



Matamata-Piako District Plan

Proposed Plan Change 50

Development Concept Plan-

**Hobbiton Tourism Venue, Buckland Road,
Matamata**

(Rings Scenic Tours Ltd)

Section 42A Report on:

**Section 32AA further evaluation,
recommendation on submissions, and
proposed plan change.**

March 2019

Ref: 18032019



Table of Contents

1	Purpose of the report	3
2	Overview	5
3	Plan Change request	7
4	Consultation, process to date and the next steps	11
5	Plan Change documentation	13
6	Submissions and further submissions	15
7	Proposed Plan Change modifications	31
8	Statutory framework for plan changes	37
9	Effects assessment	42
10	Assessment under relevant planning documents	47
11	Part 2 RMA assessment	50
12	Section 32 and 32AA RMA evaluation	53
13	Conclusion	56
14	Recommendations	57

Appendices:-

Appendix A

Summary of submissions and further submissions.

Appendix B

Recommended changes to DCP (track changes), and other consequential changes to the District Plan proposed as a consequence of the Plan Change. Memorandum of Understanding.

Appendix C

Rings Scenic Tours Ltd - Development Concept Plan- Updated Transportation Review, March 2019, Graymatter Ltd.

1. Purpose of the report

This report has been prepared by consultant planner Marius Rademeyer for the Matamata-Piako District Council ("MPDC").

The recommendations provided in this Report are based upon the planning analysis of myself and the Council's District Plan Team.

The report concerns Private Plan Change 50 ("Plan Change") to the Operative Matamata-Piako District Plan ("District Plan").

The Plan Change has been lodged by Consultants Bloxam Burnett & Olliver ("BBO") on behalf of Rings Scenic Tours Limited Ltd ("RST") and relates to the Hobbiton Movie Set site at 487, 501 and 502 Buckland Road, Matamata.

The Plan Change seeks to establish an appropriate planning framework to enable the ongoing operation and growth of tourism activities at the site while managing adverse effects.

As such, the Plan Change proposes to introduce a new objective and policies that relate to tourism activities in the District Plan, and to establish a customised Development Concept Plan ("DCP") for the site. The intent of the DCP is to provide more regulatory certainty for future development while ensuring that appropriate controls are in place to avoid, remedy or mitigate adverse effects.

The plan change process commenced in 2016 when MPDC planners held discussions with RST and BBO regarding a suitable framework that would provide for the integrated resource management for the site.

During August 2016, BBO submitted a first draft of the proposed DCP and Plan Change Request for review by MPDC planners. Following further reiterative refinements of the draft, the final Plan Change request was lodged in January 2018 for the decision of the Matamata-Piako District Council ("Council").

Council considered the matter at its meeting held in February 2018 and resolved to accept the Plan Change request ("Request") as a private plan change in accordance with clause 25(2)(b) of Part 2 of Schedule 1 of the Resource Management Act 1991 ("RMA").

The Plan Change was subsequently notified for submissions and further submissions. In response to notification, Council received submissions from fifteen parties including residents of Buckland Road and Rangitanuku Road, and from Matamata-Piako District Council staff, the NZ Transport Agency, Powerco Ltd and J Swap Contractors Ltd. Four further submissions were also received. These were from Matamata-Piako District Council staff, the NZ Transport Agency, Powerco and J Swap Contractors Ltd.

The submissions cover a wide range of matters with a focus on traffic safety effects and amenity impacts. A number of the submitters want to be heard.

Clause 8B of Schedule 1 of the RMA requires Council to hold a hearing into submissions on a plan change where submitters have indicated they wish to be heard.

This Report has been prepared in accordance with section 42A RMA. The Report will summarise the Plan Change, the matters to be considered by Council, the section 32 analysis

undertaken and the submissions received. In addition, the report will make recommendations on the submissions, recommend changes to the Plan Change, undertake a further evaluation of these changes under section 32AA RMA and consider the merits of the plan change within the RMA's statutory framework.

The purpose of the Report is to assist the Hearings Panel in their consideration of submissions and evidence presented at the hearing. The recommendations contained in this Report do not have any statutory weight. They are intended to assist the Hearings Panel to consider the merits of the Plan Change Request in light of submissions received.

In the Report, recommendations are made (with reasons) on every submission point and further submission in the summary of decisions requested - which is attached as Appendix to the Report. Also attached to the report is a 'track changed' version showing the effect of the recommendations. In considering the submissions I have given regard to the provisions of the Proposed Plan Change and Section 32 analysis as notified and the Council's statutory obligations.

Under clause 29(4) of the First Schedule to the RMA, Council has the authority to decline, or approve, or to make modifications to the Plan Change.

Upon considering the matters and having regard to a further evaluation, my recommendation as set out in this Report is that Council accepts the Plan Change subject to amendments aimed at addressing the matters raised by Submitters.

2. Overview

In 1999, the movie set for the filming of Sir Peter Jackson's *"Lord of the Rings"* trilogy was constructed on the Alexander family's 500 ha sheep and beef farm located in the rural area at 487, 501 and 502 Buckland Road, approximately 10km south-west of Matamata (see Figure 1). In 2011, the set was rebuilt for the filming of *"The Hobbit"* trilogy, and thereafter retained as a permanent tourist attraction.

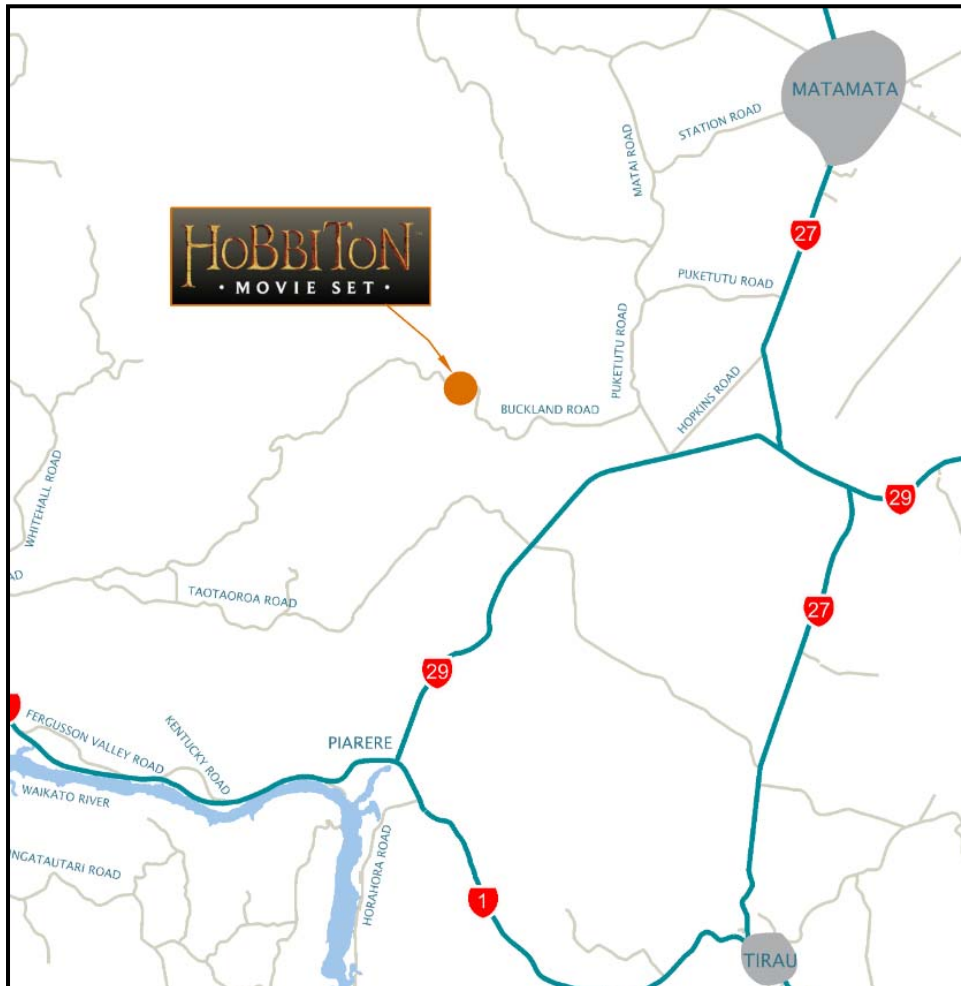


Figure 1: Location Plan

RST has been operating tourism activities at the Hobbiton Site since 2002. The current activities at the site include tours of the movie set, a restaurant/bar, café, shop, visitor centre, and ancillary office, and maintenance and staff facilities. In addition, special events such as movie premieres, weddings, parties, functions, and themed concerts are held at the site.

Since the tours were first established, annual visitor numbers have increased year on year, with a significant increase from 2011 onwards. The site is now well established as an internationally renowned tourist attraction. It is New Zealand's third largest tourist destination, currently attracting some 600,000 visitors per year including 17% of all international visitors. The economic benefit of Hobbiton to the District is also substantial, estimated in 2017 to be in the order of \$78 million of additional annual expenditure, providing employment for 393 full-time equivalent jobs.

Under the District Plan the Hobbiton site is currently zoned Rural and is therefore subject to the Plan provisions that apply to typical rural activities with no recognition for the site's use as a prominent tourist destination. The existing activities are therefore subject to resource consents and consent variations granted by MPDC (consolidated in 2015 into Consent 2015.10419.2) for site-specific development and tourism activities in the Rural Zone.

Rapid growth in visitor numbers has resulted in non-compliance with current consent limits on annual visitors. The current regulatory regime has proved to be problematic as a result of the time involved to obtain new resource consents required for each stage of expansion of the site or change in activities.

From RST's perspective, the current regulatory regime is not sufficiently responsive to enable the company to react to changes in visitor demand. In addition, the lack of regulatory certainty does not provide confidence to justify the scale of investment and long-term commitment required to enable the company to utilise the site's full tourism potential.

From the Council's perspective, the current piecemeal assessment of consecutive development stages at the site under separate resource consent applications, is inefficient and prevents an integrated, holistic, evaluation of the long-term consequences.

To provide more regulatory certainty and efficiency for the future development of the site, RST has now applied for a private plan change. The purpose of the Plan Change is to introduce new provisions, including a site-specific Development Concept Plan that will recognise the uniqueness and importance of the site and enable the ongoing operation and growth of tourism activities within a sustainable planning framework.

Under the DCP, the existing activities that are subject to the current resource consents will be authorised and expansion of the site will be provided for, subject to site-specific performance standards that are aimed at managing the effects of the ongoing tourism-related use of the site.

The use of Development Concept Plans as a planning mechanism to manage sites with unique or out-of-zone locations, or challenging regulatory requirements, is well-established in the District Plan. Currently most of the District's large processing sites and the Totara Springs Christian Centre are similarly managed under site-specific DCPs that override the Plan's generic Zone provisions.

3. Plan Change request

RST's Plan Change request seeks to establish new provisions and a site-specific DCP, within the District Plan, for the Hobbiton site.

The changes proposed include a new objective in the "Significant Resources" section of the District Plan that requires the importance of tourism to the District's economy to be recognised, and the development of tourism activities to be encouraged. The new objective is proposed to be supported by new policies that provide for development concept plans to be used as the appropriate planning mechanism that will enable the significance of major tourist attractions to be recognised, while managing the adverse effects on a site-specific basis.

In addition, a new policy is proposed to be introduced into the "Amenity" section of the District Plan, to require that future development at the Hobbiton site must be sympathetic to the rural landscape and environment.

In recognition of the increase in traffic associated with the increasing visitor numbers to the site, the Plan Change also seeks to change the road hierarchy referenced in Section 9 of the District Plan of the eastern access route to Hobbiton (i.e. Puketutu Road from Hopkins Road to Buckland Road, and Buckland Road through to the entrance to Hobbiton) from "Local Road" to "Collector Road".

The proposed DCP area includes the whole of the Alexander family farm comprising some 500ha of land legally described as Part Lot 3 DP 9575, Part Section 137, Block V Tapapa Survey District, Part Lot 2 DP 16907, and Lot 3 DPS 13550.

For the purposes of regulation, the DCP area is proposed to be divided into two activity precincts, as follows:

- **Precinct 1:** contains approximately 6.5ha of land on the southern side of Buckland Road including the existing "Shire's Rest" café, ticketing office, souvenir shop, conference facility, offices and parking area. The DCP is proposed to replace these currently consented activities and to provide for expansion of tourism retailing, events, and staff offices within the precinct. In addition, provision is proposed to be made for a camping area limited to self-contained vehicles for overnight stays by visitors booked in for movie set tours, and cabins offering short-term accommodation for visitors.
- **Precinct 2:** includes the area where the iconic movie set structures including the Green Dragon Inn, Watermill, Bridge and Jetty, Hobbit Holes, Bag End Tree, and Lake, are located. The Precinct comprises some 50ha of land located approximately 1.3km north of Buckland Road in a location that is topographically screened from public viewpoints and surrounding properties. Access to Precinct 2 is restricted to RST buses or inbound bus groups only. Current activities consented in Precinct 2 includes movie set tours, and the use of The Green Dragon, and Marquee as a café/bar, function and event centre. In addition, a range of indoor and outdoor events are held within Precinct 2, including movie screenings, corporate events, weddings, parties, and themed concerts. Precinct 2 also includes the site's current maintenance workshops and catering activities. The DCP proposes to provide for these activities to continue and to expand as Permitted Activities, subject to compliance with performance standards.

In both Precincts 1 and 2, large events and events that create significant traffic movements will require resource consent as a Restricted-Discretionary activity.

In addition to the two activity precincts, the DCP includes a Rural Buffer Area that comprises the rest of the Alexander family farm. The purpose of the Rural Buffer Area as part of the DCP is to establish a wider effects boundary that will act as a “buffer” to mitigate the effects of Hobbiton tourist activities on the neighbouring rural environment.

Figure 2 below shows the proposed DCP boundaries and the delineation of the proposed activity precincts and the rural buffer area:

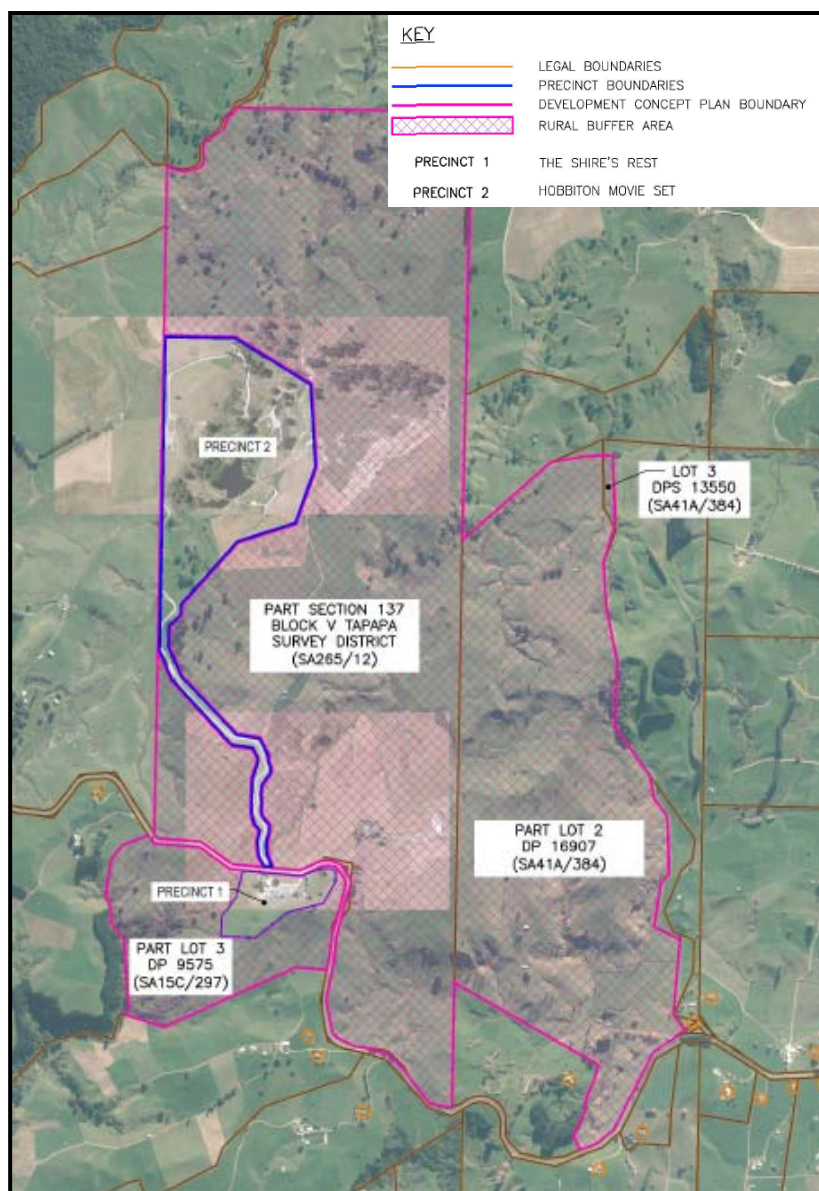


Figure 2: Proposed DCP Boundaries and Precincts

The DCP establishes performance standards that existing and proposed activities within Precincts 1 and 2 will be required to meet, in order to retain Permitted Activity status. These performance standards aim to manage the adverse effects on the rural receiving environment, and include:

- Height, height-to-boundary, and yard requirements for all buildings;

- Limitations on building coverage within Precinct 1;
- Landscaping requirements;
- Requirements for vehicle access, parking and loading;
- Restrictions on daily visitor numbers;
- Noise limits;
- Controls on illumination and signage;
- Limits on the size of events; and:
- Controls on fireworks displays.

In addition, the DCP outlines the matters to which the Council will restrict its discretion where resource consents are required for Restricted-Discretionary activities.

The Plan Change, if it becomes operative, will enable the site to be managed largely through a single, comprehensive planning instrument (“one-stop shop”) without having to reference separate sections of the District Plan and previous consent conditions.

Given that Precinct 2 is largely screened from view, future development within Precinct 1 (shown conceptually in Figure 3 below) will result in the predominant visible changes to the environment.



Figure 3: Conceptual Lay-Out of Precinct 1

Precinct 2 will continue to be dominated by existing Hobbiton-themed architecture and development shown in Figure 4 below:



Figure 4: Existing Hobbiton-Themed Development in Precinct 2

The proposed DCP as notified comprises six sheets as follows:

- **Sheet 1** (see Figure 2) shows the boundaries of the DCP, the activity precincts, and the location of existing neighbouring dwellings.
- **Sheets 2 – 3** show the more detailed delineation of the boundaries of Precincts 1 and 2.
- **Sheets 4 and 5** describe the performance standards and development controls for Permitted Activities; and:
- **Sheet 6** describes the matters for discretion, and provides definitions of DCP-specific terms that are not already defined in the District Plan.

In addition to the DCP performance standards, traffic effects on the roading network are proposed to be managed through an agreement referred to as a “Memorandum of Understanding” (“MoU”) between Council and RST whereby RST will fund road safety improvements, installation and maintenance of road safety signage, and pay for the additional impact on road maintenance through financial contributions.

4. Consultation, process to date and next steps

Prior to lodging the Plan Change Request, RST consulted with a number of stakeholders on the proposed Plan Change and DCP. The stakeholders consulted and key outcomes as reported in the Plan Change Request can be summarised as follows:

- **MPDC:** Planning and asset management staff were consulted during the preparation of the Plan Change and drafting of the proposed DCP provisions. Changes have been made to the DCP provisions in response to staff comments and recommendations by MPDC-appointed peer reviewers Hegley Acoustic Consultants and Gray Matter Transportation Engineers.
- **Neighbours:** During 2016 a consultation pack was sent to nearby neighbours and Russell Alexander, the CEO of RST, subsequently visited a number of neighbouring owners/occupiers to seek comments on the Plan Change.
- **Iwi:** The application document states that both Waikato-Tainui and Ngati Haua were consulted. The consultation involved providing detail of the proposed Plan Change. According to the application document “no significant cultural issues have been identified through consultation”.
- **NZ Transport Agency:** The Plan Change Request states that the Agency is “broadly supportive of the project provided the traffic effects on the state highways are dealt with satisfactorily”.
- **Waipa District Council:** WDC was consulted in regard to the western access route to Hobbiton via the WDC’s road network (Karapiro Road/ Buckland Road (west)). The Plan Change Request states that WDC was “supportive of the DCP and discussion focused on mitigating traffic effects through signage and encouraging tourists to use alternative routes”.
- **Waikato Regional Council:** The application document states that WRC was consulted and was “supportive of the DCP and discussions focussed on mitigating traffic effects, traffic safety and the potential impacts on the wider strategic transport network”.

The Plan Change was publicly notified on 4 April 2018, with 3 May 2018 as the deadline for submissions. In response to the notification, MPDC received fifteen submissions. The submissions received are from residents of Buckland Road and Rangitanuku Road, and from Matamata-Piako District Council staff, the NZ Transport Agency, Powerco Ltd and J Swap Contractors Ltd. Four further submissions were also received.

On 6 June 2018 the Council notified a summary of submissions, calling for further submissions by 20 June 2018. Four further submissions were received. These were from Matamata-Piako District Council staff, the NZ Transport Agency, Powerco and J Swap Contractors.

A summary of submissions and further submissions is attached as **Appendix A** to this report. Copies of the actual submissions can be found on MPDC’s website¹.

¹ See <http://www.mpd.govt.nz/district-plan/district-plan-review/134-uncategorised/3070-proposed-plan-change-50-hobbiton-development-concept-plan-487-501-and-502-buckland-road-matamata>

The submissions cover a wide range of matters with a focus on traffic safety effects and amenity impacts. At the time of finalising this report, twelve submitters have indicated that they want to be heard.

Clause 8B of Schedule 1 of the RMA requires Council to hold a hearing into submissions on any proposed plan/plan change where submissions have been made and submitters have indicated they wish to be heard.

Once the hearing has been concluded, the Panel will make its recommendations for a decision by Council. Thereafter, Council's decisions will be publicly notified (as required under the RMA), thereby notifying parties of their right to appeal the Council's decisions to the Environment Court.

Provided that the Council's decisions are not appealed, the Plan Change can then be made operative.

The Plan Change will take legal effect from the operative date and from this date the DCP and other changes proposed will be included in the District Plan, thereby completing the plan change process.

5. Plan Change documentation

The documentation lodged in support of the Request as publicly notified, comprises:

- Plan Change Request and statutory assessment;
- Schedule 1: Location of Plan Change Land;
- Schedule 2: Proposed Changes to the Operative Matamata-Piako District Plan;
- Schedule 3: Section 32 Evaluation;
- Schedule 4: Transportation Report (Bloxam Burnett & Olliver);
- Schedule 5: Landscape and Visual Assessment (Mansergh Graham Landscape Architects Ltd (MGLA));
- Schedule 6: Acoustic Report (Marshall Day Acoustics Ltd);
- Schedule 7: Consultation Records (including Acoustic Peer Review); and:
- Schedule 8: Copies of Existing Resource Consents.

A copy of the above mentioned documentation is available on the Council's website².

The documentation includes a comprehensive assessment that:

- Summarises the proposed plan change, the site, and the relevant background to the Request;
- Explains the proposed DCP, and provides a comparison between the proposed DCP provisions and the conditions of the site's existing resource consents;
- Assesses the proposal against the relevant statutory matters; and
- Provides a conclusion and summary of the assessment.

The appendices include specialist reports that provide an assessment of:

- Traffic effects;
- Landscape and visual effects; and:
- Noise effects.

The specialist reports include strategies to avoid, remedy or mitigate the adverse effects of future development of the site. The performance standards and matters of discretion that are proposed to apply to the DCP have been informed by the mitigation strategies recommended in the specialist reports.

² See <http://www.mpd.govt.nz/district-plan/district-plan-review/134-uncategorised/3070-proposed-plan-change-50-hobbiton-development-concept-plan-487-501-and-502-buckland-road-matamata>

The documentation includes an assessment of the statutory requirements that Council need to address in considering the plan change request, including:

- The matters to be considered by Council (Sections 31, 74 and 75 RMA);
- The purpose of the RMA (i.e. the “Part 2 RMA” assessment);
- The relevant planning documents (the Hauraki Gulf Marine Park Act 2000, Waikato Regional Policy Statement and Regional Plan, Waikato Regional Land Transport Plan, Waikato-Tainui Environmental Plan, and the Matamata-Piako District Plan);
- Assessment of environmental effects (traffic effects; landscape and visual effects; noise effects; amenity effects; services and infrastructure effects; ecological effects; effects on archaeological sites; and effects on high quality productive soils); and:
- Analysis of the options, efficiency and effectiveness of the proposed plan change provisions (i.e. the “Section 32 RMA evaluation”).

This Report will reference relevant sections of the documentation and will provide a summary of the parts that are particularly relevant to the assessment of the Plan Change.

In addition to the documentation referenced above, the following information pertaining to the part of the process subsequent to notification of the Plan Change is relevant:

- **Appendix A:** Summary of submissions and further submissions received in response to notification.
- **Appendix B:** Recommended amendments to the Plan Change Request as notified and other consequential changes to the District Plan proposed as a consequence of the Plan Change. Memorandum of Understanding.
- **Appendix C:** Rings Scenic Tours Ltd - Development Concept Plan- Updated Transportation Review, March 2019, Graymatter Ltd.

6. Submissions and further submissions

6.1 Overview

In response to notification, Council received submissions from fifteen parties including residents of Buckland Road, Puketutu Road and Rangitanuku Road, and from Opal Hot Springs and Holiday Park, Matamata-Piako District Council staff, the NZ Transport Agency, Powerco Ltd and J Swap Contractors Ltd.

The owners and occupiers of properties on Buckland Road and Puketutu Road that have made submissions are:

1. Monique Moore, 719 Buckland Road;
2. David Reichmuth, 21 Buckland Road;
3. Nelson McCosh, 632 Buckland Road;
4. Carolyn and John Evans, 156 Buckland Road;
5. John Evans, 156 Buckland Road;
6. GREGAN Family Trust, 774 Buckland Road;
7. Gasquoine Holdings Ltd, 696 Buckland Road;
8. Glenda O'Sullivan, 127 Buckland Road; and;
9. Derrys Farm Ltd, 496A Puketutu Road.

Figure 5 shows the location of the above submitters' properties in relation to the Hobbiton site:

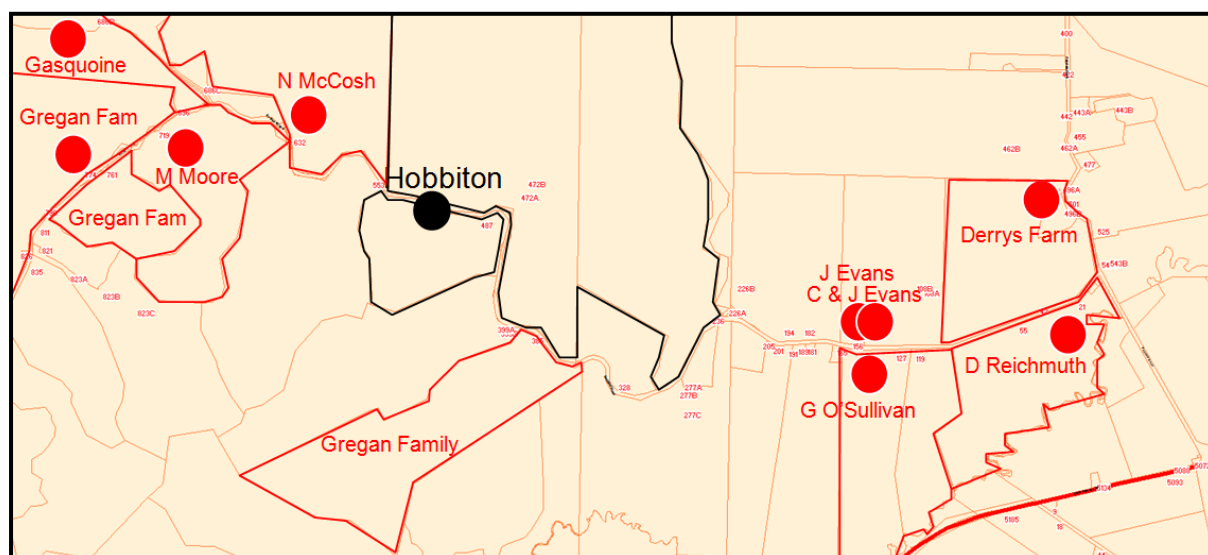


Figure 5: Location of Buckland/ Puketutu Road Submitters

The submitters' properties are in close proximity to the Hobbiton site, being located within 2km to the west, and within 4km to the east of Hobbiton.

One resident of Rangitanuku Road, Kaye Ring (330 Rangitanuku Road) made a submission. Rangitanuku Road is a local rural road south of Hinuera that connects State Highway 28 (from Rotorua) with State Highway 29 (Paierere to Tauranga). The submitter's property is approximately midway along the length of Rangitanuku Road; 12km southeast of the Hobbiton site (see Figure 6).

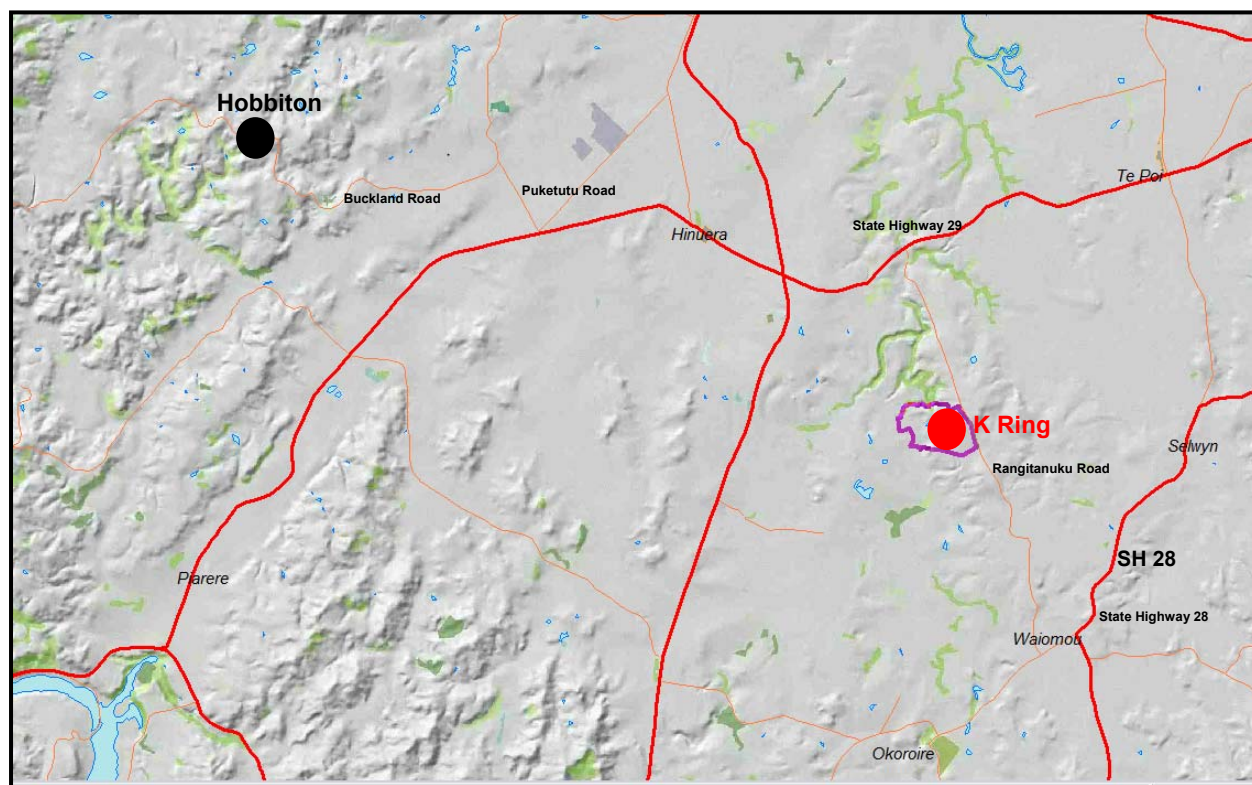


Figure 6: Rangitanuku Road Submitter

Opal Hot Springs and Holiday Park is located at 257 Okauia Springs Road, east of the town of Matamata, and approximately 17km north-east of the Hobbiton site.

Four further submissions were also received. These were from Matamata-Piako District Council staff, the NZ Transport Agency, Powerco and J Swap Contractors.

Ten of the submissions support the Plan Change in part and want the Council to approve the Plan Change subject to amendments. Four submissions oppose the Plan Change or parts of the Plan Change and want the entire Plan Change or parts of the Plan Change to be declined. One submission is neutral to the Plan Change.

Of the four further submissions, some are in support and other are opposed to submission points raised in submissions as will be discussed more fully later in the report.

The submissions raise a total of 79 submissions points, to which 32 further submission points relate.

The submission and further submission points cover a wide range of issues that can broadly be classified under seven topics:

- Topic 1: Lack of benefits/ demand;
- Topic 2: Lack of confidence in consultation, assessment, clarity/transparency and compliance/enforcement;
- Topic 3: Rural environment, landscape and amenity effects;
- Topic 4: Impact on Matamata Township and wider road network;
- Topic 5: Buckland and Puketutu Roads;
- Topic 6: Specific changes to DCP requested by submitters; and:
- Topic 7: Electricity infrastructure

This Report will discuss the submissions under the relevant topics. Recommendations are made (with reasons) on every submission point and further submission in the summary of decisions requested - which is attached as Appendix A to this Report.

The modifications to the Plan Change recommended in response to the submissions are shown in Appendix B, and are explained more fully later in this report.

6.2 Procedural matters

In regards to the submissions, two procedural matters require consideration:

6.2.1 Late submission by Derrys Farm Ltd (Section 37 RMA)

Submissions on the Plan Change Request closed at 5pm on Thursday 3 May 2018. However the Derrys Farm Ltd submission was received by Council late, at 3.06pm the following day (Friday 4 May 2018).

The Council has the discretion under section 37 RMA to accept the late submission, after taking into account:

- The interests of any person who, in its opinion, may be directly affected by the extension;
- The interests of the community in achieving adequate assessment of the effects of the Plan Change; and
- Its duty under section 21 RMA to avoid unreasonable delay.

It is recommended that the late submission can be accepted, for the following reasons:

- The submission as will be discussed more fully later in the report does not raise any new matters not already referenced in other submissions.
- The acceptance of the late submission will enable the relief sought by Derrys Farm to be considered. Therefore, the interests of the community will be better served by acceptance of the late submission.

- The submission was only marginally late and was received well before notification of the summary of submissions and as such has not caused a delay in the processing of the Plan Change.

6.2.2 Submission by Opal Hot Springs and Holiday Park (clause 6 of Schedule 1 to the RMA)

The submission from Opal Hot Springs and Holiday Park's is that *"camping facilities at Hobbiton will detract from the revenue that Opal Springs gains from its camp sites"*.

Under clause 6 of Schedule 1 to the RMA a *"person who could gain an advantage in trade competition through the submission may make a submission only if directly affected by an effect of the proposed policy statement or plan that—*

(a) adversely affects the environment; and

(b) does not relate to trade competition or the effects of trade competition".

The Opal Hot Springs and Holiday Park's submission (see extract in Figure 7 below), acknowledges that the submitter could gain an advantage through the subdivision and that the submitter is not affected by an adverse effect on the environment that does not relate to trade competition or the effects of trade competition.

I could gain an advantage in trade competition through this submission:

☒ Yes ☐ No

If you could gain an advantage in trade competition through this submission please complete the following:

I am directly affected by an effect of the subject matter of this submission that—

(a) adversely affects the environment; and

(b) does not relate to trade competition or the effects of trade competition

☐ Yes ☒ No

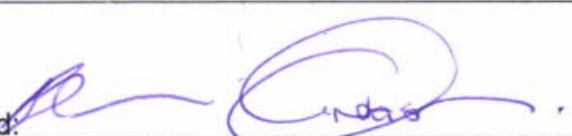
Signed:  Date: 8/4/18

Figure 7: Extract from Opal Hot Springs and Holiday Park's Submission

Consequently, it is considered that the Council does not have the authority under the RMA to consider the submission.

6.3 Topic 1: Lack of benefits/ demand

6.3.1 Submissions

David Reichmuth's submission states that there is no need to provide for more visitors or additional tourist facilities at Hobbiton, because:

- Income from the existing activities is already adequate to ensure the site's financial sustainability;
- Most Hobbiton tourists are short-stay visitors that do not need on-site accommodation facilities;
- The proposed overnight stay and camping facilities are unsustainable as there are no sewerage treatment facilities to deal with the disposal of effluent from the site; and:
- There is a movie theatre in nearby Cambridge, and therefore no need to duplicate the facilities by providing for movie screenings at Hobbiton.

Nelson McCosh is opposed to the hosting of movie screenings and concerts at the Hobbiton site. He considers that hosting movies and concerts in Matamata or another developed urban environment where the infrastructure already exists, will be a far better option compared to *"pushing hundreds of vehicles at once onto a country road with potentially drug and alcohol affected drivers where there are already instances of poor driving, near misses, and accidents"*.

6.3.2 Discussion

The submission by David Reichmuth requests that the Plan Change in its entirety be declined because the site is already profitable at its current level of use.

The income earned and profitability of the current operation, in other words the benefits that accrue to the resource user are not matters for consideration under the RMA. The RMA enables the sustainable use of resources for financial gain.

However, it is relevant under the RMA to consider the economic benefits of resource use to the local economy. This is the case, as the purpose of the RMA is to sustainably manage the use of resources in a way that enables people and communities to provide for their economic well-being.

Economic analysis shows that Hobbiton tourists contribute approximately \$78 million per annum to the local economy and support 393 Full Time Equivalent (FTE) jobs, adding total wages and salaries of \$16.5 million per annum to the local economy.

It is acknowledged that most Hobbiton tourists are short stay visitors. Even so, the economic analysis proves that the facility makes a significant contribution to the local economy. The Plan Change request acknowledges the short stay nature of the visitors and therefore proposes short stay accommodation only. There appears to be a need for overnight facilities at or in the vicinity of the site as visitors currently camp overnight on the side of Buckland Road, or in gateways effectively trespassing, or on nearby farms as paying guests.

If the Plan Change is successful and the overnight accommodation established, appropriate sewerage treatment facilities to deal with the disposal of effluent from the new activity will need to be provided in accordance with the requirements of the Waikato Regional Council, the authority responsible for the management of discharges to land, water, and air. In order to gain approval for the treatment facilities, the site operator will need to demonstrate that the discharge can be sustainably managed.

The submissions question the need for movie screenings and concerts at Hobbiton given that there are purpose built facilities elsewhere in the vicinity. This is a valid point and is accepted. Therefore it is proposed that the Plan Change be amended to discourage the use of the site for movie screenings and events that are not Hobbiton-themed.

The above analysis shows that Hobbiton makes a significant contribution to the local economy, and that provision for the sustainable expansion of the site in order to enhance its positive effect on the local economy is in accordance with the purpose of the RMA.

The regulatory framework for the site must balance its tourist potential with its location in a rural environment. Such a balance can best be achieved by limiting onsite activities to those that relate closely to the Hobbiton theme, being the aspect of the site that has tourism significance.

As stated by the submitters, there is no justification from a resource management perspective, to enable the site to be used generally as a movie theatre for genres that have no reference to the site's tourism significance.

It is recommended that the request to decline the Plan Change be rejected, but that amendments are made to the Plan Change provisions to require resource consent for larger-scale activities that are not Hobbiton-themed.

6.4 Topic 2: Lack of confidence in Plan Change process and compliance

6.4.1 Submissions

Nelson McCosh, the Gregan Family Trust, Glenda O'Sullivan, J Swap Contractors Ltd and the Matamata-Piako District Council have made submissions and further submissions relating to a lack of confidence in the Plan Change process and the ability of Council to enforce compliance with the regulatory provisions.

Nelson McCosh points out the omission of dwellings from the DCP and from the noise assessment. Given these omissions, Mr McCosh questions the robustness of the assessments provided in support of the Plan Change Request and expresses concern that, as the closest neighbour to the site, he has not been consulted. Due to traffic concerns and effects on rural amenity and livestock, Mr McCosh does not support movie screenings and concerts at Hobbiton. He has requested that the Plan Change be declined.

The Gregan Family Trust wants regular meetings to be held with Buckland Road residents as a forum where matters of concern and compliance can be discussed. They want the Plan Change to be accepted with provision for mandatory consultation meetings to be held. The Matamata-Piako District Council, in a further submission, supports provision for regular community meetings.

Glenda O'Sullivan wants the Plan Change Request to be declined, pending further consultation on the long term implications for adjacent land owners, particularly in so far as changes to the road hierarchy and road safety are concerned. J Swaps Contractors Ltd, in a further submission, opposes the request to decline the Plan Change, but supports the request for further investigation into changes in road hierarchy, upgrading of affected roads, and determining the methods whereby the works will be funded.

Nelson McCosh and the Gregan Family Trust are concerned that the current consent conditions are being exceeded and that the Council is allowing this to occur. In view of this, they question whether there can be confidence that the proposed performance standards will be adhered to and if not, enforced by the Council.

David Reichmuth considers that the Plan Change request is deliberately vague and lacking in detail.

J. Swaps Contractors Ltd points out in its submission that tourist attractions generate not only on-site effects but, in addition, also impacts on the wider road network, community facilities, and infrastructure. While the Plan Change manages the on-site effects, the submission is concerned that the increase in tourists to the Matamata-Piako District will also place greater strain on the infrastructure network within the Matamata town centre and surrounds. These effects should be recognised through the Plan Change and adequate funding provided to require increased, and or, upgraded facilities, either through the direct addition of new facilities, Council's Development Contributions Policy or the addition of a specific rate for tourist attractions. J Swaps Contractors Ltd wants the new objectives and policies proposed by the Plan Change to be amended to provide for off-site effects to be mitigated through physical improvements or that provision be made for funding of off-site effects through development contributions or targeted rates.

6.4.2 Discussion

The submissions alleging fatal flaws in the assessment, to the extent that the Plan Change Request should be declined or deferred pending further consultation and investigation, is not supported. The information submitted in support of the Plan Change Request is considered to be generally robust³ and, where considered necessary, has been independently reviewed by MPDC.

While further consultation is supported, MPDC does not have authority to require consultation or to decline the Plan Change solely on the basis that further opportunity for consultation should be provided.

The submissions relating to non-compliance with existing consent conditions are noted. Case law indicates that a past record of non-compliance, on its own, is not grounds for declining planning approval. Past conduct is relevant to deciding the adequacy of regulatory controls if there is evidence that earlier provisions have proved to be unsatisfactory. Therefore, it is recommended that the Plan Change be amended to require a Site Management and Monitoring Plan to enable robust monitoring and to provide confidence that compliance with the proposed performance standards can readily be monitored and enforced.

The requests for regular community liaison meetings to be held are supported, and considered to be in accordance with "best practice" and a valuable method to ensure issues are identified in a timely manner so that they can be resolved before they escalate. The benefits of community engagement are widely accepted, including by the Environment Court which frequently requires community liaison as a method to avoid, remedy, or mitigate adverse

³ It is noted that at the time of writing details regarding the landscape amenity and noise effects are still the subject of ongoing discussions between the experts and that further information in this regard may need to be presented at the hearing or in supplementary evidence.

effects. Therefore it is proposed that amendments be made to the performance standards, to require mandatory annual community liaison meetings.

The submission that the Plan Change rules are vague is supported in part. In response to the submission, amendments to the Activity Schedule and Performance Standards (see Appendix B) are proposed. It is considered that the DCP, subject to the amendments in Appendix B, provides an appropriate regulatory framework that is clear and enforceable, yet flexible enough to provide for future changes in circumstances.

The submission regarding the need to consider off-site effects and to provide for funding options to mitigate these effects is accepted and, in response, amendments to the District Plan policy framework (see Appendix B) are recommended.

6.5 Topic 3: Rural environment, landscape and amenity effects

6.5.1 Submissions

David Reichmuth, Nelson McCosh, Derrys Farm Ltd and the Gregan Family Trust have made submissions regarding adverse effects on the rural environment, landscape and amenity values.

Mr Reichmuth is particularly concerned with noise pollution from cars and buses on Buckland Road. He wants the Plan Change to be declined. J. Swap Contractors Ltd, in a further submission supports Mr Reichmuth's concerns regarding noise pollution from Hobbiton traffic.

Nelson McCosh's submission is that the proposal will detract from the rural setting and rural landscape and that it should be declined. In addition, he has experienced a number of incidents of tourists trespassing on his farm as it has become known that the Hobbiton movie set area that is visible from parts of his property.

The Gregan Family Trust's submission is that the residents of Buckland Road have a reasonable expectation to the quiet enjoyment of their land and that Hobbiton needs to ensure that this expectation is preserved.

Derrys Farm Ltd opposes the increase in visitor numbers, movie screenings and amplified music events, on-site visitor accommodation, and overnight camping facilities.

The Derrys Farm Ltd submission states that Buckland Road and surrounding areas are in a rural environment and of natural scenic beauty. With the increase in visitors, events, and traffic, the submitter has concerns that this will impact on the natural environment, create major traffic safety concerns (many accidents or near accidents go unreported) and will create environmental pollution (e.g. increase in roadside rubbish, damage to native vegetation due to cars stopping to take photos). As a land owner in the affected area, the submitter is concerned that land values will be negatively impacted, due to reduced desirability to live in the area; in addition rates are likely to increase to manage infrastructure improvements.

6.5.2 Discussion

It is acknowledged that the Hobbiton site is located in a rural area characterised by relatively low traffic volumes and that the Hobbiton site generates substantially more traffic and higher levels of activity than neighbouring rural activities.

It is therefore agreed that the regulatory framework must balance the need to preserve the amenity values of the rural locality with the use of the site as a tourist destination (and thereby to promote the economic wellbeing of the community who benefits in terms of increased spending by tourists and additional employment opportunities).

Consequently, it is recommended that amendments be made to the DCP (i.e. additional limits on permitted activities, reduction in noise limits, changes in activity status of events and movie screenings), aimed at reducing the adverse amenity effects of the Hobbiton tourist activity on the surrounding rural environment.

Therefore, it is recommended that the requests to decline the Plan Change be rejected, but that the submissions requesting amendments be accepted in part, for the reasons as outlined above and as detailed more fully in Appendix A.

6.6 Topic 4: Impact on Matamata Township and wider road network

6.6.1 Submissions

A number of parties have made submissions and further submissions regarding the impact of Hobbiton on Matamata Township and the wider road network.

David Reichmuth states in his submission that the roads are not able to handle the traffic and are in poor condition, that Matamata Township is ill equipped to accommodate the extra visitors, that there is a lack of parking in Matamata that is exacerbated by the presence of tourists, and that foreign drivers are a danger to other motorists. J Swap Contractors Ltd, in a further submission, agrees with the issues raised in David Reichmuth's submission. Swap disagrees that the Plan Change should be declined, but wants further investigation into road improvements and methods of funding the additional road safety works.

C & J Evans and John Evans are concerned about traffic safety at the Hopkins Road/ State Highway 29 intersection. They consider that a roundabout is required to adequately manage traffic safety effects at the intersection and they want the Plan Change to be amended to require the installation of the roundabout.

The NZ Transport Agency, in a further submission, opposes a roundabout at the intersection and notes that state highway improvements are subject to further assessment and approval by the Transport Agency.

J Swap Contractors Ltd, in a further submission, supports the Evans submission and wants the Plan Change to investigate the need and funding options for all road improvements required to ensure the safe operation of Hobbiton.

Powerco, in its further submission, is neutral to the Plan Change but wants to be consulted prior to any road alterations and wants assurance that its assets will be protected.

The NZ Transport Agency, in its submission notes that if visitor numbers exceed the expected 650,000 per year then the predicted traffic movements of 387,000 per year will also be exceeded. The Agency notes that the ITA has not considered vehicle movements above this predicted threshold. The Agency is concerned that the safety at the State Highway 29/ Hopkins Road intersection and State Highway 27/ Firth Street intersection will be compromised should actual traffic volumes exceed the predicted threshold on which the ITA is based. The Agency

notes that the only performance standard that controls visitor numbers is the proposed “cap” of 3,500 visitors per day during movie set tour hours. The Agency notes that the current “cap” of 3,500 visitors per day equates to 1,227,500 visitors per year, double the 650,000 visitors on which the ITA is based. The Agency wants a new performance standard to be included to require that vehicle movements shall not exceed 387,000 per year. If vehicle movements exceed the 387,000 cap, the activity should become a Restricted-Discretionary Activity to enable assessment of the effects of the additional traffic.

The Matamata-Piako District Council and J. Swap Contractors Ltd, in their further submissions, support the NZ Transport Agency’s submission for a “cap” on annual trip generation. The J Swap Contractors Ltd further submission questions the practicality of monitoring actual trip generation and notes that, in the absence of a monitoring procedure, the performance standard will be difficult to enforce.

J Swap Contractors Ltd in its submission acknowledges that Hobbiton has positive effects. However, the influx of tourists has resulted in capacity constraints in Matamata, and the wider road network. The submitter considers that there is a lack of methods and funding options proposed to mitigate the effects of the Plan Change on the wider road network and the infrastructure and facilities in Matamata. The submitter wants improvements to other parts of the roading network within the vicinity of Hobbiton to be part of the Plan Change. Examples cited by the submitter include upgrading of the western end of Buckland Road, the intersections of Puketutu Road and Taotaoroa Road with State Highway 29 and the intersection of Karapiro Road with State Highway 1. The submitter wants adequate funding for these improvements to be included in the consideration of the Plan Change or through another mechanism to ensure that the costs are predominantly borne by Hobbiton (internalised) and not the wider community (externalised).

Powerco’s further submission to the J Swap submission is neutral noting that it wants to ensure it is consulted prior to any alterations to roading layout that could affect its assets.

Gasquoine Holdings Limited states in its submission that the public toilet facilities in Matamata are inadequate, and that these should be upgraded. J Swap Contractors Ltd, in its further submission, supports Gasquoine’s request for the toilet facilities to be upgraded and in addition, wants funding for the upgrade to be determined.

Kaye Ring’s submission states that Rangitanuku Road is used by tourists as a through route for traffic going to and from Hobbiton to Rotorua. She wants the Plan Change to be amended to include Rangitanuku Road as a Collector Road in order to accommodate the additional traffic. In addition, she wants a turning bay to be installed on State Highway 29 (southbound) into Rangitanuku Road, and widening of Rangitanuku Road in order to prevent accidents caused by drivers not familiar with NZ road rules and single lane roads. J Swap Contractors Ltd has made a further submission in support of Kaye Ring’s submission. Powerco has made a further submission that is neutral to Kaye Ring’s submission noting that it wants to ensure it is consulted prior to any alterations to roading layout that could affect its assets.

6.6.2 Discussion

Transportation Consultants Gray Matter provided an Updated Transportation Review to Council in March 2019 (see Appendix C). The Review provides an independent update to the assessment of the of the transportation impact of the proposed development on the surrounding area dealing specifically with topics raised in submissions, and where relevant provides updated crash and traffic count information.

The overall findings of the Review is that, subject to the amendments to the Plan Change as shown in Appendix B, the transportation effects of the proposal on the wider road network could be managed to become acceptable. In relying on the independent Transportation Consultant's advice, it is recommended that the submission by David Reichmuth requesting that the Plan Change be declined on the grounds that the road network is not able to handle the traffic, be rejected. For the same reason, it is recommended that the submission by J Swap Contractors Ltd requesting improvements to the wider road network be rejected,

In regard to the State Highway 29/ Hopkins Road intersection, the Review notes that the NZ Transport Agency is currently in the process of implementing variable speed controls to address the crash risk. The Review recommends that no further mitigation be required in regard to the State Highway 29/ Hopkins Road intersection. In relying on the independent Transportation Consultant's advice, it is recommended that the submission by C & J Evans and John Evans and further submission by J Swap Contractors Ltd requesting the installation of the roundabout as part of the Plan Change be rejected, and that the Transport Agency's further submission opposing the installation of the roundabout as part of the Plan Change be accepted.

In regard to the Transport Agency's submission and the further submissions by Matamata-Piako District Council and J Swap Contractors Ltd requesting that a "cap" based on trip generation be included as a performance standard, the Transportation Review recommends that these submissions be accepted as the proposed "cap" is an appropriate control that aligns with the assessment of traffic effects undertaken in the ITA.

In regard to effects within Matamata, the 2018 Transportation Peer Review⁴ reached the conclusion that maximum daily visitor numbers are not expected to increase. Therefore, the increase in annual visitor number requested in the Plan Change will result in the same peak daily parking demand and the same peak visitor numbers, but spread over more days.

Consequently the Transportation Review recommends that no further mitigation be required in so far as effects within Matamata Township are concerned. In relying on the Transportation Consultant's advice, it is recommended that the submissions by Gasquoine Holdings Ltd, David Reichmuth, J Swap Contractors Ltd requesting further mitigation within Matamata Township, be rejected.

The Transportation Review does not support Kaye Ring's submission requesting upgrading of Rangitanuku Road and its intersection with State Highway 29. The Review considers that the use of Rangitanuku Road by Hobbiton traffic should be able to be managed to become acceptable, by ensuring that appropriate travel information is provided to staff, visitors and tourist companies.

Consequently, it is recommended that Kaye Ring's request to upgrade Rangitanuku Road be rejected, but that the Plan Change be amended to require travel information to be provided by Hobbiton in order to discourage visitors from using Rangitanuku Road.

Powerco's neutral stance to the Plan Change is noted, and amendments to the Plan Change are recommended to ensure that the Company's electricity assets are considered where road works are undertaken.

⁴ See

http://www.mpdcc.govt.nz/districtplan/ProposedChanges/PPC50/Traffic_Peer_Review.pdf

The amendments proposed are shown in Appendix B, and are explained more fully later in this report.

6.7 Topic 5: Buckland and Puketutu Roads

6.7.1 Submissions

A number of neighbours as well as J Swap Contractors Ltd, Powerco Ltd, and the NZ Transport Agency have made submissions concerning Buckland and Puketutu Roads, the local roads that provide access to Hobbiton.

All of the neighbouring submitters have concerns regarding the increase in traffic on Buckland Road and what they perceive as diminished traffic safety on the local roads.

The submissions by Monique Moore, C & J Evans, John Evans, and the Gregan Family Trust, request that the current 100km/h speed limit on Buckland Road must be reduced as part of the Plan Change, to 60 – 80km/h.

Monique Moore wants Buckland Road to be realigned in the vicinity of the exit from Hobbiton in order to improve sightlines, judder bars to be installed in Buckland Road at both ends of Hobbiton, installation of a pedestrian crossing at the Buckland Road frontage of Hobbiton, and centreline markings along the full length of Buckland Road, with directional arrows at all road corners.

C & J Evans and John Evans want Buckland Road to be modified between the entrances at #385 and #395 in order to improve sightlines, and ongoing monitoring of traffic effects, especially as a result of the proposal to introduce accommodation at the Shire's Rest.

The Gregan Family Trust's submission also wants the entrance at #385 to be made safe and pedestrian safety at the Buckland Road frontage of Hobbiton to be given consideration. In addition the Trust wants consideration to be given to the construction of an underpass that will allow buses and pedestrian to safely cross under Buckland Road when moving between Shire's Rest and the Movie Set Site. In this regard the Trust notes that:

"Ingress and egress to/from the Hobbiton site and the crossing of traffic between the Shire's Rest and the Movie Set Site are along a 400m section of Buckland Road between two blind corners. It is estimated that busses could cross Buckland Road up to 140 times per day, at a frequency of up to one crossing every 4.8 minutes. This together with the increased volume of traffic has implications on wear and tear to the road, and road safety."

Gasquoine Holdings Ltd wants Hobbiton and MPDC to ensure that traffic effects are managed so that Buckland Road is safe, and that the activity has minimal impact on the ability of residents to carry out day-to-day activities. They want sealed off-road areas to be created where visitors could stop safely.

Their submission states that Buckland Road west of Hobbiton is frequently used by tourists, including buses, and that the road in its current state is not suitable to accommodate the traffic created by Hobbiton. They want a centreline and the same level of road signage and markings as are already provided on the section of Buckland Road within the Waipa District, to be installed along the section of Buckland Road west of Hobbiton that is within the Matamata-Piako District. The submission states that tourists frequently park overnight on farm tracks, gateways, and front verges along Buckland Road and that "No Camping" signs need to be erected at all off-road areas.

J Swap Contractors Ltd, supports the submissions of Monique Moore, C & J Evans, John Evans, the Gregan Family Trust, and Gasquoine Holdings and wants further investigations into the upgrading of the affected road network, and consideration given to the funding thereof. In addition, J Swap Contractors Ltd has made a submission requesting that the full length of Buckland Road (both the sections east and west of Hobbiton) and its connections to, and intersections with the state highway network be upgraded as part of the Plan Change.

The NZ Transport Agency, in a further submission opposes the request made by J Swap Contractors Ltd to upgrade the western end of Buckland Road. The Agency wants the eastern access to Hobbiton to be prioritised as the preferred route to Hobbiton so as to avoid the State Highway 1/Karapiro Road intersection. The Agency is opposed to any methods to incentivise the increased use of the western end of Buckland Road.

Powerco's neutral stance to the Plan Change is noted, and amendments to the Plan Change are recommended to ensure that the Company's electricity assets are considered where road works are undertaken.

6.7.2 Discussion

The Updated Transportation Review (see Appendix C) referred to previously, has considered the submissions outlined above. The Review recommends the following additional mitigation measures in order to address submitters' concerns:

- **Puketutu/ Buckland Road intersection:** Further mitigation to improve intersection conspicuity and layout, e.g. splitter island or intersection realignment.
- **Buckland Road (east):** Completion of the mitigation works proposed in Appendix B of Hobbiton's ITA⁵ and installing no-stopping signs and markings adjacent to 21 Buckland Road.
- **Private entrances – 385 and 399 Buckland Road:** Improvements to sight distance are required to mitigate the crash risk. This may require lowering of Buckland Road.
- **Buckland Road (west):** Install chevron and speed advisory signs. Install a centreline along the full length of Buckland Road (west), this will require line marking within the Waipa District. Provide travel information identifying the preference for the eastern route.
- **Pull-off Areas:** Provide the second pull-off area recommended in the ITA but not yet constructed. Provide signage indicating location of pull-off areas.
- **Hobbiton Entrance and Underpass:** Provide barriers to prevent pedestrians crossing the road and provide designated photo opportunities that avoid crossing the road. A vehicle underpass is not considered practical because of the location of existing development at Shire's Rest.

⁵ See: <http://www.mpd.govt.nz/districtplan/ProposedChanges/PPC50/Schedule4.pdf>

- **Reducing speed limit:** A reduction in speed limit is supported. However, setting speed limits requires a bylaw change by Council and is beyond the scope of the Plan Change Request.
- **“Cap” on Vehicle Trips:** A “cap” of 387,000 trips/year and 2,084 trips/day is supported.
- **Monitoring:** An on-going monitoring and reporting framework is required to monitor trip generation of tours, trip generation of events held outside tour hours, parking demand and provision of information to tour operators, deliveries and staff.

It is recommended that the Plan Change be modified as shown in Appendix B, to incorporate the above recommendations. The modifications will address the submissions requesting amendments to the Plan Change on this topic, in part.

6.8 Topic 6: Specific changes to DCP

6.8.1 Submissions

Matamata-Piako District Council’s regulatory staff has made a submission seeking changes to the DCP’s purpose statement, activity schedule, performance standards, and definitions. Powerco Ltd and the NZ Transport Agency have made further submissions in response to the MPDC submission.

The changes requested, predominantly seek alternative wording with a similar intent to improve clarity so as to enable the provisions to be implemented uniformly and with certainty. A few of the submission points are broader in scope with potentially wider implications. These will be highlighted in the summary below:

- **Deletion of the DCP “purpose” statement:** The submission seeks the deletion of the “purpose” statement in the preamble to the DCP, on the grounds that the inclusion of the statement is inconsistent with the format of the other DCPs included in the District Plan. Furthermore, the weighting to be given to the “purpose” statement during the implementation of the DCP is unclear as the “purpose” is not an objective, policy, or rule with legal status under the RMA.
- **Amendments to the activity schedule:** The submission seeks that provision be made for effluent systems as an activity under the DCP, in order to cater for the regulation of existing and proposed effluent systems on the DCP site. In addition, the submission seeks a number of changes to the “Activity Schedule”. These changes are self-explanatory and are shown in the Topic 6 Table in Appendix A. Of note is the submission relating to the earthworks provisions that seeks clarity around the distinction between cut to fill earthworks, and the importation of cleanfill as part of an earthworks activity.
- **Amendments to the performance standards:** The changes requested are also predominantly to ensure clarity. A number of the proposed changes warrant further comment:
 - The submissions to Landscape Performance Standards 1.1.4 and 1.1.5 request that the standards be redrafted to remove ambiguity.
 - The submissions seek the introduction of a new performance standard relating to earthworks to require that earthworks be undertaken in accordance with the Waikato

Regional Plan and the Region's earthworks guidelines, and that construction vehicles must not track loose material onto the local roads. This submission point is supported by NZTA in a further submission. Powerco Ltd also supports this submission point in its further submission and requests that the New Zealand Code of Practice for Electrical Safe Distances NZECP 34:2001 (NZECP 34:2001), the Electricity (Hazards from Trees) Regulations 2003 (the Tree Regulations), and the use of the "Dial before U Dig" service be referenced in the earthworks and other relevant performance standards.

- The submission to the Car Parking Standards in 1.1.7 wants the NZTA Traffic Control Devices Manual to be specifically referenced. The NZ Transport Agency in its further submission supports reference to the NZTA Traffic Control Devices Manual.
 - The submission to Performance Standard 1.1.8 wants clarification that the 3,500 daily visitor "cap" includes event patrons during movie set tour hours. The NZ Transport Agency in its further submission supports the above submission.
 - The submissions request that the Memorandum of Understanding between Hobbiton and the Matamata-Piako District Council that cover contributions for traffic impact, funding of road improvements, and maintenance of the affected road network, be incorporated in the DCP as a performance standard, rather than to "sit outside" the DCP. This submission point is supported by the NZ Transport Agency in a further submission.
 - The submissions to Noise Performance Standard 1.1.9 requests that the permitted noise levels be changed in accordance with the advice obtained from independent acoustic consultant Nevil Hegley⁶.
 - The submissions request the introduction of a new performance standard that will limit visitor accommodation to the specified number of units and campervans and in the location as assessed in Hobbiton's Landscape and Visual Report⁷.
 - The submission to Performance Standard 1.1.12 seeks clarity of the signage provisions and is opposed in a further submission by the NZ Transport Agency on the grounds that the intent of the change requested is unclear.
- **Amendments to the matters of discretion:** The submission seeks broader discretion over effects, specifically traffic effects, and is supported by the NZ Transport Agency.
 - **Definitions:** The submissions seek changes.

6.8.2 Discussion

With the exception of the request to delete the DCP "purpose" statement, the majority of the amendments requested are supported, noting that the plan modification discussed later in this Report, has resulted in significant re-wording of the DCP provisions as shown in Appendix B. Where the provisions are proposed to be re-worded, it is considered that the amended wording meets the intent of the Matamata-Piako staff submissions.

6.9 Topic 7: Electricity infrastructure

6.9.1 Submissions

⁶ See <http://www.mpd.govt.nz/districtplan/ProposedChanges/PPC50/Schedule7.pdf>

⁷ See <http://www.mpd.govt.nz/districtplan/ProposedChanges/PPC50/Schedule5.pdf>

Powerco Ltd has made a neutral submission to the Plan Change, requesting the addition of clauses to relevant performance standards in the DCP, to reflect the need for compliance with New Zealand Code of Practice for Electrical Safe Distances NZECP 34:2001 (NZECP34:2001), and the Electricity (Hazards from Trees) Regulations 2003 (the Tree Regulations). In addition Powerco Ltd supports the performance standard for signage which allows health and safety signage to meet legislative requirements with no size maximum.

6.9.2 Discussion

It is recommended that the Powerco submissions be accepted in part and that amendments be made to the Plan Change as shown in Appendix B, in response to Powerco's submission.

The submissions will ensure the protection of strategic infrastructure networks which is mandated by the Waikato Regional Policy Statement and is supported by the objectives and policies of the Operative Matamata-Piako District Plan.

The use of advice notes with slightly different wording, rather than a rule as requested by Powerco is recommended to ensure consistency with the approach taken in the Operative Matamata-Piako District Plan (see the advice note under Rule 5.9.1 and the preamble to "Part C: Maps and Plans" of the Operative Matamata-Piako District Plan⁸).

⁸See:
http://www.mpdcc.govt.nz/index.php?option=com_content&view=article&layout=view&id=2645

7. Proposed Plan Change modifications

In response to the recommendations on the submissions, it is proposed that the Plan Change be modified as summarised below⁹.

7.1 Modifications to the issues, objectives and policies

In response to the submission by J Swap Contractors Ltd, it is recommended that the “Issue” statement to be inserted in Section 2.3 ‘Significant Resource Management Issues’ of the Operative District Plan be amended, to signal that while the District Plan will encourage tourism and manage localised environmental effects of tourist attractions, consideration will also be given to:

- the impact of tourism on the District’s road network, infrastructure networks and the community facilities utilised by the tourists, and;
- options to recover from those undertaking development related to tourism, a fair, equitable, and proportionate portion of the total costs of capital expenditure necessary to service growth of tourism.

To give effect to the proposed tourism-related objective (Objective 2.4.9(O1)), two new policies (“Policy P3 and P4”) are proposed to be inserted in the Operative District Plan, to embed consideration for the effects of tourism on the wider community and methods to manage those effects by means of physical improvements, or proportional funding through development contributions or a targeted rate.

A consequential change is also proposed to clause (vi) to Rule 3.3.4 ‘Landscaping (Scheduled and Non-Scheduled Sites)’. The change proposed is the deletion of reference to ‘Section 1.4.12’. This reference is not applicable as the Hobbiton Site is not located in the Kaitiaki (Conservation) Zone.

7.2 Modifications to the DCP

In regard to the plans included in the DCP, the following modifications are recommended:

Sheet 1

- Addition of the McCosh dwellings (in response to the McCosh submission);
- Addition of the wastewater and stormwater disposal areas (in response to the MPDC submission).

Sheet 2

- Show location of ‘Hobbiton Movie Set Visitor Accommodation’ and ‘Overnight Park-Over Camping Area’ on Sheet 2, in response to the MPDC submission.

⁹ Appendix B shows the recommended modifications as track changes to the notification version of the Plan Change.

7.3 Modifications to the Activity Schedule (DCP Sheet 1)

The modifications recommended are:

- Deletion of the word “thus” from the “Purpose” statement to improve clarity and in response to the MPDC submission.
- Amendments to the “General” section to improve clarity and to provide for the following activities to be classed as “Discretionary” and “Non-Complying” activities, in response to submissions from the Hobbiton neighbours, the NZ Transport Agency, J Swap Contractors Ltd, and MPDC:
 - Discretionary: activities that exceed the Performance Standards for trip generation, visitor numbers, limits on overnight accommodation, and commercial fireworks (pyrotechnics);
 - Non-Complying: Non-Hobbiton themed events that exceed 1,000 patrons and activities not provided for in the DCP.
- Amendments (in response to submissions from the Hobbiton neighbours, MPDC and J Swap Contractors Ltd) to the “Permitted Activities” schedule, to provide for the following activities (subject to compliance with the Performance Standards) that the DCP is currently silent on:
 - fireworks displays (excluding pyrotechnics);
 - a distinction between “themed” and “non-themed” events;
 - clarification of “earthworks” and “cleanfill” activities;
 - signage;
 - wastewater and stormwater treatment and disposal areas.
- The inclusion of wastewater and stormwater treatment and disposal areas as a Permitted Activity in the Rural Buffer Area (in response to MPDC’s submission).

7.4 Modifications to the Performance Standards

The proposed modifications to the Performance Standards in response to the MPDC submission are predominantly for clarification and self-evident and not repeated.

However, the following changes/unresolved matters warrant further comment:

- NZECP 34 and the Electricity (Hazards from Trees) Regulations 2003: have been inserted in Performance Standards 1.1.1, 1.1.4, 1.1.5, and 1.1.15, in response to Powerco Ltd’s submission.
- Performance Standard 1.1.1- Building Envelope: The proposed amendments reflect the provisions for “boundary activities” in the RMA and are proposed to be inserted in response to MPDC’s submission.

- Performance Standard 1.1.2- Building Coverage: The amendment proposed clarifies the quantum of the permitted building coverage being 6,320m² (10% of the 6.32ha area of Precinct 1¹⁰).
- Visual and landscape provisions (Performance Standards 1.1.3. 1.1.4, 1.1.5 and 1.1.12):
 - There is a disconnect between the mitigation measures recommended in the Land scape and Visual Assessment submitted in support of the Plan Change¹¹, and the performance standards proposed in 1.1.3. 1.1.4, 1.1.5 and 1.1.12. It is considered that these standards require further refinement in order to meet proposed Policy P10 quoted below:

“P10 - To ensure that the design of future development at Hobbiton Movie Set is sympathetic to the rural landscape and environment.”
 - At the time of finalising this report, these Performance Standards are still being considered by MPDC and Hobbiton’s landscape architects. The modifications shown in Appendix B are for clarification of the existing wording only, noting that I do not support the current standards or the amendments referenced in Appendix B. It is anticipated that the landscape experts will confer in the lead-up to the hearing and that an agreed set of visual and landscape provisions will be tabled at the hearing or circulated prior to the hearing. If the experts are unable to reach consensus, then differences with reasons will be presented by the experts, to the Hearings Panel for a decision.
- Performance Standard 1.1.6- Access: The amendments are in response to MPDC’s submission and are for clarification only.
- Performance Standard 1.1.7 - Road safety, Trip generation, Car Parking, Loading, Formation and Manoeuvring:
 - Minor amendments, for clarification, are recommended to clauses (b) and (d), in response to MPDC’s submission.
 - Clause (f) is proposed to be reworded, in response to MPDC’s submission, for consistency with the on-site loading space provisions in Section 9.1.3 of the operative District Plan¹².
 - Minor amendments, for clarification, are recommended to clauses (g) and (h), in response to MPDC’s submission.
 - New clause (j) proposes to incorporate the Memorandum of Agreement between Hobbiton and the Council into the Performance Standards, in response to the MPDC submission. The Memorandum of Understanding sets out the road safety improvements to be implemented at Hobbiton’s cost, roading contribution (impact fee) payable by Hobbiton for pavement deterioration, and maintenance of the works by Hobbiton. A copy of the

¹⁰ See: Section 32 Evaluation Report; p15 at:

<http://www.mpd.govt.nz/districtplan/ProposedChanges/PPC50/Application.pdf>

¹¹ See: <http://www.mpd.govt.nz/districtplan/ProposedChanges/PPC50/Schedule5.pdf>

¹² See:

http://www.mpd.govt.nz/index.php?option=com_content&view=article&layout=view&id=2645

Memorandum of Agreement, updated to include the additional road safety works recommended in the Traffic Review is attached as Appendix B.

- Proposed clauses (k) and (l) incorporates the annual trip generation and daily peak trip generation assessed in Hobbiton's ITA¹³ into the Performance Standards, in response to the submissions by the NZ Transport Agency, MPDC, J Swap Contractors, and the Hobbiton neighbours.
 - Clauses (l) and (m) require Hobbiton to monitor compliance with the Performance Standards in clause (k) and (l) that are derived from Hobbiton's ITA. The standard is recommended in response to the submissions from the Hobbiton neighbours.
 - Clauses (n), (o) and (p) are taken from the Memorandum of Agreement and are recommended to be embedded as Performance Standards in response to the submissions by MPDC and the Hobbiton neighbours.
- Performance Standard 1.1.8 – Visitor numbers: The proposed amendments are for clarification and in addition require visitor numbers to be monitored, in response to submissions by MPDC, J Swap Contractors and the Hobbiton neighbours.
 - Performance Standard 1.1.9 – Noise: The proposed amendments are in response to MPDC's submissions and are based on MPDC's acoustic expert's advice that these changes are necessary in order to avoid, remedy, or mitigate the noise effects from activities permitted on the site.
 - Performance Standard 1.1.10 – Lighting and glare: The change recommended will ensure consistency with Operative District Plan Rule 5.4¹⁴ and is in response to MPDC's submission.
 - Performance Standard 1.1.13 – Events: The amendments recommended are for clarification only, in response to MPDC's submission. In addition, the amendments clarify that both Hobbiton-themed and non-themed events that comply with the Performance Standards, are Permitted Activities.
 - Performance Standard 1.1.14 – Fireworks: The amendments clarify that fireworks displays as a Permitted Activity, is confined to the use of the class of fireworks that is for sale to the general public (i.e. excluding pyrotechnics). The changes are in response to the submissions by the Hobbiton neighbours.
 - Performance Standard 1.1.15 – Earthworks: The proposed amendments are for clarification only, in response to the submissions by MPDC and Powerco.
 - Performance Standard 1.1.16 – Accommodation: The amendments are in response to MPDC's submission. The intent of the recommended changes is to limit the scale of overnight accommodation to that assessed in Hobbiton's Plan Change Request and to require Hobbiton to monitor compliance.

¹³ See: <http://www.mpd.govt.nz/districtplan/ProposedChanges/PPC50/Schedule4.pdf>

¹⁴ See: http://www.mpd.govt.nz/index.php?option=com_content&view=article&layout=view&id=2645

- Performance Standard 1.1.17 – Complaints procedures: Requires Hobbiton to establish a formal complaints process, as requested in submissions by the Hobbiton neighbours.
- Performance Standard 1.1.18 – Community liaison: Requires Hobbiton to establish a formal community liaison process, as requested in submissions by the Hobbiton neighbours, supported in MPDC’s further submissions.
- Performance Standard 1.1.19 – Site management and monitoring: Requires Hobbiton to establish formal site management and monitoring procedures, as requested in submissions by the Hobbiton neighbours.
- Performance Standards 1.1.20 – Domestic wastewater treatment/disposal: This amendment is a consequential change resulting from provision for wastewater and stormwater disposal, as requested in MPDC’s submission.

7.5 Modifications to the Matters of Discretion

The proposed changes to “Section 1.2 – Matters of Discretion” are:

- Amendments to the traffic related matters of discretion on the advice of MPDC’s transportation consultant and in response to the submissions by MPDC and the NZ Transport Agency.
- Inclusion of the matters in clause (h) to (k) in response to submissions by the Hobbiton neighbours and J Swap Contractors, in order to ensure robust assessment of the effects of resource consent applications that trigger the Restricted-Discretionary Activity status.
- Minor changes to the matters of discretion relating to earthworks for clarification and in response to submissions by MPDC and the Hobbiton neighbours.
- Consequential changes to Clauses 1.2.2 and 1.2.3 as a result of the recommended amendments to the Activity Schedule (see Paragraph 7.3 above).

7.6 Modifications to the Definitions

Consequential changes and changes for clarification as shows in Appendix B are recommended to the “Definitions” section of the DCP.

7.7 Summary of key changes

In summary, the key changes are:

- Changes to the “issues” statement and “policies” in regard to tourist activities.
- A limit on the annual and daily peak trip generation and more restrictive limits on permitted noise generation.
- A requirement for implementation of additional road safety measures
- A restriction on fireworks displays as a Permitted Activity.
- A limit on overnight accommodation facilities; and mandatory community liaison and mandatory complaints procedures.

- Discretionary (as opposed to Restricted-Discretionary) Activity Status for activities that fail the standards for trip generation, daily visitor numbers, the limits on fireworks; and for activities that exceed the limits on overnight accommodation (i.e. more than 38 visitors in the cabins plus 30 campervans).
- Non Complying Activity Status for non-themed events of more than 1,000 patrons.

8. Statutory Framework for Plan Changes

The Resource Management Act 1991 (RMA) is the legislation governing procedures and statutory considerations associated with the lodgement, assessment and determination of Private Plan Change requests.

8.1 Procedural issues

The First Schedule of the RMA is largely a procedural provision that outlines how Plan Change requests are to be handled and the considerations Council must make in respect to Plan Change requests.

Part 2 of the First Schedule deals specifically with requests for private plan changes:

- Clause 21 - enables ‘any person’ to request a change to the District Plan.
- Clause 22 - stipulates the required form of request (including the purpose and reasons for the Plan Change, a section 32 evaluation and a description of effects). Where environmental effects are anticipated, the request must describe those effects, taking into account clauses 6 and 7 of Schedule 4, in such detail as corresponds with the scale and significance of the actual or potential environmental effects anticipated from the implementation of a plan change.
- Clause 23 - relates to local authority further information requests.
- Clause 24 – enables modification of the request, with the agreement of the person who made the request.
- Clause 25 - outlines timeframes associated with the receipt of a Plan Change request and the alternative methods of dealing with the request by a local authority (i.e. to adopt in part or whole by the local authority as if it were its own Plan Change, or accept the request in whole or part, and proceed to notification, or treat the request as an application for Resource Consent).
- Clause 26 – determines the timeframes for notification.
- Clause 26A – mandates compliance with any Mana Whakahono a Rohe that provides a role for iwi authorities in relation to any plan or change requested.
- Clause 27 – provides appeal rights to the person who requests a plan change, against a decision made under Clause 25.
- Clause 28 – makes provision for withdrawal of requests.
- Clause 29 - sets out procedures applying to submissions, attendance at Hearings and appeal rights.

During February 2018 Council formally resolved to ‘accept’ the Hobbiton Plan Change request (and not adopt it as a Council-initiated Plan Change).[cl25] This enabled the Plan Change to proceed to notification as a ‘Private Plan Change’ under Part 1 of the First Schedule of the RMA.

The First Schedule process relates to notification of the Plan Change application, consultation, submissions, undertaking a summary of submissions, the calling for further submissions and

any resolution of disputes through pre-Hearing meetings (if needed), and conducting a Hearing.

In regard to the procedural matters outlined above, due process has been followed to date, and will continue to be followed through to the conclusion of the plan making process.

Of note, the Plan Change Request was publicly (as opposed to limited) notified under Clause 4 of the First Schedule of the RMA. RST declined the offer to hold a formal pre-hearing meeting. However, Council staff held informal meetings with RST and submitters in order to gain a better understanding of the issues and the submissions.

In regard to Clause 22 of the First Schedule, RST's Plan change Request includes an assessment of effects on the environment¹⁵. A summary of the effects assessment and comments how the proposed modifications impacts on that assessment, is included in Paragraph 7 of this Report and detailed in Appendix B.

8.2 Decision on Private Plan Change

A local authority is required to make a decision on the provisions and matters raised in submissions to a Plan Change (Clause 10, Schedule 1).

A decision must include reasons for acceptance or rejection of submissions and may also address submissions in groups and include consequential alterations to the Plan Change and any other relevant matter arising from submissions. A local authority may decline, approve or approve with modifications a Private Plan Change and give reasons for its decision. (Clause 29(4), Schedule 1 of the RMA).

It is anticipated that the Hearings Panel will, upon conclusion of the hearing, make its recommendations to Council in regard to the submissions and recommended outcome of this Plan Change Request, whereupon Council will make its decisions under Clause 29(4), of the First Schedule to the RMA.

Pro-forma recommendations are attached in Paragraph 14 of this Report.

8.4 Statutory Consideration of Plan Changes.

Section 74(1) requires that a territorial authority prepare and change its plan in accordance with:

- *its functions under s31 of the RMA;*
- *the provisions of Part 2 of the RMA;*
- *its duty under s32 of the RMA; and*
- *any regulations.*

¹⁵ See p37 – 49 of the Plan Change Request at:

<http://www.mpd.govt.nz/districtplan/ProposedChanges/PPC50/Application.pdf>

Councils must not have regard to trade competition or the effects of trade competition in terms of s74(3) and Schedule 1 (clause 29(1B)). As mentioned previously, the submission by Opal Hot Springs is considered to be based on trade competition. Therefore it is recommended that the Panel must not have regard to this submission.

Section 31 specifies the functions of territorial authorities including;

- *the establishment, implementation and review of objectives, policies and methods to achieve integrated management of the effects of the use, development or protection of land and associated natural and physical resources of the district, (including for the purposes of avoidance or mitigation of natural hazards and the maintenance of indigenous biological diversity); and*
- *the control of effects of use, development or protection of land, including noise.*

Section 75 determines that District Plans must state (s75(1)):

- (a) the objectives for the district; and*
- (b) the policies to implement the objectives; and*
- (c) the rules (if any) to implement the policies.*

and what they may state (s75(2)):

- (a) the significant resource management issues for the district;*
- (b) the methods, other than rules, for implementing the policies for the district;*
- (c) the principal reasons for adopting the policies and methods;*
- (d) the environmental results expected from the policies and methods;*
- (e) the procedures for monitoring the efficiency and effectiveness of the provisions;*
- (f) the processes for dealing with issues that cross territorial authority boundaries;*
- (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.*

It also outlines that a District Plan must give effect to (s75 (3)):

- (a) any national policy statement;*
- (b) any New Zealand coastal policy statement; and:*
- (c) any regional policy statement.*

and that a district plan must not be inconsistent with (s754)):

- (a) a water conservation order; or*
- (b) a regional plan for any matter specified in s30(1).*

Section 77A (quoted below) is also relevant and allows a council to specify conditions in rules in a plan so long as they relate to matters in s108 RMA:

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.*

In regard to sub-section (c) above, conditions specified in a plan or proposed plan must meet the Newbury tests (***Newbury DC v Secretary of State for the Environment*** [1981] AC 578). That means the rules/conditions must:

- *be for resource management purpose;*
- *fairly and reasonably relate to the development; and:*
- *not be so unreasonable that no reasonable planning authority duly appreciating its statutory duties could have approved it.*

RST gave consideration to the matters relating to the functions of territorial authorities and the contents of district plans, in the preparation of the Plan Change Request¹⁶. The relevant matters were also taken into account in formulating the modifications recommended in this Report.

RST gave consideration to the relevant planning documents that the Plan Change must “give effect to” or must “not be inconsistent with”¹⁷. A summary of the assessment of the Plan Change Request and the modifications proposed under the relevant planning documents is included in Paragraph 10 of this Report.

Section 32 requires an evaluation:

- Of the extent to which the objectives of the Plan Change are the most appropriate way to achieve the statutory purpose of the RMA;
- Whether the provisions are the most appropriate way to achieve the objectives taking into account the options, efficiency and effectiveness of the provisions;
- The costs/ benefits of the environmental, social, cultural and economic effects (including opportunities for economic growth and employment); and:
- The risk of acting/ not acting if there is uncertainty about the subject matter of the provisions.

The Plan Change Request includes a s32 evaluation and assessment of two alternative options (“Do Nothing” and “Implement Plan Change”)¹⁸. Under Section 32AA a further evaluation is required of any modifications to the Plan Change Request. A summary of RST’s initial evaluation and the further evaluation of the recommended plan modifications is provided in Paragraph 12 of this Report.

In regard to the s32(4A) requirement to include advice received from iwi, RST’s Plan Change Request states:

¹⁶ See p 27 – 29 of the Plan Change Request at:

<http://www.mpd.govt.nz/districtplan/ProposedChanges/PPC50/Application.pdf>

¹⁷ See p 13-22, 32 – 37 and p50 at:

<http://www.mpd.govt.nz/districtplan/ProposedChanges/PPC50/Application.pdf>

¹⁸ See p11 – 13 of the Plan Change Request at:

<http://www.mpd.govt.nz/districtplan/ProposedChanges/PPC50/Application.pdf> and

Schedule 3 to the Plan Change Request at:

<http://www.mpd.govt.nz/districtplan/ProposedChanges/PPC50/Schedule3.pdf>

“....section 32(4A) requires inclusion of a summary of the advice received from iwi authorities and the responses to that advice. The iwi authority is Waikato Tainui Te Kauhanganui Inc (‘Waikato-Tainui’).

In order to fulfil this requirement RST consulted with the Waikato-Tainui Environmental Manager (Tim Manukau) to coordinate consultation with the appropriate mana whenua groups and organisations. Through this process RST have consulted with Ngati Haua (in addition to Waikato-Tainui).

At this initial plan change stage, the advice provided by Waikato-Tainui and Ngati Haua was that the plan change must be assessed against the relevant chapters in the Waikato-Tainui Environmental Plan – Tai Tumu, Tai Pari, Tai Ao. RST’s response to this advice is that an assessment of the plan change to the Waikato-Tainui Environmental Plan has been undertaken (refer to section 5.8.4 of this report¹⁹), and that that assessment has concluded that the plan change will contribute to a high-quality, healthy and vibrant environment as per the vision of the Waikato-Tainui Environmental Plan.”

Any Plan Change must be assessed in terms of Part 2 of the RMA (Purpose and Principles), including determining whether the Plan Change:

- *Achieves the sustainable management of natural and physical resources within the purpose of the RMA (s5);*
- *Recognises and provides for matters of national importance under the RMA (s6);*
- *Has regard to ‘other matters’ listed at s7 of the RMA;*
- *Takes into account the principles of the Treaty of Waitangi (s8);*

RST’s request includes an assessment of the Plan Change under Part 2 RMA²⁰. A further assessment undertaken in regard to the recommended plan modifications is included in Paragraph 12 of this Report.

¹⁹ See p36 – 37 of the Plan Change Request at:

<http://www.mpd.govt.nz/districtplan/ProposedChanges/PPC50/Application.pdf>

²⁰ See p31 – 32 of the Plan Change Request at:

<http://www.mpd.govt.nz/districtplan/ProposedChanges/PPC50/Application.pdf>

9. Effects assessment

RST's effects assessment notes that the Hobbiton site operates under an existing resource consent (MPDC reference 2011.10419.2). The existing consent provides for movie set tours and up to twelve events per year, provided that annual visitor numbers from all activities do not exceed 300,000.

RST's assessment considers that the consented activities are part of the existing environment and serves as a "baseline" so that the effects assessment for the Plan Change Request need to consider only the effects above that already associated with the existing resource consent.

The above approach is agreed, noting that the Plan Change Request seeks permitted status for a significant increase in annual visitor numbers and events.

In regard to visitor numbers, the only limit proposed in the Plan Change Request is a maximum of 3,500 visitors/ events patrons per day during movie set tour hours, plus an additional 1,000 patrons per day at events held outside of movie set tour hours (i.e. 4,500 visitors/patrons per day). Therefore, in theory, permitted status is sought for 1.6 million visitors per year if the maximum 4,500 visitor/patron "cap" requested, is utilised every day.

However, it is accepted that in practice activities at the site peak during the summer months, and taper off significantly during winter. For this reason, RST's effects assessment is based on a likely maximum of 650,000 visitors/ patrons per year, compared to the consented 300,000 visitors per annum, and actual visitors of 552,000 for the 2016/17 financial year.

Having regard to the actual visitor numbers in 2016/17, the 650,000 visitors that RST's effects assessment is based on, appears to be a reasonable assumption, noting that the Plan Change Request proposes that there will be no limit on annual visitor/ patron numbers.

In regard to events, the current resource consent provides for twelve events (i.e. movie screenings, public gatherings such as parties and weddings, and conferences) per year, with events involving less than 300 people managed so that there are no more than 50 vehicles (or 100 vehicle movements) and events involving more than 300 people requiring a specific Event Traffic Management Plan.

By comparison, the Plan Change Request seeks permitted activity status for any number of events per year, provided the total number of patrons at any one time does not exceed 1,000 with no more than 500 traveling by private car (the rest must be bused). Included in the permitted events is provision for up to twelve outdoor movie screenings and up to six amplified music/ concert events when higher noise standards are proposed to apply.

In addition the Plan Change Requests seeks permitted activity status for an unspecified number of cabins to house overnight visitors and provision for an unspecified number of campervans where visitors can park overnight. The existing resource consent, by comparison, does not provide for overnight accommodation.

With the above comparison between the existing consented activities, and the activities for which permitted status is sought under the Plan Change Request, the following comments are made in regard to RST's effects assessment:

9.1 Traffic effects

RST's traffic effects assessment is based on an estimated 650,000 visitors/ patrons per year and peak daily visitors/ patrons of 3,500 per day. On this basis, the ITA estimates an annual maximum trip generation of 387,000 trips per year, and peak trip generation of 2,084 trips per day.

Using the above trip generation estimates, RST's ITA assesses effects on the surrounding road network, pavement deterioration, the Matamata bus stop, and access to and parking within the Hobbiton site. The ITA then comes to the conclusion that subject to further safety improvements on Buckland Road, actively encouraging the use of Buckland Road east over Buckland Road west, and retaining the performance standards in the Plan Change Request, *"that the traffic effects of the Hobbiton Movie Set DCP are expected to be acceptable and no more than minor"*.

The Council's Traffic Peer Reviewer generally agree with the above conclusion, subject to the additional road safety improvements as set out in the Review Report (Appendix C) and subject to the additional performance standards proposed in Appendix B, notably a "cap" of 387,000 trips per annum and a peak trip generation of 2,084 trips per day, and additional standards to encourage the use of Buckland Road east over Buckland Road west.

The Traffic Peer Review notes that traffic effects above the annual and daily "cap" referred to above have not been assessed and are therefore unknown. The Plan Change Request currently has no limit on annual and daily visitors and trip generation; and therefore permits traffic effects of a scale and nature that are unknown.

Furthermore, the 3,500 daily limit on movie set tour visitors is a "blunt" tool to control peak daily traffic effects as the actual trip generation will depend on the mode of transport, with significantly higher traffic effects if more visitors travel by private car as opposed to buses. Therefore, a "cap" on trip generation is the preferred instrument to control traffic effects. While monitoring traffic effects requires more effort than monitoring visitor numbers, the use of telemetry will simplify the task.

Resource management practice dictates that permitted status is appropriate only where there is certainty regarding the scale and nature of adverse effects and the methods required to avoid, remedy or mitigate those known effects.

Therefore, it is recommended that the Plan Change be modified by expanding Performance Standard 1.1.7 as shown in Appendix B.

9.2 Visual and landscape effects

RST's visual and landscape assessment reaches the conclusion that:

"In order to reduce the risk of unexpected incremental effects on rural character and to provide a greater degree of surety in the development of the DCP the following recommendations have been developed alongside the assessment component of this report.

They are intended to help maintain the existing rural amenity of the site and aid in integrating any future development with the surrounding rural landscape. While the type and level of visual effects likely to occur within Precincts 1 and 2 have been found to range between low and very low (below the minor threshold of the RMA); a risk exists that incremental developmental under the DCP may result in a "tipping point" being reached beyond which the rate of change and level of effect on rural character accelerates."

To reduce this risk, the assessment recommends that the following additional performance standards be integrated into the DCP:

- That the majority of car parking within Precinct 1 is screened from Buckland Road and neighbouring properties by appropriate methods that integrate with rural landscape patterns
- That building design within Precinct 1 should be of a rural and/or rural fantasy (Hobbiton theme) architectural vernacular which is visually recessive and sympathetic to the rural environment.
- That new buildings in Precinct 1 are integrated into the rural landscape with landscaping (including curtilage planting).

Landscape architect Bridget Gilbert has reviewed the performance standards proposed by RST in its Plan Change Request. Bridget Gilbert considers that the current performance standards, particularly Standards 1.1.3, 1.1.4, 1.1.5 and 1.1.12 do not adequately reflect the recommendations of RST's visual and landscape assessment and therefore that the Plan Change Request in its current form cannot be relied on to avoid, remedy or mitigate the adverse visual and landscape effects.

At the time of finalising this report, the landscape architects for RST and the Council have conferred, but due to availability constraints, have not been able to agree to revised performance standards that will avoid, remedy or mitigate adverse visual and landscape effects.

The Council remains committed to ongoing efforts whereby it is anticipated that the parties could agree to revised landscape and visual performance standards, ahead of the upcoming hearing, failing which competing evidence will need to be tabled at the hearing for the Panel's decision.

At this time, I am not able to make a recommendation in regard to modifications to the landscape and visual performance standards other than that, on the expert landscape architect's advice, the current performance standards are not support. Therefore, the relevant standards are shown highlighted with the comment "unresolved" within Appendix B.

9.3 Noise effects

RST's Plan Change Request states that *"although the activities which are already established are operating in compliance with the existing noise related resource consent conditions, an Acoustic Assessment has been prepared to determine the appropriate noise levels for the Plan Change performance standards and to assess the likelihood of the range of future activities achieving compliance with them"*. It is noted that the site's resource consent is subject to compliance with the same noise standards that under the District Plan apply to the whole of the Rural Zone.

RST's expert acoustic assessment recommends for the Plan Change, that the Rural Zone's higher daytime noise levels of nominally 50 dB L_{Aeq} be extended from 8pm to 10pm. In addition, the Plan Change recommends that higher noise levels of 55dB L_{Aeq} and 65 dB L_{Aeq} should apply to respectively the outdoor movie screenings and the outdoor concerts. For movie screenings RST's assessment recommends that the higher noise limit should apply up

to 11pm during daylight savings; and for concerts up to 11pm during daylight savings and 10pm at other times.

RST's Plan Change Request considers that: "the adoption of these recommended noise levels into the rules of the DCP is therefore determined to reflect the allowable noise level within the locality where the effects of noise can be effectively controlled without need for mitigation."

Overall, all outdoor movie screening events and amplified music events held at the Hobbiton Movie Set site will comply with both the New Zealand Standards and World Health Organisation guidelines as set out in Section 7.1 of the Marshall Day Acoustic Assessment and as applied within the recommended rules of the DCP. All other events that may be undertaken on the Hobbiton Movie Set site as proposed will be able to fall within the currently permissible noise limits without need for further controls. It is therefore concluded that any adverse noise effects will be less than minor on rural dwellings within the locality of the site".

Nevil Hegley has peer reviewed RST's acoustic assessment and has commented that he questions that the higher noise levels proposed by RST are necessary. In his view, usual site operation should be able to comply with the District Plan noise limits for the Rural Zone and that there is no need to increase the period during which the higher daytime noise limit will apply, to 10pm. In his opinion, the noise limits and times proposed for outdoor movie screenings and amplified events, are excessive and unnecessary and do not give adequate protection to neighbours from adverse noise effects.

Nevil Hegley recommends that the standard District Plan noise limits for the Rural Zone and lower noise levels and shorter timeframes than those sought by RST in the Plan Change Request for outdoor movie screenings and concerts should be adopted as the appropriate noise performance standards for the Hobbiton Site.

The noise standards recommended by Nevil Hegley as required to protect the neighbours from adverse noise effects are reflected in the recommended modifications attached as Appendix B.

9.4 Amenity effects

In regard to amenity effects, RST's assessment reaches the conclusion that:

"Section 2 of the RMA defines 'amenity values' as follows: "Amenity values means those natural or physical qualities and characteristics of an area that contribute to people's appreciation of its pleasantness, aesthetic coherence, and cultural and recreational attributes."

There are many natural and physical qualities which contribute towards an appreciation of the DCP site and the surrounding locality. They include visual and landscape effects, noise effects and traffic effects. All of these matters have been assessed individually in sections 6.3 to 6.5 above, including with respect to amenity effects. The conclusion reached in the specialist assessments is that the visual, landscape, noise and traffic effects will be less than minor. The overall effects on amenity will be less than minor."

I disagree with the conclusion that *"the overall effects on amenity will be less than minor"*, for the following reasons:

- The site is located in a rural area where the relative quietness, low density of development, and the prevalence of rural activities are the qualities and characteristics that contribute to

the pleasantness of the area that the residents appreciate. The activities at Hobbiton impact on these qualities and characteristics. In particular, the level of activity and noise from traffic using Buckland Road are increasingly impacting on the amenity. With current annual visitor numbers around 600,000, the level of activity is already twice that envisaged under the site's resource consent and has affected the area's amenity. With further increases in visitor numbers, more outdoor movie screenings, amplified music events, unlimited fireworks displays and overnight accommodation, there will be further adverse amenity effects which, when compared to the 300,000 visitors per annum currently consented, are not considered to be negligible (i.e. "less than minor").

- The assessment in Paragraphs 9.1 to 9.3 above shows that the performance standards proposed in the Plan Change Request do not adequately avoid, remedy, or mitigate traffic, noise, visual and landscape effects, therefore it cannot be said that the overall effects on amenity will be less than minor;

In recognition of the need to mitigate the adverse amenity effects associated with the Plan Change, it is recommended (in addition to the traffic, noise and landscape-related methods described earlier), that fireworks displays be limited to the use of small-scale fireworks with less off-site impact, and that overnight accommodation and camping facilities be limited in scale to that assessed in RST's Plan Change Request (i.e. a maximum of 86 visitors per night in the cabins and 30 self-contained campervans).

The changes as described above are included in the amended performance standards recommended in Appendix B.

9.5 Other effects

RST's assessment relating to other effects (i.e. infrastructure, ecological and archaeological effects, and impact on productive soils) is generally agreed and accepted.

10 Assessment under relevant Planning Documents

RST's Plan Change Request identifies and assesses the following Planning Documents that are relevant:

10.1 National Policy Statements

Section 55 of the RMA requires local authorities to amend their district plans to give effect to the objectives and policies of national policy statements. The national policy statements currently in effect are the National Policy Statements on Electricity Transmission, Renewable Electricity Generation, Freshwater Management, Urban Development Capacity and the New Zealand Coastal Policy Statement. In addition, Sections 7 and 8 of the Hauraki Marine Park Act 2000 apply as though sections 7 and 8 of this Act were a national policy statement.

The Plan Change Request does not raise any issues with regard to the NPSs.

10.2 National Environmental Standards

National Environmental Standards are regulations issued under the RMA that prescribe technical standards, methods and other requirements for environmental matters. Under s74 RMA local and regional councils must enforce these standards (or if the standards allow, councils can enforce stricter standards). This is to ensure that consistent minimum standards are maintained throughout New Zealand. Standards on the following issues are currently in force as regulations:

- Air quality standards;
- Sources of human drinking water standard;
- Telecommunications facilities;
- Electricity transmission;
- Assessing and managing contaminants in soil to protect human health; and
- Plantation Forestry.

The Plan Change Request does not raise any issues with regard to the NESs.

10.3 Operative Waikato Regional Policy Statement

Under the RMA Council is required to give effect to the Waikato Regional Policy Statement. The Regional Policy Statement was made operative on 20 May 2016.

RST's Plan Change Request includes a comprehensive assessment of the proposal under the RPS.

The following objectives and policies identified in the Plan Change Request warrant further comment:

“Objective 3.2 seeks to recognise and provide for sustainable resource use and development for the economic and social wellbeing of people and communities, especially for regionally significant industry. Hobbiton Movie Set has been developed around the natural resources of

the locality to the point where it is New Zealand's third largest tourist destination. The Plan Change will ensure that a regionally significant industry is able to grow and develop for the wider benefit of the region."

"Objective 3.12, Policy 6.1 and Policy 6.3 seek to adopt an integrated approach to land use and infrastructure planning.

"Objective 3.21 and Policy 12.3 relate to amenity. Although the site does not have any specific features of amenity value which are identified in either the ODP or Waikato Regional Plan, the amenity values of the District's rural areas is an important issue which is reflected in the objectives and policies contained in the ODP. The district and regional policy documents, including the WRPS, generally seek to maintain or enhance amenity. In developing the Plan Change, careful consideration has been given to a number of matters which are the qualities and characteristics that collectively contribute toward the amenity of the area such as visual and landscape, noise and traffic issues. Where mitigation has been deemed necessary, performance standards, assessment criteria and other methods have been developed to address the relevant issues to ensure that the amenity of the area will be maintained."

The above extracts highlight three key RPS directives for the Plan Change:

- Hobbiton is a significant contributor to the social and economic wellbeing at a local and regional level. Therefore the site's development must be provided for.
- The amenity values of the District's rural areas are important and are required to be maintained and enhanced.
- Development of the built environment (including transport and other infrastructure) and associated land use must occur in an integrated, sustainable and planned manner which enables positive environmental, social, cultural and economic outcomes.

Applying the above directives to the Plan Change Request reveals "tension" in that providing for the site's growth, impacts on the amenity of the rural location, and results in a land use which, by virtue of the site's fixed location, does not integrate well with the road network and other infrastructure.

Given the site's rural location and lack of connectivity with supporting infrastructure, the appropriate resource management response is to provide for development of the site that relies on the "resource" that gives the site significance. In this instance, that resource is the site's connection to the Hobbiton locality depicted in the internationally acclaimed movies.

Therefore, it is considered that the Plan Change should encourage movie set tours and Hobbiton-themed events, in favour of unrelated development that has no connection to the site and that duplicates facilities that are better integrated with the transport network and where the activities will have less impact on the amenity values of the surrounding area.

To this end, it is recommended that the Plan Change be modified as shown in Appendix B, to distinguish between "themed" and "non-themed" events, and to discourage large-scale non-themed events. However, the recommendations acknowledge that smaller-scale non-themed events such as weddings, conferences and parties are provided for under the site's current resource consent. The modifications envisage that non-themed activities, up to 1,000 patrons will continue to be permitted provided the other performance standards are met.

10.4 Operative Waikato Regional Plan

The RMA determines that the Plan Change Request must not be inconsistent with the Operative Waikato Regional Plan for any matter that relates to the functions of regional councils. RST's Plan Change Request has assessed the proposal under the WRP and considers there are no inconsistencies. RST's assessment is agreed and accepted.

10.5 Iwi Management Plans

Section 74(2A) requires councils to take into account any relevant planning document recognised by an iwi authority and lodged with the territorial authority, to the extent that its contents have a bearing on the resource management issues of the district. RST's Plan Change Request has assessed the proposal under the Waikato-Tainui Environmental Plan. I have assessed the proposal under the Environmental Management Plans of Ngati Haua and Raukawa. In my view, the Plan Change does not raise any conflicts with regard to the relevant iwi management plans.

10.6 Operative Matamata-Piako District Plan

The information supporting RST's Plan Change Request includes a comprehensive assessment of the objectives, and policies of the Operative Matamata-Piako District Plan.

RST's assessment with relevant comments are summarised below:

- **Controlling Activities (Section 2.4.2):** The Plan Change proposal is consistent with the policy framework in this section of the District Plan. The modifications recommended in Appendix B will provide greater certainty over the effects of tourist activities at Hobbiton.
- **Development Standards (Section 3.5.2.1):** The objectives and policies seek to ensure that development is compatible with the surrounding area. The performance standards within RST's Plan Change Request do not adequately reflect the recommendations in the Assessment of Landscape and Visual Effects. The performance standards need to be reviewed and strengthened to ensure consistency with the District Plan policy framework.
- **Design, Appearance and Character (Section 3.5.2.2):** The objectives and policies seek to ensure that rural landscape, character, and amenity values are maintained. As commented above, the performance standards need to be reviewed and strengthened to ensure consistency with the District Plan policy framework.
- **Nuisance Effects (Section 3.5.2.3):** The objectives and policies seek to ensure that significant adverse noise, odour, dust, glare, and vibration effects are avoided, remedied, or mitigated. It is considered that the modifications to the DCP performance standards recommended in Appendix B will provide for a level of effects management that is consistent with the District Plan policy framework.
- **Transport (Section 2.8.2.3):** The objectives and policies seek to ensure a safe, integrated, and sustainable transport network; avoidance, remediation or mitigation of the adverse effects of transportation; and to ensure that activities that place demands on the roading network contribute fairly to the works necessary to meet those demands. It is considered that the modifications to the Plan Change Request set out in Appendix B will ensure consistency with the District Plan's transportation policy framework.

11. Part 2 Assessment

Section 5 sets out the overall purpose of the Act:

- (1) *The purpose of this Act is to promote the sustainable management of natural and physical resources.*
- (2) *In this Act, “sustainable management” means managing the use, development, and protection of natural and physical resources in a way, or at a rate, which enables people and communities to provide for their social, economic and cultural well-being and for their health and safety while:*
 - (a) *Sustaining the potential of natural and physical resources (excluding minerals) to meet the reasonably foreseeable needs of future generations; and*
 - (b) *Safeguarding the life-supporting capacity of air, water, soil and ecosystems; and*
 - (c) *Avoiding, remedying, or mitigating any adverse effects of activities on the environment.*

RST’s assessment is that the Plan Change Request achieves the purpose of the RMA in that:

“The enablement and enhancement of a regional tourist attraction (Hobbiton Movie Set) will provide broad economic benefits to the people of the Matamata-Piako District and Waikato region through a combination of new employment, increased tourist visitation and the economic flow on of support services.”

“In addition, there are a range of positive economic benefits/effects that will result because of the plan change. The positive effects include the movie set tours and associated visitor accommodation economic benefits which will provide/enable further employment and economic growth. These are conservatively estimated at tens of millions in additional annual expenditure and additional FTE jobs.”

The above statements are agreed and accepted.

In terms of s5(c) RST’s assessment is that:

“...there are no significant adverse effects on the environment of the plan change. There are several moderate adverse effects, including:

- *Landscape and visual impacts on adjacent rural sites and travellers on Buckland Road;*
- *Moderate effects as a result of event noise; and*
- *Moderate traffic impacts on State highways and local Roads.*

All of these adverse effects are to be mitigated. As a plan change the mitigation is largely built into the plan change methods and in particular the rules that require additional assessments, consenting requirements and building standards.”

It is agreed that the adverse effects are “moderate” and include, in addition to the effects listed, also adverse amenity effects and traffic safety effects.

It is considered that the Plan Change Request does not adequately avoid, remedy or mitigate the adverse effects of the proposal. In order to manage adverse effects to an acceptable level, it is recommended that the Plan Change be modified in accordance with the amendments shown in Appendix B. In addition, the performance standards relating to landscape and visual

effects must be reviewed and strengthened to accord with the recommendations in RST's Landscape and Visual Assessment Report.

Section 6 lists matters of national importance to be recognised and provided for by all persons exercising functions and powers under the Act:

- (a) The preservation of the natural character of the coastal environment (including the coastal marine area), wetlands, and lakes and rivers and their margins, and the protection of them from inappropriate subdivision, use and development;*
- (b) The protection of outstanding natural features and landscapes from inappropriate subdivision, use and development;*
- (c) The protection of areas of significant indigenous vegetation and significant habitats of indigenous fauna;*
- (d) The maintenance and enhancement of public access to and along the coastal marine area, lakes and rivers;*
- (e) The relationship of Maori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga;*
- (f) The protection of historic heritage from inappropriate subdivision, use and development;*
- (g) The protection of recognised customary activities.*

RST's assessment is that none of the above matters are relevant to the Plan Change. I agree and accept this assessment.

Section 7 lists the additional matters that all persons exercising functions and powers under the Act shall have particular regard to, in relation to managing the use, development, and protection of natural and physical resources:

- (a) Kaitiakitanga;*
- (aa) The ethic of stewardship;*
- (b) The efficient use and development of natural and physical resources;*
- (ba) The efficiency of the end use of energy;*
- (c) The maintenance and enhancement of amenity values;*
- (d) Intrinsic value of ecosystems;*
- (e) Repealed;*
- (f) Maintenance and enhancement of the quality of the environment;*
- (g) Any finite characteristics of natural and physical resources;*
- (h) The protection of the habitat of trout and salmon;*
- (i) The effects of climate change;*
- (j) The benefits to be derived from the use of renewable energy."*

RST considers and it is agreed that s7(b), (c) and (f) are the only matters relevant to the Plan Change.

In terms of s7(b) RST considers that *"Hobbiton Movie Set is a physical resource, based primarily on the natural (rural) setting. Given this, it is more efficient to allocate it to tourism"*. I consider that the significance of the site is more closely linked to its association with the Hobbiton locality made famous through the popular movies than its rural setting, but I agree that the tourism activity is an efficient use of the site.

RST considers that *"Sections 7(c) and 7(f) are provided for as amenity values will be maintained through providing for the Hobbiton Movie Set activities"*. I disagree and consider that the Plan Change should be modified in accordance with the amendments recommended in Appendix B, in order to ensure that amenity values will be maintained.

In regard to the maintenance and enhancement of the quality of the environment, the performance standards relating to landscape and visual effects must be reviewed and strengthened to accord with the recommendations in RST's Landscape and Visual Assessment Report.

Section 8 states: *In achieving the purpose of this Act, all persons exercising functions and powers under it, in relation to managing the use, development, and protection of natural and physical resources, shall take into account the principles of the Treaty of Waitangi (Te Tiriti o Waitangi).*

In terms of s8, RST considers that *"consultation and engagement has been undertaken with tangata whenua. Tangata whenua have thus contributed advice and input into the project, therefore implementing the principles of the Treaty of Waitangi to the extent practicable".*

I agree and accept the above statement.

12. Section 32 and 32AA evaluation

12.1 Section 32 evaluation

An evaluation of alternatives, benefits and costs of a Plan Change and an evaluation report are required to be carried out by a person requesting a Private Plan Change and this made available for public inspection prior to public notification.

Section 32(1) states that the evaluation 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.*

Section 32(2) requires that 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.*

For this plan change (an amending proposal), Section 32(3) requires that the examination under subsection (1)(b) must relate to—

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

Under Section 32(4A) the evaluation report must –

- (a) summarise all advice concerning the proposal received from iwi authorities under the relevant provisions of Schedule 1; and*
- (b) summarise the response to the advice, including any provisions of the proposal that are intended to give effect to the advice.*

RST has complied with the s32 requirements and has provided its evaluation at the time of notification of the Plan Change.

The s32 evaluation found that introducing a new objective and policies to recognise the significance of tourism to the District's economy and to provide for tourism growth and development while managing adverse effects is the most appropriate way to achieve the purpose of the RMA, while the other objectives and policies in the District Plan will remain relevant.

In terms of the proposed provisions, two options were evaluated namely retaining the “status quo” versus introducing the DCP with its associated site specific activity status, performance standards and matters of discretion.

The evaluation showed that, taking into account the benefits and costs of the environmental, economic, social, and cultural effects including the opportunities for economic growth and employment, the option of introducing the DCP is the preferred way to achieve the objective.

12.2 Section 32AA further evaluation

Under Section 32AA a further evaluation is required for any changes proposed to be made since the s32 report was completed.

The further evaluation must be undertaken in accordance with Section 32(1) to (4) and at a level of detail that corresponds to the scale and significance of the changes. The further evaluation must be published in an evaluation report at the time of notification of Council’s decisions on the Plan Change [s32AA(1)(d)(i)] or referred to in the decision-making record [[s32AA(1)(d)(ii)].

A section 32 further analysis is an evolving process and information presented in Hearing evidence will contribute to the Hearing Panel’s deliberations and reflected in the decision-making record.

Two options were considered prior to recommending the modifications to the Plan Change as set out in this report, namely:

- Option 1 – Retain the Plan Change as notified;
- Option 2 – Modify the Plan Change as shown in Appendix B.

Under Option 2, additional policies are proposed to be included to support the objective related to tourism development proposed by RST. The proposed policies require consideration of the effects of major tourism activities on the wider community and District-wide infrastructure networks and facilities, and consideration of the methods to mitigate those effects and to recover from those undertaking development related to tourism, a fair, equitable, and proportionate portion of the total costs of capital expenditure necessary to service growth of tourism.

It is considered that the above amendment enhances the extent to which the objective of the Plan Change achieves the purpose of the RMA. This is the case as the amendment will provide further measures whereby the adverse effects of tourism activities can be mitigated.

In regard to the recommended modifications of the DCP provisions, the changes proposed under Option 2 seek more certainty that the effects are clearly understood, and that enhanced methods to manage the effects are provided.

The key amendments are:

- A “cap” on daily and annual trip generation to align with the assessment of traffic effects undertaken in the ITA;
- Revision and strengthening of the visual and landscape performance standards to ensure that the recommendations of RST’s Landscape and Visual Assessment Report are required

as mitigation measures. In addition, the changes are required to give effect to new Policy 10 in “Section 3.5.2 Amenity – Design Appearance and Character” quoted below:

“P10- To ensure that the design of future development at Hobbiton Movie Set is sympathetic to the rural landscape and environment.”

- A “cap” on overnight accommodation, limits on fireworks displays, and a reduction in permitted noise levels to mitigate amenity effects.
- Robust monitoring requirements to provide certainty that the performance standards required to mitigate adverse effects, are being complied with.
- Discouraging large-scale “non-themed” events that can be accommodated elsewhere with less adverse effects and in more appropriate locations, in order to promote the integrated management of the effects of land use.

It is considered that the modifications proposed under Option 2 is preferred as it will result in very similar benefits to those identified in RST’s initial s32 evaluation, while providing enhanced certainty that the adverse effects of the future development of Hobbiton are understood and appropriately managed.

13. Conclusion

Proposed Private Plan Change 50; Development Concept Plan – Hobbiton Tourism Venue, Buckland Road, Matamata (Rings Scenic Tours Limited) seeks to establish a customised Development Concept Plan in order to provide more regulatory certainty for future development of the site, while ensuring that appropriate controls are in place to avoid, remedy or mitigate adverse effects.

The Plan Change provides for the future development of Hobbiton, the third largest tourist destination in New Zealand.

The Plan Change is supported in principle, and the significant economic benefits of the Hobbiton tourist venture are acknowledged.

However, it is considered that the Plan Change should be modified as described in this report to provide more certainty that the effects are clearly understood, and to incorporate enhanced methods to manage the effects.

Council's policy planning staff and their advisors remain committed to work collaboratively with RST and its advisors towards reaching agreement on the ways in which the Plan Change provisions can be improved to the satisfaction of all parties and to ensure the sustainable development of Hobbiton into the future.

14. Recommendations

Recommendation 1

That the late submission by Derrys Farm Limited received on 4 May 2018 be accepted.

Reasons

- (i) The submission does not raise any new matters not already referenced in other submissions.*
- (ii) The acceptance of the late submission will enable the relief sought by Derrys Farm Limited to be considered. Therefore the interests of the community will be better served by acceptance of the late submission.*
- (iii) The submission was only marginally late and was received well before notification of the summary of submissions and as such has not caused a delay in the processing of the Plan Change.*

Recommendation 2

That the Opal Hot Springs and Holiday Park's submission be struck out.

Reasons

- (i) The submission relates solely to trade completion and the effects of trade competition and is therefore invalid under clause 6 of Schedule 1 to the RMA.*

Recommendation 3

That the recommendations in regard to submissions and the reasons for the recommendations, as set out in Appendix A be accepted.

Recommendation 4

That Private Plan Change 50 be modifications shown in Appendix B.

Reasons

- (i) The amendments will assist the Council to carry out its functions so as to achieve the purpose of the Resource Management Act 1991.*
- (ii) The modification will ensure that the Plan Change aligns with the Operative Waikato Regional Policy Statements, and the Operative Matamata-Piako District Plan.*
- (iii) The changes are required to ensure that all of the actual and potential adverse effects on the environment are considered and that provisions are in place to ensure that the adverse effects are avoided, remedied, or mitigated.*
- (iv) The section 32 and section 32AA RMA evaluation and further evaluation have shown that the Plan Change as modified represents the most appropriate way to achieve the purpose of the Resource Management Act 1991.*
- (v) The Plan Change as modified is in accordance with the purpose and principles of the Resource Management Act 1991.*