and Demand Assessment (**BDCA**) has recently been completed by Market Economics on behalf of MPDC in accordance with the Housing and Business Development Capacity Assessment (**HBA**) requirements of the National Policy Statement on Urban Development (**NPS-UD**). The BDCA concludes that future industrial land supply is a key issue for MPDC to address, particularly for the medium-term and long-term across the northern parts of the district (including Morrinsville). The key findings for industrial land demand and supply in Morrinsville in the BDCA are as follows:

- There is projected demand in Morrinsville for an additional 6.8ha to 10.8ha of industrial land in the short-term (which refers to the period 2021-2024), 14.8ha to 23.7ha of industrial land in the medium-term (which refers to the period 2021-2031) and 26.7ha to 42.7ha in the long-term (which refers to the period 2021-2054);
- With NPS-UD competitiveness margins added, the projected demand in Morrinsville increases to an additional 8.1ha to 13ha of industrial land in the short-term (between 2021-2024), 17.8ha to 28.5ha of industrial land in the medium-term (between 2021-2031) and 31.4ha to 50.3ha in the long-term (between 2021-2054);

- There is currently 17.9ha of undeveloped Industrial zoned land in Morrinsville. This includes the land within the Avenue Business Park and Keith Camp Place subdivisions;
- There is 23.6ha of infrastructure-served Industrial zoned capacity in Morrinsville, including within the Morrinsville township and within the area south of Morrinsville on Morrinsville-Walton Road;
- In conclusion, the BDCA finds there is sufficient supply of industrial land in Morrinsville to meet short-term demand (between 2021-2024) but insufficient supply in the medium-term and long-term. There is a potential shortfall of up to 4.9ha in the medium-term (between 2021-2031) and a potential shortfall of up to 26.7ha in the long-term (between 2021-2054).

The findings in the BDCA align closely with the findings of an Economic Assessment by Nera Consulting which was commissioned by the Applicant for the purposes of this Plan Change request (refer to **Appendix 4**). One difference, however, is that the assessment by Nera Consulting identifies that the industrial land supply in Morrinsville is likely to be less than the BDCA assumes. That is because much of the industrial land which the BDCA assumes is available has already been sold by developers, and therefore would not be available to future purchasers. In addition, some of the land (such as the Bowers Concrete site) has recently been developed. Without the additional industrial land supply proposed through this Plan Change request, the Economic Assessment by Nera Consulting concludes the potential shortfall of industrial land in Morrinsville may be up to 16.5ha in the medium-term (between 2021-2031) and up to 38.3ha in the long-term (2021-2054). It also concludes there may even be a small shortfall of up to 1ha in the short-term (between 2021-2024) in a 'high employee ratio' scenario.

The purpose of this Plan Change is therefore to provide additional industrial land supply in Morrinsville to assist in meeting the identified shortfalls and to enable the efficient use and development of the site.

### 3.2. Proposed Rezoning and Development Area Plan

The proposal is to increase the industrial land supply in Morrinsville by rezoning approximately 13.4ha of land within the Plan Change site from Rural Zone to GIZ.

It is anticipated that the Plan Change site will accommodate a mix of businesses, including industrial businesses as well as non-industrial businesses which are ancillary to industrial activities, support industrial activities or are compatible with industrial activities. Examples of non-industrial businesses which are proposed to be enabled to establish are ancillary retail, ancillary offices, cafes and takeaway food outlets, yard-based retail, building improvement centres, wholesale retail and trade suppliers, veterinary clinics, service stations and ancillary residential units.

The Plan Change proposes including a new Avenue Business Park Development Area Plan (**ADAP**) in the ODP to guide future development of the Plan Change site. The ADAP is based on a Concept Plan for the Plan Change site which was prepared as part of a master planning exercise with input from numerous experts to guide the preparation of this Plan Change request. The ADAP identifies key features of the Concept Plan, including indicative roads, proposed landscaping buffers to rural edges of the site and future locations for wastewater and stormwater infrastructure.

The ADAP is included as part of the proposed amendments to the ODP in **Appendix 1**. The Concept Plan (which is not proposed to form part of the ODP) is included in **Appendix 3** for information only.

### 3.3. Operative Matamata-Piako District Plan Provisions

As a result of discussions with MPDC staff prior to the preparation of this Plan Change request, it was decided that a proposed new GIZ would be considered for the Plan Change site. The GIZ provisions were developed for another Private Plan Change in Matamata (**Plan Change 57** or **PC57**) with input from MPDC and have been evaluated in accordance with section 32 of the RMA through both PC57 and this Plan Change request. One of the

key reasons for the proposed GIZ approach is to ensure that the ODP is changed in accordance with the National Planning Standards, which is a statutory requirement under the RMA.

At the time of lodging this Plan Change request for PC58, notification of PC57 has occurred and the time period for submissions has closed, however, the parts of the plan change process involving further submissions, a hearing and a decision on the plan change are yet to occur. Because a plan change can only request changes to operative provisions in a district plan, it is necessary for PC58 to propose to introduce the GIZ chapter to the ODP, even though it is possible that this may have already occurred if decisions are made on PC57 before decisions are made on PC58. Regardless, there are also some site-specific provisions which are proposed to be introduced to the ODP through PC58, including the ADAP.

The proposed amendments to the ODP are summarised in **Table 1** below and are set out in full in **Appendix 1**. The changes have been the subject of a Section 32 Evaluation which is included in Section 6 and **Appendix 2** of this Plan Change request.

**Table 1:** Summary of Proposed Changes to ODP

ODP Provision	Summary of Proposed Changes
Part B – Chapter 18 General Industrial Zone.	Insert a new Chapter 18 General Industrial Zone, including: <ul style="list-style-type: none"> <li>• Three new objectives (18.2 General Industrial Zone Objectives);</li> <li>• Six new policies (18.3 General Industrial Zone Policies);</li> <li>• New rules (18.4 Activity Status Rules and 18.5 Standards for the General Industrial Zone);</li> <li>• New matters of discretion (18.6 Matters of Discretion – General Industrial Zone);</li> <li>• New other provisions (18.7 Other Provisions – General Industrial Zone);</li> <li>• New reasons (18.8 Principal Reasons).</li> </ul>
Part B – Section 3.9: Signage – all zones.	Amend signage standards in Rule 3.9.1 to include reference to the General Industrial Zone.
Part B – Section 3.10: Structure Plans.	Amend Section 3.10 to include reference to Development Area Plans.
Part B – Section 5: Performance Standards – all activities.	<ul style="list-style-type: none"> <li>• Amend the noise standards in Rule 5.2.4 so that they exclude the General Industrial Zone (because noise standards are proposed to be addressed in Chapter 18);</li> <li>• Amend the vibration standards in Rule 5.3 so that they also apply in the General Industrial Zone.</li> </ul>
Part B – Section 6: Subdivision	<ul style="list-style-type: none"> <li>• Amend Rule 6.1 Activity Table to make subdivision in the ADAP a Restricted Discretionary Activity and to make subdivision elsewhere in the General Industrial Zone a Controlled Activity where a minimum net lot size of 1000m<sup>2</sup> is achieved;</li> <li>• Amend Rule 6.3.3 to refer to the ADAP as a new Development Area Plan to be included in the ODP and to set out that subdivision in the ADAP which does not comply with the Development Area Plan is a Discretionary Activity;</li> <li>• Insert a new Rule 6.3.15 setting out additional performance standards for Controlled Activity subdivision in the General Industrial Zone;</li> <li>• Amend Rule 6.5.4 to refer to the ADAP as a new Development Area Plan to be included in the ODP.</li> </ul>
Part B – Section 8: Works and Network Utilities.	Amend Tables 8.1.1, 8.2.1, 8.3.1, 8.4.1, 8.5.1, 8.6.1, 8.8.1 and 8.9.1 to include the General Industrial Zone within each Activity Table with the same standards applying as the Industrial Zone.
Part B – Appendix 9: Schedule of Works.	Insert the ADAP as a new Section 9.6 in Appendix 9: Schedule of Works.
Part B – Section 15: Definitions.	Amend the definitions in Section 15 to include various new definitions.
Part C – Maps and Plans	<ul style="list-style-type: none"> <li>• Amend Planning Maps 7 and 28 to remove the Rural zoning from the site and replace it with a General Industrial zoning;</li> </ul>

- Amend the Planning Maps Legend to include the General Industrial Zone;
- Insert the ADAP in Part C – Structure Plans.

### 3.4. Integration with Avenue Business Park Stage 1

Resource consents have been granted by MPDC and Waikato Regional Council (**WRC**) for Stage 1 of the Avenue Business Park. The consented 19-lot subdivision, which is shown in **Figure 5**, is expected to be completed in approximately mid-2023. 14 of the lots have been sold to date and the developer expects that all of the lots could be fully developed within 3-4 years (i.e. by 2026-2027) based on the strong level of enquiries, sales and feedback from purchasers.

The Stage 1 subdivision includes provision for the following future integration with the Plan Change site:

- Future access to the Plan Change site is enabled via a new intersection on Avenue Road North and a public road which extends to the boundary of the Stage 1 site;
- Electricity, telecommunications, water supply and wastewater services can be extended to the Plan Change site from the public road within Stage 1, if required;
- A conveyance swale has been built along the southern boundary of the Stage 1 site. This swale, which will be protected via easements in gross for rights to drain water, will be capable of conveying stormwater from the Plan Change site subject to suitable provision being made within the Plan Change site for water quality treatment, extended detention and attenuation;
- The Stage 1 resource consents enable fill material that is required for the subdivision to be extracted from part of the northern area of the Plan Change site. The earthworks within the Plan Change site will be carried out to improve the contour of the land for future industrial activities.



**Figure 5:** Avenue Business Park (Stage 1)

### 3.5. Other Consents and Authorisations

If the rezoning and other changes sought by this Plan Change request are approved then additional resource consents would be required from MPDC and from WRC for the subdivision and development of the site. The resource consents that are likely to be required from WRC relate to earthworks and stormwater discharge.

## 4. Consultation

### 4.1. Matamata-Piako District Council

The Applicant has engaged constructively with MPDC regarding the Plan Change request since approximately mid-2021. The engagement has involved numerous meetings with MPDC planning and engineering staff and consultants, a site visit which was held in September 2022 and provision of draft Plan Change documents to MPDC for review and feedback prior to formal lodgement.

### 4.2. Neighbouring Landowners

The Applicant has discussed the Plan Change proposal with all adjoining landowners to the Plan Change site, including the properties at 2469 SH26, 2559 SH26, 2579 SH26, 2587 SH26, 2593B and 2597 SH26 and 171-173 Avenue Road North. The Applicant owns the property at 2581 SH26 (which forms part of the Plan Change site) and part owns the property at 101 Avenue Road North (Stage 1 Avenue Business Park).

No significant concerns have been raised to date. Some of the neighbours have acknowledged the need to accommodate growth within Morrinsville and the suitability of the site for industrial development. One of the neighbours was interested in the details of the proposed landscape buffers and in ensuring that noise and glare from future development would be managed. The Applicant confirmed that landscape buffers will be required to be established and that noise and glare will need to be managed in accordance with the standards in the ODP.

Neighbouring landowners and occupiers will have the opportunity to make submissions on PC58 when it the plan change is notified. The list and map of affected persons in Section 9.2 of this report includes all the landowners who have been consulted to date, as well as others.

### 4.3. Ngati Haua Iwi Trust

The site is within Ngati Haua Iwi Trust's rohe. The Applicant held a hui and site visit with Ngati Haua's advisor Norm Hill on 9 August 2022. A Cultural Values Assessment (CVA) has subsequently been prepared on behalf of Ngati Haua Iwi Trust (**Appendix 12**).

The CVA identifies that the area of Morrinsville where the project area is located is considered a waahi taonga area. It confirms that Ngati Haua Iwi Trust is not opposed to the Plan Change provided the recommendations in the CVA are addressed. The recommendations relate to cultural protocols associated with construction works (blessing and accidental discovery protocols), the incorporation of cultural narrative as part of place-making (including reflection of cultural values through landscape design), cultural street and reserve naming, Local Government planning for infrastructure upgrades, stormwater management, contributions to the restoration of the Morrinsville Stream and Ngati Haua Iwi Trust and the Applicant continuing to work together in good faith.

The recommendations in the CVA are addressed in Section 7.1.9. The recommendations related to infrastructure are also addressed in the Infrastructure Assessment in **Appendix 5**.

#### 4.4. Waikato-Tainui

Information has been sent to Waikato-Tainui regarding PC58, including a copy of the CVA prepared on behalf of the Ngati Haua Iwi Trust. Correspondence received from Waikato-Tainui is included in **Appendix 13** which advises that Waikato-Tainui are happy with the recommendations made by mana whenua in the CVA and do not have any specific comments to make.

#### 4.5. Waka Kotahi (NZ Transport Agency)

Consultation with Waka Kotahi has involved provision of a draft Integrated Transport Assessment (ITA) and responses to specific queries which were received. Waka Kotahi's response, which is included in **Appendix 13**, confirms that Waka Kotahi considers the plan change will not adversely affect the safety of the state highway network given access is proposed to Avenue Road North and a new roundabout will be constructed at the intersection of Avenue Road North and SH26 in the near future. It also confirms that Waka Kotahi has no initial objection with the proposed plan change.

#### 4.6. Waikato Regional Council

A full draft of the Plan Change Request for PC58 was provided to Waikato Regional Council (WRC) on 2 November 2022 and a meeting with WRC staff was held on 11 November 2022. The purpose of the meeting was to provide WRC with an overview of PC58 and to seek their initial feedback.

WRC staff advised that they have no concerns regarding PC58 in relation to WRC assets and ecology. They also advised they had no major concerns regarding stormwater but pre-application engagement with WRC was encouraged prior to lodging any stormwater discharge consent applications in future. WRC staff considered the site to be relatively low risk with respect to flood hazards and acknowledged that liquefaction has been addressed in the Geotechnical Assessment and will be addressed further through future resource consent applications. Water supply was discussed, including the proposed rules for 'Wet Industry', water storage and re-use and the requirements for applicants to demonstrate that sufficient water supply network capacity exists at resource consent stage. WRC staff considered the site to be well located from a transport perspective and encouraged embedding consideration of climate change through reduced transport emissions into the ODP. Staff were supportive of the approach to mana whenua consultation.

A key point of interest for WRC is the effects of PC58 on highly productive land in the context of the National Policy Statement on Highly Productive Land and the Operative Waikato Regional Policy Statement. This matter is comprehensively addressed in this Plan Change Request.

## 5. Statutory Framework

### 5.1. Resource Management Act 1991

#### 5.1.1. First Schedule

Schedule 1 of the RMA relates to the preparation, change, and review of policy statements and plans. Part 2 of Schedule 1 includes clauses 21 to 29 which address requests for changes to plans.

Clause 21(1) sets out that any person may request a change to a district plan. The form of the request must be in accordance with clause 22 which states that a request made under clause 21 shall be made to the appropriate

local authority in writing and shall explain the purpose of, and reasons for, the proposed change. The request must contain an evaluation report prepared in accordance with section 32 of the RMA and, where environmental effects are anticipated, the request must describe those effects in such detail as corresponds with the scale and significance of the actual and potential effects anticipated from implementation of the change.

Clause 29(1) states that Part 1 of Schedule 1, with all necessary modifications, shall apply to any plan change requested under Part 2 and accepted under clause 25(2)(b). That requirement applies with limited exceptions which are set out in (1A) to (9) of clause 29. Part 1 sets out the process by which changes to district plans are to be made.

### 5.1.2. Part 2 – Purpose and Principles

Section 74 of the RMA requires a territorial authority to change its district plan in accordance with the provisions of Part 2. Similarly, section 32(1)(a) of the RMA requires an evaluation report to examine the extent to which the objectives of the proposal being evaluated are the most appropriate way to achieve the purpose of the RMA. The purpose and principles are set out in Part 2, sections 5-8 of the RMA.

The assessment of the Plan Change request in terms of Part 2 is, however, subject to the findings of the Supreme Court's decision in *Environmental Defence Society Inc v The New Zealand King Salmon Co Ltd* [2014] NZSC 38 ('King Salmon'). That decision confirmed that there is no need for recourse up the hierarchy of provisions to Part 2 except where higher order planning documents are invalid, have incomplete coverage or have uncertain meaning. The relevant planning documents are identified in Section 5.1.5 and the Plan Change proposal is assessed against them in Section 8.

### 5.1.3. Section 31 – Functions of Territorial Authorities

Pursuant to section 74(1) of the RMA, territorial authorities are required to prepare and change their district plans in accordance with the functions of territorial authorities which are set out in section 31 of the RMA. This Plan Change request, including the accompanying reports set out in the Appendices, provide information to assist with consideration of the matters in section 31 of the RMA, which are:

#### ***"31 Functions of territorial authorities under this Act***

- (1) *Every territorial authority shall have the following functions for the purpose of giving effect to this Act in its district:*
  - (a) *the establishment, implementation, and review of objectives, policies, and methods to achieve integrated management of the effects of the use, development, or protection of land and associated natural and physical resources of the district;*
  - (aa) *the establishment, implementation, and review of objectives, policies, and methods to ensure that there is sufficient development capacity in respect of housing and business land to meet the expected demands of the district;*
  - (b) *the control of any actual or potential effects of the use, development, or protection of land, including for the purpose of—*
    - (i) *the avoidance or mitigation of natural hazards; and*
    - (ii) *[Repealed]*
    - (ia) *the prevention or mitigation of any adverse effects of the development, subdivision, or use of contaminated land;*
    - (iii) *the maintenance of indigenous biological diversity;*
  - (c) *[Repealed]*
  - (d) *the control of the emission of noise and the mitigation of the effects of noise;*
  - (e) *the control of any actual or potential effects of activities in relation to the surface of water in rivers and lakes;*
  - (f) *any other functions specified in this Act.*
- (2) *The methods used to carry out any functions under subsection (1) may include the control of subdivision".*



#### 5.1.4. Section 32 – Requirements for Preparing and Publishing Evaluation Reports

Section 32(1)(a) of the RMA requires an evaluation to examine the extent to which the objectives of the proposal are the most appropriate way to achieve the purpose of the RMA. Objectives are defined within section 32(6) to mean:

- (a) For a proposal that contains or states objectives, those objectives; and*
- (b) For all other proposals, the purpose of the proposal."*

In this case, the objectives include both the purpose of the Plan Change, which is to provide additional industrial land supply in Morrinsville, and the new objectives which are proposed to be included in Chapter 18 – General Industrial Zone of the ODP.

In addition, section 32(1)(b) requires an examination of whether the provisions in the proposal are the most appropriate way to achieve the objectives by:

- (i) Identifying other reasonably practicable options for achieving the objectives; and*
- (ii) Assessing the efficiency and effectiveness of the provisions in achieving the objectives; and*
- (iii) Summarising the reasons for deciding on the provisions."*

The efficiency and effectiveness assessment under section 32(1)(b)(ii) must address the matters contained in section 32(2), including requirements to identify and assess the benefits and costs of the anticipated environmental, economic, social, cultural effects. This includes opportunities for economic growth and employment.

The proposal is an amending proposal in accordance with section 32(3) because it involves amending the ODP. This means that the evaluation of the provisions under section 32(1)(b) is limited to:

- (a) the provisions and objectives of the amending proposal; and*
- (b) the objectives of the existing proposal to the extent that those objectives –*
  - (i) are relevant to the objectives of the amending proposal; and*
  - (ii) would remain if the amending proposal were to take effect."*

#### 5.1.5. Sections 73, 74 and 75

Section 73 of the RMA relates to preparation and change of district plans. Section 73(1A) sets out that a district plan may be changed in the manner set out in Schedule 1 and section 73(2) sets out that any person may request a territorial authority to change a district plan.

Section 74 sets out matters to be considered by territorial authorities in preparing and changing its district plan. Section 74(1) requires that changes to district plans must be in accordance with a territorial authority's functions under section 31, the provisions of Part 2, its obligations to prepare and have particular regard to an evaluation report in accordance with section 32, a national policy statement, national planning standard and any regulations. In accordance with section 74(2)(b)(i) regard must be had to any management plans and strategies prepared under other Acts when preparing or changing a district plan. Section 74(2A) requires any relevant planning document recognised by an iwi authority and lodged with a territorial authority to be taken into account.

Section 75 relates to contents of district plans. Amongst other things, it requires that district plans must give effect to any national policy statement, a national planning standard and any regional policy statement in accordance with section 75(3).

In relation to this Plan Change request, the management plans and strategies prepared under other Acts which regard must be had to under section 74(2)(b)(i), and the relevant planning documents prepared by iwi authorities which must be taken into account under section 74(2A), are as follows:

- Future Proof Strategy (**Future Proof**);
- Waikato-Tainui Environmental Plan (**WTEP**); and
- Ngati Haua Environmental Management Plan (**NHEMP**).

In relation to this Plan Change request, the national policy statements, national planning standards and regional policy statements which the district plan must be changed in accordance with under section 74(1)(ea) and which the district plan must give effect to under section 75(3) are as follows:

- National Planning Standards;
- National Policy Statement on Urban Development (**NPS-UD**);
- National Policy Statement for Highly Productive Land (**NPS-HPL**);
- National Policy Statement for Freshwater Management (**NPS-FM**); and
- Operative Waikato Regional Policy Statement (**WRPS**).

An assessment of the Plan Change proposal in relation to these plans and strategies is provided in Section 8.

## 6. Section 32 Evaluation

### 6.1. Introduction

Section 32 of the RMA is of particular importance to the evaluation of this Plan Change request. This section provides a summary of the key findings of the evaluation and should be read in conjunction with the supplementary assessment contained in **Appendix 2**. The Section 32 Evaluation has had regard to the evaluation prepared for PC57 given many of the provisions which are proposed to be introduced into the ODP are the same under PC57 and PC58. A consistent approach has been taken to the Section 32 Evaluation for PC58.

Section 32(1) of the RMA requires that the evaluation must contain a level of detail that corresponds to the scale and significance of the environmental, economic, social, and cultural effects that are anticipated from the proposal. The level of detail contained in the evaluation which follows and the fuller evaluation in **Appendix 2** is informed by the Assessment of Environmental Effects in Section 7 and the technical assessments which are included as appendices to this Plan Change request.

### 6.2. Issues with Current Situation

As described in Section 3, the purpose of PC58 is to provide additional industrial land supply in Morrinsville and to enable the efficient use and development of the site. The key issue that PC58 will address is the shortfall of industrial land supply in Morrinsville which has been identified in the recent BDCA and in the Economic Assessment prepared by Nera Consulting (**Appendix 4**).

### 6.3. Alternatives Considered

The evaluation in **Appendix 2** identifies the alternatives which have been considered for achieving the purpose of the RMA and the alternatives which have been considered for achieving the objectives of the Plan Change in accordance with section 31(1)(a) and (b). The approach to the evaluation in **Appendix 2** is summarised below.

Tables 1 and 2 contain an overall assessment of alternatives for achieving the objectives of the Plan Change. The following alternatives were considered:

- Retain the status quo or do nothing.
- Retain the status quo and progress non-complying resource consent applications.
- Rezone the site to enable industrial development by:
  - Adopting the existing Industrial Zone provisions to the site and introduce a new Development Area Plan (DAP); or
  - Developing a new GIZ and introduce a new DAP; or
  - Modifying the Industrial Zone provisions.
- Wait for the ODP to be reviewed.

Table 3 contains an evaluation of the proposed new objectives (GIZ-01, GIZ-02 and GIZ-03) against the purpose of the RMA and the relevant provisions of the WRPS. The reason for assessing the objectives against the WRPS is that it is an important higher order policy which is required to achieve the purpose of the RMA and which the ODP is required to give effect to. The assessment complements the broader analysis in Section 8 of the proposal against the WRPS and other higher order policy provisions.

Tables 4 and 5 contain assessments of the appropriateness of the proposed provisions for achieving the objectives, including the overall objective of the Plan Change to address the shortfall of industrial land in Morrinsville and the proposed new objectives for the GIZ. The alternatives that were considered are summarised as:

- Adopt new activity standards and performance standards for the GIZ.
- No activity standards and rely on effects-based rules.
- Adopt existing Industrial Zone performance standards for specific matters.
- No performance standards.

### 6.3.1. Analysis

Retaining the status quo Rural Zone for the site and doing nothing (Option 1, Table 1) would not be an appropriate option for addressing the issues and achieving the objectives of the Plan Change. This option would be contrary to MPDC's obligations to provide at least sufficient development capacity under the NPS-UD. It would result in an ongoing shortfall in industrial land supply in Morrinsville with lost opportunities to retain and grow local business revenue and the likelihood that residents and businesses would increasingly bear the costs of travelling out of Morrinsville for access to work and services. This would have productivity implications and impact on people's time availability and wellbeing. There would also be a risk of unplanned ad-hoc industrial development.

Retaining the status quo Rural Zone and progressing non-complying resource consent applications (Option 2, Table 1) would not be an effective or efficient approach. There is a high risk of resource consents being declined. If consents were granted, then the specific details required for activities through consenting processes would limit flexibility in terms of development activities and buildings. The required staging of development across such a large site would also result in the likelihood of piecemeal delivery of industrial development and infrastructure. This option would also not meet MPDC's obligations to provide at least sufficient development capacity under the NPS-UD.

Consideration has been given to waiting for the ODP to be reviewed (Option 4, Table 1), however, this would result in delays in the provision of industrial land to meet identified demand given the timing and outcome of any such review is uncertain. The delays could lead to the same issues as retaining the status quo, at least in the short-term to medium-term, and would create ongoing uncertainty for the local community which would also result in challenges for co-ordination of land use and infrastructure planning.

The analysis identifies that rezoning the site to enable industrial development (Option 3, Table 1) would be an appropriate way to address the issues and achieve the objectives of the Plan Change. Rezoning the site would expediently address the identified shortfall of industrial land supply in accordance with MPDC's obligations to provide at least sufficient development capacity under the NPS-UD, signal to the market the forthcoming availability of industrial land and avoid ad-hoc development elsewhere. Opportunities to retain and grow businesses in Morrinsville would be realised and access to local employment and services would be improved. Rezoning would enable holistic and comprehensive consideration and planning for the entire site, including input into the Plan Change from mana whenua. Infrastructure planning (roading and three waters) could be effectively and efficiently coordinated and integrated across the site and spatially planned through a DAP. There would be some loss of highly productive land, although the benefits of the rezoning are significantly outweighed by the costs of the loss of the rural land resource and there are no other reasonably practicable and feasible options for providing the required development capacity. Other adverse effects could be managed through suitable plan provisions. Better development outcomes are therefore likely to be achieved through rezoning.

Having determined that rezoning of the site is the preferred option, a secondary analysis is required of what zone should be applied through the Plan Change.

Applying the existing Industrial Zone provisions (Option 1, Table 2) with a new DAP for the site would be unlawful under section 75(3)(ba) of the RMA because the existing provisions are not in accordance with the National Planning Standards. The existing provisions also would not efficiently enable some activities that would be well-suited to an Industrial Zone, such as ancillary retail, cafes and takeaway food outlets, veterinary clinics, wholesale retail and trade supply, yard based retail, building improvement centres and small ancillary residential units (for live-work opportunities).

A modified version of the Industrial Zone provisions could be developed and applied to the site (Option 3, Table 1). The modifications would need to give effect to the National Planning Standards, with a limitation of this approach being that the Industrial Zone is not part of the Zone Framework Standard in Table 13 of the National Planning Standards. Even if lawful modifications could be made to the Industrial Zone provisions, given the extent of modifications that would be required, this option would result in a complex set of amended Industrial Zone provisions with the potential to cause confusion across other Industrial Zones in the District.

Developing a new GIZ and a new DAP for the site (Option 3, Table 2) would provide greater certainty to developers, adjacent landowners, the local community and MPDC as to the expected development outcomes for the site. The inclusion of additional activities which are well-suited to an Industrial Zone, which could be enabled by the GIZ, would provide for a variety of land uses as permitted activities, which would help reduce consenting costs. The GIZ is in accordance with the Zone Framework Standard in Table 13 of the National Planning Standards so it enables a lawful approach. No changes to the Industrial Zone provisions are required, so there would be no effect on existing industrial zone landowners elsewhere in the District and less potential for confusion. An added benefit is that the new zone could potentially be adopted by MPDC in future to apply to other industrial areas of the District as the District Plan is transitioned to National Planning Standards format.

### 6.3.2. Preferred Option

The preferred option is to rezone the site as GIZ, with new GIZ provisions and a new DAP for the site included in the ODP.

The site is well suited for industrial activities, being directly adjacent to the largest area of Industrial zoned land in Morrinsville. Development of the site can be integrated with Stage 1 of the Avenue Business Park, which the Applicants for PC58 also own, and the location and size of the site will enable a seamless extension of the existing industrial area. The technical reports which support this Plan Change request confirm that the site is suitable for industrial development and that adverse effects can be appropriately managed.

### 6.3.3. Evaluation of Objectives

Three new objectives are proposed for the GIZ, as follows:

#### **GIZ-01**

*Industrial activities are able to establish and operate within the zone in an efficient and effective manner.*

#### **GIZ-02**

*The amenity values along key transport corridors within our towns are to be enhanced.*

#### **GIZ-03**

*The adverse amenity values and adverse effects of industrial activities on surrounding non-industrial activities and reserve areas are to be avoided or mitigated.*

The evaluation of the objectives considers whether they are the most appropriate way to achieve the purpose of the RMA.

Objective GIZ-01 makes it clear that industrial activities are central to the purpose of the GIZ, which addresses the fundamental issue sought to be addressed by the Plan Change. The use of the land for industrial purposes will enable people and the local community's social, economic and cultural well-being and health and safety to be provided for.

Objective GIZ-02 is appropriate for maintaining and enhancing the quality of the environment and amenity values across the District where industrial areas are in high profile locations. However, the PC58 site does not contain any 'key transport corridors'. The appropriateness of this objective relates to its potential future broader application to other sites elsewhere in the District (including the PC57 site).

Objective GIZ-03 is appropriate for achieving the purpose of the RMA by avoiding, remedying and mitigating adverse effects, and for maintaining and enhancing the quality of the environment.

### 6.3.4. Evaluation of Provisions/Methods

The evaluation in Tables 4 and 5 considers whether the proposed provisions are the most appropriate way to achieve the objectives in light of other reasonably practicable options and the efficiency and effectiveness of the provisions.

The evaluation identifies that the inclusion of a new activity list and performance standards for the GIZ is the most appropriate option. It would enable activities to be listed and performance standards to be adopted which are suited to the characteristics of the site and surrounding area. It would also be consistent with the general approach in the ODP for other zones.

A range of alternative options have been considered for key performance standards, including maximum height, yards, landscaping and fencing, noise, service and outdoor storage areas, site layout and design. In some cases the existing Industrial Zone performance standards are the most appropriate and in other cases different standards are proposed as the most appropriate option.

The preferred options will enable industrial activities to operate effectively and efficiently (GIZ-01), whilst also achieving the amenity objectives (GIZ-02 and GIZ-03).

In many places, the proposed provisions link to existing provisions in other chapters of the ODP such as the performance standards for specific activities in Chapters 3 and 5, the subdivision standards in Chapter 6, the development contributions provisions in Chapter 7, the Works and Network Utilities provisions in Chapter 8, the Transportation provisions in Chapter 9 and the Natural Hazards provisions in Chapter 11. This is an efficient and effective approach.

### 6.3.5. Overall Conclusion of Section 32 Evaluation

In conclusion, the objectives of the proposal are the most appropriate way to achieve the purpose of the RMA and the proposed provisions are the most appropriate way to achieve the objectives. The proposed provisions will be effective and efficient.

## 7. Assessment of Environmental Effects

### 7.1. Assessment

Clause 22(2) of the First Schedule to the RMA requires that a Plan Change request must describe the anticipated environmental effects in such detail as corresponds with the scale and significance of the effects anticipated from the implementation of the Plan Change. Section 76(3) of the RMA requires that in making a rule regard shall be had to the actual or potential effect on the environment of activities, in particular, any adverse effect.

The actual and potential effects associated with the proposal are considered in the following sub-sections under the headings below, drawing on the assessments which are contained as appendices to this Plan Change request:

- Economic Effects
- Infrastructure Effects
- Traffic Effects
- Geotechnical Effects
- Effects on Soil Resources
- Soil Contamination Effects
- Landscape and Visual Effects
- Noise Effects
- Cultural Effects
- Ecological Effects

#### 7.1.1. Economic Effects

An Economic Assessment has been prepared by Nera Consulting in relation to the Plan Change request and is included in **Appendix 4**.

The Economic Assessment addresses recent strong growth in the population of Morrinsville and the number of people employed in businesses utilising industrial land. Drawing on analysis by Market Economics as part of the recent BDCA and other sources, the Economic Assessment addresses predicted shortfalls in the supply of industrial land in Morrinsville, particularly in the medium-term and long-term. The Economic Assessment explains that there is a strong economic case for additional industrial land being provided in Morrinsville to meet demand. It identifies the economic benefits of increasing industrial land supply and also considers the associated costs.

#### **Demand and Supply of Industrial Land**

The analysis set out in the BDCA prepared by Market Economics shows that there is likely to be a shortfall of industrial land in Morrinsville in the medium-term (2021-2031) and long-term (2021-2054). However, the

Economic Assessment by Nera Consulting concludes that this shortfall may be even more imminent than expected by Market Economics. That is due to some of the undeveloped vacant land already having been sold and/or developed. While Market Economics has assessed the total vacant supply of industrial land within Morrinsville and the Morrinsville-Walton Road Industrial Area (south of the township) as being 23.5ha, the Economic Assessment by Nera Consulting estimates that the available industrial land supply is approximately 12ha. The difference is accounted for by the completed sale of 14 lots within the Avenue Business Park development (approximately 6.2ha), the completed sale of 5 lots within the Keith Camp Place development (approximately 2.5ha) and the recent development of the Bowers Concrete site (approximately 2.8ha).

The predicted shortfalls in industrial land supply are 1ha in the short-term (Nera Consulting) in a 'high ratio' scenario, 4.9ha in (Market Economics) to 16.5ha (Nera Consulting) in the medium-term in a 'high ratio' scenario and 26.7ha to 38.3ha in the long-term in a 'high ratio' scenario. All these figures include 'competitiveness margins' based on the NPS-UD.

It is relevant that the assessment period adopted by the assessments undertaken by Nera Consulting and Market Economics for the medium-term is 2021 to 2031. The medium-term therefore represents a period of approximately 8 years (rather than 10 years) from the date of this Plan Change request. The shortfalls in industrial land supply are therefore likely to be higher to meet demand for the next 10-years (i.e. to 2033).

### **Benefits and Costs of Increased Industrial Land Supply**

An important benefit of the Plan Change request is that making more land available for industrial development in Morrinsville will release the supply constraint. This is important to control prices for industrial land, to provide choice and to enable new businesses and employment in Morrinsville.

The Plan Change request involves expanding the largest existing Industrial zoned area under the ODP within the Morrinsville township, which is centred around Avenue Road North. The expansion will result in the total zoned area increasing in size from approximately 38.2ha to approximately 51.6ha making it approximately the same size as the Morrinsville-Walton Road Industrial Area. The Economic Assessment refers to the productivity benefits that arise from clustering of businesses in close proximity to one another. The Plan Change site is well located to enable these productivity benefits to be realised.

The costs associated with the increased industrial land supply include infrastructure costs and the loss of productive capacity of the land. These are inevitable costs for any rezoning of land from Rural to Industrial in Morrinsville. Many infrastructure costs are typically borne by developers, either through direct provision of local infrastructure within and near the development site, or through payment of development contributions. Typically there are reduced infrastructure costs involved when land is zoned adjacent to existing urban areas (as is proposed) compared to a more remote location and that is expected to be the case in this instance. In terms of costs associated with the loss of the productive capacity of the land, the Versatile Soils Assessment in **Appendix 8** concludes that site restrictions mean that those costs will not be material (refer also to Section 7.1.5 and Section 8.2.2 of this report).

### **Overall Conclusion on Economic Effects**

The analysis and conclusions within the Economic Assessment confirm that the Plan Change request will have positive economic effects overall.

#### **7.1.2. Infrastructure Effects**

An Infrastructure Assessment has been prepared by Tektus in relation to the Plan Change request and is included in **Appendix 5**. The Infrastructure Assessment addresses the earthworks and three waters (stormwater, wastewater and water supply) considerations in relation to the Plan Change request.

## Earthworks

The Infrastructure Assessment explains the outcomes of preliminary earthwork modelling which has been carried out to assess the suitability of the site for industrial development, the likely scale of future earthworks operations and likely road grades and retaining operations in the sloping northern part of the site. While the earthworks model will be developed further through future resource consent and detailed design processes, the preliminary modelling shows that the approach to earthworks for the development of the site would involve cut within the higher parts of the site and a mix of cut and fill within the lower part of the site. The purpose of cut earthworks within the lower part of the site would be to create a communal stormwater management device (likely a wetland). The estimated bulk earthworks volumes (cut to fill) across the Plan Change site are approximately 40,000m<sup>3</sup>. The northern part of the site, which would be suited to smaller lots, would be platformed using retaining walls (likely between 2-3.5m high) and/or landscaping batters between lots. Suitable road grades could be achieved.

The Infrastructure Assessment concludes that the preliminary earthworks assessment has demonstrated that the Plan Change site is suitable for industrial development.

## Stormwater

The Infrastructure Assessment identifies that the Plan Change site is within the Morrinsville Stream catchment. Relevant management plans, guidelines and standards include the Morrinsville Stream Catchment Management Plan (**CMP**), Waikato Stormwater Management Guideline (WRC TR2020/07) and the Waikato Regional Infrastructure Technical Specifications (**RITS**).

The Infrastructure Assessment outlines recommended stormwater management objectives and design criteria, which include water quality treatment via a two stage treatment train approach, stream erosion protection through retention and detention of stormwater and specific attenuation and conveyance requirements. The suggested stormwater management approach includes a single communal device in the southern part of the Plan Change site, which is likely to be a constructed wetland. The recommended location for the communal device is in the southern part of the Plan Change site directly adjacent to the conveyance swale which has been constructed along the southern boundary of the Avenue Business Park (Stage 1) site. This is shown on the ADAP.

The Infrastructure Assessment concludes that the preliminary stormwater assessment has demonstrated that stormwater runoff from the Plan Change site can be managed under industrial land use to achieve the outcomes of the Morrinsville Stream CMP, in accordance with the relevant standards.

## Wastewater

The Infrastructure Assessment identifies that the Morrinsville Wastewater Treatment Plant (**WWTP**) currently has insufficient capacity for future growth. It refers to advice received from MPDC that upgrade works are planned and that the increased capacity will likely be sufficient to accommodate wastewater from the Plan Change site. Upgrades of the Allen Street Wastewater Pump Station (**WWPS**) are also planned by MPDC and are assumed to be sufficient to accommodate flows from the Plan Change site.

Preliminary assessments of the existing downstream network have been carried out as part of the Infrastructure Assessment which show that there may already be insufficient capacity within the existing network. Further modelling which is underway by MPDC is expected to highlight any required upgrades to the network to accommodate existing wastewater flows, as well as flows associated with future growth. That modelling work is expected to consider flows associated with future development of the Plan Change site. The solution may require some gravity network upgrades and the pump station for the Plan Change site to be designed with storage and off-peak pumping to manage downstream network capacity issues. The recommended location for a utility reserve that could accommodate a pump station is in the southern part of the site near the proposed communal stormwater management device. This is shown on the ADAP.



The proposed Plan Change rules would also assist in managing wastewater demands from the site by making 'wet industry' a Non-Complying Activity. The proposed definition for 'wet industry' includes any industrial, trade or commercial activity that involves discharge in excess of 10,000 litres of wastewater per day.

The Infrastructure Assessment concludes that the preliminary wastewater assessment has demonstrated that there are engineering solutions for managing wastewater flows from the Plan Change site under the proposed industrial land use.

### **Water Supply**

The Infrastructure Assessment refers to advice received from MPDC that a new bore and Water Treatment Plant (WTP) are planned for Morrinsville with construction and connection to the municipal mains due to be completed in December 2023. It explains that the new bore and WTP will cater for projected growth and will likely be able to support water demand for development of the Plan Change site.

To minimise demands on the water supply network, the Plan Change proposes rules which will require rainwater harvesting and re-use for non-potable water supply. The minimum tank size will need to comply with either stormwater retention requirements for each site or 10,000 litres (whichever is greater). Another way that water demand will be managed is that 'wet industry' involving any industrial, trade or commercial activity that requires more than 10,000 litres of water per day from a municipal supply is proposed to be a Non-Complying Activity.

The Infrastructure Assessment outlines a conceptual solution for water supply reticulation involving extension of the water supply mains from the Avenue Business Park (Stage 1) development and an additional connection to the existing water main on SH26 to improve connectivity and resilience. It explains that water pressure is likely to be adequate and that the supply will need to meet requirements for firefighting.

The Infrastructure Assessment concludes that the preliminary water supply assessment has demonstrated that there are engineering solutions for managing projected water supply demands from the Plan Change site under the proposed industrial land use.

### **7.1.3. Traffic Effects**

An Integrated Transport Assessment (ITA) has been prepared by Direction Traffic Design in relation to the Plan Change request and is included in **Appendix 6**.

The ITA describes the proposal to provide access to the Plan Change site via Avenue Road North and the extension of the public road which is being built through the Stage 1 Avenue Business Park site.

The ITA explains that the location and design of the new right turn bay intersection on Avenue Road North has been approved by MPDC (through the subdivision consent and subsequent engineering plan approval) but that minor changes will be made to ensure that swept paths do not cross opposing lanes or go over the pedestrian refuge island. It confirms that the intersection and other parts of the road network will have sufficient capacity to safely and efficiently accommodate traffic from the Stage 1 development and future development within the Plan Change site based on the predicted trip generation. The ITA considers that the Plan Change is not expected to create adverse traffic effects at the SH26/Avenue North Road roundabout, which is being upgraded shortly to a permanent roundabout by Waka Kotahi.

The ITA explains that although the land to the north and west of the Plan Change site is currently zoned Rural under the ODP, the indicative internal roading layout shown on the ADAP has been prepared to anticipate and allow for future roading connections in the event they may be required. The indicative north/south road will extend directly to the northern boundary to allow the land to the north to be accessed. At its southern end it will also directly adjoin the boundary of the Rural zoned site to the west of the Plan Change site which will allow a western access if it is required in future. Although no road access is proposed directly to SH26, the ADAP protects a

corridor west of the stormwater wetland which is planned at the southern end of the Plan Change site to assist in achieving a roading connection to SH26 if it is required in the future.

The new roads within the Plan Change site are intended to be local roads designed in accordance with the RITS, with 20m wide road reserves, 10m wide carriageways, a 1.5m wide footpath on one side and street lighting with an intended speed limit of 50 km/h. The ADAP text, however, refers to the possibility of the north-south aligned road being constructed to collector road standard if its function is required to change to service a wider area than the PC58 site alone and if MPDC has confirmed funding to meet the costs of the widened road and necessary upgrading. This would be addressed through future subdivision consent applications.

The ITA also gives consideration to access to the Plan Change site by other modes. It explains that pedestrian and cyclist access directly onto SH26 has been considered but is not proposed, as there is expected to be limited demand for this route, and safer access is provided via the internal roads. A pedestrian and cyclist access may be able to be provided to SH26 in future if demand necessitates but it would require consideration of safe pedestrian crossing facilities which are currently precluded by the 70 km/h speed limit on SH26. There are currently no public transport services provided in Morrinsville, aside from a regional Morrinsville/Paeroa bus service which passes through Morrinsville five times a day during the working week with one stop located in the centre of town on Lorne Street. As such, no specific provisions for public transport have been recommended in the ITA.

Overall, the ITA concludes that the Plan Change proposal is not expected to result in any significant adverse traffic effects and that the Plan Change site is well suited to rezoning from Rural Zone to GIZ from a transportation perspective.

#### 7.1.4. Geotechnical Effects

A Preliminary Geotechnical Report (**PGR**) has been prepared by HD Geo in relation to the Plan Change request and is included as **Appendix 7**. The PGR summarises the results of an assessment which consisted of a desktop study of the site and field investigation involving hand augers and cone penetration tests. The desktop study drew on information from a range of sources, including published information and the site investigations and assessments which HD Geo has undertaken for the adjacent Avenue Business Park Stage 1 development.

The PGR identifies that the Plan Change site consists of two landform terrains with distinct geologies and geotechnical properties; an elevated hills area and a low-lying plains area. The hills terrain generally consists of stronger, coarser grained materials compared to the plains terrain which contains sensitive fine-grained material. Groundwater is higher on the plains terrain. Seasonally adjusted groundwater levels are 1.0m below ground level in the plains terrain and 4.0m in the hills terrain.

Specific measures to manage geotechnical hazards and risk will be subject to further assessment and design at the time of subdivision. The further work that is required would define settlement and liquefaction hazard zones, assess requirements for pre-loading to induce settlement (or other mitigation) prior to development, assess slope stability based on specific earthworks and subdivision proposals and design pavement thicknesses factoring in potential soft subgrade and high groundwater levels in the plains terrain.

Overall, the PGR concludes that the Plan Change site is suitable for industrial land use.

#### 7.1.5. Effects on Soil Resources

A Versatile Soils Assessment has been prepared by AgFirst in relation to the Plan Change request and is included in **Appendix 8**. An assessment of the proposed rezoning in terms of the NPS-HPL is contained in Section 8.2.2.

The Versatile Soils Assessment identifies that the farm operates as a small-scale beef grazing operation. It estimates the annual income from the land being \$8,700 before tax and concludes that a farm of this size being run as a livestock operation (as it currently is) is only suited as a hobby farm or lifestyle block.

The assessment concludes that the productive capacity of the land which comprises the Plan Change site is restricted due to lack of versatility caused by wetness and slope limitations, the small scale of effective land which is not commercially viable for current or future agricultural options, the lack of expansion or improvement options and current surrounding land use and sensitivity effects of any intensified operations on an expanding urban population. The assessment also concludes that allowing the proposed rezoning from Rural Zone to GIZ will have no material impact on future agricultural or horticultural potential with regard to highly productive land.

#### 7.1.6. Soil Contamination Effects

A Preliminary Site Investigation (PSI) has been prepared by HD Geo in relation to the Plan Change request and is included in **Appendix 9**.

The PSI assesses the Plan Change request in terms of the requirements of the National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health (NES-CS). It identifies that the site is not listed in land use registers held by either MPDC or WRC as being subject to Hazardous Activities and Industries List (HAIL) activities. Reviews which have been undertaken of historic and recent aerial photographs indicate the Plan Change site has been used for drystock grazing since pre-1941 until now. The PSI concludes that the site is unlikely to have been subject to any HAIL activities associated with drystock farming.

An inspection of the site as part of the PSI confirmed that there are no HAIL activities across the majority of the site. However, there is potential for lead-based paint and asbestos to be present on the farm sheds which are located on the site. The PSI recommends that a pre-demolition asbestos and lead-based paint survey should be undertaken prior to removal of any structures on the site. Depending on the results of the pre-demolition inspections a detailed site investigation and site management plan may be required.

The PSI explains that it is highly unlikely that there will be risk to human health should subdivision and/or change in land use occur. On that basis, soil contamination is not a significant risk for the Plan Change site and there are no soil contamination issues which would prevent the site from being rezoned from Rural Zone to GIZ.

#### 7.1.7. Landscape and Visual Effects

A Landscape and Visual Assessment (LVA) has been prepared by Boffa Miskell in relation to the Plan Change request and is included in **Appendix 10**.

The LVA explains that the site has a limited visual catchment due to the surrounding topography and intervening vegetation. The primary viewing audiences for the site are users of surrounding roads, including SH26 and Avenue Road North, and the private properties surrounding the site. The principal elements that will give rise to landscape and visual effects are the changes in landscape character from a rural to industrial landscape that will result from the rezoning and the potential loss in visual amenity from surrounding dwellings that overlook the site. The site is not, nor is it part of, an identified outstanding natural feature or landscape.

Development of the site for industrial activities cannot occur without a change to the existing immediate landscape character. The LVA explains that this will always be the case where development is proposed within a site that has been used for a different use to that of the proposed future activity. The change from a rural to urban industrial landscape will result in a greater sense of enclosure and the reduction of the open landscape character, reduced rural outlook for surrounding properties and buildings of a size and scale which are not common throughout the rural landscape. However, the landscape character of the site and its immediate surroundings has already changed, and will continue to change, due to existing and future development associated with the

Industrial zoning of adjoining and nearby land. In that context, the LVA assesses the adverse effect on the existing rural landscape character as low to moderate. It recommends that the landscape effects can be mitigated through site responsive design, 5m landscaped buffers along Rural Zone boundaries and by minimising the use and height of retaining walls.

The LVA considers potential adverse effects on visual amenity in relation to representative public viewpoints surrounding the site. It explains that while industrial development within the site will be discernible from SH26, it will not be notable due to the zone boundary being setback between 100-300m from SH26, due to dwellings and vegetation being within the foreground of views and due to the proposed location of a stormwater management reserve (which will include planting) within the part of the site nearest SH26. Although the more elevated area of the site will be visible from SH26, it will be viewed at a greater distance. From Avenue Road North, the LVA explains that much of the future industrial development on the lower part of the site will be obscured by development within Stage 1 of the Avenue Business Park. Where it is not screened from view it will be viewed in context with other future industrial buildings. Like views from SH26, development on the elevated part of the site will be more visible but it will be viewed at a greater distance.

The LVA also identifies and assesses effects in relation to private locations surrounding the site. It describes the potential visual effects from each of the identified locations and assesses that the effects will range from very low to moderate. The moderate effects will be experienced by the owners of the immediately adjoining properties on SH26, although the LVA describes that the effects on those properties will reduce over time as vegetation within the 5m landscape buffer proposed along the Rural Zone boundaries of the site is established and matures.

Overall, the LVA concludes that, subject to the recommended mitigation, the rural characteristics of the surrounding area and the rural interface with the Rural Zone to the west and north of the site can be maintained, and the subsequent development can be integrated successfully so that the development is not a dominant feature within views from surrounding locations.

#### 7.1.8. Noise Effects

An Acoustic Assessment has been prepared by Marshall Day in relation to the Plan Change request and is included in **Appendix 11**.

The Acoustic Assessment refers to acoustic monitoring which has been undertaken in identifying that traffic noise is a considerable source of noise in the area surrounding the site. Existing industrial development and local roads in the area also contribute to the existing noise environment, with the likelihood that more noise will be introduced as development of industrial activities and roads within Stage 1 of the Avenue Business Park occurs.

In the context of the existing noise environment and the proposed noise standards which will apply in the GIZ, the Acoustic Assessment concludes that the potential for adverse noise effects from activities enabled by the Plan Change will be of little appreciable significance. It confirms that the proposed noise and vibration standards are appropriate and will allow for the proposed activities to occur whilst ensuring that the adverse effects of noise will be avoided, remedied or mitigated.

A specific matter which is addressed in the Acoustic Assessment is the approach to the measurement of noise in relation to surrounding Rural zoned properties. The Acoustic Assessment recommends the adoption of a notional boundary assessment approach, where noise levels would be measured within 20m of any side of a residential unit in the Rural Zone, or the legal boundary where this is closer. However, a complicating factor with this approach is that dwellings built in the Rural Zone after industrial activities have established in the GIZ could constrain the previously lawful operation of those industrial activities by requiring the noise levels from the industrial activities to be reduced, except where existing use rights apply. Given the potentially significant implications for industrial activities, the proposed noise rule identifies the measurement location as the notional boundaries of dwellings in the Rural Zone which existed at the date of notification of PC58. While it is unlikely that neighbouring landowners would decide to build a dwelling close to a GIZ boundary, the proposed rule means that

anyone who chooses to do so would do so in the knowledge that the noise standards would not apply at that dwelling.

### 7.1.9. Cultural Effects

A Cultural Values Assessment (**CVA**) has been prepared by Te Hira Consultants on behalf of Ngati Haua Iwi Trust in relation to the Plan Change request and is included in **Appendix 12**.

The site is within Ngati Haua Iwi Trust's rohe and the CVA identifies that the area of Morrinsville where the project area is located is considered a waahi taonga area. Inadequate recognition of the cultural values of the area would impact the mana and mauri of the cultural landscape. There is also a need to ensure development is undertaken in accordance with appropriate cultural protocols and to ensure that infrastructure is provided which will manage potential adverse effects on whenua (land) and wai (water). The CVA confirms that the Ngati Haua Iwi Trust is not opposed to the Plan Change provided the recommendations in the CVA are addressed.

The Applicant has considered the recommendations and agrees to them.

The ADAP provisions which are proposed to be included in Appendix 9.6 of the ODP have been drafted to ensure that the recommendations related to blessings prior to earthworks (Recommendation 1), implementation of accidental discovery protocols during earthworks (Recommendation 2), use of cultural narratives as part of place-making (Recommendation 3) and management of sediment within stormwater during earthworks (Recommendation 7) will be addressed as part of future planning and development stages. Recommendation 4, which relates to street and reserve naming, can also be addressed as part of future planning and development stages in accordance with MPDC's roads, access ways and open spaces naming policy, which requires Applicants to consult with mana whenua.

Recommendation 5 relates to infrastructure upgrades being expedited by MPDC to cater for growth. This recommendation follows the concerns raised in the CVA that urban growth must be adequately supported by infrastructure. Rezoning the site will assist in providing better certainty for infrastructure planning. The proposed PC58 provisions for the ADAP will ensure that suitable infrastructure with adequate capacity must be in place at the time of subdivision so that it is available for development to connect to.

Recommendation 6 relates to on-site solutions for stormwater management and avoidance of contaminated discharges to the stream. This will be addressed through the requirement for storage tanks and water re-use for each development, which is proposed to be required through rules for the GIZ. It will also be addressed through the treatment train approach which is proposed for stormwater management that is addressed in the ADAP provisions which are proposed to be included in Appendix 9.6 of the ODP. Stormwater management will be subject to more detailed consideration through future subdivision consents and through stormwater discharge consents which will be required from WRC.

Recommendation 8 is that contributions to the restoration of the Morrinsville Stream be undertaken. The Applicant supports this recommendation in principle; however, the stream is located outside of the PC58 site within private landholdings. The Applicant would be willing to support future opportunities for coordinated restoration should they arise, potentially involving other landowners, Councils and mana whenua.

The final recommendation in the CVA refers to a commitment between the Ngati Haua Iwi Trust and the Applicant to work in good faith to promote the cultural values and significance of the area. The CVA recognises that the consultation which has occurred to date has been in good faith. There has also been a constructive relationship between Ngati Haua Iwi Trust and the Applicant for Stage 1 development of the Avenue Business Park. The Applicant has reaffirmed their commitment to continue to engage with Ngati Haua Iwi Trust in relation to the development of the Plan Change site.

Cultural effects can therefore be appropriately addressed and managed.

### 7.1.10. Ecological Effects

The site is pastoral and does not contain any mature vegetation, scattered trees or hedgerows. A large mature shelterbelt and a hedgerow are located within neighbouring properties, along the western and northern boundaries respectively, but neither of those features will be directly affected by future development within the site. As such, there will be no adverse effects on flora.

Effects of urban development on downstream freshwater values, particularly within the Morrinsville Stream, will be avoided, remedied and mitigated through water quality treatment, stream erosion protection through retention and detention of stormwater and specific attenuation and conveyance requirements. Those effects, and any potential effects associated with modification of the existing network of artificial drains within the site, will be considered as part of future consenting processes.

## 7.2. Overall Conclusion on Assessment of Effects

Overall, based on the above assessment it is concluded that the site is well suited to be rezoned Industrial and that the adverse effects of future industrial activities will be able to be avoided, remedied and mitigated. There will be numerous positive effects associated with the rezoning.

# 8. Assessment of Statutory Documents

## 8.1. National Planning Standards

Section 74(1)(ea) of the RMA requires that a territorial authority must prepare and change its district plan in accordance with a national planning standard. The format and content of the amendments which are proposed through this Plan Change request is consistent with the requirements of the National Planning Standards.

Specifically, the General Industrial Zone is listed in the Zone Framework Standard (Part 8) and is described in Table 13 to mean *“Areas used predominantly for a range of industrial activities. The zone may also be used for activities that are compatible with the adverse effects generated from industrial activities”*.

The proposed use of a Development Area Plan is consistent with Part 12 which explains that *“A development area spatially identifies and manages areas where plans such as concept plans, structure plans, outline development plans, master plans or growth area plans apply to determine future land use or development. When the associated development is complete, the development area’s spatial layer is generally removed from the plan either through a trigger in the development area provisions or at a later plan change”*.

## 8.2. National Policy Statements

Section 74(1)(ea) of the RMA requires that a territorial authority must prepare and change its district plan in accordance with a national policy statement. District plans must also give effect to national policy statements in accordance with section 75(3)(a). The relevant National Policy Statements for this Plan Change request are the NPS-UD, the NPS-HPL and the NPS-FM.

### 8.2.1. National Policy Statement on Urban Development

The NPS-UD came into effect on 20 August 2020. The NPS-UD applies to all local authorities that have all or part of an urban environment within their district or region (i.e. Tier 1, 2 and 3 Local Authorities) and to planning

decisions made by any local authority that affect an urban environment. A 'Tier 3 local authority' under the NPS-UD means a local authority that has all or part of an 'urban environment' within its region or district (but is not a local authority which is listed in the Appendix of the NPS-UD as a Tier 1 or 2 local authority). An 'urban environment' under the NPS-UD means any area of land that is, or is intended to be, predominantly urban in character and is, or is intended to be, part of a housing and labour market of at least 10,000 people. Following recent high growth, MPDC has determined that Morrinsville is an 'urban environment' in accordance with the NPS-UD. Therefore, MPDC is a Tier 3 local authority and the Council has obligations that it must meet under the NPS-UD.

As a Tier 3 local authority, MPDC is required to amend its district plan to give effect to the provisions of the NPS-UD as soon as practicable. The following summary relates to the obligations for Tier 3 local authorities under the NPS-UD:

- Local authorities must give effect to the relevant objectives and policies in Part 2 of the NPS-UD. The objectives and policies address a range of matters, including (but not limited to) the following in relation to business land:
  - That planning decisions contribute to well-functioning urban environments, including a variety of sites that are suitable for different business sectors, good accessibility between housing and jobs and competitive land and development markets (Objective 1 and Policy 1);
  - At least sufficient development capacity must be provided to meet expected demand for business land over the short, medium and long terms (Policy 2);
  - Decision-makers must have particular regard to the benefits of urban development that are consistent with well-functioning urban environments and to any relevant contribution that will be made to meeting the requirements of the NPS-UD to provide or realise development capacity (Policy 6);
  - Recognition that urban environments and amenity values change over time (Objective 4 and Policy 6);
  - Planning decisions must take into account the principles of the Treaty of Waitangi (Objective 5 and Policy 9);
  - Decisions on urban development must be integrated with infrastructure and planning decisions, strategic over the medium and long term, and responsive to plan changes that would add significantly to development capacity and contribute to well-functioning urban environments, even if the development capacity is unanticipated by RMA planning documents or out-of-sequence with planned release (Objective 6, Policy 8 and Policy 10);
  - Local authorities must have robust and up to date information about their urban environments and use it to inform planning decisions (Objective 7);
  - Urban environments support reductions in greenhouse gases and are resilient to the effects of climate change (Objective 8, Policy 1 and Policy 6).
- Clause 3.3 requires that every Tier 3 local authority must provide at least sufficient development capacity in its region or district to meet the expected demand for business land from different business sectors and in the short, medium and long terms. In order to be sufficient to meet expected demand, the development capacity must be plan-enabled and infrastructure-ready. This means that:
  - For the short-term (within 3 years), land must be zoned in a district plan and there must be adequate existing infrastructure to support development of the land;
  - For the medium-term (3-10 years), land must be zoned in either a district plan or a proposed district plan and there must either be adequate existing infrastructure to support development of the land or funding for the infrastructure must be identified in a long-term plan;
  - For the long-term (10-30 years), either the land must be zoned in a district plan or proposed district plan and there must be adequate infrastructure or funding for infrastructure must be identified in a long-term plan, or the land must be identified for future urban use in any other relevant plan or strategy.

- Clause 3.3 also requires that Tier 1 and 2 local authorities must provide development capacity to meet the expected demand plus a ‘competitiveness margin’ of 20% for the short-term and medium-term and 15% for the long-term. Tier 3 local authorities are not obligated to provide for a ‘competitiveness margin’, although Clause 1.5 of the NPS-UD “strongly encourages” Tier 3 local authorities to do the things that Tier 1 and 2 local authorities are obliged to do under the NPS-UD.
- Clause 3.7 requires that if a local authority determines that there is insufficient development capacity over the short, medium or long terms then it must:
  - Notify the Minister for the Environment; and
  - If the insufficiency is wholly or partly as a result of RMA planning documents (such as a district plan) then it must change those documents as soon as practicable to increase development capacity; and
  - Consider other options for increasing development capacity and otherwise enabling development.
- Clause 3.8 requires that a responsive approach must be taken to unanticipated or out-of-sequence developments where they would provide significant development capacity.
- Clause 3.9 requires every Tier 3 local authority to monitor, on a quarterly basis, a range of matters for each urban environment in their region or district and the results must be published at least annually. One of the matters is available data on business land. Clause 3.10 requires that every local authority must also assess the demand for business land in urban environments, and the development capacity that is sufficient to meet that demand in the short, medium and long terms.
- Tier 3 local authorities, such as MPDC, are not obliged to prepare a Future Development Strategy (**FDS**) under Clauses 3.12 to 3.18 or a Housing and Business Development Capacity Assessment (**HBA**) under Clauses 3.19 to 3.30. However, Clause 1.5 of the NPS-UD “strongly encourages” Tier 3 local authorities to do the things that Tier 1 and 2 local authorities are obliged to do under the NPS-UD. MPDC has prepared a HBA (which includes the BDCA) but not a FDS.

As summarised in Section 3.1, the HBA<sup>1</sup> prepared on behalf of MPDC concludes that there is a shortage of Industrial zoned land in Morrinsville in the medium-term (3-10 years to 2031<sup>2</sup>) and long-term (11-30 years to 2051). The Economic Assessment by Nera Consulting concurs that there are shortfalls but concludes that the shortfalls are larger than the BDCA has assessed. Both assessments have applied competitiveness margins.

PC58 gives effect to the NPS-UD by increasing development capacity to assist in meeting the identified demand. Although the proposed rezoning has not previously been anticipated in RMA planning documents or an FDS, the benefits of providing the additional development capacity are an important consideration under the NPS-UD. Rezoning land which is adjacent to existing Industrial zoned land will contribute to a well-functioning urban environment. The rezoning will have some localised effects on amenity values but they will be minor and consistent with the recognition in the NPS-UD that amenity values change over time. The Plan Change takes into account the principles of the Treaty of Waitangi through the consultation which has occurred with mana whenua and through consideration of the proposal in terms of the CVA and the relevant iwi management plans. Increasing the supply of industrial land in Morrinsville will support reductions in greenhouse gases by reducing the need for residents in Morrinsville to travel for employment or to access goods and services.

In conclusion, PC58 will give effect to the NPS-UD and will assist in meeting MPDC’s obligations to provide sufficient development capacity to meet expected demand.

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<sup>1</sup> Business Development Capacity and Demand Assessment, Market Economics, 16 May 2022 (BDCA)

<sup>2</sup> The medium-term assessments cover a time period of approximately 8-years from the date of this Plan Change request (to 2031) whereas medium-term under the NPS-UD is defined as 3-10 years (i.e. to 2033).



## 8.2.2. National Policy Statement for Highly Productive Land

The NPS-HPL came into effect on 17 October 2022. The objective of the NPS-HPL is that *“Highly productive land is protected for use in land-based primary production, both now and for future generations”*.

Clause 3.5(7) explains what land is required to be treated as “highly productive land” before maps are included in an operative regional policy statement. It states:

- “(7) Until a regional policy statement containing maps of highly productive land in the region is operative, each relevant territorial authority and consent authority must apply this National Policy Statement as if references to highly productive land were references to land that, at the commencement date:*
- (a) is*
    - (i) zoned general rural or rural production; and*
    - (ii) LUC 1, 2, or 3 land; but*
  - (b) is not:*
    - (i) identified for future urban development; or*
    - (ii) subject to a Council initiated, or an adopted, notified plan change to rezone it from general rural or rural production to urban or rural lifestyle.”*

In relation to part (a), the Plan Change site is currently zoned Rural under the ODP and it consists mostly of LUC 2 land (approximately 13.1ha) with only a small area of LUC 4 land (0.3ha). In relation to part (b), the term “identified for future urban development” is defined in Clause 1.3(1) of the NPS-HPL to mean:

- “(a) identified in a published Future Development Strategy as land suitable for commencing urban development over the next 10 years; or*
- (b) identified:*
- (i) in a strategic planning document as an area suitable for commencing urban development over the next 10 years; and*
  - (ii) at a level of detail that makes the boundaries of the area identifiable in practice.”*

Having only recently completed the BDCA, it is relevant that MPDC is not currently meeting its obligations to provide at least sufficient development capacity in accordance with Clause 3.3 of the NPS-UD. Land required to meet short-term and medium-term demand must be zoned in a district plan and land required to meet long-term demand must either be zoned in a district plan or identified for future urban use in another relevant plan or strategy. Nevertheless, at the commencement date for the NPS-HPL (17 October 2022) the Plan Change site was not “identified for future urban development”, nor was it subject to a Council initiated, or an adopted, notified plan change. As such, the majority of the site is defined as ‘highly productive land’ under the NPS-HPL and the relevant provisions must be considered.

Policy 5 is that *“The urban rezoning of highly productive land is avoided, except as provided in this National Policy Statement”*. Clause 3.6 relates to restricting urban rezoning of highly productive land.

Clause 3.6(4) is relevant to territorial authorities that are not Tier 1 or 2. It applies in this instance because MPDC is a Tier 3 territorial authority. Clause 3.6(4) states:

- “(4) Territorial authorities that are not Tier 1 or 2 may allow urban rezoning of highly productive land only if:*
- (a) the urban zoning is required to provide sufficient development capacity to meet expected demand for housing or business land in the district; and*
  - (b) there are no other reasonably practicable and feasible options for providing the required development capacity; and*
  - (c) the environmental, social, cultural and economic benefits of rezoning outweigh the 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”*

Part (a) requires consideration of whether the urban zoning is required to provide sufficient development capacity to meet demand for business land in the district. Clause 3.6(1) refers to sufficient development capacity in terms of the NPS-UD. The BDCA prepared on behalf of MPDC and the Economic Assessment in **Appendix 4** both

confirm that additional urban zoning is required to provide sufficient development capacity for industrial land in Morrinsville. The BDCA concludes that up to 4.9ha additional land is required to meet demand to 2031 (i.e. within the next 8 years) and the Economic Assessment considers up to 16.5ha additional land is required to meet demand in the same period. It is therefore clear that additional urban zoning is required to provide sufficient development capacity for business land. The proposal to rezone 13.4ha of land through PC58 will meet the demand expected to be required in the BDCA to 2031 and will go a long way towards meeting the demand which is expected to be required in the Economic Assessment to 2031.

Part (b) requires consideration of other reasonably practicable and feasible options for providing the required development capacity. Morrinsville currently has three Industrial zoned locations where expansion of industrial activities might be reasonably practicable and feasible. The Versatile Soils Assessment in **Appendix 8** has considered the comparative productivity of land surrounding the two other industrial areas, being the Fonterra and Greenlea Sites on the southern edge of Morrinsville and the Morrinsville-Walton Road Industrial Area which is located south of the township (refer Figure 3). A summary of the findings follows:

- The report identifies there is limited potential for expansion of industrial activity around the Fonterra and Greenlea Sites because the land is already developed and land to the south and east are constrained by waterways and native bush. The rural land adjacent the Fonterra and Greenlea Sites which is not constrained by topography or vegetation has been assessed to be more versatile and have higher productive values compared to the PC58 site.
- The report identifies the land immediately adjoining the Morrinsville-Walton Industrial Area is part of a much more intensive agricultural land use than the Plan Change site. The land is flat to undulating and the blocks are used predominantly as intensive dairy support and heifer grazing and also frequent maize rotations. The land has been assessed to be more versatile and have higher productive values compared to the PC58 site.

With there already being three existing Industrial zoned areas in Morrinsville, establishing an entirely new industrial area somewhere else on the urban edge of Morrinsville is not considered to be a reasonably practicable and feasible option. That is primarily because any new industrial area would be disconnected from existing industrial activities (with reduced agglomeration and accessibility benefits) and would result in a new interface between industrial, residential and rural zones which would need to be managed. Neither of those outcomes would achieve a well-functioning urban environment. Nevertheless, it is apparent from a review of the land use capability maps that all land surrounding the urban edge of Morrinsville consists of LUC 1, 2 or 3 soils. Therefore, it would not be possible to provide the sufficient development capacity that is required under the NPS-UD and avoid highly productive land. Intensification is not a reasonably practicable and feasible option for industrial land.

Part (c) requires consideration of the environmental, social, cultural and economic benefits and costs of rezoning in relation to the loss of highly productive land. The following assessment is based on the findings of the various technical reports and the Section 32 Evaluation in **Appendix 2**:

- The economic assessment includes a qualitative assessment of the benefits and costs of the proposal. A summary follows, drawing on those findings:
  - An expansion of Industrial zoned land will have economic benefits by releasing the supply constraint, offering lower prices and more choice, thereby bringing new businesses and employees to Morrinsville;
  - There will be productivity benefits arising from more businesses being located in close proximity to each other. This will allow both new and existing businesses to increase their sales, and provide workers with access to more productive and better paid jobs;
  - There will be some infrastructure costs, but these are incurred by developers and it is reasonable to assume that the benefits that developers receive will exceed these costs; and
  - There will be small costs associated with the loss of highly productive land, which are addressed in the Versatile Soils Assessment. The economic costs of that loss of land for rural activities will be significantly outweighed by the economic benefits gained by the expansion of industrial activities.

- The Versatile Soils Assessment has considered the productive capacity of the land with reference to the definition of that term which is included in the NPS-HPL<sup>3</sup>. The report identifies that at the time of a site visit in July 2022 the farm was operating as a small-scale beef grazing operation with 34 head of cattle. It estimates the annual income from the land being \$8,700 before tax and concludes that a farm of this size being run as a livestock operation (as it currently is) is only suited as a hobby farm or lifestyle block. The report concludes that the productive capacity of the land is restricted due to lack of versatility caused by wetness and slope limitations, the small scale of effective land which is not commercially viable for current or future agricultural options, the lack of expansion or improvement options and current surrounding land use and sensitivity effects of any intensified operations on an expanding urban population. The report also concludes that allowing the proposed rezoning from Rural Zone to GIZ will have no material impact on future agricultural or horticultural potential with regard to highly productive land.
- Other technical reports assess the anticipated environmental effects of the change from rural to industrial land use. The reports all conclude that adverse environmental effects can be effectively managed. The findings of the various technical reports also indicate there will be social benefits associated with the Plan Change, particularly due to the Plan Change addressing industrial land supply constraints and enabling more businesses and employment in Morrinsville.
- The CVA confirms that Ngati Haua Iwi Trust is not opposed to PC58. It makes recommendations for how cultural effects could be appropriately addressed which will be important considerations during later design and consenting stages. Those recommendations have been addressed through this Plan Change request.
- Overall, the environmental, social, cultural and economic benefits of rezoning outweigh the environmental, social, cultural and economic costs associated with the loss of highly productive land.

Clause 3.6(5) is also relevant. It states:

*"(5) Territorial authorities must take measures to ensure that the spatial extent of any urban zone covering highly productive land is the minimum necessary to provide the required development capacity while achieving a well-functioning urban environment."*

The following comments are made:

- As a Tier 3 local authority, MPDC is required to zone sufficient land to meet expected demand for business land in the short-term (1-3 years) and medium-term (3-10 years) under Clauses 3.3 and 3.4 of the NPS-UD. Both the Economic Assessment and the BDCA refer to short to medium-term demand as being the period 2021-2031 (i.e. 8 years from now). Given this Plan Change request is being lodged in late-2022 and the time that will be required for the plan change process to be concluded (not to mention the time required to apply for and obtain approved resource consents for development), zoning only the amount of land which has been assessed as being required to meet demand to 2031 will be insufficient to meet Council's obligations under the NPS-UD.
- As a Tier 3 local authority, MPDC is not required to provide for competitiveness margins but they are strongly encouraged to so (Clause 1.5, NPS-UD). The purpose of competitiveness margins is to provide sufficient development capacity to support choice and competitiveness in business markets (Clause 3.22, NPS-UD) which, in turn, assists with achieving well-functioning urban environments. Policy 1 of the NPS-UD outlines that well-functioning urban environments have or enable a variety of sites that are suitable for different

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<sup>3</sup> *productive capacity*, in relation to land, means the ability of the land to support land-based primary production over the long term, based on an assessment of: (a) physical characteristics (such as soil type, properties, and versatility); and (b) legal constraints (such as consent notices, local authority covenants, and easements); and (c) the size and shape of existing and proposed land parcels.

business sectors in terms of location and site size and which support, and limit as much as possible adverse impacts on, the competitive operation of land and development markets (amongst other things). Competitiveness margins also provide buffers to account for uncertainties in forecasts, which is particularly relevant to industrial land given the potential for large land holdings to be required and consumed. It is therefore appropriate for competitiveness margins to be applied, as both Market Economics and Nera Consulting have done.

- The entire Plan Change site needs to be rezoned to meet the short and medium-term development capacity requirements for the 2021-2031 period identified in the Economic Assessment by Nera Consulting. Even then, the Plan Change will fall slightly short of the additional land supply of 16.5ha that is assessed as being required over that time period.
- Not all of the Plan Change site needs to be rezoned to meet the short and medium-term development capacity requirements for the 2021-2031 period identified in the BDCA prepared by Market Economics. However, the Economic Assessment concludes that the 4.9ha shortfall identified for Morrinsville in the BDCA is based on an overestimate of the existing available supply. Other relevant factors are that some of the remaining 8.5ha of the site will be required for roads, stormwater management and wastewater infrastructure to enable development of the remainder of the site and the assessment only accounts for zoned land requirements to 2031 (i.e. less than 10 years from now).
- The proposed rezoning is also considered to be the minimum necessary to achieve a well-functioning urban environment because:
  - The zone boundary generally follows cadastral boundaries. Were only part of the site to be rezoned, that would result in a small area of balance land which would not be productive for rural uses.
  - The Plan Change site is suitably sized to accommodate roads, stormwater and wastewater infrastructure (which are expected to comprise approximately 25% of the site). The land required for this infrastructure will not be developable for industrial activities so it will not directly contribute to meeting demand for industrial land but it is critical infrastructure to enable industrial development over the remainder of the site.
  - The Plan Change site is also considered to be of a minimum size to effectively support a structure planned approach and to enable an efficient Plan Change process.

In conclusion, the urban rezoning of the Plan Change site is provided for under the NPS-HPL because it is consistent with Clause 3.6(4) and (5). PC58 therefore gives effect to the NPS-HPL.

### 8.2.3. National Policy Statement for Freshwater Management

The NPS-FM came into effect on 3 September 2020. The objective of the NPS-FM relates to ensuring that natural and physical resources are managed in a way that prioritises the health and wellbeing of water bodies and freshwater ecosystems, the health needs of people and the ability of people and communities to provide for their social, economic and cultural wellbeing, now and into the future.

The NPS-FM refers to Te Mana o te Wai as a fundamental concept. Section 1.3 of the NPS-FM explains that Te Mana o te Wai refers to the fundamental importance of water and recognises that protecting the health of freshwater protects the health and well-being of the wider environment. It protects the mauri of the wai and is about restoring and preserving the balance between the water, the wider environment, and the community. Te Mana o te Wai encompasses six principles, which are mana whakahaere, kaitiakitanga, manaakitanga, governance, stewardship and care and respect.

The site does not contain any natural waterways. Consideration has been given to stormwater management in the Infrastructure Assessment in **Appendix 5** which identifies that the site is within the Morrinsville Stream catchment. The Infrastructure Assessment outlines stormwater management objectives and design criteria,

which include water quality treatment via a two-stage treatment train approach, stream erosion protection through retention and detention of stormwater and specific attenuation and conveyance requirements. The Infrastructure Assessment also makes recommendations for connections to wastewater and water supply infrastructure.

Implementation of best practice stormwater management methods and connections to municipal wastewater and water supply networks, as required by the proposed ADAP provisions, will ensure that the site will be developed in a manner which is consistent with the NPS-FM. These matters will be addressed further as part of subsequent consenting processes, including through stormwater discharge consents that will be required from WRC.

## 8.3. Waikato Regional Policy Statement

### 8.3.1. Operative Waikato Regional Policy Statement

The WRPS was made operative in May 2016 and was subsequently updated in December 2018 and again in September 2022 to be consistent with the National Planning Standards. District plans are required to give effect to regional policy statements in accordance with section 75(3)(c) of the RMA. Regional policy statements must give effect to national policy statements in accordance with section 62(3) of the RMA, although the operative WRPS pre-dates the NPS-UD, the NPS-HPL and the NPS-FM.

The objectives and policies in the WRPS which are of greatest relevance to PC58 are:

- Objective IM-01 – Integrated management;
- Objective IM-07 – Relationship of tangata whenua with the environment;
- Objective IM-09 – Amenity;
- Policy IM-P3 – Tangata whenua;
- Policy IM-P5 – Maintain and enhance areas of amenity value;
- Objective LF-01 – Mauri and values of fresh water bodies;
- Objective LF-05 – High class soils;
- Policy LF-P11 – High class soils;
- Objective UFD-01 – Built environment;
- Policy UFD-P1 – Planned and co-ordinated subdivision, use and development;
- Policy UFD-P2 – Co-ordinating growth and infrastructure;
- Policy UFD-P4 – Energy demand management;
- Policy UFD-P11 – Adopting Future Proof land use pattern; and
- Policy UFD-P13 – Commercial development in the Future Proof area.

Objectives IM-01 and UFD-01 and policies UFD-P1 and UFD-P2 seek to achieve development outcomes which are planned and coordinated in an integrated manner. Policy UFD-P1 sets out that sufficient information is required to allow assessment of potential long-term effects of subdivision, use and development and refers to new development being undertaken in accordance with development principles which are contained in APP11. UFD-M8 lists the information that is required to support district plan zoning for new urban development. The information requirements are addressed in this Plan Change request. PC58 is consistent overall with the development principles because it will:

- Support an existing urban area (Morrinsville) rather than create a new one;
- Achieve clear delineation between the urban area and the rural area, particularly due to the proposed landscaping buffer at the interface with the Rural Zone;
- Meet an identified need for more industrial land. Intensification and redevelopment alone would not be suitable to meet demand;

- Be adjacent to an existing Industrial Zone, the site will connect well with existing and planned development and infrastructure;
- Be serviced with reticulated water supply and achieve the efficient use of water through storage and re-use requirements;
- Be on a site which does not contain identified mineral resources, high class soils which are capable of use for highly productive purposes, natural hazard areas, energy and transmission corridors, or an identified likely renewable energy generation site;
- Promote compact urban form due to its location adjacent to an existing Industrial Zone;
- Manage effects on existing rural landscape values so that they will be low;
- Enable opportunities for enhancement within future public areas of the site (particularly the proposed stormwater management reserve) using native planting;
- Require low-impact stormwater management measures (such as on-site storage and re-use, a wetland and swales) to be implemented. Future design will take account of projected effects of climate change;
- Manage effects at the industrial/rural interface such that the rezoning will not result in incompatible land uses; and
- Take into account tangata whenua relationships, values and aspirations through the consultation which has occurred and through consideration of the proposal against relevant iwi planning documents.

Rezoning the PC58 site would enable infrastructure for industrial activities to be planned with better certainty in a manner that is consistent with Policy UFD-P2. The ADAP refers to the infrastructure that is required to service the site which will be further addressed through future consenting phases. In relation to Policy UFD-P4, the site's location adjacent to the urban edge of Morrinsville (including existing industrial areas) will result in energy-efficient urban form by minimising transportation costs relative to a more remote location for industrial activities (such as the Morrinsville-Walton Road Industrial Area). Waste will be minimised by requiring water re-use.

Policy UFD-P11 adopts the Future Proof land use pattern. As explained in section 8.5 below, Morrinsville is outside of the sub-regional area which is directly addressed in the Future Proof strategy. To the limited extent that Morrinsville is addressed in Future Proof, the rezoning which is proposed through PC58 is consistent with the strategy. Policy UFD-P13 which refers to maintaining industrially zoned land for industrial activities unless it is ancillary to those industrial activities, while also recognising that specific types of commercial development are appropriately located in industrially zoned land. PC58 gives effect to Policy UFD-P13 through the range of activities which are proposed in the GIZ.

Objective IM-P3 requires the use of natural and physical resources in accordance with tikanga maori, including matauranga maori, and that the role of tangata whenua as kaitiaki, is to be recognised and provided for. Policy IM-P3 requires tangata whenua to be provided appropriate opportunities to contribute to resource management processes. This has occurred through the consultation with Ngati Haua Iwi Trust and Waikato-Tainui and through consideration of the recommendations of the CVA and the relevant iwi planning documents as part of this Plan Change request.

Objective IM-09 seeks to maintain and enhance the qualities and characteristics of areas and features that contribute to amenity. There are no specific features of high amenity value within or surrounding the site of the kind referred to in Policies NFL-P1, NATC-P1 and IM-P5.

Objective LF-05 and Policy LF-P11 recognise the value of high class soils for primary production and seek to protect them from inappropriate subdivision, use or development. The proposed rezoning, and the urban development that it will enable, is not inappropriate because it will meet an identified need for industrial land supply in a location which is well suited to industrial activities. Furthermore, the Versatile Soils Assessment in **Appendix 8** concludes that the productive capacity of the land which comprises the Plan Change site is restricted and the effects of the loss of this land for productive purposes will not be material. There are no reasonably practicable or feasible options to avoid high class soils and achieve the purpose of addressing increasing industrial land supply in Morrinsville to meet demand.

PC58 will therefore give effect to the WRPS. Although the WRPS has not yet been updated to give effect to the NPS-HPL or NPS-FM, the provisions in the WRPS do not conflict with those higher order planning documents. The WRPS is in the process of being updated to reflect the NPS-UD. This is addressed further in section 8.3.2 below.

### 8.3.2. Change 1 to the Operative Waikato Regional Policy Statement

WRC notified Change 1 to the WRPS on 18 October 2022. The purpose of the plan change is to incorporate the requirements of the NPS-UD and to reflect the updated Future Proof strategy. Regard must be had to a proposed regional policy statement when preparing or changing a district plan in accordance with section 74(2)(a)(i) of the RMA.

The amendments recognise the need to strategically plan for growth and development, be responsive and create well-functioning urban environments. Key amendments which are proposed in Change 1 that relate to PC58 include new policies UFD-P18 (Tier 3 local authority areas outside the Future Proof Strategy) and UFD-P19 – (Being responsive to significant unintended and out-of-sequence growth within tier 3 local environments), the associated methods and new APP14 (Responsive Planning Criteria – Out-of-sequence and Unanticipated Developments (Non-Future Proof tier 3 local authorities)).

Policy UFD-P18 addresses the way in which new development in Tier 3 local authority areas (such as Morrinsville) is required to be managed. PC58 is consistent overall with the matters listed in the policy for the following reasons:

- Although the proposed rezoning is not anticipated within a council-approved growth strategy, the rezoning does not result in any outcomes which are inconsistent or incompatible with the Morrinsville Town Strategy (MTS) which is the most recent growth strategy for Morrinsville prepared in 2013 (prior to the NPS-UD and the recent BDCA);
- The Plan Change request will contribute toward sufficient development capacity required to meet expected demand for business land which has been identified in the BDCA and in the Economic Assessment in **Appendix 4**;
- The rezoning will focus new urban industrial development in and around the existing Morrinsville settlement and will prevent a dispersed settlement pattern;
- The site is well-located to be efficiently serviced by infrastructure;
- The proposal is consistent overall with the development principles in APP11 (refer to section 8.3.1 of this Plan Change request);
- There are no constraints to development which cannot be appropriately managed. There will be some loss of high value soil but this is unavoidable in the context of industrial growth in Morrinsville and the effects will immaterial and significantly outweighed by the benefits of the Plan Change;
- The rezoning will enable a variety of site sizes and there will continue to be a variety of locations for industrial development; and
- The good accessibility to existing and proposed industrial areas and the local employment opportunities created by the rezoning will support reductions in greenhouse gas emissions. Appropriate provision will be made for pedestrians and cyclists.

Policy UFD-P19 applies where alternative land release patterns are promoted which are either out-of-sequence or unanticipated by a council-approved growth strategy. The MTS was prepared nearly 10 years ago and does not account for the high growth which has been experienced since then or the requirements to provide at least sufficient development capacity (including competitiveness margins) in the NPS-UD. The findings of the recent BDCA demonstrate that the industrial land supply which is identified in the growth strategy is insufficient.

Because the rezoning which is proposed through PC58 is not anticipated by a council-approved growth strategy, further consideration of Policy UFD-P19 is appropriate. The policy requires that justification shall be provided to demonstrate consistency with the development principles in A11 and that particular regard shall only be had to

the proposed development capacity where the proposal is deemed to be significant having had regard to the criteria in APP14. The assessment which is contained in section 8.3.1 of this Plan Change request confirms that PC58 is consistent overall with the development principles in APP11. In terms of the criteria in APP14, the Plan Change request is considered to be significant for the following reasons:

- The development will make a significant contribution to meeting a shortfall for business floorspace, as identified in the BDCA (and in the Economic Assessment in **Appendix 4**);
- The proposed rezoning will contribute to a well-functioning urban environment;
- The PC58 site will enable good accessibility between jobs, services and housing. Appropriate provision will be made for pedestrians and cyclists;
- The Applicant is committed to delivering the development. Subject to the necessary resource consents being obtained, the rezoning will enable continuation of the Avenue Business Park development once the consented Stage 1 development has been completed;
- The development will not replace a planned land use;
- There are no constraints or adverse effects on human health;
- The site is well-located to be efficiently serviced by infrastructure and will not undermine committed infrastructure investments. Localised infrastructure costs (such as internal roads and three waters connections) will be developer funded and development contributions can be levied to ensure equitable funding of council-provided infrastructure;
- Provisions are proposed as part of the Plan Change request to ensure compatibility between future activities within the GIZ and activities on adjoining sites within the Rural Zone;
- There are limited public transport services in Morrinsville but the location of the site will enable efficient access by pedestrians and cyclists;
- The good accessibility to existing and proposed industrial areas and the local employment opportunities created by the rezoning will support reductions in greenhouse gas emissions;
- There are no constraints which are identified in the district plan, regional plan or WRPS as affecting the site; and
- The development will compliment, rather than adversely affect, the function and vitality of existing urban areas. Rules are proposed to ensure that non-industrial activities are limited to activities which are ancillary to industrial activities, support industrial activities or are compatible with industrial activities.

PC58 is therefore consistent with Change 1 to the WRPS.

## 8.4. Iwi Planning Documents

Any relevant planning document which has been recognised by an iwi authority and lodged with a territorial authority is required to be taken into account in accordance with section 74(2A) of the RMA when preparing or changing a district plan. The planning documents which are relevant to this Plan Change request are the Waikato-Tainui Environmental Plan, Tai Tumu Tai Pari Tai Ao (**WTPEP**) and the Ngati Haua Environmental Management Plan, Te Rautaki Tamata Ao Turoa o Haua (**NHEMP**). The WTPEP also has statutory recognition under the Waikato-Tainui Raupatu Claims (Waikato River) Settlement Act 2010.

### 8.4.1. Waikato-Tainui Environmental Plan (Tai Tumu Tai Pari Tai Ao)

The WTPEP is the environmental management plan document for Waikato-Tainui iwi. The WTPEP is intended as a tool to provide clear high-level guidance on Waikato-Tainui objectives and policies with respect to the environment within the Waikato-Tainui rohe with a focus on restoring the natural environment.

Chapter 6 sets out the required approach for consultation and engagement with Waikato-Tainui. Consultation and engagement has occurred in relation to PC58 with Waikato-Tainui and Ngati Haua Iwi Trust. A key part of the



consultation and engagement process has been the preparation of a CVA which forms part of the Plan Change request.

Chapter 25, which relates to Land Use Planning, is particularly relevant to PC58. It identifies that urban growth provides the opportunity to develop new urban areas based on enhancement principles (as defined in Chapter 7, 'Te Whakapakari i Te Taiao – towards environmental enhancement'). The objectives and policies in Chapter 25 seek to apply development principles that enhance the natural environment and plan development in a way that ensures the environmental, cultural, spiritual, and social outcomes are positive. One method which is identified is the use of structure plans or similar tools for significant land use or development initiatives to ensure that critical environmental and cultural considerations are taken into account. Another method is to require developments to demonstrate how development principles that enhance the environment have been considered and applied, including restoring the capacity of ecosystems, considering how the development design incorporates the diversity and uniqueness of the development location, minimising pollution and waste, energy efficient conservation and use, preserving and preferably enhancing natural hydrologic functions of sites, preserving areas that affect hydrology, managing natural hazards, considering re-use of stormwater and wastewater, considering water conservation and providing for visual amenity consistent with the surrounding environment. Low Impact Development principles are promoted for all urban residential subdivision and development.

The proposal to include the ADAP within the ODP is consistent with methods which are promoted in the WTEP. Although the ADAP is relatively straightforward, this reflects the nature of the Plan Change request. The provisions which are proposed to be included in the ODP through PC58 address many of the recommendations in the CVA, including requirements for water quality treatment (and water re-use), connections to municipal wastewater and water supply networks (which must have suitable capacity), inclusion of cultural narratives and native planting within landscaping in public areas, opportunities for cultural blessings prior to earthworks and implementation of accidental discovery protocols during earthworks. The proposed provisions are consistent with Low Impact Development and other outcomes promoted in the WTEP.

The provisions in PC58, and the consultation which has occurred with Waikato-Tainui, has appropriately taken the WTEP into account.

#### 8.4.2. Ngati Hua Environmental Management Plan (Te Rautaki Tamata Ao Turoa o Hua)

The NHEMP expresses Ngati Hua's values, frustrations, aspirations and position statements in relation to the taiao (environment). It covers a range of topics, including urban development within Ngati Hua's rohe. The 'area of interest' to Ngati Hua which is identified in Section 2 of the NHEMP includes Morrinsville. The CVA which has been prepared by Ngati Hua Iwi Trust confirms that Ngati Hua considers the area of Morrinsville where the project area is located as a waahi taonga area.

Section 9 of the NHEMP relates to sustainable land use and development. The objectives seek an integrated, holistic and collective approach to provide for population growth, without compromising the productive capacity of soils or the life supporting capacity of the environment. They also seek recognition of Ngati Hua values, interests and matauranga in relation to the sustainable development of land. Policy 9B of the NHEMP is to *"Manage the potential effects of rural and urban land use and development within our rohe"*. A range of policy methods are listed, including method 9B.7 which refers to matters that the NHEMP seeks to be addressed as part of land use planning and urban development. Those matters include:

- Recognition and provision for Ngati Hua values;
- Consideration of landscaping that utilises locally sourced native plants;
- Adherence to Low Impact Design and Development principles;
- Encouraging water and energy use efficiency measures;
- Encouraging public transport use and reduced reliance on motor vehicles; and

- Promoting street light design which reduces light pollution and promoting Maori Design Principles. Examples given for Maori Design Principles include celebrating traditional place names, capturing and expressing iwi/hapu narratives creatively and appropriately and acknowledging significant sites and cultural landmarks.

Some of these matters have also been addressed in the recommendations which are contained in the CVA. Section 7.1.9 of this Plan Change request addresses how the recommendations of the CVA can be addressed in relation to PC58.

Chapter 11 sets out a series of objectives and policies related to water. The matters which the policies address include restoring the mauri of freshwater and avoiding further degradation of water quality. The CVA also highlights the importance of water quality to Ngati Haua and includes recommendations which relate to stormwater treatment. The proposed stormwater management objectives and design criteria for PC58 are consistent with these objectives and policies and the proposed development will be required to connect to MPDC's reticulated water supply and wastewater systems.

Chapter 19 relates to cultural heritage. It includes an objective related to identifying, mapping, protecting and where possible restoring sites and areas of cultural significance. Policy 15A seeks to *"manage the potential effects of land disturbance activities (e.g. earthworks) on our cultural heritage"*. Although no specific features of cultural heritage significance have been identified within the PC58 site, the CVA confirms that the entire area has significance to Ngati Haua and recommends that cultural heritage should be protected during land disturbance activities through the implementation of accidental discovery protocols. This is one of the methods that is referred to in the NHEMP. The ADAP text which is proposed to be included in Appendix 9.6 of the ODP requires accidental discovery protocols to be implemented for large-scale earthworks.

Chapter 17 relates to Ngati Haua's role as kaitiaki. One of the objectives relates to Ngati Haua being provided opportunities to be actively involved in resource management processes and decisions. For PC58 this has occurred through the consultation which has been undertaken and through the preparation of a CVA. The recommendations of the CVA have been considered as part of the preparation of this Plan Change request. The consultation which has occurred is consistent with the process set out in Chapter 19 for engaging with Ngati Haua.

The provisions in PC58, and the consultation which has occurred with Ngati Haua, has appropriately taken the NHEMP into account.

## 8.5. Future Proof Strategy

The Future Proof Growth Strategy (**Future Proof**) is a 30-year growth management and implementation plan specific to the Hamilton, Waipa and Waikato sub-region. In situations where it is relevant, it is a plan prepared under another Act which regard must be had to when preparing a district plan in accordance with section 74(2)(b)(i) of the RMA. Future Proof was recently reviewed and an updated strategy was adopted in June 2022.

Although MPDC joined the Future Proof partnership in 2022, Morrinsville is outside of the sub-regional area which is directly addressed in the Future Proof strategy. Morrinsville is recognised in Future Proof as an important adjacent area and neighbouring town (Part A, Section 1, page 12). Also of relevance to this Plan Change are references in Future Proof to strategic industrial growth locations in the sub-region being strongly linked to significant greenfield industrial growth in Morrinsville. The strategy recognises the opportunity to ensure a coordinated approach to growth planning due to the close relationship between the sub-region and Morrinsville (Part A, Section 5, page 33) and identifies the importance of working closely with MPDC on cross-boundary issues in relation to industrial land planning (Part B, Section 8, page 72).

The proposed rezoning will provide for demand for industrial land which has been identified in the BDCA commissioned by MPDC and the Economic Assessment in **Appendix 4**. The proposed rezoning will not raise any

cross-boundary issues with respect to the industrial areas which are identified and planned in Future Proof for the sub-region. Accordingly, it is considered that PC58 is consistent with Future Proof.

## 8.6. Morrinsville Town Strategy

The MTS was prepared in 2013 with a 20-year planning horizon of 2013 to 2033. The status of the MTS is unclear but it is assumed to be a plan prepared under another Act which regard must be had to when preparing a district plan in accordance with section 74(2)(b)(i) of the RMA. This may be able to be confirmed by MPDC.

It is understood from discussions with MPDC staff that the primary purpose of the MTS was to inform the preparation and consideration of Plan Change 47 (**PC47**) to the ODP which involved a review of the zoning and planning rules for each of the District's three main towns (Morrinsville, Matamata and Te Aroha) and the areas around them. PC47 was notified in late-2016 and made fully operative in April 2020.

The MTS recommendations are shown in **Figure 6** below.

With respect to industrial land, the MTS recommended a 'preferred approach' of retaining and expanding the existing Industrial zoned land on the western periphery of the town (i.e. around Avenue Road North) with the expansion occurring onto existing Rural-Residential zoned land along Snell Street. That recommendation was not adopted in PC47. However, the proposed rezoning of the PC58 site does not preclude the land on Snell Street being rezoned in future to meet longer term demand provided the effects of the rezoning could be suitably addressed (including potential reverse sensitivity effects between industrial and residential areas).

Another relevant recommendation in the MTS was a future western road link to connect Morrinsville-Tahuna Road with SH26. The proposed ADAP identifies a road through the PC58 site which could form part of a road link between Morrinsville-Tahuna Road and State Highway 26, should it be required. PC58 could therefore assist in achieving the future road linkage.

Although the MTS did not envisage rezoning of the PC58 site, the Plan Change request does not preclude the recommended outcomes from being implemented should they be required in future. Nevertheless, it is considered that little weight should be placed on the MTS. That is because:

- The MTS was prepared nearly 10 years ago and does not account for the high growth which has been experienced since then. Many of the underlying assumptions are likely to be out of date;
- The MTS pre-dates the NPS-UD and does not account for the requirements to provide sufficient development capacity (including competitiveness margins);
- The findings of the recent BDCA demonstrate that planned industrial land supply in Morrinsville is insufficient;
- PC47, which was the RMA process that implemented the MTS, has been completed. The findings of the MTS were implemented through the ODP to the extent deemed necessary at the time that PC47 was notified and considered;
- It is understood that no effort has been made toward feasibility analysis for the potential road link between Morrinsville-Tahuna Road and SH26; and
- The evidence base and consultation process associated with the MTS is unknown (as is whether it was a plan prepared under another Act). However, it is likely that it would have been informed by considerably less technical analysis than PC58.

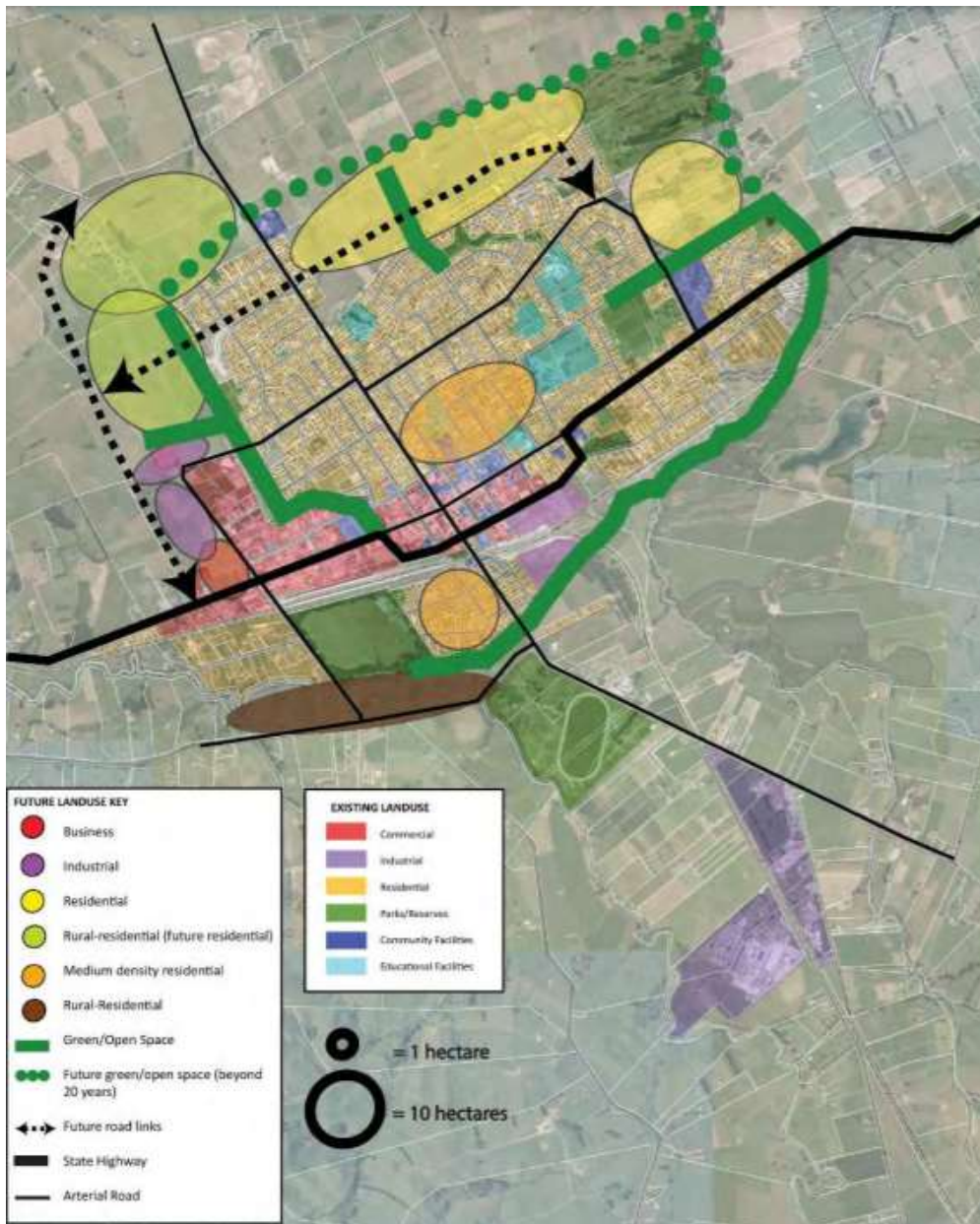


Figure 6: Morrinsville Town Strategy Preferred Development Options

## 8.7. Operative Matamata-Piako District Plan Strategic Framework

This section of the planning report considers key strategic growth objectives and policies within Chapter 2 (Sustainable management strategy) and Chapter 3 (Environment) of the ODP.

### 8.7.1. Chapter 2 Sustainable Management Strategy Objectives and Policies

Objective O1 in Chapter 2.4.2 is *“to manage activities in a manner that gives certainty to the public as to the potential location and effects of activities”*. Objective O3 in Chapter 2.4.2 is *“to recognise that the rural environment is primarily a place for rural production activities while also providing for a variety of other activities, including rural lifestyle, intensive farming, rural based industry and significant infrastructure networks and sites, which are dependent on a rural location”*. Objective O1 in Chapter 2.4.5 relates to industry and is *“to enable the orderly and coherent development of processing and extractive industry in a manner that promotes the sustainable management of natural and physical resources”*. These objectives, and the associated policies,

support an approach of accommodating industrial activities on land which is zoned specifically for that purpose, which is the approach that is proposed to be taken for PC58.

Chapter 2.4.6 relates to integrating land-use and infrastructure. Objective O1 requires the need for the provision of infrastructure and subdivision, land-use and development to be co-ordinated to be recognised. The associated policies seek that rezoning and new development shall take place where there is sufficient capacity in the infrastructure networks to cope with additional demand, or where the existing networks can be upgraded cost-effectively to meet that demand. The policies seek to avoid development where those outcomes cannot be achieved and where adverse effects on the functioning of infrastructure networks would arise. They also recognise the role of sustainable design technologies in reducing pressures on infrastructure networks. The Infrastructure Assessment in **Appendix 5** addresses the infrastructure upgrades which will be required to enable urban development of the site. The location of the site adjacent to existing Industrial zoned land will enable it to be effectively and efficiently serviced.

### 8.7.2. Chapter 3 Environment Objectives and Policies

Chapter 3.1 of the ODP contains numerous objectives and policies related to the natural environment and heritage, natural hazards, land and development, subdivision, amenity, surface of water, works and network utilities, transportation and development contributions. The following comments are made on the provisions which are most relevant to PC58:

- There will be effects on rural landscape character but the site is in a location where existing and future industrial activities are already anticipated nearby due to the Industrial zoning of adjoining land. Planting of landscape buffers and stormwater management areas will manage interface effects and enable environmental enhancement. There is no existing vegetation or known significant heritage features on the site which will be affected. PC58 will therefore not be contrary to the objectives and policies related to the Natural environment and heritage (Chapter 3.1.2);
- The site does not contain any significant natural hazards. To the extent that any hazards might exist on the site, they will be capable of being addressed as part of future subdivision and development of the site. PC58 will therefore not be contrary to the objectives and policies related to Natural hazards (Chapter 3.2.2);
- Although the site contains high quality soils, the use of the site for productive rural purposes is restricted and the loss of these soils for rural activities due to the proposed rezoning for urban development will not have any material effects. PC58 will therefore not be contrary to the objectives and policies related to Land and development (Chapter 3.3.2);
- The proposed PC58 provisions will enable outcomes which are consistent with the objectives and policies related to Subdivision (Chapter 3.4.2);
- The objectives and policies related to Amenity address a broad range of matters, including maintaining and enhancing a high standard of amenity in the built environment, minimising adverse effects created by building scale and dominance, developing the urban character of Morrinsville, requiring subdivision, use and development that is not predominantly related to productive rural activities to be predominantly in urban areas, managing nuisance effects and minimising the effects of signage on the character of surrounding areas. The proposed rezoning and PC58 provisions, including the additional objectives and policies for the GIZ, will contribute towards achieving the Amenity related objectives and policies (Chapter 3.5.2);
- The Works and network utilities objectives and policies seek to enable works and network utilities to be provided in a manner which manages the adverse effects of those activities and seek an integrated and coordinated approach to planning of development and works and network utilities. MPDC is obligated to plan and fund infrastructure which is required to meet demand for industrial land within the medium-term and long-term under the NPS-UD and the ADAP identifies the infrastructure upgrades that will be required for development of the Plan Change site. The proposed rezoning of the site will enable MPDC to plan for upgrades to infrastructure networks with better certainty. The proposed PC58 provisions are therefore consistent with the objectives and policies related to Subdivision (Chapter 3.7.2);

- The Transportation objectives and policies seek to maintain a safe, efficient, integrated and environmentally sustainable transport network and to avoid, remedy or mitigate the adverse effects of transportation. The Transportation objectives and policies (Chapter 3.8.2) are appropriate for managing future development of the PC58 site and the proposed rezoning and provisions are not contrary with them; and
- The Development contributions objectives and policies (Chapter 3.9.2) reflect the importance of public infrastructure and the need for a fair and equitable approach to the provision of infrastructure services. Development contributions are currently collected by MPDC for development throughout the District. It is anticipated that development contributions will also be payable for development within the PC58 site so that fair contributions are made towards the provision of infrastructure which is required to service development.

## 9. Notification

### 9.1. Limited Notification under Clause 5A, First Schedule

Plan Changes are subject to a notification process, as set out in Schedule 1 of the RMA. Clause 5A of Schedule 1, enables private plan changes to be subject to limited notification. The test for limited notification (as set out in Clause 5A(2)) is that the local authority may limited notify a private plan change but only if it is able to identify all the persons directly affected by the proposed change. Clause 5A(8) lists other persons and bodies who must be notified.

In this case the test of identifying persons directly affected by PC58 can be met because it is a site-specific rezoning. There are no wider implications or impacts on the ODP, aside from potential implications for Calcutta Farms Ltd as the proponent for PC57. It would be appropriate to consider Calcutta Farms Ltd as an affected person to ensure the company has an opportunity to submit on PC58 and to ensure suitable integration of the GIZ across both the PC57 and PC58 sites under the ODP.

The assessment in Section 7 addresses economic effects, infrastructure effects, traffic effects, geotechnical effects, effects on soil resources, soil contamination effects, landscape and visual effects, noise effects, cultural effects and ecological effects. Of these matters, there is the potential for adjoining and adjacent landowners and occupiers to be affected by landscape and visual and noise effects. Assessments of potentially affected landowners are made in the Landscape and Visual Assessment (**Appendix 10**) and in the Acoustic Assessment (**Appendix 11**). Some adjoining and adjacent landowners might also be affected by traffic from the Plan Change site, although the ITA (**Appendix 6**) finds that the Plan Change is expected to have less than minor adverse traffic effects. The requirement for suitable infrastructure to be designed, installed and available to enable development will be ensured through future consenting processes so there will be no adverse effects on adjoining and adjacent landowners and occupiers.

### 9.2. Overall Conclusion on Notification

On the basis of the assessment above, the affected persons and bodies who should be notified for PC58 are identified in **Table 3** and **Figure 7** below.

**Table 3:** Affected Persons and Bodies

Affected Persons and Bodies	Reasons
Adjoining and adjacent landowners and occupiers, including: <ul style="list-style-type: none"> <li>• 2469, 2559, 2561, 2579, 2587, 2593B, 2597A, 2603, 2613 State Highway 26.</li> <li>• 85, 89, 91, 101, 171 and 173 Avenue Road North.</li> </ul>	Landscape and visual, noise, traffic and other potential effects due to proximity to proposed General Industrial Zone.

<ul style="list-style-type: none"> <li>• 100 Snell Street.</li> <li>• Hangawera Road – Lot 1 DP 437181.</li> </ul>	
Waka Kotahi.	Government agency with responsibilities for integrated land transport and road controlling authority for SH26.
Calcutta Farms Ltd.	Applicant for PC57.
Ngati Haua Iwi Trust.	As required by Clause 5A(8) of the RMA.
Waikato-Tainui.	As required by Clause 5A(8) of the RMA.
Minister for the Environment.	As required by Clause 5A(8) of the RMA.
Waikato Regional Council and adjacent local authorities.	As required by Clause 5A(8) of the RMA.



Figure 7: Map of Affected Persons

## 10. Conclusion

This Plan Change request has outlined and assessed the proposal by Warwick and Marion Steffert to change the ODP by rezoning 13.4ha of land at 2581 SH26, Morrinsville, from Rural to GIZ and by introducing new and amended provisions related to the GIZ, including a new ADAP. The format and content of the proposed amendments is consistent with the requirements of the National Planning Standards.

The Plan Change request will help to address the shortfall of industrial land supply in Morrinsville which has been identified in both the BDCA prepared by Market Economics on behalf of MPDC and in the Economic Assessment prepared by Nera Consulting as part of this Plan Change request. The BDCA considers that the shortfall of industrial land is a key issue for the district. Without the additional industrial land supply proposed through this Plan Change request, the predicted industrial land supply shortfalls in Morrinsville in 'high ratio' scenarios are 1ha

in the short-term to 2024 (Nera Consulting), between 4.9ha in (Market Economics) and 16.5ha (Nera Consulting) in the medium-term to 2031 and between 26.7ha and 38.3ha in the long-term to 2054. The differences are due to variations in the assessments of the total vacant supply of industrial land. Market Economics estimates the available industrial land supply in Morrinsville is 23.5ha whereas the Economic Assessment by Nera Consulting estimates it is approximately 12ha.

The assessment in this Plan Change request, including the numerous technical reports which are attached as appendices, confirms that the site is well suited for industrial development. The site directly adjoins existing Industrial zoned land, including Stage 1 of the consented Avenue Business Park development which is currently under construction. The Plan Change site is planned to form Stage 2 of the Avenue Business Park development and can be effectively integrated with Stage 1. The location of the site adjacent to an existing industrial area will enable clustering of businesses, which will have productivity benefits. The assessments have confirmed that the environmental effects associated with urban development can be avoided, remedied and mitigated, although infrastructure upgrades will be required to enable development of the site to be appropriately serviced.

Consultation has occurred with adjoining landowners, mana whenua, Waka Kotahi and WRC. The feedback which has been received has been addressed in this Plan Change request. The notification assessment in Section 9 identifies the persons and bodies who are potentially affected by the Plan Change request and concludes that the site-specific nature of the proposed rezoning means that limited notification of PC58 would be appropriate, in accordance with Clause 5A of Schedule 1 of the RMA.

The assessment contained in this Plan Change request confirms that the rezoning and proposed provisions give effect to higher order planning documents and are appropriate in terms of section 32 of the RMA. In turn, PC58 will be consistent with the purpose and principles of the RMA.



# Appendix 1

## Proposed Amendments to Operative Matamata-Piako District Plan Provisions

# Appendix 2

## Section 32 Evaluation

# Appendix 3

## Concept Plan

# Appendix 4

Economic Assessment (Nera Consulting)

# Appendix 5

## Infrastructure Assessment (Tektus)

# Appendix 6

Integrated Transport Assessment (Direction Traffic Design)

# Appendix 7

## Geotechnical Assessment (HD Geo)

# Appendix 8

Versatile Soils Assessment (AgFirst)



# Appendix 9

Preliminary Site Investigation (HD Geo)

# Appendix 10

Landscape and Visual Assessment (Boffa Miskell)

# Appendix 11

Acoustic Assessment (Marshall Day)

# Appendix 12

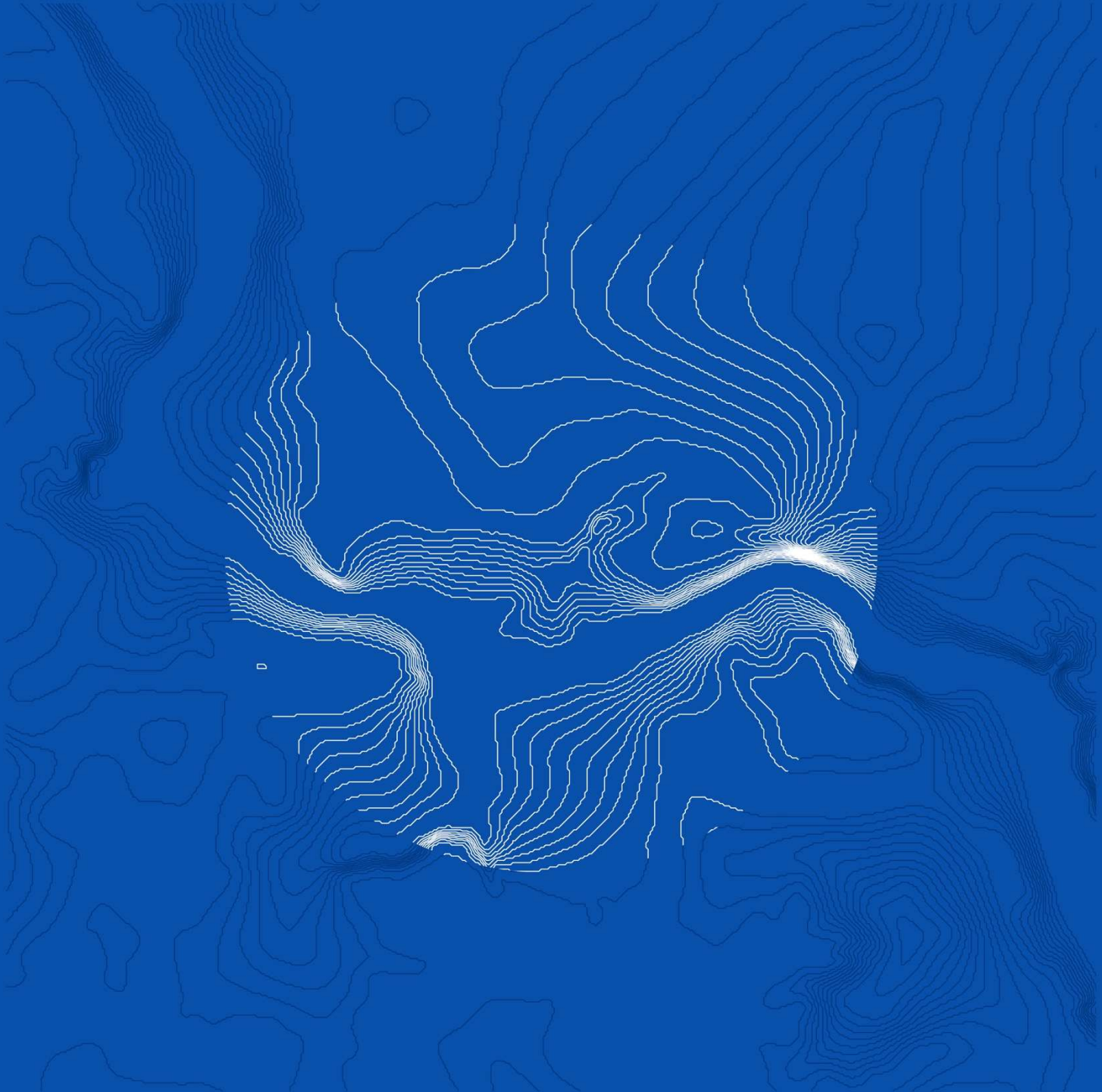
Cultural Values Assessment (Ngati Haua Iwi Trust)

# Appendix 13

## Consultation Records

# Appendix 14

## Records of Title



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