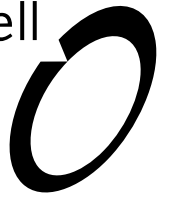


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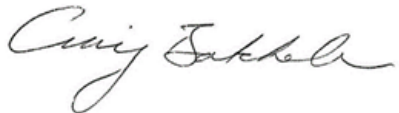

Kimihia Lakes Development Project - Rezoning under Proposed Waikato District Plan

Assessment of Environmental Effects and Section 32AA Evaluation
Prepared for Allen Fabrics Limited

16 February 2021



Document Quality Assurance

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1.0 Introduction

Waikato District Council (WDC) is currently undergoing a review of their District Plan and notified Stage 1 of the Proposed Waikato District Plan (PDP) in July 2018. Stage 2 of the PDP (Natural Hazards) was subsequently notified in July 2020.

Allen Fabrics Limited (AFL) lodged a submission (reference: 584) on the PDP seeking to introduce a specific zone called the “Kimihi Lakes Recreation & Events Zone”. The proposed zoning covers farmland owned by AFL, as well as the now decommissioned Huntly East Mine, which AFL purchased in 2017 (the site). The site was zoned Rural under the PDP and covers an area of approximately 164 hectares.

The central premise of the Kimihi Lakes Development Project (the Project) as a whole is the reinstatement and restoration of the historical Kimihi Lake and the enhancement of the wider environment, through education and experience. The vision for the landholding is that it will be developed not only as a facility for the Huntly community, but also as a regionally significant visitor attraction. The site will be leased into the care of Kimihi Lakes Community Charitable Trust (KLCCT) to develop with the support of Momentum Waikato Trust. The proposed rezoning will enable such development by specifically supporting activities that have been identified for the project site. Since the original submission was prepared in 2018, the Project has evolved and is now supported by a range of technical assessments and a Masterplan. Furthermore, the Hearing Commissioner for the Waikato District Plan Review process issued minutes and directions on 12 May 2020 which clarified any rezoning proposals would need to be supported by technical information and a Section 32AA assessment.

Given the above, this report supports the original submission made by AFL and refines the proposed provisions based on supporting technical input. It is made pursuant to Section 32AA and Section 32 of the Resource Management Act 1991 (RMA).

2.0 Project background

2.1 Project vision

The primary vision for the Project is the rehabilitation and restoration of the site, the development of complementary activities including water-based recreation (swimming, kayaking, waka ama), overnight accommodation, a coalfields museum, cultural interpretation, an outdoor education centre (offering environmental and physical education skills training), and informal use of the site for other activities such as walking, cycling and picnicking.

The rehabilitation of the site will be programmed to align with the progressive filling of the lake which is estimated to take up to 30 years to fill¹. The rehabilitation will recreate some of the former ecological values of Kimihi Lake and recognise the cultural values that remain in this area. Rehabilitation work will comprise riparian planting alongside the future lake edge, and amenity and ecological restoration of the streams, wetlands and bush clad gullies on the lake surrounds.

The proposed activities for the site have been developed through a master planning design process and have been informed by a range of technical inputs. Figure 1 below provides an

¹ Could be five to ten years if a stream, diverted around the site to the south as part of the historic mining operation, is re-diverted back into the site

indicative image of the proposed lakeside hub and the full Masterplan for the Project can be found in **Appendix 1**.

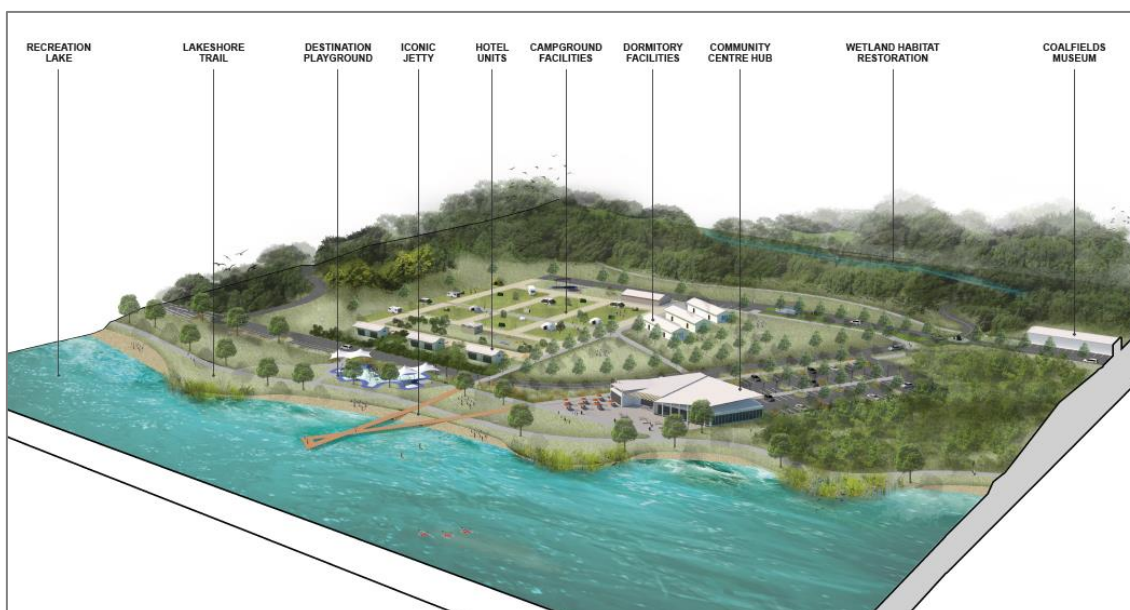


Figure 1: Proposed lakeside hub

2.2 Project objectives

The following objectives were developed for the Project through the master planning process²:

1. Restoration and enhancement of the natural environmental qualities of the lake and its source catchment;
2. Provide a publicly accessible and high amenity recreation facility for the Huntly community that contributes to the 'lake network' in the district (e.g. allowing certain events to be spread across them);
3. Offer outdoor education and recreation experiences to primary and secondary school students from Huntly and Rangatahi in the Waikato-Tainui rohe, as well as students in the wider catchment of Waikato District and urban centres of Hamilton and Auckland;
4. Provide skills training opportunities for local youth on-site (e.g. through 'on the job' training or as part of school/tertiary education courses), in environmental restoration, construction, hospitality, and the operation of commercial recreation activities;
5. Generate new employment opportunities and income for the local workforce and attract visitors from outside the Hamilton-Waikato District to contribute to growth of the local economy;
6. Put Huntly 'on the map' of a trail of tourism destinations along the Hamilton-Auckland corridor;
7. Provide a complementary destination to various cultural tourism projects centred on the Waikato River, which are currently being pursued by other parties. The park's cultural heritage role will be to show respect for its mining history (including the local miners who were predominantly of Māori or European descent); and
8. Co-ordinate and co-operate activities with neighbouring facilities/ activities including Huntly Speedway, Huntly Gun Club, Rotongaro- Huntly Pony Club, Huntly Half-Marathon, Hakanoa

² Note: These objectives are for Project context only and are not proposed to be embedded into the District Plan as provisions

Lake walkway, and the accessible by Expressway Hampton Downs Raceway , the Jet Sprint Boats and Dragstrip at Meremere, Cambridge Avantidrome and Karapiro Rowing Centre.

3.0 Site description

3.1 Overview

The subject site is located to the north east of the Huntly township and is contained by McVie Road to the north, the Waikato Expressway (SH1) to the east, and Kimihia Road to the south. The boundaries of the site are outlined in dark blue in Figures 2 and 3 below.

The site is approximately 164 hectares in area, with variable topography, comprising farmland, native and exotic vegetation, and the former Huntly East open-cast and drift mine that is no longer in operation. The former mine site occupies the northern half of the site, contained within what was once an area of Kimihia lakebed. Since the mining operation ceased in 2017, this area is re-filling naturally (refer Figures 4 and 5).

Lake Kimihia was approximately 280ha in size before mining of the site began. During the 1950s, the lake was partly drained and reduced in size to allow mining of the lakebed. The existing Lake Kimihia is located on the eastern side of the Waikato Expressway (refer Figures 2 and 3) and is what remains of the original lake. This land is owned by the Department of Conservation and does not form part of the proposed rezoning.

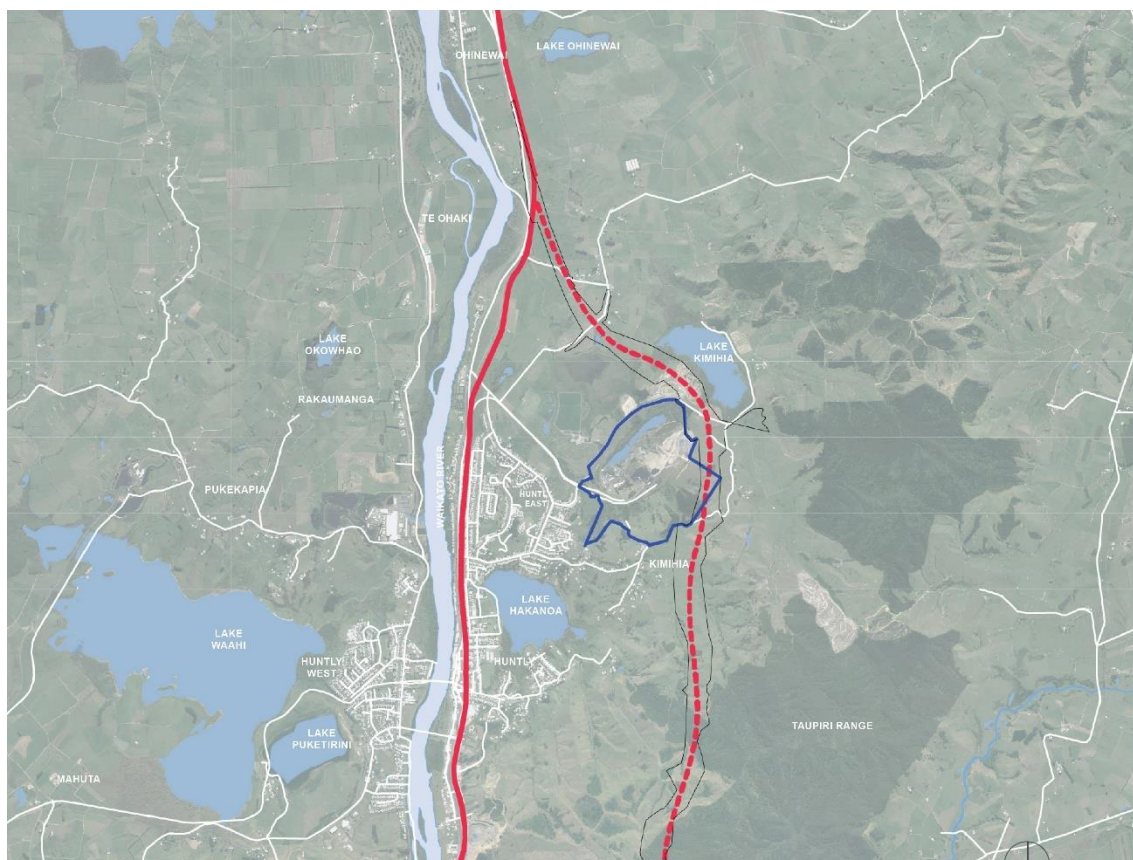


Figure 2: Site extent shown in blue outline, with the Waikato Expressway in red dotted line and the old SH1 shown in solid red line

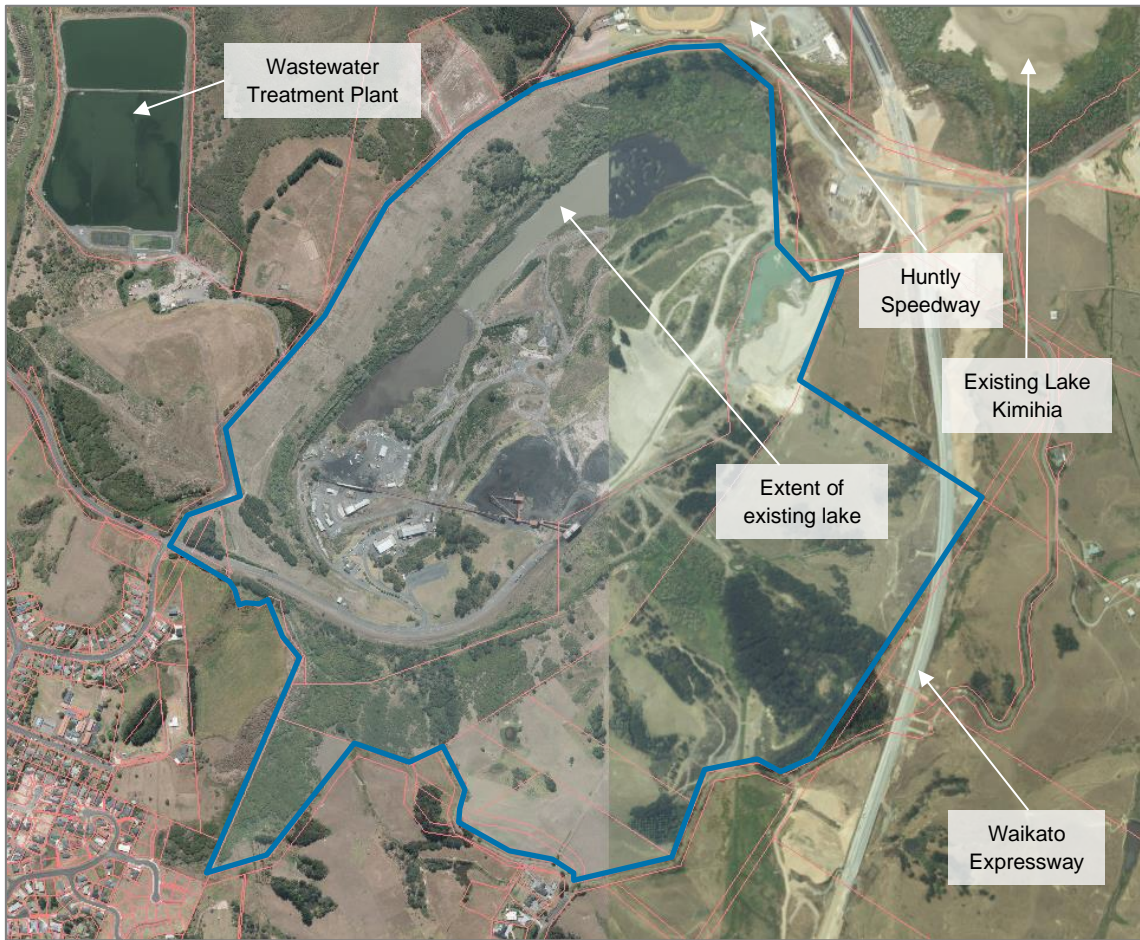


Figure 3: Site boundary outlined in blue



Figure 4: Photograph overlooking the site, showing the location of the lakeside hub as well as the newly forming lake



Figure 5: Photograph showing the lake that is currently filling on the site

3.2 Site ownership

The following table outlines the parcels of land which are applicable to this rezoning submission. It is noted that part of the land owned by AFL was zoned residential under the PDP. This land is outside of the scope of this assessment and is not included in the below table.

The original submission by AFL in 2018 also included new areas to be re-zoned as residential. This has since been re-considered and will not be pursued at this time. This is explained further below.

The Records of Title for the site are attached as **Appendix 2**. In total, the area of land proposed to be rezoned is 164ha.

Table 1: Site ownership details

Legal description	Title	Area	Owner
Section 3 Survey Office Plan 482553 and Lot 1 Deposited Plan South Auckland 20619	805391	89.66ha	Allen Fabrics Limited
Allotment 746 Parish of Taupiri	SA10D/800	21.88ha	Allen Fabrics Limited
Section 1 Survey Office Plan 60522	SA61B/799	3835m ²	Allen Fabrics Limited
Allotment 6 Parish of Taupiri	SA51/131	4,683m ²	Allen Fabrics Limited

Allotment 740 Parish of Taupiri	SA50A/762	3.83ha	Allen Fabrics Limited
Lot 23A Section 463 Parish of Taupiri	SA30A/356	4.85ha	Allen Fabrics Limited
Allotment 857 Parish of Taupiri	SA40D/985, 4313788	36.28ha	Allen Fabrics Limited, Her Majesty the Queen ³
Allotment 777 Parish of Taupiri	SA18B/1138	2.33ha	Allen Fabrics Limited
Lot 18-21 Deposited Plan 347582 and Section 3 Survey Office Plan 400374	199501	3.28ha	Allen Fabrics Limited
Allotment 515 Parish of Taupiri	SA251/176	7,456m ²	Allen Fabrics Limited
Total area		164ha	

3.3 Surrounding land

There is diversity in land use surrounding the site, with residential development and the commercial centre of Huntly to the southwest, and rural farmland to the east and south.

Located off McVie Road directly north of the site is the Huntly Speedway, as well as the Rotongaro-Huntly Pony Club and the Huntly Wastewater Treatment Plant to the west. The proposed new large-scale multi-zone Sleepyhead Development at Ohinewai, is also located directly north. The Waikato Expressway runs along the eastern boundary of the site with the designation boundary being within AFL's landholding.

The Waikato River flows to the west of the site, with the main street of Huntly positioned on the eastern edge, and the Huntly power station on the western edge. The site contributes to the broader Waikato lakes landscape, with a number of lakes, both natural and man-made (through open-cast mining) scattered throughout the flat agricultural planes.

3.4 Transportation network

East Mine Road runs from east to west and provides the existing means of access to the site from Great South Road (former State Highway 1). The public road reserve ends just east of the crossroads intersection with McVie Road and the entrance to the site is currently gated.

Great South Road is classified as a National Route under the Operative District Plan (ODP). With the completion of the Huntly bypass (Waikato Expressway), and while not specifically stated in the PDP, it is anticipated that the hierarchical ranking of Great South Road will be reduced to Regional Arterial route once it is no longer part of the State Highway network.

McVie Road runs along the western and northern boundaries of the site. It extends from the residential areas to the south to the Huntly Speedway and then provides an overbridge over the Waikato Expressway.

Currently there is no specific provision for pedestrians or cyclists in the area around the proposed site. This is typical for a rural environment. There are footpaths on the southern section of McVie

³ Part of Allotment 857 Parish of Taupiri - NZTA lease for Waikato Expressway

Road some 140m from the intersection with East Mine Road. There is also no provision for public transport within 600m of the site. Only school buses and interregional services currently service the Huntly area.

3.5 Three waters infrastructure

The site currently has limited three waters infrastructure due to its rural nature and previous use as a mining operation. Stormwater runoff from buildings and hardstand areas on the site were drained directly into the lake itself by pipe and overland flow. No stormwater treatment was provided prior to discharging to the lake. Wastewater from the mine was drained by gravity to a centralised pumping station, which pumped into the Huntly municipal system at an unknown location. Water was supplied to the mine via a 150mm pipe in Kimihia Road, south of the site.

3.6 Natural Hazards

3.6.1 Flooding hazards

The site is located outside of the Flood Plain Management Area, the Flood Ponding Area and the High-Risk Flood Area as identified on the PDP Maps (Stage 2 – Natural Hazards). The site is however located within the Defended Area (refer Figure 6 below).

The Defended Area means “an area identified on the planning maps which could normally flood in a 1% AEP flood event but is protected from flooding by a flood protection scheme managed by the Waikato Regional Council, the Waikato District Council or the Crown”.

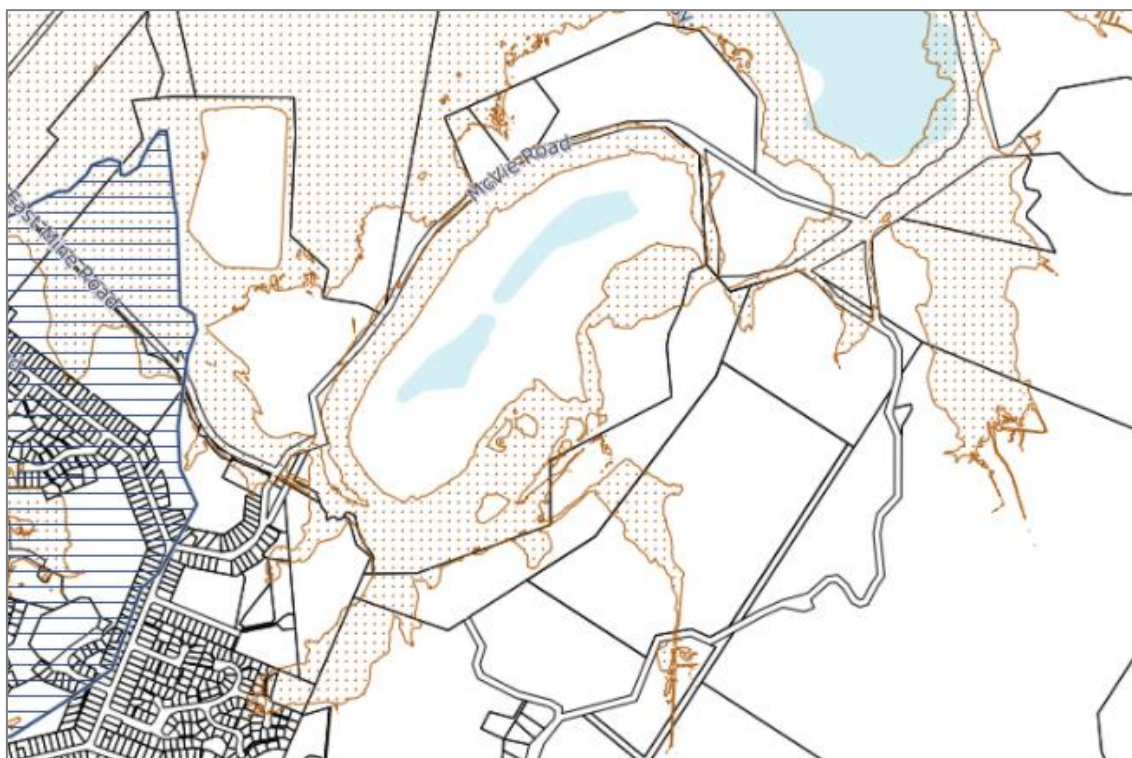


Figure 6: Proposed District Plan natural hazards overlays (as notified July 2020). Defended Area shown in spotted brown

3.6.2 Geological hazards

Ian R Brown Associates Ltd were engaged by WDC to provide advice regarding potential hazards over the underground mine workings at the site. The report identified a proposed hazard area which covers the areas of mine working that have not filled with water and the areas where there is potential for gas trap. This has been identified on the PDP Maps (Stage 2 – Natural Hazards) as the Mine Subsidence Risk Area. As shown in Figure 7 below, the entire site boundary is outside of this area.

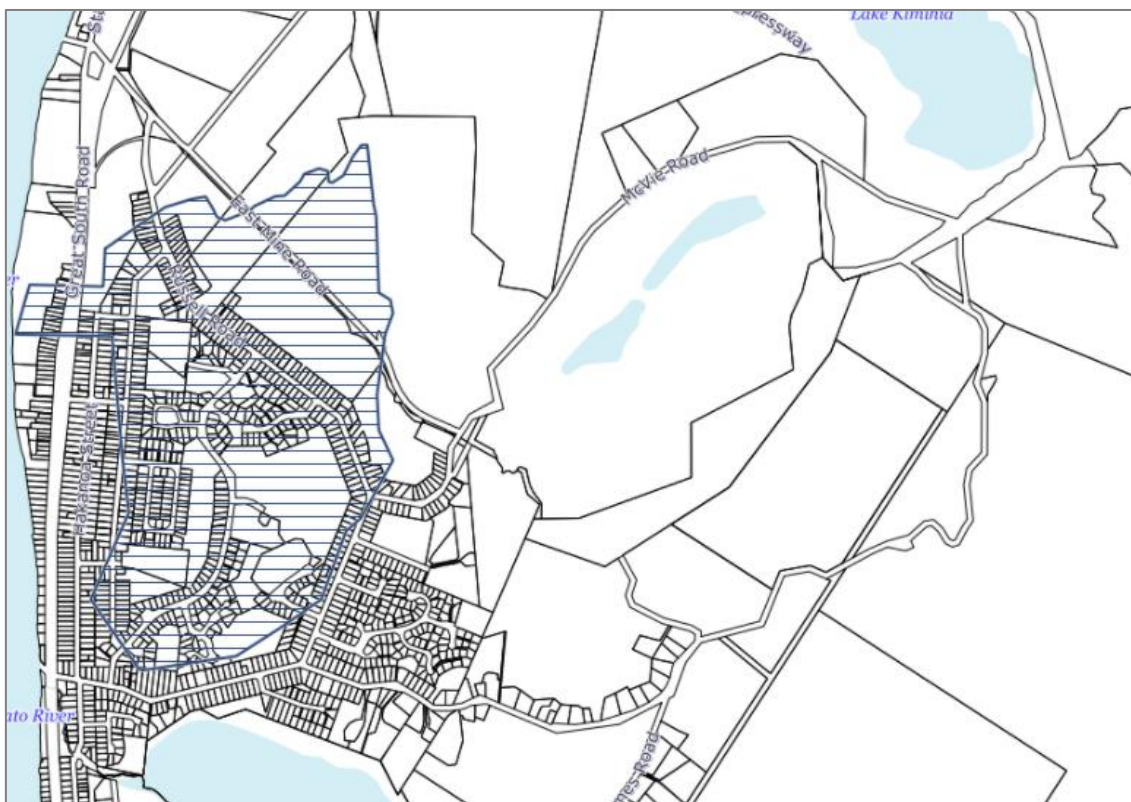


Figure 7: Proposed District Plan natural hazards overlays (as notified July 2020). Mine Subsidence Risk Area shown in blue polygons to the left.

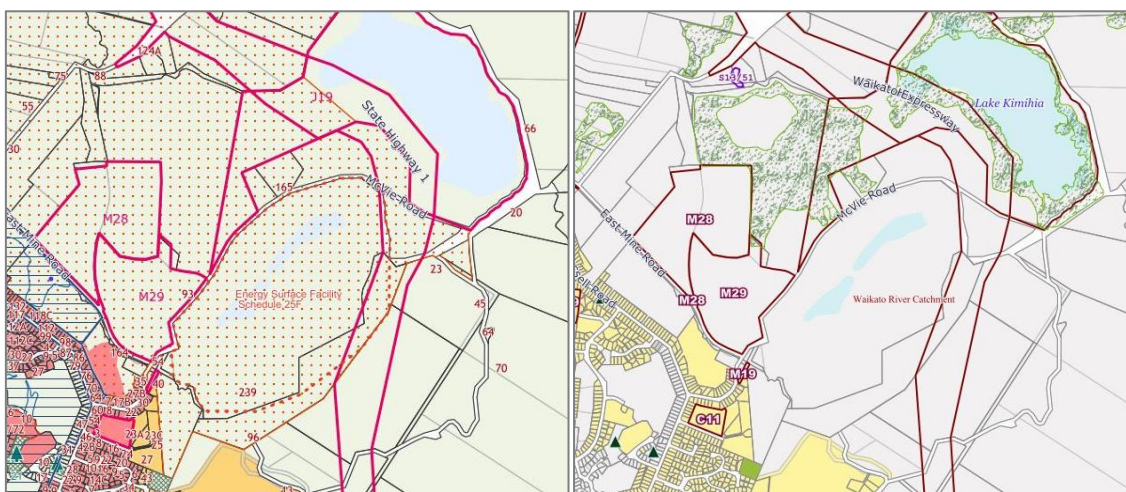
3.7 Existing zoning

The subject site is zoned Rural under both the ODP and the PDP (as notified July 2018). Table 2 below and Figures 8 and 9 outline the zoning and overlays that relate to the site under both the ODP and the PDP.

Table 2: Zoning and planning overlays over the site

Operative District Plan	Proposed District Plan (as notified July 2018)
Rural	Rural
Coal Mining Policy Area: Means land identified on the Planning Map where coal mining is currently occurring; is authorised by a resource consent or by an “existing privilege” under the Crown Minerals Act 1991 to occur in future; or is likely to	-

occur in future, subject to all necessary resource consents being obtained.	
Waikato River Catchment	Waikato River Catchment
Designation (J19 – NZTA) ⁴	Designation (J19 – NZTA)
Area of Interest (Energy Surface Facility)	-
-	Defended Area: an area identified on the planning maps which could normally flood in a 1% AEP flood event but is protected from flooding by a flood protection scheme managed by the Waikato Regional Council, the Waikato District Council or the Crown.



Figures 8 and 9: Operative District Plan zoning (left); Proposed District Plan zoning, as notified July 2018 (right)

4.0 Rezoning proposal

4.1 Original submission

In October 2018, AFL lodged a submission on the PDP seeking to introduce a specific zone called the “Kimihia Lakes Recreation & Events Zone”. The extent of this zoning is outlined in orange in Figure 10 below. It was also proposed to re-zone part of the southern side of the site to residential. This is shown in the yellow hashed area on Figure 10 (Area A).

None of the existing zones within the PDP (nor the ODP) provided a suitable fit for the proposed Project activities, and therefore, a new zone was created to enable development of the site. The submission requested that a new chapter be included in the PDP with objectives, policies, rules and activity specific conditions. The original submission is attached as **Appendix 5**.

⁴ It has been noted that the outline of this designation has been shown incorrectly on the planning maps (for both the Operative and Proposed Plan). Both WDC and NZTA are aware of this issue and it is expected to be updated through the Decisions Version of the PDP in 2021. An accurate representation of the designation boundaries is indicated on the attached masterplan.

The zone included only that land and lake that is privately owned and excluded the existing lake owned and managed by the Department of Conservation (i.e. Lake Kimihia, located on the eastern side of the Waikato Expressway).

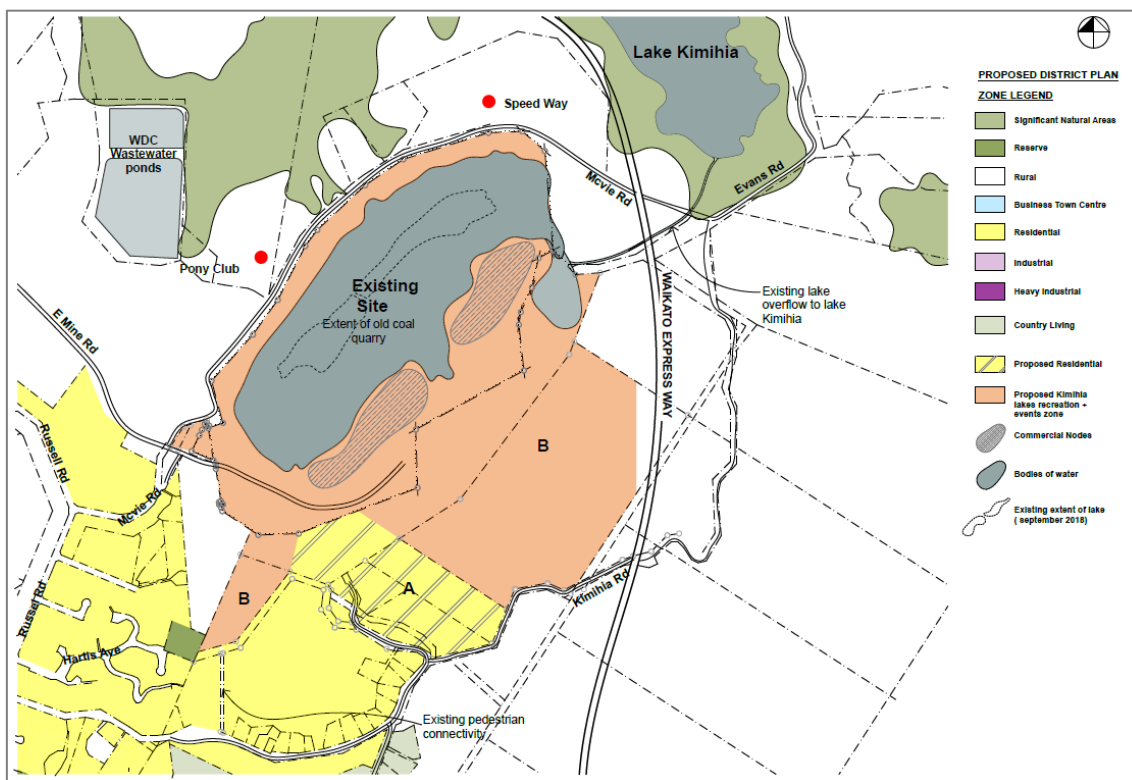


Figure 10: District Plan Zoning (as per original submission)

4.2 Proposed amendments

Since the original submission was prepared in 2018, the Project has evolved and is now supported by a range of technical assessments, as well as a Masterplan. The full Masterplan document prepared by Boffa Miskell is attached as **Appendix 1** and a snapshot is shown in Figure 11 below.

These assessments have informed a number of changes to the provisions, as the development has become further refined. A “clean” version of the proposed provisions is included in **Appendix 3** and a tracked change version of the provisions is attached as **Appendix 4** and summarised below:

- The zone is now proposed to be called the “Kimihia Lakes Zone”, as opposed to the “Kimihia Lakes Recreation & Events Zone”;
- A precinct will be applied over top of this zone called the “Development Precinct”. This will replace the “commercial node areas” as proposed in the original submission. The precinct and zoning are shown in Figure 12 below and attached as **Appendix 6**;
- “Area A” that was identified as residential is now removed and is proposed to be part of the Kimihia Lakes Zone;
- The outdoor theatre and concert space identified for the site has now been removed;

- A more refined objective and policy framework has been prepared to better reflect the proposed activities; and
- More refined rules based on supporting technical assessments.

The approach taken with the proposed provisions are similar to other place-based provisions in the District Plan.

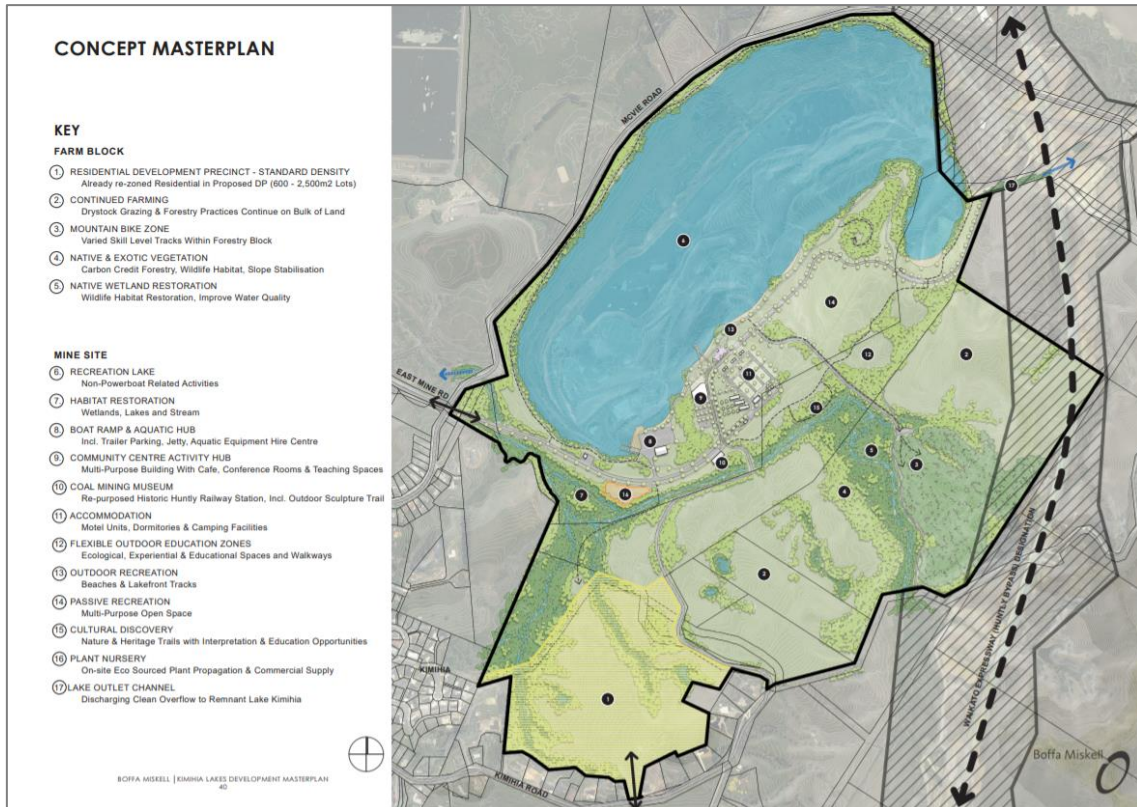


Figure 11: Concept masterplan showing proposed land uses for the site

The proposed amendments are within the scope of the original submission, given that they are narrowed in scope. The amendments do not have implications for any third party interests.

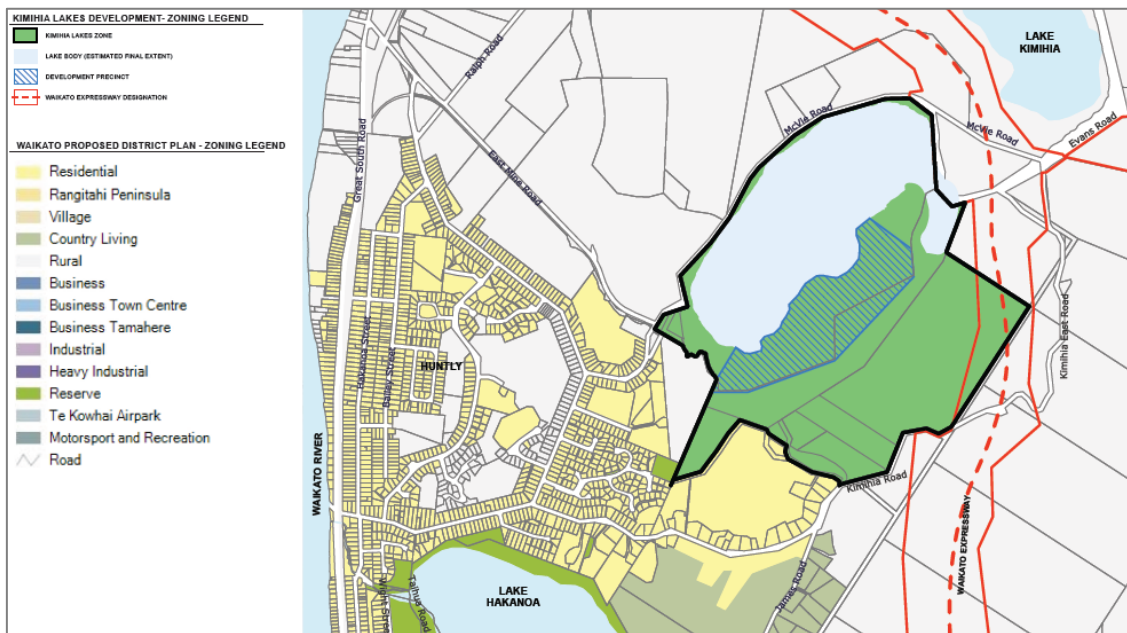


Figure 12: Proposed Kimihia Lakes Zone plan

4.3 Proposed objectives and policies

The proposed objectives and policies for the Kimihia Lakes Zone are outlined in Table 3 below.

Table 3: Proposed objectives and policies for the Kimihia Lakes Zone

KLZ-O1	The Kimihia Lakes Zone develops into a regionally significant facility, that provides for the recreational needs and well-being of people and communities.
KLZ-O2	Buildings, structures and activities do not adversely affect the amenity values or landscape character of the surrounding environment.
KLZ-P1: Operation and development	(a) Provide for buildings, facilities and infrastructure that will enable the development of the Kimihia Lakes Zone. (b) Provide for a range of activities that enable the operation of the Kimihia Lakes Zone, including recreation, sporting, educational and environmental activities.
KLZ-P2: Development Precinct	(a) The Development Precinct is characterised by a cluster of buildings, facilities, associated infrastructure and landscaping which forms an attractive, central lakeside hub for the Kimihia Lakes development. (b) The location of compatible activities within the Development Precinct supports the operational needs of the zone and its visitors.
KLZ-P3: Open Space	Areas of the Kimihia Lakes Zone outside of the Development Precinct are characterised by vegetated areas and open space that are retained for a range of rural, recreation and environmental enhancement activities.
KLZ-P4: Environmental Enhancement	Environmental initiatives are provided within the Kimihia Lakes Zone to enable the ongoing enhancement of the lake and surrounding natural environment.
KLZ-P5: Education	Educational initiatives which provide learning opportunities for students and youth are encouraged
KLZ-P6: Tourism Significance	The on-going development of the Kimihia Lakes Zone as a regionally significant facility is enabled, whilst providing for the general public to use and enjoy the facilities.

KLZ-P7: Management of Adverse Effects	Adverse effects are managed to ensure the operation of the site does not detract from the amenity of surrounding land uses, and in particular by: <ul style="list-style-type: none"> (a) Encouraging development to occur within the Development Precinct, so that it is located centrally on site and away from neighbouring land uses; (b) Managing the interface of the zone with other zones so that adverse noise and lighting effects on the surrounding zones are minimised; and (c) Managing the adverse traffic effects to ensure the safe and efficient operation and functioning of the adjacent transport network and efficient access to surrounding facilities is maintained at all times; and (d) Ensuring signs that are visible from, or located in close proximity to, a public road are sited to ensure the safe functioning of the public road.
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5.0 Assessment of Environmental Effects

5.1 Overview

Clause 22(2) of Schedule 1 of the RMA requires “*where environmental effects are anticipated, the request shall describe those effects, taking into account clauses 6 and 7 of Schedule 4, in such detail as corresponds with the scale and significance of the actual or potential environmental effects anticipated from the implementation of the change, policy statement, or plan*”.

The rezoning of the site from Rural to the new Kimihia Lakes Zone will increase the development potential for the site and authorise new permitted activities that were not provided for within the Rural Zone.

As these activities could establish without the need for a resource consent, an assessment is required to ensure the effects of such activities are acceptable for the site and compatible with surrounding land uses. Due to the scale of the proposal (that being a whole new zone and associated provisions) a complete assessment of effects in relation to the proposed changes has been undertaken as if the proposal were a plan change request made under clause 21. This assessment has been informed by a range of technical assessments which are appended as part of this application. This includes the following reports:

- Economic Impact Assessment (Appendix 7);
- Integrated Transport Assessment (Appendix 8);
- Three Waters Assessment (Appendix 9); and
- Preliminary Site Investigation (Appendix 10).

5.2 Positive effects

The establishment of the new Kimihia Lakes Zone will result in positive effects and benefits, beyond what is provided by the existing provisions of the PDP that currently apply to the site. These positive effects are summarised below.

5.2.1 Recreational benefits

The new Kimihia Lake will contribute to the existing lake and open space network across the Waikato District, albeit being unique in nature.

Most of the Waikato lakes are of poor water quality, poor ecological condition and home to a variety of pest species. They are also mostly shallow (1 – 3m depth) and not suited to a number of recreation activities.

The one local lake that differs is Lake Puketirini, a 54ha lake with a depth of 64m and the site of the old Weavers opencast mine pit. Puketirini is accepted as having good quality water suitable for water activities.

The new Kimihia Lake is expected to have similar water quality and depth at Puketirini, but will be well over 1km in length, therefore making it more suitable to specific water sports and events. Therefore, the site is able to offer additional recreational benefits above those that are currently provided by the lakes in the district.

5.2.2 Social effects

The proposed rezoning will enable the rehabilitation and development of an underutilised site into a lakeside hub and multi-purpose facility to be used by the wider community. The site is of significant size and whilst it is privately owned, it will be available for the public to use at no cost. The provision of free outdoor recreation and green open space will bring a range of positive social and health benefits to a community that is relatively deprived.

Above providing a recreation park for the enjoyment of the community, the site will provide outdoor education to primary and secondary school students from Huntly as well as the wider catchment of the Waikato District, Hamilton and Auckland. It is also expected to provide skill training opportunities for local youth on site (e.g. through “on the job” training, or as part of school and tertiary education courses) in environmental restoration, construction, hospitality, and the operation of commercial recreation activities.

5.2.3 Economic Effects

The rezoning of the site will enable the proposed development to occur through the provision of permitted activities and a directive policy framework. A number of activities are proposed for the site, which have the potential to result in economic growth and employment. This includes outdoor education for school groups, campgrounds and accommodation, venue hire and hosting of sporting events, a café/restaurant and more.

The development will be of local as well as district wide significance by providing a recreation and outdoor education asset for the Huntly community as well as attracting residents and visitors originating from a wider catchment.

An Economic Impact Assessment (EIA) has been prepared by Strateg.Ease Ltd for the project and is attached as **Appendix 7**. The findings of the EIA are summarised below.

The potential economic benefits of the project will primarily arise from:

- Increased local employment and training opportunities for the local labour force in a community that is relatively deprived with a high concentration of youth, unemployment, Māori low income, single parent and rental tenure households; and

- Economic value added (GDP) through construction and operation of the facilities and the resultant increased visitor spending on goods and services in Huntly and the wider district.

Based on the financial estimate in the Kimihia Lakes draft Business Plan 2020, the construction cost of the Project is estimated at \$10.2m. This would contribute to Waikato district's GDP by \$3.361m, equivalent to an 0.11% increase on baseline 2019 GDP (\$2.954m). Based on the average productivity of workers in the construction sector in the Waikato District, this would generate around 46 full-time and/or part-time jobs. These jobs and GDP impact would be limited to the duration of the construction period only.

The ongoing operation of the development is estimated to generate a direct GDP contribution to the Waikato District in the order of \$1.01-1.37m per annum and is anticipated to sustain total full-time and part-time jobs in the order of 28-36.

The total economic impact of the Project is the sum of direct, indirect and induced effects within the district. Tenant activities will purchase goods and services from other local businesses, causing flow-on effects from the increased income and employment for the businesses providing them. Further effects are 'induced effects' – including tenant activities workers increasing household expenditure due to their increased income. Similarly, visitors to the site may also purchase goods and services from other businesses in Huntly. With this in mind, the EIA assesses that the tenant activities would generate flow on impacts of an additional 50% (i.e. in the order of \$500,000-\$683,000). This takes the total on-going GDP impacts of the project to \$1.5-\$2.0m per annum. This is a 'low to moderately' positive effect. No significant negative effects have been identified, such as pressure on housing demand or the viability of the Huntly town centre.

The estimates of the Project's economic impact have been regarded as conservative given the potential for the scale and range of revenue earning facilities and associated jobs to increase in future. While the provision of free outdoor recreation and education activities will provide amenity benefits for the local community, significant economic value will really depend on the Project being able to attract a high volume of 'paying visitors' who have relatively convenient access to Huntly (i.e. people coming from the wider Waikato District, Auckland, or Hamilton, many of whom may currently bypass the town).

5.3 Transportation Effects

An Integrated Transport Assessment (ITA) has been prepared by CKL and is attached as **Appendix 8**. A summary of the transportation effects of the proposal is provided below.

5.3.1 Traffic

The ITA has conservatively assessed traffic generation to the site at 276 vehicles per hour (vph) and 1,200 vehicles per day (vpd) at full development of permitted activities. This relates to general use of the site (including the campground, museum, community centre, café/restaurant) and does not take into consideration any special events.

Vehicles travelling to the site are most likely to use the intersection from East Mine Road onto Great South Road. This is the most direct route to the wider road network, particularly for those coming from outside of Huntly. Modelling was undertaken on this intersection to assess the point at which notable delays may form at the intersection, and drivers may take shorter gaps when entering the main traffic stream resulting in an increased risk to road user safety (known as Level of Service (LOS E)).

Queuing at this intersection was also modelled to determine the point where vehicles would que over the rail crossing (100m) or beyond the turning bay affecting northbound through traffic (70m). From the modelling undertaken, it was found that this peak was reached when more than 870 vehicle movements were added through the intersection. 870vph is over 3 times the expected traffic generation expected for the site (as outlined above of 276vph). Therefore, the road network can readily accommodate the traffic volumes associated with the proposed use of the site.

Rule 14.12.1.4 of the PDP includes maximum trip generation thresholds for various zones within the District. None of these currently apply to the proposed rezoning. Therefore, it is proposed to add a clause within this rule that permits a maximum of 850 vehicle movements per hour, with no more than 15% of those vehicle movements as heavy vehicle movements. The 850 vehicle threshold has been adopted based on the analysis undertaken in the ITA (and outlined above) and rounded down to the nearest 50vph.

The network capacity threshold of 850vph allows for future development within the Kimihia Lakes Zone and identifies the point at which physical mitigation works are expected to be required. In regard to special events, 870vph converts to approximately 1,154 people arriving in a single hour. As such, it is proposed that traffic management is required for activities that generate more than 1,100 attendees to the site at any one time. A provision is proposed to require a Traffic Management Plan to be approved by the Road Controlling Authority for such events.

Overall, the existing roading network is suitable to accommodate general use of the site, as well as catering for events that provide for a maximum of 1,100 people on the site at any one time. The proposed provisions will ensure that the traffic effects resulting from the site activities can be suitably managed.

5.3.2 Access

Access to the site will be via the existing connection to the East Mine Road / McVie Road intersection. Given this access has previously been used for mining activities, it is suitably designed to accommodate the conversion of the site to recreational activities including potentially catering for buses.

It is proposed to amend Rule 14.12.1.1(1)(e) of the PDP, which requires that a site with legal access to two roads will only use the road with the lower classification in the road hierarchy. The site has access to both McVie Road and East Mine Road, where McVie Road has a lower classification. As discussed in Section 6.3.1 above, the site will be predominantly accessed via East Mine Road and the road can accommodate the increase in traffic movements.

Overall, the site has a suitable access and no upgrades are necessary.

5.3.3 Parking

The original submission to the PDP included a proposed clause that stated at least 1,500 parking spaces should be provided within the site irrespective of activity type, intensity of development or the number of people likely to be in attendance. This has been reconsidered and it is now proposed to rely on the existing minimum parking provisions of the PDP for each of the individual activities.

Section 6.5 of this report discusses parking requirements in the context of the National Policy Statement on Urban Development Capacity 2020, noting that this seeks to remove minimum parking requirements from district plans. Should this occur for the Waikato District, it is noted

there is sufficient area on the site for parking, including any over-flow carparking should a temporary event be held.

Overall, the site is able to accommodate parking for vehicles and no further provisions in the District Plan are necessary to manage this.

5.3.4 Walking and Cycling

The site is in close proximity to the northern residential areas in Huntly and therefore it is possible that people may walk or cycle to the site. At present, there is limited infrastructure and connectivity between the site and the existing urban area.

There is potential for the existing rail spur to be converted into a shared path and it is understood that WDC is investigating the option to upgrade the wider footpath and cycle path network. Any such changes would likely increase the amount of people visiting the site via walking or cycling who would otherwise have not made a trip. As such, the proposed rezoning would increase usage of any upgrades to the footpath network and similarly any upgrades to the footpath infrastructure would likely increase patronage to the site.

The rail spur lies outside the control of both Council and AFL and delivery of such a route would require the cooperation of a third party. As such, it is not appropriate to require this infrastructure as part of the rezoning.

5.3.5 Road Safety

The proposed rezoning is unlikely to generate high traffic volumes in excess of what was previously experienced on the surrounding road network when Great South Road was still the primary route between Auckland and Hamilton. No specific safety issues have been identified in the vicinity of the site and the traffic volumes generated by the future development are likely to be less than what was experienced prior to the completion of the Huntly bypass and when the mine was still operational. As such, the proposed rezoning is unlikely to have adverse effects on road safety.

5.4 Effects on Three Waters

The proposed rezoning will enable future development at the site that will need to be serviced by stormwater, wastewater and water infrastructure.

A Three Waters Assessment has been prepared by Lysaght for the Project and is attached as **Appendix 9**. As this is a rezoning request and the Project is not at a stage of detailed design, the focus of the assessment is therefore on ensuring workable options are available for the site. These options are discussed below.

Any future infrastructure for the site will also be subject to the district-wide provisions of the PDP for water, wastewater and stormwater; with no specific provisions relating to the Kimihia Lakes Zone being necessary.

5.4.1 Stormwater

While the Huntly East Mine was in operation, the base of the pit was a storage pond where water was continuously pumped from. Pumping ceased in 2017 and the mine pit has since been filling

from rainwater within its immediate catchment and groundwater inflows. The lake is expected to fill to the level of a culvert (maximum RL 8.5m) under the Waikato Expressway which flows into the existing Kimihia Lake.

The request to rezone the site has no direct impact on the filling of the lake, as this is currently occurring naturally. Therefore, the focus of this assessment is on ensuring that the quality of the stormwater runoff leaving the proposed development is of high quality when entering the lake. This is of paramount importance to the Project, as the lake must be swimmable and usable for recreational activities, and the discharge from the lake ultimately enters the Waikato River.

Hardstand areas within the developed site will be standard roofs and sealed road and carparks, meaning that low impact stormwater treatment infrastructure will be appropriate for the removal of regular contaminants (suspended solids, phosphorus, nitrogen, metals). The proposed site layout is relatively sparse, leaving considerable land area available for the construction of low impact stormwater treatment infrastructure within the development. Specifically, a network of vegetated swales is proposed for the conveyance of runoff to a centralised constructed wetland, prior to discharge to the newly filled lake.

Overall, the stormwater reticulation and treatment analysis as outlined above confirms that several stormwater treatment options are available and appropriate for the development, and that the site is laid out favourably to accommodate them.

5.4.2 Wastewater

The Three Waters Assessment concludes there are two options for discharging wastewater from the proposed development. This includes the discharge to land, and connection into the Huntly Wastewater Treatment Plant (WWTP).

An analysis of the capacity of the existing council wastewater network and treatment plant has been undertaken, based off the Mid-Waikato Water and Wastewater Servicing Strategy (MWSS). The analysis assessed that the existing WWTP has a design capacity of 2,100m³/day, and that in 2014 it received an average inflow of 1,816m³/day. The MWSS report recommended that the wastewater reticulation, treatment and discharge network of the mid-Waikato region be upgraded to allow for forecast growth beyond 2050. The recommended option includes the 2025 construction of a new centralised WWTP at Huntly with a capacity of 13,500m³/day to service both Huntly and Ohinewai. If that recommendation were to be followed, it is likely that the new WWTP would be in place prior to the full completion of the Kimihia Lakes development.

The developed site is expected to discharge approximately 48m³/day when all of its facilities are fully occupied. This is compared to the approximate 10m³/day that the Huntly East Mine is estimated to have discharged at its peak staffing rate. The proposed volumes are a modest increase in discharge from the site and are not expected to compromise the design capacity of the WWTP.

The Three Waters Assessment has considered discharging wastewater to land using on site effluent treatment infrastructure, but the soils are typically stiff clays and not well suited to wastewater disposal. Therefore, only a portion of the total discharge (approximately 10m³) could be sent to land without a prohibitively large land area being required. Small facilities proposed (for example, the mountain biking park) where ablution facilities may be provided that could provide on-site effluent treatment and disposal due to a smaller land application footprint required.

Overall, the Three Waters Assessment confirms that the increased wastewater discharge from the site is relatively modest and can be accommodated by both the existing and future upgraded council systems. The discharge into the Huntly council system will require a pump station to be

constructed within the site due to the vertical difference between the most logical connection point in McVie Road/East Mine Road and the development area.

It is expected that Watercare will undertake separate investigations to confirm the capacity of the network in relation to the wider area.

5.4.3 Water

The developed site is expected to require approximately 44m³/day of potable water supply when all of its facilities are fully occupied, compared to the approximate 106m³/day of demand at the Huntly East Mine. Rainwater re-use tanks are proposed for use with all significant buildings, to provide a supplementary non-potable water supply.

As for the wastewater above, an analysis of the capacity of the existing council water network and treatment plant was undertaken, as well as a review of the proposed upgrades to the system. That analysis concluded that the increased water demand can be accommodated by both the existing and future upgraded council systems, and that sufficient head is available at the site to meet the level of service requirements in the Regional Infrastructure Technical Specification for both potable and fire-fighting water supply.

5.4.4 Conclusion on Three Waters

Overall, the Three Waters Assessment demonstrates that there is a workable design for stormwater, wastewater and water and there is capacity in the Council networks to accommodate the proposed development.

5.5 Landscape and Visual Amenity Effects

The site is located in a rural setting, with rolling topography and farmland to the north, east and south. The proposed rezoning will enable an increase in development potential for the site, which will ultimately change the landscape character of the surrounding area.

For the majority of the site, the proposal will meet the bulk and location provisions of the Rural Zone. This includes a maximum height limit of 10m, setbacks from boundaries and maximum building coverage. Therefore, the potential visual effects resulting from the proposed rezoning are generally the same.

The exception to this is the Development Precinct, which does not include a setback requirement or maximum building coverage and has a larger maximum height limit of 15m. The Development Precinct will include the majority of buildings, facilities and infrastructure that will enable the operation of the Kimihia Lakes development.

The Development Precinct is located centrally on site and will be separated from surrounding land uses by vegetation and open space. As the topography at the site ranges significantly, there will be limited visibility of the buildings and structures within the Precinct from surrounding areas. This is also relevant for road users travelling along the Waikato Expressway. Nonetheless, the development will be of low density and will incorporate landscaping and vegetation to create an attractive lakeside hub that is compatible with its surroundings.

Buildings that exceed the performance standards (and therefore may result in adverse landscape and visual effects) will be required to obtain a resource consent and such effects will be assessed during that process.

Overall, the change in landscape and visual amenity resulting from the development will be consistent with what is anticipated within the existing rural zoning. The exception to this is the Development Precinct, however the proposed provisions in combination with the setbacks from surrounding land uses will ensure the development is appropriate for its setting.

5.6 Contaminated Land Effects

The rezoning of the site to a more sensitive land use has the potential to affect human health, as well as cause adverse effects on the environment. A Preliminary Site Investigation (PSI) has been prepared for the site and is attached as **Appendix 10**.

The PSI determines that a number of activities listed on the Hazardous Activities and Industries List (HAIL) have been undertaken across the site area. This includes; a coal yard, mining industries, motor vehicle workshop, service station, asbestos disposal and migration of lead from an adjacent gun club. Based on the known historic activities, the hazard sources on site have been identified as polycyclic aromatic hydrocarbons (PAH's), boron, arsenic, metals and lead.

The risk assessment within the PSI concludes that there will be a low risk to development workers and maintenance workers as the concentration of PAH's and metals will more than likely be below the National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health Regulations 2011 (NES-CS) soil guideline values. The risk assessment also identified a low risk to aquatic organisms; noting lead was not elevated during water quality monitoring undertaken by WRC in 2018.

The PSI concludes that it is highly unlikely that there will be a risk to human health if the site is developed into a lake with associated commercial and recreational facilities, or into residential land use. No further contaminated land investigations or remediation have been recommended as part of the PSI.

5.7 Noise Effects

The development of the site into a multi-purpose facility will provide opportunity for temporary events to occur such as waka ama, sailing regattas, functions, weddings. Some of these events have the potential for noise nuisance to be experienced at neighbouring properties if not managed appropriately.

The proposed zoning map attached as **Appendix 6** identifies the adjacent zones as notified in the PDP. The majority of the site adjoins the Rural Zone, with the exception of the southern boundary which adjoins the Residential Zone.

The proposal seeks to generally adopt the noise provisions from the Reserve Zone, which provides specific limits for the Residential and Rural Zone (when measured within the notional boundary). The general use of the site for recreation and outdoor education purposes is not expected to result in noise effects above what would generally be experienced in this environment.

Construction activities are expected to meet the limits in the New Zealand Standard NZS 6803:1999 Acoustics – Construction noise and a provision has been proposed to suit this. The majority of construction will occur centrally on site, which is setback from sensitive land uses.

It is proposed that a Noise Management Plan is prepared and implemented for the site. The Noise Management Plan will outline noise monitoring requirements to ensure the noise levels within the Kimihia Lakes Zone are adhered to. Activities that have the potential to have adverse noise effects

(such as special events) will be required to obtain a resource consent and such effects will be assessed during that process.

Overall, the combination of the proposed provisions, as well as the implementation of a Noise Management Plan will ensure noise effects are acceptable and appropriately managed at the interface of sensitive neighbouring zones.

5.8 Reverse Sensitivity Effects

Reverse sensitivity effects can occur when a new activity establishes in close proximity to other activities that have a character, intensity and scale that have the potential to create conflict. In the context of the site, reverse sensitivity effects on the operation of the Huntly Speedway, the Huntly Wastewater Treatment Plant (WWTP) and the Waikato Expressway have been considered.

It is proposed to allow only two dwellings across the site that are for the use of managers, caretakers or employees of the Kimihia Lakes development. This is required for the successful operation of the site. Any further dwellings would require a resource consent, at which point reverse sensitivity effects are required to be considered.

The traveller's accommodation will be temporary in nature and therefore is less susceptible to reverse sensitivity effects. Nonetheless, it is located centrally on the site and is therefore well setback from the WWTP, the Speedway and the Expressway so that odour and noise effects are unlikely to be experienced.

For events being held on the site, there is potential for conflict when large events occur at the same time as events at the Speedway. It is therefore proposed that temporary events on the site that attract more than 1,100 people in any given hour are required to prepare a Traffic Management Plan (TMP). The TMP must consider events that occur concurrently at the Speedway and will identify active traffic management where required.

Overall, with the above measures in place, reverse sensitivity effects are unlikely to be more than minor.

5.9 Natural Hazards

Stage 2 of the PDP deals with the management of natural hazards. As outlined in Section 3.6, the only natural hazard overlay that is identified over part of the site is the Defended Area overlay. This means an area that could normally flood in a 1% AEP flood event but is protected from flooding by a flood protection scheme.

The PDP contains provisions that manage activities within this overlay, including subdivision and earthworks and new buildings within 50m of the toe of a stop bank. All other activities are permitted within this overlay. The proposed development is not within a high-risk natural hazard area, and the development would be permitted under the natural hazards section of the PDP. Therefore, the proposal does not require further management of risks from natural hazards.

5.10 Cultural Effects

There are no known waahi tapu, taonga sites or Māori areas of significance as identified under the PDP. There are also no archaeological sites that have been identified under the New Zealand Archaeological Association's Archaeological Site Recording Scheme (ArchSite).

The relationship of Māori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga have been incorporated into the proposal where possible. In particular, Te Aranga Māori Design principles will be incorporated into the Kimihia Lakes development, as well as cultural discovery (such as heritage trails) to be developed in close partnership with local tāngata whenua.

Engagement with local iwi representatives Waahi Whaanui and Waikato-Tainui has been undertaken throughout the development of Project to date. A summary of this is provided in Section 8 of this report. This is in line with the principle of including all potential community groups, genuine stakeholders and traditional guardians of the land from the onset of the development on the pretext that better outcomes will be achieved. Engagement with representatives is ongoing to ensure the project does not adversely affect cultural values.

5.11 Conclusion of Assessment of Environmental Effects

The preceding assessment of effects has been informed by a significant body of technical work and is the culmination of a master planning design process to ensure that the adverse effects of the Project are appropriately managed in accordance with best practice.

Based on the above assessment, the adverse effects on the environment resulting from the Project can be appropriately managed. Any activities that have the potential to result in adverse effects will require a resource consent, whereby effects will be considered through that process.

Further, the proposal will result in a range of positive recreational, social and economic effects and will provide for the wellbeing of Huntly, as well as the wider Waikato District.

6.0 Statutory Framework

This section of the report addresses the following statutory documents which are relevant to the assessment of this rezoning proposal:

- Part 2 of the RMA;
- Waikato Regional Policy Statement;
- Vision and Strategy for the Waikato River;
- Iwi Management Plans;
- National Policy Statement on Urban Development 2020;
- National Planning Standards
- National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health Regulations 2011; and
- Other matters

6.1 Part 2 of the RMA

Part 2 of the RMA sets out the purpose and principles of the Act. The purpose of the RMA is to promote the sustainable management of natural and physical resources, with sustainable management being defined in Section 5(2).

The proposal is consistent with the overall purpose of the Act and the reasons for this assessment are summarised below:

6.1.1 Section 5 – Purpose

The project seeks to rehabilitate and restore the historical Kimihia Lake as well as enhancing the wider environment. The areas of open space will provide opportunities for recreation and will provide for the health and social wellbeing of the community.

The facilities on site will bring increased local employment and training opportunities for the local labour force in a community that is relatively deprived with a high concentration of youth, unemployment, Māori, low income, single parent and rental tenure households. Economic value will also be added through construction and operation of the facilities and the resultant increased visitor spending on goods and services in Huntly and the wider district.

The assessment of effects in this report concludes that adverse effects on the environment can be mitigated through the proposed rules and performance standards, in accordance with Section 5(2)(c).

6.1.2 Section 6 – Matters of National Importance

Section 6 of the RMA sets out matters of national importance which shall be recognised and provided for when exercising functions and powers under the RMA.

Of particular relevance to this proposal are:

- The maintenance and enhancement of public access to and along the coastal marine area, lakes, and rivers;
- The relationship of Māori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga; and
- The management of significant risks from natural hazards.

Notwithstanding that the site is privately owned (and the lake is not yet fully filled), it will be leased to the Kimihia Lakes Community Charitable Trust to be developed into a multi-purpose destination that will include publicly accessible recreational facilities such as walking and cycling trails and a lakeside playground. AFL is engaging with The New Zealand Walking Access Commission to dedicate the walking and cycling tracks on site for public use. On this basis, the Project will contribute to the enhancement of public access to and along lakes, as directed by section 6(d).

There are no known waahi tapu, taonga sites or Māori areas of significance as identified under the PDP. There are also no archaeological sites that have been identified under the New Zealand Archaeological Association's Archaeological Site Recording Scheme (ArchSite). The relationship of Māori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga have been incorporated into the proposal where possible. In particular, Te Aranga Māori Design principles will be incorporated into the Kimihia Lakes development, as well as

cultural discovery (such as heritage trails) to be developed in close partnership with local tāngata whenua.

Stage 2 of the PDP deals with the management of natural hazards. The proposed development is not identified within a high-risk natural hazard area, and the development is permitted under the natural hazards section of the PDP. Therefore, the proposal does not require further management of risks from natural hazards.

6.1.3 Section 7 – Other Matters

Section 7 of the RMA sets out other matters to which particular regard must be had when exercising functions and powers under the RMA. Of particular relevance to this proposal are:

- Kaitiakitanga;
- The ethic of stewardship;
- The maintenance and enhancement of amenity values; and
- Maintenance and enhancement of the quality of the environment

Engagement with local iwi representatives Waahi Whaanui and Waikato-Tainui has been undertaken throughout the development of Project to date. This is in line with the belief of including all potential community groups, genuine stakeholders and traditional guardians of the land from the onset of the development on the pretext that better outcomes will be achieved. Specifically, for this rezoning request, engagement with tāngata whenua has revolved around wastewater and stormwater solutions for the site. This engagement is ongoing and is discussed further in Section 8 of this report.

The assessment of effects as outlined in Section 5 of this report concludes that the proposed provisions will maintain amenity values and the quality of the environment. Specifically, the proposal seeks aims to rehabilitate the lake and enhance the surrounding environment.

6.1.4 Treaty of Waitangi – Te Tiri o Waitangi

Section 8 requires those exercising powers or functions under the RMA to take into account the principles of the Treaty of Waitangi (Te Tiriti o Waitangi). The principles of the Treaty of Waitangi include the duty of the Crown and Māori to act reasonably and in good faith and the duty of the Crown to actively protect Māori interests and make informed decisions.

As outlined in the preceding sections, the proposal takes into account these principles. In particular, engagement with tāngata whenua has been undertaken throughout the development of the Project and this partnership is ongoing.

6.2 Waikato Regional Policy Statement - Te Tauākī Kaupapa here ā-Rohe

The Waikato Regional Policy Statement (Te Tauākī Kaupapa here ā-Rohe) (RPS), provides an overview of the resource management issues in the Waikato region, and the ways in which integrated management of the region's natural and physical resources will be achieved. It provides policies and a range of methods to achieve integrated outcomes for the region across

resources, jurisdictional boundaries and agency functions, and guides development of subordinate plans (regional as well as district) and consideration of resource consents.

Section 75(3)(c) of the RMA requires that district plans must give effect to regional policy statements. The PDP contains a range of objectives and policies that address the broad resource management issues as identified in the RPS. For example, the natural hazards chapter addresses Objective 3.24 of the RPS and the tāngata whenua chapter addresses Objective 3.9 of the RPS. Because these are dealt with in other sections of the PDP, no further policies for the Kimihia Lakes Zone are necessary. This assessment under the RPS therefore focuses around objectives and policies of the RPS that will be specific to the rezoning of Kimihia Lakes.

Objective 3.12 of the RPS requires development of the built environment (including transport and other infrastructure) and associated land use to occur in an integrated, sustainable and planned manner which enables positive environmental, social, cultural and economic outcomes. The following table provides an assessment against Objective 3.12.

Table 4: Assessment against Objective 3.12 of the RPS

Objective 3.12	Comment
<i>Promoting positive indigenous biodiversity outcomes;</i>	The proposal seeks to enhance the wider environment, through rehabilitation of wetlands, and lake and stream habitat for native fauna, flora and aquatic life. Areas of open space on site with native vegetation will be retained.
<i>Preserving and protecting natural character, and protecting outstanding natural features and landscapes from inappropriate subdivision, use, and development;</i>	No outstanding natural features have been identified for the site. Retention of natural character is a key priority and will be enhanced through the rehabilitation of the lake.
<i>Integrating land use and infrastructure planning, including by ensuring that development of the built environment does not compromise the safe, efficient and effective operation of infrastructure corridors;</i>	The proposal will not compromise the safe and efficient operation of the surrounding road network (as outlined in Section 5.3). There are no other infrastructure corridors (such as transmission lines) that will be affected.
<i>Integrating land use and water planning, including to ensure that sufficient water is available to support future planned growth;</i>	The Three Waters Assessment has assessed the capacity of the network in regard to water supply.
<i>Recognising and protecting the value and long-term benefits of regionally significant infrastructure;</i>	The proposal will not have adverse effects on any regionally significant infrastructure.
<i>Protecting access to identified significant mineral resources;</i>	Not applicable.
<i>Minimising land use conflicts, including minimising potential for reverse sensitivity;</i>	Reverse sensitivity effects have been taken into consideration (as assessed in Section 5.8). Land use conflicts will be managed through the implementation of the proposed rules and performance standards.
<i>Anticipating and responding to changing land use pressures outside the Waikato region which may impact on the built environment within the region;</i>	The rezoning of Rural to a new special purpose zone (predominantly for recreation) will not have an impact on changing land use pressures from outside of the region.
<i>Providing for the development, operation, maintenance and upgrading of new and existing electricity transmission and renewable electricity</i>	Not applicable.

Objective 3.12	Comment
<i>generation activities including small and community scale generation;</i>	
<i>Promoting a viable and vibrant central business district in Hamilton city, with a supporting network of sub-regional and town centres; and</i>	Not applicable.
<i>Providing for a range of commercial development to support the social and economic wellbeing of the region.</i>	The Project offers small scale development that will support the functioning of the lake and its associated activities to make it an attractive destination for visitors. These facilities will support the social and economic wellbeing of the region.

Policy 6.1 of the RPS states: “local authorities shall have regard to the principles in section 6A when preparing, reviewing or changing regional plans, district plans and development planning mechanisms such as structure plans, town plans and growth strategies”. These principles are discussed below.

Table 5: Assessment against the principles in Section 6A of the RPS

Principle	Comment
<i>Support existing urban areas in preference to creating new ones;</i>	Not applicable.
<i>Occur in a manner that provides clear delineation between urban areas and rural areas;</i>	The site will remain generally as a rural site, through the retention of open space and vegetation and continued farming operation on the eastern and southern side of the site. Development will be clustered within the Development Precinct, creating clear delineation within the site boundaries.
<i>Make use of opportunities for urban intensification and redevelopment to minimise the need for urban development in greenfield areas;</i>	Not applicable.
<i>Not compromise the safe, efficient and effective operation and use of existing and planned infrastructure, including transport infrastructure, and should allow for future infrastructure needs, including maintenance and upgrading, where these can be anticipated;</i>	As outlined in Section 5, the proposal will not compromise the safe, efficient and effective operation of the transport network. No upgrades are necessary as a result of the proposed development. The site is able to be serviced by water and wastewater and the Three Waters Assessment confirms there is capacity in the network to service the development. We note that WDC will be undertaking separate investigations to confirm this.
<i>Connect well with existing and planned development and infrastructure;</i>	The site will form part of a lake and open space network across the District that supports the urban areas. Consideration has been had to transport, water and stormwater infrastructure as outlined above.
<i>Identify water requirements necessary to support development and ensure the availability of the volumes required;</i>	The Three Waters Assessment has assessed the likely water requirements resulting from the proposed development. Water sensitive

Principle	Comment
<i>Be planned and designed to achieve the efficient use of water;</i>	techniques will be incorporated into the design, including rainwater tanks to re-use water where possible.
<i>Be directed away from identified significant mineral resources and their access routes, natural hazard areas, energy and transmission corridors, locations identified as likely renewable energy generation sites and their associated energy resources, regionally significant industry, high class soils, and primary production activities on those high class soils;</i>	No high-risk natural hazard areas, transmission corridors or renewable electricity generation are located on the site. Areas where there may be high class soils will be retained in vegetation / open space and will be used to graze stock as is currently occurring on the site.
<i>Promote compact urban form, design and location to:</i> i. <i>minimise energy and carbon use;</i> ii. <i>minimise the need for private motor vehicle use;</i> iii. <i>maximise opportunities to support and take advantage of public transport in particular by encouraging employment activities in locations that are or can in the future be served efficiently by public transport;</i> iv. <i>encourage walking, cycling and multi-modal transport connections; and</i> v. <i>maximise opportunities for people to live, work and play within their local area</i>	As the site had been a mining operation for several decades, there has been limited investment in public transport infrastructure and walking/cycling infrastructure to the site. AFL has identified there is opportunity here for improvement, however this will need to be developed in collaboration with third parties.
<i>Maintain or enhance landscape values and provide for the protection of historic and cultural heritage;</i>	The rehabilitation of the historic Kimihia Lake will enhance landscape values within the site. The proposed objectives and policies for the zone will ensure these values are protected.
<i>Promote positive indigenous biodiversity outcomes and protect significant indigenous vegetation and significant habitats of indigenous fauna. Development which can enhance ecological integrity, such as by improving the maintenance, enhancement or development of ecological corridors, should be encouraged;</i>	The PDP does not identify any significant natural areas on the site. Notwithstanding this, environmental enhancement is a priority for the project and will be achieved through rehabilitation of wetlands, and lake and stream habitat for native fauna, flora and aquatic life.
<i>Maintain and enhance public access to and along the coastal marine area, lakes, and rivers;</i>	Whilst the site is in private ownership, the re-zoning will enable the site to be developed into a facility that is fit for public use. This includes the rehabilitation of the lake so that it is swimmable.
<i>Avoid as far as practicable adverse effects on natural hydrological characteristics and processes (including aquifer recharge and flooding patterns), soil stability, water quality and aquatic ecosystems including through methods such as low impact urban design and development (LIUDD);</i>	Low impact design principles will be incorporated into the development, including the use of vegetated swales and wetlands.

Principle	Comment
<i>Adopt sustainable design technologies, such as the incorporation of energy-efficient (including passive solar) design, low-energy street lighting, rain gardens, renewable energy technologies, rainwater harvesting and grey water recycling techniques where appropriate;</i>	It is proposed to introduce rainwater tanks on the site to reduce stormwater runoff and re-use water for non-potable supply. Other sustainable design technologies will be considered during detailed design of the project.
<i>Not result in incompatible adjacent land uses (including those that may result in reverse sensitivity effects), such as industry, rural activities and existing or planned infrastructure;</i>	An assessment of reverse sensitivity effects and adjacent land uses is provided in Section 5.8. It has been concluded that the proposed land use (with the implementation of the proposed performance standards) will not result in incompatible land uses.
<i>Be appropriate with respect to projected effects of climate change and be designed to allow adaptation to these changes;</i>	The location of the site and the proposed activities are appropriate with respect to effects of climate change.
<i>Consider effects on the unique tāngata whenua relationships, values, aspirations, roles and responsibilities with respect to an area. Where appropriate, opportunities to visually recognise tāngata whenua connections within an area should be considered;</i>	The relationship of Māori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga have been incorporated into the proposal where possible. In particular, Te Aranga Māori Design principles will be incorporated into the Kimihia Lakes development, as well as cultural discovery (such as heritage trails) to be developed in close partnership with local tāngata whenua.
<i>Support the Vision and Strategy for the Waikato River in the Waikato River catchment;</i>	An assessment of the proposal against the Vision and Strategy for the Waikato River is provision in 6.3 below. The proposal is consistent with this strategy.
<i>Encourage waste minimisation and efficient use of resources (such as through resource-efficient design and construction methods); and</i>	Sustainable design principles, including waste minimisation and efficient use of resources will be considered through the detailed design of the project.
<i>Recognise and maintain or enhance ecosystem services.</i>	The enhancement of ecosystem services is a priority for the project and will be achieved through rehabilitation of wetlands, and lake and stream habitat for native fauna, flora and aquatic life.

Policy 6.1.4 of the RPS requires that land within the Future Proof Area (i.e. within the boundaries of Waikato District, Waipa District and Hamilton City) is developed in accordance with the principles as set out in 6.14(a)-(h). These focus on new *urban development*, including residential, industrial and commercial development. As the primary activity for the site is open space and recreation (with supporting facilities), an assessment against this policy, as well as the 2017 Future Proof Strategy is not necessary.

Overall, the rezoning proposal is consistent with the objectives and policies in the RPS.

6.3 Vision and Strategy for the Waikato River - Te Ture Whaimana o Te Awa o Waikato

The Vision and Strategy for the Waikato River (Te Ture Whaimana o Te Awa o Waikato) forms part of the Waikato Regional Policy Statement. It is the primary direction-setting document for the Waikato River and provides objectives to achieve the restoration and protection of the health and wellbeing of the Waikato River.

Sustainable environmental practice is at the heart of the proposed development. As outlined in Section 5.3, stormwater discharge quality is of paramount importance to the proposal, as the lake must be swimmable and usable for recreational activities. Whilst the development site does not directly discharge to the Waikato River, the site forms part of the Waikato River catchment and therefore discharges will ultimately enter the River. The Project is not at a stage of detailed design, however the Three Waters Assessment has identified that several feasible stormwater treatment options are available. Low impact stormwater treatment (in particular, a treatment train of vegetated swales and a central constructed wetland) has been recommended for the site.

For wastewater, the Three Waters Assessment has explored options of disposing to land using secondary on-site effluent treatment or discharging into the Huntly council system. Small facilities proposed (for example, the mountain biking park) where ablution facilities may be provided could provide on-site effluent treatment and disposal due to a smaller land application footprint. However, the majority of the site will connect to the existing Huntly Wastewater Treatment Plant.

Engagement with mana whenua is ongoing regarding wastewater and stormwater solutions for the site. Overall, the design is consistent with the vision, objectives and strategies of the Te Ture Whaimana o Te Awa o Waikato.

6.4 Iwi Management Plans

6.4.1 Waikato-Tainui Environmental Plan

The Waikato-Tainui Environmental Plan is a long-term development approach to building the capacity of Waikato-Tainui. It is designed to enhance Waikato-Tainui participation in resource and environmental management and provide clear high-level guidance on their objectives and policies in relation to the environment. The Plan identifies strategic objectives including tribal identity and integrity. Under Section 74 of the RMA it must be taken into account when preparing or changing a District Plan, to the extent that its content has a bearing on the resource management issues of the District.

The objectives and policies of the Waikato-Tainui Environmental Plan most relevant to this rezoning request are set out in Sections 25 (Land use planning) and 29 (Recreation and tourism). Specifically, Objective 25.3.1 requires consideration for development principles for land use and development (urban and rural) and Objective 25.3.3 seeks positive environmental and cultural effects. These matters have been addressed throughout this report, particularly in the assessment against the RPS and the assessment of effects in Section 5.

Section 29 of the Plan states: *“The development of tourism and recreation facilities potentially has positive economic benefits but there may also be negative impacts. Increasing numbers may lead to damage to fragile natural environments, culturally and/or spiritually significant and heritage sites. Tourism infrastructure development in locations that are culturally, spiritually, or*

environmentally unsuitable put strain on those locations, aggravated by the increased need for infrastructure such as roads, water supply and wastewater in these areas”.

No waahi tapu, taonga sites or Māori areas of significance have been identified under the PDP. Nonetheless, the site is within the Waikato-Tainui rohe and may have cultural significance. The Project team will continue to work with Waikato-Tainui to ensure the development does not adversely affect cultural values.

6.5 National Policy Statement on Urban Development 2020

The National Policy Statement on Urban Development 2020 (NPS-UD) was gazetted on 20 July 2020 and came into force on 20 August 2020. It replaces the National Policy Statement on Urban Development Capacity 2016.

The three key directives which the NPS-UD introduces are regarding intensification, responsive planning and the removal of minimum parking requirements. The NPS-UD primarily relates to housing and urban growth which is not directly applicable to this proposal. Of note however, is the direction to remove minimum parking requirements.

The Section 42A Hearing Report for the Infrastructure Chapter of the PDP provides some commentary around the application of the NPS-UD in relation to the Waikato District. It is unclear at this stage whether the WDC seeks to remove the minimum parking requirements from the PDP.

As assessed in the ITA, there is sufficient space on site for the provision of parking, including over-flow when events are held. Therefore, no specific parking requirements have been sought for the Kimihia Lakes Zone. Instead, it is proposed to rely on the existing provisions in the infrastructure chapter for specific activities. It is at the discretion of WDC as to whether the NPS-UD applies and whether these provisions are retained.

Overall, the proposal is consistent with the directives in the NPS-UD where relevant.

6.6 National Planning Standards

The Minister for the Environment introduced National Planning Standards to make council plans and policy statements easier to prepare, understand and comply with. The first set of planning standards came into force on 3 May 2019, with the most updated set in November 2019. While we understand the PDP was notified prior to the National Planning Standards coming into effect, advice from WDC to date has recommended this proposal is consistent with those standards. The directions in the standards that are relevant to this proposal include:

- **Structure and format:** The proposed Kimihia Lakes Zone chapter will need to follow the relevant structure and format as outlined in the national planning standards. This includes; appropriate abbreviations, structuring of rules, numbering of issues, objectives, policies, rules, methods.
- **Definitions:** The District Plan will adopt the standard set of definitions, and therefore any definitions proposed as part of this submission will need to align with these.
- **Zones and precincts:** The District Plan must only contain zones that are listed within the National Planning Standards. In the case of a special purpose zone, a zone must only be created when the proposed land use activities or anticipated outcomes of the additional zone meet the following criteria:
 - a) Are significant to the district, region or country;

- b) Are impractical to be managed through another zone; and
- c) Are impractical to be managed through a combination of spatial layers.

The provisions have been prepared in the appropriate structure and format to align with the National Planning Standards and are consistent with the definitions.

The proposed zoning meets the criteria (a) – (c). Specifically, as outlined throughout this report, the Project will be of regional significance. The nature of the proposed Project activities is unique to the site and are unlikely to be replicated elsewhere in the district. Because of this, none of the existing zones (or zones within the National Planning Standards) are suited to the development, and would be impractical to manage through a combination of spatial layers.

6.7 National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health

In accordance with the requirements under the NES-CS, a number of HAIL activities have occurred across the site area and therefore parts of the site are a “piece of land” under Regulation 5(7). The re-zoning of the land will enable a change of use and therefore the activity is covered by Regulation 5(6). In accordance with Regulation 8(4), A PSI has been prepared which states that it is highly unlikely that there will be a risk to human health or the environment if the site is developed into the intended uses. Therefore, the change of use is permitted under the NES-CS.

Other activities undertaken on site (such as soil disturbance) may be subject to the requirements of the NES-CS and will be assessed under the regulations at such stage. No further provisions are necessary within the Kimihia Lakes Zone.

6.8 Other Matters

6.8.1 Waikato 2070 – Growth and Economic Development Strategy

Waikato 2070 is Waikato District Council’s growth and economic development strategy, detailing the future settlement pattern, and indicative timing of new growth areas across the District. It was adopted by Council in May 2020 following the special consultative procedure under the LGA 2002. The Strategy states that Waikato District Council should use this document to inform how, where and when growth occurs in the District over the next 50 years. The vision of the Strategy is to create “liveable, thriving and connected communities”.

Section 4 of the Strategy sets out the growth areas and provides a development plan for Huntly and Ohinewai. Specifically, this includes the “Kimihia Lakes Recreation Precinct” with an estimated timeframe of development being 3 – 10 years. The Strategy also identifies a potential Huntly interchange from the Waikato Expressway that would link into East Mine Road and provide further connections to the site. The Strategy sets out implementation methods to achieve the vision. This specifically mentions changes to the District Plan or private plan changes as a method to enable the development of the identified growth areas.

Overall, the Project is not only consistent with the visions as set out in the Waikato 2070, but is specifically provided for as a key growth area to be achieved over the next 3 – 10 years for Huntly. This confirms that the Project is recognised by the community as being able to offer a range of benefits.

6.8.2 Waikato District Blueprint

The Waikato District Blueprint is a document which sets out a high-level 'spatial picture' of how the district could progress over the next 30 years, addressing the community's social economic and environmental needs and responding to its regional context.

Similar to the Waikato 2070 Strategy, the Blueprint identifies top priority initiatives for Huntly, as developed by the community. These include:

- Promote a Puketirini and Kimihia (east mine) Employment, Skills and Technology Cluster that builds on existing uses;
- Promote a Puketirini and Kimihia (east mine) Building Fabrication Construction Cluster;
- Prepare a strategy for the clean-up of the lakes and addressing any other environmental issues resulting from mining activity;
- Continue to support the youth strategy to tie in with the development of the abovementioned proposed clusters; and
- Promote waka ama on the Waikato River and lakes.

These priority initiatives align strongly with the vision for the Project and site, and the proposed rezoning is a key regulatory instrument to facilitate the priorities for Huntly.

7.0 Section 32AA Evaluation

7.1 Overview of Requirements under the RMA

Section 32AA of the RMA sets out the requirements for undertaking and publishing further evaluations. It states that a further evaluation is required when changes have been made to a proposal since the original evaluation report was completed. Section 32AA states that a further evaluation must include all matters in Section 32 of the RMA, but only in relation to the *changes* that have been made.

In this case, the subject site (as notified) is zoned rural under the PDP and is subject to those provisions of the Rural Zone. This proposal seeks to introduce a new zone (including new objectives, policies, and rules) all of which were not included in the notified version of the PDP, nor within the evaluation report. Therefore, this entire proposal (that being the Kimihia Lakes Zone chapter) is subject to the Section 32 assessment.

Section 32 of the RMA includes the following requirements:

- 32(1)(a) requires an evaluation of the extent to which the objectives of the proposal are the most appropriate way to achieve the purpose of the Act;
- 32(1)(b) requires an evaluation of whether the provisions are the most appropriate way to achieve the objectives by identifying other options, assessing the efficiency and effectiveness of the provisions in achieving the objectives, and summarising the reasons for deciding on the provisions. The assessment must identify and assess the benefits and costs of environmental, economic, social and cultural effects that are

anticipated from the implementation of the provisions, including opportunities for economic growth and employment.

- 32(1)(c) requires a level of detail that corresponds to the scale and significance of the changes.
- 32(2)(c) requires an assessment of the risk of acting or not acting if there is uncertain or insufficient information available about the subject matter.

7.1.1 Assessment under Section 32

Waikato District Council released a Section 42A framework for both Council and submitters to use in relation to re-zoning requests. This included a Section 32AA evaluation template. The following sections provide a Section 32AA analysis in accordance with the required template.

Table 6: Re-zoning proposal

The specific provisions sought to be amended	Assessment of the efficiency and effectiveness of the provisions in achieving the objectives of the Proposed Waikato District Plan (PDP)	
The re-zoning proposal	The rezoning proposal is described in Section 4 of this report. The proposed provisions and zoning map are attached as Appendices 3 and 6 respectively.	
Relevant objectives of the PDP	Growth occurs in defined growth areas (1.5.2(a))	<p>The Kimihia Lakes Zone covers existing farmland, as well as the now decommissioned Huntly East Mine. Pumping from the mine pit was ceased in 2017 and the mine pit has since been filling from rainwater and groundwater flows within its immediate catchment. The location of the lake itself is therefore fixed and will occur regardless of the proposed rezoning (or any physical intervention).</p> <p>The rezoning of the site will enable a range of activities and facilities that complement the lake and surrounding open space. It is not proposed to introduce residential or commercial development (above those that are ancillary to the primary use of the site). This proposal does not constitute “urban growth”. Nonetheless, it is noted that the site is within the “urban limits” of Huntly as identified within the Future Proof Strategy. Whilst there is opportunity to improve transport connections to the site (such as walking and cycling), the site is in an appropriate location to service the Huntly township.</p> <p>The proposal is therefore consistent with the strategic direction as set out in Section 1.5.2(a) of the PDP.</p>
	Protect and enhance green open space, outstanding landscapes and areas of cultural, ecological, historic, and environmental significance (1.12.8(b)(vi))	<p>The PDP does not identify any significant natural areas, outstanding landscapes or areas of significance over the site. Notwithstanding this, the central premise of the Kimihia Lakes development is the reinstatement and restoration of the historical Kimihia Lake and the enhancement of the wider environment.</p> <p>As part of the rezoning request, AFL is seeking to introduce a “Development Precinct” to cluster buildings and infrastructure that will allow for the operation of the Kimihia Lakes development in one part of the site.</p> <p>Areas outside of the Development Precinct will be characterised by vegetated areas and open space that will be retained for a range of rural, recreation and environmental enhancement activities. The objective and policy framework proposed for the zone reflects this.</p> <p>The proposal is therefore consistent with the strategic direction as set out in Section 1.12.8(b)(vi) of the PDP.</p>
	Infrastructure can be efficiently and economically provided (4.1.3(a))	Whilst majority of the site will remain as open space, the Development Precinct in particular will require servicing for water, wastewater and stormwater. Appropriate transport infrastructure

The specific provisions sought to be amended	Assessment of the efficiency and effectiveness of the provisions in achieving the objectives of the Proposed Waikato District Plan (PDP)	
		<p>such as parking and suitable access is also required for the site.</p> <p>The Three Waters Assessment attached as Appendix 9 concludes that there are available options for servicing the site, using sustainable environmental practices. The report has also undertaken an analysis of the capacity of the network and concludes that there is capacity for both water supply and wastewater servicing. As per the S42A framework, we understand that Watercare will be undertaking investigations to confirm this.</p> <p>In regard to transport, the ITA attached as Appendix 8 concludes that the existing road network and access to the site is suitable for the proposed development. There is also sufficient room on the site for parking to accommodate future activities and any special events. The proposal is therefore consistent with the strategic direction as set out in Section 1.12.8(b)(i) of the PDP.</p>
	<p>Subdivision, use and development within the rural environment where:</p> <ul style="list-style-type: none"> i. High class soils are protected for productive rural purposes; ii. Productive rural activities are supported, while maintaining or enhancing the rural environment; iii. Urban subdivision use, productive rural activities are supported and development in the rural environment is avoided <p>(5.1.1(A)(i)(ii)(iii); 5.3.8)</p>	<p>While the site is currently zoned Rural, part of it has operated as a coal mine for several decades. This land is not high class soils. The remainder of the site is existing farmland, however this proposal has not gone so far as to assess whether these soils are classified as high class soils under the District Plan.</p> <p>Nonetheless, the existing farmland on site will continue to be used for some rural activities, albeit introducing recreation activities. The proposed provisions ensure that these areas are retained and development is limited.</p> <p>The proposal is therefore consistent with the strategic direction as set out in Sections 5.1.1(A)(i)(ii)(iii) and 5.3.8 of the PDP.</p>
	<p>Meets district wide rules and any relevant overlays</p>	<p>As outlined in this report, the proposal is anticipated to comply with district wide rules, particularly those infrastructure and energy provisions (Chapter 14). Some amendments are proposed to the transportation section where relevant.</p> <p>One overlay has been identified over part of the site, which is known as the “Defended Area”. This overlay represents an area identified on the planning maps which could normally flood in a 1% AEP flood event but is protected from flooding by a flood protection scheme managed by the Waikato Regional Council, the Waikato District</p>

The specific provisions sought to be amended	Assessment of the efficiency and effectiveness of the provisions in achieving the objectives of the Proposed Waikato District Plan (PDP)	
		<p>Council or the Crown. The extent of this overlay is shown in Section 3.6.</p> <p>Activities within the Defended Area that are controlled by the District Plan include subdivision, new buildings within 50m of the toe of a stop-bank and earthworks within 50m of the toe of a stop-bank.</p> <p>Any subdivision (if proposed) would be subject to those provisions at the time of resource consent and assessed accordingly. No known stop-banks are located within the site boundaries and therefore the two latter provisions would not apply to the site.</p> <p>The proposal is therefore consistent with the district-wide rules and any overlays over the site would not restrict the re-zoning request.</p>
<p>Scale and significance of the rezoning proposal</p>	<p>The re-zoning proposal relates to approximately 159ha of land that forms part of the now decommissioned Huntly East Mine. The proposal seeks to create a new special purpose zone (of which does not currently exist in the PDP) including new objectives, policies and rules.</p> <p>Therefore, a full assessment of effects has been provided relative to the scale and significance of the proposal (refer Section 5 of this report). Section 6 of this report also assesses the proposal against the relevant statutory documents, relative to the scale and significance of the proposal.</p>	
<p>Other reasonably practicable options to achieve the objectives (alternative options)</p>	<p><u>Alternative 1:</u> Do nothing (retain the status quo, being the existing Rural Zone and existing objectives, policies and rules in the PDP).</p>	<p>The policy framework of the Rural Zone seeks to retain high class soils, support productive rural activities, avoid urban subdivision, use and development, whilst retaining rural character and amenity. The rules reflect this, by enabling rural activities and providing for ancillary buildings and structures to support the function of those activities.</p> <p>Whilst part of the site is seeking to retain some rural use, majority of the proposed activities are unique in nature and generally would not be envisaged within a rural environment. Therefore, the proposed activities would require resource consents for each stage of development, that would likely be non-complying (due to the activities not being provided for). As the objective and policy framework of the Rural Zone is not consistent with the proposed activities, there is risk for potential notification of those resource consents, or potential decline.</p>
	<p><u>Alternative 2:</u> Retain Rural zoning over the majority of the site and introduce the Development Precinct only.</p>	<p>Similar to the above. The objectives and policies of the Rural Zone do not reflect the mix of activities that will occur on the majority of the site (outside of the Development Precinct).</p>
	<p><u>Alternative 3:</u> Make amendments to the Rural Zone provisions (and any other relevant provisions) to provide for the proposed</p>	<p>The proposed activities are site specific and are not likely to occur in other areas that are zoned Rural across the district. Therefore, amendments to the Rural Zone chapter may complicate provisions.</p>

The specific provisions sought to be amended	Assessment of the efficiency and effectiveness of the provisions in achieving the objectives of the Proposed Waikato District Plan (PDP)	
	activities within the Rural Zone.	
	<u>Alternative 4</u> : Re-zone the land to an existing zone provided in the PDP or under the National Planning Standards.	There is no zone currently within the PDP or within the National Planning Standards that is suitable for the proposed activities.

Table 7: Benefits and costs analysis of the rezoning proposal

Rezoning Proposal: To re-zone 159 ha of land from rural to a new special purpose zone known as the “Kimihi Lakes Zone”		
	Benefits	Costs
General	<ul style="list-style-type: none"> The site area covers approximately 159ha, which is a considerable piece of land. Since the mining operation ceased in 2016, the site has been underutilised and therefore there is significant opportunity for more efficient use of land and resources. The new Kimihi Lake will contribute to the existing lake and open space network across the Waikato District. It is expected to have similar water quality and depth at Puketirini, but will be well over 1km in length, therefore making it more suitable to specific water sports and events. 	<ul style="list-style-type: none"> Financial costs to enable the proposed rezoning and development of the site.
Environmental	<ul style="list-style-type: none"> Whilst not directly associated with the rezoning, the Project centres around the enhancement of the wider environment and rehabilitation of the site, including lake. The environmental benefits that will be achieved through the rezoning relate to the retention of open space and natural character. The rules and policy framework seek to provide for environmental initiatives across the site. For example, conservation activities and environmental initiatives, are all permitted activities in the zone that will provide environmental benefits. 	<ul style="list-style-type: none"> The rezoning will provide for a higher level of development than anticipated in the Rural Zone. This will put a demand on Council services (including water and wastewater). The Three Waters Assessment has analysed the capacity of the networks, however ultimately this will need to be confirmed by Council / Watercare. An increased number of people using the site (particularly during events), could put pressure on the surrounding road network if not appropriately managed. An increase in development potential at the site will change the landscape, of what is currently an undeveloped rural area. Environmental effects are discussed in further detail in Section 5 of this report.

<p>Social</p>	<ul style="list-style-type: none"> • The proposed rezoning will enable the rehabilitation and development of the site into a lakeside hub and recreation facility to be used by the wider community. The site is of significant size and whilst it is privately owned, it will be leased to the Kimihia Lakes Community Charitable Trust and will be available for the public to use at no cost. The provision of free outdoor recreation and green open space will bring a range of positive health benefits to a community that is relatively deprived. • Above providing a recreation park for the enjoyment of the community, the site will provide outdoor education to primary and secondary school students from Huntly as well as the wider catchment of the Waikato District, Hamilton and Auckland. It is also expected to provide skill training opportunities for local youth on site (e.g. through “on the job” training, or as part of school and tertiary education courses) in environmental restoration, construction, hospitality, and the operation of commercial recreation activities. 	<p>No negative social effects have been identified.</p>
<p>Economic General / Growth</p>	<ul style="list-style-type: none"> • Economic value added through construction and operation of the Project’s facilities and the resultant increased visitor spending on goods and services in Huntly and the wider district. Based on the financial estimates in the Kimihia Lakes draft Business Plan 2020, the Project’s economic impact in quantitative terms is assessed as: <ol style="list-style-type: none"> 1. Construction contribution to Waikato District’s GDP: \$3.361m (or an increase of 0.11% of the district’s 2019 baseline GDP of \$2,954m). The GDP impact would be limited to the duration of the construction period; 2. Tenant activities contribution to Waikato District’s GDP: \$1.01-1.37m per annum (or 0.3-0.5% of the district’s 2019 baseline GDP); 3. Multiplier (indirect and induced) economic impacts based on a Type II multiplier of 1.5 would generate an 	<ul style="list-style-type: none"> • There is potential for tenant commercial activities to divert retail and accommodation expenditure from the Huntly town centre and reduce its viability. Based on the initial mix of activities and total revenue in the order of \$2.7-3.7m, the diversion of local retail expenditure should be minimal. Most revenue is expected to come from visitors from a dispersed catchment beyond Huntly. Future growth in activities and revenue will rely on increased volume of ‘non-local’ visitors. • Rezoning of the site will displace rural production land. This therefore could reduce the amount of productive rural land in the district. However, any loss would be very minor given the portion of the site currently used for farming will likely remain in the use for the foreseeable future, while the balance of the site was a former mine which was not a productive rural area as such.

	<p>additional 50% value-added GDP contribution in the order of \$500,000-\$683,000. Taking total GDP impacts to \$1.5-\$2.0m per annum.</p> <ul style="list-style-type: none"> In terms of the RMA requirements, the economic effects of the Project on the core Huntly community and the secondary 'rest of Waikato district', are assessed to be 'low to moderately' positive. 	
Employment	<ul style="list-style-type: none"> Increased local employment and training opportunities for the local labour-force in a community that is relatively deprived with a high concentration of youth, unemployment, Māori, low income, single parent and rental tenure households. In accordance with above, the Project's employment growth is assessed as: <ol style="list-style-type: none"> 46 full-time and part-time jobs generates during the construction period. This is limited to the duration of the construction period only; and Tenant activities generating 28 – 36 full time and part time jobs on a sustainable basis. 	No negative employment effects have been identified.
Cultural	<ul style="list-style-type: none"> Restoration of the natural environment will bring cultural benefits. A partnership with Te Whangai Trust is proposed to establish an on-site commercial native plant nursery, which can assist with habitat restoration and local employment. Opportunity to partner with tāngata whenua and introduce Te Aranga Design principles into the development, as well as cultural recognition (i.e. through trails and identification of cultural landmarks). The Kimihia Lakes Community Charitable Trust has a trustee seat dedicated to local iwi/hapu representation. 	<ul style="list-style-type: none"> An increase in people using the site and an increase in development has potential for adverse cultural effects if not appropriately managed.

Table 8: Evaluation of the proposal

Reasons for the selection of the preferred option	<p>Taking into account the above assessment, the changes proposed to the PDP are the most appropriate way of achieving the sustainable management purpose of the RMA, as well as the strategic objectives of the PDP as notified.</p> <p>Whilst there are both costs and benefits associated with the development, the benefits to the community far outweigh those costs and any adverse effects on the environment are able to be managed through the proposed performance standards.</p>
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	<p>The Project is consistent with higher order documents and is also identified as a key initiative for Huntly such in documents such as the Waikato 2070 Strategy and the Waikato District Blueprints. This confirms that the proposal is recognised by the community as being able to offer a range of benefits.</p> <p>The changes proposed meet the strategic objectives of the PDP and the rezoning will enable development to occur at the site in an integrated manner, without the need for lengthy resource consent processes.</p>	
<p>Extent to which the objectives of the proposal being evaluated are the most appropriate way to achieve the purpose of the RMA</p>	<p>An assessment of the proposal against Part 2 of the RMA is provided in Section 6.1. The following provides an assessment of the specific objectives of the proposal against Part 2.</p>	
	<p><i>KLZ-O1: The Kimihia Lakes Zone develops into a regionally significant recreation and outdoor education facility, that provides for the well-being of people and communities.</i></p>	<p>As notified, the PDP does not currently provide a special purpose zone for the Project and therefore there is currently no objective and policy framework. The addition of KLZ-O1, will enable the development and operation of Kimihia Lakes so that it can provide for the social, cultural, economic and cultural wellbeing of people and communities, as outlined in Part 2 of the RMA.</p>
	<p><i>KLZ-O2: Buildings, structures and activities do not adversely affect the amenity values or landscape character of the surrounding environment.</i></p>	<p>KLZ-O2 will ensure that new development does not detract from surrounding land uses or adversely affect amenity values. This gives effect to the purpose of the RMA, and in particular Section 5(2)(c) which seeks to avoid, remedy and mitigate adverse effects on the environment.</p>
<p>Assessment of the risk of acting or not acting if there is uncertain information about the subject matter of the provisions</p>	<p>The risk of not acting would mean a slow uptake of development and lengthy resource consent processes which could be notified or declined. The lake is filling up naturally and will occur regardless of the proposed rezoning. Therefore, it is more appropriate that development happens in an integrated, comprehensively planned manner, in line with the filling of the lake.</p>	

8.0 Consultation

8.1 Waikato District Council

Representatives from Boffa Miskell and AFL met with WDC on 2 July 2020 and 8 October 2020 to discuss the original submission and issues that were required to be addressed prior to the hearing. A site visit was also undertaken with a representative from WDC and the project team on the 3 February 2021. In particular, WDC have noted the following:

- Wastewater solutions for the site need to be carefully considered. The key issue is capacity, as well as water quality in terms of the Vision and Strategy for the River;
- A contamination assessment may be useful to demonstrate that site contamination will not be a concern;
- An economic assessment will likely be required;
- Water supply to the site will need to be addressed, although it was noted this should not be an issue;
- Consideration of reverse sensitivity effects at the Speedway, with regard to any residential or temporary accommodation;
- Consideration of the National Planning Standards and using these to guide the proposed provisions; and
- Assessment of the Waikato Regional Policy Statement and the Vision and Strategy.

These matters have been taken into consideration and discussed throughout this report.

8.2 Further Submissions

Four submissions were lodged against the AFL submission in July 2019. A summary of these further submissions is provided below, as well as commentary as to how the submission points have been addressed.

8.2.1 Mercury NZ Ltd

Mercury NZ Ltd did not support the submission made by AFL on the basis that the natural hazard flood provisions and flood maps were not available (at the time of lodging the further submission). Therefore, it was not clear from a land use management perspective, how effects from a significant flood event would be managed, or whether the zoning was appropriate from a risk exposure perspective. The submission points that were not supported include:

- The creation of a new zone called “Kimihi Lakes Recreation and Events Zone” and new rules as outlined in the submission;
- New definitions for “Ancillary Buildings”, “Commercial Node Areas”, “Community Activities and Facilities”, “Operational Facilities”, “Outdoor Education”, “Outdoor Pursuits” and “Recreation Activity and Facilities”; and

- Rezoning of rural land to residential and retention of the existing residential zone.

The Natural Hazards chapter of the PDP has now been notified and the flooding maps have been produced as outlined in Section 3.6. Consultation has been undertaken with Mercury NZ Ltd since the further submission was lodged and it is understood the primary concerns relate to the mitigation of 1 in 100 flood levels, and whether a minimum free board level is required for habitable uses.

The Natural Hazards chapter of the PDP provides provisions for minimum floor levels for activities located in a flood plain management area and flood ponding area. It also restricts buildings located in a high-risk flood area. As outlined throughout this report, the site is not located within these areas, however is located within a Defended Area overlay. The provisions of the Defended Area overlay do not require any minimum floor level.

Overall, as the provisions in the PDP deal with flooding at a district-wide level, no further provisions are necessary for the Kimihia Lakes Zone.

8.2.2 Waka Kotahi - New Zealand Transport Agency

Waka Kotahi does not support the proposed permitted activity rule (14.12.1.4(j)) that states there shall be no maximum traffic generation within the Kimihia Lakes Recreation and Events Zone (subject to conditions). Waka Kotahi considers that these provisions relate to “special” or temporary events and are inappropriate for permitted activity criteria.

Since the original submission was lodged, an ITA has been prepared for the project and the scale of the development has been refined. It is no longer proposed to include an exclusion for the zone that states there shall be no maximum traffic generation. Instead, it is proposed to add a section to Rule 14.12.1.4 to the PDP that states no more than 850 vehicle movements can be generated per hour from the site. The ITA has assessed that the surrounding road network can accommodate this many vehicle movements. It is unlikely that the site would generate traffic volumes to this extent, however, this ensures that the road network is able to accommodate the traffic volumes associated with the site.

Since the further submission was lodged by NZTA further consultation has been undertaken, where NZTA raised the following additional concerns:

- Potential for proposed features or activities on the site that may distract users of the Waikato Expressway;
- Potential for the lake as a discharger to result in adverse effects upon NZTA infrastructure;
- Potential for earthworks near the Waikato Expressway and the impact on this regarding ground stability, liquefaction and stormwater.

These matters have been addressed in the proposed provision and/or explained to the NZTA as follows :

- The majority of proposed development will be located centrally on the site within the Development Precinct which due to the distance (>700m) and topography means there is very limited visibility of this area from the Waikato Expressway. Furthermore, the proposed performance standards applicable to buildings, structures and signs include setback requirements relating to the Waikato Expressway;

- The lake is expected to fill to the level of an existing culvert under the Waikato Expressway which flows into Lake Kimihia to the east. The invert level of the culvert, and therefore future lake level, will be a maximum RL 8.5 m; and
- The eastern edge of the site (adjoining the Waikato Expressway) will be retained for farming and recreation purposes; with significant earthworks not anticipated in this area. Any earthworks proposed within the designation boundary would also require section 176 approval from the Agency.

Discussions between AFL and the Agency's project managers are also ongoing regarding the finalised/surveyed boundary of the site and the Waikato Expressway.

8.2.3 Waikato-Tainui

Waikato-Tainui's submission states that they are recognised as kaitiaki of our environment and view the holistic integrated management of all elements of the environment such as flora and fauna, land, air and water as of utmost importance.

Waikato-Tainui opposed the proposed rezoning and sought to ensure that all plans and policies aligns with the outcomes of the following tribal documents;

- Tai Tumu, Tai Pari, Tai Ao – Waikato-Tainui Environmental Plan, and
- Whakatapuranga Waikato-Tainui 2050 – Strategic Plan.

The proposed rezoning has taken into account these documents.

To date the Project has also sought to form partnerships with mana whenua through the following actions and opportunities:

- The KLCCT has a trustee seat dedicated to local iwi/hapu representation, currently held by Tukaroto (Tu) Mahuta;
- A partnership with Te Whangai Trust, a Waikato charity which provides educational opportunities to long term unemployed, youth and people at risk, particularly Maori, has been established to operate on-site commercial native plant nursery at the site; which will assist with not only local employment but also habitat restoration; and
- The opportunity identified in the Masterplan to partner with mana whenua and introduce Te Aranga Design principles into the development as well as cultural recognition (i.e. through trails and identification of cultural landmarks).

The Project team has also sought to engage with Waikato-Tainui representatives, including a hui with Taroi Rawiri in January 2021. Mr Rawiri indicated that water quality and therefore three waters management were a priority to Waikato-Tainui; with the water quality of the future lake being of critical importance to the success of the Project as a whole.

The documentation supporting the proposed rezoning, including the Three Waters Assessment, is currently being assessed by Waikato-Tainui representatives.

8.2.4 Waikato Regional Council

Waikato Regional Council (WRC) does not support the following submission points:

- The creation of a new zone called "Kimihia Lakes Recreation and Events Zone", as well as the proposed rules and objectives/policy framework; and

- Rezoning of rural land to residential.

WRC states that it is unanticipated that the H2A project including the Hamilton – Waikato Metro Spatial Plan, the Huntly Spatial Plan, and the Pokeno Spatial Plan will inform decisions around the location, and timing of future development. Decisions on the rezoning of land within the H2A corridor should be deferred until the relevant component of the corridor plan is complete to avoid undermining the important strategic planning process.

Further consultation has been undertaken with WRC since the further submission was received. It is understood the main concerns from WRC related to the residential component of the development, which is no longer proposed. WRC has also since raised issues regarding potential flooding impacts from the refilling Kimihia Lake.

As discussed with WRC, the request to rezone the site has no direct impact on the filling of the lake. Since pumping of the mining operations ceased in 2017 the lake has been filling naturally and will continue to do so. The lake level is set by the culvert outlet under the Waikato Expressway, which is NZTA land and property. Therefore, the focus (at this stage) is ensuring the quality of the stormwater runoff leaving the proposed development is of high quality when entering the lake and therefore the downstream catchment.

9.0 Conclusion

This report has outlined the proposed rezoning of rural land owned by AFL to a new special purpose zone called the “Kimihia Lakes Zone” under the PDP. The vision for the landholding is that it will be developed not only as multi-purpose facility for the Huntly community, but also as a regionally significant tourist attraction. The proposed rezoning will enable such development by specifically supporting Project activities that have been identified for the site.

This report has assessed the rezoning in accordance with Section 32AA of the RMA and is provided in a template as set by WDC. The assessment concludes:

- The proposed rezoning is consistent with the purpose of the RMA. The proposed objectives are the most appropriate and effective means of achieving the purpose of the RMA.
- The proposed provisions are consistent with the strategic directions of the PDP (as notified), as well as higher-level policy documents, including the Waikato Regional Policy Statement, the Vision and Strategy for the Waikato River, the Waikato Tainui Environmental Plan, the National Policy Statement on Urban Development Capacity and the Waikato 2070 – Growth and Economic Development Strategy.
- The likely and potential effects of the development of the proposed rezoning have been considered in detail and are supported by a range of technical assessments including an Economic Impact Assessment, Integrated Transport Assessment, Three Waters Assessment and a Preliminary Site Investigation. The overall effects of the proposed rezoning are acceptable for the site and surrounding area and can be managed through the use of appropriate rules and performance standards.
- The proposal provides opportunity for environmental enhancement, including rehabilitation of wetlands, and lake and stream habitat for native fauna, flora and aquatic life.

- The development of the site will enable an efficient use of land and resources and will provide positive social and economic effects for the local community. In particular, the construction contribution to Waikato District's GDP is estimated at \$3.361m. The tenant activities are anticipated to generate a total GDP impact of \$1.5-\$2.0m per annum.
- The development is anticipated to provide 46 full-time and part-time jobs during the construction period, and 28 – 36 full-time and part-time jobs on an ongoing basis.
- A partnership with mana whenua is being cultivated and this relationship will continue to evolve through the lifespan of the Project, ensuring that cultural values are understood and taken account of during the decision-making process. In particular, the Kimihia Lakes Community Charitable Trust has a trustee seat dedicated to local iwi/hapu representation.

The above reporting, including the consideration of effects and assessment of the Project against the higher-level policy documents clearly demonstrate that the proposed rezoning and associated amendments to the PDP are appropriate and meet all of the relevant RMA tests.

Appendix 1: Masterplan

Appendix 2: Records of Title

Appendix 3: Proposed Provisions

Appendix 4: Tracked change provisions

Appendix 5: Original submission

Appendix 6: Zoning Map

Appendix 7: Economic Impact Assessment

Appendix 8: Integrated Transport Assessment

Appendix 9: Three Waters Assessment

Appendix 10: Preliminary Site Investigation