



te kaunihera ā-rohe o  
**matamata-piako**  
district council



# **Matamata-Piako District Plan**

## **Proposed Private Plan Change 58**

### **Avenues Business Park, Morrinsville – Proposed General Industrial Zone**

## **Section 42A Hearing Report**

### **Report on Submissions and Further Submissions**

7 February 2024

Ref: s42A Report PC 58 – 109.2023.58

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## Glossary of Common Terms

<b>Applicant (Plan Proponent)</b>	Warwick and Marion Steffert
<b>BDCA</b>	Business Development Capacity and Demand Assessment 2023 Update (16 October 2023)
<b>DAP</b>	Development Area Plan
<b>District Plan</b>	Operative Matamata-Piako District Plan
<b>GIZ Zone</b>	Proposed General Industrial Zone
<b>HGMPA</b>	Hauraki Gulf Marine Park Act 2000
<b>MPDC</b>	Matamata-Piako District Council
<b>NPS-HPL</b>	National Policy Statement for Highly Productive Land
<b>NPS-UD</b>	National Policy Statement on Urban Development 2020
<b>PC 58</b>	Private Plan Change 58
<b>RMA</b>	Resource Management Act 1991
<b>Waikato RPS</b>	Waikato Regional Policy Statement 2016
<b>WRC</b>	Waikato Regional Council

## EXECUTIVE SUMMARY

1. Private Plan Change 58 (PC 58) has been lodged with MPDC and proposes a new industrial area in Morrinsville supported by a proposed General Industrial Zone (GIZ Zone). The proposed industrial area is approximately 13.4ha and is located between Avenue Road North and SH26, on the western side of Morrinsville.
2. The Applicant has presented a series of technical reports to help inform and support the assessment of the plan change request and has also engaged with adjacent neighbours, statutory bodies and mana whenua.
3. The plan change request was publicly notified with 14 submissions and one further submission received. The majority of submissions support or support in part the plan change request on the basis that it will provide positive economic and community benefits. Other submissions raise concerns regarding offsite effects such as noise, traffic, and visual effects and are seeking additional mitigation measures and certainty on how these effects can be mitigated.
4. The plan change process is subject to the provisions of the Resource Management Act 1991 (RMA) with the private plan change process largely subject to the same statutory tests and framework as a council initiated plan change process.
5. The National Policy Statement for Highly Productive Land (NPS-HPL) and National Policy Statement of Urban Development (NPS-UD) provide important direction and key criteria for the assessment of the plan change request. These matters have also been raised in a submission from the Waikato Regional Council.
6. MPDC has recently adopted the latest version of its Business Development Capacity and Demand Assessment (BDCA) which will help MPDC to ensure it has sufficient development capacity in accordance with the provisions of the NPS-UD. The BDCA does not identify a shortfall of industrial land over the medium term (1 – 10 years) for Morrinsville (4.6ha surplus) or for the district as a whole (3.2ha surplus)<sup>1</sup>. A shortfall is however identified over the long term, both for Morrinsville and for the district as a whole.
7. The Applicant has provided a detailed land supply and capacity analysis specific to the Morrinsville area including industrial land sales for the Applicant's Stage 1 and 2 industrial development that adjoins the plan change site. This has identified less existing capacity and a higher demand for industrial land in Morrinsville with an assessed shortfall over the medium term of between -13.0ha and -19.5ha<sup>2</sup>.

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<sup>1</sup> These land supply surpluses are based on a high ratio (employee/industrial area) and do not include a competitive margin.

<sup>2</sup> These figures adopt the same projections scenarios as per the BDCA figures above. The Applicant has also provided some further revisions of the land supply assessment in their memo of 2 February 2024.

8. MPDC has commissioned an independent economic review of the material prepared by the Applicant and this has also included a part review of the BDCA findings. The peer review identifies reservations with some of the methodology and assumptions adopted by the Applicant to assess land supply. However, the independent review supports the overall conclusion that a shortfall in land supply is likely to occur over the medium term and that the plan change will satisfy this otherwise unmet demand.
9. Detailed assessment of the land use capability of the plan change site has been provided by the Applicant which shows that it is defined as highly productive land. In my opinion, the location and size of the proposed industrial area is appropriate and will help to achieve a well-functioning urban environment. On this basis, I consider that the loss of productive land is acceptable and that the plan change request satisfies the criteria for rezoning as set out in the NPS-HPL.
10. To help inform this planning report, MPDC has also commissioned independent reviews for transportation and noise effects and has also completed a comprehensive assessment of infrastructure capacity and serving requirements for any future industrial development. These reviews provide advice and assessment that supports the plan change request subject to various matters being clarified and resolved in terms of the final mitigation methods and rule provisions. These include the rule methods for mitigation and management of visual and noise effects across the proposed industrial/rural interface and infrastructure standards associated with firefighting standards and an off-site wastewater pump station.
11. Overall, I also consider that there are no substantive issues in terms of environmental, infrastructure, or cultural effects, which would prevent the plan change request from being granted.
12. In my opinion, the plan change request provides for industrial land supply at an appropriate scale and location for Morrinsville with the off-site effects capable of being managed and mitigated through appropriate rules and consenting processes.
13. I support the plan change request and look to the evidence exchange and hearings process to provide an opportunity to resolve and clarify the outstanding matters identified in this report.

## 1 REPORT STATUS

14. This report is a s.42A Planning Report prepared under the Resource Management Act 1991 (RMA). It provides an independent assessment and recommendations on the private plan change request and the submissions and further submissions.
15. This report does not represent any decision on the application. It provides the professional assessment and opinion of the report author as an expert witness. This report will be considered by the Hearing Commissioners in conjunction with all other technical evidence and submissions/further submissions which have been received to the application. The weighting given to this report and all other technical evidence and submissions will be considered and determined by the Hearing Commissioners through the hearings process.

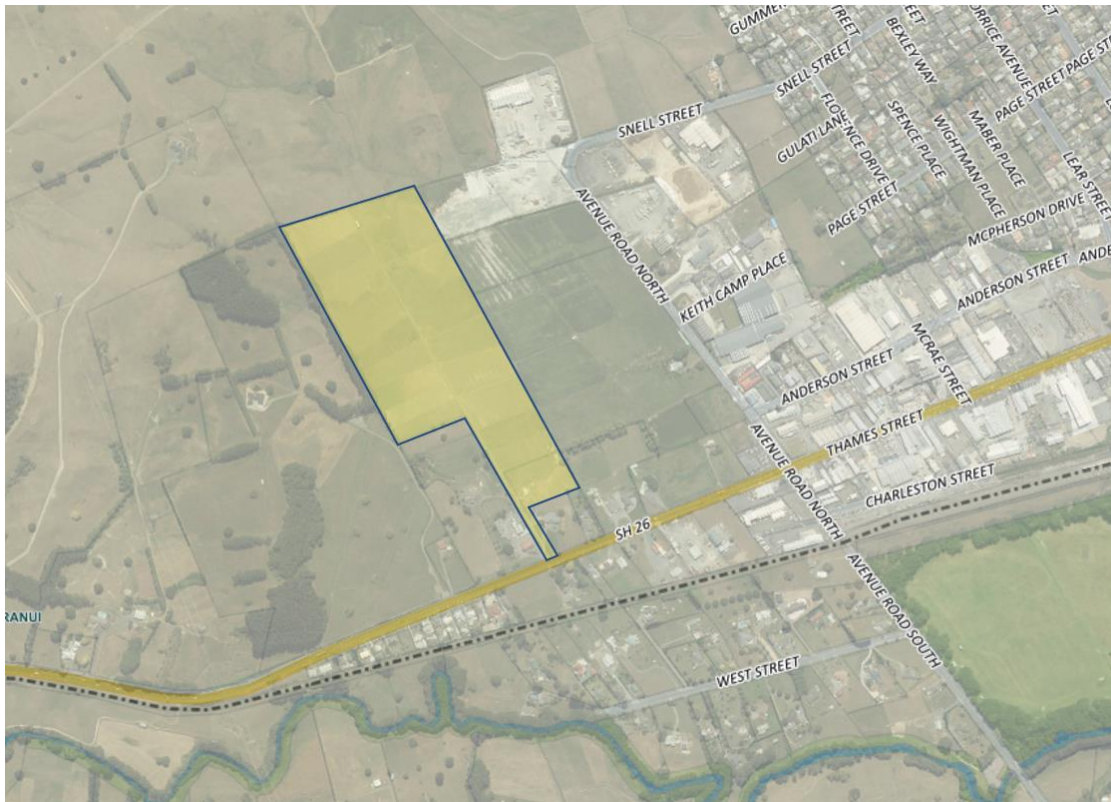
## 2 REPORTING AUTHOR AND TECHNICAL REVIEWS

16. This report has been prepared by Todd Whittaker. I am an independent planning consultant and Director of Planning Works Limited. I have a Bachelor of Resource and Environmental Planning from Massey University, 1994 and I am a full member of New Zealand Planning Institute (NZPI). I have 30 years of professional experience in the resource management field and have served two terms as a board member of the NZPI. I have had substantial experience in the assessment and determination of consent applications and have presented expert planning evidence to a multitude of commissioner hearings as well as statements of evidence for the Environment Court, High Court and Boards of Enquiry.
17. Although these proceedings are not before the Environment Court, I have read the Code of Conduct for Expert Witnesses in the Environment Court Practice Note (2023), and I agree to comply with it as if these proceedings were before the Court. My qualifications as an expert are set out above. This evidence is within my area of expertise, except where I state that I am relying upon the specified evidence of another person. I have not omitted to consider material facts known to me that might alter or detract from the opinions expressed.
18. This report takes into account and has been informed by the expert advice and reporting relating to noise, transport, three-waters and economic/land supply analysis. Copies of the advice received by MPDC are attached to this report as Appendices:
  - Appendix 2 – Neil Savory (Noise)
  - Appendix 3 – Naomi McMinn (Transportation)
  - Appendix 4 – Santha Agas (Three-Waters);
  - Appendix 6 – Fraser Colegrave (Economic and Land Supply)

### 3 OVERVIEW OF PLAN CHANGE REQUEST

#### 3.1 Private Plan Change 58

19. Private Plan Change 58 to the District Plan (PC58) has been lodged with Matamata-Piako District Council to request the rezoning of an area of land located between Avenue Road North and SH26 in Morrinsville. More specifically, the plan change seeks to rezone approximately 13.4ha of land which is currently zoned Rural in the District Plan, to General Industrial Zone (GIZ Zone) with a supporting Development Area Plan (DAP). The Plan Change Area is shown in **Figure 1** below:

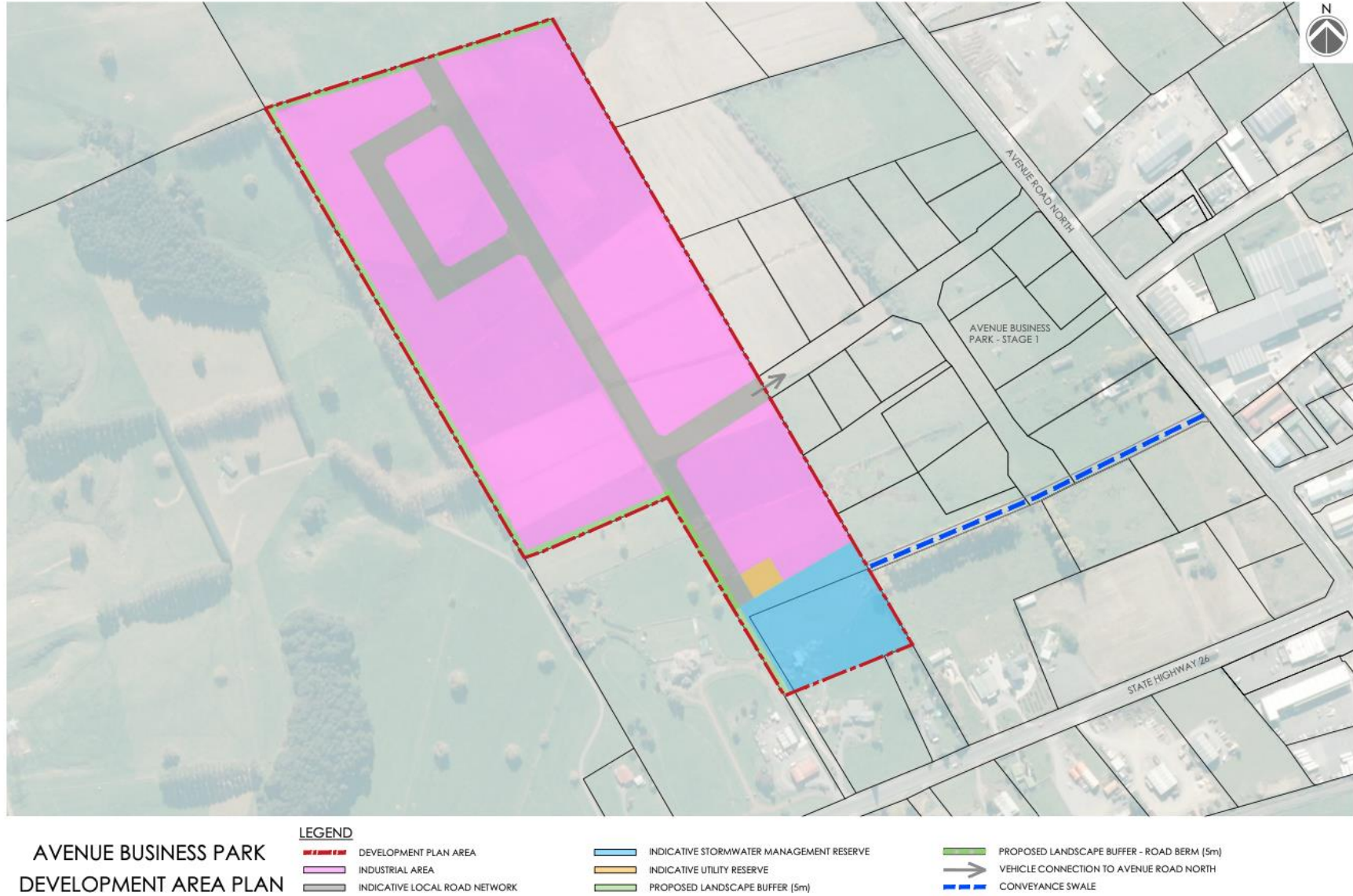


**Figure 1: Original Plan Change Area<sup>3</sup>**

20. The proposed General Industrial Zone (GIZ Zone) is similar to the existing Industrial Zone within the District Plan and is proposed to apply to the whole site, including land proposed to be set aside for reserves and roads. The new GIZ Zone provisions have been prepared to reflect the plan structure and planning standards, which have been mandated through the National Planning Standards.
21. The plan change request proposes a Development Area Plan (DAP) over the new GIZ Zone area as shown in **Figure 2** over page.

<sup>3</sup> The original area includes a connection to SH26 which has been revised and removed as part of the plan change and submissions process. The base aerial image in Figure 1 does not show industrial development which is currently under construction immediately east of the site.





**Figure 2: Proposed Development Area Plan.**



22. In general terms, the proposed GIZ Zone provisions include;
- A statement of Issues,
  - A set of objectives and policies which promote industrial activities while managing environmental effects,
  - Activity lists and associated activity status rules and assessment criteria,
  - Performance standards to frame and define the scale and nature of land use and subdivision activities, and
  - Specific infrastructure provisions through a DAP rule mechanism.
23. PC 58 also provides for linkage rules and consequential amendments to the other sections of the District Plan including new definitions, which will be specific to the General Industrial Zone.
24. The DAP provides for:
- Road connection to Avenue Road North through an existing industrial area which is currently under construction,
  - A north/south road corridor with connection to the north,
  - Dedicated stormwater management and utility reserves, and
  - Landscaping buffer to the western and northern boundary.
25. In support of PC 58, the Applicant has provided the following reports and assessment;
- An original plan change request including proposed amendments to the District Plan and a S.32 evaluation of the proposed plan amendments,
  - A comprehensive set of technical reports to support the plan change including economic/land supply analysis, infrastructure assessment, transportation, geotechnical, versatile soils, site contamination, landscape and visual, acoustic, and cultural values,
  - A S.92 Response dated 1 May 2023 in relation to various matters raised by Council with amendments to the plan change request for notification, and
  - An Addendum to the plan change request following engagement with submitters and in response to technical review assessments on land supply/demand and the impacts on highly productive land.
26. The Applicant has also undertaken the following consultation and engagement;
- Pre-application engagement with Council to discuss the project, scope of technical reporting proposed and matters to be addressed,
  - Engagement with adjacent landowners through the preparation of the plan change request and further engagement with submitters post notification,
  - Engagement with stakeholders including, Waka Kotahi, Waikato Regional Council and the proponents of the Calcutta Plan Change, and
  - Engagement with Ngāti Hauā Iwi Trust as mana whenua, which led to the preparation of a Cultural Values assessment.

### 3.2 Site Description and Property Details

27. The existing property is currently used as a small drystock beef farm and mostly comprises Land Use Class (LUC) 2 land (approximately 13.1ha), with a small area of LUC 4 land (0.3ha). The land site comprises a flat area to the south (of approximately 8.8ha) and a sloping area to the north (of approximately 4.6ha).
28. A dwelling is located on the underlying property title with access from SH26. The plan change request does not extend across the existing dwelling and curtilage.
29. 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.
30. Immediately to the east of the site is land, which is industrially zoned. This is currently under development and subdivision with the design providing for roading and servicing links into the plan change site. Warwick and Marion Steffert as proponents of PC 58 are also carrying out this Stage 1 and 2 development. Northeast of the site are industrial activities including a large yard for Bowers Concrete.
31. The properties to the north and west of the site comprise rural land use including rural dwellings. These are further discussed in **Section 6.3** of this report.
32. The plan change site covers two land parcels with the following details:

Legal Description	Title Reference	Area	Ownership
Lot 2 DPS 78100	SA62A/392	12.65 ha	Warwick and Marion Steffert
Lot 1 DPS 78100	SA62A/391	1.61 ha	Warwick and Marion Steffert

33. Both Lot 1 and Lot 2 DPS 78100 are subject to various easements and also a Gazette Notice declaring SH26 a limited access road.

### **3.3 Council decision to Accept Plan Change for Processing and Notification.**

34. Following the lodgement of the PC 58, Council resolved to accept the plan change request for processing in accordance with Clause 25(2)(b) of Part 2 of Schedule 1 of the Resource Management Act 1991.
35. The plan change request was subsequently publicly notified for submissions in June 2023 with submissions closing on 17 July 2023. A *Summary of Submissions* was prepared and notified on 17 August 2023 for further submission.

### **3.4 Private Plan Change 57 – Calcutta Plan Change.**

36. It is relevant to provide some context and background to the current plan change request in relation to a separate plan change request currently before MPDC. Private Plan Change 57 (Calcutta Plan Change) is also seeking to provide additional industrial land in the district with approximately 41ha of land in Matamata proposed to be rezoned to industrial. The Calcutta Plan Change was lodged and notified prior to PC 58.
37. It was initially proposed to have PC 58 and the Calcutta Plan Change heard and determined at the same time through 'back-to-back' hearings given that there are some common elements between the respective plan changes. These include the introduction of a new GIZ Zone and assessment of industrial land supply/demand across the district.
38. The proponent of the Calcutta Plan Change has sought a deferral of the Calcutta hearing, which has been granted by MPDC. No new hearing date has been set at this stage.
39. The proposed GIZ Zone provisions have evolved through both the PC 58 and the Calcutta Plan Change process and the proponent of the Calcutta Plan Change is also a submitter to PC 58.
40. The Hearing Commissioners are not required to give any further consideration to the Calcutta Plan Change at this stage. As some of the application material and submissions refer back to the Calcutta Plan Change, it is however appropriate for the Hearing Commissioners to have some understanding of the context and relationship between the two plan changes.

## 4 SUBMISSIONS AND FURTHER SUBMISSION

41. Through the public notification process, 14 submissions, including one late submission, were received. A *Summary of Submission* report was prepared as part of the processing of the plan change and this is provided as **Appendix 1**.
42. As an overview, 11 of the submissions support or support in part the plan change request. Five of these submissions support the plan change outright. The remaining six supporting submissions address various matters such as traffic, noise, bulk and location standards and the proposed rule provisions and seek the plan change be accepted subject to amendments to address the matters raised in submissions.
43. Two submissions are neutral or do not state a position on the outcome of the plan change request while at the same time identifying additional matters for consideration. The Waikato Regional Council (Sub#1) refers to national and regional planning instruments and Calcutta Farms Limited (Sub#5) seek engagement and input into the final GIZ Zone provisions given its plan change request for industrial land in Matamata.
44. One submission has been made in opposition – Hexter (Sub#13), however this also identifies various matters which if resolved may enable the submitter to support the plan change. Hexter has also lodged a further submission, that discusses similar matters to those raised in the original submission. These include landscape and visual effects on adjacent properties, noise, traffic, servicing and further development options.
45. The submissions and further submission are assessed, discussed and addressed in **Sections 6 and 7** of this report.
46. The late submission was received from Andrew Baker (Sub#14). This generally supports the plan change request subject to measures to improve the safety of SH26. The Hearing Commissioners will need to determine whether this submission should be accepted. I do not have any objection to the submission being accepted, as this has not had any impact on the plan change process. The Applicant may also wish to address the Hearing Commissioners on whether they have any objection to the late submission being accepted.

## 5 STATUTORY PROVISIONS

### 5.1 Introduction

47. The relevant provisions of the Resource Management Act 1991 (RMA) in relation to District Plans and the plan change process are set out in the following sections.

### 5.2 Purpose of District Plan

48. The purpose of district plans as set out in Section 72 is to assist territorial authorities to carry out their functions, in order to achieve the purpose of the Act. Section 72 states:

*72 Purpose of district plans*

*The purpose of the preparation, implementation, and administration of district plans is to assist territorial authorities to carry out their functions in order to achieve the purpose of this Act.*

### 5.3 Preparation/change of district plans

49. Section 73 requires a territorial authority to have a district plan in place at all times, and provides authority to the Council to change its district plan in accordance with the provisions in Schedule 1 of the RMA<sup>4</sup>, and requires the Council to change its district plan to give effect to an operative regional policy statement. The Schedule 1 provisions also provide for plan change requests.

50. Section 73 of the RMA states:

*73 Preparation and change of district plans*

*(1) There shall at all times be 1 district plan for each district prepared by the territorial authority in the manner set out in Schedule 1.*

*(1A) A district plan may be changed by a territorial authority in the manner set out in Schedule 1.*

*(1B) A territorial authority given a direction under section 25A(2) must prepare a change to its district plan in a way that implements the direction.*

*(2) Any person may request a territorial authority to change a district plan, and the plan may be changed in the manner set out in Part 2 or 5 of Schedule 1..*

*(4) A local authority must amend a proposed district plan or district plan to give effect to a regional policy statement, if—*

*(a) the statement contains a provision to which the plan does not give effect; and*

*(b) one of the following occurs:*

*(i) the statement is reviewed under section 79 and not changed or replaced; or*

*(ii) the statement is reviewed under section 79 and is changed or replaced and the change or replacement becomes operative; or*

*(iii) the statement is changed or varied and becomes operative.*

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<sup>4</sup> Schedule 1 RMA sets out the procedural requirements for the Plan Change process including time limits, consultation, submissions, hearings, notification of decisions, and appeals.

## 5.4 Matters to be considered

51. Section 74 sets out the matters to be considered when changing district plans.

- 74 *Matters to be considered by territorial authority*
- (1) *A territorial authority must prepare and change its district plan in accordance with—*
- (a) *its functions under section 31; and*
  - (b) *the provisions of Part 2; and*
  - (c) *a direction given under section 25A(2); and*
  - (d) *its obligation (if any) to prepare an evaluation report in accordance with section 32; and*
  - (e) *its obligation to have particular regard to an evaluation report prepared in accordance with section 32; and*
  - (f) *a national policy statement, a New Zealand coastal policy statement, and a national planning standard; and*
  - (g) *any regulations*
- (2) *In addition to the requirements of section 75(3) and (4), when preparing or changing a district plan, a territorial authority shall have regard to—*
- (a) *any—*
    - (i) *proposed regional policy statement; or*
    - (ii) *proposed regional plan of its region in regard to any matter of regional significance or for which the regional council has primary responsibility under Part 4; and*
  - (b) *any—*
    - (i) *management plans and strategies prepared under other Acts; and*
    - (ii) *[Repealed]*
    - (iia) *relevant entry on the New Zealand Heritage List/Rārangī Kōrero required by the Heritage New Zealand Pouhere Taonga Act 2014; and*
    - (iii) *regulations relating to ensuring sustainability, or the conservation, management, or sustainability of fisheries resources (including regulations or bylaws relating to taiapure, mahinga mataitai, or other non-commercial Maori customary fishing), and*
    - (iv) *relevant project area and project objectives (as those terms are defined in section 9 of the Urban Development Act 2020), if section 98 of that Act applies,—*  
*to the extent that their content has a bearing on resource management issues of the district; and*
  - (c) *the extent to which the district plan needs to be consistent with the plans or proposed plans of adjacent territorial authorities.*
- (2A) *A territorial authority, when preparing or changing a district plan, must take into account any relevant planning document recognised by an iwi authority and lodged with the territorial authority, to the extent that its content has a bearing on the resource management issues of the district*
- (3) *In preparing or changing any district plan, a territorial authority must not have regard to trade competition or the effects of trade competition.*



## 5.5 District Plan Content

52. Section 75 states the contents of district plans, and the planning instruments that a district plan must give effect to, and that it must not be inconsistent with.

- 75 *Contents of district plans*
- (1) *A district plan must state—*
- (a) *the objectives for the district; and*
  - (b) *the policies to implement the objectives; and*
  - (c) *the rules (if any) to implement the policies.*
- (2) *A district plan may state—*
- (a) *the significant resource management issues for the district; and*
  - (b) *the methods, other than rules, for implementing the policies for the district; and*
  - (c) *the principal reasons for adopting the policies and methods; and*
  - (d) *the environmental results expected from the policies and methods; and*
  - (e) *the procedures for monitoring the efficiency and effectiveness of the policies and methods; and*
  - (f) *the processes for dealing with issues that cross territorial authority boundaries; and*
  - (g) *the information to be included with an application for a resource consent; and*
  - (h) *any other information required for the purpose of the territorial authority's functions, powers, and duties under this Act.*
- (3) *A district plan must give effect to—*
- (a) *any national policy statement*
  - (b) *any New Zealand coastal policy statement*
  - (ba) *a national planning standard; and*
  - (c) *any regional policy statement.*
- (4) *A district plan must not be inconsistent with—*
- (a) *a water conservation order; or*
  - (b) *a regional plan for any matter specified in section 30(1).*
- (5) *A district plan may incorporate material by reference under Part 3 of Schedule 1.*

## 5.6 District Rules

53. Section 76 allows rules to be included in a district plan, to enable the Council to carry out its functions, and to achieve the objectives and policies of the plan. In making rules, the territorial authority must have regard to the effects on the environment. Rules may apply universally to the whole of the district, or to selected parts of the district and specific restrictions apply in terms of rules that apply to the felling, trimming, damaging or removal of trees.

- 76 *District rules*
- (1) *A territorial authority may, for the purpose of—*
- (a) *carrying out its functions under this Act; and*
  - (b) *achieving the objectives and policies of the plan,—*  
*include rules in a district plan.*
- (3) *In making a rule, the territorial authority shall have regard to the actual or potential effect on the environment of activities including, in particular, any adverse effect.*
- (4) *A rule may—*
- (a) *apply throughout a district or a part of a district:*

- (b) *make different provision for—*
  - (i) *different parts of the district; or*
  - (ii) *different classes of effects arising from an activity;*
- (c) *apply all the time or for stated periods or seasons;*
- (d) *be specific or general in its application;*
- (e) *require a resource consent to be obtained for an activity causing, or likely to cause, adverse effects not covered by the plan.*

54. Section 77A gives Council the power to make rules for different activity classes (permitted, controlled, restricted-discretionary, discretionary, non-complying, and prohibited) and specify conditions in a plan. Under Section 77B, it is mandatory that a district plan must state the matters over which the Council has retained control for controlled activities, and to which the Council has restricted its discretion for restricted-discretionary activities. The relevant sections of the Act are:

*77A Power to make rules to apply to classes of activities and specify conditions*

- (1) *A local authority may—*
  - (a) *categorise activities as belonging to one of the classes of activity described in subsection (2); and*
  - (b) *make rules in its plan or proposed plan for each class of activity that apply—*
    - (i) *to each activity within the class; and*
    - (ii) *for the purposes of that plan or proposed plan; and*
  - (c) *specify conditions in a plan or proposed plan, but only if the conditions relate to the matters described in section 108 or 220.*
- (2) *An activity may be—*
  - (a) *a permitted activity; or*
  - (b) *a controlled activity; or*
  - (c) *a restricted discretionary activity; or*
  - (d) *a discretionary activity; or*
  - (e) *a non-complying activity; or*
  - (f) *a prohibited activity.*
- (3) *Subsection (1)(b) is subject to section 77B.*

*77B Duty to include certain rules in relation to controlled or restricted discretionary activities*

- (1) *Subsection (2) applies if a local authority makes a rule in its plan or proposed plan classifying an activity as a controlled activity.*
- (2) *The local authority must specify in the rule the matters over which it has reserved control in relation to the activity.*
- (3) *Subsection (4) applies if a local authority makes a rule in its plan or proposed plan classifying an activity as a restricted discretionary activity.*
- (4) *The local authority must specify in the rule the matters over which it has restricted its discretion in relation to the activity.*

55. Section 77D refers to the opportunity to specific notification standards for particular rule activities

*77D Rules specifying activities for which consent applications must be notified or are precluded from being notified*

*A local authority may make a rule specifying the activities for which the consent authority—*

- (a) *must give public notification of an application for a resource consent;*
- (b) *is precluded from giving public notification of an application for a resource consent;*
- (c) *is precluded from giving limited notification of an application for a resource consent.*

## 5.7 National Environmental Standards

56. Sections 43 to 44A address the contents of national environmental standards and their relationship to plan rules is prescribed in Section 43B.

## 5.8 National Policy Statements

57. Sections 45 and 45A address the purpose of national policy statements (NPSs), and their relevance to the plan-making process.
58. Under the relevant provisions, the purpose of NPSs is to state objectives and policies for matters of national significance, relevant to achieving the purpose of the RMA.

## 5.9 National Planning Standards

59. Sections 58B to 58J of the RMA establish provision for national planning standards. The purpose of the national planning standards is set out in Section 58B as follows:

*58B Purposes of national planning standards*

- (1) *The purposes of national planning standards are—*
- (a) *to assist in achieving the purpose of this Act; and*
  - (b) *to set out requirements or other provisions relating to any aspect of the structure, format, or content of regional policy statements and plans to address any matter that the Minister considers—*
    - (i) *requires national consistency;*
    - (ii) *is required to support the implementation of a national environmental standard, a national policy statement, a New Zealand coastal policy statement, or regulations made under this Act;*
    - (iii) *is required to assist people to comply with the procedural principles set out in section 18A.*

60. The Minister for the Environment and the Minister of Conservation released the first set of national planning standards on 05 April 2019 and these came into force on 3 May 2019.
61. All Councils are now required to transition and adapt their respective plans to give effect to the national planning standards. As noted earlier, the proposed GIZ Zone provisions have been prepared in accordance with the national planning standards.

## 5.10 Section 32 evaluation

62. Section 32 requires the Council, before a Plan Change is notified, to evaluate alternative options for dealing with the District's resource management issues. Section 32(1) states:

*An evaluation report required under this Act must—*

- (a) *examine the extent to which the objectives of the proposal being evaluated are the most appropriate way to achieve the purpose of this Act; and*
- (b) *examine 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; and*
- (c) *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 implementation of the proposal.*

63. The scope and matters that Council must take into account during its assessment of the evaluation required, are described as follows in Section 32(2):

*An assessment under subsection (1)(b)(ii) must—*

- (a) *identify and assess the benefits and costs of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the provisions, including the opportunities for—*
  - (i) *economic growth that are anticipated to be provided or reduced; and*
  - (ii) *employment that are anticipated to be provided or reduced; and*
- (b) *if practicable, quantify the benefits and costs referred to in paragraph (a); and*
- (c) *assess the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions.*

64. Subsections 32(3) and (4) address the specific requirements for the evaluation report for changes affecting a national environmental standard.

65. Subsection 32(4A) refers to reporting requirements associated with iwi authorities.

## 6 ASSESSMENT OF EFFECTS

### 6.1 Introduction

66. This section identifies the relevant effects of the plan change and matters raised in submissions and provides an assessment and recommendations on the plan change provisions requested by the Applicant.
67. The identified effects are addressed in relation to the following topics:
- Loss of Productive Land
  - Landscape Effects
  - Amenity Effects and proposed Industrial/Rural Interface
  - Transportation
  - Infrastructure and Servicing
  - Cultural Values and Sites
  - Geotechnical Assessments
  - Contaminated Land
  - Ecological Effects
  - Positive Effects
  - Proposed Plan Provisions

### 6.2 Loss of Productive land

68. The loss of highly productive land through the urbanisation and development has become a significant issue and focus for plan changes since the introduction of the National Policy Statement for Highly Productive Land (NPS-HPL) in October 2022.
69. The policy directives within the NPS-HPL and the associated national policy provisions for urban development are addressed in **Section 7** of this report.
70. To help inform the assessment of land use classification and soil values, and provide a quantification of the loss of highly productive land, the Applicant provided an original Versatile Soils report<sup>5</sup> with the lodgement of the plan change request. This was subsequently revised and expanded to provide additional assessment and analysis of soil and land attributes for the site (final Versatile Soils report<sup>6</sup>).
71. The final Versatile Soils Reports has assessed that the majority of the site has a LUC 2<sub>s</sub> classification as shown in **Figure 3** overpage.

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<sup>5</sup> AgFirst Report – dated September 2022.

<sup>6</sup> AgFirst Report – dated November 2023.



**Figure 3: Assessed LUC map (Source: Fig. 11 AgFirst report dated November 2023)**

72. The final Versatile Soils Report goes into some detail with soil analysis and potential limitations that exist in terms of increasing the stocking rate or farming potential of the site. These restrictions include limited size, poor drainage, sloping land and surrounding land use. The final Versatile Soils Report notes that while 7.9ha of the site falls within the definition of highly productive land, and a move away from pastoral farming to horticulture is not considered to be ‘... *reasonably practicable option for the site*<sup>7</sup>.
73. I note that this assessment excludes land which has been subject to earthworks. It is unclear how these works have been consented and whether there are any issues arising with these earthworks in terms of the NPS-HPL requirements. The Applicant may wish to address this in their evidence.
74. The land use classification of the rural land surrounding Morrinsville has also been assessed in terms of alternative areas for industrial development. This is part of the requirement of the NPS-HPL with the final Versatile Soils Report focussing on the assessment of land use and capability around two existing industrial areas. These are the Fonterra/Greenlea sites on the southern town boundary and the Morrinsville Walton Road industrial area.
75. While it would not be necessary to connect any new industrial development to an existing area, there are clear planning benefits with the co-location of industrial activities. These include use of existing transport corridors, business to business activities and the opportunity to reduce the potential effects of industrial activities being dispersed across a wider catchment with greater exposure to sensitive activities.

<sup>7</sup> Ibid, para.5, pg28.



76. In terms of submissions, the Waikato Regional Council (WRC) Sub#1, has discussed the need to ensure alignment of the plan change request with the NPS-HPL and also the rezoning/urbanisation policies in the Waikato Regional Policy Statement (Waikato RPS). In my opinion, the Applicant has provided appropriate information and assessment of land use capability to properly inform the assessment of the plan change request.
77. It is evident that any urbanisation of land or development around the existing urban boundary of Morrinsville will result in a loss of productive land. The areas assessed in more detail in the final Versatile Soils Report include portions of Class 1 and Class 2 land while noting that there are land typology and other constraints identified for these sites.
78. The Applicant has presented an economic analysis, which has assessed a shortfall of industrial land in Morrinsville over the medium term. This assessment has been independently peer reviewed with the need for additional industrial land confirmed. These reports are further discussed in **Section 7** of this report specifically in relation to the NPS-HPL mandatory criteria for rezoning.
79. Given the above matters and assessment, I consider that the loss of land associated with PC 58 is acceptable taking into account the size and location of the site and the limitations in terms of more intensive pastoral farming or horticultural land use.
80. If the plan change request is granted, then this will provide industrial land for the foreseeable needs of the Morrinsville community and local economy, which is well connected to existing industrial area. In my opinion, these factors support the granting of the plan change request even though some loss of highly productive land is inevitable.

### 6.3 Landscape Effects

81. As with any proposal for urbanisation of rural land, there will be a distinct change in the visual qualities and character of the area if it is enabled to transition from rural land use and activities to industrial activities and built form.
82. The Applicant has provided a Landscape and Visual Effects Assessment (LVA)<sup>8</sup> to assist with the assessment of landscape and visual effects and to also provide recommendations to mitigate the effects of built form and industrial activities along the proposed industrial/rural interface. The site context is detailed in Section 4 and shown in Figure 2 of the LVA (as shown in **Figure 4** overpage).

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<sup>8</sup> Boffa Miskell report dated 20 October 2022.



**Figure 4: Site Context map (Source: Boffa Miskell LVA)**

83. The conclusion of the LVA is that;

*With 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. The subsequent development afforded by the proposed plan change will have the ability to meet the statutory provisions of the Matamata-Piako District Plan.*

84. As noted in the LVA, the site does not include any identified or significant landscape values.

85. I note that some adjacent properties which have a higher elevation and view over the site will be exposed to a substantial change in the landscape context of the site if the plan change request is granted and the site is developed for industrial development.

86. Taking into account the professional assessment and opinions provided in the LVA, the context of the site and the recommended plan provisions to manage the scale and nature of industrial activities including specific recommendations for the proposed industrial/rural interface, I am satisfied that there are no significant landscape values which will be compromised by the granting of the plan change request. There will be visual effects in term of the outlooks from elevated properties surrounding the site and while the standards for built form and landscape mitigation will help to moderate these effects, the loss in part of a rural outlook will be inevitable in some cases.

## 6.4 Amenity Effects and the Proposed Industrial/Rural Interface

87. If granted, the plan change request will establish a new industrial/rural boundary along the western and northern boundary of the site. This will provide for new industrial activities and built form in closer proximity to existing rural farming block and rural house sites.
88. Several submissions have been received from adjacent landowners raising a number of concerns about the potential effects of industrial activities and buildings on the existing rural character and amenity.
89. A plan showing the location of the neighbouring rural dwellings is shown in **Figure 5**.



Figure 5: Site Context map (Source: Savory Noise Report – Appendix 2)

### 6.4.1 Scale and Nature of Activities

90. Submissions have been received from Sub#8 Davenport, Sub#10 Glencoe Family Trust, Sub#11 MPDC, and Sub#13 Hexter in relation to the scale and nature of industrial activities, which may be established. In my opinion, the concerns raised are understandable and are valid issues, which deserve careful consideration and assessment.

91. The proposed plan provisions and in particular the activity lists will control the nature and type of activities that may be established within the proposed Avenue Business Park. While industrial activities (as defined by the National Planning Standards) are provided for as a *permitted activity*, the proposed plan provisions also include;
- Objectives and policies to manage off site effects (Objective GIZ-O3 and GIZ-P4),
  - Provision for any activity requiring an air discharge consent to default to a non-complying activity,
  - Requiring all subdivision and development to be in accordance with the Development Area Plan (DAP),
  - Specific performance standards in terms of building, noise and lighting with specific standards to apply to adjacent non-industrial boundaries.
92. In my opinion, the framing of the objectives and policies and the specific rule provisions provide an appropriate set of plan provisions to manage and restrict the scale and nature of industrial activities that may be developed within the proposed DAP area. This is not to suggest that all adverse effects will be avoided or that there will be nil effects should the site be made available for industrial land use. However, I am satisfied that any effects beyond the site boundary will be such that the amenity and rural context for the adjacent properties will be maintained and the level of effects will not give rise to any inappropriate adverse effects. I provide further discussion and assessment of specific matters associated with the industrial activities in the following sub-sections.

#### 6.4.2 Built Form and Landscape Buffer

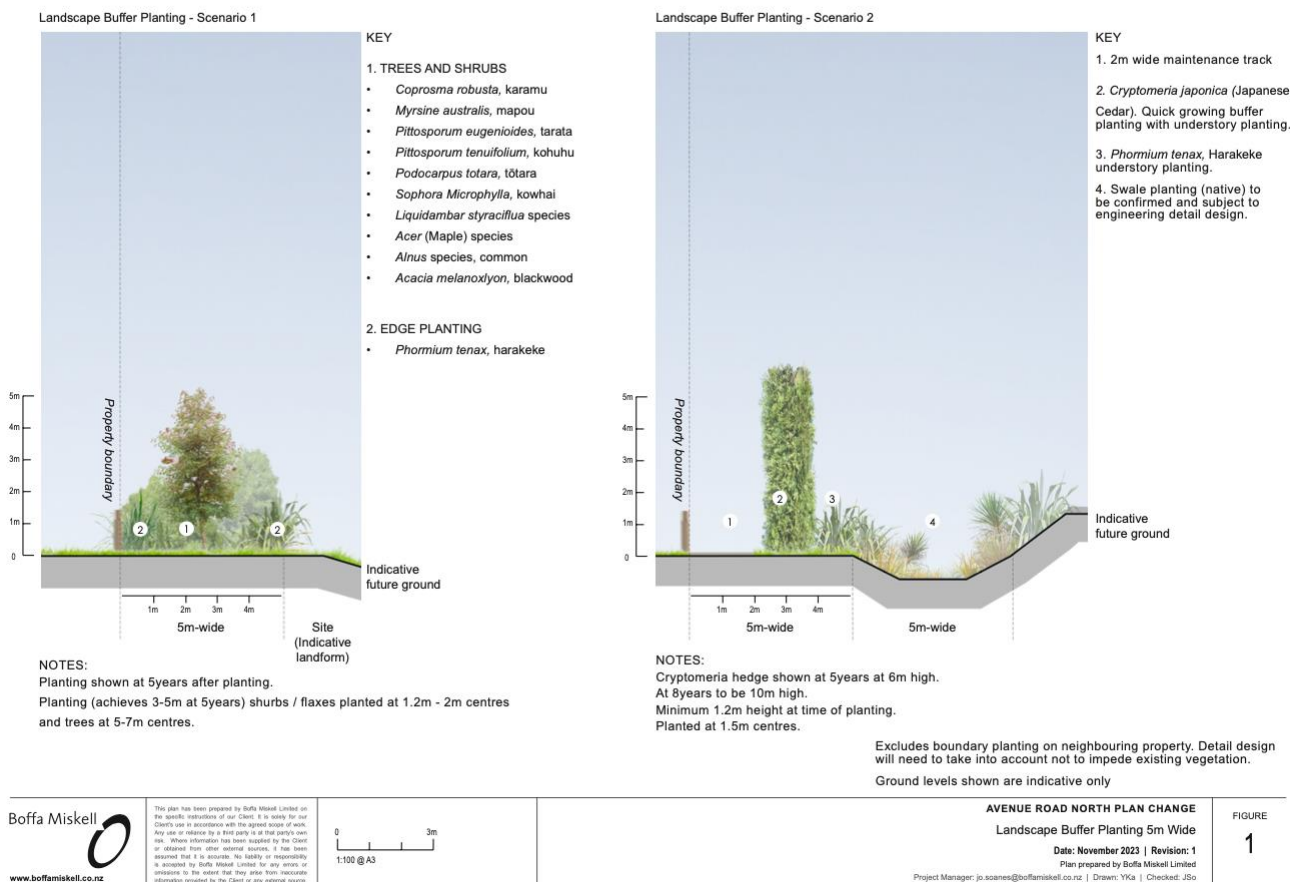
93. The proposed GIZ Zone provisions include typical bulk and location performance standards for industrial development. The key performance standards are;

Front yard –	5m
Yards adjacent to non-GIZ (exc Residential) –	10m
Yards to Residential Zone -	40m
Maximum Height -	12m

94. The DAP also provides a 5m landscape buffer along the proposed industrial/rural boundary to the west and north of the site and an indicative road and stormwater management reserve which will effectively restrict these areas from the development of industrial buildings.
95. The proposed landscape buffer details are shown in **Figure 6** overpage.

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**Figure 6: Proposed Landscape Buffer Planting**

96. The Applicant has proposed two options for the landscape buffer planting which I understand take into account discussions with the neighbouring property owners/submitters and the shelter belt/tree line on the neighbouring property which runs along the north western boundary.
97. There are three matters, which require clarification and which I consider need to be addressed before the landscape buffer is finalised. These matters are;
- The Tektus Infrastructure Report refers to bulk earthworks with cut and fill depths *estimated to range up to 3m<sup>9</sup>*. The landscape cross-section only shows an indicative ground level of 1.5m above the landscaping buffer contour. If 3m fill is proposed to provide level building sites, this may establish additional building profile above any effective landscaping buffer and these effects should be addressed and assessed further,
  - There is a proposed 5m wide planting buffer along the north / south road where it adjoins the western boundary. It is not clear how this will be accommodated in the road reserve, whether this will affect service corridors and who will be responsible for ongoing maintenance,

<sup>9</sup> Tektus Infrastructure report, dated 22 December 2022, pg 4, para. 4.

- Scenario 2 provides for maintenance of the outer facing Cryptomeria hedge. However, it is not clear how maintenance can be carried out along the inward facing hedge given the additional planting and stormwater swale and how access will be obtained to the outer edge, and
  - I support the provision of cross sections to provide certainty on what planting will be provided. However, it would be preferable for further details to be provided on what sections of the boundary will be planted with each planting type and the key purpose of the landscaping buffer for each section.
98. In my opinion, the Applicant needs to provide additional discussion and assessment of the landscape buffers including the relative levels of the site taking into account likely earthwork scenarios and also how the landscape buffer will provide effective screening/mitigation for the most affected rural house sites. This should include long-term maintenance of the planted buffer. In my opinion these details will be required in order to accept the proposed 5m landscape buffer width otherwise a wider corridor may be required. The section of road reserve which includes a landscape buffer also requires further details and assessment.
99. Sub#8 Davenport and Sub#13 Hexter have raised issues with visual effects, building height and whether the 5m landscape buffer is adequate. Sub#8 Davenport consider that an enhanced buffer is required to support gateway views along the entrance corridor to Morrinsville. Sub#11 MPDC has submitted on several rule methods for the landscape buffer and building provisions to clarify the implementation of the proposed GIZ Zone provisions.
100. Other matters relevant to the assessment of the landscape buffer and appropriate level of landscape screening and visual effects are;
- The maximum height for buildings within the Rural Zone is 10m and within the Residential Zone is 9m. Any industrial building will need to be a minimum of 10m from the boundary of a rural property,
  - While I do not consider that complete screening is likely to occur, the large and plain facades of industrial buildings will necessitate dedicated and substantive planting to retain the amenity of the adjacent rural landowners. The landscape buffer is a critical method to manage the effects across the new zone boundary and it is important that all parties have confidence and certainty on how the landscape buffer will be established and maintained, and
  - The proposed DAP (Rule 9.6.3) requires the planting buffer to be completed at the subdivision stage (Section 224 approval) such that this is likely to be established prior to any industrial development occurring on the site. This will assist with providing earlier mitigation of built form, which will take some time to reach full maturity/effectiveness.
101. It is understood that the Applicant has engaged with the submitters to discuss the plan rules and proposed mitigation measures including the landscape buffer planting. The hearings process will enable the submitters to present any further information on the visual effects and to identify any specific concerns in relation to particular views or landscape/mitigation standards.



102. Subject to further details of the landscape buffer to ensure long-term effective mitigation, I am generally comfortable with the methods proposed. In my opinion, the Applicant will need to provide further details and I am open to further consideration of any further recommendations or alterations that may be proposed or sought from the adjacent landowners/submitters. In my opinion, a landscape plan for the whole landscape buffer would be desirable as this could then form part of the DAP and provide additional planting for key view shafts from neighbouring house sites into the site.

#### 6.4.3 Noise and Vibration

103. Industrial activities have the potential to create adverse noise and lighting effects, which can be incompatible with adjacent non-industrial activities. Consideration has to also be given to the potential for some industrial activities to run over the night-time period or weekends.
104. The Applicant has provided an Acoustic Report<sup>10</sup> to assess the existing environmental qualities and noise environment. This provides recommendations on the appropriate standards to ensure that any noise emissions do not adversely affect the amenity of the adjacent landowners. The key findings and recommendations of the Acoustic Report are as follows;

- Traffic noise from SH26 and the industrial activities to the east are the main contributors to the existing ambient noise levels, with lower ambient noise levels towards the north-west. Average noise levels recorded were as follows<sup>11</sup>:

Log Site	Mon- Sat Daytime average	Sunday Daytime Average	Mon- Sat Night time Average	Sunday Night time Average
Dwelling near to SH26)	52 LAeq	50 LAeq	44 LAeq	49 LAeq
Dwelling at 2469 SH26) – north west of site	47 LAeq	44 LAeq	44 LAeq	40 LAeq

- There are some shortcomings and inconsistencies with the existing noise and vibration provisions within the District Plan. As the plan change request is proposing a new GIZ Zone, then the interrelationship to noise rules within the District Plan is outside the scope of the plan change request,
- The new provisions should adopt the format prescribed by the National Planning Standards,
- The proposed noise levels within the area are anticipated to increase over time due to industrial activities (undeveloped sites within the existing Industrial Zone), and additional road corridor traffic.
- The proposed standards provide for a minor increase in permitted noise levels over the existing District Plan standards. The final conclusion of the Acoustic Report is that;

<sup>10</sup> Marshall Day Acoustics, Acoustic Report dated 14 October 2022.

<sup>11</sup> This table only provides a subset of the monitoring data produced in the Acoustic Report.

*In this situation (including where we are expecting an increase in noise levels, but not entirely due to activity within the proposed Plan Change area), we consider the potential for noise effects from the Plan Change (including the proposed GIZ noise provisions) is of little appreciable significance<sup>12</sup>.*

105. Sub#10 Glencoe Family Trust have submitted on the noise provisions and have raised noise issues including that the nominal dwelling rule should not apply only to existing dwellings. Sub#13 Hexter has raised concerns about the Applicant's noise assessment and the potential effects of industrial noise.

### Proposed Noise Performance Standards

106. The final noise rule proposed by the Applicant is as follows<sup>13</sup>:

(7) *Noise*

- (a) *The noise level ( $L_{Aeq}$ ) as measured at any point within the boundary of any land zoned ~~R~~Residential or Rural Residential, or the notional boundary of any ~~rural dwelling residential unit in the Rural Zone which was existing at (insert PC58 notification date)~~, shall not exceed 55db Monday to Saturday – 7am to 10pm, or 40db at all other times. The  $L_{max}$  shall be 65dB  $L_{AFmax}$  between 10pm to 7am.*
- (b) *The noise level ( $L_{Aeq}$ ) as measured at any point on the boundary within the ~~zone~~ GIZ shall not exceed 65dBA.*
- (c) *The noise must be measured in accordance with the requirements of NZS6801:2008 – Acoustics – Measurement of Environmental Sound and assessed in accordance with the requirements of NZS6802:2008 Acoustics – Environmental Noise.*

107. There is a common framework in many District Plans for managing noise from industrial zones using discrete daytime and night-time standards including an  $L_{AFmax}$  standard for the night-time period. However, there is some variation with the permitted activity noise level and in some cases, shoulder period for the early evening periods and separate Saturday or public holiday periods are also be prescribed.

108. The proposed standards for the GIZ Zone are aligned to the existing provisions for Industrial Zones in the District Plan, with the key difference being that the outdated  $L_{10}$  metric is proposed to be amended to a  $L_{Aeq}$  metric.

### Technical Noise Review

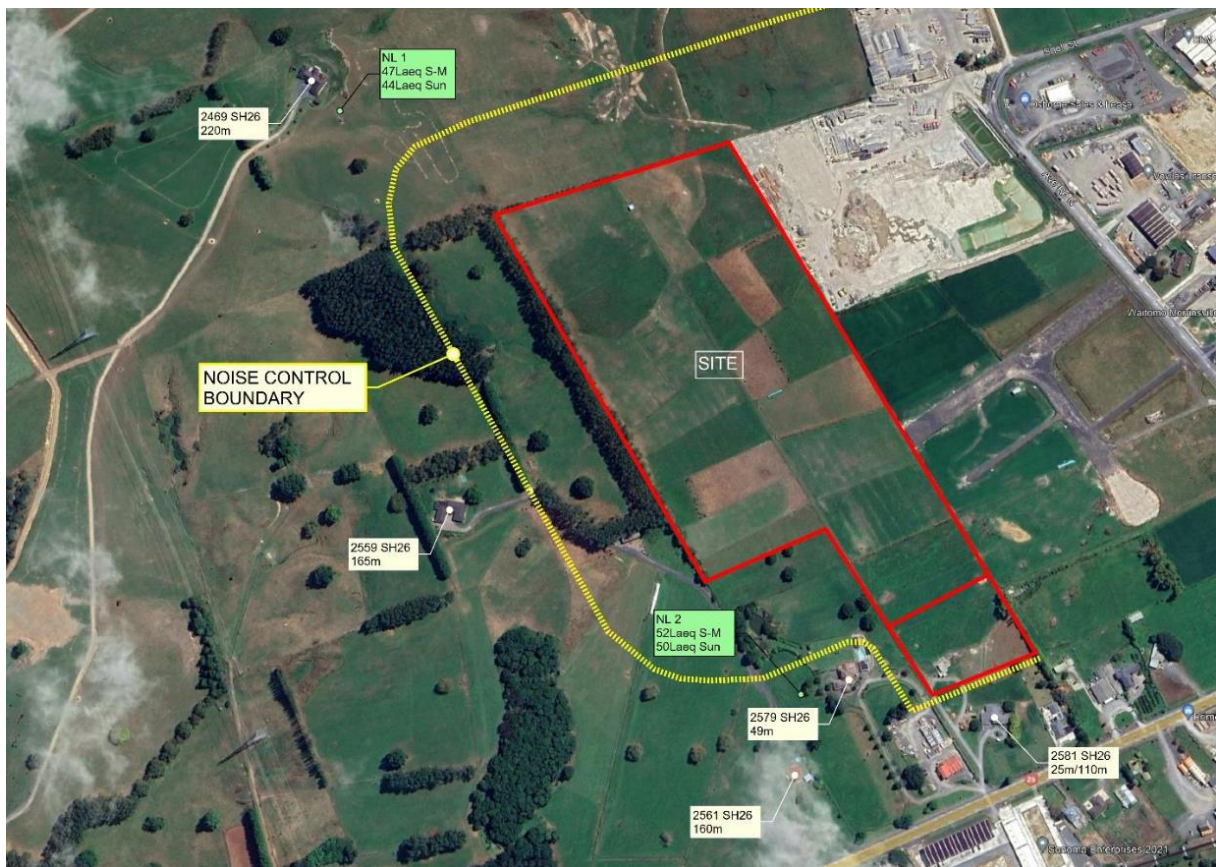
109. MPDC has engaged Savoury Acoustics to provide technical noise advice for its review of the District Plan and the adoption of the National Planning Standards. Savoury Acoustics has also provided specific advice on the proposed PC 58 provisions given that these will form part of the transition to the National Planning Standards and that have been issues raised by submitters in relation to effects from industrial noise. The noise review report<sup>14</sup> is attached as **Appendix 2**.

<sup>12</sup> Ibid, Section 7.0, para 6.

<sup>13</sup> The blue amendments are the changes proposed by the Applicant from the original provisions as notified and in response to the submissions received.

<sup>14</sup> Savoury Acoustics Report – Private Plan Change 58 dated 22 January 2024.

110. The noise review report notes that there is a differential of background noise levels across the surrounding rural area with properties closer to SH26 subject to higher background noise levels. This leads to some reservations with the industrial noise standards proposed by the Applicant and an alternative rule approach with a noise control boundary is proposed to maintain the existing noise and amenity values of the surrounding rural properties and also to provide certainty for future industrial landowners.
111. The key recommendation for a noise control boundary is supported with reference to the following figure and commentary:



**Figure 7: Proposed Noise Control Boundary (Savory Report – Figure 2)**

*The noise rule set at the NCB would be the same as Rule NOISE-R9(1) GIZ ie. 55dB LAEQ daytime, 45dB LAEQ nighttime and 75dB LAFMAX nighttime.*

*The location of the NCB is not overly onerous for the layout of this site as the 65dB LAEQ limit between industrial sites goes a long way to limiting noise emissions to 55dB LAEQ at the NCB.*

*Any dwelling constructed within the NCB and GIZ would require noise insulation as per section 6.3 in the MDA report, but I would recommend that the ventilation provision be change to: ...<sup>15</sup>*

<sup>15</sup> Ibid, Section 8.

112. In my view, this alternative approach has real merit and will help to address the potential issues with the notional boundary approach and whether this should be set with reference to existing dwellings only, or whether any new dwellings can effectively dictate new and more stringent noise standards for future industrial activities.
113. I note that the submission of Sub#10 Glencoe Family Trust also raises questions in relation to the most appropriate method for implementation of the nominal noise boundary.
114. If the noise contour boundary option is supported by the Applicant in principle, and subject to any further material presented by submitters, then it should be possible for an agreed rule provision to be prepared and presented to the Hearing Commissioners. This would include a new rule provision for any new noise sensitive activity that may be proposed within the NCB. If the Applicant is opposed to this option, then separate evidence and final rule provisions will need to be presented respectively from the Applicant and also from myself.

### Vibration

115. The Applicant's Acoustic report also provides an assessment and recommendation on vibration standards. It notes that the existing District Plan standards are out of date and recommends that amended vibration standards to address potential vibration effects on structures are adopted, and that amenity vibration standards are neither practical nor necessary<sup>16</sup>.
116. The final set of proposed provisions only seek to link the existing vibration rule to the GIZ Zone without modification to the specific vibration standards.

### **6.4.4 Lighting**

117. The plan change provisions simply seek to link the existing permitted activity standards for lighting from Section 5.4 of the District Plan to any industrial activities proposed within the GIZ Zone. For the night time period (10pm to 7am), the existing rule imposes a 10 lux additional illuminance maximum at any dwelling and a maximum additional illuminance of 20 lux at any boundary to a non-industrial site.
118. It is considered that these are appropriate standards given they form part of the existing District Plan and reflect a similar approach adopted for lighting standards across other District Plans<sup>17</sup>.

### **6.5 Transportation**

119. If the plan change request is granted, additional traffic movements will be generated onto the local roading network and also onto SH26 via Avenue Road North.

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<sup>16</sup> Marshall Day Report, Section 4.3.1.

<sup>17</sup> Proposed New Plymouth District Plan (Appeals version), Waipa District plan (10 lux at boundary), Western Bay of Plenty District Plan (5 lux at boundary),

120. The Applicant has prepared an original Integrated Transportation Assessment (ITA)<sup>18</sup> and has also engaged with Council to address technical queries associated with the transportation assessment and potential effects on the roading network<sup>19</sup>.
121. The ITA has projected traffic generation of 256 vehicle movements per hour (vph) with an expected maximum of 534 vph from future industrial development using modelling assumptions based on vehicle trips per building area<sup>20</sup>. Vehicle access to the industrial development is proposed via the existing Stage 1 and 2 industrial development immediately to the east of the site and then onto Avenue Road North. The ITA has assessed the capacity of the existing roading network, crash history, design requirements for new roading infrastructure and potential effects on existing road intersections and infrastructure, including SH 26.
122. As part of processing the plan change request, Council has engaged Gray Matter to assist with the assessment of transportation effects. Gray Matter has provided a technical memo to summarise their review and assessment of the plan change request and this is attached as **Appendix 3**<sup>21</sup>. The Gray Matter memo concludes<sup>22</sup>;

*From a transport planning perspective, the proposed industrial zone plan change area is located appropriately contiguous with existing industrial land use and provides connections to the wider arterial transport network.*

*However, with the current planning provisions proposed, I do not consider that the potential safety effects are acceptable. I consider that the planning provisions need to be amended to adequately provide for pedestrians and cyclists and to ensure safety for all users at the intersection with Avenue Road North.*

*In my view, the following matters need to be addressed:*

- = *The proposed planning provisions do not adequately provide for walking and cycling along the internal roads or connections to the wider network. The planning provisions should specifically include:*
  - *A typical road cross-section that includes a 3m wide shared path on one side and 1.8m wide footpath on the other, and provision for stormwater and services in the berm.*
  - *The need for a safe pedestrian crossing facility of Avenue Road North with a connection to the existing footpath.*
  - *A 3m wide shared path along the newly constructed east-west road connecting between the PC 58 area and Avenue Road North.*
  - *The walking and cycling network indicated on the Development Area Plan.*
- = *I have some safety and operational concerns about the recently constructed intersection with Avenue Road North. I consider that the:*
  - *2m wide right turn bay is insufficient.*
  - *1.6m wide median refuge is insufficient.*

*To address my concerns, I recommend that the planning provisions and wording outlined in Table 2 on pages 13-15 of this memorandum are adopted.*

<sup>18</sup> Direction Traffic Design ITA report dated October 2022.

<sup>19</sup> Direction Traffic Design S.92 response letters dated 22 December 2022 and 1 May 2023.

<sup>20</sup> Direction Traffic Design ITA report, Section 4.0, pg 13.

<sup>21</sup> Gray Matter Technical Memo dated 31 January 2024.

<sup>22</sup> Ibid, Section 2.

*Other matters including internal intersection form, pedestrian crossings, cul-de-sac heads, vehicle tracking and vehicle crossings will need to be resolved as part of the detailed design at the time of subdivision.*

123. Sub#2 Waka Kotahi is generally supportive of the plan change request in terms of traffic effects and is satisfied that there will not be adverse effects on the SH26, which is to the south of the site. Waka Kotahi is however opposed to any provision for a future road corridor to SH26.
124. Sub#8 Davenport consider that the transportation assessment is insufficient and are fully opposed to the future road corridor. The late submission from Andrew Baker (Sub#14) raises concerns with the speed environment along SH26 and seeks a reduction in the speed limit.
125. It is noted that the provision of a future road corridor was only proposed by the Applicant following engagement with Council and in response to recommendations that this should be included as part of the plan change request. Following the submissions, MPDC has discussed with Waka Kotahi the merits of providing a future option of a road connection to SH26 and Waka Kotahi has confirmed that they are opposed to this link. MPDC subsequently advised the Applicant that it no longer supported the need for the roading link and the plan change request was subsequently updated and amended in November 2023.
126. This change therefore addresses the submissions by Sub#2 Waka Kotahi and Sub#8 Davenport and the objection to the provision of a future road corridor.
127. Given the technical assessments provided by the Applicant, the submissions by Waka Kotahi and the peer review and technical assessment provided by Gray matter, I consider that there are no transportation issues that would prevent the plan change request from being approved subject to the roading and shared path upgrades and connections identified in the transportation review being resolved and included in the proposed rule provisions and DAP.

## **6.6 Infrastructure and Servicing**

128. The Applicant has provided an Infrastructure Assessment<sup>23</sup> and has also engaged with MPDC on the capacity of the municipal network and potential conditions for the DAP and a Developer Agreement.
129. The Infrastructure Assessment provides an overview of the earthworks that will be required to enable industrial development and anticipated three waters infrastructure and connections to the existing reticulation networks that will be required to service future industrial development.
130. It is noted that the plan provisions proposed by the Applicant include restrictions on 'wet industry' to ensure that any activities requiring significant water supply can be assessed to determine whether they should be allowed to establish within the proposed industrial area.
131. I note that Hexter (Sub#13) has raised concerns over stormwater runoff on the adjacent rural land.

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<sup>23</sup> Tektus report dated 22 December 2022.

132. MPDC has reviewed the Infrastructure Assessment and technical evidence has been prepared to inform the assessment of the plan change request – refer **Appendix 4**<sup>24</sup>. This provides background to the existing capacity of the municipal reticulation networks including current projects for consenting and capital upgrades and then discusses the provision of services for the plan change site. The conclusion of this evidence is that<sup>25</sup>;

*The PPC 58 area is not currently serviced by MPDC's 3 waters services, but this area can be physically connected to MPDC's 3 waters infrastructure easily due to proximity of the subject land to existing infrastructure. The negative impact on existing 3 waters services by servicing the subject land can be mitigated by implementing measures described in this report and proper design of internal infrastructure. These are summarised below.*

### **6.1 Water**

*At present, there are some supply restrictions in Morrinsville during dry periods, but the introduction of new Lockerbie water treatment plant at Lockerbie site in 2024, this constrain will be overcome. Supplying water to development in PPC 58 area is feasible subject to:*

- *Supply of water to each lot in the PPC 58 area is limited to 10 m<sup>3</sup> per day per lot to avoid future water supply constraints in Morrinsville,*
- *Meeting of firefighting requirements of the fire code of practice for all lots. For the lots within the development where appropriate fire flow is not available from MPDC system, a suitable alternative option for meeting firefighting standards need to be identified and implemented. This has to be agreed with MPDC, as part of the resource consent approval process,*
- *Implementing water conservation measures such as*
  - *All connections are metered (this is the current MPDC policy for industrial connections),*
  - *Installation of water efficient fixtures to at least 3 star standard under the Water Efficiency Labelling Scheme in all buildings,*
  - *Installation of rain water tanks for using of water for non-potable water requirements*
- *Designing of internal water network to comply with RITS.*

### **7.2 Wastewater**

*The current wastewater infrastructure is sufficient to convey wastewater to the treatment plant during dry weather conditions. I&I is an issue during heavy rain events and continuous work is underway to reduce this issue. Providing wastewater services to PPC 58 area is feasible subject to:*

- *Upgrading of wastewater treatment plant as planned,*
- *Upgrading of existing wastewater pump station at Avenue Road and downstream pipes as necessary. These upgrade requirements needs to be confirmed following a capacity assessment of the pump station and pipes using MPDC's calibrated hydraulic model,*
- *Controlling of wastewater quality discharged from the industries to comply with trade waste Bylaw.*

### **7.3 Stormwater**

*The design principles of IR is acceptable. The discharge of Stormwater from the PPC 58 area to public Stormwater system is acceptable subject to:*

<sup>24</sup> Statement of Evidence (Gunasantha Aga dated 31 January 2024)

<sup>25</sup> Ibid, Section 7



- *Design of Stormwater system is complying with RITS,*
- *Preparing a Stormwater management plan for the subject catchment to the satisfaction of MPDC and complying with Waikato Regional Council requirements.*

133. There will be a deficiency with water pressure to provide a compliant firefighting standard, which would ordinarily be met with a municipal supply. This is also an issue raised in the submission from Fire and Emergency NZ (FENZ) - Sub#3. This will require alternative design for sprinklers, which will need to be designed and approved through the building consent process. The Applicant has proposed an amendment to the DAP to recognise that firefighting standards will need to be met. In my opinion, this matter does need to be recognised in the DAP and I have addressed this further in **Section 8** of this report.
134. An off-site wastewater upgrade has also been identified by MPDC as necessary to serve the future industrial development. Two options have been identified with a preferred option being upgrades to an existing pump station in Avenue Road North with the full funding/construction of the pump station and wastewater main to lie with the Applicant.
135. In my opinion, there are no outstanding issues associated with the future infrastructure and servicing of the proposed industrial development which would prevent or hinder the granting of the plan change request subject to some refinement of the DAP to reflect the firefighting standard and requirement for an off-site wastewater pump station and main. MPDC has otherwise confirmed that there is capacity within the wastewater and water supply networks subject to network upgrades, which are already in train. Stormwater management and disposal can be designed to ensure that there are no adverse downstream effects, and this can be further reviewed and assessed as part of the future consent process.

## 6.7 Cultural Values and Sites

136. Consultation with tangata whenua is required for any plan change in accordance with section 4A of Schedule 1 of the RMA. The Applicant has undertaken consultation with Ngāti Hauā as mana whenua and has obtained a Cultural Values Assessment (CVA)<sup>26</sup> to support the plan change request.
137. This CVA confirms that Ngāti Hauā are largely supportive of the plan change subject to specific recommendations that relate to the future development of the site and provision for continuing a good faith relationship with the Applicant. These recommendations can be given effect to through future consents/engagement and are not considered to require specific provisions to be put in place as part of the plan change.
138. It is also noted that there were no submissions received in relation to values and sites of cultural significance as part of the notification process.
139. Taking the above matters in to account, I am satisfied that there are no cultural values or sites that would be compromised or impacted by the granting of the plan change and subject to appropriate consenting processes being followed in terms of future subdivision and development of the site.

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<sup>26</sup> Ngāti Haua Iwi Trust, Cultural Values assessment dated 17 October 2022.



## 6.8 Geotechnical Assessments

140. The Applicant has prepared a Geotechnical Report<sup>27</sup> to identify any natural hazards that affect the site and to provide an assessment of the site for industrial development.
141. The Geotechnical report details the desktop and field investigations and testing which have been undertaken to inform the technical assessment of natural hazards. The investigations and reporting have identified potential liquefaction and settlement risks primarily associated with variable sub-surface ground conditions across parts of the lower plains area. In addition, a relatively high water table has been identified on the lower plains area. These potential natural hazards will need to be further quantified and taken into account as part of the bulk earthworks and future development of the site and the Geotechnical Report confirming that the site is suitable for industrial development subject to these additional methods being applied.
142. The final conclusion of the Geotechnical Report is as follows:
- The land is suitable for the proposed rezoning and land use change (to industrial); however further investigation, assessment and design will be required to better define the extent of the geotechnical hazards within the different terrains once subdivision plans have been developed. Further geotechnical work could include:*
- *further investigation to define settlement and liquefaction hazard zones within the landform terrains identified*
  - *assess site suitability for preloading to induce settlement prior to development*
  - *quantitative slope stability assessment once subdivision and earthworks plans are provided*
  - *pavement design factoring in the potential soft subgrade, risk of consolidation settlement, and high groundwater*
  - *geotechnical assessment report, summarising results for design and subdivision consent application*
143. It is noted that geotechnical hazards were also encountered in Stages 1 and 2 of the industrial development and these have been resolved through engineering design and remedial works and part of the bulk earthworks and geotechnical design recommendations. Council's Consent Engineering team have reviewed the Geotechnical Report and have been involved with the development of Stages 1 and 2 subdivision which also required geotechnical remediation to establish building platforms and to protect the construction of roading and civil infrastructure. They acknowledge the identified natural hazards and risks across the site and that there are engineering solutions that are available to address these issues. A key part of any future consenting process will be further detailed engineering investigations and reporting and it is very much anticipated that an independent peer review will be required as part of the future consenting process.
144. Clearly, there are identified geotechnical and natural hazard risks identified on the site. In accordance with the recommendations and assessment set out in the Applicant's Geotechnical Report, it is considered that these can be addressed and mitigated through engineering design and remedial methods, which will be assessed and reviewed at the consenting stage.

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<sup>27</sup> HD Geo Report dated 10 October 2022.

## 6.9 Contaminated Land

145. The Applicant has prepared a Preliminary Site Investigation Report<sup>28</sup> (PSI) to identify any potential issues of site contamination that may affect future development and to identify whether any consents may be required under the National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health (NESCS).
146. The PSI provides the following assessment and conclusion<sup>29</sup>:

*Based on our desktop study and site walkover, our assessment is that:*

- *we identified no HAIL activities across the majority of the site*
- *there is potential for lead-based paint and ACM to be present on the sheds on site (HAIL activity I)*
- *it is highly unlikely that there will be risk to human health should subdivision and/or change in land use be undertaken*
- *consenting under the NESCS would not be required for subdivision and/or change of land use*

*We recommend that:*

- *prior to removal of any structures on site, a pre-demolition asbestos and lead-based paint survey must be undertaken by a licensed assessor to confirm any additional demolition requirements*
- *dependant on the results of the pre-demolition inspections, a detailed site investigation may be required to assess the risk to human health from any proposed earthwork*
- *a site management plan is developed to assure appropriate controls are in place*
- *no further consideration of the NESCS is required for subdivision or change of land use and consent under the NESCS is not required for these activities*

147. Based on this assessment, I am satisfied that the Applicant is able to address any issues with the demolition of the existing farm sheds separately to the plan change requests and no specific methods or rules are required as part of the proposed plan provisions.

## 6.8 Ecological Effects

148. The Applicant has not undertaken any expert assessment of ecological values or habitats that may exist on the site however the original AEE refers to the existing pastoral farming land use and that there is an absence of any wetlands, mature vegetation, scattered trees or hedgerows.
149. I also note that there have been no submissions raising ecological effects and there are no planning layers identifying any ecological values associated with the site.
150. On this basis, I am satisfied that there are no ecological values or sites, which require further assessment.

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<sup>28</sup> HD Geo Preliminary Site Investigation dated 5 October 2022

<sup>29</sup> Ibid, Executive Summary, page i.

## 6.9 Positive Effects

151. If the plan change request is granted, then Morrinsville will be provided additional industrial land supply, which will support economic activity within the District.
152. Supporting submissions have been received from Sub#4 Bowers Concrete Limited, Sub#6 Maven Matamata, Sub#7 Lockerbie Estate Limited, Sub#9 Hindman and the Sub#12 Morrinsville Chamber of Commerce, which refer to the economic and positive benefits of allowing the plan change and industrial land to be developed.
153. The Applicant has presented an economic analysis to support the plan change request, which includes an assessment of costs and benefits<sup>30</sup>. This analysis refers to a range of benefits as follows<sup>31</sup>;
- The benefits and costs that we assess are as follows:*
- a. *An expansion in Industrial-zoned land will release the supply constraint, offering lower prices and more choice, thereby bringing new businesses and employees to Morrinsville;*
  - b. *There are productivity benefits that can arise when more businesses locate 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; and*
  - c. *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. There will also be a cost associated with the loss of the productive capacity of the land.*
154. I largely concur with the above assessment and identification of positive benefits. I note that where industrial land is held in single or limited ownership, then there is some potential for the supply to be constrained such that higher land values may be realised. This does not appear to have been factored into the supply/demand analysis.

## 6.10 Proposed Plan Provisions

155. The plan provisions proposed for the GIZ Zone have evolved through the plan change process and in response to matters raised in submissions. The matters raised in submissions have largely been addressed through the assessment of effects discussed above. There are two submissions that I wish to address separately and more specifically.

### 6.10.1 Fire and Emergency NZ (FENZ) - Sub#3

156. FENZ has lodged a submission on a technical issue relating to future development of the industrial sites and compliance with the NZ Firefighting Water Supplies Code of Practice SNZ PAS 4509:2008 (SNZ Firefighting Standard). The application material identifies that the higher contour areas of the site will not achieve sufficient pressure to comply with FW3.
157. FENZ is seeking a specific rule be included in the DAP to require all buildings to be designed in accordance with SNZ Firefighting Standard.

<sup>30</sup> Nera Report (updated 23 November 2023), Section 7.

<sup>31</sup> Ibid, para 56.

158. It is noted that Rule 5.9.1 of the District Plan already refers to the SNZ Firefighting Standard however this only imposes a requirement on properties that are not connected to a reticulated water supply.
159. The Applicant has proposed an amendment to the DAP provisions (Rule 9.6.4). In my opinion, the rule provisions should be made more explicit and I generally support the wording from the submissions, refer **Section 8** of this report for further discussion.

#### **6.10.2 Matamata-Piako District Council (MPDC (as submitter)) – Sub#11**

160. MPDC (as submitter) has lodged its own submission to the plan change request. This process is specifically provided by Clause 6(2) of Schedule 1 of the RMA and provides the consent authority an opportunity to ensure that any matters associated with the formatting and rule provisions, including linkages to other plan provisions, can be addressed through the hearings process. In this instance, MPDC is also currently reviewing the District Plan to give effect to the National Planning Standards, which has also set the framework for the GIZ Zone provisions.
161. MPDC (as submitter) and the Applicant have engaged through the post submissions process to work on matters raised in submissions and the Applicant has provided updates to the proposed plan provisions (30 November 2023) in response to the submission points.
162. MPDC (as submitter) has also provided a letter dated 25 January 2024 to set out what submission points have been satisfied and what matters remain outstanding – refer **Appendix 5**. This identifies that there are two remaining issues where there is a difference of opinion between the Applicant and MPDC (as submitter). The first relates to the activity status of any future subdivision or development which is not in accordance with the DAP and the second relates to provision for a Developer Agreement and off-site wastewater upgrades.
163. Both parties will have the opportunity to provide further evidence on these matters and there is some potential that these may be resolved prior to or through the hearings process.
164. It is appropriate for an assessment and recommendation to be made on these matters as part of this S.42A planning report. It should be acknowledged that while this report is presented by MPDC as consent authority and MPDC is also a submitter in this case, an appropriate level of separation has been maintained when working through these submissions, and the following assessment and recommendation is independent of the MPDC submission.

#### Activity Status – non-compliance with DAP

165. The Applicant is proposing a discretionary activity status for development not in accordance with a DAP (Rule GIZ-R1(3)) and for subdivision not in accordance with the DAP standards (Rule 6.3.3(iii)). MPDC (as submitter) has made a submission to make such activities a non-complying activity, which is in line with other equivalent rules for structure plan/DAP areas.

166. I am familiar with different forms and scope of structure plan/DAP rule provisions with some involving comprehensive on-site and off-site infrastructure schedules which serve multiple land parcels in separate development blocks. In other cases, the structure plan/DAP rules may only provide a basic development framework and the general zone provisions provide the primary controls over land use and subdivision activities. In general terms, where there are more complex and multiple land parcels dependent on a common development framework, then the more significance and need for a higher activity status for any departure from the DAP/structure plan.
167. For the Avenue DAP, I do not have a strong preference for one activity status or the other. In both cases, all effects of any activity can be addressed through a consenting process. However, on balance I support the non-complying activity status for the following reasons;
- The non-complying activity approach will make the rule consistent with other structure plan/DAP provisions in the District Plan. If a discretionary activity status is adopted, it may be perceived that a lower threshold of assessment is anticipated in terms of the Avenue DAP,
  - The rule provides for some discretion as to what activities may constitute compliance with the DAP by specifically adopting the phrasing of 'activities not in general accordance with the DAP (my emphasis). In this way, future development should not be artificially constrained or open to an overly strict assessment of what activities are in accordance with the DAP,
  - While the Avenue DAP provisions relate to infrastructure provision for the single development block, there is no restriction that this may be subdivided into separate development blocks which will require integrated provision of infrastructure and servicing, and
  - The adjacent rural landowners are seeking certainty and clarity that mitigation proffered as part of the plan change request will be established through any future development of the proposed industrial area.
168. I have also referred to this change in **Section 8** of this report.

## 7 PLANNING AND POLICY INSTRUMENTS

### 7.1 Introduction

169. An important part of the assessment and determination of any plan change request is how it aligns and gives effect to policy instruments at the national, regional and district level. A district plan must *give effect* to national and regional policy statement in accordance with S.75(3) of the RMA.
170. The following section addresses the relevant policy instruments in the following order;
- National Policy Statement on Highly Productive Land (NPS-HPL)
  - National Policy Statement on Urban Development
  - Waikato Regional Policy Statement and Plans
  - MPDC District Plan

### 7.2 National Policy Statement on Highly Productive Land (NPS-HPL)

#### 7.2.1 NPS-HPL Provisions for Plan Changes

171. The National Policy Statement for Highly Productive Land (NPS-HPL) sets explicit policy directives to protect highly productive soil including specific provisions, which apply to any plan change or rezoning request affecting highly productive land.
172. There is also a direct relationship between the NPS-HPL and the National Policy Statement for Urban Development (NPS-UD) and the national directive to ensure that all councils provide sufficient land supply for urban development. The NPS-UD is discussed further in Section 7.3 below.
173. The NPS-HPL contains the following clauses, which are directly relevant to the assessment of PC 58.

**Objective 2.1:** *Highly productive land is protected for use in land-based primary production, both now and for future generations.*

**Policy 2.2.5:** *The urban rezoning of highly productive land is avoided, except as provided in this National Policy Statement.*

**Clause 3.6(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.*

**Clause 3.6(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.*

174. The NPS-HPL has a single objective which is Objective 2.1 as set out above. In terms of any rezoning process, Policy 2.2.5 provides an explicit directive that any urban zoning is avoided except as provided for within the NPS-HPL. Clause 3.6(4) and 3.6(5) then sets out the relevant provisions, which must be satisfied with MPDC being a Tier 3 Council.

**7.2.2 Business Development Capacity and Demand Assessment 2023 Update (BDCA)**

175. MPDC has recently adopted a 2023 update of the BDCA. The purpose and statutory context of the BDCA is helpfully set out in the *Executive Summary* of the BDCA and I have included this extract as an overview of the report as follows:

*Matamata-Piako District Council (MPDC) has joined the Future Proof Partnership (FPP). The original FPP area has been identified as a Tier 1 urban environment, with the addition of Matamata and Morrinsville (within Matamata-Piako District) identified as Tier 3 urban environments. In accordance with the National Policy Statement – Urban Development<sup>1</sup> (NPS-UD or NPS), Tier 1 urban environments must complete an assessment of both Business Development and Residential Development Capacities at least every three years, with Tier 3 urban environments encouraged to do the same. Tier 1, 2 and 3 local authorities must provide at least sufficient development capacity to meet the expected demand form business land in the short, medium and long-terms for different business sectors.*

*Market Economics Limited (M.E) have completed the 2021 assessment for the original FPP area. The assessment analyses both the existing capacity and demand for business activity location across the district's urban areas. It then draws these demand and supply side analyses together to assess the sufficiency of capacity for business activity. This report, prepared by M.E, extends the business demand and capacity assessment (BDCA) across the Matamata-Piako District and is an update of the 2022 Matamata-Piako BDCA. The purpose of this Updated Assessment is to refresh and update information in light of the NERA report<sup>2</sup>, the National Policy Statement for Highly Productive Land (NPS-HPL) and other updates post the original assessment (sic).*

*The BDCA assessment has analysed the current and past patterns of economic activity across Matamata- Piako District and the consequent demands for space within the district's main urban townships. It has then calculated the likely future demands for space based on the WISE High Series projections and patterns of land use by sector and location. These have been compared to a detailed assessment of the potential capacity within the urban areas to estimate the adequacy of provision for anticipated future growth.*

*The assessment has been undertaken in accordance with the requirements of the NPS-UD business capacity and demand assessment for Tier 1 urban environments. Although the district is a Tier 3 urban environment, a consistent approach has been applied to align with the assessment for the Tier 1 original FPP area.*

176. The BDCA set out the methodology which has been used to assess land supply across each of the towns and across the district as a whole. In addition, alternative assumptions have been presented which provide a range of land supply assessment.
177. The key tabulated land supply findings are set out in Table B of the BDCA, which is provided in **Figure 8** over page.
178. The findings and assessment of the BDCA are significant in that this analysis does not identify a shortfall of industrial land in Morrinsville or for the district as a whole over the medium term. Solely based on this analysis, it would be very challenging for the plan change request to satisfy Clause 3.6.4(a) of the NPS-HPL.

### **7.2.3 Applicant's Land Supply and Capacity Assessment**

179. Throughout the plan change process, the Applicant has engaged with MPDC in terms of the BDCA assessment and has sought to provide more focused data and assessment on land supply capacity and demand in Morrinsville.
180. The Applicant has provided the following assessment and reporting to support the plan change:
- NERA - Economic Analysis dated 6 October 2022: Original assessment of land supply and demand including reference to current BDCA analysis at that stage,
  - Monocle – Memo on Industrial Land Supply dated 8 August 2023: Ground truthing of and information on existing industrial areas and sites,
  - NERA - Economic Analysis dated 25 November 2023: Updated assessment of land supply and demand including reference to 2023 BDCA update and response to Insight Economics Peer Review,
  - Monocle – Updated Assessment and Addendum including S.32AA assessment dated 30 November 2023,
  - Chris Steffert (Applicant) – Market Demand summary dated 10 November 2023, and
  - NERA – Addendum to Economic Analysis dated 2 February 2024.
181. The information and reporting from the Applicant concludes with a materially different analysis of land supply and demand. This is based on three factors, including further analysis of population projections (with higher projections adopted based on recent data), a substantial reduction in identified capacity based on more recent ground truthing of developed sites, and information about existing industrial land sales/development and some refinement of the land demand analysis.
182. The updated NERA report provides a final land supply assessment for the medium term ranging from a shortfall of -3.7ha to -19.5ha<sup>32</sup>. Therefore, under all assessment scenarios, the NERA report identifies a shortfall of industrial land over the medium term.

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<sup>32</sup> NERA Report - 23 November 2023, Table 7. Figures do not include NPS-UD competitive margins. The Table 7 figures include a base case and alternative supply (excluding sold but not developed land) and also a low and high ratio for employee/industrial land area analysis.



Table B: Sufficiency of Industrial Zone Capacity by Urban Township

Location	ODP Capacity (Infrastructure Served)	No Margin						Including Margin					
		Low Ratio (500m2 per employee)			High Ratio (800m2 per employee)			Low Ratio (500m2 per employee)			High Ratio (800m2 per employee)		
		Short-Term: 2023 - 2026	Medium-Term: 2023 - 2033	Long-Term: 2023 - 2054	Short-Term: 2023 - 2026	Medium-Term: 2023 - 2033	Long-Term: 2023 - 2054	Short-Term: 2023 - 2026	Medium-Term: 2023 - 2033	Long-Term: 2023 - 2054	Short-Term: 2023 - 2026	Medium-Term: 2023 - 2033	Long-Term: 2023 - 2054
		<b>Net Change in Land Demand (Ha) (No Margin)</b>						<b>Net Change in Land Demand (Ha) (incl. Margin)</b>					
Matamata	11.0	3.5	11.4	28.6	5.6	18.3	45.7	4.2	13.7	33.4	6.7	22.0	53.5
Morrinsville <sup>1</sup>	23.6	4.0	11.8	27.2	6.4	19.0	43.6	4.8	14.2	31.9	7.7	22.7	51.0
Te Aroha	-	0.6	1.8	8.2	1.0	2.9	13.1	0.7	2.2	9.5	1.2	3.4	15.2
Waharoa	11.7	0.7	1.9	4.6	1.1	3.0	7.4	0.8	2.2	5.4	1.3	3.6	8.7
<b>Total Townships</b>	<b>46.3</b>	<b>8.8</b>	<b>26.9</b>	<b>68.6</b>	<b>14.1</b>	<b>43.1</b>	<b>109.8</b>	<b>10.6</b>	<b>32.3</b>	<b>80.3</b>	<b>16.9</b>	<b>51.7</b>	<b>128.4</b>
		<b>SUFFICIENCY (net Ha) (No Margin)</b>						<b>SUFFICIENCY (net Ha) (Incl. Margin)</b>					
Matamata		7.5	-0.4	-17.6	5.4	-7.3	-34.7	6.8	-2.7	-22.4	4.3	-10.9	-42.5
Morrinsville <sup>1</sup>		19.5	11.7	-3.7	17.1	4.6	-20.0	18.7	9.3	-8.3	15.8	0.8	-27.5
Te Aroha		-0.6	-1.8	-8.2	-1.0	-2.9	-13.1	-0.7	-2.2	-9.5	-1.2	-3.4	-15.2
Waharoa		11.0	9.8	7.0	10.6	8.7	4.2	10.9	9.4	6.2	10.4	8.1	3.0
<i>Total Northern Townships</i>		18.9	9.9	-11.8	16.1	1.7	-33.1	18.0	7.2	-17.8	14.6	-2.6	-42.7
<i>Total Southern Townships</i>		18.5	9.4	-10.5	16.0	1.4	-30.5	17.7	6.7	-16.2	14.7	-2.8	-39.5
<b>Total Townships</b>		<b>37.4</b>	<b>19.3</b>	<b>-22.4</b>	<b>32.2</b>	<b>3.2</b>	<b>-63.5</b>	<b>35.7</b>	<b>13.9</b>	<b>-34.0</b>	<b>29.3</b>	<b>-5.5</b>	<b>-82.2</b>

Source: M.E Matamata-Piako District Capacity and Demand Model, 2023 and Matamata-Piako District Council Land Use Survey, 2022.

<sup>1</sup> Morrinsville includes Morrinsville and Morrinsville South.

Figure 8: Industrial Land Supply from 2023 BDCA

183. Following further recent caucusing between the economic experts, which included the authors of the BDCA, NERA produced an addendum dated 2 February 2024. This provides alternative land supply projections based on a ratio of 700m<sup>2</sup> per employee and a -4.8ha shortfall of industrial land over the medium term<sup>33</sup>. Additional analysis of industrial land supply across both Morrinsville and Te Aroha is also presented.

#### 7.2.4 Economic Peer Review and Assessment

184. Given the significance of the land supply/demand assessment in terms of the NPS-HPL and the different projections for land supply in Morrinsville between the BDCA and the Applicant's analysis, MPDC has engaged Insight Economics to provide independent input and review of the land supply analysis and projections – refer **Appendix 6**<sup>34</sup>.
185. The Insight Report identifies several reservations regarding the analysis of land supply set out in the NERA report. However, the overall finding of the peer review is that a shortfall of industrial land is likely to occur over the medium term. This finding is in part based on additional analysis of land supply and adopting some, but not all, of the data and assumptions set out in the BDCA and NERA reports. Importantly, the Insight Report concludes that there is now sufficient economic data to conclude that the plan change requests satisfies Clause 3.6(4) and 3.6(5) of the NPS-HPL. The Insight Report states<sup>35</sup>;

*Overall, we consider the additional information and analysis recently provided by the applicant to significantly bolster the case for the proposed rezoning, including helping to show that the additional capacity enabled would satisfy an otherwise unmet demand. Accordingly, we consider the proposal to now be capable of meeting the exacting requirements of clause 3.6(4) of the NPS-HPL, at least from an economic perspective.*

*While there are some lingering differences of professional opinion between us and NERA on specific technical matters, they do not detract from our overall conclusions. Accordingly, **we can now support the proposal on economic grounds.***

#### 7.2.5 Land Supply - Summary and Conclusion

186. The provisions of the NPS-HPL and how PC 58 gives effect to the policy directives and specific clauses associated with rezoning are substantive issues for this hearing. Unless the Hearing Commissioners are satisfied that there is a shortfall of industrial land over the medium term, then it would be extremely difficult for the plan change request to be approved. Even if a shortfall is identified, additional criteria apply to the size, location and environmental effects of the plan change before it satisfies the NPS-HPL.
187. There are material differences with the land supply assessments in the updated BDCA and the NERA reporting. A significant part of this differential can be attributed to the difference in current land capacity with the Applicant providing more updated information on industrial land development in Morrinsville, including sales within the Applicant's Stages 1 and 2 industrial development and recent site development across the Morrinsville South Area (Morrinsville-Walton Road and Bolton Road).

<sup>33</sup> NERA Addendum dated 2 February 2024, Table 2.

<sup>34</sup> Insight Economics Report – Peer Review dated 6 February 2024.

<sup>35</sup> Ibid, Section 1.2.

188. The Applicant's land supply budgets and projections have been independently reviewed and a shortfall of industrial land endorsed by the Insight Economics report as discussed above. I am mindful that with any projection, many variables and assumptions are relied upon to inform the projections and any change in one variable may have a significant influence on the final projections and land supply figures. The NERA report and land supply projections provide a wide range of land supply figures, noting that all projections show a shortfall. The BDCA also identifies a shortfall over the long term.
189. The Insight Economics peer review report provides helpful context on the nature of the economic analysis for land supply and acknowledges that a range of potential land supply projections may be valid and that there is some uncertainty with the projections for Morrinsville<sup>36</sup>.
190. The plan change area is 13.4ha (approximately 10.1ha of net developable land) which is considered to be a modest area for a rezoning and plan change request. The plan change process is a resource intensive process and it would make little planning or economic sense to carry out rezoning of smaller portions of land taking into account the need to plan and integrate infrastructure upgrades and to ensure that there is sufficient 'planned' capacity to respond to changes in market demand. In regard to this latter point, any advanced uptake in industrial land may consume any additional capacity over a relatively short time horizon where the quantum of land supply is modest. This has been demonstrated by the Applicant's land supply assessment, and their own experience with the sales of lots in the Stage 1 and 2 industrial development adjoining the plan change site.
191. Given the additional material and assessment provided by the Applicant and the independent Insight Economics review, I am satisfied that the plan change requests satisfies Clause 3.6(4)(a) and 3.6(5) of the NPS-HPL. Based on the economic analysis and evidence prepared for this hearing, it must be accepted that there is not a high level of certainty on the land supply projections. However, there is a general consensus between the Applicant's economic report and the peer review that a shortfall in industrial land is more than likely to occur. There is no precise quantum of this shortfall given the nature of the projections and the emerging changes with industrial land development and demand occurring in Morrinsville. MPDC is required to ensure that there is *sufficient capacity* to meet expected demand and it is my opinion that PC 58 is an appropriate planning response to achieve this outcome and give effect to the NPS-HPL. With regards to Clause 3.6(5), I consider that there would be no merit in only providing a smaller area of industrial land on the basis that there is some uncertainty on the land supply projections. As such, I consider that the area of the plan change can reasonably be held to be the *minimum necessary to provide the required development capacity*.
192. Clause 3.6(4)(b) and 3.6(4)(c) are also required to be satisfied. Clause 3.6(4)(b) requires that there are *no other reasonably practicable and feasible options* to provide the land supply.

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<sup>36</sup> Ibid, Section 4.3.

193. In my opinion, the Applicant has demonstrated that there are practicable limitations to the other areas where industrial land supply may be considered including access and typology. While each site may have varying opportunities and constraints, the proposed plan change site has clear advantages in terms of its spatial location and connection to the roading network.
194. The plan change site is adjacent to existing industrial activities and will retain a compact urban form with the ability to manage and mitigate off-site effects. In addition, there are no infrastructure capacity or servicing issues, which compromise the ability to develop industrial activities on the sites (subject to the rule and activity status provisions within the proposed plan provision).
195. It also strikes me that any other plan change site would have to satisfy the same criteria and the current plan change site would reasonably have to be considered as an alternative site. The current site in my opinion has superior locational benefits with similar values in terms of highly productive land that are likely to be raised with any other sites. I therefore consider that the plan change request satisfies Clause 3.6(4)(b).
196. Clause 3.6(4)(c) refers to environmental, social, cultural and economic costs and benefits in relation to highly productive land.
197. I have identified various technical matters, which will need to be finalised in **Section 8** of this report. These are largely matters of ensuring certainty and the nature of the mitigation methods as opposed to any substantive or unresolved issues. In my opinion, the plan change request will not give rise to significant costs and that there are also limitations in the productive value of the site for more intensive pastoral farming or horticulture production. I am therefore satisfied that the plan change request is capable of satisfying Clause 3.6(4)(c) and that the matters identified in Section 5 are capable of being resolved through the hearings process.
198. Overall, I conclude that there is sufficient information and analysis to demonstrate that a shortfall of industrial land will occur over the medium term. While the final quantum of this shortfall is a projection and subject to variation, the proposed industrial area of 13.4ha is both an appropriate size and location to meet the projected shortfall. I therefore conclude that the plan change request is consistent with the NPS-HPL and is able to comply with the provisions of Clause 3.6(4) and 3.6(5) in relation to urban rezoning and development capacity.

### 7.3 National Policy Statement on Urban Development 2022 (NPS-UD)

199. There is a direct relationship between the NPS-HPL and the NPS-UD. Whereas the NPS-HPL actively seeks to manage and restrict the urbanisation of land where this impacts highly productive land, the NPS-UD requires local authorities to ensure that New Zealand has well-functioning urban environments that provide for the social, economic and cultural well-being of communities.
200. Policy 2 of the NPS-UD is as follows:

**Policy 2:** *Tier 1, 2, and 3 local authorities, at all times, provide at least sufficient development capacity to meet expected demand for housing and for business land over the short term, medium term, and long term.*

201. Clause 3.3(1) refers to the need to provide sufficient development capacity and Clause 3.8 refers to out-of-sequence development and plan changes as follows:

**Clause 3.3(1):** *Every tier 1, 2, and 3 local authority must provide at least sufficient development capacity in its region or district to meet the expected demand for business land:*

- (a) *from different business sectors; and*
- (b) *in the short term, medium term, and long term.*

**Clause 3.8**

- (1) *This clause applies to a plan change that provides significant development capacity that is not otherwise enabled in a plan or is not in sequence with planned land release.*
- (2) *Every local authority must have particular regard to the development capacity provided by the plan change if that development capacity:*
  - (a) *would contribute to a well-functioning urban environment; and*
  - (b) *is well-connected along transport corridors; and*
  - (c) *meets the criteria set under subclause (3).*
- (3) *Every regional council must include criteria in its regional policy statement for determining what plan changes will be treated, for the purpose of implementing Policy 8, as adding significantly to development capacity.*

202. The work that MPDC has undertaken with the BDCA has been designed to assist MPDC to meet its obligations under the NPS-UD. The 2023 BDCA does not currently identify a shortfall of industrial land over the medium term and presumably, this will need to be revisited in light of the evidence and reporting which has been prepared to inform the PC 58 process. Given this new information, I consider that there will be demand for additional industrial land and that PC 58 will help to address this demand and provide for a well-functioning urban environment for Morrinsville. I also note that there is a considerable lag time from any initial work to prepare a plan change request and the final development of industrial activities and any rezoned land.
203. With regards to Clause 3.8, it may be considered that the plan change request is *out-of-sequence* given that the land in question is not identified for future urbanisation and that the 2023 BDCA does not identify a shortfall of industrial land. In addition, MPDC is yet to adopt a Future Development Strategy for the District as recommended in the NPS-UD.
204. The plan change area of 13.4ha does not represent a large area for urban development, however it would in my opinion represent a significant development capacity in terms of the size and context of Morrinsville which has a total of 48.4ha of existing industrial zoned land<sup>37</sup>.
205. Notwithstanding the above, the proposed industrial land is well located adjacent to existing industrial areas, has a limited interface with sensitive activities/residential activities and is well connected to the local and national transport corridors. Consequently, it is my opinion, PC 58 is consistent and gives effect to Clause 3.8.

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<sup>37</sup> BDCA (2023), page 48.

206. I also note that MPDC has joined the Future Growth Partnership with the 2024 review to formally include MPDC in the Future Growth Strategy which will have the status of a Future Development Strategy.

## 7.4 Waikato Regional Policy Statement and Plans

### 7.4.1 Overview

207. The Waikato Regional Policy Statement (Waikato RPS) contains planning and resource management provisions that provide an overview of the resource management issues in the Waikato region, and the ways in which integrated management of the region's natural and physical resources will be achieved. The Waikato RPS includes specific policy directions on the urbanisation of land and has recently been reviewed through Plan Change 1 (National Policy Statement on Urban Development and Future Proof Strategy Update) with the decision notified on 15 November 2023.
208. As described on the Waikato Regional Council website, Change 1 includes:
- *A revised urban form and development chapter, to ensure that the WRPS is giving effect to the NPS-UD.*
  - *Deleting the specific provisions relating to growth strategies prepared by territorial authorities outside of the Future Proof subregion. These have been replaced with generic provisions to guide preparation of, and give weight to, growth strategies.*
  - *Updating the provisions that relate to the Future Proof subregion to reflect the updated Future Proof Strategy. This includes the outcomes of the Hamilton to Auckland Corridor Plan, the Hamilton-Waikato Metro Spatial Plan (MSP), the MSP Transport Programme Business Case, and the Three Waters Sub-Regional Study*
209. Waikato Regional Council (Sub# 1) has submitted that the Applicant will need to assess the plan change request in accordance with Plan Change 1 and that MPDC must also undertake an assessment of the plan change in accordance with Policy UFD-P19.
210. The Applicant has prepared additional assessment of the Waikato RPS provisions in their addendum report and assessment submitted in November 2023<sup>38</sup>. As noted in the Applicant's addendum report; -
- WRC's decisions on Change 1 were notified on 15 November 2023. The appeal period for Change 1 closes in January 2024. As such, the WRPS provisions which have been introduced and amended through Change 1 currently have legal effect but they are not operative. The provisions in the decisions on Change 1 therefore remain a matter that regard must be had to in accordance with section 74(2)(a)(i) of the RMA. However, this may change by the time decisions are made on PC58 depending whether appeals are filed on Change 1 and what the scope of any appeals relates to<sup>39</sup>.*
211. The key provisions relevant to the plan change request are set out below with my assessment and reference to the Applicant's planning assessment. Where the provisions of the Waikato RPS are shown, the decisions of Plan Change 1 have been shown in dark blue and underlined text.

<sup>38</sup> Monocle – Plan Change Request – Addendum dated 30/11/2023.

<sup>39</sup> Ibid, Section 3.1.

### 7.4.2 Objective UFD-01

212. The Waikato RPS includes a section on *Urban Form and Development* with Objective UFD-01 providing the key provision that sets the outcomes and direction for the associated policies.

#### **UFD-01 – Built environment**

*Development of the built environment (including transport and other infrastructure) and associated land use occurs in an integrated, sustainable and planned manner which enables positive environmental, social, cultural and economic outcomes, including by:*

1. *promoting positive indigenous biodiversity outcomes;*
2. *preserving and protecting natural character, and protecting outstanding natural features and landscapes from inappropriate subdivision, use, and development;*
3. *integrating land use and infrastructure planning, including by ensuring that development of the built environment does not compromise the safe, efficient and effective operation of infrastructure corridors;*
4. *integrating land use and water planning, including to ensure that sufficient water is available to support future planned growth;*
5. *recognising and protecting the value and long-term benefits of regionally significant infrastructure;*
6. *protecting access to identified significant mineral resources;*
7. *minimising land use conflicts, including minimising potential for reverse sensitivity;*
8. *anticipating and responding to changing land use pressures outside the Waikato region which may impact on the built environment within the region;*
9. *providing for the development, operation, maintenance and upgrading of new and existing electricity transmission and renewable electricity generation activities including small and community scale generation;*
10. *promoting a viable and vibrant central business district in Hamilton city, with a supporting network of sub-regional and town centres; and*
11. *providing for a range of commercial development to support the social and economic wellbeing of the region, and*
12. *strategically planning for growth and development to create responsive and well-functioning urban environments, that:*
  - a. *support reductions in greenhouse gas emissions and are resilient to the current and future effects of climate change;*
  - b. *improve housing choice, quality, and affordability;*
  - c. *enable a variety of homes that enable Māori to express their cultural traditions and norms;*
  - d. *ensure sufficient development capacity, supported by integrated infrastructure provision, including additional infrastructure, for community, and identified housing and business needs in the short, medium and long term;*
  - e. *improves connectivity within urban areas, particularly by active transport and public transport;*
  - f. *take into account the values and aspirations of hapū and iwi for urban development.*

213. In my opinion, Plan Change 58 is consistent with Objective UFD-O1. The Applicant has demonstrated through their technical reporting and assessments, which have been independently reviewed, and through the development of the proposed plan provisions that industrial development can proceed in an *integrated, sustainable and planned manner* and in a manner where positive environmental outcomes are achieved.
214. Plan Change 1 has introduced a new subclause 12 to Objective UFD-O1, which is aligned with the NPS-UD. MPDC will continue to update and revise its BDCA work and this will be adopted into Future Development Strategies alongside the BDCA work of other Future Growth partners.



### 7.4.3 Policy UFD-P2 and Policy UFD-P18

215. Policy UFD-P2 and UFD-P18 provide specific policy direction associated with growth and infrastructure with Plan Change 1 introducing additional policy directives for Tier 3 local authorities and Future Growth Partners.

#### ***UFD-P2 – Co-ordinating growth and infrastructure***

*Management of the built environment ensures:*

1. *the nature, timing and sequencing of new development is co-ordinated with the development, funding, implementation and operation of transport and other infrastructure, in order to:*
  - a. *optimise the efficient and affordable provision of both the development and the infrastructure;*
  - b. *maintain or enhance the operational effectiveness, viability and safety of existing and planned infrastructure;*
  - c. *protect investment in existing infrastructure; and*
  - d. *ensure new development does not occur until provision for appropriate infrastructure necessary to service the development is in place;*
2. *the spatial pattern of land use development, as it is likely to develop over at least a 30-year period, is understood sufficiently to inform reviews of the Regional Land Transport Plan. As a minimum, this will require the development and maintenance of growth strategies where strong population growth is anticipated or as required for tier 3 local authorities as set out in UFD-P18 and its associated methods;*
3. *the efficient and effective functioning of infrastructure, including transport corridors, is maintained, and the ability to maintain and upgrade that infrastructure is retained; and*
4. *a co-ordinated and integrated approach across regional and district boundaries and between agencies; and*
5. *that where new infrastructure is provided by the private sector, it does not compromise the function of existing, or the planned provision of, infrastructure provided by central, regional and local government agencies.*

#### ***UFD-P18 – Tier 3 local authority areas outside the Future Proof Strategy***

*New urban development in tier 3 local authority areas shall be managed in a way that:*

1. *recognises and provides for the intended urban development pattern as set out in any agreed council-approved growth strategy or equivalent council-approved strategies and plans;*
2. *contributes towards sufficient development capacity required to meet expected demand for housing and for business land over the short term, medium term, and long term as set out in the National Policy Statement on Urban Development;*
3. *focuses new urban development in and around existing settlements;*
4. *prevents a dispersed pattern of settlement and the resulting inefficiencies in managing resources that would arise from urban and rural residential development being located in the rural environment outside of identified urban growth areas;*
5. *avoids the cumulative effect that subdivision and consequent fragmented land ownership can have on the role of identified urban growth areas in providing a supply of land for urban development;*
6. *ensures that any development is efficient, consistent with, and supported by, appropriate infrastructure, including additional infrastructure, necessary to service the area;*
7. *has particular regard to the principles in APP11;*
8. *recognises environmental attributes or constraints to development and addresses how they will be avoided or managed including those specifically identified in UFD-M8, highly productive land and planning in the coastal environment as set out in CE-M1;*

9. in relation to urban environments:

- a. concentrates urban development through enabling heights and density in those areas of an urban environment with accessibility by active or public transport to a range of commercial activities, housing and community services, and where there is demand for housing and business use;
- b. provides for high-quality urban design which responds positively to local context whilst recognising and allowing for amenity values of the urban and built form in areas planned for intensification to develop and change over time, and such change is not, in and of itself, an adverse effect;
- c. enables a diverse range of dwelling types and sizes to meet the housing needs of people and communities, including for:
  - i. households on low to moderate incomes; and
  - ii. Māori to express cultural traditions and norms;
- d. enables a variety of site sizes and locations in urban environments suitable for different business sectors;
- e. supports reductions in greenhouse gas emissions including through providing for an increasingly compact urban form that supports less carbon intensive transport modes such as active and public transport.

216. Policy UFD-P18 is currently applicable to the plan change request. It should be recognised that MPDC has become a Future Proof Partner however the current Future Proof Strategy (FDS) does not include MPDC. A review of the FPS is underway to achieve this, with submissions open until 19 February 2024 and hearings scheduled in late March.
217. MPDC currently retains Town Strategies for each of the main towns, Matamata , Morrinsville and Te Aroha. While it is appropriate to acknowledge these Town Strategies which were adopted by MPDC in 2013 for a 20 year time horizon, I consider that limited weight should be afforded to them given they were not prepared in accordance with the NPS-UD or the Waikato RPS as amended by Plan Change 1. In addition, any new strategies will be within the Future Proof Strategy framework and population projections will need to be updated to inform the new strategies.
218. The Town Strategy (preferred option) for Morrinsville is shown in **Figure 9** overpage.
219. I note that the Morrinsville Town Strategy does not identify a shortfall of industrial land however it does provide for some expansion of the industrial area to the north of the existing industrial zone along Snell Street.
220. In my view, while the Morrinsville Town Strategy does not identify or propose additional industrial land on the subject site, PC 58 would not compromise or hinder the other urban development outcomes identified within the strategy.
221. The Applicant has completed transportation and infrastructure assessment and reporting to support the plan change process and MPDC has commissioned external reviews of the transportation effects and in-house assessment of three waters infrastructure and servicing. These are discussed in **Section 6** of this report. Overall, there are no substantive issue raised in terms of the ability of future industrial development to be serviced, noting that some off-site intersection and infrastructure upgrades will be required and that water supply requirements for firefighting will need to be specifically designed and installed through the construction phase.

- 222. The proposed industrial area is immediately adjacent to existing industrial zoning and will prevent a dispersed pattern of settlement.
- 223. I also note that Waka Kotahi (Sub#2) generally supports the plan change request with the only concerns raised in relation to the earlier proposal for linkages directly to SH26. These linkages have subsequently been removed.

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## 9 Preferred Options

The map in the side-bar shows the current urban zones that make up the town of Morrinsville (background colours), overlaid with the preferred development options as previously described. The circular scale at the bottom of the map shows the amount of land that is currently zoned and still vacant (black circle), compared to the projected demand for each land use (filled circle). In summary:

- Residential:** Low-density residential development is proposed on the northern and north-eastern periphery of town on vacant land already zoned Residential (solid yellow circles). Medium-density residential development is proposed to the east of the town centre and on the southern periphery of town, on already developed land currently zoned Residential (orange circles). Rural-residential development is proposed on the north-western periphery of town, on vacant land already zoned Rural-Residential (solid brown circles). A new Lifestyle Living area is proposed south of West St on land currently zoned Rural (brown circle).
- Business:** Business development is proposed to the west of the existing commercial area along State Highway 26 on vacant land already zoned Business (solid red circle), with the potential to expand to the north on vacant land zoned Industrial (red arrow).
- Industrial:** It is recommended that the existing Industrial zoned land on the western periphery of town be retained (solid purple), and expanded to the north-east (purple arrow) on existing Rural-Residential zoned land along Snell Street. In addition, it is recommended that the existing Industrial zoned land south of town be retained (but not expanded).

The area of land shaded grey, to the north of town, is currently zoned Rural-Residential but is not required during the 20-year term of the town strategy.

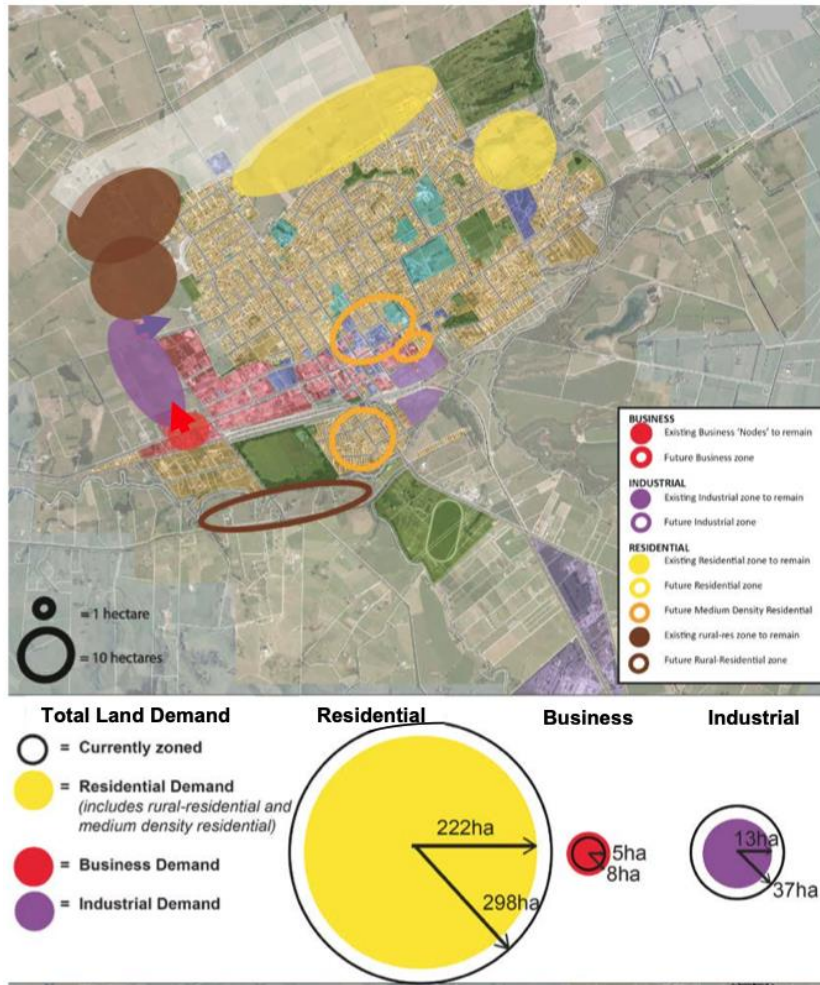


Figure 9: Extract from Morrinsville Town Strategy (2013 – 2033)



#### 7.4.4 Policy UFD-P19 and APP11 and APP14

224. Policy UFD-P19 reflects Clause 3.8 of the NPS-UD and refers to two associated methods.

**UFD-P19 – Being responsive to significant unintended and out-of-sequence growth within tier 3 local authority areas**

*Where alternative urban land release patterns are promoted through district plan and development area processes either out-of-sequence or unanticipated by a council-approved growth strategy or equivalent council strategies and plans, justification shall be provided to demonstrate consistency with the principles in APP11, and particular regard shall be had to the proposed development capacity only where the local authority determines that the urban development proposal is significant, by assessing the proposal for consistency with the criteria in APP14.*

**APP11 – Development principles**

General development principles

The general development principles for new development are:

- a) support existing urban areas in preference to creating new ones;
- b) occur in a manner that provides clear delineation between urban areas and rural areas;
- c) make use of opportunities for urban intensification and redevelopment, particularly within urban centres and along future rapid transit routes, to minimise the need for urban development in greenfield areas;
- d) not compromise the safe, efficient and effective operation and use of existing and planned infrastructure, including transport infrastructure, and should allow for future infrastructure needs, including maintenance and upgrading, where these can be anticipated;
- e) connect well with existing and planned development and infrastructure;
- f) identify water requirements necessary to support development and ensure the availability of the volumes required;
- g) be planned and designed to achieve the efficient use of water;
- h) be directed away from identified significant mineral resources and their access routes, natural hazard areas, energy and transmission corridors, locations identified as likely renewable energy generation sites and their associated energy resources, regionally significant industry, highly productive land, and primary production activities on highly productive land except in accordance with the National Policy Statement for Highly Productive Land 2022.;
- i) promote compact urban form, design and location to:
  - i) minimise energy and carbon use;
  - ii) minimise the need for private motor vehicle use;
  - iii) maximise opportunities to support and take advantage of public transport in particular by encouraging employment activities in locations that are or can in the future be served efficiently by public transport;
  - iv) encourage walking, cycling and multi-modal transport connections; and
  - v) maximise opportunities for people to live, work and play within their local area;
- j) maintain or enhance landscape values and provide for the protection of historic and cultural heritage;
- k) promote positive indigenous biodiversity outcomes and protect significant indigenous vegetation and significant habitats of indigenous fauna. Development which can enhance ecological integrity, such as by improving the maintenance, enhancement or development of ecological corridors, should be encouraged;
- l) maintain and enhance public access to and along the coastal marine area, lakes, and rivers;
- m) avoid as far as practicable adverse effects on natural hydrological characteristics and processes (including aquifer recharge and flooding patterns), soil stability, water quality and aquatic ecosystems including through methods such as low impact urban design and development (LIUDD);
- n) adopt sustainable design technologies, such as the incorporation of energy-efficient (including passive solar) design, low-energy street lighting, rain gardens, renewable energy technologies, rainwater harvesting and grey water recycling techniques where appropriate;
- o) not result in incompatible adjacent land uses (including those that may result in reverse sensitivity effects), such as industry, rural activities and existing or planned infrastructure;

- p) *be appropriate with respect to current and projected future effects of climate change and be designed to allow adaptation to these changes and to support reductions in greenhouse gas emissions within urban environments;*
- q) *consider effects on the unique tangata whenua relationships, values, aspirations, roles and responsibilities with respect to an area. Where appropriate, opportunities to visually recognise tangata whenua connections within an area should be considered;*
- r) *support the Vision and Strategy for the Waikato River in the Waikato River catchment;*
- s) *encourage waste minimisation and efficient use of resources (such as through resource- efficient design and construction methods); and*
- t) *recognise and maintain or enhance ecosystem services.*

**APP14 – Responsive Planning Criteria – Out-of-sequence and Unanticipated Developments (Non-Future Proof tier 3 local authorities)**

- A. *That the development makes a significant contribution to meeting a demonstrated need or shortfall for housing or business floor space, as identified in a Housing and Business Development Capacity Assessment or in council monitoring.*
- B. *That the development contributes to a well-functioning urban environment. Proposals are considered to contribute to a well-functioning urban environment if they:*
  - i. *have or enable a variety of homes that: meet the needs, in terms of type, price, and location, of different households; and/or enable Māori to express their cultural traditions and norms; and/or have or enable a variety of sites that are suitable for different business sectors in terms of location and site size; and*
  - ii. *support, and limit as much as possible adverse impacts on, the competitive operation of land and development markets.*
- C. *That the development has good accessibility for all people between housing, jobs, community services, natural spaces, and open spaces, including by way of public or active transport.*
- D. *Whether it can be demonstrated that there is commitment to and capacity available for delivering the development so that it is completed and available for occupancy within the short to medium term.*
- E. *In cases where the development is proposing to replace a planned land use as set out in a council-approved growth strategy or equivalent council strategies and plans with an unanticipated land use, whether it can be demonstrated that the proposal will not result in a short-, medium- or long-term (as defined in the National Policy Statement on Urban Development 2020) shortfall in residential, commercial or industrial land, with robust data and evidence underpinning this analysis.*
- F. *That the development protects and provides for human health.*
- G. *That the development would contribute to the affordable housing stock within the district, addressing an identified housing type/tenure/price point need, with robust data and evidence underpinning this analysis.*
- H. *That the development does not compromise the efficiency, affordability or benefits of existing and/or proposed infrastructure, including additional infrastructure, in the district.*
- I. *That the development can be serviced without undermining committed infrastructure investments made by local authorities or central government (including NZ Transport Agency).*
- J. *That the development demonstrates efficient use of local authority and central government financial resources, including prudent local authority debt management. This includes demonstration of the extent to which cost neutrality for public finances can be achieved.*
- K. *The compatibility of any proposed land use with adjacent land uses including planned land uses.*
- L. *That the development would contribute to mode-shift towards public and active transport.*
- M. *That the development would support reductions in greenhouse gas emissions and would be resilient to the likely current and future effects of climate change, with robust evidence underpinning this assessment.*
- N. *That the development avoids areas identified in district plans, regional plans or the Regional Policy Statement as having constraints to development.*
- O. *That the proposed development would not adversely affect the function and vitality of existing rural settlements and/or urban areas.*

225. As discussed above, the plan change request can be considered significant given the scale and context of the proposed industrial zone area compared to the existing area of industrial land in Morrinsville.
226. I note that the Development Principles set out in APP11 have only been subject to minor editing changes and a reference to greenhouse gas emissions from the Change 1 decisions. In my view, the plan change request is consistent with the Development Principles. The site is located adjacent to and will directly connected to the existing industrial development and will ensure a compact urban form with direct transport connections to local and national roading networks. No substantive issues have been identified in terms of infrastructure capacity and servicing and no environmental effects have been identified which are inappropriate or not capable of being mitigated. Mana whenua have been consulted and are generally supportive of the plan change request with no submissions raising an issue of cultural values or sites.
227. In terms of AAP14, I consider that the plan change request is consistent with the Responsive Planning Criteria. Importantly, a demonstrated shortfall of industrial land has been identified as part of the plan change process. The plan change will assist with work/live/play opportunities for the Morrinsville Community and will support a compact urban form, which will assist with greenhouse emissions.
228. The proposed plan change does not necessarily promote public transport however provision is can be made for pedestrian and cycle connections.

#### **7.4.5 Regional Plans**

229. In my opinion, any matters associated with the regional plans can be addressed through the future consenting and development process. This may include consents for bulk earthworks and possible stormwater discharge.

#### **7.4.6 Summary/Conclusions**

230. The regional policy provisions are currently in a state of transition with decisions from Plan Change 1 to the Waikato RPS recently released (and subject to an appeal period) and also taking into account that the Future Proof Strategy is also under review with MPDC proposed to formally be adopted into the strategy.
231. There are key policy directives for rezoning and urban development, which in part have been driven by the introduction of the NPS-UD. Even prior to the NPS-UD, there was a key emphasis within the Waikato RPS on the need to plan for urban development and to ensure that this was aligned with infrastructure and transportation networks and supply.
232. I am satisfied that the plan change request satisfies the criteria for *out-of-sequence* development and importantly that it provides for urban development in an integrated, sustainable and planned manner. In my opinion, the plan change gives effect to the Waikato RPS in accordance with S. 75(3) of the RMA

## 7.4 MPDC District Plan

233. The plan change request is seeking to introduce a new GIZ Zone with linkages to the other plan chapters that provide additional provisions to manage development and achieve positive environmental outcomes.
234. I understand that, as part of the work being undertaken by MPDC to transition the District Plan to the National Planning Standards, a review of the industrial provisions and zone areas will be required to identify areas that will need to be shown as precincts within an Industrial Zone framework. If granted, any final provisions for the Avenue Road GIZ Zone will be part of this review.
235. As earlier discussed, the proposed provisions have been adopted from the plan change provisions originally proposed with Plan Change 57 (Calcutta Plan Change) and have also evolved through the submissions and plan change process.
236. MPDC (Sub#11) also submitted on the current plan change process and there has been constructive and collaborative engagement between MPDC and the Applicant in terms of the formulation, structure and content of the GIZ Zone provisions.
237. The District Plan is currently under review to align and reformat the contents of the District Plan to the National Planning Standards. This process is also likely to require plan changes to accommodate the transition process.
238. The Operative District Plan includes a Sustainable Management Strategy and topic based sections with specific objectives and policies that have either a direct or indirect relationship to the proposed GIZ Zone provisions. These include;
- 2.4.2 Controlling Activities,
  - 2.4.6 Integrating land-use and infrastructure,
  - 3.3.2 Sustainable Activities,
  - 3.5.2 Amenity,
  - 3.8.2 Transportation, and
  - 3.9.2 Development Contributions
239. In my opinion, the proposed plan change provisions including the proposed GIZ Zone provisions will be able to integrate with the strategic and associated objectives and policies while recognising that new objectives and policies are proposed to inform and guide the future development and assessment of industrial activities within the proposed GIZ Zone.

## 7.5 Other Provisions

### 7.5.1 Hauraki Gulf Marine Park Act 2000 (HGMPA)

240. I understand that Morrinsville falls within the Hauraki Gulf catchment and as such, the provisions of the HGMPA apply to PC 58.



241. In my opinion, the nature and location of the proposed industrial area and the associated rules and methods to manage future development are such that there are no real planning issues arising from the plan change request which are relevant to the HGMPA.

### **7.5.2 Iwi Planning Documents**

242. I am familiar with the iwi planning documents which relate to the Matamata-Piako district and I have reviewed the Application report analysis on the Waikato - Tainui Environmental Plan (Tai Tumu Tai Pari Tai Ao) and the Ngāti Hauā Environmental Management Plan (Te Rautaki Tāmata Ao Turoa o Hauā)<sup>40</sup>.
243. As discussed above, the Applicant has consulted with Ngāti Hauā and has received a CVA, which supports the plan change request subject to further relationship and design matters being implemented through any future consenting process. I also note that no submissions have been received raising any cultural concerns with the plan change request.
244. On this basis, I am comfortable to accept and adopt the assessment of the Applicant in relation to the iwi planning documents.

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<sup>40</sup> Monocle –Request for Plan Change dated 22 December 2022, Section 8.4.

## 8 PROPOSED PLAN PROVISIONS AND SECTION 32AA

245. As a private plan change request, the Applicant has primarily been responsible for the formulation and preparation of the plan change provisions, which are proposed for the District Plan. The Applicant has also worked collaboratively with MPDC planning staff and has also worked with the proponents of the Calcutta Plan Change on the proposed GIZ Zone provisions.
246. MPDC has made a submission to the plan change and a letter has been received from MPDC in response to the final rule provisions, which have been proposed by the Applicant.
247. Overall, I consider that the structure, content and proposed linkage rules are fit for purpose. As identified in this report, I recommend that the following matters be subject to further resolution/refinement;
- (i) Inclusion of a new rule mechanism for a Noise Control Boundary (NCB) and associated noise performance standards. This will require an amendment to the planning maps and a specific rule and activity status for noise sensitive activities that may be proposed within the NCB. My initial recommendation is that a Controlled Activity provision is adopted for any activity that would otherwise be a permitted activity and that the Controlled Activity criteria would only require certification that building design and construction standards will ensure compliance with pre-set internal noise levels. Ventilation requirements for this rule will need to be finalised with input from the respective noise experts,
  - (ii) Details for the landscape buffer will need to be confirmed with more specificity into the DAP. The width of the landscape yard, maintenance and effective screening/visual mitigation purpose and details of any landscape provision in the road reserve in my opinion all require further clarification and certainty,
  - (iii) Strengthening of reference to firefighting standard in Rule 9.6.4 of DAP. Adoption of wording from FENZ submission is generally supported to require all buildings to be designed in accordance with NZ Firefighting Water Supplies Code of Practice SNZ PAS 4509:2008,
  - (iv) Clarification in Rule 9.6.4 of DAP that an upgrade of an existing pump station and main in Avenue Road North is the preferred option and that the costs of these upgrades will be at the developers cost, with alternate options to be available with agreement from Council,
  - (v) Change of the Activity status rule for activities not in general accordance from discretionary to non-complying with subsequent rule and number changes to GIZ-R1(3) and GIZ-R1(4), and Rule 6.3.3,
  - (vi) Clarification of key road corridor frontages and landscaping requirements and whether these rules are required for PC 58, and
  - (vii) Adoption of the additional transportation recommendations to prescribe road and shared path geometry for the DAP roading network and the provision for off-site upgrades to the Avenues Road North intersection and shared path connections (refer Table 2 of Gray Matter Technical Memo – **Appendix 3**, and that these costs should lie with the applicant.

248. The Applicant has prepared a S.32AA analysis to support the final plan change provisions and this may be adopted by the Hearing Commissioners subject to any final determination of the plan change request. The S.32AA analysis was prepared in conjunction with the final changes proposed by the Applicant in November 2023 and is supported by the original S.32 analysis for the plan change request which is dated 22/12/22. I have reviewed the original S.32 and S.32AA analysis and while I agree with the overall approach and analysis, I also make the following observations;
- (i) The final S.32AA assessment will need to be updated to take into account any further changes to the proposed plan rule provisions,
  - (ii) The original S.32 analysis refers to a cost/risk of adhoc industrial development with additional environmental effects occurring if the plan change request is not granted to provide additional industrial land supply. In my opinion, this risk is minimal given the need for a consenting process for any out of zone activities. My recommendation is that this is reframed to emphasise that the plan change provides an opportunity to address land supply shortfall and provide for urban development in an integrated, sustainable and planned manner. This is in line with the Waikato RPS provisions and I support the analysis that the plan change process is the most appropriate method to address the shortfall,
  - (iii) Revisiting the S.32AA analysis for the landscaping requirements for key transport corridors if these are not required for PC 58.

## 9 RMA STATUTORY ASSESSMENT

249. **Section 5** of this report contains the relevant provisions of the RMA, which set out the statutory criteria for the preparation of district plans and rule provisions. **Section 6** and **Section 7** then address the environmental effects and relevant policy instrument respectively.
250. To recap and summarise my assessment of the plan change request with regard to the statutory criteria, I provide the following commentary;

Section 73	The plan change request has been processed in accordance with Schedule 1 and the hearings process will enable a full evaluation of the plan change request and submissions.
Section 74	Based on my assessment of the environmental effects and policy instruments, it is my opinion that the plan change request is consistent with the sustainable management purpose of the RMA and the principles as set out in Section 6 - 8. The Applicant has prepared a Section 32 analysis and due consideration has been made of the relevant planning instruments.
Section 75	The structure and formatting of the GIZ Zone provisions are consistent with Section 75 and have been designed to also give effect to the National Planning Standards. Sub-section 75(3) is significant as it requires a district plan to give effect to national and regional policy statements. I have assessed the relevant provisions with particular focus on the NPS-HPL and I am satisfied that the plan change requests satisfies sub-section 75(3).
Section 76 and 77A, 77B and 77D	The proposed rule provisions satisfy the framework and criteria for new rule provisions.
Sections 43B	The plan change request is consistent with the provisions for NES insofar as these apply to the plan change site.
Section 45 and 45A	The plan change request has taken into account and given effect to the relevant NPS.

## 10 CONCLUSIONS AND RECOMMENDATION

251. The plan change request - PC 58 is to be considered and determined in accordance with the statutory criteria set out in the RMA. As with any rezoning proposal, there are a variety of planning challenges to assess in terms of policy instruments and the scale and nature of effects that may arise from a proposed change in zone and land use.
252. In my opinion, the Applicant overall has undertaken a competent and appropriate process of technical reporting as well as engagement with stakeholders. The Applicant's process has helped to identify and assess the potential and actual effects of the rezoning, and the expert and technical reporting provides appropriate assessment, methods and solutions to support the plan change request. This includes the preparation of a new General Industrial Zone and a Development Area Plan. The proposed General Industrial Zone has been prepared in accordance with the National Planning Standards.
253. Key issues for the plan change request are the criteria and policy direction to protect highly productive land under the National Policy Statement for Highly Productive Land. This has led to a substantive amount of information being produced on land use capacity and land supply budgets.
254. MPDC has prepared a Business Development Capacity and Demand Assessment, which does not identify a short fall in industrial land for Morrinsville over the medium term. The Applicant has prepared additional assessments of population projections and has also provided more nuanced and more recent information on current land supply including recent sales across their Stage 1 and 2 industrial development which is adjacent to the plan change site. The Applicant's economic expert has identified a shortfall of industrial land which has been subject to an independent peer review process. While the peer review has reservations with some of the analysis and assumptions adopted by the Applicant, the overall projection for a shortfall of industrial land (over the medium term) has been endorsed and supported by independent analysis.
255. The majority of submissions support the plan change request based on economic and community benefits. Several submissions have also been received from adjacent rural landowners raising concerns about the scale and nature of effects from future industrial activities. In my opinion, concerns over the potential effects from industrial land use are understandable and valid given that the plan change site currently has a Rural Zone. I am generally satisfied that the effects can be managed and mitigated to provide appropriate protection of existing rural amenity and character values. However, I consider that further refinement and clarification of the landscaping and noise provisions is required.
256. I have also prepared a table to provide my recommendation on whether these submissions should be accepted, accepted in part or rejected. This is provided as **Appendix 7**.
257. I am satisfied that there are no substantive environmental or infrastructure issues which are outstanding that prevent the plan change from being granted. The rule provisions for noise and landscaping will require further refinement and there are some relatively minor matters to clarify in terms of the Development Area Plan and specific rule provisions for firefighting, an off-site wastewater pump station and transportation upgrades.

258. In my opinion, the plan change request is consistent with and satisfies the statutory criteria set out in the Resource Management Act. Specifically, I am satisfied that the plan change request gives effects to the national and regional policy statements in relation to urban development and the need to protect highly productive land.
259. I support the granting of the plan change request subject to resolution of the final matters identified in this report. These are largely associated with the refinement and clarification of rule provisions to ensure that appropriate environmental and infrastructure servicing is provided. If these final provisions cannot be agreed through the hearings process, then it will be necessary for a separate set of rule provisions highlighting any differences with the Applicant's plan provisions to be submitted to complete this S.42A report and recommendation.



**Todd Whittaker** BRP, MNZPI  
Independent Planning Consultant on behalf of MPDC  
7 February 2024

S.42A Report Authorised for Issue



**Ally van Kuijk**  
MPDC District Planner  
7 February 2024