

Appendix I I: Social Impact Peer Review

Ohinewai Rezoning and Structure Plan Submissions - Social Impact Review

Social Impact Assessment Peer Review and Review of Submissions

Prepared for Waikato District Council

Prepared by Beca Limited

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Revision History

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Executive Summary

This report provides a review of the APL rezoning request and the supporting SIA report (prepared by Quigley Watts) that has been provided in support of that request. In summary, the following findings from the review set out in this report are as follows:

1. The SIA relies on delivery of the Masterplan outcomes. However, the Masterplan is not a requirement of the rezoning or structure plan submitted by APL for the rezoning request. The assumptions of the social service, infrastructure, housing, employment and community outcomes relied on in the SIA are not assured by the rezoning sought.
2. For this reason:
 - a. The findings of the SIA have limitations in respect of their applicability;
 - b. The lack of recommendations for conditions (e.g. provisions of the rezoning), mitigation, or monitoring in the SIA compound the above limitations.
3. In addition, the following comments are made in respect of the SIA:
 - a. The assessment appears only to be based on the full implementation of the Masterplan outcomes, no consideration has been given to social outcomes that may be experienced by the transition of the development of the rezoning area. This is considered relevant given the long timeframes set out for development of the Site;
 - b. There is a strong reliance on the views expressed by stakeholders and individuals interviewed. It is considered that this should be supported by a clear and independent expert assessment of intended and unintended consequences or social costs and benefits for both these groups and those beyond parties consulted with;
 - c. There are some instances where information relied upon appears inconsistent with other specialist assessment (e.g. economics).

For the above reasons, it is not considered that the SIA provides a complete assessment of the potential social costs and benefits of the rezoning request by APL. It is reiterated that this is largely due to the limitations of the specified scope of the assessment (rather than issues with the assessment itself).

It is recommended that amendments to the provisions of the rezoning request would be necessary; to increase the certainty the Masterplan outcomes considered in the SIA to be delivered or at least to confirm / require the delivery of those elements of the Masterplan prior to implementation of zoning (e.g. some form of trigger for release of stages of the rezoning, once social services / infrastructure is in place).

Alternatively, it is considered that the social impact assessment should be updated to assess the full range of potential outcomes, including the potential social effects of the rezoning without those aspects of the Masterplan that rely on delivery from third parties (beyond APL), particularly in respect of infrastructure and social services.

Finally, it is noted that the uncertainty regarding the outcomes of the rezoning request differ across the site and some areas have elements of increased certainty. This is particularly the case for the industrial zone provisions, albeit that the certainty of employment and development is focused to the APL development proposal for the 'Sleepyhead factory' development. On the basis of the higher level of certainty pertaining to the industrial zone land development, it is considered there may be an opportunity for this aspect of the rezoning request to progress in advance of further consideration of other elements of the rezoning (to resolve some issues of infrastructure and social service provision to support the housing and commercial development outcomes). To enable this, it would be appropriate to provide further information regarding the social costs and benefits of this aspect of the rezoning request including consideration of the impacts on and opportunities for transport infrastructure provision to support this aspect of the rezoning (e.g. the State highway or rail siding opportunities, both of which are understood to be uncertain at this stage).

1 Introduction

1.1 Background

As part of the Proposed Waikato District Plan (PWDP) process submissions have been made seeking rezoning of areas in Ohinewai. The author of this report understands that the Structure Plan will be part of the District Plan and provide guidance with regards to development in the rezoned area.

The primary submission that is the subject of this report (e.g. specialist social impact consideration) is that of Ambury Properties Limited (APL) which is requesting to rezone approximately 178 hectares ('the Site'). APL's submission seeks rezoning from Rural to a mix of Industrial, Business and Residential zones across the 'Site'. The provisions provide for inclusion of a Structure Plan in the District Plan and policies and rules to be part of in the District Plan provisions, to guide development future development of the Site. Bloxam Burnett and Olliver the planning consultants on behalf of APL the client has completed an Assessment of Environmental Effects (AEE) and section 32AA Evaluation as part of this report a suite of technical reports have been provided including a Social Impact Assessment (SIA) report (by Robert Quigley, of Quigley and Watts Ltd) to identify and assess the potential social impacts (positive and negative) of their submission request in this regard.

Additional submitters include Ohinewai Lands Limited (OLL). OLL's submission includes the potential re-development of 39ha between Tahuna and Lake Ohinewai to be developed if APL's plans to develop industrial and residential activities are to proceed. The submission does not seek a re-zoning of the site, but identifies changes to objectives, policies and the provision of a Structure Plan for Ohinewai, that shows the 39ha site as a 'future growth area', as no social impact assessment is provided this is considered in conjunction with the APL submission.

There are further submissions on rezoning requests and submissions on the APL and will be considered within the body of the assessment where they relate to social costs or benefits.

1.2 Purpose of this report

Beca has been commissioned by the Waikato District Council to review the current documentation and submissions related to rezoning from a social impact perspective.

This report provides:

- 1) A social impact review of the APL rezoning request and full submission (rezoning, structure plan, plan provisions and masterplan (where it pertains to the request)) including:
 - a) A review of the SIA report prepared for APL by Robert Quigley of Quigley and Watts Ltd (November 2019)
 - b) A review of the social costs and benefits identified in the assessment of social effects within the AEE supporting the APL submission (prepared by Bloxam and Burnett Olliver – December 2019)

These matters are addressed in Sections 2, 3, 4 and 5 of this report.

- 2) Social impact commentary on other submissions seeking rezoning to the District Plan in respect of Ohinewai (addressed in section 6 of this report); and
- 3) Identification of potential social costs and benefits and recommendations for management and monitoring in respect of the Plan Change requests overall (section 7).

2 APL Submission

2.1 Background

Proposed Rezoning

The submission made by APL is for a change to zoning to for approximately 178ha of land located in Ohinewai ('the Site' referred to in this report). The Site is currently zoned Rural (in the Operative and Proposed Waikato District Plan) and includes a number of land parcels. The proposed rezoning seeks to change the zoning across the site to a mix of Industrial, Commercial and Residential zones (zones in the Proposed Waikato District Plan) as per the map below provided by APL:

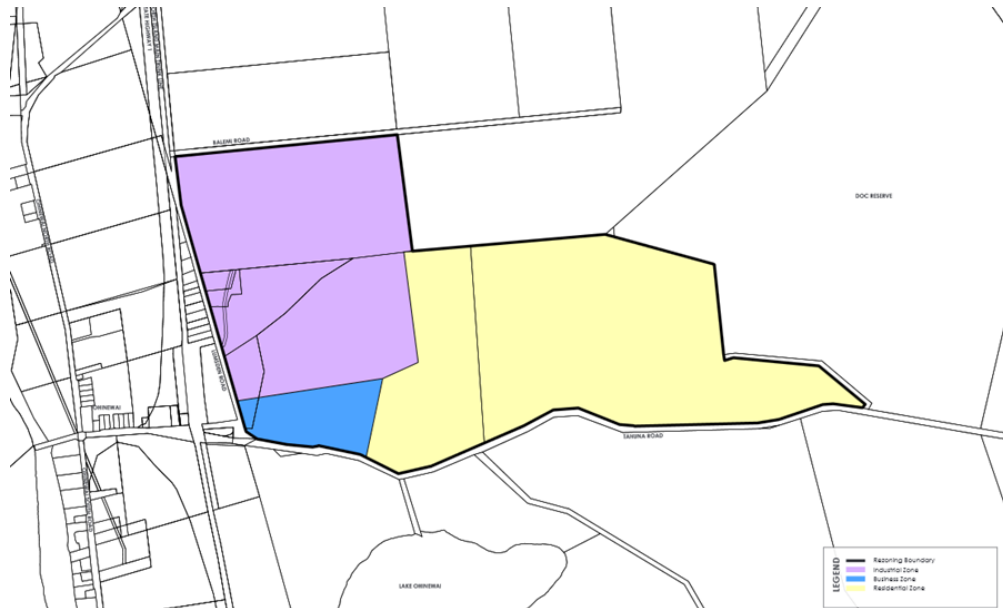


Figure 1 APL Rezoning request (Source APL Report Appendix C)

Structure Plan Proposal and request to be embedded in PWDP including policy objectives and rules

In addition to the zoning, a Structure Plan has been proposed to guide development across the site as per below:

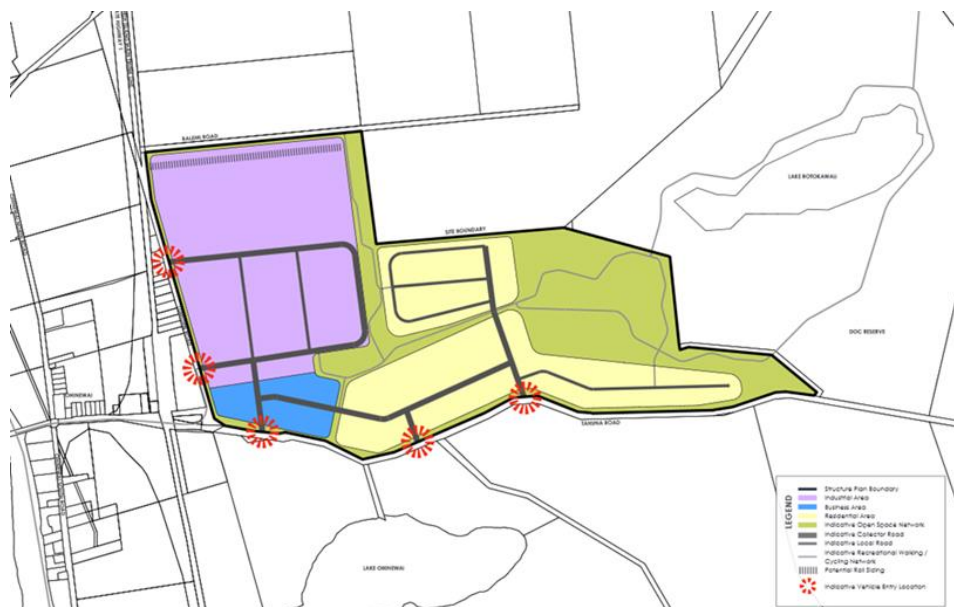


Figure 2 Proposed structure plan of APL Site (Source APL Report Appendix B)

The submissions propose that the provisions provide that the Structure Plan will 'guide future development' and will inform any consents required for future subdivision of land within the site.

It is noted that advice on this matter has been sought from the Council Planner. They have provided advice that they considered that the provisions referred to in the submission would be limited in terms of using the structure plan to guide future development. Council advises that APL proposes that a new policy is proposed for Ohinewai, to guide development and requiring that such development be in general accordance with the structure plan and the setting out some key components of the Plan. However, we understand that this policy would apply for discretionary activities such as residential subdivision below 400m², but is unlikely to apply to other activities in Industry and Business zones because a number of these are provided for as permitted activities in the proposed rezoning.

Council's planning officer advises that the proposed subdivision provisions require general alignment of elements in the Structure Plan, but that the plan itself does not provide much guidance other than on the location of roads and open space. We understand these existing provisions include:

- Policy for coordination between servicing and development and subdivision in accordance with an approved structure plan
- Rule requiring consistency with structure plan for the provision of open space is required at subdivision

Page 5 of the Submission from APL states that the proposed development incorporates the following:

- 63ha of industrial land – including 37ha for the NZCG Sleepyhead Factory
- 8.7ha of business / commercial land for a service centre, factory outlet shops, community facilities and a small amount of convenience retail
- 52ha of residential land for approximately 1100 homes for employees of Sleepyhead and the wider community
- 55ha of public open space including stormwater management areas, recreational facilities, ecological enhancement areas and other community areas.

The Structure Plan is proposed to be included in the PDP, to guide the development over time. Specifically, the Submission from APL states "*The purpose of the submission is to provide a planning framework within the PDP that enables development to occur in Ohinewai consistent with the Ohinewai Structure Plan. More specifically, the amendments seek to provide a planning framework to enable the development of the Sleepyhead Estate.*" – page 6 of submission (emphasis added by author).

The Assessment of Environmental Effects and section 32AA evaluation supplied in support of the Submission from APL state that the Masterplan (discussed below) is a 'conceptual form of the proposed development' and that the structure plan has been prepared as the planning mechanism to embed the development at a level appropriate for inclusion in the PDP.

The Masterplan

The AEE Report and section 32AA evaluation states that "*To achieve their aspirations and to facilitate and inform a suitable planning framework, APL has developed a Masterplan for the site that sets out the conceptual development form.*"

The Masterplan has will continue to evolve, ensuring that it responds to opportunities and constraints as they are identified. The Masterplan provides the basis for an integrated development that will provide for industrial, commercial and residential activities across the site." – Section 1.3 of the submission.

The Masterplan provides an indication of the development that APL anticipates at the Site, and includes the following:

- A map of the future development anticipated within the Site (APL Report Appendix A)
- A 'full build-out' scenario for a mix of industrial, residential, commercial and open space uses;
- Community services and infrastructure to support the identified land use activities and communities within the Site area.

Further detail is summarised in section 3.1 of this report for the specified land use activities identified in the Masterplan.

Beca understands that the proposed plan provisions from APL do not require the Masterplan to be delivered, nor does it appear to be a specific consideration for future consenting of land within the Site. It is understood that the submission is reliant on existing provisions in the subdivision section to give effect to the structure plan (albeit this is not the same as the Masterplan) and the new policy discussed above.

3 Review of the Social Impact Assessment

A Social Impact Assessment (the 'SIA') was prepared by Robert Quigley of Quigley and Watts Ltd (November 2019) and formed part of the specialist assessment provided by the APL submission to support the rezoning request to the PWDP.

3.1 Scope of Assessment

Given our scope, to consider the social impacts (costs and benefits) of the rezoning request from APL, it is important to first address the scope of that SIA, in relation to the scope of the submission.

The SIA defines the scope of the assessment in that report as the assessment of potential social effects of the proposed Masterplan, including both potential positive and negative effects (set out in Section 1.1 of the SIA). Specifically, it considers the difference between the proposed increase in housing, retail and light industrial businesses and social/recreational services (as proposed in the Masterplan) against a no-change scenario (the existing environment).

In the introduction (Section 1 of the SIA) a description of the Masterplan for the Site is provided, identifying the following activities as relevant considerations in the social impact assessment:

Within the industrial zone:

- *100,00 square metre (GFA) factory to house a large primary tenant with direct rail siding access*
- *Other industrial buildings with direct rail siding access*
- *Further light industrial buildings with approximately 30.3 hectares (approximately 133,000 square metres GFA) without direct rail siding access*
- *All Industrial buildings will have access to a rail siding via a road at the back of the APL factory*

Within the residential zone:

- *Approximately 1,100 homes comprising a mix of semi-detached and detached (stand-alone) houses*

Business zone:

- *A Business Zone of approximately 43,440 square metres GFA including:*
 - *Service centre with truck stop and convenience retail*
 - *Emergency services building*
 - *Bus depot*
 - *Factory outlet stores (as a shopping destination)*

Other activities anticipated to be within the above zones and some within the green space area demarcated on the structure plan (included within the Residential Zone proposed by APLs rezoning request)

- *Road access to feeder roads onto State Highway 1 (SH1) (Waikato Expressway)*
- *Community hall/facility/hub*
- *Community corner shop*
- *Sports fields*
- *Market garden, processing area and café*
- *Orchard, beehives, processing area*

- *Parks, wetlands and shared pathways/connections to DOC Reserve*¹

The Masterplan identifies the primary tenant as NZ Comfort Group Limited and 1,500 people are expected to be employed in the factory located at the Site.

The SIA states the following aspects of the proposal, which have informed the SIA (not author emphasis added):

- Up to 1,500 staff are expected to be employed at the NZ Comfort Group Factory
- A rent-to-own scheme (or similar) for staff housing is being considered
- Discussions with Waikato-Tainui are underway regarding training/local employment²

In addition to the above section 1.2 of the SIA also identifies the following elements of the Masterplan:

- Connections to Huntly: *The Masterplan is proposing a cycleway down the old highway to connect Huntly, along with a bus station to support potential bus services. Connections by car (and bus) are rapid, via the Waikato Expressway, with a full cloverleaf interchange at Ohinewai to support vehicle travel to or from, north.*³

These matters are highlighted in our review as the SIA is effectively 'contingent' on the above Masterplan outcomes, on the basis that the rezoning request (including the structure plan) enable this development. It is understood that following the changes to the District Plan, APL then attend to apply for a resource consent to construct, operate and maintain industrial activities as identified in the Masterplan.

However, it appears unconfirmed but the AEE and SIA indicate that there is potential that APL are not proposing to be the sole developer of the site and that the rezoning provides opportunity for subdivision and development of parts of the site that would be implemented by others (this includes the commercial zone areas, most of the residential zone areas and some of the industrial zone area).

3.1.1 Request for Further information

On the basis of the above, there are some concerns regarding the reliance on the Masterplan as 'the outcome' of the rezoning submission and in particular the degree of certainty or reliance on these outcomes in the social impact assessment. Therefore, following an initial review of the Submission and supporting SIA question were sent via the WDC processing planner to APL to seek further clarification on this matter (for full responses see Appendix A of this report):

With regards to the scope of the assessment Mr Quigley provided the following clarification:

"The SIA assessed the Masterplan, on the basis that the proposed rezoning (and associated Structure Plan) enables the proposed development as outlined on the Masterplan.

This was considered to be most useful approach to assist the decision makers understand the potential social effects of the expected development form. The implementation of the Masterplan is enabled by the Structure Plan, with the proposed District Plan provisions requiring development on the site to be consistent with the Ohinewai Structure Plan."

Mr Quigley also confirmed that the consultation he undertook in preparing the SIA was also focussed on the Masterplan, Mr Quigley provided the following response:

"The interviews were presented on the basis of the Masterplan being the development form. The rezoning and structure plan enabling the Masterplan to be implemented was not particularly discussed in detail and those plans are the planning tools in order to implement the development form. As discussed above, this was considered the most likely option for the use of the land, especially given the strategies being developed"

¹ Page 10 of the SIA report.

² Page 10 of the SIA

³ Page 13 of the SIA

Finally, comments were sought from APL in respect of how the SIA had considered the risks or uncertainty between the outcomes of the Masterplan relative to the rezoning requests. This question highlighted some specific elements of the Masterplan where, from our initial review, Beca was uncertain on the mechanisms which would ensure that these outcomes would be delivered through the rezoning.

In response to this question, Mr Quigley has provided the following comments (direct quotes in italics):

In respect of the infrastructure provisions identified on the Masterplan:

“My understanding is that in the medium to long term, the proposed development requires reticulated wastewater and water services. Options have been put forward by APL to provide for those services.

Through discussions with both APL and Ohinewai School, the SIA has assumed that the reticulated system is likely to be available for the school to connect to in the future. Any connection to any eventual reticulated system would depend on Waikato District Council's policy and may require contributions to connect.

This can be managed by continuing the existing relationship between the School and APL and seeking WDC's support if needed in the future.”

In respect of the employment outcomes from the Masterplan assumed in the SIA:

“Property Economics has taken a conservative and District-wide view of employment numbers by only considering the unique activity of Sleepyhead staff. The rezoning allows for substantial additional light industrial and discount retail. It would be remiss of the SIA to ignore the potential social effects of such a large potential change on the towns within the SIA study area.

I agree the certainty of achieving the balance of the retail and light industrial is not as high as the certainty of employment arising from Sleepyhead (almost certain given APL's needs for the factory operation), but given the shortage of nearby industrial land, the desirability of the proposed industrial land given its position next to SH1 and with a rail link to key ports and major cities⁴, the likelihood of the additional development is high. As such I have not attempted to separate out the potential social effects from the two major sources of employment, nor have I done a District-wide assessment.”

In respect of the certainty on the origin of employees assumed in the Masterplan site

“Yes, as described in the SIA there are existing initiatives, operating right now, by schools, Waikato Tainui and the Ministry of Social Development (MSD) who look to partner with employers. Via engagement undertaken by APL, there is a clear acknowledgement from Waikato Tainui and MSD staff of the opportunity for transformational employment opportunities from existing centres and APL have for several months been transporting local employees (by bus) to work in their existing factories in Auckland.

The Masterplan enabled by the rezoning, and in particular the values described by Sleepyhead, mean relationships are being formed and solidified to extend these existing programmes. Such initiatives are built on trust and strong relationships, not rules or requirements. Given all parties have expressed a desire to work together, goals align, and existing programmes are already in place, the certainty ascribed to these potential social effects is high.”

It is noted that the authors of this report have not specifically been provided any formal confirmation of the commitments between the above parties, however nor is there any information to indicate any contrary view. On this basis, it is considered that there remains some uncertainty on delivery (including funding for delivery) to these features and as such these are not outcomes that can be ensured to be delivered in the rezoning provisions. For the purposes of assessing social impacts, it is considered that these are more appropriately opportunities arising from rather than an outcome of the rezoning.

⁴ We note that while the Site is definitely alongside the Rail, the authors have not seen any confirmation of the provision of rail sidings and operational systems for use of this siding for the industrial and commercial zones at the site. For completeness, we also note that we are not aware of any passenger service connection to the Site.

3.1.2 Commentary on Scope of Social Impact Assessment

On the basis of the SIA and the above further information responses, the following comments are made in consideration of the potential social impacts of the rezoning and specifically the matters that are required to be considered pursuant to section 32 of the Resource Management Act.⁵

Limitations in scope of assessment

It is considered that the focus of the SIA on the Masterplan narrows the assessment to the social outcomes on that proposal and does not consider either the potential social benefits or costs of the effects of the full range of activity that the rezoning of the site provides for. To explain this issue in more detail, Appendix B provides a table of the full extent of activities provided for by the zones requested by the submissions. It appears that there are a number of activities identified in these zones that are not identified in the Masterplan including a number of commercial activities currently located in Huntly and / or Te Kauwhata. Similarly, the zone provides for some activities that may result in different social effects from those considered in the Masterplan, such as a retirement village (e.g. may require different or additional social services), or commercial services which may include authorised betting services. In our view, these permitted activities, provided by the zoning, could generate social outcomes which have not been considered in the SIA.

There may be effects unassessed in relation to the broader scope of rezoning and the structure plan. Whilst the proposed rezoning (and associated Structure Plan) may enable the proposed development as outlined on the Masterplan. The advice provided by the WDC planner is that there are no planning provisions that compels the developer of the site to comply with the Masterplan. The provisions of the Structure Plan are high level (as per figure 2) and state in policy general accordance and rules relate in general to gross floor area size rather than restriction of activity.

Although the Masterplan may be a useful 'potential' (and for some matters even likely) outcome of rezoning and is certainly a 'vision' that is useful for community comment and input to consideration of potential social impacts, it is considered that a more fulsome assessment is needed on the potential range of outcomes that the zoning and plan provisions provide for. Or **at least** the degree of certainty / or uncertainty for the delivery of the Masterplan outcomes should be acknowledged in the assessment and the overall consideration of the potential scale and likelihood of identified positive and negative social impacts.

Mr Quigley has consulted an extensive range of stakeholders. However, the feedback has been limited to people's consideration of the Masterplan. It does not allow for commentary on the range of outcome possible for the site (both initially and in the future) that might arise from the zoning, particularly given that some Site development may be subject to development led by different agencies from APL. It is considered that engagement on the scope considered in the proposed plan changes, particularly in respect of what is being committed to by APL (as compared as relying on other parties for delivery) it is possible that there may have been other issues or matters that those consulted with may have raised. Further, such an approach may have warranted inclusion of other parties in the consultation - particularly, it is noted that this would include the providers of the public infrastructure indicated in the Masterplan including but not limited to Council parks, water (drinking water, wastewater and stormwater), community services, roading and transport, community assets and other infrastructure. For example, discussion on the social impacts (costs and benefits) of the process of allocating or reallocating resources to this development (from other investment areas) or how the resources required in this area interplay with the overall community vision of provision infrastructure in Waikato may have been given more consideration.

Assumptions and certainty of outcomes of the Masterplan

Whilst it is considered that the social impacts identified for the Masterplan may (generally) be valid the degree of certainty and degree of impact should be further quantified in light of the degree of certainty the council can have that

⁵ Section 32 (2) of the RMA (1991) states that an assessment must identify and the benefits and costs of the social effects that are anticipated from the implementation of provisions and the risks of acting or not acting if there is uncertain or insufficient information.

the Masterplan will be 'the future environment' as an outcome of the rezoning. It is considered that whilst Mr Quigley provides an appropriate SIA assessment on the Masterplan (noting some specific comments on that assessment in section 3.2 of this report), it assumes in general that the Masterplan is being delivered. In considering the requested rezoning (which is the matter relevant to the District Plan Review) it is also relevant to consider the certainty to which these outcomes will be delivered in respect of the provisions being proposed. In this case, the submission by APL provides for the rezoning and the structure plan which 'indicates' land use outcomes. From our review, it is not considered that it requires or contains provisions that require implementation of the Masterplan. This is in part acknowledged by the application from APL, which states in the submission that it is a conceptual indication of the development form and will evolve over time. For this reason, it is considered that there is a level of uncertainty with regards to the proposed zoning change and whether or to what extent it will deliver the outcomes proposed in the Masterplan.

This impacts two sections of the assessment:

- The assumptions made in the assessment of effects; and
- The scale of effect.

The SIA includes the following activities on the basis of the Masterplan and then considers them in the overall social impact assessment:

- Infrastructure provisions – Stormwater, water reticulation (potentially extended to surrounding areas), public transport connections, walking and cycling connections to Huntly
- Community services –parks⁶, recreation areas, community centre, emergency services centre, market gardens, beehives etc
- Affordable housing
- Origins of employment and provision of training schemes
- Limitations to business activities
- Restrictions to development on the Western section of Ohinewai

Discussions with the WDC planner indicates that the rezoning and structure plan do not include provisions to ensure the delivery of these services and at this stage there do not appear to be any formal arrangements (at least at the time of this review, none have been produced to Council) that provide sufficient detail of how delivery of the above will be ensured.

By relying on the Masterplan (as the only outcome of the rezoning and structure plan) the SIA assessment is limited and does not consider the degree of uncertainty or risk of these outcomes occurring. It is considered that the potential costs and benefits of the Plan provisions need to give more consideration to the risks of these outcomes (or other / alternative outcomes) being delivered given the uncertainty of the relationship of the Masterplan to the Plan provisions.

3.2 Review of Social Impact Assessment of Master Plan

Notwithstanding the limitations of the SIA (discussed in section 3.1), the following review gives consideration to what is assessed in relation to the Masterplan. Below provides a high level review of the comprehensiveness of the assessment, identification and assessment of effects.

3.2.1 Scope

Within the context of the Masterplan the SIA Mr Quigley outlines in Section 2.2 of his report the scope of the assessment by providing a list of considerations of social effects of construction and operation in regard to:

- New business and employment
- New staff and new residents
- On community way of life, on sense of place, liveability and aspirations for the future

⁶ It is noted that information has been provided by APL that the Masterplan proposal is for the open space to be provided privately.

- Arising from being a direct neighbour
- Arising from transport needs of staff, construction workforce, materials etc. (noting that the transport impact assessment largely deals with this impact – but that social consequences of this are considered)

In general, this is an appropriate scope and considers a range of potential social costs and benefits. In consideration of the proposal (Masterplan). However, it is recommended that in addition the following changes arising from the proposed rezoning are considered:

- From the required development of infrastructure to support the Masterplan
- From creating a community where a portion will be directly dependent on the employment offered within development
- From creating a new community in a rural location that does not have existing services or amenities
- From changes to the form of the development and potential underdevelopment of the industrial and business zone
- From the delivery of social services in Ohinewai in the context of wider district or sub-district provision (e.g. demand and distribution of services across areas of Huntly and Te Kauwhata in particular)
- From the stages of development in the rezoning.

It is considered that these additional matters are relevant potential social impacts of the development and would assist in considering a more fulsome scope of effects of the Masterplan from a social consequence perspective.

3.2.2 Methodology

The SIA provides an outline of methodology in Section 2 of the report. The process appears logical and well thought out. The frameworks used are standard practice within the context of Social Impact Assessments in New Zealand.

Mr Quigley has undertaken comprehensive consultation scoping of issues, including potential communities / groups who may be affected (in Section 2.5). In particular, there has been a wide scope of consultation with a number of individuals and groups including one-on-one interviews and a public meeting.

However, in regard to the potentially affected groups, it is considered that the rural community and resource providers (infrastructure) are largely absent from the consultation and engagement⁷. It is considered that the area is changing from rural to an urban form as enabled by the rezoning and that as part of the Ohinewai community the rural population would be a population to be considered in terms of character of place, community values and use of resources. With regard to infrastructure resource providers it would be important to understand how provisions of infrastructure for this development would impact the wider community (for example - would there be less development in other areas).

3.2.3 Assessment of Effects

The following provides specific comment on the matters considered in the assessment of potential social effects.

a. Population and employment

While the SIA considers impacts on population and employment, the following potential issues or limitations of that assessment are noted:

- The SIA does not rely on the evidence or approach taken by the Economic Specialists and appears to take a more optimistic approach in terms of number of new jobs and certainty of outcomes being delivered by the Masterplan (see the response to employment outcomes in the further request for information in Section 2.2 above).
- The SIA does not consider potential social impacts or outcomes of not meeting the full potential of the Masterplan, it is considered this would be an appropriate consideration.
- It is considered that the SIA does not evaluate the potential impacts of major businesses withdrawing from the development at some point in the future (e.g. what the consequence of such a change in the future, except to comment that the author considers it unlikely). Given the scale of the business zoning and the dominance of a

⁷ It is noted that Mr Quigley indicates that the community engagement was at the direction of WDC staff (Appendix A) with regards to consideration of the rural community. Without further information, we have not undertaken any specific review of this direction in our review.

single future activity (more than 50% of the site with one business) and the asserted link between this business and the housing development, explicit consideration of it is considered this potential impact (even if of low probability but potentially high impact) should be acknowledged.

- Whilst there is consideration to training and work schemes with local suppliers it is understood that these are in discussion stage and as such are a potential outcome. It is unclear whether this would change the overall assessment in the SIA, but again it is noted that there appears to be reliance on a potentially uncertain outcome from the Masterplan.

With the above in consideration it is suggested that the scale of the positive effect suggested in the SIA needs to be cautiously considered and a more accurate assessment would provide a range of potential outcomes that reflects uncertainty (or alternatively a 'worst case' scenario could be assessed and provided as an 'unlikely' but potential outcome of the Masterplan).

b. Construction

The consideration of construction effects has considered demand for workers and the consequential impact on accommodation. This is considered generally appropriate. However, it is noted the other following aspects of construction have not been considered;

- Given the long duration of proposed development/construction of the site the assessment remains silent on the potential disruption to the local community and in particular those living in close proximity to the site (whilst this will be largely assessed in the resource consent applications it is considered appropriate to give some assessment to this as a potential impact).
- The planned sequencing of development and infrastructure provision and the potential impacts of construction in this regard, particularly in light of the scope of the rezoning request, including residential and industrial zoning.

c. Housing

The SIA assessment states there will be a neutral to positive effect on housing. The positive effect on Ohinewai housing as it is based on the assumption that there is a reduced likelihood of industrial land use changes on the western side of the expressway. It is understood that there are no rules or other provisions provided in the proposed rezoning or structure plan that would preclude this from happening, albeit it would either require further zoning changes or resource consent applications, in the future⁸. While this assumption is generally considered appropriate, further acknowledgement of the certainty of this assumption is noted.

The SIA identifies a neutral effect in response to concern by locals that the residential area may become a "slum" if the NZ Comfort Group business folds and staff are made redundant. Given the acknowledged dominance of this land use and the intention that this activity is strongly linked to the housing activity (e.g. mention is made elsewhere for housing support from the NZ Comfort Group to employees residing in this area – albeit this is not a certainty through the proposed zoning changes), it is considered this a valid concern or issue raised. It is considered that this potential effect should have further exploration (for example, via other NZ case examples). While the issue is raised in the SIA, it is not specifically assessed, it is largely dismissed by the author as one 'that this is highly unlikely'. Further explanation for this assertion would assist in the strength of the assessment of the SIA. Finally, the SIA also relies on the assumption of affordable housing provision supported by the developers. However, to date there is no degree of certainty to this provision set out in the rezoning or structure plan submitted by APL.

Overall, it is considered that this section is limited in its assessment and is based on a number of assumptions that do not have the degree of certainty required to move them beyond at best a potential positive outcome (and potentially more appropriately a neutral one). Acknowledging that the author of this review report has not undertaken an impact assessment, based on the information presented in the request for rezoning and the SIA itself, it is considered that the following risks should be more thoroughly evaluated in the SIA:

⁸ Council planning advises that there is no intention in Council's planning for industrial development on the western side of Ohinewai, particularly as there are identified physical constraints (flooding). The WDC does identify the eastern side of Ohinewai as an employment node in the Waikato 2070 Strategy. Whilst there appears to be no future planning for industrial land use on the western side there are existing small industrial type land uses and there is no provision that prevents industrial being considered (beyond existing land use zoning).

- Potential for further demand for extensions of the industrial development around Ohinewai in the future (the strength of the boundaries of the proposed rezoning)
- Further housing developments being sought, arising from the opportunity of this development (an illustration of this is demonstrated by the submission of OLL)
- Change in/reduction of employment opportunities within the development due to reliance on single key industrial activity
- Certainty of 'affordable housing' measures in the rezoning / structure plan proposed and potential outcomes if this is not delivered
- Potential that future housing demand is dependent on local industry and therefore vulnerable to a market or demand slump and the subsequent social consequences if the single dominant employer activity in the area ceased.

d. Education Services

The SIA has consulted a wide range of stakeholders and considered all schools within the area on the range of potential effects. Whilst the opinions of the principals and staff and their future predictions are useful, it is not considered that this engagement constitutes an assessment of social effect on its own. While community and stakeholder issues are an important information source for a social impact assessment, they require a specialist objective lens and consideration of the certainty and likelihood of the assertions, views and/or issues raised. This leads to questioning the scale of moderate positive effects for Ohinewai School that is based on the following assumptions (and the certainty of these):

- Maintenance of rural character – in the future half or more of the school population could be from the “urban” residential development area. In other growing and changing communities this can place pressure on retention of the rural character of the school and have an impact for those wanting to retain that character as compared to those wanting to reflect the more urban change. No explicit consideration is given in the SIA to this issue.
- The assessed benefits from the potable water and sewerage connections – from our review of the documents, there does not appear to be any requirement for this provision and as such, no certainty of this occurrence as a consequence of the rezoning or development of the Structure Plan
- There appears to be a reliance on the response from the Ministry of Education to support the expansion and no specific engagement to confirm how this aligns with their planning processes (noting this leaves a risk of uncertainty, with such a response to be confirmed).

The scale of positive effects for Secondary Schools are based on assumptions by the author and stakeholders that have a high degree of uncertainty. This includes the expectation that the majority of students would attend Huntly College (however it is noted that alternatives are available, and there are some indications of family preference to these schools (Huntly currently has a declining role)). In addition, the work and transitional programmes that are referred to in the SIA appear to be uncertain – with no formal agreements or provisions to ensure this within the rezoning and structure plan. It is recommended that the degree of uncertainty of outcomes is acknowledged and that the benefits are given a range that considers these assumptions not being realised.

e. Children Services

The SIA provides a good commentary of consultation and collateral information, rather than an assessment of potential social effects. For example, one consideration not factored into this is that the Masterplan shows provisions for a shared path over State Highway 1 but there are no provision in the rezoning request or structure plan on how this would be provided and the current over pass does not provide for walking and cycling for children from the rezoned site to the Ohinewai Village and Primary School effectively disconnecting the site from the wider community and making children reliant on vehicle transportation. This has potential social impacts both for way of life and potentially for health and safety and warrants further specific consideration.

f. Businesses

The SIA assessment extensively canvasses local businesses in the area providing useful collateral information for assessment. Considerations of the benefits of employment are already factored into the employment section of the

SIA assessment and it is important that these are not 'double counted' in the assessment in this section relating to benefits for businesses. In addition to the stakeholder opinions further reference to the Economic Assessment and the council economic development division and strategic plans for economic development would benefit the assessment in terms of impacts on planned development in the area or revitalisation of areas and likelihood of economic outcomes. Without this information it is considered that the scale of effects assessed in the SIA are only potential effects. It may be more appropriate to consider the extent to which this range of potential effects might impact on the overall assessment of moderate positive effects assessed in the SIA (e.g. potentially it may range from neutral to moderate, if some of the assumed outcomes are not realised).

Finally, given the limited rules on the type of business and industrial activity proposed in the zoning (as compared to the outcomes of the Masterplan), the following risks should also be factored into the social impact assessment:

- Social consequences of direct competition with Huntly services (e.g. the potential for duplication of services and resulting pressure or social outcomes of decline in such services in Huntly)
- Social consequences of relocation of planned development or existing businesses from the surround areas
- Social consequences of this development on future growth strategies in the area

g. Health, Social and Emergency Services

The SIA considers a wide range of stakeholders. It is noted that fire services are not included, citing that they were considered a part of the Masterplan. It is not clear that there is any formal agreement to enact this component of services and the application has not provided this information; either this information should be provided or the views of such services should have been further canvassed in the SIA if the inclusion of such services is to be assumed as part of the development, including effects of servicing an additional area and distance from the nearest fire station.

With regards to social services, the assumptions are not based on a degree of certainty provided for in the rezoning or structure plan or formalised agreements and therefore can only be considered as potential positive effect of uncertainty (and in such an instance, reliance on these for delivery of social benefits seems unwarranted).

h. Lumsden Road and Tahuna Road Residents

It is understood that despite the efforts of the assessor limited assessment were able to be undertaken therefore the assessment is reliant on a small portion of the community. It is understood that buffer planting is part of the structure plan rules proposal so can be given consideration. Given the issues raised in submissions from residents on this proposal, it does appear that there are potential negative effects on countryside living and the rural outlook as perceived by the residents of this area. It remains unclear if properties are purchased, whether this would impact the local community network/connectivity and have social consequences (e.g. as existing residents potentially left the area). It is considered that this risk should be acknowledged.

i. Community Way of Life

It is noted that the conceptual framework set out in section 2.2 of the SIA sought to understand way of life, aspirations and liveability and sense of place. The assessment only turns focus to way of life and aspirations for the future residents of the area and remains largely silent on sense of place for the existing residents of the area (liveability is touched on in the neighbour section).

Sense of place (inclusive of the rural community) would be beneficial to understand as the rezoning and structural plan to change the local environment and have potential negative consequences.

As set out in other assessment matters, the positive outcomes mentioned in page 51 of the report by interviewees are all subject to outcomes that have a degree of uncertainty on delivery and currently most do not have any way of providing provision to ensure the delivery of these. Similarly, I concur with the assessor that there is no certainty that development will be precluded on the western side of the expressway. Further consideration needs to be given to the following:

- The social costs on Ohinewai village as the central hub and potential revitalisation and the overall development of the wider community

- Rural aspirations for the community
- Rural amenities to way of life and environmental concerns
- The change of land use from rural to industrial/commercial/residential and in particular the infrastructure, development and wider placemaking

Furthermore, the SIA does not assess the change of land use from rural to industrial/commercial/residential and in particular the infrastructure, development and wider placemaking (particularly with the existing Ohinewai village).

Of further consideration is the OLL submission asking for the structure plan to include future residential development adjacent to the site. It is considered that this indicates that there is a reasonable anticipation that the APL rezoning request could generate requests for further development in the surrounding area. Such changes would have a consequential change to the environment. It is considered this potential needs be considered as part of the potential social consequences for the District (at least inasmuch as how the extent of the rezoning sought would be managed).

For the above reasons, it is considered that the positive effects reported in the SIA are dependent on a number of uncertainties and that there are potential negative effects that require further consideration.

3.2.4 Mitigation/Management

a. Construction

Beyond communication with WDC no further management or monitoring is recommended. Although Mr Quigley has not commented on construction impacts beyond housing, the long term nature and size of the development could be disruptive for the community particularly those neighbouring the site. Consideration could be given within the structure plan to staging of development to limit the level of construction on site at any one time and minimise local disruption. Additional impacts are anticipated to be monitored and managed in the consenting process.

b. Housing

It is considered that for the SIA to be assured of the potential benefits, further assurances are required to in respect of the provision of affordable housing. However, currently the outcomes appear to be beyond what the rezoning and restructure plan requests provide for. It is considered that the rezoning submission does not provide the level of certainty that is relied on in the SIA. I further consider there are some potential options that could be considered for the rezoning / structure plan to manage potential social impacts. These include:

- To manage over commitment of housing and saturation of the market, it may be appropriate the numbers of houses or rezoning areas released are dependent on committed business/industrial development;
- Similarly, to support housing areas, it may be appropriate for community services and social service provisions as set out in the Masterplan (such as the emergency services infrastructure or formal arrangements, community centre, parks, community centre) to be established / confirmed before release of housing,
- Finally, it may be appropriate for physical infrastructure (such as stormwater, walking and cycling provisions and bus connections) to be in place before housing zones are released.

Finally, I remain of the view that there is a risk that housing is not affordable and the residential development does not provide for the market referred to or relied on for the benefits identified in the SIA.

c. Education Services

None of the proposed management/mitigation can be assured and provided for in conditions of the rezoning or structure plan. Therefore, it is considered that this potentially leaves the potential benefits unrealised and may even give rise to effects not assessed (e.g. if the assumed outcomes are not delivered) or unmitigated/unmanaged.

d. Children

As no specific effects were identified there is understandably no specific mitigation. Continued communication and collaboration are recommended in the SIA this is considered to be an aspiration of the process of development rather than mitigation or management and cannot be ensured through the provisions that can be provided in the rezoning or structure plan.

e. Businesses

Further consideration needs to be given to direct competition with Huntly, Te Kauwhata or planned future development strategies within the area and the type of business development that are permitted within the business zone⁹. It is considered that further monitoring and staged release of zoning may be appropriate measures to mitigate potential impacts, acknowledging that this has not specifically been considered in the social impact assessment to date.

f. Health, social and emergency services

To realise the assumptions provided in the SIA assessment in terms of provisions of emergency services I would recommend that development to a certain level is contingent on confirmation of provision of required emergency services through a formalised agreement. Alternatively, the social impact assessment could be amended to include assessment without these services in place (acknowledging their uncertainty).

g. Lumsden Road and Tahuna Road Residents

It is considered that this needs to be considered further and whether the location of industrial zone within the site is investigated further in relation to proximity of neighbouring properties. The SIA does not offer any management beyond communication and therefore no direct mitigation or management of the potential negative social impacts.

h. Community Way of Life

Limited management and no monitoring are recommended. It is considered that this proposal needs to be integrated and made part of the wider structure plan to make it part of the wider Ohinewai.

I would recommend that community services are in place or confirmed (including infrastructure and pedestrian / walkway connections) prior to commencing residential development.

3.2.5 Summary of Social Impact Review of APL Submission and recommendations

Overall, it is considered that either the SIA should provide further assessment of the uncertainty of outcomes currently relied on in the assessment or should be reviewed to assess the potential that such outcomes will not be delivered. This is particularly relevant to those services and infrastructure that appears to rely on third party delivery (e.g. is not being provided by APL).

4 AEE assessment of social impacts

It is considered that the AEE in section 8.10 relies on the Social Impact Assessment of the Masterplan in its assessment of effects of the rezoning request and structure plan and does not fully consider the degree of uncertainty of the social benefits identified for the Masterplan and therefore cannot rely with certainty on these impacts in its assessment of effects. The AEE states that the SIA has assessed the development enabled by the proposed rezoning however it is considered this is limited to the activities provided in the Masterplan not the full scenario of development possibilities of the site. For this reason, the AEE does not fully consider the full range of social effects and range of scale of social effects associated with the zone changes and structure plan, nor does it provide planning mechanisms for how the benefits identified in the SIA will be realised or the infrastructure assumed will be delivered. Neither does the SIA consider the staging of the changes implemented by the rezoning over time.

5 Summary of identified risks of the APL submission

5.1 Provision of infrastructure

It is considered that the AEE and SIA has not given full consideration to the infrastructure required to support this proposal or how the proposed infrastructure within the Masterplan will be delivered. The risks therefore are twofold; that the proposed infrastructure is not developed to the level anticipated in the Masterplan and therefore some of the

⁹ It is noted that the proposed provisions restrict the GFA of retail and office activities, including total cap of 2,500m². However, the discount outlet activities are not limited at all other than by their need to be discounted.

assessed benefits are not realised. Alternately, that it is reliant on local and government resources to reallocate budgets and planned developments within the district and the social consequences of this have not been explored.

5.2 Inability to deliver the proposed benefits

The rezoning and structure plan provisions does not provide a degree of certainty that the benefits identified in the SIA will be delivered and therefore the outcomes may be less desirable or result in negative impacts that have not been unexplored. In particular, the following outcomes are considered uncertain:

- Employees being locally sourced versus out of area people moving to the residential development
- Local training and transitions schemes as a mechanism to uplift under-employment in some parts of the community
- Local public transport to the development to provide for employees in Huntly and Te Kauwhata without personal transportation
- Provision of affordable housing
- Sustainability of the industrial and business zone – there is no guarantee of continued employment
- Provision of community services and public infrastructure – transport, public facilities, parks etc
- Prevention of further industrial, dense residential development in Ohinewai including west of State Highway 1
- Connection of surrounding area including the school to sewerage and potable water

Also, there is a lack of provisions to prevent the following potential outcomes which should be considered from a social perspective:

- Direct retail/business competition with the surrounding areas, particularly Huntly
- Relocation of local businesses to the development (withdrawing local employment/benefits form the local area)
- Withdrawal of major employers within the site and residents not having local employment
- Outsourcing of employees and bringing them all from Auckland or further afield to the local development

5.3 Unassessed and mitigated/managed negative social impacts

The AEE and SIA are reliant on the delivery of the Masterplan for its assessment of social cost and benefits and appropriate management of these. By not considering the full range of potential outcomes it has not fully considered the limitations of the benefits and or adverse effects that could be generated from rezoning and the structure plan provisions. If APL choose to not deliver the Masterplan (or relies on delivery of it from others) beyond the Sleepyhead factory (it is assumed there is a degree of certainty with this section of the development) and hand over the development of the remainder of the site¹⁰ to alternate developer there is not provisions to ensure that the Masterplan is enacted therefore it is important to consider the full range of potential effects. The current risk is that it is not fully understood what these are and therefore these cannot be considered or managed and mitigated.

6 Recommendations on rezoning and structure plan requests

6.1 APL Submission

There are a number of potential benefits identified in the SIA. However, many of these are contingent or rely on outcomes identified in the Masterplan. For these social benefits to be released, it is considered that amendment to the provisions of the rezoning request would be necessary; to increase the certainty that these outcomes to be delivered or at least to confirm / require the delivery of those elements of the Masterplan prior to implementation of zoning (e.g. some form of trigger for release of stages of the rezoning, once social services / infrastructure is in place).

Alternatively, the social impact assessment should be reviewed to assess the full range of potential outcomes, including the potential social effects of the rezoning without those aspects of the Masterplan that rely on delivery from third parties (beyond APL).

¹⁰ It is noted that at present there are multiple landowners across the proposed site.

A final consideration is that it is considered that the social costs and benefits of the industrial zone (in particular the area proposed for the Sleepyhead factory) are understood and therefore this could at this stage be considered for rezoning with a degree of certainty. The remainder of the proposed rezoning could be considered when there is a more fulsome structure plan that appropriately addressed the needs for physical infrastructure development (infrastructure) and identifies appropriate “staged release triggers” for development of these other areas.

6.2 OLL Submission

OLL’s submission includes the potential re-development of 39ha between Tahuna and Lake Ohinewai to be developed if APL’s plans to develop industrial and residential activities are to proceed. The submission does not seek a rezoning of the site, but identifies changes to objectives, policies and the provision of a Structure Plan for Ohinewai, that shows the 39ha site as a ‘future growth area’. It is considered that the site could potentially be a residential development of an additional approximately 235 dwellings (HG Planning Report)

The Ohinewai Lands Ltd Submission is supported by a Section 32AA Planning Report (Harrison Grierson (HG) December 2019) but as no social impact assessment has been provided a full review has not been undertaken. In note it is based on establishments of the Masterplan of the APL submission and makes the following assumption “*The growth proposition is premised on the establishment of a mixed use centre, including a new industrial node which is expected to be anchored by Ambury’s plan to establish a consolidated base for its bed manufacturing business, commercial activities at a suitable scale to support the local community, residential dwellings with a mix of densities and extensive areas of open space which relate closely to the natural attributes of the Ohinewai area*”¹¹.

In accordance with the section 32 requirements the social costs and benefits of changes to plan provisions is appropriate. In page 23 of the planning report it is indicated that as rezoning is not requested at this stage specific effects have not been considered and that including this in the structure plan would indicate to landowners and the community potential development. In reviewing the report social effects have not been considered and I note the following for future consideration:

- Sustainability of further residential development in relation to current unemployment issues in the region
- Provision of housing that is not affordable to most within proposed industrial zone or surrounding townships
- Provision of infrastructure
- Effect on local housing developments and residential areas

It is agreed that these matters need to be considered before any future rezoning is enabled. It is also agreed that future structure planning is the appropriate process for this.

7 Conclusion

The key finding of this review is that the scope of the SIA relies on outcomes of the Masterplan, which does not strongly relate to what is being requested and proposed in the submission by APL. In particular, the provisions proposed for the rezoning and structure plan request do not assure delivery of the assumptions relied on in the SIA. Specifically, this includes outcomes for infrastructure, affordable housing, retail and commercial development. Whilst the SIA author Mr Quigley has explained that this is because the rezoning and structure plan enables the Masterplan development, this does not acknowledge that there is a high level of uncertainty that this **will** be the outcome and the rezoning and structure plan can also enable a wide range of other outcomes, that are not considered in the SIA.

Therefore, it is considered that the findings of the SIA have limitations in respect of their applicability. This is compounded by limited provisions for management and mitigations that can provide the required assurances and certainty of outcomes that are relied on in the SIA.

¹¹ Page 3 (Source: HG OLL Submission Section 32AA Planning Report)

In addition, the assessment is based on the full implementation of the Masterplan outcomes, no consideration has been given to social outcomes that may be experienced by the transition of the development of the rezoning area. This is considered relevant given the long timeframes set out for development of the Site.

Finally, the following conclusion are made in respect of the SIA:

- There is a strong reliance on the views expressed by stakeholders and individuals interviewed. It is considered that this should be supported by a clear and independent expert assessment of intended and unintended consequences or social costs and benefits for both these groups and those beyond parties consulted with;
- There are some instances where information relied upon appears inconsistent with other specialist assessment (e.g. economics).

For the above reasons, it is not considered that the SIA provides a complete assessment of the potential social costs and benefits of the rezoning request by APL. It is reiterated this is largely due to the limitations of the specified scope of the assessment (rather than issues with the assessment itself).

It is recommended that amendments to the provisions of the rezoning request would be necessary; to increase the certainty the Masterplan outcomes considered in the SIA to be delivered or at least to confirm / require the delivery of those elements of the Masterplan prior to implementation of zoning (e.g. some form of trigger for release of stages of the rezoning, once social services / infrastructure is in place).

Alternatively, it is considered that the social impact assessment should be updated to assess the full range of potential outcomes, including the potential social effects of the rezoning without those aspects of the Masterplan that rely on delivery from third parties (beyond APL), particularly in respect of infrastructure and social services.

Finally, it is noted that the uncertainty regarding the outcomes of the rezoning request differ across the site and some areas have elements of increased certainty. This is particularly the case for the industrial zone provisions, albeit that the certainty of employment and development is focused to the APL development proposal for the 'Sleepyhead factory' development. On the basis of the higher level of certainty pertaining to the industrial zone land development, it is considered there may be an opportunity for this aspect of the rezoning request to progress in advance of further consideration of other elements of the rezoning (to resolve some issues of infrastructure and social service provision to support the housing and commercial development outcomes). To enable this, it would be appropriate to provide further information the social costs and benefits of this aspect of the rezoning request including consideration of the impacts on and opportunities for transport infrastructure provision to support this aspect of the rezoning (e.g. the State highway or rail siding opportunities, both of which are understood to be uncertain at this stage).

A

Appendix A – R Quigley Response to Request for Further Information

Robert Quigley's response to Beca's review of the Ohinewai Masterplan SIA

Beca review in black. RQ response in blue.

- *The focus of the SIA appears to be an assessment of the proposed Master Plan (rather than the rezoning / plan change requests). This is important as the AEE assesses the zoning request relying on findings from the SIA.*

The SIA assessed the Masterplan, on the basis that the proposed rezoning (and associated Structure Plan) enables the proposed development as outlined on the Masterplan.

This was considered to be most useful approach to assist the decision makers understand the potential social effects of the expected development form. The implementation of the Masterplan is enabled by the Structure Plan, with the proposed District Plan provisions requiring development on the site to be consistent with the Ohinewai Structure Plan.

- *It would assist to have information on how the benefits of the Masterplan as assessed in the SIA will or can be delivered (with certainty). For example:*
 1. *Reference is made to the opportunity for the school to have potable water / wastewater issues addressed because of the Masterplan, it is unclear how this potentially positive opportunity will be realised (or with any certainty) from the change in zoning;*

My understanding is that in the medium to long term, the proposed development requires reticulated wastewater and water services. Options have been put forward by APL to provide for those services.

Through discussions with both APL and Ohinewai School, the SIA has assumed that the reticulated system is likely to be available for the school to connect to in the future. Any connection to any eventual reticulated system would depend on Waikato District Council's policy and may require contributions to connect.

This can be managed by continuing the existing relationship between the School and APL, and seeking WDC's support if needed in the future.

2. *Staffing/employment opportunities outside the Sleepyhead factory – what are the mechanisms to ensure that these opportunities and the proposed employment numbers will be realised – should some specific consideration be given to the difference in potential social outcomes for the employment at the Sleepyhead site distinct from the wider rezoning request in light of this uncertainty (which appears to be the approach taken in the economic evaluation from Property Economics)*

Property Economics has taken a conservative and District-wide view of employment numbers by only considering the unique activity of Sleepyhead staff. The rezoning allows for substantial additional light industrial and discount retail. It would be remiss of the SIA to ignore the potential social effects of such a large potential change on the towns within the SIA study area.

I agree the certainty of achieving the balance of the retail and light industrial is not as high as the certainty of employment arising from Sleepyhead (almost certain given APL's needs for the factory operation), but given the shortage of nearby industrial land, the desirability of the proposed industrial land given its position next to SH1 and with a rail link to key ports and major cities, the likelihood of the additional development is high. As such I have not attempted to separate out the potential social effects from the two major sources of employment, nor have I done a District-wide assessment.

3. *Origin of employees – there is some suggestions of initiatives for local employment and transition from education to employment asserted in the SIA but this does not appear to be required in zoning provisions so unclear of the certainty in respect of social benefits.*

Yes, as described in the SIA there are existing initiatives, operating right now, by schools, Waikato Tainui and the Ministry of Social Development (MSD) who look to partner with employers. Via engagement undertaken by APL, there is a clear acknowledgement from Waikato Tainui and MSD staff of the opportunity for transformational employment opportunities from existing centres and APL have for several months been transporting local employees (by bus) to work in their existing factories in Auckland.

The Masterplan enabled by the rezoning, and in particular the values described by Sleepyhead, mean relationships are being formed and solidified to extend these existing programmes. Such initiatives are built on trust and strong relationships, not rules or requirements. Given all parties have expressed a desire to work together, goals align, and existing programmes are already in place, the certainty ascribed to these potential social effects is high.

- *The assessment mentions countryside living and large residential lots but remains largely silent on the farming community is there additional information on this group – in particular the values of this community and changes likely to be experienced by the change in zoning?*

Discussions with potential stakeholders about scope, including Council staff, did not identify the 'wider farming community' as a community of focus for the SIA. Despite this, farmers have been included in the assessment to a modest extent. What is clear is that the rezoning of land, while large, is actually small in contrast to the land-area (of farms) on the eastern side of the expressway. For example, because of this continued exposure to a large farming community, the Principal and Deputy-Principal of Ohinewai School still expect the school to retain its farm-oriented focus.

- *Has consideration been given to a residential zone being in place should the single large employer of the site (some 1,000 workers) move out of the area in the future – how does this relate to the social outcomes of Te Kauwhata as a dormitory suburb? This issue, which has been well document in other industrial service towns, might be worth commenting on further – to confirm why the authors do not consider it relevant in this case.*

The potential for Sleepyhead to close has been considered and described in the SIA (see page 26; Section 6.3 Potential housing effects).

- *The SIA makes comments on the affordable housing provision for employees of Sleepyhead. However, it is unclear how they will be supported into this housing (e.g. there appears to be some margin between the cost of housing in Huntly with the averages proposed in this site and therefore a potential 'affordability delta'. Are specific measures to be proposed that can be relied on. If not, what assumptions are made in the SIA of these houses being occupied by employees (in the economic assessment considered could be as high as 70%) and what are the implications if that is not realised?*

Sleepyhead are still working on potential arrangements in this area so I can't add additional clarity at this point. I will provide further details once they are available.

- *How would the risk of the rezoning – particularly the retail and outlet retail areas becoming direct competition to retail/business land in Huntly and exacerbating the economic and social issues that the SIA identified for this area, how will these be managed?*

The potential for this effect is explicitly explored in Section 9: Business.

- *Has the SIA considered both the proposal being additional housing/industrial/retail activity in the area versus it being drawn from other areas such as Huntly, where there is some capacity of supply?*

Huntly has little industrial land available and none at the scale offered by APL, housing sections are in short supply and the provision of additional residential land is constrained by topography, historic land uses and geotechnical constraints. Te Kauwhata has an abundance of housing supply and very little industrial land.

Several interviewees, in business, housing, Council, communities, were explicitly questioned on this topic. This question is explicitly considered in the housing and business sections of the SIA. Only one interviewee described having a stand-alone industrial site (with no residential housing at Ohinewai) as a good idea. Other respondents saw the social benefits of being able to live, learn and work at the Ohinewai site, for those who wish that lifestyle. Several people mentioned the climate change positive effects of allowing people to live near to where they worked, but that was out of scope for my assessment. I also refer to the Waikato Regional Policy Statement Development Principle, number six: *'Minimise energy and carbon use such as by compact urban form, and design and location which minimises the need for private motor vehicle use, encourage walking, cycling and use of public transport and maximise opportunities for people to live, work and play within their local area'*.

There will be housing choice. People will choose whether to live in Ohinewai, Huntly or Te Kauwhata (or elsewhere), so effects will be spread across those areas.

- *Were the interviews for the SIA conducted based on the presentation/explanation of the master plan – it is unclear whether discussion was on the zoning rather than these Masterplan outcomes, which may have influenced people's views (e.g. the open space and reserve network shown does not appear to be zoned or confirmed, how was housing and employment numbers conveyed relative to zoning)?*

Yes, the interviews were presented on the basis of the Masterplan being the development form. The rezoning and structure plan enabling the Masterplan to be implemented was not particularly discussed in detail and those plans are the planning tools in order to implement the development form. As discussed above, this was considered the most likely option for the use of the land, especially given the strategies being developed.

I began the interviews with a short description of the Masterplan. I described where the site was, and how APL was seeking to rezone the land from rural to a mixed use. Nearly everyone knew about the proposal. I stressed that approval was not guaranteed as some people knew the land was already in the process of being sold to APL. I described the major proposed uses of the site: Firstly, the rezoned land enabling the Sleepyhead factory and its potential 1,000 jobs (which most people knew of). I also described how the rezoning would enable about another 1,000 light manufacturing and outlet retail jobs on top of this, should it all go ahead. The potential for 1,000 additional jobs was not well known by most interviewees. Secondly, I described the potential for 1,100 additional homes and mentioned that over time that would equal about 2,700 people. Most interviewees were already aware of the housing component and its approximate size. Depending on the interviewee, I would describe additional parts of the Masterplan relevant to that person. For example, for Ohinewai School, I described how no school was proposed within the site.

- *Some further commentary on how the SIA relates to the information in the economic report (Property Economics) in respect of employment – particularly as that report appears to indicate that they are the same market for employment and there are housing opportunities and infrastructure provision in this area (albeit that there may be some market demand differences). In particular, further commentary on whether the employment opportunities (beyond those at Sleepyhead) are actually relocation of jobs that were projected anyway, it is unclear why this area is making new employment – my estimate this accounts for some 1,000 of the employment numbers being used in the SIA. It is also unclear where these employment numbers have been derived from.*

The employment numbers in the SIA are as described in section 4: Approximately 700 hires from NZ Comfort Group and an additional 1,072 hires from additional light industrial, outlet retail and community services (total 1,772).

The Property Economics report focussed on the 1,000 employees from NZ Comfort Group (of which 300 will relocate) who are described as unique activity on the site, i.e. new jobs to the District that would not otherwise be expected to materialise. The other 1,072 jobs, are jobs that do not exist now in the district, but are not a unique activity and are therefore projected to occur somewhere in the district, in the future.

Being a Masterplanned site, it will likely be an attractive proposition to businesses, and so as new businesses form, they are more likely to choose this location over others. The SIA has assessed the effects on the townships of Ohinewai, Huntly and Te Kauwhata; and to these townships, these additional jobs are new jobs, and as close as possible for both towns.

- *The SIA does not consider the proposal in the context of the Waikato Blueprint in 2018 – which provides some consideration on community aspirations / values and commentary on the implications of the rezoning on these.*

Yes, I have considered the Waikato Blueprint. I didn't explicitly refer to the Waikato Blueprint in the SIA because when I asked interviewees about the document, those that were familiar with it suggested it did not necessarily reflect their views. However, I note the rezoning is consistent with the Local Area Blueprint for Ohinewai, as is most of the Waikato Blueprint, including the following:

- The vision as *"Liveable, Thriving and Connected Communities / He noohanga aahuru, he iwi whai ora, he hapori tuuhono tahi"* (p3)
- The Blueprint themes (p3):
 - *"Communities: strengthen, enable and connect local communities and citizens, and support those most in need.*
 - *Growth: direct cohesive growth outcomes which support all community needs.*
 - *Economy: support the rural and urban economy, and attract more visitors, entrepreneurs, and employment uses.*
 - *Transport: leverage value off accessibility, help those disadvantaged by a lack of transport options, prepare for future passenger rail.*
 - *Infrastructure: develop and maintain efficient infrastructure that is environmentally clean and will serve the community well into the future."*
- The Ohinewai Local Area Blueprint:
 - *"lifestyle character protection, support the school, and integrated approach, should industrial uses occur (p3).*
 - *The local school is a great asset. There is room for expansion on its site (p76).*
 - *Growth is welcomed in response to the ageing population and the need to keep and make facilities and services viable, but there is also the desire to retain the current 'community feel' (p76).*
 - *There is a desire to retain large lot sizes and the character that this brings (p76).* [For clarity, this aligns with the proposal as it can be achieved on the Western side of the Expressway, where most existing residents live. Those living on the Eastern side already live alongside a busy road, SH1 and main trunk rail line.]
 - *Potential for a large-scale development to occur, subject to an RMA process (p76).*
 - *There is an opportunity to improve recreation and tourism opportunities through the creation of walk and cycle ways around the lake and along the river (p76).*
 - *There is a strong requirement to improve pedestrian and cycling linkages between east and west. This may require a clip-on to the existing bridge (p76).*

- *There is a strong desire for improved public transport accessibility among the community. This includes ensuring that the level of service is reliable and meaningful enough to support commuters (p76).*
- *Infrastructure issues (water and wastewater) should be resolved” (p76).*
- *“There is a great need to improve housing and other property affordability throughout the district” (p31).*
- *“Jobs in the Waikato District are only providing work for half of residents who work (ignoring the unemployed), a shortage of 12,200 jobs” (p34)*
- *“At present this one job for every household target is not even close, with the district only providing one job for every four residents, and there has been very little improvement over the last 16 years” (p34)*
- *“Relying on horticulture and agriculture alone for employment and wealth is therefore not sufficient; growth should also come from other sectors.” (p35)*
- *“... the growing district population can therefore only be expected to create 35% (at best) of the jobs needed.” (p35)*
- The Blueprint puts forward the following *“approach to retain existing wealth, capture new wealth and capture wealth from elsewhere (p36):*
 - *Attract high income residents and businesses*
 - *Attract those with high incomes to local centres*
 - *Residents spending time and therefore money locally*
 - *Workers spending time and therefore money locally*
 - *Ensure sufficient well located, zoned & serviced land*
 - *Attract catalytic first movers*
 - *Vision, promote & market clusters*
 - *Vision, promote & market locations for clustering places future industrial land*
 - *Attract new residents with resources to invest locally.”*
- *Already zoned and available industrial land is in Tuakau and Meremere (p41), both significantly further from Huntly compared to Ohinewai*
- *“Possible – to be verified (approximate areas)” of industrial land in Ohinewai (currently not zoned) are identified in the Blueprint (p42).*
- *The Huntly Local Area Blueprint prioritises ‘employment and youth initiatives’ (p61), with the Ohinewai Masterplan site being very close to this workforce. “There is a need for suitable employment for young people and related skills training” (p79).*

14/2/2020

B

Appendix B – PWDP Zoning Activity Table

Proposed Waikato District Plan

The following information has been taken from Chapters 16, 17, 20 and 13.

Zone	Permitted Activity	Restricted Discretionary Activity		
Industrial Zone	<p>P1: Industrial activity</p> <p>P2: Trade and industry training activity.</p> <p>P3: Truck stop for refuelling.</p> <p>P4: Office ancillary to an industrial activity.</p> <p>P5. Food outlet.</p> <p>P6: Ancillary retail.</p>	<p>There are no Restricted Discretionary activities – however, it is noted that some activities that <u>might</u> be anticipated in this zone (as compared to other zones) are listed in the discretionary activities.</p> <p>Below are the Discretionary Activities.</p> <table><tr><th>Discretionary activities</th></tr><tr><td><p>D1: Any permitted activity that does not comply with an activity specific condition in Rule 20.1.1.</p><p>D2: Any activity that does not comply with Land Use - Effects Rule 20.2 or Land Use - Building Rule 20.3 unless the activity status is specified as controlled, restricted, discretionary or non-complying.</p><p>D3: A waste management facility.</p><p>D4: Hazardous waste storage, processing or disposal.</p><p>D5: An extractive industry.</p><p>D6: An office.</p><p>D7: Retail activity.</p></td></tr></table>	Discretionary activities	<p>D1: Any permitted activity that does not comply with an activity specific condition in Rule 20.1.1.</p> <p>D2: Any activity that does not comply with Land Use - Effects Rule 20.2 or Land Use - Building Rule 20.3 unless the activity status is specified as controlled, restricted, discretionary or non-complying.</p> <p>D3: A waste management facility.</p> <p>D4: Hazardous waste storage, processing or disposal.</p> <p>D5: An extractive industry.</p> <p>D6: An office.</p> <p>D7: Retail activity.</p>
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Business Zone	<p>P1: Commercial activity.</p> <p>P2: Commercial services.</p> <p>P3: Community activity.</p> <p>P4: Residential activity.</p> <p>P5: Education facility.</p> <p>P6: Childcare facility.</p> <p>P7 Office.</p> <p>P8: Public amenity.</p> <p>P9: Place of assembly.</p> <p>P10 Health facility.</p> <p>P11. Hauroa.</p> <p>P13 Travellers' accommodation.</p> <p>P14: public transport facility.</p>	<p>RD1: (a)A multi-unit development that meets all of the following conditions:</p> <ul style="list-style-type: none">(i)Land Use – Effects rules in Rule 17.2;(ii)Land Use – Building rules in Rule 17.3, except the following rules do not apply:<ul style="list-style-type: none">(i) Rule 17.3.8 Dwelling;(ii) Rule 17.3.9 Living court;(iii)The multi-unit development must be located above the ground floor level;(iv)A detailed site plan depicting the proposed lot boundaries for each residential unit and any common areas (including access and services) must be provided, ensuring that a freehold (fee simple) or unit title subdivision complies with Rule 17.4.2 (Subdivision of multi-unit housing developments);		

	<p>P15: Servicing of boats at Raglan Wharf.</p> <p>P16: A Marae Complex or Papakaainga Housing Development on Maaori Freehold Land or on Maaori Customary Land.</p> <p>P17: Temporary event.</p> <p>P18: Cultural event on Maori Freehold Land containing a Marae Complex.</p>	<p>(v) Each residential unit must be designed and constructed to achieve the internal design sound levels specified in Appendix 1 (Acoustic Insulation), Table 14;</p> <p>(vi) A communal service court is provided comprising:</p> <p>A. a minimum of 20m²; and</p> <p>B. a minimum dimension of 3m;</p> <p>(vii) Living court areas are provided above ground floor level to meet the following minimum requirements for each residential unit: (See Table 1 below for units.)</p>
Residential Zone	<p>P2: A Marae Complex or Papakaainga Housing Development on Maaori Freehold Land or on Maaori Customary Land.</p> <p>P3: A new retirement village or alterations to an existing retirement village.</p> <p>P4: Home occupation.</p> <p>P5: Temporary event.</p> <p>P6: Cultural event on Maaori Freehold Land containing a Marae Complex.</p> <p>P7: Community activity.</p> <p>P8: Neighbourhood park.</p> <p>P9: Homestay.</p> <p>P10: Agricultural, horticultural and viticultural activities.</p>	<p>RD1: A Multi-Unit development that meets all of the following conditions:</p> <p>(a) The Land Use – Effects rules in Rule 16.2;</p> <p>(b) The Land Use – Building rules in Rule 16.3, except the following rules do not apply:</p> <p>(i) Rule 16.3.1, Dwelling;</p> <p>(ii) Rule 16.3.8 Building coverage;</p> <p>(iii) Rule 16.3.9 Living court;</p> <p>(iv) Rule 16.3.10 Service court;</p> <p>(c) The minimum net site area per residential unit is 300m²;</p> <p>(d) The Multi-Unit development is connected to public wastewater and water reticulation;</p> <p>(e) Total building coverage of the site does not exceed 50%;</p> <p>(f) Each residential unit is designed and constructed to achieve the internal design sound level specified in Appendix 1 (Acoustic Insulation) – Table 14;</p> <p>(g) Service court areas are provided to meet the following minimum requirements for each residential unit:</p> <p>(i) At least 2.25m² with a minimum dimension of 1.5 metres of outdoor or indoor space at ground floor level for the dedicated storage of waste and recycling bins;</p> <p>(ii) At least 3m² with a minimum dimension of 1.5 metres of outdoor space at ground floor level for washing lines; and</p> <p>(iii) The required spaces in (g)(i) or (g)(ii) for each residential unit shall be provided individually, or as a dedicated communal service court.</p> <p>(h) Living court areas are provided to meet the following minimum requirements for</p>

	P11: Neighbourhood centre.	each residential unit: (see Table 2 below for units).
	P12 Commercial activity.	

Relevant definitions are attached at the end of the document.

Table 1

Residential Unit	Minimum Area	Minimum Dimension
Studio unit or 1 bedroom	10m ²	2m
2 or more bedroom	15m ²	2m

Table 2

Duplex dwelling	Area	Minimum dimension
Studio unit or 1 bedroom	30 m ²	4m
2 or more bedrooms	40 m ²	4m
Apartment Building Ground Level Residential Unit	Area	Minimum Dimension
Studio unit or 1 bedroom	20 m ²	4m
2 or more bedrooms	30 m ²	4m
Apartment Building Upper Levels Residential Unit	Area	Minimum Dimension
Studio unit or 1 bedroom	10m ²	2m
2 or more bedrooms	15m ²	2m

Relevant definitions:

Childcare facility: Means any land or buildings used for the care or training of predominantly pre-school children and includes a Playcentre, kindergarten. It excludes: children residing overnight on the property; and a school.

Commercial activity: Means activities involving the sale or distribution of goods and services.

Commercial services: Means a business providing personal, property, financial, household, private or business services to the general public. It includes: authorised betting shops; copy and quick print services; financial and banking facilities; postal services; counter insurance services; dry cleaning and laundrette services; electrical goods repair services; footwear and leather goods repair services; hairdressing, beauty salons and barbers; internet and computer services; key cutting services; real estate agents and valuers; travel agencies, airline and entertainment booking services; optometrists; movie and game hire; and animal welfare and/or grooming services.

Community activity: Means the construction and use of public land and buildings which provides for individual or community health, welfare, care, safety, recreation, cultural, ceremonial, spiritual, art and craft purposes and includes cemeteries.

Education facilities: Means premises where groups of people are given tuition and training on a formal basis and includes childcare facilities, schools, tertiary education institutions and specialised training facilities, and their ancillary administrative, cultural and health facilities.

Hauora: Means a facility for the care and welfare of people inclusive of a medical practitioner and persons involved in alternative forms of medicine.

Health facility: Means a facility for the care and welfare of people and includes non-residential day hospitals, medical practitioners, dentists, optometrists, acupuncturists, osteopaths, and persons involved in alternative forms of medicine.

Home occupation: Means an occupation, or trade/craft, or profession, excluding panel beating or car wrecking, where the principal use of the site is for residential activities and the principal operator of the home occupation is a permanent resident on-site.

Industrial activity: Means the production, processing, bulk moving or storage in bulk of any materials, goods or products:

- Production includes: manufacturing; and assembly from components.
- Processing includes: repair; servicing; maintenance; and assembly of materials, goods or product.
- Bulk storage includes: warehousing.

Office: Means premises used for an administrative or professional services where people work primarily sitting at desks, for example accounting or legal services.

Place of assembly: Means land and/or buildings used principally for the public or private assembly of people for recreation activities, cultural activities or entertainment activities. It includes community centres and halls.

Public amenity: Means facilities continuously offered to the general public for their use with or without charge, including restrooms, information displays, shelters, drinking fountains, outdoor seating and viewing platforms.

Residential activity: Means the use of land and buildings by people for living accommodation in a household unit, where the occupants will generally refer to the site as their home and permanent address. For the purpose of this definition, includes emergency and refuge accommodation, or accommodation for supervision staff and residents, where residents are subject to care or supervision (e.g. homes for people with disabilities). Residential activity includes home detention (as defined in the **Criminal Justice Act 1985**), but not prisons or other places where residents are subject to detention.

Retirement village: Means any land, building or site that: is used for accommodation predominantly for persons in their retirement, or persons in their retirement and their spouses or partners; and satisfies either of the following: it is registered as a retirement village under the **Retirement Villages Act 2003** or will be so registered prior to it being occupied by any resident; or it is a rest home within the meaning of s58(4) of the **Health and Disability Services (Safety) Act 2001**; and includes not less than two residential units; and may include any or all of the following facilities or services for residents on the site: a care home within a retirement village; a hospital within a retirement village; nursing, medical care, welfare, accessory non-residential and/or recreation facilities and/or services.

Temporary event: Means a social, cultural or recreation event that has a duration of less than 72 hours, including entertainment events, carnivals, festivals, fairs, markets, and exhibitions, and associated temporary buildings and car parks.