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BUILSMART PROPERTY  
PARTNERSHIP

**PROPOSED PLAN CHANGE 22**

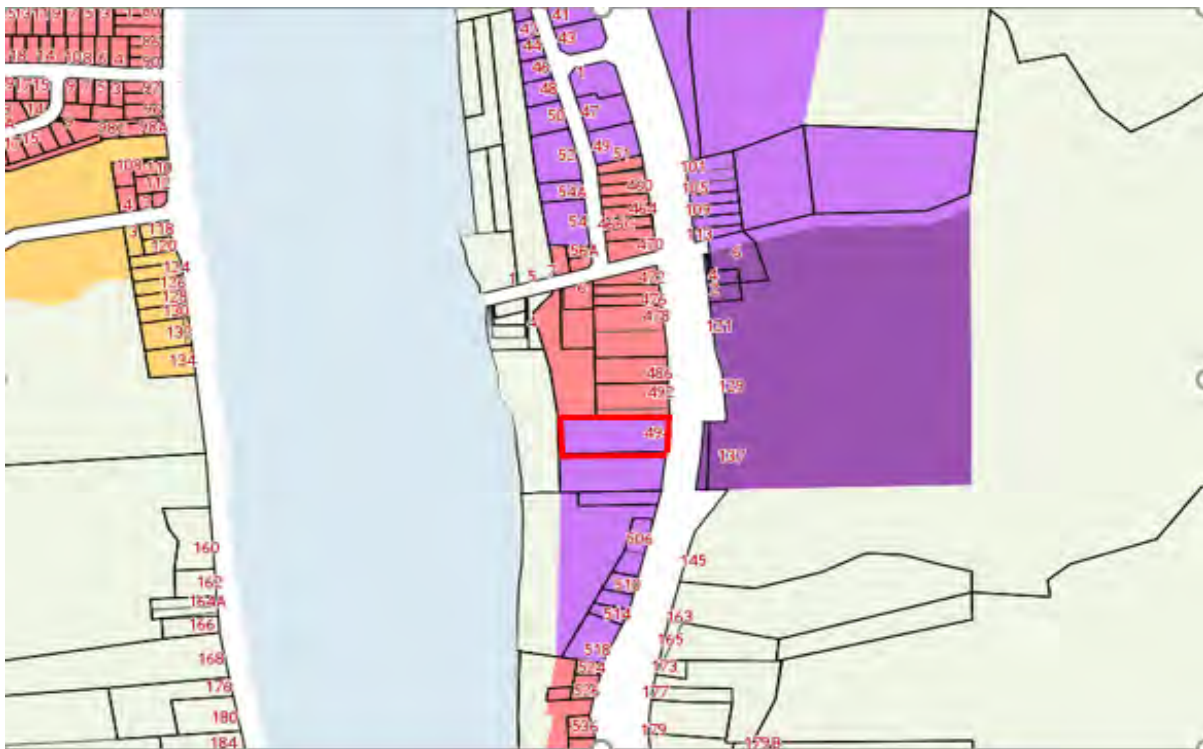
BUILSMART EXPANSION

## EXECUTIVE SUMMARY

Proposed Plan Change 22, a private plan change sought by Builtsmart Property Partnership, relates to the land adjacent to the premises at 496 Great South Road occupied by Builtsmart Limited. Builtsmart Limited has been in the construction business for over 35 years, specialising in the construction of factory built prefabricated affordable transportable homes. Builtsmart Limited has identified Huntly as being a key growth area for its business and, to accommodate such growth, the business needs to physically expand its production facility (i.e. make the site larger). This expansion will enable increased production of transportable homes from the current 60 transportable homes per year to approximately 400. This expansion and five-fold increase in production will have significant social and economic benefits for Huntly in terms of increased employment opportunities, growth in supporting local business and wider flow on benefits to the community.

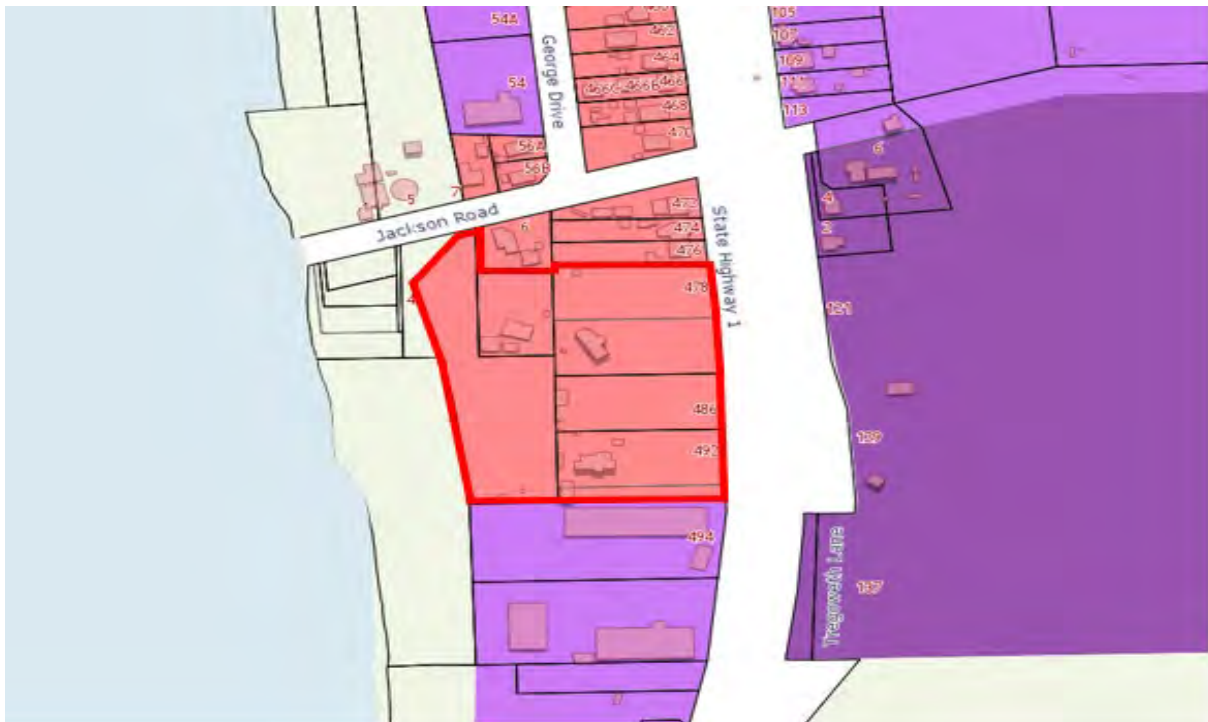
Builtsmart Property Partnership has purchased (or has an agreement to lease) a number of residential properties to the north of the existing site and is planning on expanding the Builtsmart business into those properties. However, under the operative Waikato District Plan those properties are zoned Living Zone and the plan does not allow for industrial activities to occur within the Living Zone. Section 21.5 of the Living Zone chapter of the Operative Waikato District Plan sets out that an industrial activity is prohibited within the Living Zone. Builtsmart Property Partnership is therefore advancing a private plan change to change the underlying zoning of those properties (and adjacent Council owned land) from Living Zone to Light Industrial Zone.

The Huntly Builtsmart premises is shown in the figure below (from Operative Waikato District Plan). In terms of neighbouring land uses, there is a pocket of residential / living zone uses to the north of the site, amongst the wider industrial environment.



**Figure 1. WDP zoning (and location) of the Builtsmart Site (red box). Industrial Zoning is shown in purple and Living Zone in the red.**

The following figure details the area forming the Private Plan Change and re-zoning proposal.



**Figure 2. Proposed Plan Change 22 Area. Industrial Zoning is shown in purple and Living Zone in the red.**

The zoning change applies to the following properties:

- 492 Great South Road (Lot 10 DP 875 and Lot 1 SP South Auckland 39041)
- 486 Great South Road (Lot 9 DP 875);
- 4 Jackson Road (Lot 1 Deposited Plan 33424);
- 478 Great South Road (Lot 7-8 Deposited Plan 875); and
- 2 B Great South Road / Jackson Road (Section 1 Survey Office Plan 53946).

In formulating Proposed Plan Change 22, specific assessments in relation to stormwater (including flood risk), water and wastewater, transportation, noise and geotechnical suitability have been undertaken. These assessments have confirmed that the plan change area is suitable for the Builtsmart expansion and development.

Consultation has been undertaken with a number of parties, including Waikato District Council, Waikato Regional Council, Future Proof, Waahi Whaanui, Waikato-Tainui and the neighbouring residents to explain the proposal to them and to understand any key issues of those parties.

The section 32 evaluation report assesses the proposal against the relevant higher order statutory planning documents and concludes that Proposed Plan Change 22 is consistent with the direction of those documents. Finally, the section 32 evaluation assesses the efficiency and effectiveness of the proposal in meeting the plan change objectives, and the costs and benefits of the proposal.

Proposed Plan Change 22 is the most efficient way of achieving the objectives of the plan change and Part 2 of the Resource Management Act 1991.

## TABLE OF CONTENTS

<b>Executive Summary</b>	<b>2</b>
<b>PART A – PROPOSED PLAN CHANGE 22</b>	<b>1</b>
<b>1. Proposed Plan Change 22</b>	<b>2</b>
1.1 Introduction	2
1.2 Site Layout	4
1.3 Plan Change - Light Industrial Zone Provisions	6
1.4 Plan Change - Planning Maps	9
<b>PART B - SECTION 32 ANALYSIS</b>	<b>11</b>
<b>1. Issue Identification</b>	<b>12</b>
1.1 Introduction	12
1.2 Section 32 Requirements	12
1.3 Issue Identification	13
1.4 Site Description – Site History	15
1.5 Site Description - Existing Environment	16
1.6 Proposed Changes to District Plan Provisions	18
1.7 Interaction with Proposed Waikato District Plan	22
1.8 Future Resource Consents Required	25
<b>2. Statutory Considerations</b>	<b>26</b>
2.1 Resource Management Act 1991	26
2.2 Te Ture Whaimana o Te Awa o Waikato – Vision and Strategy for the Waikato River	31
2.3 National Policy Statement on Urban Development Capacity 2016	34
2.4 National Policy Statement for Freshwater Management 2014	38
2.5 National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health 2011	38
2.6 The Waikato Plan	40
2.7 Future Proof Strategy	40
2.8 Waikato Regional Policy Statement	45
2.9 Tai Tumu Tai Pari Tai Ao	66
2.10 Waikato Regional Plan	73
2.11 Waikato District Plan	74
<b>3. Assessment of Environmental Effects</b>	<b>89</b>
3.1 Introduction	89
3.2 Positive Effects	89
3.3 Access and Traffic	89
3.4 Infrastructure Servicing and Three Waters Assessment	94
3.5 Flood Risk	97
3.6 Noise	102
3.7 Visual Effects and Amenity Considerations	105
3.8 Geotechnical Considerations	107
<b>4. Options and Evaluation</b>	<b>108</b>
4.1 Options	108

4.2	Evaluation of Options	121
<b>5.</b>	<b>Evaluation of Plan Change</b>	<b>125</b>
5.1	Evaluation of Plan Change Objective	125
5.2	Evaluation of Plan Change Provisions	125
<b>6.</b>	<b>Implementation of Plan Change</b>	<b>131</b>
6.1	Scale & Significance - Implementation of the Plan Change	131
<b>7.</b>	<b>Conclusion</b>	<b>133</b>

## LIST OF FIGURES

Figure 1.	WDP zoning (and location) of the Builtsmart Site (red box). Industrial Zoning is shown in purple and Living Zone in the red.	2
Figure 2.	Proposed Plan Change 22 Area. Industrial Zoning is shown in purple and Living Zone in the red.	3
Figure 3.	Proposed Plan Change 22 Area. Industrial Zoning is shown in purple and Living Zone in the red.	2
Figure 4.	Plan Change 22 Properties.	3
Figure 5.	Indicative Builtsmart Expansion Area Site Layout.	5
Figure 6.	Figure of the Builtsmart Expansion Area (or similar) to be Inserted into the Waikato District Plan.	8
Figure 7.	New Planning Map – Proposed Plan Change 22.	9
Figure 8.	Existing Planning Map – Being Replaced by Proposed Plan Change 22.	10
Figure 9.	Huntly South Assessment 1 Area (Waikato District Plan Planning Maps).	17
Figure 10.	Proposed Plan Change 22 - Existing Environment.	18
Figure 11.	Proposed Plan Change 22 Area.	20
Figure 12.	Proposed Plan Change 22 - Updated Planning Map.	21
Figure 13.	Map 6C of the RPS showing the Future Proof Urban Limits.	53
Figure 14.	Huntly South Local Ponding Levels (Operative Waikato District Plan Planning Maps).	98
Figure 15.	Wider Environment showing the Enclave of Residential Activities along Great South Road.	106
Figure 16.	Proposed Setbacks.	107

## LIST OF TABLES

Table 1.	Noise Rules - Industrial Zone.	6
Table 2.	Building Setback Rules - Industrial Zone.	7
Table 2.	Future Proof Assessment.	43
Table 3.	RPS Alternative Land Release Provisions Assessment.	55
Table 4.	Evaluation of Options.	122
Table 5.	Evaluation of Plan Change Provision and Comparison of Options.	126
Table 6.	Scale and Significance of Proposed Plan Change 22.	131

## LIST OF APPENDICES

- Appendix A:** Integrated Transportation Assessment
- Appendix B:** Three Waters Assessment
- Appendix C:** HAIL Information
- Appendix D:** Site Geotechnical Suitability Memorandum
- Appendix E:** Noise Memorandum
- Appendix F:** Plan Change Correspondence

## REPORT INFORMATION

<b>Report Status</b>	FINAL
<b>Our Reference</b>	MDL000755
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<b>Author</b>	Abbie Fowler
<b>Review By</b>	Mark Chrisp

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**PART A – PROPOSED PLAN  
CHANGE 22**

## 1. PROPOSED PLAN CHANGE 22

### 1.1 INTRODUCTION

The purpose of Proposed Plan Change 22 is to enable the re-zoning of land adjacent to the Builtsmart Limited (“**Builtsmart**”) production facility at Huntly from Living Zone to Light Industrial Zone to enable the expansion of the Builtsmart business.

Builtsmart has identified Huntly as being a key growth area, and to accommodate such growth, the business needs to physically expand (the site needs to be made larger). Businesses such as Builtsmart play a crucial role in the current housing deficit market. The expansion will allow for the production capacity of Builtsmart to increase from 60 transportable houses per year to approximately 400. This expansion and increase in product will have social and economic benefits to Huntly in terms of increased employment opportunities, and wider flow on benefits.

Builtsmart Property Partnership has purchased a number of residential properties to the north of the existing site and leases or has an agreement to lease adjacent Council owned land, and is planning on an extensive redevelopment programme to enable the expansion of the Builtsmart business into those properties. However, under the operative Waikato District Plan those properties are zoned Living Zone and the plan does not allow for industrial activities to occur within the Living Zone. Section 21.5 of the Living Zone chapter of the Operative Waikato District Plan specifically sets out that an industrial activity is prohibited within the Living Zone. Builtsmart Property Partnership is therefore advancing a private plan change to change the underlying zoning of those properties from Living Zone to Light Industrial Zone.

The following figure details the area forming the Private Plan Change and re-zoning proposal.

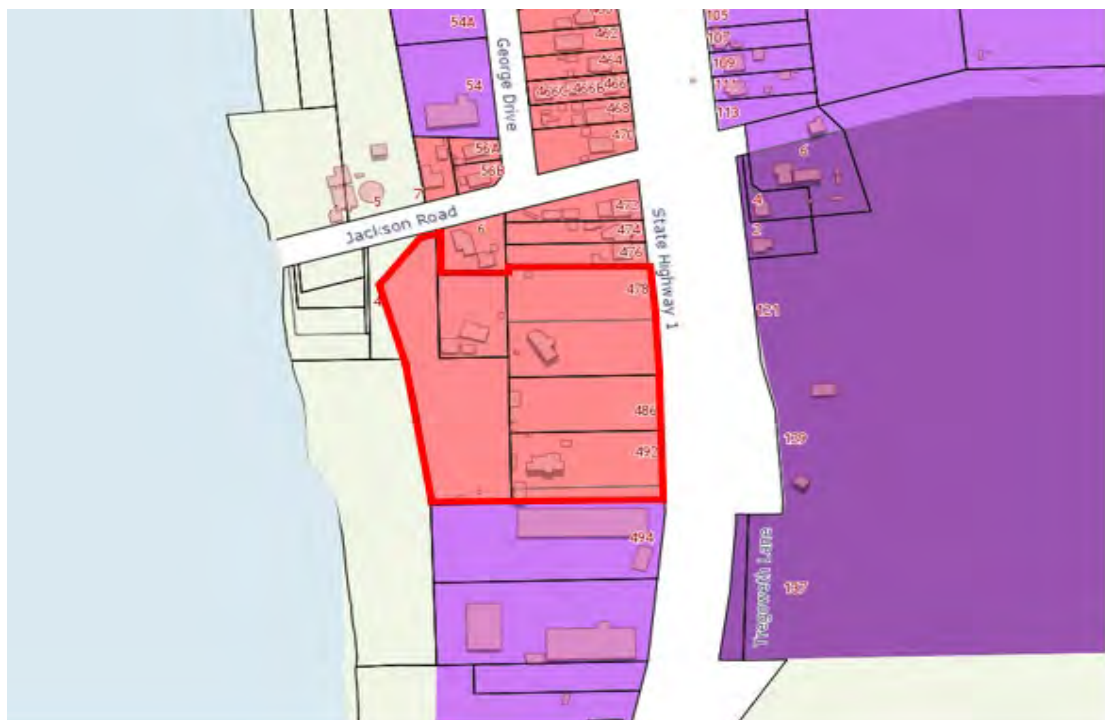


Figure 3. Proposed Plan Change 22 Area. Industrial Zoning is shown in purple and Living Zone in the red.





The zoning change applies to the following properties (collectively referred to as the “**Builtsmart expansion area**”):

- 492 Great South Road (Lot 10 DP 875 and Lot 1 SP South Auckland 39041)
- 486 Great South Road (Lot 9 DP 875);
- 4 Jackson Road (Lot 1 Deposited Plan 33424);
- 478 Great South Road (Lot 7-8 Deposited Plan 875); and
- 2 B Great South Road / Jackson Road (Section 1 Survey Office Plan 53946).

These properties are detailed in the following figure.



**Figure 4. Plan Change 22 Properties.**



## 1.2 SITE LAYOUT

While this is a private plan change seeking the re-zoning of land in Huntly, the scale and nature of the activity is largely fixed and specific to one business (rather than a re-zoning proposal for a greenfield location that provides for several industrial activities). Therefore, to assist in the understanding of the nature of the development, Builtsmart Property Partnership has prepared a site layout drawing that has been used to inform the technical assessments (and vice versa) and to assist with consultation with interested parties.

The indicative site layout of the Builtsmart expansion that is being enabled by Proposed Plan Change 22 is presented in Figure 5. It is emphasised that there is a potential for a different site configuration in terms of the building layout. For example, if the facility is more of a production line type facility, then there will be less buildings required. The layout of the stormwater areas, spaces for parking, bunding and amenity parking and setbacks from buildings to the interface of the residential land will not be changed with a different building configuration. Figure 5 presents the most intensive development scenario.



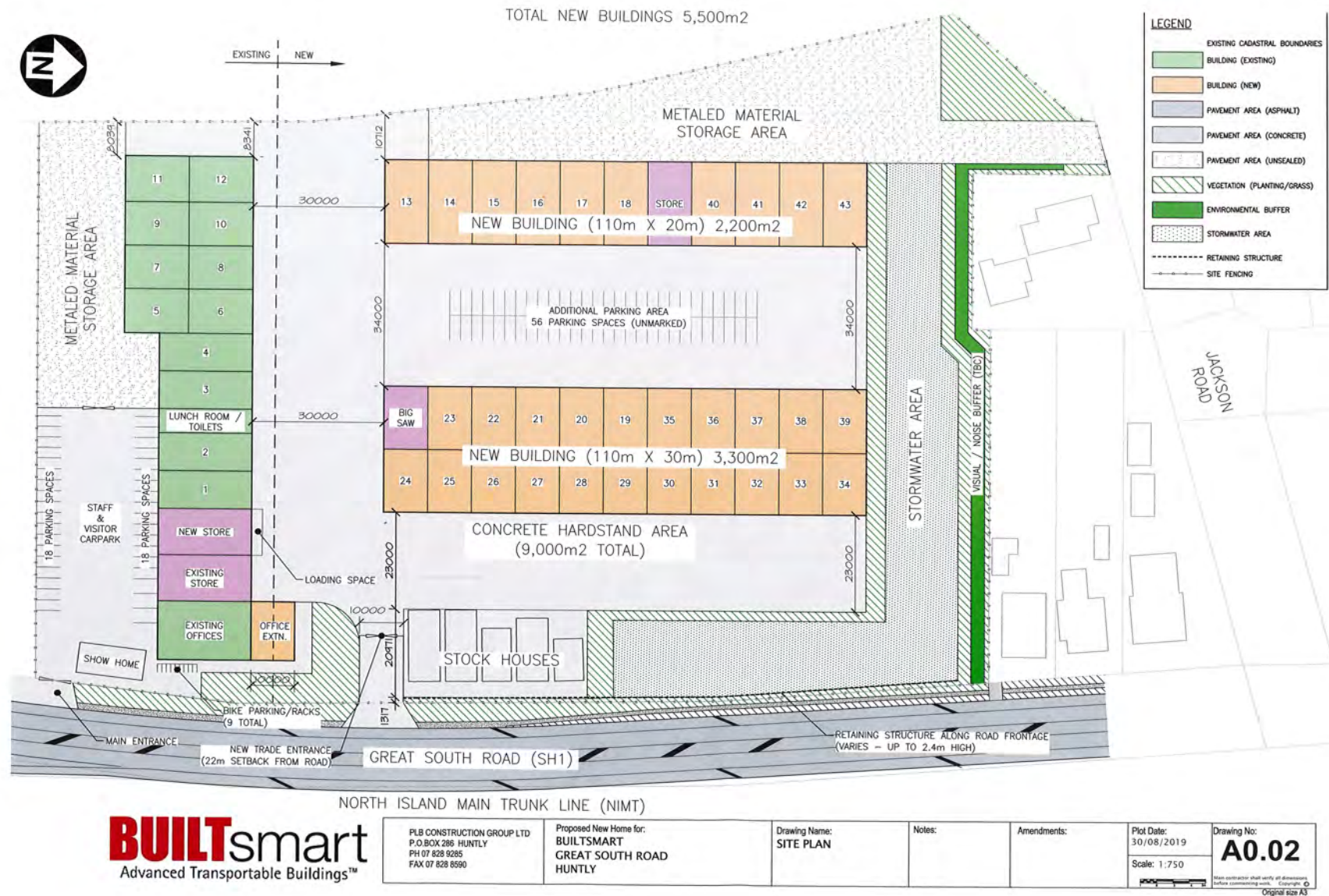


Figure 5. Indicative Builtsmart Expansion Area Site Layout.

### 1.3 PLAN CHANGE - LIGHT INDUSTRIAL ZONE PROVISIONS

In order to manage the interface between the Light Industrial Zone and the Living Zone, and to provide certainty to the neighbouring residents, Builtsmart Property Partnership is proposing two new rules that are specific to the “Builtsmart expansion area”. The first rule proposed to be introduced to the Waikato District Plan Industrial Zone section is in relation to noise. The proposed new rule has been advanced in recognition that the rezoning of the Builtsmart expansion area (and the adoption of the district plan Light Industrial Zone noise limits) allows for a higher level of noise to be generated by light industrial activities in the vicinity of the neighbouring residential properties (an additional 5 – 10 dB over the current noise levels). The proposed rezoning increases the permitted baseline for noise generation on those properties that will now interface with the Light Industrial Zone. Proposed Waikato District Plan Rule 20.2.3.1 (P3) proposes to limit noise production in the industrial zone to the same levels as the Residential Zone. Proposed Plan Change 22 is seeking the adoption of the Proposed Waikato District Plan rule for the Builtsmart expansion area, as follows (insertions shown in red underline):

**Table 1. Noise Rules - Industrial Zone.**

Item	Permitted	Resource Consent
24.18	24.18.1	24.18.2
Noise	Any activity in the Light Industrial Zone is a permitted activity if it is designed and conducted so that noise from the activity measured at any other site:	Any activity that does not comply with a condition for a permitted activity is a restricted discretionary activity.
• Light Industrial Zone	a) in the Light Industrial Zone, does not exceed <ul style="list-style-type: none"> <li>i) 75dBA (L10), 7am to 10pm</li> <li>ii) 45dBA (L10), 10pm to 7am the following day</li> <li>iii) 75dBA (Lmax), 10pm to 7am the following day</li> </ul> b) In another zone (except the Heavy Industrial Zone), does not exceed <ul style="list-style-type: none"> <li>i) 55dBA (L10), 7am to 10pm</li> <li>ii) 40dBA (L10), 10 pm to 7am the following day</li> <li>iii) 70dBA (Lmax), 10pm to 7am the following day.</li> </ul> <u>c) Notwithstanding clause b) of this rule, any activity within the Builtsmart expansion area is a permitted activity if it is designed and conducted so that noise from the activity as measured in the Living Zone does not exceed:</u> <ul style="list-style-type: none"> <li>i) <u>55 dB LA10 7am to 10pm; and</u></li> <li>ii) <u>40 dB LA10 10pm to 7am the following day; and</u></li> <li>iii) <u>70 dB LAmax 10pm to 7am the following day.</u></li> </ul> Despite the above, construction noise and emergency sirens are not subject to this rule.	Discretion restricted to: <ul style="list-style-type: none"> <li>• effects on amenity values</li> <li>• hours of operation</li> <li>• location of noise sources in relation to boundaries</li> <li>• frequency or other special characteristics of noise</li> <li>• mitigation measures</li> <li>• noise levels and duration</li> </ul>





Secondly, Builtsmart Property Partnership is proposing a building setback rule that is specific to the Builtsmart expansion area. The existing provisions of the Light Industrial Zone require a 7.5 metre building setback from the boundary of the Living Zone whereas Builtsmart is proposing that this be 25 metres for the Builtsmart expansion area.

The rule to be amended by way of, and as part of, Proposed Plan Change 22 is as follows (insertions shown in red underline):

**Table 2. Building Setback Rules - Industrial Zone.**

Item	Permitted	Resource Consent
24.45	24.45.1	24.45.2
Building setbacks	<p>Construction or alteration of a building is a permitted activity if the building is:</p> <p>a) in the Heavy Industrial Zone, and is set back at least</p> <p>i) 10m from all road boundaries, and</p> <p>ii) 10m from all zone boundaries, other than the boundary between a Light Industrial Zone and a Heavy Industrial Zone, and</p> <p>(aa) in the Heavy Industrial Zone at Horotiu, is set back at least 50m from any dwelling that existed on 25 September 2004, other than a dwelling in the industrial zone prior to that date, and</p> <p>b) in the Light Industrial Zone, and</p> <p>i) is set back at least 7.5m from the road boundary, and</p> <p>ii) is set back at least 7.5m from any other boundary where the site adjoins another zone, and</p> <p>c) set back at least 10m from a national route or regional arterial road boundary, and</p> <p>(ca) setback at least 25m from the designated boundary of the Waikato Expressway.</p> <p><u>d) Notwithstanding clause b) of this rule, buildings in the Builtsmart expansion area must be setback at least 25 metres from the boundary where the site adjoins the Living Zone.</u></p>	<p>Construction or alteration of a building that does not comply with a condition for a permitted activity is a restricted discretionary activity.</p> <p>Discretion restricted to:</p> <ul style="list-style-type: none"> <li>• effects on land in other zones</li> <li>• effects on amenity values</li> <li>• effects on streetscape</li> <li>• road safety.</li> </ul>

As a consequential change (to provide certainty in relation to the specific Builtsmart expansion area rules), it is proposed that the following definition be added to the Waikato District Plan:

“Builtsmart expansion area” means the land contained in Lot 10 DP 875, Lot 1 SP South Auckland 39041, Lot 9 DP 875, Lot 1 Deposited Plan 33424, Lot 7-8 Deposited Plan 875, and Section 1 Survey Office Plan 53946 (or any future legal description). The Builtsmart expansion area is also shown in the following figure.





**Figure 6. Figure of the Builtsmart Expansion Area (or similar) to be Inserted into the Waikato District Plan.**

It is noted that Builtsmart Property Partnership is currently in the process of voluntarily amalgamating the properties that they own into one title, which may necessitate a change to the definition of Builtsmart expansion area as this plan change progresses through the First Schedule Process.



## 1.4 PLAN CHANGE - PLANNING MAPS

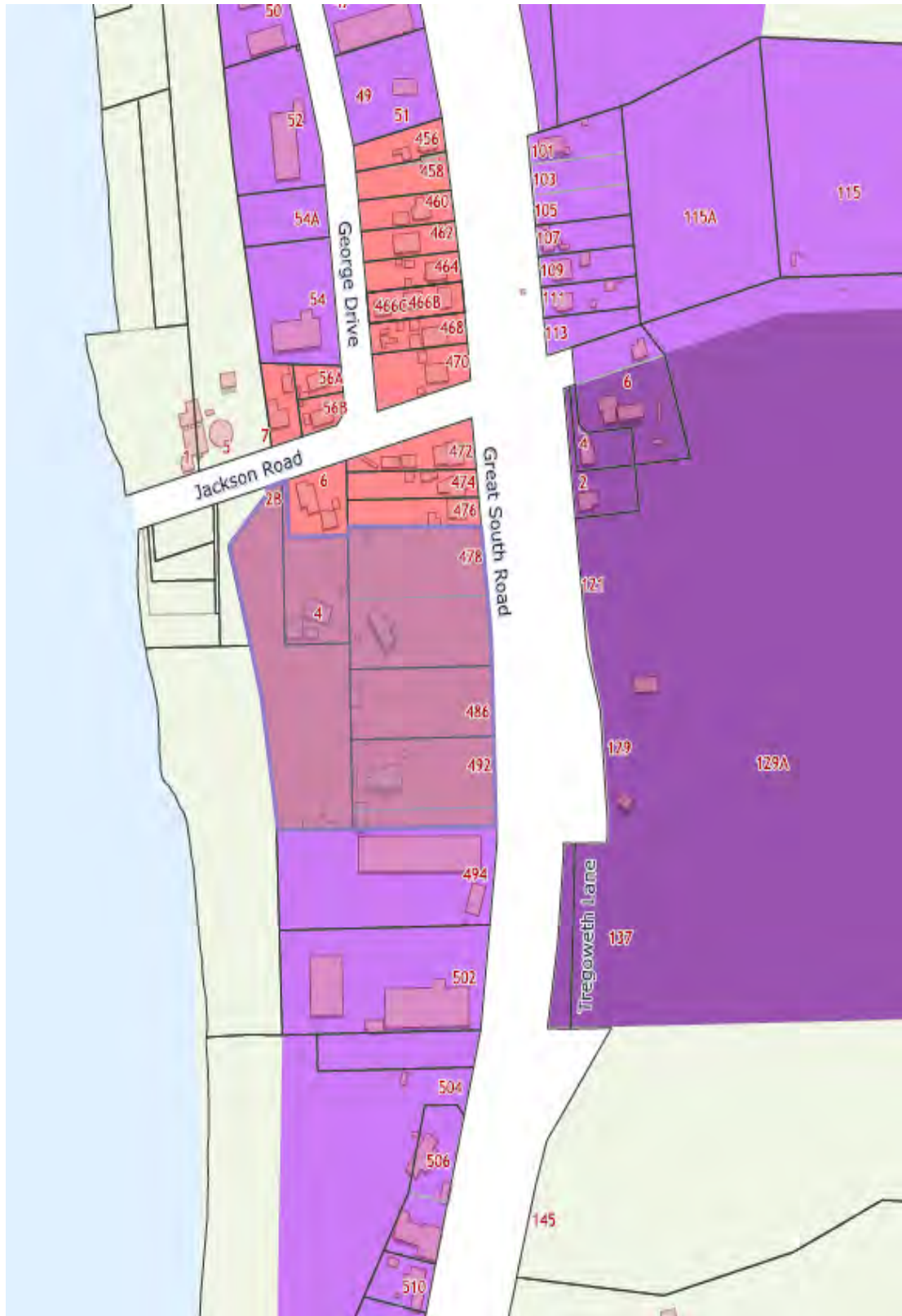
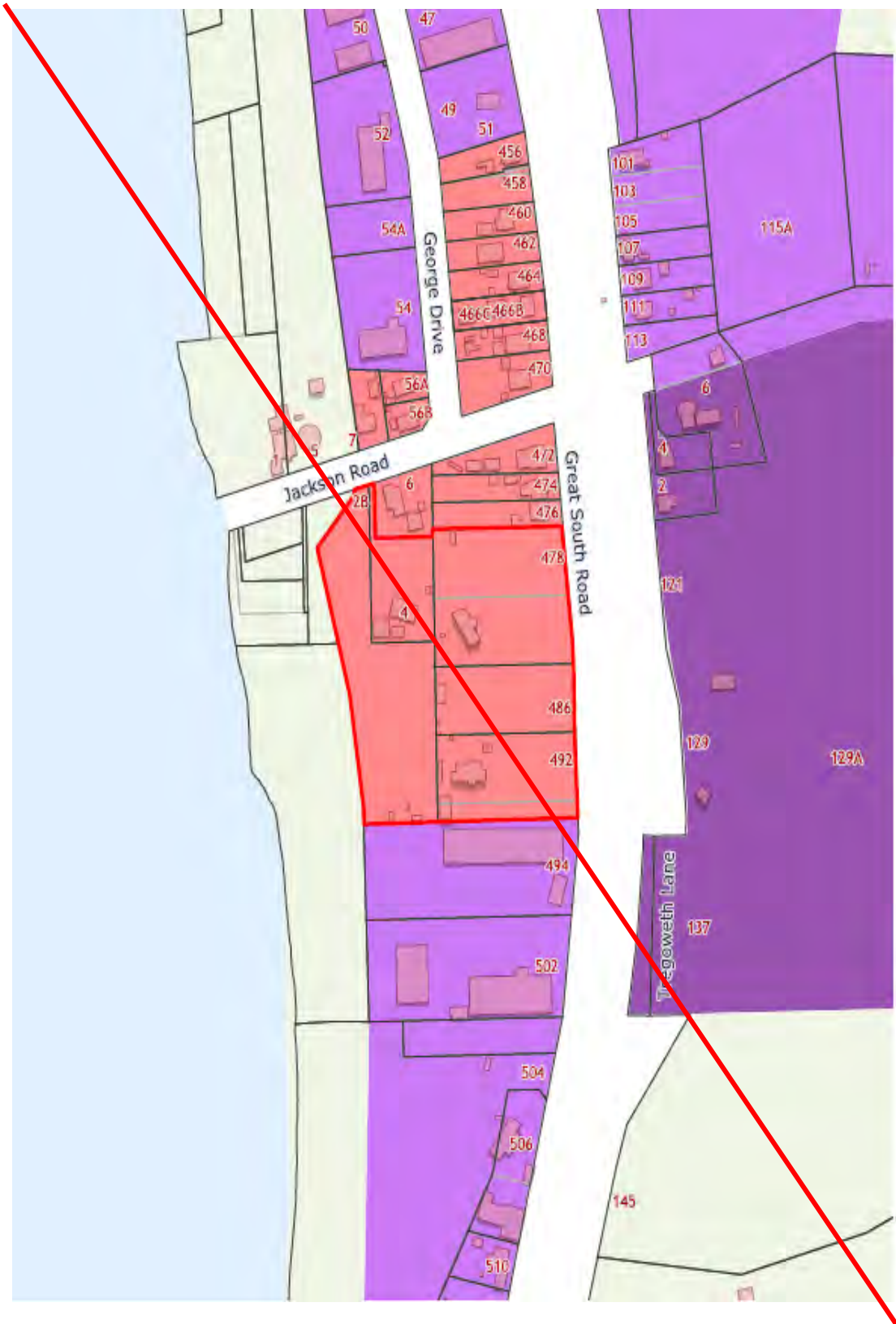


Figure 7. New Planning Map – Proposed Plan Change 22.





**Figure 8. Existing Planning Map – Being Replaced by Proposed Plan Change 22.**







# B

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## **PART B - SECTION 32 ANALYSIS**

# **1. ISSUE IDENTIFICATION**

## **1.1 INTRODUCTION**

This report presents an evaluation undertaken by Mitchell Daysh Limited on behalf of Builtsmart Property Partnership in respect of the Builtsmart expansion area in Huntly, in accordance with Section 32 of the Resource Management Act (“**RMA**”). The report examines the extent to which the plan change objectives are the most appropriate way to promote sustainable management, evaluates the related and proposed provisions and assesses the scale and significance of the effects anticipated from implementing Proposed Plan Change 22.

The properties to which Private Plan Change 22 relates to are either owned by Builtsmart Property Partnership or leased (or subject to an understanding that they will be leased) by Builtsmart directly. Those properties are:

- 492 Great South Road (Lot 10 DP 875 and Lot 1 SP South Auckland 39041);
- 486 Great South Road (Lot 9 DP 875);
- 4 Jackson Road (Lot 1 Deposited Plan 33424);
- 478 Great South Road (Lot 7-8 Deposited Plan 875); and
- 2 B Great South Road/Jackson Road (Section 1 Survey Office Plan 53946) – owned by Waikato District Council and managed by Waikato Regional Council.

This report should be read in conjunction with the accompanying expert reports and research, contained in the following Appendices:

- Appendix A:** Integrated Transportation Assessment
- Appendix B:** Three Waters Assessment
- Appendix C:** HAIL Information
- Appendix D:** Site Geotechnical Suitability Memorandum
- Appendix E:** Noise Memorandum
- Appendix F:** Plan Change Correspondence

## **1.2 SECTION 32 REQUIREMENTS**

This Section 32 analysis is a fundamental part of ensuring clear and robust decision making in the context of plan preparation and plan changes. It provides a process for critically evaluating the proposal, and a transparent way to assess the risks, cost and benefits of new and amended planning provisions.

Councils and those seeking private plan changes are required by Section 32 of the RMA to evaluate the purpose of the proposal along with the proposed policies and methods, including rules. The evaluation must:

- Assess the scale and significance of the problem or issue;
- Examine whether the objectives of the plan change are the most appropriate way to achieve the purpose of the RMA;
- Examine whether the proposed approach is the most appropriate way of achieving the objective;
- Identify and assess the benefits and costs of new provisions, including identifying any assumptions and risks; and
- Assess the risks of acting or not acting if there is uncertain or insufficient information.

In addition to the Section 32 requirements, this report sets out the process undertaken to prepare Proposed Plan Change 22.

## **1.3 ISSUE IDENTIFICATION**

### **1.3.1 Description of Issue**

Builtsmart designs and manufactures transportable homes from its existing site in Huntly. With the affordability problems associated with the current national housing market, businesses such as Builtsmart perform a critical function in providing houses that are affordable to the market. To assist with the housing deficit, Builtsmart is proposing to increase its production at the Huntly site (progressively and overtime) from 60 homes per year to approximately 400. In order to achieve this increase in site productivity, the Builtsmart business needs to physically expand. In that regard, 2.45 hectares of land to the north of the existing site has been purchased and / or leased (or subject to an understanding that it will be leased following the plan change being made operative). Those properties, making up the Proposed Plan Change 22 area, are identified in the operative Waikato District Plan as Living Zone. The existing Builtsmart site (0.73 hectares) is zoned Light Industrial.

Section 21.5 of the Living Zone chapter of the operative Waikato District Plan sets out that an industrial activity is prohibited within the Living Zone (irrespective of the scale, nature of the activity and effects of the industrial activity). This means that Builtsmart cannot undertake industrial activities within the 2.45-hectare area to enable its expansion. No resource consent can be applied for, nor granted.

To resolve this issue, Builtsmart Property Partnership is advancing a Private Plan Change (Proposed Plan Change 22) to the Operative Waikato District Plan to rezone 2.45 hectares of



land currently zoned Living Zone to Light Industrial Zone to accommodate the Builtsmart business expansion.

The fundamental planning issues are as follows:

- (a) The need for Industrial Zone land that can be developed for industrial uses in the Huntly area.
- (b) The ability to service the land with water, wastewater and electricity infrastructure to enable industrial development.
- (c) The ability to appropriately manage stormwater generated from the scale of industrial development proposed.
- (d) The ability to ensure that the flood ponding capacity in the site is maintained following the development of industrial activities.
- (e) Whether the land is suitable for industrial development.
- (f) Opportunities to provide new employment opportunities within Huntly.
- (g) The management of the interface between the Light Industrial Zone and the Living Zone and ensuring the amenity of the neighbouring residents is not adversely affected.
- (h) The interaction between the private plan change to the Operative Waikato District Plan and the submissions seeking the rezoning by way of the notified Proposed Waikato District Plan.
- (i) The ability for the Waikato District Council to give effect to the National Policy Statement on Urban Development Capacity, which requires the Waikato District Council to provide an oversupply of business land in the medium to long term.
- (j) The consistency of the proposal with Future Proof and the Waikato Regional Policy Statement in respect of growth and industrial land provisions.
- (k) The consistency of the subsequent light industrial development that will be enabled by the plan change with the existing objectives and policies of the Operative Waikato District Plan.

### **1.3.2 Plan Change Objective**

The objective of the plan change is to enable the expansion of the Builtsmart site to provide for an increase in the production of houses from the facility to assist with providing affordable houses to the current housing market deficit.



### 1.3.3 Proposal

In order to achieve the objective stated in Section 1.3.2, the purpose of Proposed Plan Change 22 is to enable the re-zoning of land currently zoned Living Zone to Light Industrial Zone. This re-zoning is necessary to enable the expansion of the Builtsmart site as under the Waikato District Plan, industrial activities (irrespective of the scale of the industrial activities) within the Living Zone are prohibited activities.

## 1.4 SITE DESCRIPTION – SITE HISTORY

The HAIL report (**Appendix C**) that was prepared by the Waikato District Council to provide information as to whether the site has been used for HAIL activities in the past, details the history of the Proposed Plan Change 22 area based off aerial photography (Retrolens) and Waikato District Council records.

- 1941 – the site is vacant grassed/vegetated land. A driveway along the southern boundary of 492 Great South Road leads to a dwelling on the current rear property Sec 1 SO 429539.
- 1957 - The surrounding area to the north and west now has residential development with a dwelling present in the current location of the entrance to 2B Jackson Street and with a second dwelling behind. A dwelling is also present on 4 Jackson Road. 478, 486 and 492 Great South Road have not been developed.
- 1963-1973 - Small structures, likely sheds, are present in the north-east and north-west corners of 478 Great South Road. A second building, likely a garage, is present on 4 Jackson Road.
- 1974 - Works occurring along Jackson Road and to the south. The dwellings on 2B Jackson Road and to the west near the river are being removed. A dwelling is present on 492 Great South Road.
- 1979-1981 - 2B Jackson Road and the property behind have been cleared of the dwellings and the properties have been grassed. The small structure in the north-east corner of 478 Great South Road is no longer visible.
- 1983 – 1995 - A trench traversing 478 Great South Road to the neighbouring property at 476 Great South Road is visible.
- 2002 - A dwelling is present in the south-west corner of 478 Great South Road, consistent with a 1998 building consent that was granted. A shed is present toward the western boundary of 486 Great South Road.
- 2006-2014 - An area has been established along the southern boundary of 2B Jackson Road appearing to be for storage of materials associated with the building activities on the adjacent site at 494 Great South Road.

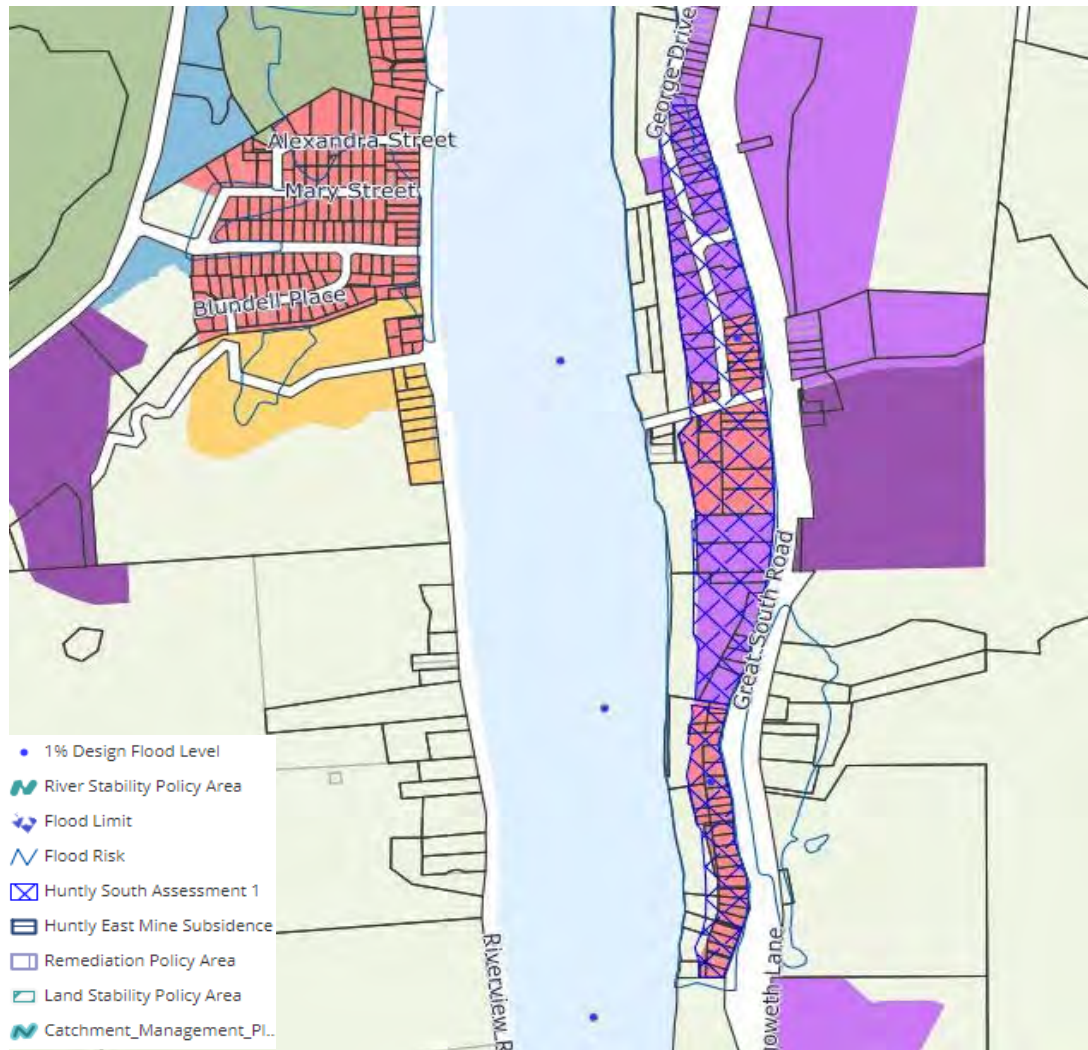
## **1.5 SITE DESCRIPTION - EXISTING ENVIRONMENT**

The existing Builtsmart site is located at 494 Great South Road in Huntly. The Builtsmart expansion area (to the north of the existing Builtsmart site) is currently a grass paddock with two existing residential properties. A grass depression area is clearly shown approximately two metres deep at the lowest level compared to the adjacent road and footpath. The area is adjacent to the Waikato River and is protected from flooding from the river via stopbanks (to the west of the Proposed Plan Change 22 area).

The existing activity involves the construction of transportable homes on site, which are then transported to permanent sites. Specialist house transporter truck and trailer units transport the houses under the conditions of over-dimension permits.

The existing Builtsmart site has a large building on site that contains several building bays where the houses are constructed. The existing activity employs 10 full time equivalent office staff and around 30 trades staff. There is one show home available for visitors to walk through. Currently, around 1-2 houses per week are constructed, a total of around 60 per year.

The existing site is Light Industrial Zone in the Waikato Operative District Plan. The surrounding area is mostly industrial zoning with Light Industrial Zone to the south and Heavy Industrial Zone on the eastern side of State Highway 1. Immediately north of the site (western side of State Highway 1) to Jackson Road is Living Zone. Further north, beyond Jackson Road is Light Industrial Zone. The site is identified in the operative Waikato District Plan as being within the “Huntly South Assessment 1” area (via an overlay) as well as being within a “Flood Risk” area (Figure 9).



**Figure 9. Huntly South Assessment 1 Area (Waikato District Plan Planning Maps).**

The Heavy Industrial Zone opposite the site (east of State Highway 1) is an operational quarry located within an Aggregate Extraction Policy Area. Access to the quarry is from Tregoweth Lane. South of Tregoweth Lane is Rural Zone.

In the Proposed Waikato District Plan, the zoning is similar with industrial on the eastern side of SH1 and industrial and residential on the western side.

The surrounding land use is industrial to the east (Huntly Quarry) and south (PlaceMakers is the immediate neighbour). The property to the north is a lifestyle property with a house and surrounding paddocks. The existing land is low lying immediately to the north of the existing Builtsmart site. Further to the north there are residential dwellings.

Figure 10 shows plan change area within the wider existing environment.





**Figure 10. Proposed Plan Change 22 - Existing Environment.**

## **1.6 PROPOSED CHANGES TO DISTRICT PLAN PROVISIONS**

### **Industrial Zone Provisions**

In addition to rezoning the Builtsmart expansion area from Living Zone to Light Industrial Zone, Proposed Plan Change 22 is seeking two key changes to the provisions of the Operative Waikato District Plan. The first change is the proposed inclusion of a specific setback rule for the Builtsmart expansion area (and an associated definition of the latter). This rule would have the effect of requiring a 25-metre building setback for buildings in the Builtsmart expansion area from the boundary of Living Zoned properties rather than the standard 7.5 metre setback. This has been included in the plan change as a bespoke provision for the Builtsmart expansion area to assist with the management of the interface between the residential properties and the light industrial activities. The inclusion of the 25-metre setback rule will assist in the controlling the potential for noise and amenity effects on the existing residential uses to the north of the plan change area. The inclusion of a new rule as sought is also supported by the neighbouring residents (as discussed during the consultation meeting which is discussed subsequently in this report).

The 25-metre setback being proposed by Builtsmart Property Partnership in order to manage the interface between the two activities is over three times the distance of the required



operative district plan requirement of 7.5 metres. The 25- metre setback has been derived primarily through the operational requirements of the Builtsmart development, the need to have land available for stormwater management, and using the existing setback rule as the starting point for the determination of an appropriate setback. The proposed setback is considered to be appropriate by Builtsmart Property Partnership as it considers the practical needs of Builtsmart in terms of the layout of the Builtsmart expansion area (as shown in Figure 5), as follows:

- The new buildings need to be close to the existing facility (in the southern end of the Builtsmart expansion area);
- The length/area of the new buildings within the Builtsmart expansion area is specific and required to encompass the manufacturing process within;
- The pavement area / impervious surfaces within the Builtsmart expansion area are specific and necessary for the turning circle of vehicles to transport the homes; and
- To encompass an area large enough to manage stormwater. It makes planning sense to include the stormwater management area on the interface between the industrial land uses and the residential as it creates a multifunctional area – amenity, stormwater management and a buffer between two potentially conflicting activities.

The proposed setback is also well in excess of the district plan requirement. The 7.5 metre setback rule is an existing requirement that manages the interface between the two different activities. This 7.5 metre setback, as well as other provisions in the district plan to manage the interface between zones, have been considered in a section 32 context (when the operative district plan was developed) and therefore must have been assessed to be efficient and effective mechanisms for managing the interface of two potentially conflicting activities (light industrial and residential). It is therefore considered that the inclusion of a 25-metre setback rule appropriately manages the potential effects of associated light industrial activity on residential properties.

By way of comparison, and to demonstrate the appropriateness of the new setback provision proposed by way of Proposed Plan Change 22, the setback requirements of various district plans has been reviewed. The Hamilton City District Plan requires a 8-metre setback for buildings in the Industrial zone to any boundary adjoining a Residential Zone (Rule 9.4.1 (d)), the Waipa District Plan specifies that the minimum building setback from internal site boundaries within the Industrial Zone that adjoin any zone other than the Industrial Zone is 5-metres (Rule 7.4.2.2), the Auckland Unitary Plan requires a rear and side building setback within the Light Industrial Zone of 5 metres where the boundary adjoins a Residential Zone (Rule H17.6.4) and the PDP is rolling over the 7.5 metre setback requirement. It is therefore considered that the provision of a 25 -metre setback will provide a more than adequate buffer between the two adjoining activities.

The second change being proposed as part of Proposed Plan Change 22 is the introduction of a specific noise limit for the Builtsmart expansion area, again to manage the interface of the

Living Zone and Light Industrial Zone. This is being proposed in recognition of the changes to the environment for those living at the new Industrial Zone / Residential Zone interface. The rule being proposed is largely identical to that being proposed in the Proposed Waikato District Plan which requires that the noise at the boundary of the industrial / residential properties be that of the Residential Zone (Rule 20.2.3.1 P3). It is also noted that very few submissions have been made in relation to the proposed noise rule in the Industrial Zone chapter so it is likely that this rule will become operative.

## Planning Maps

The key change Proposed Plan Change 22 is seeking to the operative Waikato District Plan is to change the zoning of a 2.45-hectare site from Living Zone to Light Industrial Zone, as shown in Figure 11 and Figure 12.

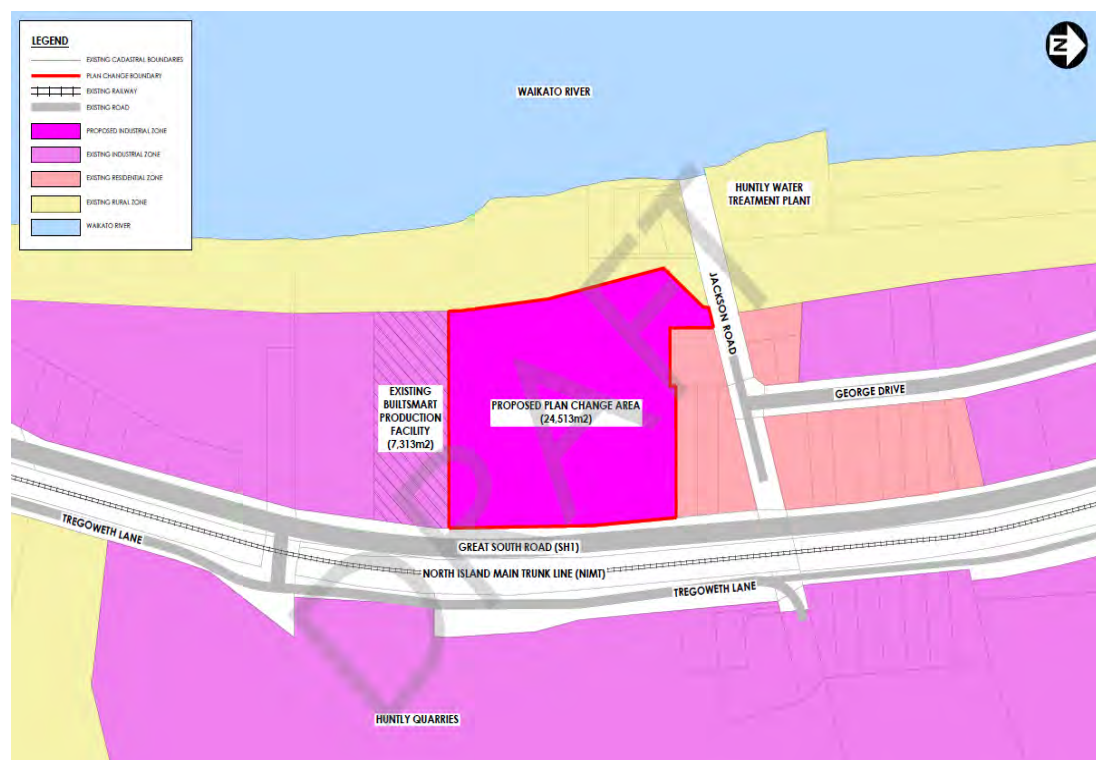


Figure 11. Proposed Plan Change 22 Area.

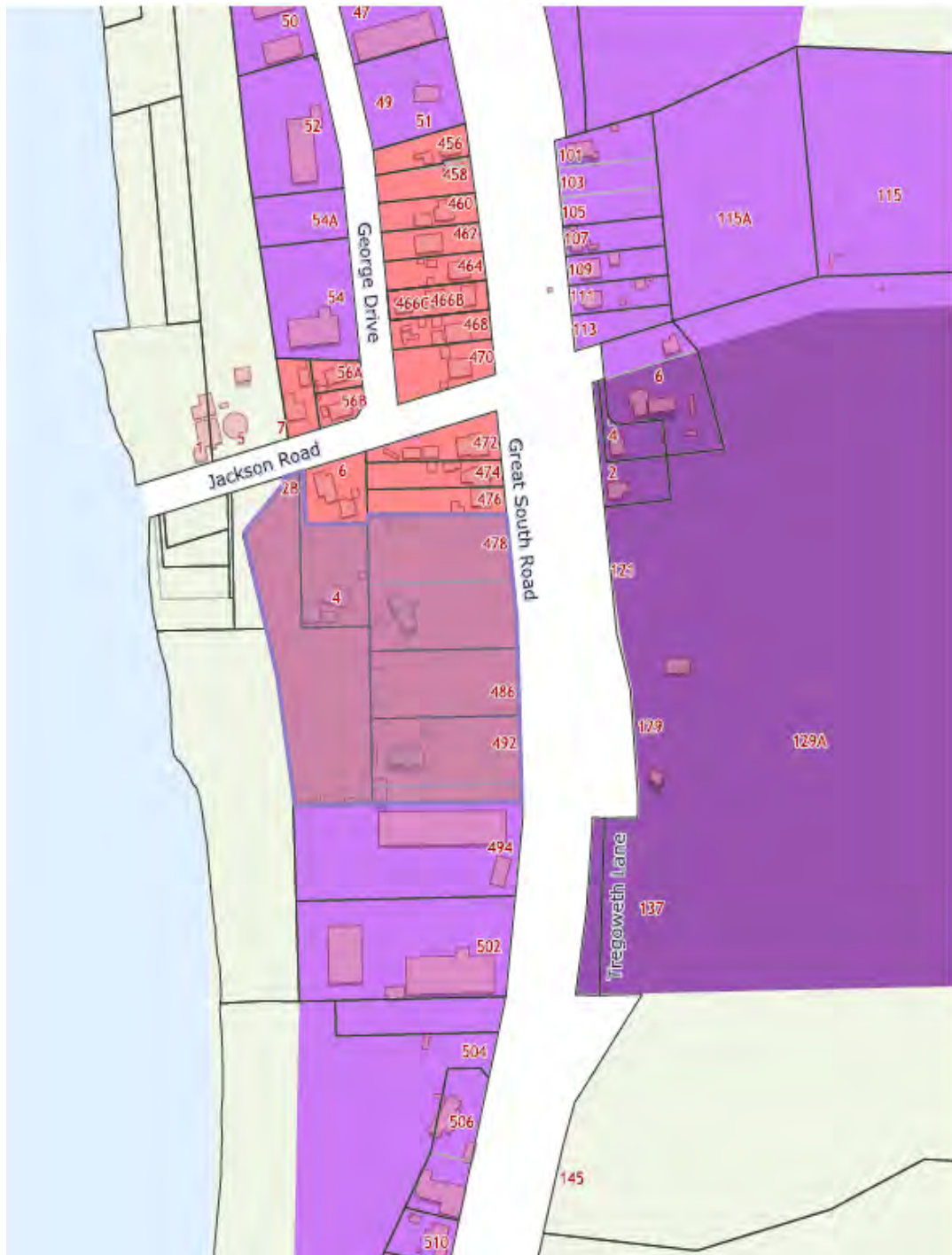


Figure 12. Proposed Plan Change 22 - Updated Planning Map.



## 1.7 INTERACTION WITH PROPOSED WAIKATO DISTRICT PLAN

The Proposed Waikato District Plan (“PDP”) was notified on Wednesday 18 July 2018, with submissions closing on Tuesday 9 October 2018. Builtsmart Property Partnership, via its agents (Planning Focus Limited – submission number 937) lodged a submission on the PDP seeking that the properties to the north of the site be rezoned to Industrial Zone from Residential Zone. It is noted that the industrial activities within the Residential Zone are classified as being Non-Complying Activities under the PDP.

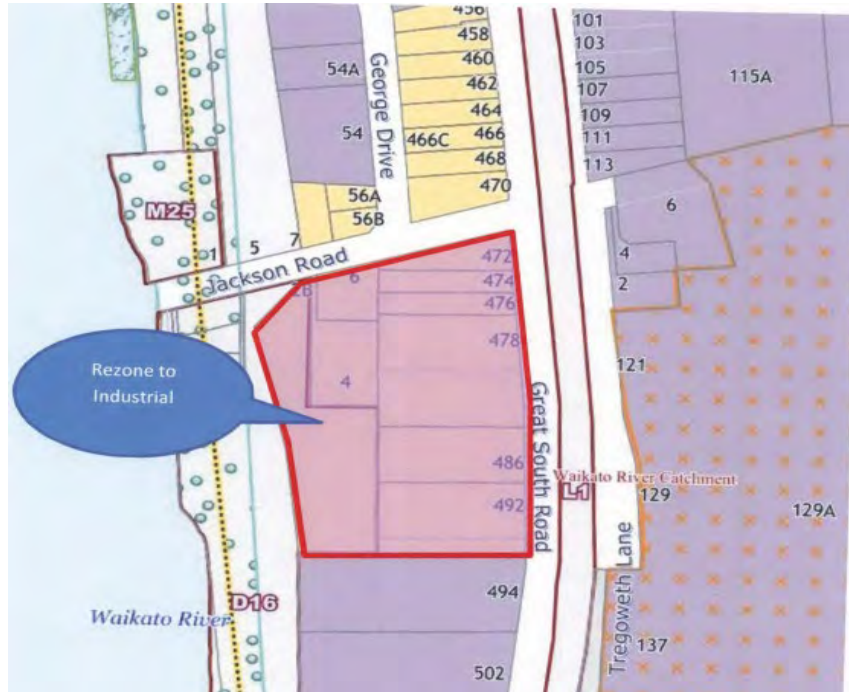
While the PDP provides an option to enable the re-zoning of the site, either through the Planning Focus submission being accepted and the rezoning occurring, or through obtaining a resource consent as a Non-Complying Activity under the Residential Zone rules of the PDP if the submission is not accepted, the PDP is still some time away from being operative with the decisions not being released until 2021 at the earliest. Given the need to expand the Builtsmart business and site in a timely manner, a Private Plan Change is the only real option in terms of enabling that expansion to occur, given that industrial activities are prohibited in the Living Zone under the operative Waikato District Plan.

Following discussions with the neighbours of the Builtsmart expansion area, Planning Focus Limited (on behalf of Builtsmart Property Partnership) partially withdrew its submission on the PDP to limit its submission (seeking the rezoning) to the Proposed Plan Change 22 area rather than including the properties on Jackson Road which had originally been sought, via email, as follows:

### **Partial Withdrawal of Submission 937**

Planning Focus / Paul Arnesen made a submission on the Proposed Waikato District Plan (submission number 937 and submission point number 937.1) on behalf of Builtsmart Property Partnership Limited / PLB Construction Group Limited. This submission sought the rezoning of the following properties from Residential to Industrial Zone:

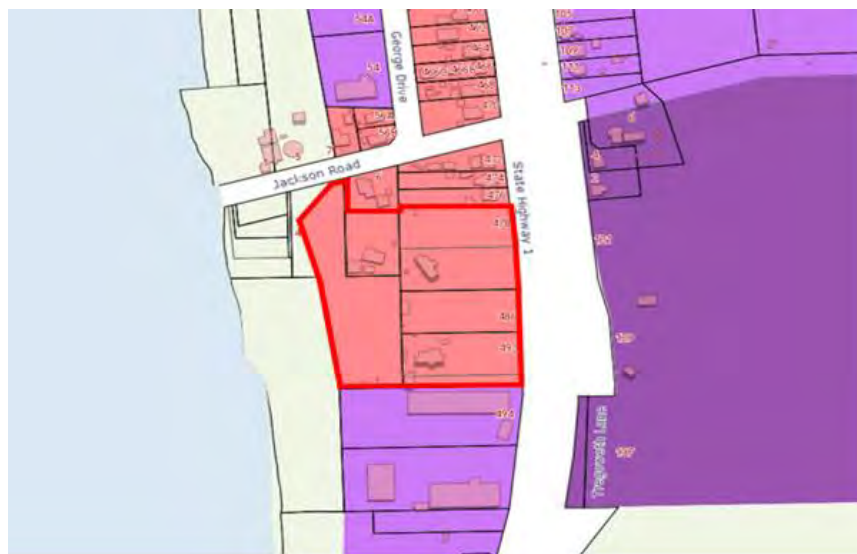
- 472 Great South Road, Huntly (Lot 1 Deposited Plan 34512);
- 474 Great South Road, Huntly (Lot 2 Deposited Plan 34512);
- 476 Great South Road, Huntly (Lot 3 Deposited Plan 34512);
- 478 Great South Road, Huntly (Lot 7-8 Deposited Plan 875);
- 486 Great South Road, Huntly (Lot 9 Deposited Plan 875);
- 492 Great South Road, Huntly (Lot 10 Deposited Plan 875);
- 2B Jackson Road, Huntly (Section 1 Survey Office Plan 53946);
- 4 Jackson Road, Huntly (Lot 1 Deposited Plan 33424); and
- 6 Jackson Road, Huntly (Lot 2 Deposited Plan 33424).



Planning Focus seeks to partially withdraw the submission so that the re-zoning request is only sought for the following properties (in other words, the submission seeking the re-zoning still applies in relation to the following properties):

- 492 Great South Road (Lot 10 DP 875 and Lot 1 SP South Auckland 39041)
- 486 Great South Road (Lot 9 DP 875);
- 4 Jackson Road (Lot 1 Deposited Plan 33424);
- 478 Great South Road (Lot 7-8 Deposited Plan 875); and
- 2 B Great South Road / Jackson Road (Section 1 Survey Office Plan 53946).

The rezoning request now relates to the image below (the area in red lines):



Therefore, Planning Focus wishes to withdraw submission / re-zoning request as it relates to the following properties:

- 472 Great South Road, Huntly (Lot 1 Deposited Plan 34512);
- 474 Great South Road, Huntly (Lot 2 Deposited Plan 34512);
- 476 Great South Road, Huntly (Lot 3 Deposited Plan 34512); and
- 6 Jackson Road, Huntly (Lot 2 Deposited Plan 33424).

The reason for this request is on the basis of the owners of those properties not seeking to have their properties re-zoned, and also to align the re-zoning area with the area that is subject to a private plan change to the operative Waikato District Plan to enable the re-zoning.

Waikato District Council sent confirmation via email on 15 July 2019, as follows:

Please accept this email as confirmation of partial withdrawal of the submission from Builtsmart Property Partnership / PLB Construction Group Limited. We understand that the submitter wishes to withdraw part of submission 937.1 by deleting the following properties:

- 472 Great South Road, Huntly (Lot 1 Deposited Plan 34512);
- 474 Great South Road, Huntly (Lot 2 Deposited Plan 34512);
- 476 Great South Road, Huntly (Lot 3 Deposited Plan 34512); and
- 6 Jackson Road, Huntly (Lot 2 Deposited Plan 33424).

Given that further submissions close at 9am tomorrow morning we will not update our website to reflect this partial withdrawal until after further submissions close. If there have been any further submissions on the original submission, we will contact those further submitters explaining that part of the submission to which their further submissions relate has been withdrawn. The effect of this is that part of their further submission falls away. They will then have the choice to withdraw their further submission if they choose.

Builtsmart Property Partnership will be presenting evidence at the hearing in support of their submission on the PDP and will present evidence on the Private Plan Change to assist the Hearings Panel in the determination of the Builtsmart site related submission on the PDP.

As discussed earlier in this report, Proposed Plan Change 22 is also seeking the inclusion of a bespoke noise rule for the Builtsmart expansion area that is largely identical to the noise requirements of the PDP. In a practical sense, this means that (if Proposed Plan Change 22 is approved) the PDP noise limit will become operative sooner for the activities in the Builtsmart expansion area (the PDP is likely to become operative in 2021 at the earliest).



## 1.8 FUTURE RESOURCE CONSENTS REQUIRED

Builtsmart Property Partnership will need to obtain resource consents for the development if the plan change request is approved. For completeness, it is noted that the following resource consents will likely be required:

- Waikato District Council Land use consent to undertake earthworks and filling activities within the Builtsmart expansion area and associated activities (which will be assessed in accordance with the Living Zone provisions so that the enabling earthworks can occur concurrently with the hearing for Proposed Plan Change 22). Resource Consent is required in accordance with Rule 21.17 (Vehicle Movements), Rule 21.24 (Earthworks) and Rule 21.26 (Filling in a Flood Risk Area) of the operative Waikato District Plan.
- Waikato Regional Council Resource Consent to undertake cleanfilling activities within a floodplain. Resource Consent is required in accordance with Rule 5.2.5.6 of the Waikato Regional Plan (all cleanfilling activities within a flood plain require resource consent under the Waikato Regional Plan).
- Waikato District Council Land Use Consent to construct, use and maintain industrial buildings in the Builtsmart expansion area that are constructed with a floor level below the 1% AEP flood level. Resource Consent is required in accordance with Rule 24.48 (Building in a Flood Risk Area).
- Waikato District Council Land Use Consent may be required to undertake an industrial activity that loads or unload vehicles or receive customers or deliveries before 7.30am or after 6.30pm in accordance with Rule 24.16 (Servicing and operation hours) as the transportable homes are transported from site overnight. Resource Consent will also be required for the new entrance off State Highway 1 and the proposed new access will be less than 100m from the existing access in accordance with Rule 21.14 (Access, Vehicle Entrance, Parking, Loading and Manoeuvring Space) and Appendix A14.
- A further resource consent will be required from the Waikato District Council when the vehicle movements exceed 250 vehicle movements per day in accordance with Rule 24.15 (Vehicle Movements).

## 2. STATUTORY CONSIDERATIONS

The following statutory documents are considered relevant to Proposed Plan Change 22 and have been considered accordingly:

- Resource Management Act 1991;
- Te Ture Whaimana o Te Awa o Waikato - Vision and Strategy for the Waikato River;
- National Policy Statement on Urban Development Capacity 2016;
- National Policy Statement for Freshwater Management 2014;
- National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health 2011;
- The Waikato Plan;
- Future Proof Strategy;
- Waikato Regional Policy Statement;
- Tai Tumu Tai Pari Tai Ao;
- Waikato Regional Plan; and
- Waikato District Plan.

The following sections provide an analysis of Proposed Plan Change 22 against the relevant statutory documents.

### 2.1 RESOURCE MANAGEMENT ACT 1991

The RMA seeks to promote the sustainable management of natural and physical resources:

#### 5 Purpose

Managing the use, development and protection of natural and physical resources in a way and at a rate, which enables people and communities to provide for their social, economic and cultural wellbeing and for their health and safety while –

- a) sustaining the potential of natural and physical resources (excluding minerals) to meet the reasonably foreseeable needs of future generations; and
- b) safeguarding the life-supporting capacity of air, water, soil and ecosystems; and
- c) avoiding, remedying or mitigating any adverse effects of activities on the environment.

The purpose of the RMA is only achieved when the matters in (a) to (c) have been adequately provided for within a District Plan.

As a Private Plan Change, Builtsmart Property Partnership has a duty under Section 32 of the RMA to examine whether the objectives of the proposal and its provisions are the most appropriate way for achieving the purpose of the RMA.



Of key importance to Proposed Plan Change 22 is the economic and social benefits of the Builtsmart expansion for the Huntly community. It is proposed that production from the site increase in a stepwise fashion over the next few years (dependent on the housing market) from 60 houses being made at the facility to approximately 400. Builtsmart is a large employer of residents of Huntly and it is anticipated that there will be further employment opportunities for local residents, both within Builtsmart and with local business providing services to Builtsmart as a result of the site expansion.

In achieving the purpose of the RMA, all persons exercising functions and powers under it, in relation to the use, development and protection of natural and physical resources, are required to recognise and provide for the matters of national importance identified in Section 6 of the RMA. In the broadest sense, **Section 6** of the RMA provides the basis for ensuring that decisions do not adversely impact heritage values, natural character, significant landscapes and habitats. It states:

#### **6 Matters of National Importance**

In achieving the purpose of this Act, all persons exercising functions and powers under it, in relation to managing the use, development, and protection of natural and physical resources, shall recognise and provide for the following matters of national importance:

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

The area that comprises the Plan Change area is not listed as being of significant heritage, ecological or natural character value and is therefore not inconsistent with section 6 of the RMA.

Through the consultation with Waikato-Tainui, it was made clear that they consider the Waikato River to be an Outstanding Natural Feature / Outstanding Natural Landscape (in accordance with section 6(b) of the RMA) which is reaffirmed through the primacy of the Vision and Strategy



for the Waikato River. While it is noted that the Waikato River is not currently identified as an Outstanding Natural Feature / Outstanding Natural Landscape in the relevant statutory planning documents, Builtsmart Property Partnership has designed the proposal to ensure it does not compromise the values of the Waikato River from an amenity and water quality perspective. The development is setback approximately 80 metres from the river, does not result in an additional point source discharge to the river, and will be consistent with the surrounding land uses (light industrial to the south). It is therefore considered that the proposal will not impact upon the values of the Waikato River.

Section 6 also requires regional councils and territorial authorities to recognise and provide for the management of significant risks from natural hazards. Investigations into the actual and potential flooding risk have been undertaken. This assessment is presented in **Appendix B** and concludes that there is the ability to appropriately manage the risk associated with flooding. It is emphasised that the change in zoning makes the site less sensitive from a flood risk perspective, given current zoning provides for residential uses and Builtsmart Property Partnership is seeking that this change to light industrial uses.

**Section 7** of the Act identifies other matters that particular regard is to be given to, including the following relevant matters (along with comment as to how Proposed Plan Change 22 addresses each matter):

- (a) *kaitiakitanga*: consultation has been undertaken with representatives of Waahi Whaanui Trust and Waikato-Tainui as part of the preparation of Proposed Plan Change 22 to enable the exercise of kaitiakitanga and understand the views of tangata whenua in respect of the proposed expansion of the Builtsmart business. It is understood that kaitiakitanga in the context of resource management results in the maintenance and balance of mauri within natural and physical resources, and the desire to enhance mauri where it has been degraded by the actions of humans. Builtsmart Property Partnership understands that within the environment, mauri underlies all resources and the interconnectedness of the total ecosystem, and in the context of the community, mauri is of paramount importance to the wellbeing of the people. Builtsmart Property Partnership has considered the environment holistically in preparing Proposed Plan Change 22, and it is considered that the Builtsmart development will have significant benefits in terms of social and economic wellbeing for the Huntly community.

The preservation of the mauri of natural resources is paramount to the Iwi to ensure that resources may be used sustainably by present and future generations. Builtsmart Property Partnership seeks to ensure that the mauri of natural resources is not compromised by Proposed Plan Change 22.

It is anticipated that there will be further opportunities to engage with tangata whenua throughout the plan change process and the development of the Builtsmart expansion, and these conversations can be used to develop opportunities for kaitiakitanga to be

expressed. One such opportunity could be for mana whenua to come to site and karakia before any earthworks commence.

- *(b) the efficient use and development of natural and physical resources:* The proposed plan change promotes the sustainable management of the land resource, including through sustainable stormwater infrastructure and coordinated development.
- *(ba) the efficiency of the end use of energy:* The proposal will result in a more efficient end use of energy compared with the development of an additional alternative site not adjoining the current site (if a suitable alternative could be found) with the need for transport of people and goods between the two sites.
- *(c) the maintenance and enhancement of amenity values:* Specific regard has been given to maintaining and enhancing amenity values. It is considered that, within the context of a wider industrial area, with a state highway adjacent and a significant quarry operation across the state highway, this plan change, and subsequent change of land use will not reduce or affect amenity values. Specific boundary treatment has been proposed to reduce the potential for nuisance effects on the neighbouring properties, including the requirement for a 25-metre setback, planting and bunding in line with, or exceeding, the permitted activity requirements of the Industrial Zone section of the operative Waikato District Plan. In addition, given the existing environment and large setbacks between the development and the Waikato River, it is considered that the development will not have adverse effects on the values and characteristics of the Waikato River.
- *(d) intrinsic values of ecosystems:* there will be no impacts on ecosystems as a result of this proposal given the nature of the existing land use (essentially large lot residential with limited vegetation within the area).
- *(f) maintenance and enhancement of the quality of the environment:* Given the wider environment being largely an industrial area, it is considered that the quality of the environment will be maintained as a result of the proposal. To ensure that the potential for nuisance effects are minimised (effects on amenity values), there will be large setbacks between the boundary with residential properties (in the order of at least 25 metres – compared to the Industrial Zone (Light Industrial) permitted activity performance standard of 7.5 metres from the boundary where the site adjoins another zone) with a landscaped bunded area also providing screening between the light industrial activity and residential land uses.
- *(i) the effects of climate change:* The effects of climate change are primarily considered in the context of stormwater management and flood risk.

**Section 8** of the RMA requires that the principles of the Treaty of Waitangi (Te Tiriti o Waitangi) be taken into account.

## 8 Treaty of Waitangi

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

It is considered that Proposed Plan Change 22 does not contravene the principles of the Treaty of Waitangi. Consultation with Waahi Whaanui Trust and Waikato-Tainui has occurred during the preparation of Proposed Plan Change 22 to ensure that the views of tangata whenua have been taken into account as part of the project, including updating the plan change documentation based on feedback on the first draft. Of particular note, the principle of participation has been provided for by consultation and incorporation of feedback into the plan change documentation and will also be provided for through the First Schedule RMA process. In addition, it is considered that the principle of protection is being upheld, particularly in the context of the Waikato River (which is a taonga to tangata whenua as reinforced by the Vision and Strategy) where there will be no adverse effects of the proposal on the Waikato River. Builtsmart Property Partnership has endeavoured to provide for the principle of partnership through its level of engagement with tangata whenua, and the understanding that further engagement will occur throughout the development process as required.

**Section 75** of the RMA sets out the content of District Plans, and **Section 76** sets out the requirements in relation to rules in a District Plan. The purpose of District Plans is to assist Councils carry out their functions in order to achieve the purpose of the RMA. The functions of District Councils are set out in **Section 31** of the RMA:

### 31 Functions of Territorial Authorities under this Act

- (1) Every territorial authority shall have the following functions for the purpose of giving effect to this Act in its district:
  - (a) the establishment, implementation, and review of objectives, policies, and methods to achieve integrated management of the effects of the use, development, or protection of land and associated natural and physical resources of the district:
  - (aa) the establishment, implementation, and review of objectives, policies, and methods to ensure that there is sufficient development capacity in respect of housing and business land to meet the expected demands of the district:
  - (b) the control of any actual or potential effects of the use, development, or protection of land, including for the purpose of—
    - (i) the avoidance or mitigation of natural hazards; and
    - (ii) [Repealed]
    - (ia) the prevention or mitigation of any adverse effects of the development, subdivision, or use of contaminated land:

- (iii) the maintenance of indigenous biological diversity:
- (c) [Repealed]
- (d) the control of the emission of noise and the mitigation of the effects of noise:
- (e) the control of any actual or potential effects of activities in relation to the surface of water in rivers and lakes:
- (f) any other functions specified in this Act.
- (2) The methods used to carry out any functions under subsection (1) may include the control of subdivision

The purpose and contents of Proposed Plan Change 22 are considered to be consistent with the purpose of a District Plan pursuant to Sections 75, 76, and 31 of the RMA.

**Schedule 1** of the RMA sets out the process in which district plans may be changed. Requests for private plan changes need to be made in writing to the appropriate local authority and must include:

- The purpose of the proposed plan change;
- The reasons for the proposed plan change;
- The content of the proposed plan change;
- An evaluation report prepared in accordance with Section 32; and
- An assessment of the anticipated environmental effects of the proposed plan change taking into account the requirements of Schedule 4.

All the requirements in relation to Schedule 1 of the RMA have been incorporated into the Proposed Plan Change 22 documentation (and the cover letter prepared to support the plan change lodgement).

## 2.2 **TE TURE WHAIMANA O TE AWA O WAIKATO – VISION AND STRATEGY FOR THE WAIKATO RIVER**

The Waikato-Tainui Raupatu Claims (Waikato River) Settlement Act 2010 and the Ngati Tuwharetoa, Raukawa, and Te Arawa River Iwi Waikato River Act 2010 inserted the Vision and Strategy for the Waikato River ("**Vision and Strategy**") into the Waikato Regional Policy Statement.

The Vision and Strategy prevails over any inconsistent provisions in a National Policy Statement or the New Zealand Coastal Policy Statement.

The Vision and Strategy applies to the area of the Waikato River from Huka Falls to Te Puuaha o Waikato (Port Waikato) and the Waipa River from its junction with the Puniu River to its confluence with the Waikato River at Ngaruawahia. This area includes the area to which Proposed Plan Change 22 relates to.

The Vision for the Waikato River is:

“... for a future where a healthy Waikato River sustains abundant life and prosperous communities who, in turn, are all responsible for restoring and protecting the health and wellbeing of the Waikato River, and all it embraces, for generations to come.”

There are 13 objectives included to realise the above Vision, 12 strategies to achieve those objectives and 18 methods to implement those strategies. In the context of Proposed Plan Change 22, the Vision and Strategy primarily relates to the management of stormwater and also access to the Waikato River (which will not be affected as a result of Proposed Plan Change 22).

Of these provisions, it is the 13 objectives which contain the desired outcomes for the management of the Waikato River:

- A. The restoration and protection of the health and wellbeing of the Waikato River.
- B. The restoration and protection of the relationship of Waikato-Tainui with the Waikato River, including their economic, social, cultural, and spiritual relationships.
- C. The restoration and protection of the relationship of Waikato River Iwi according to their tikanga and kawa, with the Waikato River, including their economic, social, cultural and spiritual relationships.
- D. The restoration and protection of the relationship of the Waikato Region's communities with the Waikato River including their economic, social, cultural and spiritual relationships.
- E. The integrated, holistic and coordinated approach to management of the natural, physical, cultural and historic resources of the Waikato River.
- F. The adoption of a precautionary approach towards decisions that may result in significant adverse effects on the Waikato River, and in particular those effects that threaten serious or irreversible damage to the Waikato River.
- G. The recognition and avoidance of adverse cumulative effects, and potential cumulative effects, of activities undertaken both on the Waikato River and within its catchments on the health and wellbeing of the Waikato River.
- H. The recognition that the Waikato River is degraded and should not be required to absorb further degradation as a result of human activities.
- I. The protection and enhancement of significant sites, fisheries, flora and fauna.
- J. The recognition that the strategic importance of the Waikato River to New Zealand's social, cultural, environmental and economic wellbeing is subject to the restoration and protection of the health and wellbeing of the Waikato River.
- K. The restoration of water quality within the Waikato River so that it is safe for people to swim in and take food from over its entire length.

- L. The promotion of improved access to the Waikato River to better enable sporting, recreational, and cultural opportunities.
- M. The application to the above of both maatauranga Maaori and latest available scientific methods.

The key points in respect of each of the relevant objectives is discussed below.

#### Objective A – Restoration and Protection of the Health and Wellbeing of the Waikato River

The stormwater management design and the approach presented in **Appendix B** has been developed, so as to ensure that the overarching objective of restoring and protection of the health and wellbeing of the Waikato River is not compromised by the Builtsmart expansion. Importantly, the site will be designed to store the existing ponding levels post-development and will connect to the existing stormwater network. There will be no new point source discharges to the Waikato River as a result of the Builtsmart expansion.

#### Objectives B, C and D – Restoration and Protection of the Relationship of Waikato Tainui, Waikato River Iwi and the Waikato Community with the Waikato River

The stormwater discharge, and more widely, the expansion of the Builtsmart site will not adversely affect the relationship iwi or the wider Waikato community have with the Waikato River.

#### Objective E – Integrated, Coordinated and Holistic Approach to Management

In respect to Objective E, the approach taken to assessing and managing the effects of the Builtsmart expansion has included consideration of both the physical and cultural values of the Waikato River.

#### Objective F, G, and H – Adverse Effects

With respect to Objectives F, G, and H, no significant adverse effects would occur that are of the type Objective F suggests a precautionary approach should be taken.

#### Objective I – Protection and Enhancement of Significant Sites, Fisheries, Flora, and Fauna

The expansion of the Builtsmart site and proposed stormwater management approach will not have an adverse effect on significant sites, fisheries, flora and fauna.

#### Objective J – Strategic Importance of the Waikato River to Community Wellbeing

The Builtsmart business (including the expanded site) will be an industrial area of significant local economic importance and will substantially contribute to community wellbeing. The ability to appropriately manage stormwater is a fundamental component of enabling the development to occur. There will be no adverse effects of the proposal on the Waikato River given the proposed management of stormwater onsite.

#### Objective K and L – Use of, and Access to, the Waikato River

With respect to Objectives K and L which address the use of, and access to the Waikato River, the key ramifications of Proposed Plan Change 22 are:

- a) It will not have any adverse effect on water quality in the context of its suitability for swimming and other contact recreation activities; and
- b) It will not change any level of access to the Waikato River.

#### Objective M – Use of Maatauranga Maaori and Latest Scientific Methods

Given the nature of the site, the fact that there will be no new discharges to the Waikato River and the negligible environmental effects, the use of Maatauranga Maaori has not been proposed. The effects of the site have been considered using the latest scientific methods, which has determined that the effects of the Builtsmart expansion are negligible on the receiving environment.

By way of summary, the Vision and Strategy has been fully considered during the formulation of the Plan Change. In particular, the Plan Change has assessed the water related impacts of the proposal with an approach that minimises impacts on the Waikato River.

### **2.3 NATIONAL POLICY STATEMENT ON URBAN DEVELOPMENT CAPACITY 2016**

The Government, in late 2016, gazetted the National Policy Statement (“NPS”) on Urban Development Capacity 2016, which has been designed to ensure there is sufficient land available for future housing and business needs. The NPS has identified the Hamilton area (which includes the Waikato District) as a high-growth urban area.

The NPS provides direction to Councils on planning for urban environments, including the availability of land for residential and business use. It recognises the national significance of well-functioning urban environments, with emphasis on:

- Enabling urban environments to grow and change in response to the changing needs of the communities; and



- Providing enough land for populations to live and work. This can have achieved through intensification of existing urban areas, or by enabling greenfield development.

The NPS provides direction on:

- Outcomes that urban planning decisions should achieve;
- Evidence underpinning those decisions;
- Responsive planning approaches; and
- Coordination between local authorities and providers of infrastructure.

The following objective is particularly relevant to Proposed Plan Change 22. It relates to ensuring there are opportunities to develop businesses (the definition of “business land” includes industrial uses).

Objective A2: Urban environments that have sufficient opportunities for the development of housing and business land to meet demand, and which provide choices that will meet the needs of people and communities and future generations for a range of dwelling types and locations, working environments and places to locate businesses.

The NPS on Urban Development Capacity requires that sufficient land for housing and business be available for the ‘short term’, ‘medium term’ and ‘long term’ (Policy PA1), and that an oversupply of land be made available (Policy PC3). The obligations on Council are to ensure that the following is provided for each of these time periods:

- Short term (1-3 years) – development capacity must be feasible, zoned and serviced with development infrastructure. Twenty percent (20 per cent) over-supply against forecast is required in a ‘high growth’ area.
- Medium term (3-10 years) – development capacity must be feasible, zoned and either: serviced with development infrastructure, or, the funding for the development infrastructure required to service that development capacity must be identified in a Long-Term Plan required under the Local Government Act 2002. Fifteen percent (15 per cent) over-supply against forecast is required in a ‘high growth’ area.
- Long term (10-30 years) – development capacity must be feasible, identified in relevant plans and strategies, and the development infrastructure required to service it must be identified in the relevant Infrastructure Strategy required under the Local Government Act 2002. Fifteen percent (15 per cent) over-supply against forecast is required in a ‘high growth’ area.

The NPS on Urban Development Capacity requires councils to provide in their plans enough development capacity to ensure demand can be met, both in terms of total demand for housing and business land, and also the demand for different types, sizes and locations. The Waikato District Council must give effect to the NPS on Urban Development Capacity. The operative Waikato District Plan does not give effect to the NPS on Urban Development Capacity, given it

was prepared prior to the NPS on Urban Development Capacity (the PDP was promulgated, in addition to other matters, to give effect to the NPS on Urban Development Capacity).

The Future Proof Partners network, which includes the entire Waikato District, has been identified as a “high growth urban area” under the NPS on Urban Development Capacity and is subject to a range of provisions due to this (specifically, Objective Group B – Evidence and Monitoring to Support Planning Decisions) that areas that are not identified as “high growth urban areas” are not subject to.

Under Policy PB1, Councils are required to:

Local authorities shall, on at least a three-yearly basis, carry out a housing and business development capacity assessment that;

- a) Estimates the demand for dwellings, including the demand for different types of dwellings, locations and price points, and the supply of development capacity to meet that demand, in the short, medium and long terms; and
- b) Estimates the demand for the different types and locations of business land and floor area for business, and the supply of development capacity to meet that demand, in the short medium and long terms, and
- c) Assess the interaction between housing and business activities, and their impacts on each other.

The assessment needs to contain information on:

- The current economy and likely future economic growth by sector;
- The amount of capacity enabled under the current planning provisions plus any other strategic planning documents by type and location;
- An assessment of the feasibility or developability of that capacity; and
- An assessment of the sufficiency of capacity to meet the foreseeable demands arising in the urban area in the short, medium and long terms.

M.E. Consulting prepared a report for the Future Proof Partners in 2018 addressing this requirement<sup>1</sup>, which has been reviewed to support Proposed Plan Change 22

Industrial land demand has been assessed in the Waikato District as being “high”. Over the long term (2017 – 2047), the modelling undertaken showed that there will be approximately 209 hectares of industrial land required to meet demand. Of this, 22.8 hectares is required in the short term and 77.1 hectares in the medium term. Within the Huntly ward, 2.4 hectares of industrial land will be required in the short term (0-3 years), 6.5 in the medium term (0-10 years) and 16.6 hectares in the long term (0-30 years). It is noted that Proposed Plan Change 22

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<sup>1</sup> [http://www.futureproof.org.nz/file/market-economics-housing-development-capacity-assessment-2017\\_17-july-2018-final.pdf](http://www.futureproof.org.nz/file/market-economics-housing-development-capacity-assessment-2017_17-july-2018-final.pdf)

seeks to re-zone approximately 2.45 hectares to industrial which is consistent with the demand modelling undertaken by M.E. Consulting.

The report also reviewed and assessed the vacant land within the Waikato District. Vacant land capacity was identified at the parcel level based on zone specific rules that dictate the nature of development that could occur. Vacant industrial land capacity within Waikato District is approximately 299 hectares (with 2,094,000m<sup>2</sup> of vacant flood space (GFA)).

The report determines the sufficiency of capacity provided for within the Waikato District. While demand for industrial land in the short term is low (23 hectares over three years) over the long-term, land demand rises to 209.4 hectares. While this remains lower than plan enabled capacity, it is close to the total supply. Within the Huntly ward, the report states that there is sufficient industrial land sufficiency over the short and medium term (in accordance with the land currently zoned for business uses), and insufficient capacity in the long term (0-30 years).

The NPS on Urban Development Capacity requires that Councils allow for an additional margin of 20% over and above projected demand in the short and medium term and 15% in the long term. Across the Waikato District there are some areas whereby adding a margin makes areas insufficient to meet the requirements of the NPS on Urban Development Capacity to provide this required oversupply. Within the Huntly ward, with the margin added, the modelling found that there is sufficient capacity in the short term, and insufficient capacity in the medium and long term (and an overall assessment of having insufficient capacity).

In general, the report found that the gap between Industrial land supply and industrial land demand is closer than for either retail or commercial.

While the modelling did show that there was sufficient industrial land capacity in the Huntly ward over the short term, there will be insufficient capacity over the medium and long term. In addition, the location of the industrial land within a ward is an important factor to consider which given the broad analysis undertaken will not be able to determine the specific location of where the land is required. The location of the vacant land in the Huntly ward detailed within the assessment is unknown. Proposed Plan Change 22 has been promulgated for a specific circumstance where an existing industrial business is seeking to expand on the neighbouring properties (which shows the importance of locational considerations, and also demonstrates a clear and present demand for industrial land in this particular location). While over the short term, there is 2.4 hectares of land zoned industrial within the Huntly ward that could have been used to theoretically accommodate this development (we are not aware of where this land is, or whether the 2.4 hectares is entirely within one parcel of land or split over multiple areas). The entire extent of the plan change area is approximately 2.45 hectares which is larger than that determined to be “available” in the Huntly ward in the assessment undertaken. This does not include the existing Builtsmart site which would also need to be included in the calculations to make up the entire site need for the Builtsmart facility. Proposed Plan Change 22 is showing real demand for industrial land and is at a scale that does not fit within the available industrial land supply within the Huntly ward.

It is therefore considered that Proposed Plan Change 22 is consistent with the requirements of the NPS on Urban Development Capacity and assists in the implementation of the NPS on Urban Development Capacity by providing industrial / business land in the Huntly area.

## **2.4 NATIONAL POLICY STATEMENT FOR FRESHWATER MANAGEMENT 2014**

The NPS for Freshwater Management 2014 (“**NPSFM**”) came into effect in August 2014 (replacing a previous NPS which came into effect in 2011). The NPSFM was again amended in 2017. The NPSFM supports improved freshwater management in New Zealand. It does this by directing regional councils to establish objectives and set limits for fresh water in their regional plans.

The NPSFM provides a National Objectives Framework that directs how councils must go about setting objectives, policies and rules in relation to freshwater management in their regional plans. They must do this by establishing freshwater management units across their regions and identifying the values that communities hold for the water in those areas. Councils are required to maintain or improve water quality within their region.

The NPSFM is of particular relevance to the management of stormwater generated from the expanded site. As detailed in the Water Assessment (**Appendix B**) there is a viable solution to managing the stormwater generated on the expanded site and the post development flood storage can match pre-development levels.

Therefore, the stormwater solution, and more widely Proposed Plan Change 22 (including the conclusions reached in relation to the Vision and Strategy for the Waikato River) is consistent with the direction of the NPSFM.

## **2.5 NATIONAL ENVIRONMENTAL STANDARD FOR ASSESSING AND MANAGING CONTAMINANTS IN SOIL TO PROTECT HUMAN HEALTH 2011**

The National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health (“**NES**”) provides a nationally consistent set of planning controls and soil values to ensure that land that has been affected by contaminants is appropriately identified and assessed before any development occurs. Where necessary, the NES provides guidance for remediation or containment of contaminants to make the land safe for human use.

The policy objective of the NES is to ensure contaminated land is appropriately identified and assessed when soil disturbance and/or land development activities take place and, if necessary, remediated, or the contaminants contained, to make the land safe for human use.

The NES also provides rules for undertaking activities on sites that are included within the Hazardous Activities and Industries (“**HAIL**”) list. The NES is a set of binding regulations that replace any District Plan rules relating to activities taking place on contaminated or potentially contaminated land that may affect human health. As well as prescribing a nationwide set of planning controls, the NES prescribes a mandated method for determining applicable

standards for contaminants in soils, and a consistent approach to site investigations and reporting on contaminated or potentially contaminated land.

Under the NES, 'a piece of land' can be described under section 5 (7) as:

The piece of land is a piece of land that is described by 1 of the following:

- a) an activity or industry described in the HAIL is being undertaken on it;
- b) an activity or industry described in the HAIL has been undertaken on it;
- c) it is more likely than not that an activity or industry described in the HAIL is being or has been undertaken on it.

Given that the land that is the subject of Proposed Plan Change 22 is residential in nature, it is unlikely that a HAIL activity occurred on the site. In any event, the land use that Proposed Plan Change 22 is promoting is a less sensitive land use (industrial) than the existing use (residential).

Section 6 of the NES states that a person may establish whether or not if the land is a 'piece of land' (HAIL) by either using the relevant council information or undertaking a PSI. That is, if the council report states that the sites are not HAIL then the NES does not apply. Based on a review of the historical aerial photography of the site, it appears that the only land uses that have occurred have been marginally pastoral or residential in nature, which are not HAIL activities.

To confirm this, both the Waikato Regional Council and the Waikato District Council were contacted as part of the development of Proposed Plan Change 22 to determine whether the Builtsmart expansion site has had known HAIL activities undertaken on it.

The Waikato Regional Council maintains a register of properties known to be contaminated on the basis of chemical measurements, or potentially contaminated on the basis of past land use. While this register (Land Use Information Register) is still under development and should not be regarded as comprehensive, it can be used to determine whether the NES applies. The 'potentially contaminated' category is gradually being compiled with reference to past or present land uses that have a greater than average chance of causing contamination, as outlined in the Ministry for the Environment's HAIL list. The Waikato Regional Council has confirmed that the properties that are the subject of Proposed Plan Change 22 are not listed on the Land Use Information Register (via an email sent on 15 August 2019).

A HAIL report was also received from the Waikato District Council. The following records were used in the assessment of the Proposed Plan Change 22 area:

- Property file, including any parent property file from which the properties were developed;
- Waikato District Council Land Use Register;
- Waikato Regional Council Selected Land Use Register;

- Subdivision consent files;
- Land use consent files;
- Building consent files; and
- Aerial Photography.

The HAIL assessment undertaken by the Waikato District Council found that there was no record of any HAIL activities being undertaken within the Proposed Plan Change 22 area.

The information received from both councils are presented in **Appendix C**.

Based on the information received from both the Waikato Regional Council and the Waikato District Council, the NES does not apply to the properties subject to Proposed Plan Change 22.

## 2.6 THE WAIKATO PLAN

The Waikato Plan was developed in collaboration between Waikato councils, Central Government and other private and public agencies. The Plan provides the Waikato Region with one collective voice on agreed top regional priorities that affect the Waikato now and will affect the region over the next 30 years. The Waikato Plan sets out focus areas, several which are relevant to Proposed Plan Change 22:

- Priority 1: Planning for population change – Identifying future residential, employment and industrial areas, and the key infrastructure needs.
- Priority 2: Connecting our communities through targeted investment – the Waikato Plan recognises that there is a shortage of industrial land in Auckland and there may be opportunities for the Waikato to accommodate (and direct) growth areas of vacant land in the Waikato.
- Priority 3: Advancing regional economic development - the Waikato Plan recognises that business land provides space for a broad range of business activities, including industrial, retail, research and office based commercial activities. It states that there is an opportunity to “work collaboratively across the Waikato attract and grow businesses.”

Proposed Plan Change 22 is considered to be consistent with the Waikato Plan in that it enables business to grow and support economic and employment opportunities within Huntly.

## 2.7 FUTURE PROOF STRATEGY

Future Proof was developed in 2009 and is a combined growth strategy project between four councils (Hamilton City, Waikato, Waipa and Waikato Regional Council), and establishes a strategic plan for land use, infrastructure and transportation to plan and provide for the future needs of the sub-region. The New Zealand Transport Agency and Waikato-Tainui are also involved as major partners, recognising the importance of coordinating transportation planning with that of land use, and ensuring that Waikato-Tainui are involved in shaping the sub-region.

The Future Proof Strategy is a 30-year growth management and implementation plan specific to the Hamilton, Waipa and Waikato sub-region. Future Proof is embedded in the Regional Policy Statement, and therefore district plans are required to give effect to it.

In 2015 an update of the Strategy was initiated. The objective of the update was to provide a Strategy that is current, taking into account changes in the sub-region since the Strategy was first adopted in 2009.

The draft Strategy for phase 1 was released for public consultation in June and July 2017 and Public hearings were held on 28 and 30 August 2017. Deliberations on submissions were held and The Future Proof Implementation Committee approved the recommended changes to the Strategy, subject to a number of changes.

Future Proof is about how the area should develop into the future, with the 30-year vision being as follows:

- Has a diverse and vibrant metropolitan centre strongly tied to distinctive, thriving towns and rural communities.
- It is the place of choice for those looking for opportunities to live, work, play, invest and visit.
- Is the place where natural environments, landscapes and heritage are protected, and a healthy Waikato River is at the heart of the region's identity.
- Has productive partnerships within its communities, including tāngata whenua.
- Has affordable and sustainable infrastructure.
- Has sustainable resource use.

The strategy has guided the development of the Waikato Regional Policy Statement, and the growth strategies formulated for the Waikato District, Waipa District and Hamilton City. The following sets out the role of Future Proof in a local, regional and national context:

- Providing sub-regional leadership on growth management, infrastructure planning and development.
- Setting sub-regional policy and approaches relevant to the Future Proof Strategy and using these to inform key regional documents such as the Waikato Regional Policy Statement, Waikato Regional Land Transport Plan and the Waikato Plan.
- Dealing with cross boundary matters.
- Implementing and enabling the Future Proof settlement pattern.
- Infrastructure/facilities – where this affects more than one Future Proof partner and transcends boundaries (particularly transport).
- High-level planning and achieving Future Proof outcomes.

- Intra and inter-regional matters – where there are impacts beyond the sub-region that need addressing across the partners, e.g. the influence of Auckland.
- Matters of Upper North Island or national importance that impact on the sub-region (e.g. freight movement).

The Future Proof Growth Strategy is being reviewed (currently in “Phase 2” of the review) to give effect to the NPS on Urban Development Capacity and to enable updated population projections to be incorporated, and to allow a re-consideration of some of the growth assumptions. It is also planned to narrow the scope of the Future Proof Strategy to have a stronger focus on growth management and settlement pattern implementation, in line with national policy direction. The final strategy update was not available at the time of writing this report (it is anticipated that the phase 2 update will be completed in 2020). It is understood that the Phase 2 updates will also include the outcomes of the Hamilton to Auckland Corridor Plan.

The settlement pattern within Future Proof is made up of key growth management areas that have been identified within Hamilton City, Waipa District and Waikato District.

The key features of the settlement pattern for the Huntly growth management area are as follows:

- Opportunities for redevelopment and growth.
- Recognising its potential due to affordable housing and accessibility to Auckland and Hamilton.
- Economic development interventions aimed at stimulating positive economic and social outcomes.
- Placemaking interventions.
- Better public transport and improved opportunities for walking and cycling.
- Industrial and residential aspirations could provide an employment alternative to coal mining.
- Potential to provide services and employment opportunities for surrounding areas including Te Kauwhata.

Proposed Plan Change 22 provides opportunities for redevelopment and growth, creates positive economic and social outcomes and provides industrial activities that provide alternative and new employment opportunities for Huntly residents.

Huntly / Rotowaro is identified in Future Proof as being a Strategic Industrial Node and the primary industrial node for Huntly. In accordance with Future Proof, an additional 23 hectares (approximately) of land is to be developed for industrial purposes for the period 2017–2061. The proposed plan change is considered to be consistent with the intention of Future Proof in respect of industrial land supply.



Future Proof does have provision for altering the timing / staging of land release. When considering any changes to land use of the timing / staging of land development from that set out in the Future Proof Strategy (2017), the following should be taken into account:

**Table 3. Future Proof Assessment.**

Future Proof Considerations	Commentary
Consistency with the Future Proof guiding principles and other statutory planning documents.	<p>The guiding principles have been taken into account when developing Proposed Plan Change 22. They are:</p> <ul style="list-style-type: none"> <li>• Effective governance, leadership, implementation and productive partnerships.</li> <li>• Diverse and vibrant metropolitan centre linked to thriving town and rural communities and place of choice – live, work, invest and visit.</li> <li>• Protection of natural environments, landscapes and heritage and a healthy Waikato River as heart of Region's identity.</li> <li>• Affordable and sustainable infrastructure.</li> <li>• Sustainable resource use.</li> <li>• Tāngata whenua.</li> </ul> <p>The provision of industrial land in the manner proposed is considered to be consistent with the guiding principles.</p> <p>Proposed Plan Change 22 rezones an appropriate area for industrial growth to provide greater opportunity for Huntly to thrive.</p> <p>Similarly, the consistency with other relevant statutory planning documents has been assessed in this document. It is considered that the proposed re-zoning and subsequent industrial development is consistent with the applicable statutory direction.</p>
Any proposal for change to land use or agreed timing and staging enables the Future Proof Partners to give effect to their NPS on Urban Development Capacity objective and policy requirements.	<p>The provision of industrial land assists the Waikato District Council to give effect to the direction in the NPS on Urban Development Capacity.</p>

Future Proof Considerations	Commentary
Existing or committed public and private sector investments in land development and infrastructure. Development must be shown to be adequately serviced without undermining committed infrastructure investments made by council to support other growth areas.	It is not considered that there will be significant council investment in the Builtsmart expansion and therefore the rezoning will not undermine its infrastructure investments elsewhere.
The efficient and safe use of existing or planning infrastructure.	The assessments supporting Proposed Plan Change 22 have considered the efficient and safe use of infrastructure. These assessments have confirmed the suitability of the land for proposed industrial use.
Sustainable provision and funding of existing and future infrastructure. Development must be co-ordinated with the provision of infrastructure including utility services and integrated with the transport network. The provision of infrastructure must take into account available or planned network capacity.	<p>All technical assessments undertaken to support this plan change have considered the available / planned network capacity.</p> <p>Builtsmart will be responsible for undertaking any works to ensure the safe and efficient operation of infrastructure necessary to develop the expanded site.</p>
Efficient use of local authority and central government financial resources.	This plan change is being driven by a private organisation and therefore there is no cost to the Waikato District Council to re-zone the area.
The ability for a developer to be able to pay for the necessary infrastructure.	Builtsmart will be responsible for undertaking any works reasonably required to ensure the safe and efficient operation of infrastructure necessary to develop the expanded site.
The compatibility of any proposed land use with adjacent land uses.	The surrounding land uses are industrial and residential. It is emphasised that the remaining area of residential is an enclave within a wider industrial area dissected by a state highway. It is on this basis that it is considered that the expansion of the industrial zoning (and subsequent expansion of the Builtsmart business) is compatible with the surrounding land uses.

It is considered that Proposed Plan Change 22 is consistent with the direction of Future Proof and will also align with the outcomes of the Stage 2 review (2019) to implement the requirements of the National Policy Statement on Urban Development Capacity in respect to business / industrial land supply.

## 2.8 WAIKATO REGIONAL POLICY STATEMENT

The Waikato Regional Policy Statement (“RPS”) was made operative on 20 May 2016. The RPS sets out six regionally significant resource management issues and/or issues of significance to iwi authorities of the region. The Waikato RPS must give effect to higher order planning documents, such as the NPS on Urban Development Capacity (however the RPS was promulgated before the NPS on Urban Development Capacity became operative, so does not specifically incorporate the NPS requirements).

The RPS sets out six regionally significant resource management issues and/or issues of significance to iwi authorities of the region headed as follows:

- Issue 1.1 – State of Resources;
- Issue 1.2 – Effects of Climate Change;
- Issue 1.3 – Providing for Energy Demand;
- Issue 1.4 – Managing the Built Environment;
- Issue 1.5 – Relationship of Tāngata whenua with the Environment (Te Taiao); and
- Issue 1.6 – Health and Wellbeing of the Waikato River Catchment.

The most relevant issue to Proposed Plan Change 22 is Issue 1.4 “Managing the Built Environment” which is presented in full as follows:

### **Issue 1.4 Managing the built environment**

Development of the built environment including infrastructure has the potential to positively or negatively impact on our ability to sustainably manage natural and physical resources and provide for our wellbeing.

While addressing this issue generally, specific focus should be directed to the following matters:

- a. high pressure for development in Hamilton City, Waipa District, Waikato District, around Lake Taupō, along the Waikato River and in the coastal environment;
- b. increasing potential for natural hazards;
- c. increasing conflict with, and demands for, new infrastructure;
- d. the need to use existing infrastructure efficiently and to maintain and enhance that infrastructure;
- e. protecting domestic and municipal water supply sources from the adverse effects of land use;
- f. the effect of development on access to mineral resources (particularly aggregates), high class soils, and future energy development sites;
- g. increasing impacts on and conflicts with existing resource users;

- h. the underperformance of some elements of Hamilton's central business district and consequential effects on its function, amenity and vitality as a result of unplanned dispersal of retail and office development;
- i. the integrated relationship between land use and development, and the transport infrastructure network;
- j. the contribution of regionally significant industry and primary production to economic, social and cultural wellbeing, and the need for those industries to access natural and physical resources, having regard to catchment specific situations;
- k. increased need for the future provision of infrastructure to respond to resource demands from within and outside the region and the need to enable efficient installation of that infrastructure; and
- l. the availability of water to meet existing, and reasonably justifiable and foreseeable domestic or municipal supply requirements to support planned urban growth, including promoting the integration of land use and water planning.

The other key issue of relevance to the proposal is Issue 1.6 – the Health and Wellbeing of the Waikato River, which is presented in full as follows:

#### **Issue 1.6 Health and Wellbeing of the Waikato River**

The health and wellbeing of the Waikato River, its major tributary the Waipa River, and their catchments has been and continues to be degraded. Of particular concern is:

- a. adverse effects on the mauri of the Waikato and Waipa Rivers;
- b. the ability of the Waikato and Waipa Rivers to sustainably and safely provide food and cultural, economic and recreation opportunities;
- c. the effect this has on the relationship of Waikato-Tainui, Ngāti Tūwharetoa, Te Arawa River Iwi, Maniapoto and Raukawa and the regional community with the rivers; and
- d. the need to restore and protect the health and wellbeing of the Waikato River while providing for the existence and continued operation and output of the Waikato hydro scheme.

#### **Explanation**

The relationship of the River Iwi with the Waikato River, and its major tributary the Waipa River, lies at the heart of their spiritual, cultural, historic and physical wellbeing and their identity.

To Waikato-Tainui the Waikato River is a tupuna which has mana and in turn represents the mana and mauri of the tribe. Ngati Tuwharetoa have a direct interest in, and special relationship with, the Waikato River. This includes the rights and responsibilities associated with kaitiakitanga. The people of Raukawa have their own unique and ancient relationship with the Waikato River. Prominent in their

beliefs is the hereditary right and responsibility to protect the river. Te Arawa River Iwi comprise Ngāti Tahu-Ngati Whaoa, Ngati Kearoa-Ngati Tuara and Tuhourangi-Ngati Wahiao. Te Arawa River Iwi exercise mana whakahaere in accordance with their long established tikanga to ensure the wellbeing of the Waikato River. The Waipa River forms part of the catchment of the Waikato River. It flows within the rohe of Ngati Maniapoto and is integral to their spiritual, cultural, historic and physical wellbeing and their identity.

Deeds and settlements between the Crown and the respective Waikato River iwi acknowledge that the deterioration of the health of the Waikato River while the Crown had authority over the river has been a source of distress. They set in place a framework with the overarching purpose of restoring and protecting the health and wellbeing of the Waikato River for current and future generations.

This Regional Policy Statement recognises that the Waikato and Waipa Rivers are degraded and an important resource that requires balanced management and planning. It contains provisions aimed at restoring the rivers' health as a regional priority while continuing to provide for the communities they support.

The Vision and Strategy is considered in full in Section 2.2 of this report.

The RPS sets out 26 objectives to address the issues identified the RPS. The objectives identify the desired end state of the region's natural and physical resources. The introduction to the RPS states that in many instances the desired end state are enduring targets and will take longer than the life of the RPS to be achieved. Achievement will be through the actions identified as policies and methods in Part B (Sections 4 to 14 of the RPS). The objectives and policies in the RPS that seek to address the issues listed above most relevant to Proposed Plan Change 22 are presented as follows, along with an analysis of the proposed activities in relation to those objectives and policies.

### **Objective 3.2 - Resource Use and Development**

Recognise and provide for the role of sustainable resource use and development and its benefits in enabling people and communities to provide for their economic, social and cultural wellbeing, including by maintaining and where appropriate enhancing:

- a) access to natural and physical resources to provide for regionally significant industry and primary production activities that support such industry;
- b) the life supporting capacity of soils, water and ecosystems to support primary production activities;
- c) the availability of energy resources for electricity generation and for electricity generation activities to locate where the energy resource exists;
- d) access to the significant mineral resources of the region; and
- e) the availability of water for municipal and domestic supply to people and communities.

Proposed Plan Change 22 seeks to facilitate the expansion of the Builtsmart business in a manner that is entirely consistent with Objective 3.2. In particular, Proposed Plan Change 22 will have significant benefits for the Huntly community from an economic and social perspective.

### **Objective 3.3 - Decision Making**

Resource management decision making is holistic and consistent and:

- a) is aligned across legislation and national and regional strategies;
- b) takes an integrated approach to managing resources that cross regional and functional boundaries;
- c) adopts an appropriate planning timeframe;
- d) adopts a precautionary approach, including the use of adaptive management, where appropriate, towards any proposed activity whose effects may be significant or irreversible but are as yet uncertain, unknown or little understood;
- e) is transparent;
- f) has regard to the potential for cumulative effects from activities;
- g) is based on the best available information, including mātauranga Māori;
- h) allows for flexible solutions for local variations;
- i) recognises that time may be needed for change to occur;
- j) includes working with tāngata whenua;
- k) includes working with key stakeholders;
- l) considers a mix of methods to achieve objectives; and
- m) results in solutions which include processes to minimise conflicts.

Objective 3.3 relates to how Waikato Regional Council proposes to undertake its decision making in relation to resource management matters. For completeness, it is noted Proposed Plan Change 22 is aligned with the relevant legislation and strategies (clause a), it takes an integrated approach in managing resources, as shown through the technical assessments and consultation had with both Waikato Regional Council and Waikato District Council (clause b), and the precautionary approach does not need to be adopted as the effects of the rezoning are well understood and will not be significant (clause d) as demonstrated in the assessment of environmental effects section of this report (and the technical assessment in the various appendices).

In respect of clause e, Builtsmart Property Partnership has been transparent throughout the development of the Plan Change, and the technical documents supporting Proposed Plan Change 22 have assessed potential cumulative effects (clause g). The latest information has been used in the technical assessments (clause h) and it is considered that the approach to

managing flood storage within the site (for example by designing flood resilient buildings) is a flexible solution to managing the local ponding issues in the Huntly south assessment area (clause h).

Builtsmart Property Partnership has engaged with tangata whenua and key stakeholders throughout the development of Proposed Plan Change 22 as documented in the consultation section of this report (clauses j and k). It is considered that Proposed Plan Change 22 also includes solutions to minimise conflicts, including the management of the interface of the industrial / residential zonings, and also in matching the site ponding capacity pre and post development (clause m).

#### **Objective 3.4 - Health and wellbeing of the Waikato River**

The health and wellbeing of the Waikato River is restored and protected and Te Ture Whaimana o Te Awa o Waikato (the Vision and Strategy for the Waikato River) is achieved.

As reflected in Objective 3.4, the key aspect of the RPS which is intended to address Issue 1.6, is the Vision and Strategy for the Waikato River. This is addressed in Section 2 of the RPS and discussed fully in Section 2.2 of this report. Proposed Plan Change 22 is consistent with the requirements of the Vision and Strategy and will not impact on the achievement of the Vision and Strategy objectives.

#### **Objective 3.9 - Relationship of Tāngata Whenua with the Environment**

The relationship of tāngata whenua with the environment is recognised and provided for, including:

- a) the use and enjoyment of natural and physical resources in accordance with tikanga Māori, including mātauranga Māori; and
- b) the role of tāngata whenua as kaitiaki.

This objective is closely related to the Vision and Strategy for the Waikato River (discussed in Section 2.2 of this report).

The relationship of tāngata whenua with the environment and their ability to exercise their role as kaitiaki is provided for by way of consultation undertaken and tāngata whenua participation in resource management decision making process. Builtsmart Property Partnership will continue to engage with tangata whenua to understand how kaitiakitanga could be expressed further.

Objective 3.12 is the most relevant RPS objective to Proposed Plan Change 22, presented in full below:

### 3.12 Built environment

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

- a. promoting positive indigenous biodiversity outcomes;
- b. preserving and protecting natural character, and protecting outstanding natural features and landscapes from inappropriate subdivision, use, and development;
- c. 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;
- d. integrating land use and water planning, including to ensure that sufficient water is available to support future planned growth;
- e. recognising and protecting the value and long-term benefits of regionally significant infrastructure;
- f. protecting access to identified significant mineral resources;
- g. minimising land use conflicts, including minimising potential for reverse sensitivity;
- h. anticipating and responding to changing land use pressures outside the Waikato region which may impact on the built environment within the region;
- i. providing for the development, operation, maintenance and upgrading of new and existing electricity transmission and renewable electricity generation activities including small and community scale generation;
- j. promoting a viable and vibrant central business district in Hamilton city, with a supporting network of sub-regional and town centres; and
- k. providing for a range of commercial development to support the social and economic wellbeing of the region.

Objective 3.12 seeks that the qualities and characteristics of areas and features, valued for their contribution to amenity, are maintained or enhanced. The expansion of the Builtsmart site into the adjoining residential properties will not impact upon the ability to achieve Objective 3.12 as in reality, the proposal is small scale in nature and provides an efficient use of the land resource (which is in a wider light and heavy industrial environment). In terms of minimising land use conflicts, Builtsmart Property Partnership is proposing the introduction of two specific rules to manage the interface of the residential and industrial activities (noise and setbacks). It is acknowledged that light industrial and residential land uses are two potentially conflicting activities if not managed appropriately. The combination of the two bespoke rules proposed by way of Proposed Plan Change 22 will ensure that the sensitive residential land uses are not adversely affected by the neighbouring light industrial activities.



The objective also requires that development of the land occur in a planned, integrated and sustainable manner. The technical assessments supporting Proposed Plan Change 22 (presented in full in the appendices to this report) confirm the planning that has gone into the development of the expanded Builtsmart site and show that it has been considered in an integrated manner. Proposed Plan Change 22 is therefore considered to be consistent with the direction of Objective 3.12.

Policy 6.14 of the RPS, also of direct relevance to Proposed Plan Change 22, adopts the Future Proof land use pattern:

**Policy 6.14 Adopting Future Proof Land Use Pattern**

Within the Future Proof area:

- a) new urban development within Hamilton City, Cambridge, Te Awamutu/Kihikihi, Pirongia, Huntly, Ngaruawahia, Raglan, Te Kauwhata, Meremere, Taupiri, Horotiu, Matangi, Gordonton, Rukuhia, Te Kowhai and Whatawhata shall occur within the Urban Limits indicated on Map 6.2 (section 6C);
- b) new residential (including rural-residential) development shall be managed in accordance with the timing and population for growth areas in Table 6-1 (section 6D);
- c) new industrial development should predominantly be located in the strategic industrial nodes in Table 6-2 (section 6D) and in accordance with the indicative timings in that table except where alternative land release and timing is demonstrated to meet the criteria in Method 6.14.3;
- d) other industrial development should only occur within the Urban Limits indicated on Map 6.2 (section 6C), unless there is a need for the industry to locate in the rural area in close proximity to the primary product source. Industrial development in urban areas other than the strategic industrial nodes in Table 6-2 (section 6D) shall be provided for as appropriate in district plans;
- e) new industrial development outside the strategic industrial nodes or outside the allocation limits set out in Table 6-2 shall not be of a scale or location where the development undermines the role of any strategic industrial node as set out in Table 6-2;
- f) new industrial development outside the strategic industrial nodes must avoid, remedy or mitigate adverse effects on the arterial function of the road network, and on other infrastructure;
- g) where alternative industrial and residential land release patterns are promoted through district plan and structure plan processes, justification shall be provided to demonstrate consistency with the principles of the Future Proof land use pattern; and
- h) where land is required for activities that require direct access to Hamilton Airport runways and where these activities cannot be accommodated within the industrial land allocation in Table 6-2, such activities may be provided for within

other land adjacent to the runways, providing adverse effects on the arterial road network and other infrastructure are avoided, remedied or mitigated.

Within Huntly, the “Huntly and Rotowaro” Strategic Industrial Node is identified as being the primary industrial node. Policy 6.14 requires that industrial development be located in the identified Strategic Industrial Nodes (which includes the Huntly / Rotowaro Node), and states that the timing and staging are indicative.

Section 6D of the RPS discusses the location and extent of new industrial development. Table 6-2 of the RPS sets out the Future Proof industrial land allocation for (amongst others) Huntly and Rotowaro over a period 2010 – 2061 of some 23 hectares total. Proposed Plan Change 22 seeks to provide for approximately 2.4-hecatres within the 23 hectare RPS industrial land provision to enable the expansion of the Builtsmart site.

Since the RPS operative date, the NPS on Urban Development Capacity has come into force which requires an oversupply of business land be provided, which is not currently reflected in the RPS. The requirements of the NPS on Urban Development Capacity needs to be met, even if it is not currently reflected in lower order planning documents.

RPS Policy 6.14 (a) requires that new urban development within Huntly occur within the Urban Limits indicated on Map 6.2. The implementation of urban limits provide certainty for developers. They also encourage a more compact urban form while ensuring there is sufficient land and development supply for the 30-year period of the Future Proof strategy. Map 6.2 is provided below (as Figure 13) and shows that the entire Builtsmart area is within the Urban Limits.

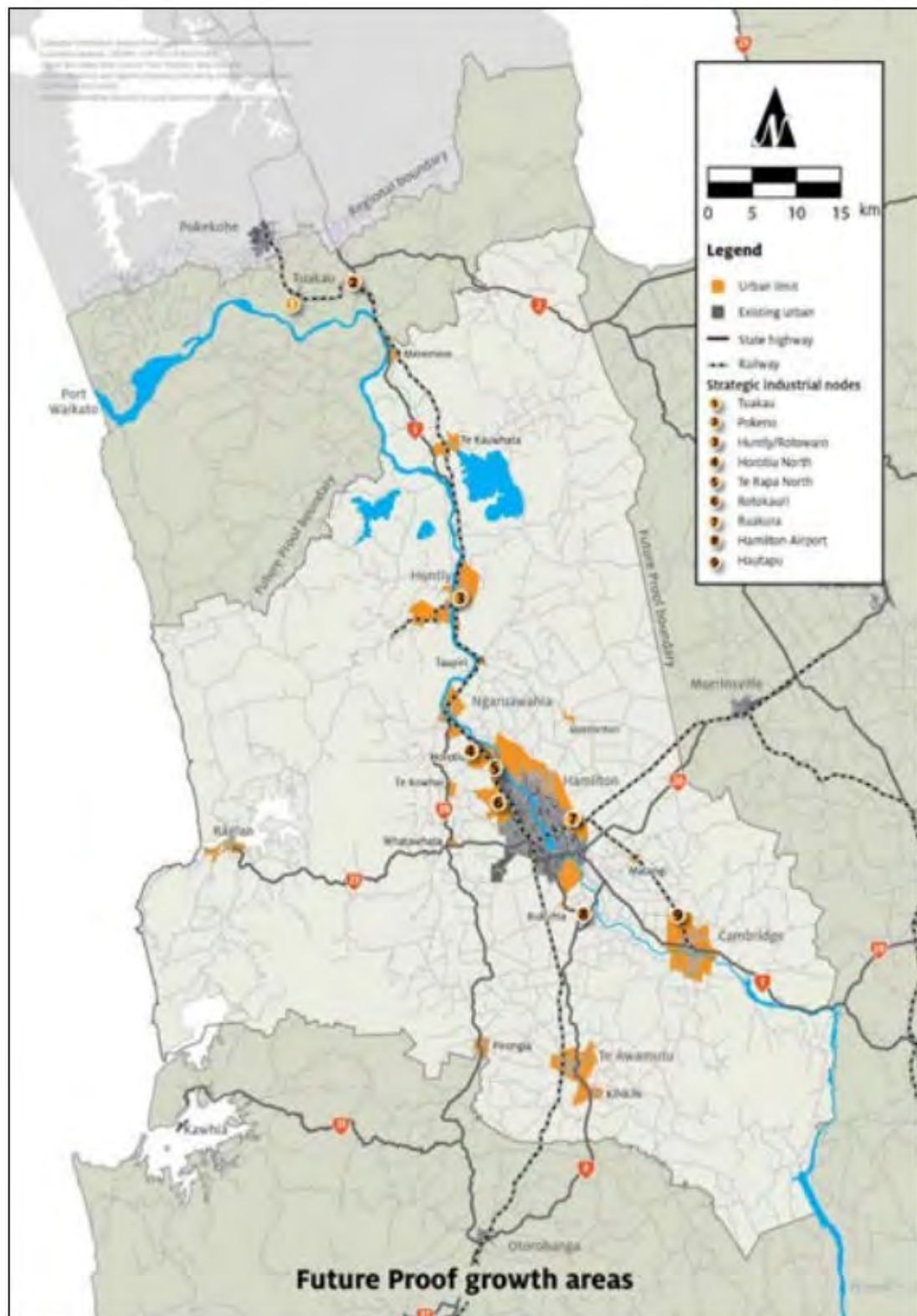


Figure 13. Map 6C of the RPS showing the Future Proof Urban Limits.

While the Builtsmart expansion fits within the industrial land release allocations, for completeness, the RPS alternative land release provisions are also assessed, as follows:

#### **6.14.3 Criteria for alternative land release**

District plans and structure plans can only consider an alternative residential or industrial land release, or an alternative timing of that land release, than that indicated in Tables 6-1 and 6-2 in section 6D provided that:

- a) to do so will maintain or enhance the safe and efficient function of existing or planned infrastructure when compared to the release provided for within Tables 6-1 and 6-2;
- b) the total allocation identified in Table 6-2 for any one strategic industrial node should generally not be exceeded or an alternative timing of industrial land release allowed, unless justified through robust and comprehensive evidence (including but not limited to, planning, economic and infrastructural/servicing evidence);
- c) sufficient zoned land within the greenfield area or industrial node is available or could be made available in a timely and affordable manner; and making the land available will maintain the benefits of regionally significant committed infrastructure investments made to support other greenfield areas or industrial nodes; and
- d) the effects of the change are consistent with the development principles set out in Section 6A.

Table 4 presents an assessment of Proposed Plan Change 22 against the RPS alternative land release provisions.

**Table 4. RPS Alternative Land Release Provisions Assessment.**

Provision	Assessment
Efficient and safe functioning of existing or planned infrastructure;	<p>A key aspect of developing Proposed Plan Change 22 was confirming that the land could be appropriately serviced and did not affect planned or existing infrastructure. In that regard, the site can be appropriately serviced and will not adversely affect planned or existing infrastructure (as confirmed by the Waikato District Council). The following reports and assessments (and correspondence) support Proposed Plan Change 22:</p> <ul style="list-style-type: none"> <li>• Appendix A: Integrated Transportation Assessment;</li> <li>• Appendix B: Three Waters Assessment;</li> <li>• Appendix C: HAIL Information;</li> <li>• Appendix D: Geotechnical Site Suitability Memorandum;</li> <li>• Appendix E: Noise Memorandum; and</li> <li>• Appendix F: Plan Change Correspondence.</li> </ul> <p>For example, State Highway 1 can cope with the increased traffic generation resulting from the increased output of the site and the access has been designed to cater from the maximum expected traffic generation. The Waikato District Council has confirmed there is allocation in their water and wastewater network to cater for the site expansion.</p> <p>From a flooding and stormwater perspective, specific assessments have been undertaken to ensure the Builtsmart expansion does not result in any offsite adverse effects (essentially confirming that post development flood storage matches the pre-development levels).</p> <p>All of the above confirms that the expanded site can be serviced safely and efficiently.</p>
Evidence of demand (to exceed the RPS Table 6-2 land allocation);	<p>Proposed Plan Change 22 was promulgated to enable the Builtsmart business to expand into the neighbouring residential properties to meet the increased demand for transportable homes (production is likely to progressively increase from 60 homes per year to 400 homes per year). Clearly, this is evidence of demand for industrial land and it is emphasised that Proposed Plan Change 22 is only seeking to rezone the properties necessary to enable the Builtsmart expansion.</p>
Sufficient zoned land within the greenfield area or industrial node is available or could	<p>There is no defined footprint for the Huntly and Rotowaro Strategic Industrial Node (as advised by Waikato District Council while preparing this section 32 report). It is understood that this Strategic Industrial Node is a floating area within the Huntly / Rotowaro vicinity. Due to the surrounding</p>



Provision	Assessment	
be made available in a timely and affordable manner; and making the land available will maintain the benefits of regionally significant committed infrastructure investments made to support other greenfield areas or industrial nodes;	<p>industrial zoning (and the fact that there is no defined node), it can be concluded that the expanded Builtsmart site is within the Huntly and Rotowaro Strategic Industrial Node.</p> <p>There will be no adverse impacts of the development of Proposed Plan Change 22 on the benefits of regionally significant committed infrastructure investments made to support other greenfield areas or industrial nodes.</p>	
Consistency with development principles (Section 6A of the RPS);	a) support existing urban areas in preference to creating new ones;	Proposed Plan Change 22 is consistent with this clause. The Builtsmart site is within the Huntly Urban Limits. No new urban area will be created.
	b) occur in a manner that provides clear delineation between urban areas and rural areas;	Proposed Plan Change 22 is consistent with this clause. It is within the defined urban limits of Huntly.
	c) make use of opportunities for urban intensification and redevelopment to minimise the need for urban development in greenfield areas;	Proposed Plan Change 22 is consistent with this clause given that it enables the re-development of land within Huntly. There are no opportunities, in terms of the amount of land zoned Industrial Zone (both in terms of amount of land and the size) within Huntly that are in the right location (i.e. with access to the State Highway, near to a trade store such as PlaceMakers and near to the existing Builtsmart site) to support this development.
	d) not compromise the safe, efficient and effective operation and use of existing and planned infrastructure, including transport infrastructure, and should allow for future infrastructure needs, including maintenance and upgrading, where these can be anticipated;	Proposed Plan Change 22 is consistent with this clause. The technical documents supporting Proposed Plan Change 22 confirm the ability to appropriately service the area.



Provision	Assessment
e) connect well with existing and planned development and infrastructure;	As above, Proposed Plan Change 22 is consistent with this clause.
f) identify water requirements necessary to support development and ensure the availability of the volumes required;	Proposed Plan Change 22 is consistent with this clause. A Three Waters Assessment was commissioned to support Proposed Plan Change 22, which confirms the ability to service the site (see <b>Appendix B</b> ).
g) be planned and designed to achieve the efficient use of water;	As above, Proposed Plan Change 22 is consistent with this clause.
h) be directed away from identified significant mineral resources and their access routes, natural hazard areas, energy and transmission corridors, locations identified as likely renewable energy generation sites and their associated energy resources, regionally significant industry, high class soils, and primary production activities on those high-class soils;	<p>Proposed Plan Change 22 is largely consistent with this clause. It is acknowledged that the Proposed Plan Change 22 is identified as being a flood hazard area, as is the existing Builtsmart site and other land uses adjacent (i.e. more sensitive residential land uses). The hazards assessment has concluded that there are mitigation measures available to ensure the site can be appropriately developed not to exacerbate flooding and ponding issues.</p> <p>The Proposed Plan Change 22 area is not within a significant mineral resource area, not within an energy / transmission corridor, will not impact upon regionally significant industry (as defined by the RPS) and does not result in a loss of land for primary production (as it is within the Huntly urban limits).</p>
i) promote compact urban form, design and location to:	The Builtsmart expansion promotes a compact urban form as it is a type of brownfield development (as opposed to seeking an area be rezoned from rural to industrial to enable an expanded site).
i) minimise energy and carbon use;	
ii) minimise the need for private motor vehicle use;	In terms of i) – iv), these clauses are largely not relevant due to the small-scale nature of the plan change, in that it simply provides for the expansion (approximately 2.4 hectares) of the Builtsmart site into the neighbouring properties. Given the plan change area is within the



Provision	Assessment
<p>iii) maximise opportunities to support and take advantage of public transport in particular by encouraging employment activities in locations that are or can in the future be served efficiently by public transport;</p> <p>iv) encourage walking, cycling and multi-modal transport connections; and</p> <p>v) maximise opportunities for people to live, work and play within their local area;</p>	<p>Huntly urban limits there is ample opportunity for those working at the site and employed in Huntly to walk / cycle / utilise public transport to get to work.</p> <p>While it is not the role of Builtsmart Property Partnership to provide public transport services, the roads in the area are already designed to accommodate public transport. There is an existing bus stop just north of the site on the same side of the road.</p> <p>The rezoning and expansion of the Builtsmart site will create additional employment opportunities for the people of Huntly. This supports the “live, work, play” concept.</p>
j) maintain or enhance landscape values and provide for the protection of historic and cultural heritage;	<p>Proposed Plan Change 22 is consistent with this clause. The expanded Builtsmart site is being designed to a high standard in terms of amenity, which is consistent with this clause. In terms of historic and cultural heritage, this has been addressed through engagement with tangata whenua.</p>
k) promote positive indigenous biodiversity outcomes and protect significant indigenous vegetation and significant habitats of indigenous fauna. Development which can enhance ecological integrity, such as by improving the maintenance, enhancement or development of ecological corridors, should be encouraged;	<p>Proposed Plan Change 22 is consistent with this clause.</p> <p>The site currently has limited biodiversity values currently, being an urban / residential landscape.</p>
l) maintain and enhance public access to and along the coastal marine area, lakes, and rivers;	<p>Proposed Plan Change 22 is consistent with this clause. There will be no changes in the extent to which the public have access to freshwater as a result of the development.</p>





Provision	Assessment
m) avoid as far as practicable adverse effects on natural hydrological characteristics and processes (including aquifer recharge and flooding patterns), soil stability, water quality and aquatic ecosystems including through methods such as low impact urban design and development (LIUDD);	<p>Proposed Plan Change 22 is consistent with this clause.</p> <p>This matter is fully addressed in the stormwater section of the Three Waters / flood risk assessment report supporting the plan change. The expanded site layout has been designed in a manner to avoid offsite adverse effects in terms of flooding and ponding, and so that the post development flood storage matches the pre-development levels.</p>
n) adopt sustainable design technologies, such as the incorporation of energy efficient (including passive solar) design, low-energy street lighting, rain gardens, renewable energy technologies, rainwater harvesting and grey water recycling techniques where appropriate;	Where practicable, the Builtsmart business will adopt the technologies specified in clause (n).
o) not result in incompatible adjacent land uses (including those that may result in reverse sensitivity effects), such as industry, rural activities and existing or planned infrastructure;	Proposed Plan Change 22 is consistent with this clause. The layout of the expanded Builtsmart site has been designed to ensure that the existing residential properties are not adversely affected by the proposed re-zoning (i.e. through managing the interface between zones with setbacks, planting and bunding). The proposed inclusion of the specific noise and setback rules will also manage the interface of the two different land uses.
p) be appropriate with respect to projected effects of climate change and be designed to allow adaptation to these changes;	Proposed Plan Change 22 is consistent with this clause. It is not anticipated that there will be adaptations required due to climate change and emphasise that the plan change is enabling a less sensitive land use (industrial) to locate in the identified flood hazard area.



Provision	Assessment
	<p>q) 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;</p> <p>Proposed Plan Change 22 is consistent with this clause. Engagement has occurred with tangata whenua (Waahi Whaanui Trust and Waikato-Tainui) in relation to this matter and these conversations will continue as required.</p>
	<p>r) support the Vision and Strategy for the Waikato River in the Waikato River catchment;</p> <p>Proposed Plan Change 22 is consistent with this clause. This matter is fully canvassed in this Section 32 analysis.</p>
	<p>s) encourage waste minimisation and efficient use of resources (such as through resource-efficient design and construction methods); and</p> <p>Builtsmart Property Partnership encourages waste minimisation practices. Proposed Plan Change 22 promotes the efficient use of resources through the re-zoning of “brownfield” land for industrial development rather than seeking greenfield / un-serviced land outside of the urban limits of Huntly.</p>
	<p>t) recognise and maintain or enhance ecosystem services</p> <p>Proposed Plan Change 22 is will not adversely affect ecosystem services.</p>

Overall, it is concluded that Proposed Plan Change 22 is consistent with the alternative land release provisions of the RPS.



Objective 3.14 requires the maintenance of enhancement of the mauri and other values of freshwater bodies. Objective 3.16 sets out how riparian areas are to be managed.

**Objective 3.14 - Mauri and Values of Fresh Water Bodies**

Maintain or enhance the mauri and identified values of freshwater bodies including by:

- a) maintaining or enhancing the overall quality of freshwater within the region;
- b) safeguarding ecosystem processes and indigenous species habitats;
- c) safeguarding the outstanding values of identified outstanding freshwater bodies and the significant values of wetlands;
- d) safeguarding and improving the life supporting capacity of freshwater bodies where they have been degraded as a result of human activities, with demonstrable progress made by 2030;
- e) establishing objectives, limits and targets, for freshwater bodies that will determine how they will be managed;
- f) enabling people to provide for their social, economic and cultural wellbeing and for their health and safety;
- g) recognising that there will be variable management responses required for different catchments of the region; and
- h) recognising the interrelationship between land use, water quality and water quantity.

**Objective 3.16 - Riparian Areas and Wetlands**

Riparian areas (including coastal dunes) and wetlands are managed to:

- a) maintain and enhance:
  - i. public access; and
  - ii. amenity values.
- b) maintain or enhance:
  - i. water quality;
  - ii. indigenous biodiversity;
  - iii. natural hazard risk reduction;
  - iv. cultural values;
  - v. riparian habitat quality and extent; and
  - vi. wetland quality and extent.

As detailed throughout this report, the mauri and other values of the Waikato River will not be impacted by Proposed Plan Change 22. The development is set back from the Waikato River (approximately 80 metres), is consistent with the amenity of the surrounding land uses (thus will not impact on the amenity of the riparian area) and will not result in an additional point



source discharge to the Waikato River. The stormwater generated from the development will be appropriately treated (pre-treatment) onsite through the stormwater management area before being discharged into the existing Waikato District Council stormwater network.

Chapter 8 of the RPS sets out the policies and implementation methods for freshwater bodies. The focus of these policies is on maintaining or enhancing the values associated with freshwater bodies. The Waikato River catchment has been identified in the RPS as one of two 'priority catchments for intervention' (the other being the Lake Taupo catchment).

**Policy 8.1 - Approach to identifying freshwater body values and managing freshwater bodies**

Waikato Regional Council will facilitate a process that will involve regional communities, to identify values and establish subsequent freshwater objectives, limits and targets for freshwater bodies. The value setting process will:

- a) provide for variability in catchment management response;
- b) assist in ensuring that adverse effects of activities on the identified values of water bodies are managed in an integrated manner;
- c) determine any outstanding freshwater bodies and significant values of wetlands; and
- d) recognise that where a freshwater body is currently used for the purposes of renewable electricity generation or domestic or municipal supply, those uses are recognised as being values associated with that water body.

Policy 8.1 relates to actions that will be undertaken by Waikato Regional Council. To the extent that the process referred to in Policy 8.1 above relates to the water quantity, this has been implemented by way of Variation 6 to the Waikato Regional Plan. To the extent that it relates to water quality, this is being addressed by way of Plan Change 1 to the Waikato Regional Plan.

**Policy 8.2 - Outstanding freshwater bodies and significant values of wetlands**

Ensure that the outstanding values of a freshwater body that result in that water body being identified as an outstanding freshwater body, and the significant values of wetlands, are protected and where appropriate enhanced.

As set out in the implementation methods that relate to Policy 8.2, the identification of outstanding freshwater bodies is an action that will be undertaken by Waikato Regional Council (but which has yet to occur). The freshwater body that relates to Proposed Plan Change 22 (i.e. the Waikato River) has not been identified as an outstanding freshwater body (although it is acknowledged that it is considered to be an Outstanding Natural Landscape / Outstanding Natural Feature by Waikato-Tainui and other iwi / mana whenua in the area). Section 8A of the RPS includes a map showing "Fresh water bodies and wetlands to be included in the identification of outstanding freshwater bodies and significant values of



wetlands as stated in Method 8.2.1". The map does not include the Waikato River downstream of the Waipapa Tailrace.

**Policy 8.3 - All freshwater bodies**

Manage the effects of activities to maintain or enhance the identified values of freshwater bodies and coastal water including by:

- a) reducing:
  - i) sediment in freshwater bodies and coastal water (including bank instability) that is derived from human based activities;
  - ii) accelerated sedimentation of estuaries;
  - iii) microbial and nutrient contamination;
  - iv) other identified contaminants; and
- b) Where appropriate, protection and enhancement of:
  - i) riparian and wetland habitat;
  - ii) instream habitat diversity;
  - iii) indigenous biodiversity; and
- c) providing for migratory patterns of indigenous freshwater species up and down rivers and streams and to the coastal marine area where practicable; and
- d) avoiding:
  - i) physical modification of freshwater bodies where practicable; and
  - ii) inappropriate development in flood plains; and
- e) managing:
  - i) groundwater and surface water flow/level regimes, including flow regime variability;
  - ii) linkages between groundwater and surface water; and
  - iii) pest and weed species where they contribute to freshwater body and coastal water degradation.

The proposal will not impact upon any matter set out in Policy 8.3.

Policy 8.4 (not quoted) relates to catchment-based intervention that will be undertaken by Waikato Regional Council, including in relation to the Waikato River catchment. This includes Plan Change 1 to the Waikato Regional Plan which was notified by Waikato Regional Council in 2016. Policy 8.4 focuses on regional policy and plan preparation procedures and considerations. It provides no actual guidance in relation to the assessment of Proposed Plan Change 22.



### **Policy 8.5 - Waikato River catchment**

Recognise Te Ture Whaimana o Te Awa o Waikato – the Vision and Strategy for the Waikato River – as the primary direction-setting document for the Waikato River and develop an integrated, holistic and co-ordinated approach to implementation.

The Vision and Strategy for the Waikato River is discussed in Section 2.2 of this report.

### **Objective 3.18 - Historic and Cultural Heritage**

Sites, structures, landscapes, areas or places of historic and cultural heritage are protected, maintained or enhanced in order to retain the identity and integrity of the Waikato region's and New Zealand's history and culture.

### **Policy 10.1 - Managing Historic and Cultural Heritage**

Provide for the collaborative, consistent and integrated management of historic and cultural heritage resources. Improve understanding, information sharing and cooperative planning to manage or protect heritage resources across the region.

### **Policy 10.2 - Relationship of Māori to Taonga**

Recognise and provide for the relationship of tāngata whenua and their culture and traditions with their ancestral lands, water, sites, wāhi tapu and other taonga.

### **Policy 10.3 - Effects of Development on Historic and Cultural Heritage**

Manage subdivision, use and development to give recognition to historic and cultural heritage and to integrate it with development where appropriate.

There is no record of any archaeological sites within the Proposed Plan Change 22 area. However, as with most development, there is the potential for unknown archaeological sites to be discovered during earthworks. A consent condition will be proffered on any earthworks related resource consent sought to ensure accidental discovery protocols are adhered to.

The Vision and Strategy is directly relevant to the achievement of Policy 10.2, which is discussed in Section 2.2 of this report. In addition, the engagement with tangata whenua has been undertaken to identify mechanisms to recognise the relationship iwi have with their culture and traditions with their ancestral lands, water, sites, wāhi tapu and other taonga.

### **Objective 3.21 - Amenity**

The qualities and characteristics of areas and features, valued for their contribution to amenity, are maintained or enhanced.

Amenity is considered in Section 3.6 of this report, primarily in the context of maintaining the amenity so that neighbouring residents are not adversely affected by the proposal. From an existing environment perspective, the immediate vicinity is located adjacent to State Highway 1, which affects the amenity of the residential land uses. The area is also across the road from one of the largest heavy industrial sites in Huntly – the Huntly Quarry. Similarly, the enclave of residential uses is within the context of a large industrial area. The provision of a larger setback than is required by the existing industrial rules will ensure that the amenity is



maintained. In addition, the proposed noise limit for the Builtsmart expansion area will ensure that the amenity of the neighbouring residents from a noise perspective is not compromised.

Given the setbacks from the Waikato River, there will be no adverse impacts on the values of the Waikato River resulting from Proposed Plan Change 22.

**Objective 3.22 - Natural Character**

The natural character of the coastal environment, wetlands, and lakes and rivers and their margins are protected from the adverse effects of inappropriate subdivision, use and development.

While Proposed Plan Change 22 facilitates a new development in the vicinity of the Waikato River, there will be no adverse effects on the natural character of the river and its margin (compared with the existing situation) due to significant setbacks and the nature of the existing environment. The Builtsmart expansion area is a highly modified large lot residential environment, thus extremely limited “natural” character remains. The development will not compromise the existing character of the area.

**Objective 3.23 - Public Access**

Public access to and along the coastal marine area, lakes and rivers is maintained and enhanced.

**Policy 12.4 - Maintain or Enhance Public Access**

Public access to and along the coastal marine area, lakes, and rivers will be maintained or enhanced by:

- a) providing direction about where and when additional access should be established;
- b) ensuring that subdivision, use and development do not constrain the ability of the land/water edge to adjust over time in response to natural processes, including the effects of climate change; and
- c) ensuring subdivision, use and development do not result in inappropriate loss of existing public access.

There are no adverse effects of the Proposed Plan Change 22 on public access to lakes and rivers. The proposal will not change the existing situation in respect of public access.

**Summary**

It is considered that Proposed Plan Change 22 gives appropriate effect to the provisions of the RPS.





## 2.9 TAI TUMU TAI PARI TAI AO

Tai Tumu Tai Pari Tai Ao, the Waikato-Tainui Environment Plan (“**WTEP**”) was lodged with Waikato Regional Council on 6 September 2013. The purpose of the plan is to:

provide a map or pathway that will return the Waikato-Tainui rohe to the modern-day equivalent of the environmental state that it was in when Kiingi Taawhiao composed his maimai aroha.

Builtsmart Property Partnership has reviewed the WTEP and provides an assessment against the provisions below. However, Builtsmart Property Partnership acknowledges that only Waikato-Tainui can determine for Waikato-Tainui if, from a Waikato-Tainui perspective, the magnitude, frequency, and duration of the effect, and if the overall effect of an activity is positive or negative. For that reason, Builtsmart Property Partnership has sought to actively engage with representatives of Waikato-Tainui in respect of Proposed Plan Change 22.

Section 1.2 of the WTEP sets out the way in which traditional management of lands and water within the rohe were managed, ensuring the following matters were adhered to:

- (a) **Manaakitanga:** Waikato-Tainui was able to provide sustenance for all manuwhiri that arrived in the rohe. The ability to care and support manuwhiri demonstrated the mana and wealth of the tribe;
- (b) **Kiingitanga:** The appointment of Pootatau Te Wherowhero as the first Maaori King was not only based on his whakapapa, exceptional skills as a warrior, and intricate knowledge of te Ao Maaori (the Maaori World), but also in recognition of the rich resources he commanded from the surrounding environment. The new King would be required to feed the masses on a regular basis, and the resources within the rohe enabled the King to provide a bountiful amount of food.
- (c) **Tikanga:** Management of resources ensured that Waikato-Tainui could continually provide for Waikato-Tainui and all manuwhiri. The tools required to sustain resources was encapsulated in tikanga. Tikanga ensured that, during customary gatherings, acknowledgement was provided to the domain of the various Atua to respect the mutual relationship and guarantee a successful bounty for the following years. Tikanga embodies all aspects of mana whakahaere. Tikanga that worked for Waikato-Tainui tuupuna in Hawaiki needed to evolve to suit the environmental conditions that existed in Aotearoa. Tikanga in the management of resources is a living, evolving concept that Waikato-Tainui developed over generations learning from experience, from both successes and failures, in resource management.
- (d) **Kaitiakitanga:** Waikato-Tainui has a responsibility to protect and nurture the mauri of all living things. The exercise of kaitiakitanga recognises the intricate balance and integral relationship between all natural resources. Waikato-Tainui learnt and long recognised that, in order for the environment to sustain life,



people in turn, had to protect and sustain the environment. Waikato-Tainui strives to ensure that kaitiakitanga is inherent in all its actions.

Builtsmart Property Partnership has engaged with Waikato-Tainui and Waahi Whaanui Trust to understand how these principles could be practically reflected in Proposed Plan Change 22.

Section C of the WTEP contains the Issues, Objectives, Policies and Methods developed under the following headings that are relevant to the Proposed Plan Change 22:

- Tribal Strategic Plan;
- The Vision and Strategy for the Waikato River;
- Right of First Refusal on Crown Lands;
- Waikato-Tainui Communities;
- Customary Activities;
- Natural Heritage and Biosecurity;
- Historical Items, Prized and Significant Sites;
- Natural Hazards;
- Freshwater;
- Land;
- Fisheries;
- Land Use Planning;
- Infrastructure;
- Hierarchy of Management Measures; and
- Environmental Enhancement.

### **Tribal Strategic Plan**

This section of the WTEP sets out the tribe's strategic objectives in relation to its own identity, integrity, success and wellbeing. It draws on the blueprint 'Whakatupuranga 2050' for the cultural, economic and social advancement of Waikato-Tainui. While this section is most relevant to internal stakeholders, there is an objective, policy and several methods that seek to ensure that resource management, use and activities within the Waikato-Tainui rohe are consistent with (and if possible, contribute to the achievement of) the vision, mission, values and strategic objectives of Whakatupuranga 2050.

Builtsmart Property Partnership recognises the role of Waikato-Tainui as kaitiaki within its rohe. Furthermore, Builtsmart Property Partnership understands the importance of land and water resources, particularly the centrality of the Waikato River, to the tribe's mana and



identity. In that regard, the development of the Builtsmart Expansion area has been designed to not affect the values of the Waikato River, and not contribute to any water quality degradation.

Builtsmart Property Partnership has sought the views of Waahi Whaanui Trust and Waikato-Tainui as part of the development of Proposed Plan Change 22 in recognition of their role as kaitiaki, and incorporated feedback on the draft plan change documentation that was provided. It is anticipated that further engagement through the plan change / First Schedule RMA process will provide further opportunities for kaitiakitanga to be expressed.

### **The Vision and Strategy for the Waikato River**

Section 11 of the WTEP addresses the Vision and Strategy for the Waikato River 'Te Ture Whaimana'. This section provides the background to the process of settlement of Raupatu Claims between Waikato-Tainui and the Crown and outlines the legislative recognition of the Te Ture Whaimana in resource management decision making, including by way of co-management and an Integrated River Management Plan for the Waikato River.

The Vision and Strategy, and an assessment of Proposed Plan Change 22 in relation to the Vision and Strategy, is discussed in Section 2.2 of this report.

### **Right of First Refusal on Crown Lands**

Section 12 of the WTEP explains the genesis of the concept Right of First Refusal ("RFR") as part of the 1995 treaty settlement between Waikato-Tainui and the Crown. RFR provides an open-ended opportunity for the tribe to regain some of the Raupatu or confiscation lands and gives effect to the Waikato-Tainui principle 'i riro whenua atu, me hoki whenua mai' (as land was taken, land should be returned).

The objectives in this section of the WTEP seek to clarify that the RFR applies to the long-term leasing or vesting of land, as well as to the sale of land. They also signal to Crown agencies and local authorities that care must be taken to protect the integrity and good faith of the RFR.

This section is relevant to central and local government agencies. However, it is noted that while the plan change is seeking to rezone land that is owned by the Waikato District Council (as part of a larger area of land which is otherwise privately owned), the plan change proposal itself does not entail the sale, vesting or leasing of any land owned by the Crown.

### **Waikato-Tainui Communities**

Section 13 of the WTEP supports the sustainable development of marae and papakaainga in both rural and urban areas. It encourages local authorities involved in land use planning to consider the infrastructure requirements, character and amenity of papakaainga developments. Given that this section provides for and encourages the development of marae and papakaainga, this section of the WTEP is not directly relevant to Proposed Plan Change 22.



### **Customary Activities**

Section 14 of the WTEP outlines Waikato-Tainui's customary activities and resource use, which has been affected by a decline in the abundance and variety of resources as well as reduced access to these resources.

Proposed Plan Change 22 and the associated development of the Builtsmart Expansion area will not impact upon the ability for customary activities to be undertaken.

### **Natural Heritage and Biosecurity**

Section 15 of the WTEP discusses the loss of indigenous biodiversity and the negative effect this has had on the relationship of Waikato-Tainui with the whenua. The WTEP seeks to restore the rohe to ecological health.

There is the potential for plantings to occur on the Builtsmart expansion area, including in the stormwater ponding areas and the interface of the light industrial and living zone land will be fully screen planted (in accordance with the existing rules in the Industrial Zone section of the operative Waikato District Plan). This will be confirmed during detailed design, however, any native vegetation to be planted it will, as practicably possible, be consistent with the method in the WTEP (Policy 15.3.1.1(d)) – the use of eco-sourced indigenous plant material.

### **Historical Items, Prized and Significant Sites**

Builtsmart Property Partnership is familiar with the WTEP's approach to site management protocols (Objective 16.3.1). Proposed Plan Change 22 does not relate to any land disturbance activities, which will be considered at a later stage when the plan change has progressed (through the earthworks consenting with will largely run concurrently with the First Schedule process for Proposed Plan Change 22). However, for completeness it is noted that Builtsmart Property Partnership will undertake earthworks required to develop the Builtsmart Expansion area in accordance with the discovery protocols relating to taonga (16.4.3.2) and archaeological sites (16.4.3.3). Builtsmart Property Partnership has engaged with tangata whenua, will implement cultural protocols and comply with heritage legislation. This approach includes many of the methods (a) to (g) giving effect to Policy 16.3.5.1 - Areas and sites of significance, including good project management, clear communication, monitoring of effects, inclusion of protocols and reporting results.

### **Natural Hazards**

Section 17 addresses natural hazards including land use and risk management, taking a wider perspective of community wellbeing over individual property owners.

As detailed in the assessment in relation to section 6 of the RMA, investigations into the actual and potential flooding risks have been undertaken to inform a natural hazards analysis. This assessment is presented in **Appendix B** and concludes that there is the ability to appropriately manage the risk associated with flooding. It is emphasised that the change in zoning makes



the site less sensitive from a flood risk perspective, given current zoning provides for more sensitive residential uses and Builtsmart Property Partnership is seeking that this change to light industrial uses (which are less sensitive to flooding impacts, particularly as in the context of the Builtsmart development, the buildings are being designed to be flood resilient).

Given the approach to designing the Builtsmart expansion area (and the change of land use from the more sensitive residential to less sensitive industrial), there will be no increase in the risk or magnitude of a natural hazard event, nor will the plan change and subsequent development change any risk or effect on human life. The proposal is therefore considered to be consistent with Section 17 of the WTEP.

An initial geotechnical assessment (**Appendix D**) has been undertaken within the Builtsmart expansion area to confirm that the area is suitable for industrial development. It has been confirmed that the area can accommodate the development. Further geotechnical assessments will be undertaken as Proposed Plan Change 22 progresses through the RMA First Schedule process.

### **Freshwater**

The WTEP contains the objectives, policies and methods pertaining to specific environmental areas. The objectives and policies on fresh water in Section 19 of the WTEP relate mainly to the aspiration of Waikato-Tainui to work alongside government agencies to manage the allocation of fresh water and improve the quality of water across the region.

Objective 19.4.1 (the relationship between Waikato-Tainui and water) seeks to ensure that Waikato-Tainui engage and participate in the highest level of decision-making on matters that affect waters. This is reinforced by Policy 19.4.1.1 (which states the same thing).

Objective 19.4.2 (water quality) seeks to ensure that freshwater is drinkable, swimmable and fishable in all places. This is supported by Policy 19.4.2.1 that seeks that regulators set clearer and higher water quality targets, and also develop and incentivise methods to achieve these targets.

Objective 19.4.3 (water quality (integrated catchment management)) seeks an integrated and holistic approach to the management of water. This is supported by Policy 19.4.3.1 that seeks to ensure that integrated catchment management is effective and informative, and the scope of planning is broad.

Objective 19.4.4 (water quantity and allocation) seeks that water allocation restores and protects the health and wellbeing of water bodies. This is supported by four policies, which seek: any water allocation framework operates under consistent principles, is equitable and efficient and restores and protects the health and wellbeing of water bodies (Policy 19.4.4.1); any water allocation mechanisms allocate water to Waikato-Tainui for the social, cultural, spiritual, environmental, and economic health and wellbeing (Policy 19.4.4.2); that resource consent processing ensures any allocation of water has regard to best practice and the



objective of restoring and protecting the health and wellbeing of Waikato-Tainui water bodies (Policy 19.4.4.3); and, that allocable and minimum flows are determined in partnership with Waikato-Tainui and recognises Waikato-Tainui aspirations (Policy 19.4.4.4).

This section of the WTEP is particularly relevant in the context of stormwater management. Builtsmart Property Partnership has designed the stormwater solution in a manner that appropriately addresses the actual and potential effects on freshwater. Water quality is to be protected via the measures to be utilised on site to remove contaminants prior to discharge into the public system, and the system has been designed so as to ensure the pre and post development stormwater ponding matches. The development will not result in an additional point source discharge of stormwater to the Waikato River.

### **Land**

Section 21 of the WTEP pertains to the use of land and Waikato-Tainui's concern to restore ecosystem balance by addressing issues including soil erosion, catchment management, nutrient loss, land development, dam management and riverbank erosion.

Policy 21.3.2.2 (land management) is particularly relevant to the development and the stormwater management approach, in that the policy promotes and encourages the development and adoption of land management practices that protects waterways from suspended sediments, nutrients and pollutants. In that regard, given the stormwater solution proposed that promotes the appropriate pre-treatment of stormwater to remove contaminants before being discharged into the Waikato District Council stormwater system, Builtsmart Property Partnership considers that the proposal is consistent with Section 21 of the WTEP.

The provisions of this section will also be fully considered in the subsequent resource consent application for earthworks and filling that will be required for the development, however it is noted that through consultation with Waikato-Tainui it was clear that the use of local clean fill in any development was the preference. Builtsmart Property Partnership will be utilising local fill for the development.

### **Fisheries**

Section 22 of the WTEP outlines how the restoration of fisheries is critical to the mana and status of Waikato-Tainui and is central to achieving the Vision and Strategy of a healthy, abundant Waikato River. As detailed earlier in this assessment, the proposal will not affect the Waikato River and therefore will not affect fisheries.

### **Land Use Planning**

Section 25 of the WTEP contains objectives and policies that provide for future urban and rural development that is well-planned and responsive to Waikato-Tainui concerns. This section of the WTEP is particularly relevant to Proposed Plan Change 22.



Section 25 of the Plan covers land use planning, and includes the following relevant objectives:

**Objective – Approach to land use and development**

25.3.1 Development principles are applied to land use and development (urban and rural) and, in particular, development in new growth cells, that enhance the environment.

**Policy – Approach to land use and development**

25.3.1.1 To encourage development principles to be applied to land use and developments (urban and rural) and, in particular, development in new growth cells, that enhance the environment.

**Objective – Urban and rural development**

25.3.2 Urban and rural development is well-planned and the environmental, cultural, spiritual, and social outcomes are positive.

**Policy – Urban development**

25.3.2.1 To ensure that urban development is well planned and the environmental, cultural, spiritual, and social outcomes are positive.

**Objective – Positive environmental and cultural effects**

25.3.3 Land use and development has positive environmental and cultural effects.

**Policy – Positive environmental and cultural effects**

25.3.3.1 To ensure that land use and development, particularly new land use and development, has positive environmental and cultural effects.

The WTEP encourages the use of Low Impact Design principles for all new developments including the:

- Protection of surface and ground water quality;
- Maintenance of the integrity of aquatic and terrestrial ecosystems;
- Preservation of the physical integrity of receiving streams;
- Protection of soils by providing appropriate sediment and erosion control; and
- Use of natural ground levels.

The development of the Builtsmart expansion area is consistent with the direction of the WTEP in relation to land use planning, including in respect of stormwater whereby the integrity of the aquatic ecosystem will be maintained, as will the physical integrity of the Waikato River and waterbodies within the development area.





During earthworks, there will be appropriate erosion and sediment controls in place and the use of natural ground levels will be utilised where practicable (while still creating a building platform suitable for the development).

### **Infrastructure**

Section 26 highlights the necessity of involving Waikato-Tainui in large infrastructure projects including those related to energy, transport and waste.

As discussed above (in respect of Land Use Planning), development of the Builtsmart expansion area is considered to be consistent with the policy directions in the WTEP, and representatives of Waikato-Tainui and tangata whenua have been engaged as part of the plan change development process (and feedback has been incorporated into the plan change documentation).

### **Hierarchy of Management Measures**

Builtsmart Property Partnership's approach to managing the effects of its resource use and activities is consistent with the hierarchy of management measures outlined in Section 8.2.1 of the WTEP.

### **Environmental Enhancement**

Builtsmart Property Partnership's approach to managing the effects of the plan change and subsequent rezoning is consistent with the approach outlined in Chapter 7 of the WTEP - 'Toward Environmental Enhancement' where possible. This section describes the enhancement approach that Waikato-Tainui adopts to the environment where resource users and activity operators enhance the environment in which they operate. While the plan change provides for a change in land use and subsequent industrial development, the quality of the development will be of a high standard in order to not affect the amenity of the area.

## **2.10 WAIKATO REGIONAL PLAN**

The objectives, policies and rules in the Waikato Regional Plan are of relevance to stormwater management and filling (which affects stormwater ponding and storage) within the Builtsmart expansion area.

While a matter for Waikato Regional Council consideration through a regional resource consent application process (discharge permit) if required, rather than through the Proposed Plan Change 22 process, it has been considered to ensure there is an appropriate stormwater solution that avoids, remedies and / or mitigates potential adverse environmental effects.

As detailed in the Three Waters Assessment (**Appendix B**) there is a viable solution to managing the stormwater generated on site and to match the post development flood storage with pre-development levels.



Therefore, the stormwater solution, and more widely Proposed Plan Change 22 is consistent with the Waikato Regional Plan.

## **2.11 WAIKATO DISTRICT PLAN**

The Waikato District Plan became fully operative in March 2013. As set out in the plan, the Waikato District Plan promotes the sustainable management of natural and physical resources in the Waikato District, primarily through strategic management of growth and by managing the effects of land use on the environment. The effects are managed differently around the district to reflect the local environmental issues. The plan responds to the issues in terms of community needs and aspirations.

The Waikato District Plan contains objectives and policies of relevance to the proposal. Proposed Plan Change 22 does not introduce any new provisions into the operative Waikato District as the existing objectives and policies are appropriate for the proposal once the land has been re-zoned.

The objectives and policies of particular relevance that would remain if the proposal was to take effect are quoted in full, as follows. For completeness, an assessment of Proposed Plan Change 22 (the re-zoning and introduction of new setback and noise rules) against the relevant provisions of the Waikato District Plan is also provided to confirm that the development that Proposed Plan Change 22 will enable is consistent with the operative Waikato District Plan.

### Waikato District Growth Strategy - Managing Growth Pressures

Objective 1A.2.1 - Towns, villages and other defined growth areas are the focus of future residential, industrial and commercial development.

Policy 1A.2.2 - Subdivision, use and development of an urban nature should occur within clearly defined boundaries of towns and villages rather than in rural areas.

Policy 1A.2.5 Urban development should occur in an integrated manner so that employment and recreation areas are easily accessible from residential areas.

The Proposed Plan Change 22 area is located within the Huntly urban limits (Objective 1A.2.1). Proposed Plan Change does not result in a greenfield development or satellite development in a rural area (Policy 1A.2.2). Given that the area is within the town boundaries and within a wider industrial environment, it is considered that Proposed Plan Change 22 promotes employment opportunities being easily assessable from residential areas (Policy 1A.2.5).

Proposed Plan Change 22 is therefore consistent with these provisions.



## Waikato District Growth Strategy - Sustainable Settlements

Objective 1A.4.1 - Residential and rural residential areas achieve and maintain high amenity values.

Policy 1A.4.2 - Subdivision, use and development in towns and villages should be sympathetic to their existing character.

Objective 1A.4.5 - Development patterns support the cost-effective maintenance, provision and efficient use of both existing and new infrastructure and services.

Policy 1A.4.6 - The location, type and density of subdivision, use and development should ensure infrastructure and services can be provided economically and used efficiently, and facilitate the safe, efficient and effective operation of infrastructure.

Policy 1A.4.7 - Subdivision, use and development should be located, designed and staged to ensure that it is adequately supported by existing or planned infrastructure, community facilities and local services.

Policy 1A.4.9 - Subdivision, use and development should be located, designed and staged to ensure that it does not adversely affect the adequacy, safety or efficiency of infrastructure, community facilities and services in the region.

Policy 1A.4.10 - Subdivision, use and development must avoid adverse effects, including reverse sensitivity effects, upon regionally and nationally significant infrastructure to ensure the ongoing safe and efficient development, operation and maintenance of that infrastructure.

Proposed Plan Change 22 is consistent with these provisions. The technical assessments supporting the plan change have confirmed that the site can be adequately serviced and there will be no adverse effects on infrastructure. Furthermore, the industrial development in the plan change area is consistent with the amenity and uses within the wider environment with industrial to the south and to the east. It is noted that the residential area to the north is enclave of residential within a wider industrial environment, however Builtsmart Property Partnership have proposed measures to ensure the neighbouring residents amenity is maintained (including the provision of a site-specific setback and noise rules).

## Natural Features and Landscapes - Landscape and Visual Amenity Values

Objective 3.4.1 - Landscapes and visual amenity values, as viewed from public places, are retained and enhanced.

Policy 3.4.2 - Natural features and landscapes, including locally distinctive landforms and prominent ridgelines, and general visual amenity values should be protected from inappropriate subdivision, use and development, in particular by:

- a) avoiding or mitigating adverse effects on natural features such as indigenous vegetation, lakes, rivers and mountains



- b) ensuring that the visual effects of buildings can be absorbed without significant adverse effects on the landscape
- c) locating buildings and development so as to integrate them with the surrounding landscape and backdrops, to avoid dominating the landscape
- d) designing subdivision so that potential development, including building platforms, fences and vehicle accesses, are located sympathetically in the landscape
- e) avoiding, remedying or mitigating as soon as practicable, the adverse visual effects of earthworks and vegetation clearance, by:
  - retaining vegetation, and
  - restoring natural contours and replanting with appropriate species, and
  - limiting the area of soil exposed by earthworks and the length of time it is exposed, and
  - locating and constructing roads, tracks and vehicle accesses to minimise their visual impacts.
- f) avoiding or mitigating the adverse effects on visual amenity from noxious, dangerous, offensive or objectionable materials.
  - (fa) considering the effects of activities on the relationship of Maaori with their ancestral lands and waahi tapu.
  - (fb) avoiding, remedying or mitigating any adverse effects in accordance with the landscape and visual amenity values of the zone in which the activity is located.
- g) locating national grid transmission lines in ways that avoid or minimise adverse effects on visual amenity.

Given that the Builtsmart expansion area, as enabled by Proposed Plan Change 22, is set well away from the Waikato River, it is not anticipated that the development will affect the values and characteristics of the Waikato River.

In addition, the measures proposed by Builtsmart Property Partnership will adequately ensure there are no adverse amenity effects in the wider environment, including for the residential neighbours to the north of the Builtsmart expansion area. These measures include the proposed 25-metre building setback within the Builtsmart expansion area, adherence to the PDP noise limits (through the introduction of a specific rule for the Builtsmart expansion area), bunding and screen planting.

On the basis of the above, Proposed Plan Change 22 is consistent with the landscape and visual amenity value provisions of the Waikato District Plan.



### Natural Features and Landscapes - Natural Character

Objective 3.6.1 - The natural character of the coastal environment, wetlands, and lakes and rivers and their margins is preserved.

Policy 3.6.2 - Subdivision, use and development should be of a density, scale, intensity and location that preserves the natural character of the coastal environment, wetlands, and lakes and rivers and their margins and should retain or enhance the relevant components of that character, including:

- a) geology, landform, indigenous vegetation and wildlife, and
- b) natural processes, elements and patterns, and
- c) intrinsic values of ecosystems, and
- d) restoration potential, including potential vegetation cover, and
- e) aesthetic, visual, cultural and heritage values attached to places and features including the cultural and spiritual relationship of Maori with their ancestral lands, and
- f) unique or typical characteristics, and
- g) the scale and context of modifications, including:
  - the ratio of open space to areas covered by buildings and other development
  - land use
  - open space areas in pasture, trees, crops or indigenous vegetation
  - water quality and flows
  - views of natural features, the coast, indigenous vegetation and water bodies.

The Builtsmart expansion area is located adjacent to the Waikato River, although there is an approximate 80 metre setback from the river to the boundary of the Builtsmart expansion area (and protected by the stopbank).

Given that the Builtsmart expansion area, as enabled by Proposed Plan Change 22, is set well away from the Waikato River, it is not anticipated that the development will affect the values and characteristics of the Waikato River.

### Natural Resources - Subdivision and Land Disturbance Near Water

Objective 4.6.1 - Coastlines, wetlands, lakes and rivers are protected from the adverse effects of subdivision and land disturbance.

Policy 4.6.2 - Margins of water bodies (including river banks) and the coast, significant indigenous vegetation and habitats, and other sensitive areas should be protected from the adverse effects of soil removal and disturbance, earthworks, vegetation clearance, and disposal of waste to land, or if disturbed, reinstated to an equivalent or better condition than prior to disturbance.



Policy 4.6.2A - Subdivision and land disturbance along the margins of water bodies and the coast should be managed to avoid, remedy or mitigate adverse effects, including sediment and nutrient runoff and the removal of soil.

Given the setback of the site from the Waikato River, and in the context of the wider (industrial) environment, there will be no adverse impacts on the Waikato River.

The Builtsmart expansion area is located adjacent to the Waikato River, although there is an approximate 80 metre setback from the river to the boundary of the Builtsmart expansion area (and protected by the stopbank). In that regard, any earthworks and filling activities necessary for the development to occur (which will be consented separately) will not adversely impact the Waikato River. These policies will be fully considered and implemented in the context of the resource consent that will be required for the enabling earthworks.

Proposed Plan Change 22 is therefore consistent with these provisions.

#### Natural Hazards – Health, Safety and Property

Objective 5.2.1 - Risks from natural hazards to health, safety and property, resulting from use, development or protection of land, are minimised.

Policy 5.2.2 - Use or development of land subject to significant natural hazards should be avoided.

Policy 5.2.2A - Use or development of other land subject to natural hazards should be required to mitigate the related risks to health, safety and property.

Policy 5.2.3 - Use, development or protection of land should not increase the adverse effects of natural hazards or compromise natural processes.

Policy 5.2.5 - Development should minimise impervious surfaces, provide adequate stormwater drainage, and mitigate the off-site effects of stormwater drained from the site.

Policy 5.2.8 - Natural buffers against the effects of natural hazards should be used, maintained, or enhanced.

Policy 5.2.9 - Development should be designed and located to avoid or mitigate the predicted effects of global climate change on natural hazards, especially increased flooding, erosion, fire, and storms. Where there is incomplete information, a precautionary approach should be taken.

These provisions are specifically addressed in this report given the site is identified as being within a hazard area and the management of the ponding and the risks associated with that ponding have been a key issue throughout the development of the plan change. To balance the pre and post-development ponding / stormwater storage capacity, the buildings on site will be built below the 1% AEP design flood level (that is shown on the district planning maps as being 11.7mRL in the vicinity of the development). These buildings will all be designed and



constructed in a flood resilient manner, as set out in the Three Waters Assessment (**Appendix B**) so that they can withstand inundation / ponding up to a maximum 100-year ARI design storm event.

Policy 5.2.2 requires that use or development of land subject to significant natural hazards should be avoided, with Policy 5.2.2A setting out that other land subject to (non-significant) natural hazards should be required to mitigate the related risks to health, safety and property. However, no-where in the Waikato District Plan is “significant natural hazards” defined, specified or quantified so that an assessment of this policy can be made in the context of the Builtsmart expansion area (aside from relying on technical expertise that confirms that the area is suitable for industrial development provided certain mitigation measures are implemented). There is also no definition of “flood compatible use” or “flood resilient design” other than they can be considered as a form of hazard risk mitigation. It is considered that the ponding on the site when it is used for light industrial purposes does not create a “significant natural hazard” that needs to be avoided (given that the buildings will be designed in a flood resilient manner and a flood management plan will be prepared prior to development that sets out the emergency procedures). The hazard will still be present regardless of the nature of development within this ponding area, however Proposed Plan Change 22 is promoting an approach to development that manages risk in response to that known hazard. Policy 5.2.2A is therefore more relevant and requires that the risk of the hazards to health, safety and property be mitigated. It is considered that the approach set out in the Three Waters Assessment appropriately mitigates the risks associated with developing the site within a ponding area for industrial uses (and the conversion of the land from residential uses to a less sensitive land use). It is noted that these policies do not take a risk-based approach – they focus on the hazard rather than how the risks associated with that hazard can be managed to acceptable levels utilising a risk-based assessment (which Proposed Plan Change 22 has done). Proposed Plan Change 22 facilitates a solution that enables industrial development (a less sensitive land use) within a known ponding hazard area that has designed a solution that responds to the risk of that hazard. The approach presented in Proposed Plan Change 22 lowers the risk to people associated with the hazard. The risk to properties outside of the development area is avoided through level-for-level compensation, and the risk to the property within the plan change area is managed through creating flood resilient buildings.

Policy 5.2.3 sets out that the use, development or protection of land should not increase the adverse effects of natural hazards or compromise natural processes. It is considered that the development of the site, that will be enabled by Proposed Plan Change 22, will not increase the adverse effects of natural hazards (the hazard is present regardless of the nature of the development – the risk of the hazard, however, is different between the various land uses and how a development is designed to reduce risk). The change in zoning from Living Zone to Light Industrial Zone reduces the risks associated with natural hazards as generally light industrial uses are less sensitive to hazards of this nature (i.e. local ponding) than residential. In addition, the approach that Proposed Plan Change 22 has taken in respect of level-for-level



flood storage compensation ensures the hazard is not magnified or transferred elsewhere (i.e. ponding levels are not increased elsewhere by removing the storage capacity within the Builtsmart site).

In terms of Policy 5.2.5, which requires that development minimise impervious surfaces, provide adequate stormwater drainage, and mitigate the off-site effects of stormwater drained from the site, the management of stormwater and ensuring there are no offsite effects from the development has been the key consideration or constraint of this proposal. In order to achieve this requirement, large areas of the site cannot be utilised for the development (they will remain in grass and a stormwater management area will be created) and the buildings need to be built below the 1% AEP design level (in a flood resilient manner). The finished concrete floor level will be above the 50% AEP level.

In respect of Policy 5.2.9, the effects of climate change in terms of potential increases in rainfall (and therefore ponding) is considered within the flood risk assessment in the Three Waters Assessment report.

The following “reason and explanation” is also of direct relevance to Proposed Plan Change 22:

#### **5.3.2 Avoidance rather than Mitigation**

Avoidance of development in hazard-prone areas is preferable to attempting to mitigate the effects, because hazard events are not always controllable or predictable. Some development might be allowed in lower-risk areas, where the development will not worsen the effects of the hazard either on-site or off-site, and where mitigation measures will be effective to preserve health and safety. Detailed site investigations will be required to accurately assess the hazard, and resource consent will require the appropriate avoidance or mitigation measures to be undertaken. Mitigation might include modifying the natural event (e.g. through building stop banks) or modifying the design of the development (e.g. building to flood-resistant designs). Use of development setbacks will help avoid development being placed in a hazard-prone area.

The limitations of hazard protection works need to be recognised and reflected in the design and location of development. For example, stop banks provide a degree of protection against flooding but there is no guarantee they will protect against all floods. Land that is vulnerable to any significant hazard should either remain open space or be developed in a way that takes the potential hazard fully into account. With regard to flooding behind stop banks, minimum floor levels should relate to the design flood within the river rather than local ponding levels, except in Huntly where local ponding levels shown on the planning maps are used.

Environmental effects (such as on the natural character of the coastal environment and margins of water bodies, including effects some distance away), natural processes and amenity values also need to be assessed when protection works are planned and undertaken.





The provisions of this section of the Waikato District Plan clearly set out a “preference” for avoiding development in hazard prone areas rather than mitigating the effects of hazards on the development or taking a risk-based approach to development within hazard prone areas. However, in this instance, avoidance is not possible given the lack of industrial land in Huntly, the wide-reaching nature of potential flood related hazards within the Huntly area (and lower Waikato more generally) and the fact that the area is located immediately to the north of an existing facility that is seeking an increase in production (and therefore a physical expansion of the site). In any event, in terms of managing risk, the creation of non-habitable (and flood resilient) industrial buildings in place of residential properties does improve the risk profile of development in the site.

Builtsmart Property Partnership is acutely aware of the potential risks to its development being in a known ponding area and building the buildings below the 1% AEP design flood level.

It is also noted that these provisions will be assessed in more detail when the resource consents for the proposed buildings (being constructed below the 1% AEP design flood level) are applied for. Reason and Explanation 5.3.2 explicitly states that within Huntly the local ponding levels shown on the planning maps should be utilised in terms of minimum floor levels for buildings (rather than the Waikato River 100-year ponding levels which are also shown on the planning maps - which in the vicinity of Builtsmart that level is 12.68mRL and the stop bank crest level is approximately 13.3mRL) . The level shown on the planning map of 11.7mRL has been used in the flood hazards assessment work that has been undertaken.

It is therefore considered that Proposed Plan Change 22 is consistent with the natural hazards provisions of the operative Waikato District Plan. In that regard, Proposed Plan Change 22 is the most appropriate way to achieve to these natural hazard objectives and policies of the Waikato District Plan while also achieving the objectives and policies relating to the benefits of resource use and development (in accordance with section 32 of the RMA).

#### Built Environment – Scattered Development

Objective 6.2.1 - Development that is connected or grouped around infrastructure.

Policy 6.2.2 - Subdivision or development should be located, and have a density, scale and intensity, to ensure efficient use of land, public facilities and utilities.

Policy 6.2.3 - Residential and business development should occur in current towns and villages in preference to isolated rural locations.

Policy 6.2.4 - Ribbon development should be avoided.

Policy 6.2.5 - Industry should be grouped:

- a) in a suitably defined area within towns and villages, or
- b) near a national or regional arterial route, or
- c) near the North Island main trunk railway, or



- d) where it can link to existing infrastructure or associated industries or manage its effects on site.

Policy 6.2.6 - Business and industrial activities should be separated from residential activities.

The Builtsmart expansion area is located around existing infrastructure, can be serviced from a three waters perspective and will not have adverse impacts on the state highway network (Objective 6.2.1). It is considered that the proposed industrial development that Proposed Plan Change 22 will enable a more efficient use of the plan change area as it currently consists of what can be classified as large lot residential (three houses) that is within a wider industrial environment. As stated previously, the site can efficiently use public services and utilities (Policy 6.2.2).

In respect of Policy 6.2.3, Proposed Plan Change 22 relates to land that is within the Huntly town, not in an isolated rural area. Further, it is not considered that the proposal results in ribbon development (Policy 6.2.4).

Policy 6.2.5 requires that:

- a) Industrial activities be located in in a suitably defined area within towns and villages, or
- b) Be near a national or regional arterial route, or
- c) Be near the North Island main trunk railway, or
- d) Industrial activities be located where they can link to existing infrastructure or associated industries or manage its effects on site.

In respect of (a), the area to which Proposed Plan Change 22 relates is located within Huntly and within a larger industrial environment. The plan change area is also adjacent to State Highway 1 (clause b) and is located across the road from the North Island main trunk railway (c). Further, the Builtsmart expansion area is in an area that is already serviced so can utilise the existing three waters network and will not adversely affect the safe and efficient operation of the state highway network. In terms of internalising the effects of the light industrial activity that Proposed Plan Change 22 enables, the noise will be managed onsite to not have effects beyond the boundary and the site and development have been designed to ensure there is no offsite ponding that occurs as a result of the development (clause d).

It is acknowledged that Proposed Plan Change 22, at face value, is not entirely consistent with Policy 6.2.6 that requires industrial activities be separated from residential activities. However, the existing Builtsmart site has operated at the interface of residential properties without issue for a significant number of years. Proposed Plan Change 22 moves that industrial / residential interface northwards. Should Proposed Plan Change 22 become operative, the interface moving north changes (but not necessarily adversely affecting) the amenity for the properties that are now forming the industrial/residential interface relative to the existing environment. In recognition of this, Builtsmart Property Partnership is proposing to include a new setback



requirement for buildings within the Builtsmart expansion area of 25-metres from the residential boundary. This is in excess of the standard district plan requirement of 7.5 metres. Furthermore, Builtsmart Property Partnership is also proposing the adoption of the more stringent PDP noise limit for the activities within the Builtsmart expansion area as part of Proposed Plan Change 22. Given the measures to be employed by Builtsmart Property Partnership to manage the industrial / residential interface, overall it is considered that Proposed Plan Change 22 is not inconsistent with Policy 6.2.6.

Proposed Plan Change 22 is therefore considered to be consistent with these provisions.

#### Built Environment – Provision of Utilities Avoids Adverse Effects

Objective 6.6.1 - Adverse effects of use and development are avoided by provision of wastewater and stormwater disposal, supply of water, energy and telecommunications.

Policy 6.6.2 - Where land is subdivided or its use intensified, then adequate water supply, wastewater treatment, and land and stormwater drainage must be provided to each allotment, by connection to available reticulated services, or by on-site facilities where reticulated services are not available.

Policy 6.6.3 - Every allotment in a subdivision should be connected to reticulated services for telecommunications and electricity supply where these are reasonably available.

Policy 6.6.4 - The density and type of development should not exceed the capacity of the area to absorb the adverse effects of the development on amenity, water quality, stormwater runoff, ecological values, health or safety.

The Three Waters Assessment confirms that Proposed Plan Change 22 is consistent with these provisions.

#### Built Environment - Strategically Important Utilities, Industrial and Research Sites

Objective 6.8.1 - Investments in strategic nationally and regionally important utilities, and industrial and research sites are protected.

Policy 6.8.3 - Subdivision, use and development must not compromise the ongoing and efficient operation of strategic nationally and regionally important infrastructure including power stations, energy corridors electricity transmission lines, gas lines, landfills, air and land transport networks, and facilities integral to the agriculture sector (Te Rapa Dairy Factory, Horotiu meat processing plant, and agricultural research centres).

The above provisions are particularly relevant in the context of potential impacts of Proposed Plan Change 22 on the state highway network. The Integrated Transportation Assessment (**Appendix A**) supporting the plan change, and subsequent correspondence from the New Zealand Transport Agency (subject to mitigation being put in place) confirms that the



development will not affect the safe and efficient operation of the state highway network. Proposed Plan Change 22 is therefore consistent with these provisions.

#### Land Transport Network – Operation of the Land Transport Network

Objective 8.2.1 - An integrated, safe, responsive and sustainable land transport network is maintained, improved and protected.

Policy 8.2.2A - Subdivision, use and development should not compromise the road function as specified in the road hierarchy.

Policy 8.2.2B - Subdivision, use and development should be in a location and at a scale that

- a) is consistent with the existing or planned capacity and design of the roading network, and
- (aa) is consistent with the intended function of any roads that may be affected by the subdivision, use and development (roading hierarchy), and
- b) does not compromise the safety and efficiency of the roading network, and
- c) does not compromise the safety and efficiency of the railway network.

Policy 8.2.5 - Subdivision, use and development should be located and designed to connect safely to an existing road.

Policy 8.2.5A - Land use activities should provide adequate on-site parking.

Policy 8.2.6 - Buildings, structures, night lighting, glare, advertising signs, aerial distractions and vegetation should not compromise the safe and efficient operation of the land transport network, or obscure RAPID numbers.

As detailed previously, the Integrated Transportation Assessment supporting the plan change, and subsequent correspondence from the New Zealand Transport Agency (subject to mitigation being put in place) confirms that the development will not affect the safe and efficient operation of the state highway network. Proposed Plan Change 22 is therefore consistent with these provisions.

#### Social, Cultural and Economic Wellbeing – Maori Relationship

Objective 11.4.1 - Cultural practices and beliefs of tangata whenua are respected.

Policy 11.4.2 - Subdivision, use and development should not compromise the cultural and spiritual significance of areas, including waahi tapu, urupa, maunga and other landforms, mahinga kai, and indigenous flora and fauna.

Policy 11.4.3 - The cultural significance of the Waikato River, Raglan Harbour (Whaingaroa), coastal areas, wetlands and other water bodies should be recognised and maintained.



Consultation has been undertaken with representatives of Waahi Whaanui Trust and Waikato-Tainui as part of the preparation of Proposed Plan Change 22 to enable the exercise of kaitiakitanga and understand the views of tangata whenua in respect of the proposed expansion of the Builtsmart business. It is anticipated that there will be further opportunities to engage with tangata whenua throughout the plan change process and the development of the Builtsmart expansion, and these conversations can be used to develop opportunities for kaitiakitanga to be expressed. It is also noted that there are no sites of significance identified within the Proposed Plan Change 22 area.

#### Social, Cultural and Economic Wellbeing – Access to Resources

Objective 11.6.1 - People and communities are able to access resources so that they can provide for their economic wellbeing.

Policy 11.6.2 - Community economic wellbeing should be enabled through activities that use and develop natural and physical resources without adverse effects on the local environment.

Policy 11.6.5 - Activities in Huntly should enable the Huntly community to provide for and improve the town's economic wellbeing.

The Builtsmart expansion, as enabled by Proposed Plan Change 22, will have significant social and economic benefits to the Huntly area through increased employment opportunities and associated flow on economic benefits. In addition, the expansion responds to the current housing deficit market through providing more prefabricated, transportable and affordable homes (which is a significant social benefit). Therefore, the proposal is consistent with the objective and policies in relation to social and economic wellbeing.

#### Amenity Values – Adverse Effects of Landuse

Objective 13.2.1 - Adverse effects of activities on amenity values are managed so that the qualities and character of the surrounding environment are not unreasonably compromised.

Policy 13.2.2 - Adverse effects associated with lighting, litter, electromagnetic radiation, vermin, traffic, spray drift, and noise should be contained within the site where they are generated.

Policy 13.2.3 - Adverse effects associated with offensive or objectionable dust, smoke and odour should be contained within the site where they are generated.

Policy 13.2.4 - Adverse effects that cannot be contained on the site where they are generated must be remedied or mitigated.

Policy 13.2.5 - Amenity values, health and safety should be protected from adverse traffic effects including:

- a) noise, vibration, dust, lighting and glare



- b) vehicle emissions
- c) accelerated or contaminated stormwater runoff
- d) visual effects of parking and loading areas
- e) traffic safety and congestion.

Objective 13.2.6 - Amenity values of localities are maintained and enhanced.

Policy 13.2.7 - Scale, intensity, timing and duration of effects of activities should be managed to be compatible with the amenity and character of the locality.

Policy 13.2.8 - Activities with similar effects or a similar expectation of amenity should be located together.

Policy 13.2.9 - Activities sensitive to noise, dust, smoke, odour, spray drift, lighting, litter, electromagnetic radiation, vermin or traffic should locate in areas where local amenity values are not already compromised by those effects.

Policy 13.2.10 - Activities with dissimilar effects or a dissimilar expectation of amenity should be separated where possible.

Policy 13.2.11 - The district should be divided into zones for the purposes of resource management.

As discussed throughout this report, Builtsmart Property Partnership is proposing measures to ensure there are no offsite adverse effects of the development, and to ensure that the amenity of the neighbouring residents is maintained. It is considered that Proposed Plan Change 22 is consistent with these provisions.

#### Amenity Values – Subdivision, Building and Development

Objective 13.4.1 - Amenity values of sites and localities maintained or enhanced by subdivision, building and development.

Policy 13.4.2 - Subdivision, building and development should be located and designed to:

- a) be sympathetic to and reflect the natural and physical qualities and characteristics of the area
- b) ensure buildings have bulk and location that is consistent with buildings in the neighbourhood and the locality
- c) avoid buildings and structures dominating adjoining land or public places, the coast, or water bodies
- d) retain private open space and access to public open space
- e) encourage retention and provision of trees, vegetation and landscaping
- f) arrange allotments and buildings in ways that allow for view sharing, where appropriate
- g) provide adequate vehicle manoeuvring and parking space on site



- h) provide vehicle, cycling and pedestrian connection to transport networks, including roads, cycleways and walkways, and facilitate public transport
- i) promote security and safety of public land and buildings, and places
- j) mitigate foreseeable effects (including reverse sensitivity effects) on, and from, nearby land use, particularly existing lawfully established activities
- k) mitigate foreseeable effects on water bodies
- l) maintain adequate daylight and direct sunlight to buildings, outdoor living areas and public places
- m) maintain privacy
- n) avoid glare and light spill.

Objective 13.4.4 - Signs visible from public places do not compromise visual amenity or road safety.

Policy 13.4.5 - The number, size, location and appearance of signs visible from public places should be compatible with the character and sensitivity of localities.

Policy 13.4.6 - Signs visible from public places should not create adverse effects from illumination, light spill, flashing or reflection.

Policy 13.4.7 - Messages or images on signs visible from roads should not confuse or distract road users.

Builtsmart Property Partnership is proposing measures to ensure there are no offsite adverse effects of the development, and to ensure that the amenity of the neighbouring residents is maintained. In terms of Policy 13.4.2:

- The development that will be enabled by Proposed Plan Change 22 is sympathetic to the characteristics of the wider industrial area, and in the management of the residential / industrial interface (including the inclusion of new site-specific setback and noise rules for the Builtsmart expansion area). In addition, the design of the buildings and site will ensure that there are no adverse offsite ponding effects of the development (thus sympathetic to the constraints associated with being located within the Huntly South Assessment 1 Area).
- The buildings will be consistent with the scale expected in the light industrial zone (noting that the only aspect of the buildings that will require a consent is the fact that they will be below the 1% AEP design level).
- The buildings will not dominate any public places, and they will be located approximately 80 metres away from the Waikato River and therefore will not dominate this natural feature. It is also noted that in this locality (and adjacent to the Waikato River) light industrial is the prevailing land use in any event.
- There will be no changes to the extent of private space, or access to private space.
- There will be no impacts on views.



- There is sufficient parking and manoeuvring spaces provided within the Proposed Plan Change 22 area, as confirmed through the Integrated Transportation Assessment.
- There are sufficient connections to transport networks.
- There is no impact of Proposed Plan Change 22 on security and safety of public land, buildings and places.
- Section 3 (and the technical supporting documents) of this report details the actual and potential effects of Proposed Plan Change 22. That assessment concludes that all effects of the plan change, and subsequent industrial development, can be appropriately managed.
- There will be no impacts on waterbodies resulting from this proposal.
- The development of industrial buildings that Proposed Plan Change 22 facilitates will not impact on daylight or direct sunlight to the neighbouring residential uses (due to the setbacks proposed and the fact that the development is on the south side of the residential dwellings).
- There will be no impact on privacy.
- There will be no adverse glare or light spill effects resulting from Proposed Plan Change 22 and the subsequent Builtsmart expansion.

In terms of signage, it is anticipated that any signage required will comply with the necessary district plan provisions.

It is therefore considered that Proposed Plan Change 22 is consistent with these provisions.

### Summary

The provisions quoted directly from the Waikato District Plan will remain relevant to the proposal. For completeness, it is noted that the subsequent development of the Builtsmart expansion area will be entirely consistent with all of the relevant provisions of the Waikato District Plan that are quoted in this section. Furthermore, these provisions will be assessed in the context of the subsequent resource consents that will likely be required from the Waikato District Council to enable the development (earthworks, buildings below the 1% AEP level and traffic generation).





### **3. ASSESSMENT OF ENVIRONMENTAL EFFECTS**

#### **3.1 INTRODUCTION**

This section of the Section 32 analysis provides an assessment of the environmental effects of Proposed Plan Change 22. Clause 22 (2) of the RMA First Schedule requires that:

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.

For completeness, it is noted that the following sections detail the anticipated potential environmental effects in accordance with Schedule 4 in a manner that corresponds with the scale and significance of the potential effects arising from Proposed Plan Change 22.

While there are no significant adverse effects of the proposal, alternative mechanisms of providing for the Builtsmart expansion have been detailed in this report. In summary, the current proposal (private plan change) is determined to be the most appropriate mechanism of providing for the development (see Section 4.1.3 of this report).

#### **3.2 POSITIVE EFFECTS**

The Builtsmart expansion that is being provided for by way of Proposed Plan Change 22 will enable increased production of transportable homes from the current 60 transportable homes per year to approximately 400. This expansion and five-fold increase in production will have significant social and economic benefits for Huntly in terms of increased employment opportunities, growth in supporting local business and wider flow on benefits to the community. In addition, the development responds appropriately to the current deficit housing market by providing a product that can be manufactured quicker than traditional methods, and at a lower cost.

In addition, the development assists with the regeneration of Huntly, as well as the potential for trade training and locally based jobs.

Further, the NPS on Urban Development Capacity requires Councils to provide for business land for the short, medium and long term, including provision for over supply. Proposed Plan Change 22 assists the Waikato District Council with the implementation of the NPS and has economic benefits for the Waikato District Council in that it assists them in meeting these requirements (via funding the plan change process).

#### **3.3 ACCESS AND TRAFFIC**

Gray Matter was engaged to undertake an assessment of the transportation related effects of the proposed rezoning. The full Integrated Transportation Assessment (“ITA”) is presented as **Appendix A**.



The following is the Executive Summary of the ITA, presented verbatim from the Grey Matter report.

### Summary of Proposal

Builtsmart engaged Gray Matter Limited to provide transportation advice for its proposed private plan change. Builtsmart proposes to rezone an area of land (approximately 2.4 ha) located immediately to the north of their existing site at 494 Great South Road in Huntly. The existing operation is within the Industrial Zone and Builtsmart wishes to expand to increase production of prefabricated houses from the current level of 60 houses per year to 400 houses per year. The proposed expansion site is to the north into properties within the Living Zone. The production increase is expected to be gradual with an additional 80 houses per year up to the full capacity of 400 houses/year.

### Traffic Effects

The likely effects from the Builtsmart activity relate to additional traffic including heavy vehicle movements and a new vehicle crossing. In total, the proposed industrial activity within the plan change area could generate around 420vpd with 77 vph during the peak period. The proposal includes two vehicle crossings to Great South Road with heavy vehicle activity consolidated to a single point and public and staff vehicles directed to a separate area. The proposal will remove around 10 vpd from the local network (Jackson Road) since vehicle access is proposed from Great South Road and a nett increase of 285 vpd to Great South Road. The proposal results in an overall reduction of two vehicle crossings to Great South Road.

Traffic Aspect	Comment on Effects – Builtsmart Specific Activity	Comment on Effects – Plan Change – Industrial
Safety Effects	<p>The proposal introduces a new vehicle crossing but removes three existing residential crossings. The proposal consolidates heavy vehicle access to the new crossing and light vehicles to the existing Builtsmart crossing.</p> <p>There will be an increase in movements at the crossings which increases the potential for conflict and therefore the potential to reduce safety. However there is good visibility and the flush median and wide shoulders provide space to ensure turning vehicles do not obstruct through vehicles. The environment is expected to change following the opening of the Waikato Expressway with traffic diverted from Great South Road. The reduction in traffic volume on Great South road will contribute to mitigating the potential adverse safety effects of the proposal.</p>	<p>Proposals have to comply with District Plan standards for access (e.g. District Plan Appendix A2 Transportation) so there should be no adverse safety effects.</p> <p>Location in urban Huntly provides options to reduce travel conflict by reducing travel demand (walk and cycle) and potential severity (lower speeds).</p>



Traffic Aspect	Comment on Effects – Builtsmart Specific Activity	Comment on Effects – Plan Change – Industrial
	<p>There is history of rear end crashes on the approaches to the Tregoweth Lane intersection. The proposed new vehicle crossing is located around 130m north of the signalised intersection and 65m north of the existing site vehicle crossing. The separation between the proposed vehicle crossing and the existing signalised intersection meets the District Plan minimum requirement. Once SH1 is revoked there will be less traffic on Great South Road and the speed limit is expected to be reviewed (lowered). There may be a short time before SH1 is revoked when the site is in operation and therefore higher exposure of site vehicles to through traffic. However, this would be for a short time and there does not appear to be any reason to expect a disproportionate increase in rear end crashes as a result of the proposal.</p> <p>Vehicles turning right into the site are expected to be able to use the flush median without obstructing through traffic on Great South Road to shelter and wait to turn.</p> <p>There will be larger loads transporting houses but these will be under the conditions of over-dimension permits, including requirements for temporary traffic management.</p>	
Efficiency effects	<p>The existing trip generation of the combined residential and Builtsmart activity is in the order of 135 vpd with 21 vph during the peak hour. The trip generation of the site is expected to increase to 420 vpd (nett increase of 325 vpd), however this is expected to be a gradual increase with a total of 178 vpd in year 1. Given that the proposal is gradual and likely to coincide with the revocation of Great South Road which will result in a reduction in traffic, the proposal is unlikely to result in an increase in delay at near-by intersections.</p>	<p>Network capacity is adequate and reserve capacity will increase when the Huntly section of the Waikato Expressway opens.</p> <p>The location within Huntly contiguous with industrial area provides opportunities for efficiencies from colocation/proximity to similar activities.</p>



Traffic Aspect	Comment on Effects – Builtsmart Specific Activity	Comment on Effects – Plan Change – Industrial
	The proposal includes using the existing flush median to facilitate turning at the new vehicle crossing. The allocation of space between lanes and the flush median road marking at the vehicle crossing can be reviewed as part of the detailed design.	
Parking effects	The proposal means there will be a total of 36 marked on-site parking spaces for staff and visitors within the existing site with additional 56 unmarked spaces available within the work area for trades and services. This meets the District Plan minimum parking requirement and the demand is expected to be contained on site. Loading and servicing will occur within the work area and an 8m loading space is provided. We recommend two spaces be marked as accessible within the public area. The proposal is unlikely to result in any off-site parking effects.	District Plan rules apply – no new adverse effects.
Construction effects	<p>There will be heavy vehicle traffic during the construction of the expansion.</p> <p>These effects can be mitigated through development of temporary traffic management plans. Other construction related effects such as tracking of debris onto the road can be managed through a construction management plan.</p>	District Plan rules apply – effects likely to be mitigated through corridor access conditions.

The traffic effects of Builtsmart are typical of industrial activities that would be permitted in an Industrial Zone. Typical industrial trip generation would be around 720 vpd (2.4 ha @ 30 vph/nett ha (peak) x nominal 10 hours). The proposed Builtsmart expansion includes a single vehicle crossing to Great South Road for the site which covers four properties with frontage to Great South Road. In the future, if other general industrial activities occupy the separate titles, Rule A14.1 sets out the standards for new vehicle crossings and intensification of use of existing crossings, including limiting permitted activities to 200 vpd in an industrial zone. We consider that the existing A14 rules in the District Plan would adequately manage the potential effects of intensification of use of the existing vehicle crossing or additional crossings by requiring further assessment.



## **Mitigation**

The following options mitigate the potential adverse effects of the expansion:

- Detailed design review and approval by WDC;
- Permanently closing the existing vehicle crossings;
- Forming a new heavy vehicle crossing in accordance with the District Plan Appendix A Figure 7 for heavy commercial- urban entrances that will provide for trades and service vehicles;
- Marking a HV loading bay within the trades and services area;
- Signage at the vehicle crossings to direct visitors to the appropriate vehicle entry;
- Surfacing the existing vehicle crossing;
- Surfacing and marking 36 parking spaces within car park area at the main entry for staff and visitors, including two accessible spaces; and
- Construction Management Plan to manage construction traffic effects.

These can be managed through a layout in the District Plan and District Plan rules supported by building consent processes and Corridor Access Request controls, with the option for consents.

## **Conclusion**

From a transportation perspective, the proposed industrial expansion is appropriately located with direct access to the arterial network and in an area of surrounding industrial land use. The timing of the development is likely to coincide with the revocation of Great South Road so it is no longer a State Highway. Rezoning to industrial is consistent with the District Plan objectives and policies relevant to transport, including infill development, employment in areas of population growth, consolidation of access and consistency with the network capacity.

The proposed industrial activity within the plan change area could generate around 420 vpd (Builtsmart proposal (in addition to existing) with 77 vph during the peak period to around 720 vpd (typical industrial activity). The proposal includes two vehicle crossings to Great South Road with heavy vehicle consolidated to a single point and public and staff vehicles directed to a separate area. The proposal will remove around 10 vpd from the local network (Jackson Road) since vehicle access is proposed from Great South Road and a nett increase of 285 vpd to Great South Road. The proposal results in an overall reduction of two vehicle crossings to Great South Road. The plan change could result in different activities or layouts, all of which would have to comply with the District Plan, protecting against unexpected safety and efficiency effects.

The plan change proposal does not conflict with the relevant objectives and policies of both the ODP and the PDP and supports the relevant transportation objectives and policies.



There appears to be no reason related to transportation why the proposed plan change or an equivalent land use consent should not proceed. There are likely to be minor beneficial effects from location in the urban area compared to development elsewhere.

The key issue in relation to traffic from the perspective of the local residents in the vicinity of Jackson Road was the potential for Jackson Road to be utilised for the industrial development (with resultant increase in vehicles using Jackson road). In that regard, no operational traffic associated with the Builtsmart business will utilise the existing Jackson Road entrance. However, the entrance will be retained (gated) for emergency purposes and for Waikato Regional Council staff for undertaking inspections and maintenance work on flood control infrastructure.

It is considered that the effects of Proposed Plan Change 22 in respect of transportation can be appropriately managed so that they are less than minor in nature.

### **3.4 INFRASTRUCTURE SERVICING AND THREE WATERS ASSESSMENT**

Te Miro Water and McCaffrey Engineering were engaged to undertake an assessment to confirm that the Builtsmart expansion area could be serviced from a three waters perspective. The full Three Waters Assessment is presented as **Appendix B**.

The following is text from the Three Waters Assessment, presented verbatim from the report.

#### **Stormwater**

The Builtsmart expansion area (the Plan Change 22 area) is identified as being within the Huntly South Assessment 1 Area under the operative Waikato District Plan. This area is defended by stop banks from Waikato River flooding, but it is in a ponding zone with runoff generated locally. The site is mostly undeveloped grassland with 3 existing residential homes. The receiving environment is the Waikato River.

The development has the potential to adversely impact people, property and the environment both within and outside the site due to:

1. Infilling and loss of flood storage capacity (ponding volume) displacing and exacerbating flood hazard elsewhere.
2. Increasing runoff volume and peak flows due to large increases in impervious surfaces which could impact on local flood hazard and the current pump station 1 capacity.
3. Water quality from contaminant runoff from hard surfaces.

Post development stormwater runoff and ponding volumes need to be managed in an appropriate manner to prevent or mitigate these adverse impacts.

The following conclusion can be made:



- (a) The proposed management solution provides level for level storage compensation through a combination of basin storage and higher-level storage across the site. Level for level compensation is considered the best practical option and a more sustainable and resilient option than for example infilling the site and relying on pump upgrades. The proposed industrial activity lends itself to appropriate flood resilient design and construction which will be finalised at building consent based on further discussion with council staff and Builtsmart. Builtsmart however are aware of the flood risks and wish to proceed with the development proposals.
- (b) Ponding levels from the 1992 WRC Huntly Flood Management Plan were matched closely with runoff volumes using TP 108 and HIRDS V4.0 rainfall totals. Notwithstanding the margin of error with this simple approach, a good correlation provides reasonable confidence in the ponding levels presented in the 1992 report and therefore by extrapolation the estimate for the 2yr level at ~10.9mRL. The 2yr level was not reported in the 1992 study but it useful to inform the flood risk assessment. It is noted that no soakage losses were included in the analysis which is conservative. A climate adjusted level (out to 2080) was provided by WRC (ref WDC letter from 2007) at 11.8mRL
- (c) A 2yr ponding depth would be expected to occur on regular basis, however discussion with Builtsmart indicates occasional ponding to approximately 0.5m depth (in the order of ~10mRL) before soaking away into what is likely to be sand/gravel terrace. This observation makes some sense, as a regular 2yr flow would ordinarily drain by gravity via the existing pipe network, through the pump housing and into the river via a culvert underneath the stop bank.
- (d) The maximum ponding levels are based on the total catchment runoff volume filling a depression area. It therefore assumes no losses out of the depression by pumping (pump failure) during a 24hr storm event. However, the existing Pump Station 1 is designed to a 50yr level of service and capacity is not exceeded during a 24hr 10yr storm event.
- (e) The development will generate additional runoff volume from increased impervious surfaces. This additional volume equates to an increase in constant flow in the order of 13l/s on average over 24hrs for the 100yr event and 10l/s for the 10yr event. This may place some additional pressure on the pumping capacity. Whether this is a significant increase is a matter to be discussed with WRC
- (f) An indicative stormwater scheme has been developed to service the preferred stormwater management option layout. The design includes treatment within the basin as well as pre-treatment at the pipe outlet using GPT's (or similar such as CDS unit/filters) and/or oil separators to contain accidental spills. A shut off valve could also be installed at the basin outlet. Some form of spill containment is prudent given the proximity of the site outlet to the Huntly Water Treatment Plant.

There are range of pre-treatment options which can be agreed in the future as part of the resource consent process including rainwater re-use from roof areas. The proposed site layout does not show any obvious constraints to implementing a robust stormwater design.



There is ample room for example within the basin to provide for flow attenuation as well as treatment options with amenity planting.

- (g) Extended Detention Volume (EDV) and retention is not considered relevant or useful for this site given the outlet is direct to the Waikato River – there is no sensitive stream receiving environment.

### **Water Supply**

There are two existing 150mm diameter principal Waikato District Council water mains that run along the property road frontage; one on either side of Great South Road (State Highway 1). A third 355mm diameter Waikato District Council bulk water main is located on the eastern side of the road which serves a catchment to the south. These existing pipelines are supplied by the nearby Huntly Water Treatment plant located on Jackson Street. The proposed plan change area is currently serviced by three standard water connections supplying the existing properties at 478, 486 and 492 Great South Road.

While the proposed change in zoning represents a significant increase in the average daily flow for the site, due to the size of the site it will only result in a moderate increase in daily supply volume requirements for the existing WDC network of 22m<sup>3</sup>/day. It is noted however that the proposed activities for the site are 'dry' activities that are expected to use less than this requirement. An initial estimate for average water usage for the proposed development is approximately 1-3m<sup>3</sup>/day based on planning activities.

A desktop review of the local water supply network was completed to provide Waikato District Council with an assessment of the increased capacity required to service the plan change area under the proposed zoning. Waikato District Council has confirmed that the existing water supply network has adequate capacity to accommodate the proposed private plan change

### **Wastewater**

An existing 225mm diameter wastewater gravity main passes through the eastern part of the site which is part of a network that outlets into a nearby Waikato District Council wastewater pump station on George Drive to the north (approximately 400m north of the plan change area). There are currently two wastewater connections within the plan change area servicing the existing residential dwellings within the site.

The change in zoning represents an increase in the average daily wastewater flow forecast for the plan change area. However due to the size of the site it will result in only a moderate increase in daily wastewater discharge volumes into the Waikato District Council network of 17m<sup>3</sup>/day. As previously noted, the proposed activities for the site are 'dry' activities and expected to discharge significantly less than this amount. An initial estimate for average wastewater discharge for the proposed development is approximately 1-2m<sup>3</sup>/day based on planning activities

A desktop review of the local wastewater network was completed to provide Waikato District Council with an assessment of the increased capacity required to service the plan change area under the proposed zoning in relation to the existing network demands. Waikato District





Council has confirmed that the existing wastewater network has adequate capacity to accommodate the proposed private plan change.

The Three Waters Assessment has confirmed that the site can be appropriately serviced from a Three Waters perspective.

### 3.5 FLOOD RISK

Huntly is prone to flooding from three sources:

- The Waikato River from which the town is protected by the Lower Waikato and Waipa Flood Control Scheme stop banks;
- Localised flooding from ponded stormwater (particularly when drainage is restricted by higher levels);
- From the lakes in the area which tend to rise in response to localised rainfall events.

The key “flooding source” relevant to Proposed Plan Change 22 and the expansion of the Builtsmart site is the localised flooding from ponded stormwater. The stop backs protect the site from flooding from the Waikato River and therefore the flood risk assessment has focussed on the localised flooding from ponded stormwater (although there is commentary on the residual risk to the site associated with the potential for stopbank failure).

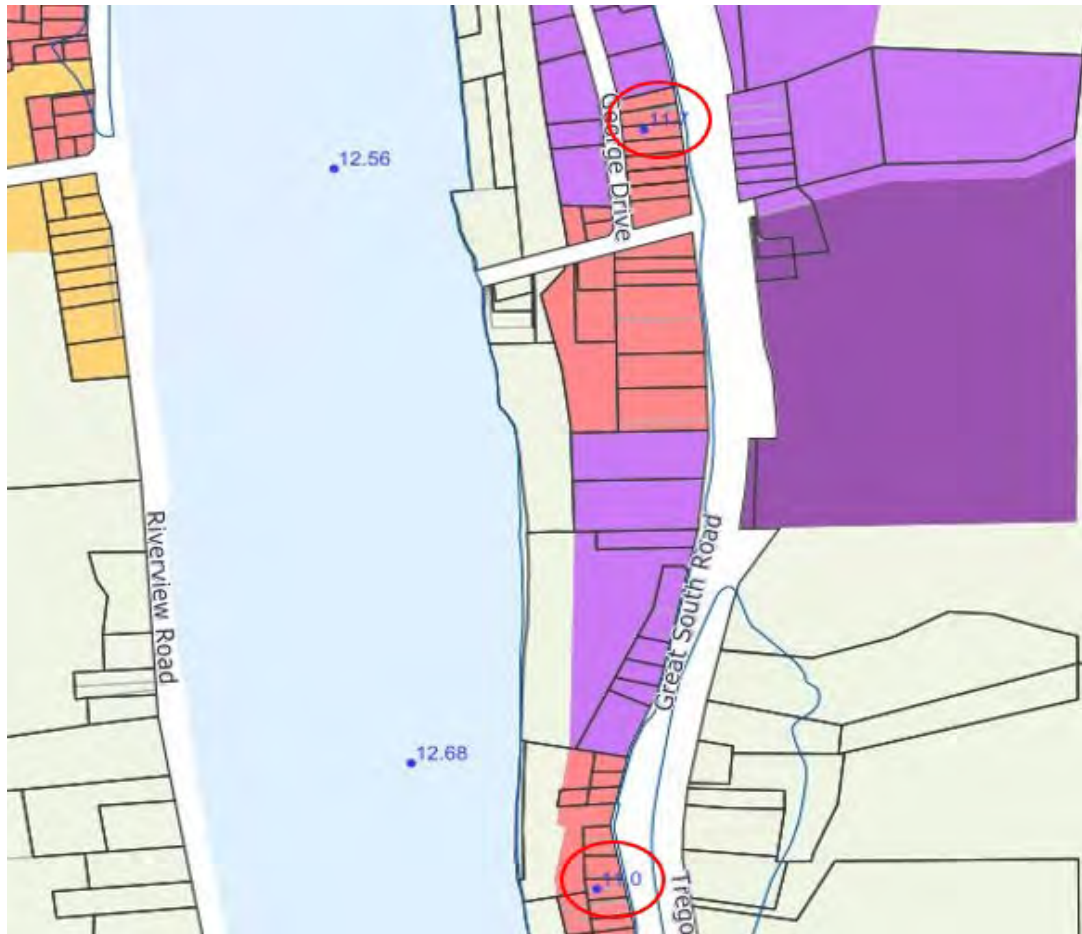
The Three Waters Assessment undertaken by Te Miro Water addresses flood risk and presents a flood risk assessment (Section 4 of the Three Waters Assessment). A risk assessment is a key means to identify and understand risk and to determine which aspects of risk can be managed through appropriate development methods. It is acknowledged that the development is within a known flood/ponding hazard area and there is a preference for avoiding development within hazard areas under the provisions of the Operative Waikato District Plan. However, this avoidance approach is not risk based and would potentially render large areas of land undevelopable without consideration of risk mitigation through appropriate development. Proposed Plan Change 22, nor any other development, will change the nature of the hazards associated with this site. However, Proposed Plan Change 22 has focused on reducing the *risk* associated with that hazard through appropriate zoning and land uses (i.e. light industrial versus sensitive residential uses), design (i.e. flood resilient buildings) and planning (i.e. level-for-level storage compensation) of the development.

The Builtsmart expansion area is located within the Huntly South Assessment 1 Area. The Huntly South Assessment 1 Area is a planning layer designed to safeguard flood capacity during high rainfall. The area represents ponding up to the 100yr ARI design storm event which has historically been subject to infilling for development with, at times, limited assessment of the effects on flooding. In terms of the rule framework for this area under the Operative Waikato District Plan, there are more stringent controls on further filling within this area to maintain the remaining holding capacity. Proposed Plan Change 22 has taken a level for



level storage compensation approach to retain the holding capacity of the site post-development.

It is noted that the local ponding levels in the Huntly South Assessment Area are shown on the operative Waikato District Plan planning maps, as follows. The level utilised for the Three Waters Assessment is 11.7mRL which is consistent with the District Plan and the documentation held by the Waikato Regional Council in respect of the Huntly South Assessment Area (Huntly Flood Management Plan 1992) (Figure 14).



**Figure 14. Huntly South Local Ponding Levels (Operative Waikato District Plan Planning Maps).**

The use of the 11.7mRL level (or 11.8mRL to account for climate change (2080) as discussed with the Waikato Regional Council) in terms of its appropriateness for the assessment is reinforced through the Reasons and Explanations of Section 5.3.2 of the Operative Waikato District Plan where “with regard to flooding behind stop banks, minimum floor levels should relate to the design flood within the river rather than local ponding levels, except in Huntly where local ponding levels shown on the planning maps are used.”

Te Miro Water found that the Builtsmart expansion area can be designed to be flood resilient (tolerant to inundation) including climate change and will not raise ponding levels. In terms of

land use planning, as emphasised throughout this report, there is a risk reduction in changing the land zoning from residential to industrial. It is noted that the ponding assessment is based on the “worst case” or most conservative scenario. That is, the ponding levels generated by a local storm, pump failure (power outage > 2.5hrs), pipe blockage and river floodgate closure (high river levels) preventing gravity drainage.

The specific assessment is provided verbatim below from the Three Waters Assessment **(Appendix B)**.

A risk assessment is a key means to identify and understand risk and to determine which aspects of risk can be managed through appropriate development methods.

Overall, we take the view that the Builtsmart expansion can be designed to be flood resilient (tolerant to inundation) including climate change and without raising ponding levels. In terms of land use planning, there is a risk reduction in changing the land zoning from residential to industrial.

1. The risks of adverse effects from infilling the ponding area to people, buildings, infrastructure and the environment (within or outside the site).
2. Risk are not increased overall and where practicable are reduced.
3. Safely maintain the ponding storage function.
4. Practical direct methods to maintain storage are preferred over mechanical (floodgates/valves) or pumping upgrade options which rely on electricity or complex operational procedures which are vulnerable to failure during a flood event.

Specific assessment is provided under each of the following headings. It is noted that the solutions and mitigation measure provided below will be confirmed and agreed at detailed design, working with WDC and WRC during the resource consent process. For plan change, it is considered the measures are reasonable and practical to implement using existing industry technologies and materials.

#### **1. Not raising ponding levels**

The development will not raise ponding levels because like for like storage volumes are being retained within the site. Volumes are provided within both a basin and across the site which is made up of hardstand and covered roof lots. If lost storage is not compensated this could result in floodwater being diverted elsewhere, leading to third party detriment. The detriment caused by a small encroachment on the ponding area may not be significant, or even measurable, when taken in isolation but the cumulative effect of many such encroachments will be significant to use ‘another brick in the bathtub analogy’ eventually causing a spill. Flood volume compensation is discussed in more detail in Section 4.2 [of the Three Waters Assessment report] - equivalent ponding areas and volume table for the proposed layout is shown in Plan SK-006 in Appendix 5 [of the Three Waters Assessment].



## **2. The type of activity being undertaken and its vulnerability to flood events**

The Builtsmart activity is industrial and will predominantly operate within business working hours. There will also be house removal activity during the night when homes are ready for transport. However, the activity is not considered to occur over 24hr, 7 days a week and the activity will not be occurring during flood events. There will be no habitable floors, or residential living within the Builtsmart expansion area (residential activities being one of the most sensitive land uses).

Employees are not likely to be exposed to flood events which result in ponding above the basin height across the hardstand area. The ponding areas will fill slowly, and pump failure must occur over several hours for level stop rise above hardstand level during which time staff will be aware of the flooding issues and will not be entering the site.

## **3. The consequences of a flood event in relation to the proposed activity**

The consequences of ponding water are potentially high with a 100yr level of 11.7mRL (or 11.8mRL accounting for climate change). An event of this magnitude would result in depths in the order of 700mm across the site. This depth is considered high risk (associated with close to zero velocity) and would be difficult to wade through for pedestrians or drive through in an average sized vehicle in order to exit the site.

A site-specific flood management plan is recommended to be developed following the plan change (and submitted as part the resource consent required for the buildings and filling/earthworks) to ensure all staff and visitors are aware of the risk and, for example, the procedures for exiting or entering the site when it is inundated by flood water. A 700mm flood depth, noting in such an event that there would be other deeper areas on site (>2.5m within the basin), poses a risk to humans if not managed.

In relation to other consequences, the design and construction of buildings and structures will need to be such in order to mitigate the effects of flood inundation potentially over several hours or days.

The proposed development and activity provide the ability to design, construct and maintain the buildings so that they are resilient to the effects of the flood ponding. The hardstand will be concrete and each row of lots will be open on one side with side and rear walls that shall be set above ground level to allow ponding water to occupy the entire site without obstruction. Material use is likely to be coloursteel with no plaster board or wood framing like a large elongated steel fabricated car port. The walls will need to provide weather proofing for the modular home construction. Permeable fencing is recommended for the boundary security fence to allow floodwater to flow into the site to occupy the storage area as currently occurs. Ground levels at the site boundary will not change to allow ponding.

At detailed design and through the resource consent process for the buildings within the Builtsmart expansion area, measures such as use of water-resistant materials and flood-proof utility connections (i.e. setting electrical outlets above the 100yr level) will be confirmed to increase resilience to flood damage. Best practice reference material will be used such as the UK CIRIA flood resilient guidance.



#### **4. Accelerating or exacerbating the flood hazard and/or its potential impacts**

Level for level compensation will not exacerbate the ponding by not increasing levels within the site or outside the site. Adverse flood impacts on neighbouring properties and the wider environment are not anticipated as the storage volumes will be retained at the correct level within the site.

The development will result in more stormwater runoff volumes compared to existing due to the creation of additional impervious coverage. The proposed basin area in the north of the plan change area provides more than adequate storage capacity to attenuate flows to existing levels to match the pipe capacity. As outlined under the stormwater management options section of this report, the post development runoff volume is relatively minor compared to the storage required on site to match existing 100yr ponding volume. Managing post development flows, although important, is not considered a constraint to the development.

#### **5. Access and exit during a flood event**

Builtsmart staff or their suppliers and visitors will not be entering the site if the operational areas (hardstand, lots, stock show home area) are inundated and Builtsmart have shut down the site. Maximum inundation of the ponding area is not expected to be rapid (in the order of hours not minutes) and not of a timeframe to take people within the site by surprise. This is because the basin will need to fill completely first, and the pumps will need to fail (>2.5hrs). Given these precursors it is highly unlikely people will still be wanting to access or exit the site. However, developing a site safe evacuation procedure should be considered as part of an emergency management plan that could be developed for building consent, or as a condition of the plan change. Access will be provided to the basin for maintenance and inspection following a flood event.

In terms of residual risk, the Builtsmart site and Builtsmart expansion area are protected from Waikato River flooding by the stop banks which are located to the west of the site. Although the site is protected from the 100-year event plus climate change by the stop banks, it still has the potential to flood if there is an event greater than the design event. While this risk is unlikely, it is still possible. This risk is known as residual risk.

The Three Waters Assessment considers residual risk, as follows:

A stop bank breach, failure, collapse or overtopping event adjacent to the site could potentially result in rapid inundation of the site. The modelled 100yr + cc maximum level is ~12.7mRL as shown by main channel cross section results close to the site. This level is more than 1m above proposed hardstand areas and likely to be associated with higher velocities depending on the nature of failure.

Residual risk is difficult to design and prepare for. WRC has no modelling information on the impact of breach or overtopping scenarios. In worst cases, while river levels are high, there may be little time to evacuate if the failure occurred without warning while people were at work. Residual risk is ideally managed at a strategic level in setting aside areas for future development. This site is currently zoned for residential development, changing zoning to a less vulnerable activity such as industrial does considerably reduces the residual risk.



It is emphasised that the change in zoning makes the site less sensitive from a flood risk perspective given current zoning provides for residential uses and Builtsmart Property Partnership is seeking a change to light industrial uses.

It is considered that the flood risk can be appropriately managed and is not an impediment to the rezoning of the area and subsequent industrial development.

### 3.6 NOISE

The existing noise limits in the operative Waikato District Plan (Light Industrial Zone) are as follows:

Noise from the activity measured at any other site in the Light Industrial Zone, does not exceed:

- 75dBA (L10), 7am to 10pm;
- 45dBA (L10), 10pm to 7am the following day; and
- 75dBA (Lmax)), 10pm to 7am the following day.

Noise from the activity measured at any other site in another zone (except the Heavy Industrial Zone), does not exceed:

- 55dBA (L10), 7am to 10pm;
- 40dBA (L10), 10pm to 7am the following day; and
- 70dBA (Lmax), 10pm to 7am the following day.

It is noted that the Builtsmart expansion area is located adjacent to State Highway 1, which is a high noise environment, as well as being across the road from one of the largest heavy industrial sites in Huntly – the Huntly Quarry. Any noise from the Builtsmart site is likely to be negligible in the context of this wider environment and is only a daytime activity.

However, in recognition that the noise environment will change for the neighbouring residents as a result of the rezoning and subsequent Builtsmart expansion, Builtsmart Property Partnership is proposing a new rule that adopts the PDP noise rule. The effect of this rule is that the Residential Zone noise limit applies at the boundary of the Residential / Light Industrial Zone (rather than the existing Waikato District Plan rules which allows for the noise generated from the light industrial activity to be 55dBA from 7am to 10pm, and 40 dBA overnight. The noise limit at the Residential / Light Industrial site boundary would therefore be (in accordance with the operative Waikato District Plan Living Zone noise limits):

- 50dBA (L10) 7am to 7pm Monday to Saturday; and
- 45dBA (L10) 7pm to 10pm Monday to Saturday; and
- 40dBA (L10), and 65 dBA (Lmax) at all other times and public holidays.



To provide further mitigation of the actual and potential noise effects from the expanded Builtsmart site on the existing residential neighbours, Builtsmart Property Partnership has developed a site layout which results in a 25-30 metre setback from the boundary of the residential properties from the light industrial activities, as well as a planted bund at the residential / light industrial interface. The 25-metre setback being proposed by Builtsmart Property Partnership in order to manage the interface between the two activities is over three times the distance required in the Operative Waikato District Plan of 7.5-metres. The 25-metre setback has been derived primarily through the operational requirements of the Builtsmart development, the need to have land available for stormwater management, and using the existing setback rule as the starting point. The proposed setback is considered to be appropriate by Builtsmart Property Partnership as it considers the practical needs of Builtsmart in terms of layout of the Builtsmart expansion area (as shown in Figure 5), as follows:

- The new buildings need to be close to the existing facility (in the southern end of the Builtsmart expansion area);
- The length/area of the new buildings within the Builtsmart expansion area is specific and required to encompass the manufacturing process within;
- The pavement area / impervious surfaces within the Builtsmart expansion area are specific and necessary for the turning circle of vehicles to transport the homes; and
- To encompass an area large enough to manage stormwater. It makes planning sense to include the stormwater management area on the interface between the industrial land uses and the residential as it creates a multifunctional area – amenity, stormwater management and a buffer between two potentially conflicting activities.

The proposed setback is also well in excess of the district plan requirement. The 7.5-metre setback rule is an existing requirement that manages the interface between the two different activities. This 7.5 metre setback, as well as the noise limits in the Operative Waikato District Plan, have been considered in a section 32 context (when the Operative Waikato District Plan was developed) and therefore must have been assessed to be efficient and effective mechanisms of managing the interface of two potentially conflicting activities (light industrial and residential).

It can therefore be concluded that adherence to the noise limits by Builtsmart and the provision of a new setback requirement that is over three times the distance of the district plan requirement, appropriately manages the potential effects associated with noise generated from the light industrial activity (and also provides a multifunctional area for stormwater management, amenity and as a buffer area). Given this smaller 7.5 metre setback was considered to be appropriate (with the adherence to the noise limits in the plan) at the time of plan development, the provision of a 25 metre setback to assist with managing noise effects in this context is considered to be an efficient and effective mechanism of managing

the potential effects (and also in achieving the objective of the plan change, and existing district plan objectives and policies managing the interface between activities).

By way of comparison, and to demonstrate the appropriateness of the new setback provision proposed by way of Proposed Plan Change 22, the setback requirements of various district plans has been reviewed. The Hamilton City District Plan requires a 8-metre setback for buildings in the Industrial zone to any boundary adjoining a Residential Zone (Rule 9.4.1 (d)), the Waipa District Plan species that the minimum building setback from internal site boundaries within the Industrial Zone that adjoin any zone other than the Industrial Zone is 5-metres (Rule 7.4.2.2), the Auckland Unitary Plan requires a rear and side building setback within the Light Industrial Zone of 5 metres where the boundary adjoins a Residential Zone (Rule H17.6.4) and the PDP is rolling over the 7.5 metre setback requirement. It is therefore considered that the provision of a 25-metre setback will provide a more than adequate buffer between the two adjoining activities.

The existing Builtsmart facility has operated for many years with their business directly adjoining the Living Zone and with a residential dwelling (with an occupant who undertook shift work) less than 20 metres from the Builtsmart buildings (a house rather than a building setback from the boundary of the Living Zone property) (as demonstrated in Figure 10). While this property was purchased to enable the Builtsmart expansion, there were no complaints or issues associated with noise with a 20-metre setback from the Builtsmart activities from the nearest residential dwelling. By way of comparison, the setback between the buildings in the Builtsmart expansion area and the existing residential dwellings (on Jackson Road) will be 30-40 metres.

PDP Rule 20.2.3.1 requires that the noise at the boundary of the residential properties meet the following limits (to be a permitted activity):

- 50dB (LAeq), 7am to 7pm, every day;
- 45dB (LAeq), 7pm to 10pm, every day; and
- 40dB (LAeq) and 65dB (LAm<sub>ax</sub>), 10pm to 7am the following day.

The PDP Residential Zone noise limits are the same as that of the Operative Waikato District Plan. The proposed new noise limit rule for Proposed Plan Change 22 is therefore consistent with the rule that is likely to become operative under the PDP. Marshall Day was engaged by Builtsmart Property Partnership to provide a technical memorandum in respect of the potential noise effects of the Proposed Plan Change 22 and reasoning for the proposed setback in terms of its ability to manage noise. The memorandum is presented in **Appendix E**.

Marshall Day recommended the adoption of the PDP approach to managing the noise between industrial and residential activities given that the Operative Waikato District Plan noise rules could result in 5-10 dB noise change through the rezoning for the Jackson Road residents. This would be an appreciable to significant difference and therefore the PDP noise





management approach has been adopted as part of Proposed Plan Change 22 for activities in the Builtsmart expansion area.

It is therefore considered that the effects of Proposed Plan Change 22 in respect of noise will be less than minor.

### **3.7 VISUAL EFFECTS AND AMENITY CONSIDERATIONS**

The RMA defines amenity values as:

Those natural or physical qualities and characteristics of an area the contribute to people's appreciation of its pleasantness, aesthetic coherence, and cultural and recreational attributes.

In this instance, the subject site is located to the north of the light industrial zone and to the west of State Highway 1 and to the west of one of the largest heavy industrial areas within Huntly – a quarry.

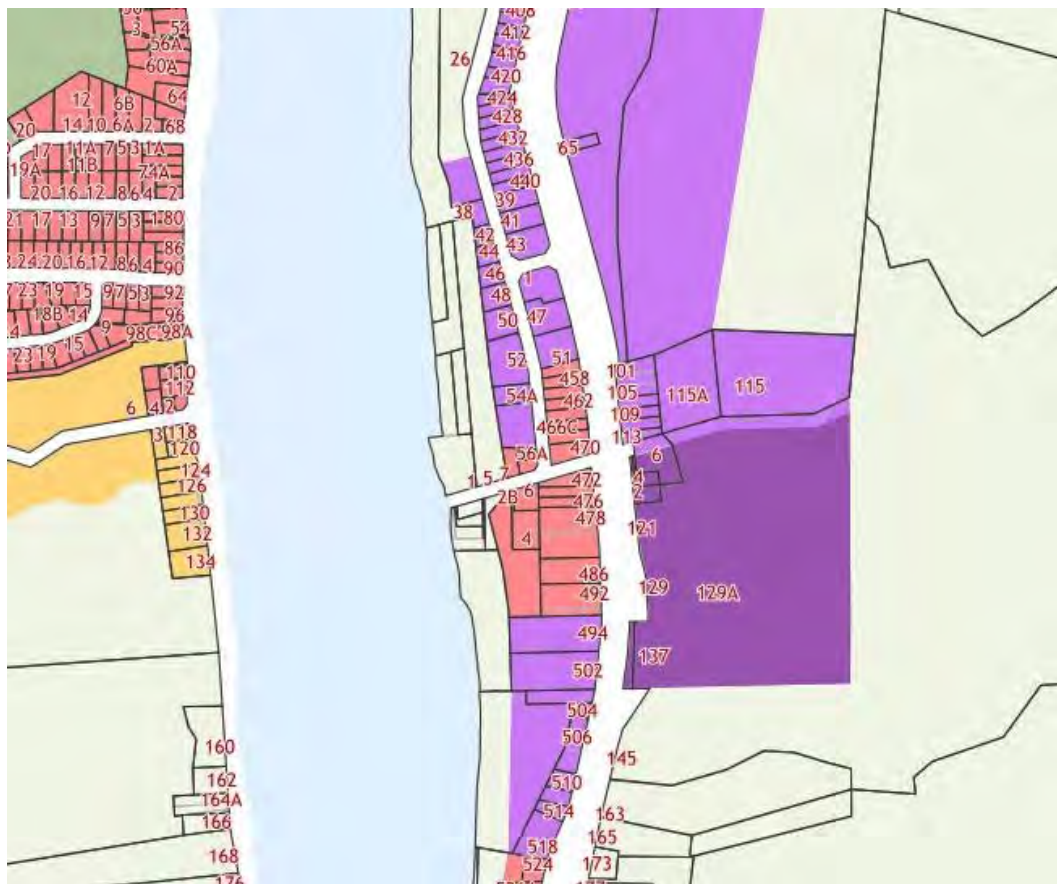
As discussed in relation to noise, the expansion of the Builtsmart site will comply with all necessary rules and performance standards of the Industrial Zone, including those designed to ensure any visual and amenity effects are appropriate mitigated on the interface between industrial and residential land. Such existing rules include setbacks, and the requirement for industrial land within 5m of any boundary adjoining a Living Zone is planted with indigenous species that will achieve an average height of 3 metres after 5 years and sufficient density to visually screen the activity from the Living Zone. The activities within the Builtsmart expansion area will also need to comply with noise and setback rules that are more stringent than the existing Operative Waikato District Plan provisions if Proposed Plan Change 22 is approved.

While it is acknowledged that Proposed Plan Change 22 and subsequent light industrial development does represent a change from the status quo for neighbouring residents in terms of the surrounding amenity, the development is not inconsistent with the wider environment, nor are the effects of the development going to affect the amenity, provided the district plan rules, and the proposed rules within Proposed Plan Change 22, are complied with. It is noted that these existing rules (including the noise limits, screening requirements and 7.5 metre setback between buildings in the Industrial Zone and the boundary of residential zoned properties) have been assessed through the section 32 analysis undertaken to support the operative district plan, and were therefore confirmed to be efficient and effective mechanisms of managing the interface between industrial and residential land uses (from an amenity / noise perspective), and consistent with the purpose and principles of the RMA (including the requirement to avoid, remedy and/or mitigate adverse effects).

From an existing environment perspective, the immediate vicinity is located adjacent to State Highway 1, which affects the amenity of the residential land uses. The area is also across the road from the Huntly Quarry, one of the largest heavy industrial activities within Huntly (Figure



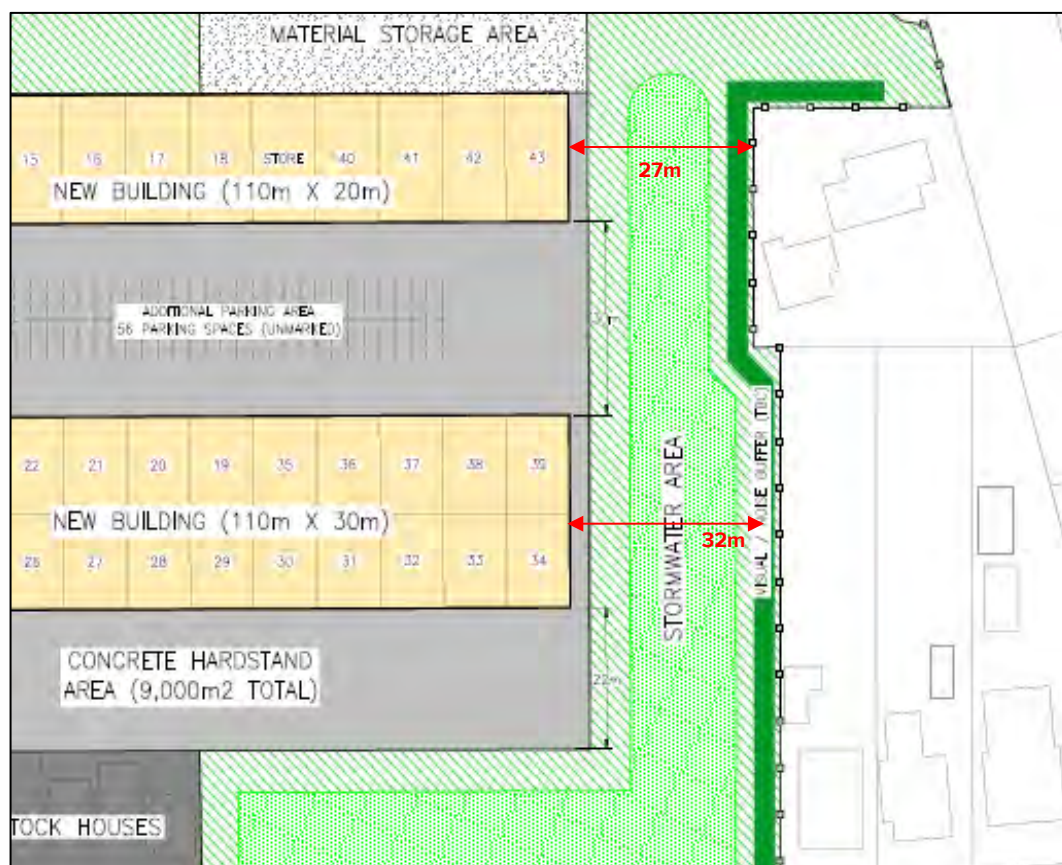
10). Similarly, the enclave of residential uses is within the context of a large industrial area, as shown on the Figure 15.



**Figure 15. Wider Environment showing the Enclave of Residential Activities along Great South Road.**

Any additional effects from the Builtsmart expansion on visual and amenity values it likely to be negligible in the context of this wider environment. To provide further mitigation of the actual and potential effects from the expanded Builtsmart site on the existing residential neighbours, Builtsmart Property Partnership has developed a site layout which results in a 25 metre setback (at least) from the boundary of the residential properties from the light industrial activities, as well as a planted bund at the residential / light industrial interface. This setback is supported by the neighbouring residents who attended the consultation meeting that was held to discuss Proposed Plan Change 22. In addition, Proposed Plan Change 22 is seeking the adoption of a rule for activities within the Builtsmart expansion area so that they are designed and constructed to ensure that the Living Zone noise limit applies at the boundary of the light industrial / residential properties.

Figure 16 shows the extent of the setback of the proposed buildings on site to the boundary of the properties zoned residential (again these setbacks are indicative, and the minimum requirement will be 25 metres).



**Figure 16. Proposed Setbacks (Indicative).**

Given that the buildings within the Builtsmart expansion area are set so far back from the boundary of the properties zoned Living Zone, and the fact that these buildings are on the south side of the residential properties, there will be no adverse effects in terms of daylight admission.

In that regard, it is anticipated that any visual and amenity effects will be less than minor in nature.

### 3.8 GEOTECHNICAL CONSIDERATIONS

An initial geotechnical investigation has been undertaken on the Builtsmart expansion area, focusing on the area where the buildings are proposed to be located. This memorandum is presented in **Appendix D**.

Further geotechnical assessments will be undertaken as Proposed Plan Change 22 progresses to provide further detail and to support the building design and design of the stormwater management area. However, the initial investigation undertaken has confirmed that the site is suitable for the nature of light industrial development proposed.



## **4. OPTIONS AND EVALUATION**

### **4.1 OPTIONS**

#### **4.1.1 Introduction**

Section 32(1)(b)(i) of the RMA, requires this report to identify “other reasonably practicable options” to promote sustainable management, including retaining the status quo, non-regulatory methods and plan changes. This part of the report outlines the process undertaken and details the other reasonably practicable options considered to achieve the objectives of Proposed Plan Change 22.

#### **4.1.2 Process - Consultation**

This section of the report describes the consultation undertaken up to 10 September 2019, and the results of that consultation, as part of the preparation of Proposed Plan Change 22 to the Waikato District Plan in relation to the rezoning of land to Light Industrial Zone to enable the Builtsmart Expansion.

Prior to lodging Proposed Plan Change 22, consultation has occurred with the following parties:

- Waikato District Council;
- Waikato Regional Council;
- Waahi Whaanui Trust;
- Waikato-Tainui;
- New Zealand Transport Agency;
- Neighbouring Landowners;
- Future Proof; and
- Mercury Energy.

As part of the consultation undertaken, the process and reasons for Proposed Plan Change 22 were described to each party, and feedback was sought on any issues and concerns.

Follow up meetings to discuss the contents of the plan change were then held as requested. The information received during this engagement process subsequently informed the finalisation of Proposed Plan Change 22 for notification purposes, and the contents of this plan change.



## Waikato District Council

The Waikato District Council is the territorial authority with jurisdiction under the Local Government Act 2002 and the RMA in relation to the Waikato District. This includes responsibility for the preparation and administration of the Waikato District Plan prepared under the RMA.

Several discussions were had with the policy team of the Waikato District Council prior to the preparation of the plan change, primarily in order to ascertain their initial views of the proposal and to set out a process to follow. A co-operative working relationship was established with the policy and technical teams of Waikato District Council to advance the preparation (and subsequent processing) of Proposed Plan Change 22. This included the Waikato District Council engaging external technical and planning consultants to assess and process the plan change (whom the Builtsmart Property Partnership technical team worked collaboratively with). This technical and planning team was formed to be able to respond to the proposal and review the documentation associated with Proposed Plan Change 22.

In addition to one-on-one communications (relevant to various areas of expertise), the engagement with Waikato District Council and their team of consultants from Bloxam Burnett & Oliver (“**BBO**”) has included:

- Initial meeting with Waikato District Council senior policy staff on 31 January 2019;
- Further meeting with Waikato District Council staff on 18 February 2019 to discuss processing and planning detail;
- Meeting with consultant planner to discuss the planning and processing aspects of the plan change on 26 March 2019;
- Site visit and technical meeting with the consultants engaged by the Waikato District Council to assess and process Proposed Plan Change 22 on 15 April 2019;
- Ongoing email correspondence in relation to the proposal and technical assessments;
- Discussion with Nicholas Wells from a property perspective as owners of the 2B Great South Road property;
- Emails sent to Waikato District Council asset engineering personnel by Builtsmart Property Partnership Three Waters engineering team;
- Correspondence and discussion regarding pump station arrangements; and
- Liaison regarding the provision of planning maps for Proposed Plan Change 22.

The draft plan change documentation was provided to Waikato District Council for comment on 12 July 2019. Further communication occurred between the technical personnel following the provision of this documentation (for example, in relation to further assessments in the plan change document and discussions in respect of the necessity for a full network capacity assessment).



A meeting was held with the Waikato District Council property team on Thursday 8 August to discuss the proposal and to understand the status of the land ownership issues in respect of the property at 2B Great South Road / Jackson Road. Should Waikato District Council be confirmed as being the owner (which is their position), the property team is supportive of the plan change being lodged. A letter was provided from the strategic property team supporting the plan change process. This letter is reproduced below and is presented in full in **Appendix F**.

Waikato District Council owns one of the properties that Builtsmart Property Partnership is seeking to rezone. This property 2B Great South Road/Jackson Road (Section I Survey Office Plan 53946) has been managed by the Waikato Regional Council for a number of years.

Subject to the exact nature of the plan change, the Waikato District Council Property Team is supportive of Proposed Plan Change 22 being lodged with the Waikato District Council. Based on the information we have received to date, the Waikato District Council Property Team is supportive of the rezoning of 2B Great South Road/Jackson Road from Living Zone to Light Industrial Zone, and supportive of the economic benefits of the proposal to the Huntly community.

We will be undertaking further work over the coming months to understand the implications the proposed re-zoning may have on property values and the management of the land, but at this stage of the process we are supportive of the plan change being lodged with the Waikato District Council for due consideration under the RMA First Schedule process.

There were further discussions with WDC during the time the draft plan change was being reviewed, specifically relating to the need to do a full water and wastewater network capacity assessment.

Feedback on the plan change documentation was provided to Builtsmart Property Partnership on 23 August 2019, and a meeting was held between Builtsmart Property Partnership and BBO (on behalf of Waikato District Council) on 26 August 2019 to discuss the feedback and determine next steps regarding the timing of the plan change (including dates for lodgement). The feedback and commentary from the technical review was fully incorporated into the final version of the plan change.

In respect of water and wastewater network capacity, a meeting was held between the Waikato District Council Waters Team, Builtsmart Property Partnership representatives and BBO to discuss the nature of the further network capacity assessment required. Liam McCaffrey of McCaffrey Engineering undertook a conservative desktop analysis of the network capacity requirements based on a standard industrial wastewater generation figure / water demand per hectare (based on the conservative values in the RITS), with no detailed modelling required. This updated network capacity assessment was provided to Waikato District Council on 30 August 2019. Waikato District Council Service Delivery Water Asset Department representatives confirmed via letter (dated 2 September 2019, presented in **Appendix F**) that there was sufficient capacity within the Waikato District Council wastewater





and water networks to accommodate light industrial development enabled by Proposed Plan Change 22:

Thanks for meeting with the Waikato District Council (WDC) Service Delivery Water Asset Department reps recently, which enabled an engineering discussion in respect to the above [Builtsmart Private Plan Change Huntly - capacity assessment].

As a follow up agreed action, you have sent your investigation summaries (messages dated 30/08/2019- attached) for review and final comment.

I can confirm that the WDC Water Assets Department consider that:

- Both the existing WDC water and wastewater supply networks have adequate capacity to accommodate the proposed Builtsmart plan change.

An updated version of this plan change (final draft) was provided to BBO for comment and to ensure that all matters had been adequately addressed on 2 September 2019.

Builtsmart Property Partnership representatives also attended a workshop with Waikato District Council councillors on 9 September 2019 to explain the rationale and detail of Proposed Plan Change 22 in preparation for the lodgement of the plan change. The Council expressed support for the plan change given its economic benefits to Huntly, with some questioning the approach to further develop within a known flood hazard area (and having the buildings constructed with a floor level below the 100-year flood level). Representatives of Builtsmart Property Partnership responded that from a risk perspective, moving from residential to light industrial reduced risk and that the assessments were based on the worst-case scenario (i.e. pump failure). In addition, it was explained that the buildings will be designed and constructed so that they are resilient to a flooding event, and that Builtsmart Property Partnership is acutely aware of the potential risks of building within the area. While the hazard will stay the same if Proposed Plan Change 22 is approved, the design and approach put forward manages the risk associated with the known hazard to an acceptable level.

### **Waikato Regional Council**

The Waikato Regional Council was consulted with at three specific levels:

- As managers of a portion of the plan change area;
- From a technical / flooding perspective (Integrated Catchment Management team); and
- At a policy level (Regional Policy Statement / Future Proof partner).

### Land Managers

The Waikato Regional Council has managed 2B Great South Road for several years (it is owned by the Waikato District Council). Builtsmart has leased a small portion of land from the Waikato Regional Council and has an understanding that Builtsmart will lease the remaining parcel of land once the plan change becomes operative (to be undertaken with the Waikato District Council). Waikato Regional Council had initially confirmed at the beginning of the



process that it is largely supportive of the re-zoning, provided all effects can be appropriately addressed (i.e. flood management).

There was some debate during the preparation of the plan change documentation regarding the ownership of 2B Great South Road / Jackson Road as the initial understanding was that Waikato Regional Council owned this land. On this basis, Builtsmart Property Partnership sought to engage both councils in respect of the re-zoning of this parcel of land. However, Waikato Regional Council has confirmed that Waikato District Council do own this parcel of land.

#### Integrated Catchment Management

Consultation with the Integrated Catchment Management (“**ICM**”) Team was initiated by way of an email to the Lower Waikato Zone Manager (9 May 2019) explaining the plan change and asking who the primary contact from ICM would be to discuss the plan change.

A technical meeting was held to discuss the proposal, with the ICM representative noting that the Huntly south area has been of concern for Waikato Regional Council in the past due to development / filling within the ponding area. In that regard, ICM sought to ensure the appropriate technical investigations and assessments were undertaken to manage potential filling related effects.

There was further discussion and correspondence with ICM relating to flooding management and ponding levels. The Three Waters Assessment report prepared by Te Miro Water and McCaffrey Engineering was provided to ICM via the Waikato Regional Council policy team (following the meeting had on 24 June 2019). The following feedback was provided to Builtsmart Property Partnership (via email) on 23 August 2019. That feedback is as follows:

From a risk perspective, the change from Residential to industrial zoning will reduce overall risk, which is the intent of the RPS.

However, there is concern the property will be overwhelmed by a 1% AEP water level.

In more detail, the findings and recommendations are as follows:

- WRC’s Integrated Catchment Management (ICM) Technical Services and the applicant have estimated the catchment area upstream of the proposed works area to be approximately 2.25 square kilometres (i.e. 225 hectares) and the plan change area is approximately 2.45 hectares.
- The proposed works activities are located between cross-sections 124 and 124A on Waikato River. The 1 in 100yr flood level for Waikato River between these cross sections have been estimated to be approximately 12.2 m (refer to Technical Report – Series 2013/27; Lower Waikato Flood Protection Service Level Review for further details).
- The applicant has made reference to the Huntly Flood Management Plan – Waikato Regional Council Technical Publication No 1992/15 which contained the





ponding level map as well as levels (100yr = 11.7m RL). This seems to be the local pond levels that have been surveyed and recorded.

- This Technical Publication states that “For any new industrial building or alteration to existing building, the minimum floor level shall be at the 1% (100-year return period event) flood level’. The applicant has proposed a floor level of 11.1m which is much lower than the 100-year flood event.

The applicant has stated that:

- The proposed management solution provides level for level storage compensation through a combination of basin storage and higher-level storage across the site.
- The applicant will need to clarify how higher-level storage across the site provides level for level storage compensation as this is not obvious in the draft report.
- Also, the information presented in figure 4.6 of the applicants draft report to buttress the mitigate for loss of storage differ from the existing pond volume referenced in the report (refer to table 2 of the draft report).
- The development will generate additional runoff volume from increased impervious surfaces. This additional volume equates to an increase in constant flow in the order of 13l/s on average over 24hrs for the 100yr event and 10l/s for the 10yr event.
- However, the impact of climate change has not been considered.
- The impact of the increase in flooding due to the proposed works on Huntly South Pump station will need to be investigated further.
- Finally, it is our opinion that the proposed works is expected to have some positive impact on the environment and ICM Technical Services do not have any issue with the proposed works.
- However, the final design and construction works will need to be reviewed and approved by the Regional and District councils.

Immediate dialogue (via email from Mike Chapman) was entered into between Builtsmart Property Partnership’s technical experts and Waikato Regional Council to respond to the points raised, with the following points raised in relation to the ICM feedback (these are summarised from the email response):

- The 1 in 100yr flood level for Waikato River has been estimated to be approximately 12.2 m whereas the number used in the Three Waters Assessment was 12.7m RL (for the Waikato River 100-yr level). The Three Waters Assessment report would be updated to reflect the lower level (which potentially results in a reduced residual risk).
- Builtsmart Property Partnership agrees that the proposed floor level is a departure from the recommendation in the Waikato Regional Council Technical Publication No 1992/15 - hence the flood resilient design approach (flood resilience/flood proofing or adaption philosophies were not so widely promoted at the time of the 1992 report), the land



essentially cannot be developed for industry if floor levels are above the 100yr level – it is not viable – and this was assessed in the early optioneering. The undevelopable space is significant in order to provide compensatory storage, and from a development perspective it did not make sense to have half the site unable to be used at and just used as a grassed basin which is dry most of the time. Hence a multi-functional approach is proposed with a flood resilient design to enable the development.

- The flood storage curve within the Three Waters Assessment report for existing and post development shows a close match, particularly above ~8m RL whereby existing and post development align in terms of increasing depth and increasing storage. Essentially the curve shows that Builtsmart Property Partnership is not trying to ‘over-compensate at a lower level by digging a large hole’.
- In terms of accounting for climate change, the post development runoff is based on the same 156mm/hr historic HIRDSv4 values. The 2081-2100 RCP 4.5 scenario is 171mm (24hrs), which equates to new runoff volume difference of 1190m<sup>3</sup> (up from 1134m<sup>3</sup>) or 13.8l/s constant over 24hrs compared to 13l/s with no climate change.
- In respect of the Huntly South Pump, Te Miro Water would discuss further with the Waikato Regional Council. The current maximum rate is 1800l/s (twin pumps) and it was understood based on previous reports (SKM) that the pump is not at capacity. The additional runoff volume generated from the development contributes a constant 13-14l/s, which is a less than 1% increase. Te Miro Water therefore considers this increase to have a less than minor impact (with an acknowledgement that this is to be discussed with Waikato Regional Council flood protection asset engineers).
- That the intention of Builtsmart Property Partnership was always to provide the final design and construction works for review and comment to both the Waikato District and Waikato Regional Council once detailed design has been progressed.

A meeting was held between Mike Chapman of Te Miro Water and Waikato Regional Council to discuss the feedback on the Three Waters Assessment on 28 September 2019. Following the meeting, the Waikato Regional Council requested that the following amendments be made to the Three Waters Assessment report which are copied directly from email correspondence

- Confirmation from Waikato District Council the 1% ponding level and the client understating of what this means in terms of flood risk on their current proposal.
- Consistency in the level for level storage compensation information provided in figure 4.6 of the draft report and the existing pond volume referenced in table 2 of the draft report.
- Possible high and low runoff curve numbers for soil infiltration to understand the sensitivity of the catchment.
- A more comprehensive climate change impact on the expected runoff outflow to Huntly South Pump station.



All of these amendments were incorporated into the Three Waters Assessment report.

### Policy

Consultation with the policy team of the Waikato Regional Council was initiated by way of email explaining Proposed Plan Change 22 and the Builtsmart development on 24 June 2019.

A meeting was held with members of the policy team to discuss the plan change and key issues from a Waikato Regional Council perspective on Friday 26 July 2019. The representatives of Waikato Regional Council were generally supportive of the plan change in terms of its consistency with the RPS and promoting the re-vitalisation of Huntly. The key issue from a Waikato Regional Council perspective that was discussed was in relation to the stopbank infrastructure, maintaining access to the stopbanks off Jackson Road, stormwater management and hazards. In that regard, the Three Waters Assessment was provided to Waikato Regional Council to enable commentary from the natural hazards team at Waikato Regional Council following the meeting.

The further correspondence regarding the plan change was in relation to flood risk mitigation and the Three Waters Assessment.

### **Waahi Whaanui Trust**

Through discussions with Waikato District Council, Builtsmart Property Partnership was advised that Hori Awa, Chief Executive Officer of Waahi Whaanui Trust in Huntly, was the point of contact to commence discussions with mana whenua. In that regard:

- An initial email requesting a meeting with Hori Awa was sent on 1 April 2019;
- A further email was sent to organise a meeting to discuss the project on 27 May 2019; and
- An initial discussion between Philip Leather (of Builtsmart Property Partnership) and Hori Awa was had prior to the 27 May 2019 email being sent.

A meeting was held with Mr Awa at the Builtsmart Site in Huntly to discuss the project, Builtsmart expansion and private plan change process. The site plans (draft) were produced to show the scale and extent of the site development, areas set aside for stormwater management and the setbacks from neighbouring residents. The stormwater management approached was discussed in respect of protecting the Waikato River, as was the economic and employment benefits of the proposal for Huntly. Mr Awa was supportive of the proposal given the effects of the expansion would be appropriately addressed and in recognition of the increased employment opportunities the expansion would provide for Huntly.

An email was sent to Mr Awa following this meeting which provided further details of the plan change process, timeframes for the plan change and details of the development aspirations of Builtsmart Property Partnership.

A further email was sent to Waahi Whaanui Trust on 14 August 2019, asking whether Waahi Whaanui Trust wanted any further information on the plan change or whether a copy of the



draft plan change documentation should be provided for comment. The draft plan change documentation was provided to both Waahi Whaanui Trust and Waikato-Tainui on 14 August 2019. A further follow up email was sent to Waahi Whaanui Trust on 4 September 2019 asking whether there were any comments or feedback from Waahi Whaanui Trust on the draft plan change documentation that was provided in August 2019.

### **Waikato - Tainui**

Consultation with Waikato-Tainui was initiated by way of email correspondence sent to Taroi Rawiri (Taiao (Environment) Manager) on 1 April 2019 and 27 May 2019. A response was received in early June 2019 seeking further information in relation to the proposal (via email).

The same email was sent to both Mr Awa of Waahi Whaanui Trust and Taroi Rawiri / Lorraine Dixon of Waikato-Tainui setting out the background to the plan change, the reasons for the plan change and the site layout of the Builtsmart expansion.

Waikato-Tainui advised that they will work with Waahi Whaanui Trust through Hori Awa.

A further email was sent to Waikato-Tainui on 14 August 2019, asking whether Waikato-Tainui representatives wanted any further information on the plan change or whether a copy of the draft plan change documentation should be provided for comment. A copy of the draft plan change was provided to representatives of Waikato-Tainui on 14 August 2019 and a meeting was held on 15 August 2019 (with Lorraine Dixon – Project Advisor / Taiao) to discuss the plan change in detail. Waikato-Tainui representatives reviewed the plan change document and provided feedback that was incorporated into the final version. Such feedback included enhancing the discussion on kaitiakitanga and detailing their views on the Waikato River being an Outstanding Natural Feature / Outstanding Natural Landscape. Waikato-Tainui also outlined a primary issue in relation to stormwater management and ensuring that the Waikato River quality was not degraded as a result of the discharge, and ensuring that any clean fill use was local (or if it was not going to be local, getting the blessings of the mana whenua whose rohe the fill was being sourced from).

A further follow up email was sent to Waikato-Tainui on 4 September 2019 asking whether there were any specific comments or feedback in relation to the updates to the areas of the plan change that were of specific interest to Waikato – Tainui (as expressed during the hui on 15 August 2019). Waikato-Tainui responded that they sought to have the aspects discussed in the meeting included in the plan change documentation (which is the case).

### **New Zealand Transport Agency**

Consultation with the New Zealand Transport Agency (the “**Transport Agency**”) was initiated by way of an email sent on 30 April 2019. A meeting was held with a Transport Agency planner and Network Manager to discuss the Builtsmart Expansion proposal, with Gray Matter and Mitchell Daysh representatives. The Transport Agency’s feedback was incorporated into the Integrated Traffic Assessment that was prepared by Gray Matter to support the plan change.



The Integrated Traffic Assessment was provided to the Transport Agency for their review on 11 July 2019. The Transport Agency reviewed the ITA and provided a letter in response to the proposal and ITA setting out that the Transport Agency is not opposed to the proposal. This is subject to the following conditions:

1. The applicant shall construct the new heavy vehicle crossing in accordance with the Waikato District Council's requirements suitable for the proposed development. Preliminary designs shall be submitted to the Transport Agency prior to construction, demonstrating that the new access onto SH 1 meets the minimum sightline requirements for a 70km/h speed zone as per the NZ Transport Agency's Planning Policy Manual requirements.
2. The existing accesses located at 478, 486 and 492 SH 1, Huntly shall be permanently closed. The physical closure of these accesses shall include:
  - a. The reinstatement of the kerb and footpath; and
  - b. The reinstatement of the grassed berm and fence line.
3. A construction management plan shall be provided as a supporting document in the corridor access request (CAR) application.
4. A stormwater design shall be provided to the Transport Agency demonstrating that the on-site stormwater management and systems will not adversely impact the state highway. The plan shall demonstrate the design of the main stormwater treatment area along the legal boundary between private land and the road corridor, which shall not increase the localised ground water level or ingress of water into the adjacent road pavement.
5. The applicant shall provide a signage design and plan to be approved by the Transport Agency before installation. The design shall be in accordance with the Transport Agency's Advertising Signs on State Highways guideline brochure (see Appendix Three).

#### Advice Notes

1. Please note that landowners are responsible for maintaining their accesses and ensuring loose material is not tracked or does not migrate onto the highway so as to avoid creating a hazard to road users.
2. No works shall be undertaken within State Highway 1 without the prior approval of the NZ Transport Agency pursuant to Section 51 of the Government Roadway Powers Act 1989. A Traffic Management Plan and Consent to Work on the Highway shall be submitted to and approved by the Transport Agency via <https://www.submitica.com/> at least seven working days prior to the commencement of any works on the state highway.

The letter from the Transport Agency is presented in **Appendix F**.



## Surrounding Neighbours

Initially, communications with the neighbours in the immediate vicinity (to Jackson Road) was initiated by way of a hand delivered letter and face-to-face communication with Philip Leather asking whether these properties wanted to be part of the private plan change (to have their land re-zoned from Living Zone to Light Industrial Zone). This proposal was not favourable to these neighbours, so the technical assessments and plan change progressed in a manner that did not include these properties.

Various email and phone communication were had with some residents in relation to the proposal as a result of these initial communications with the immediate neighbours.

A letter was sent to the residents of the following properties outlining the plan change extent and requesting a meeting with them to discuss how Builtsmart Property Partnership was proposing to ensure their amenity is maintained:

- 4 Jackson Road;
- 472 Great South Road;
- 474 Great South Road;
- 476 Great South Road;
- 5 Jackson Road;
- 470 Great South Road;
- 468 Great South Road;
- 56B George Drive; and
- 56A George Drive.

A meeting was held with the residents at the Harcourts Conference Room (Main St Huntly) on Thursday 20 June 2019. The following parties attended the meeting:

- Bruce and Pamela Cotter – 468 Great South Road;
- Megan and Brodice Ryder – 5 Jackson Road;
- Lee Olsen – 470 Great South Road; and
- Carol and Rachel Trevelyan – 6 Jackson Road.

The proposal was explained to the residents, specifically the mechanisms by which Builtsmart Property Partnership was proposing to maintain the amenity of the neighbouring residents. The residents explained that their collective primary concern was in respect of access and traffic on Jackson Road (and the potential opening of Jackson Road onto State Highway 1). It was explained that there will be no operational accessway formed onto Jackson Road and that there will be no operational traffic using the existing formed entrance (this entrance will remain but would be only required for emergency use). Once the proposal was fully explained to the residents, they were generally supportive of the Builtsmart expansion and Proposed Plan Change 22.



A key issue that was discussed was the Proposed District Plan, and the submission by Planning Focus to rezone the entire block of land to Light Industrial Zone, including the properties on the southside of Jackson Road. Builtsmart Property Partnership explained that they were not progressing with submission in regard to the properties not forming part of Proposed Plan Change 22. The submission was partially withdrawn (the properties outside of the Builtsmart Expansion area were withdrawn from the submission seeking the rezoning) and this was communicated to a representative of the local residents.

#### **Future Proof**

Consultation with Future Proof was initiated by way of an email to Ken Tremaine (Future Proof Implementation Advisor) explaining Proposed Plan Change 22 and the Builtsmart development on 24 June 2019. The response from Future Proof was supportive, given the need for Builtsmart in the current housing deficit market and the importance of promoting business growth in Huntly.

#### **Mercury Energy Limited**

Consultation with Mercury Energy was initiated by way of an email explaining Proposed Plan Change 22 and the Builtsmart development on 24 June 2019, given Mercury's interests in flooding / hazards related matters in the Waikato District. The email explained the plan change rationale and included the proposed site layout. The email correspondence explained that given that the stop banks protected the development from flooding from the Waikato River, and as the post development flooding was going to match the pre-development levels, Mercury were not considered to be affected by the proposal.

Mercury Energy responded to Builtsmart Property Partnership on 23 July 2019, stating that the change of land use from a more sensitive land use (residential) to a less sensitive land use (light industrial) is a positive from a hazards / risk perspective. Mercury Energy informed Builtsmart Property Partnership that they do not have any objections to the proposal, on the caveat that the site is outside of a 1 in 100 flood affected area (the site is protected from a 1 in 100-year flood from the stop banks).

### **4.1.3 Process - Options**

The following options have been considered in formulating Proposed Plan Change 22.

#### **Option 1 – Preferred Option / Proposed Plan Change 22**

The preferred option is to re-zone the Builtsmart site expansion area to Light Industrial (from Living Zone) to enable industrial activities to occur as a permitted activity. In that regard, the key change to the Operative Waikato District Plan being sought is in relation to the planning maps. The other changes being sought are as follows:



- A specific setback rule for the Builtsmart expansion area (and a definition of that area) requiring a 25-metre building setback from the boundary of the Living Zone properties (rather than the standard 7.5 metre building setback requirement); and
- A specific noise rule for the Builtsmart expansion area requiring that activities within the area be designed and constructed to ensure that the noise generated from the activities achieves the Living Zone noise limits at the boundary of the residential / industrial properties.

### **Option 2 – Status Quo / Baseline**

The status quo essentially is to retain the existing zoning of the land in which the Builtsmart expansion is proposed to occur – that is Living Zone. Under the Living Zone, Industrial Activities, at any scale, are a Prohibited Activity. Therefore, no resource consent can be applied for.

This option does not allow for the expansion to occur in these properties and is therefore not considered further in this evaluation.

### **Option 3 – Relocating the Business**

In considering other reasonably practicable options, Builtsmart has purchased land in Ohinewai to enable the relocation of the Builtsmart business to another site to accommodate this growth. However, that option was deemed to have the same practical issues as the present proposal as it would also require a zoning change.

Any plan change in the Ohinewai area would be outside of the urban limits and not be able to be serviced from an infrastructure perspective (significant work would need to be undertaken to service the land). The plan change would also likely need to include a structure plan, which would substantially increase the timeframes by which approval would be given to commence development.

Given the constraints associated with this process (and in recognition that it is largely the same planning process as Option 1 but with more complexity) this option is not considered further in this evaluation.

### **Option 4 – Rezoning Through the Proposed District Plan Process**

Waikato District Council has notified a PDP. The properties to which Proposed Plan Change 22 relates are zoned Residential Zone in the PDP. Therefore, there are two sub options under this process:

- 4A - Wait for the PDP to become operative and seek a resource consent for industrial activities to occur in the Residential Zone as a Non-Complying Activity (as per the current zoning and activity status in the PDP); or





4B - Seek, through the PDP submission and hearing process, that the zoning of the Builtsmart expansion area be changed from Residential to Industrial Zone.

Given the timeframes associated with the PDP becoming operative (likely to be 2021 at the earliest) and the desire to expand the Builtsmart business as soon as practicable, Option 4A has been discounted as the PDP would need to become operative, then a resource consent for a non-complying activity be obtained (including demonstrating the ability to pass the section 104D threshold test).

In respect of Option 4B, Builtsmart has lodged a submission (and further submission) on the PDP seeking that the properties to the north of existing site be rezoned from Residential Zone to Industrial Zone (to Jackson Road, however the full extent of the re-zoning will not be progressed as part of evidence presented at hearing – it will only include those properties that are subject to Proposed Plan Change 22).

### **Summary**

There are only two realistic options to enable the industrial development of the land in the manner being proposed by Builtsmart Property Partnership. Consideration of Options 1 and 4B only is given in the following sections. Due to the limitations of Option 2, 3 and 4A they are not considered further in this analysis.

## **4.2 EVALUATION OF OPTIONS**

### **4.2.1 Introduction**

Section 4.1.3 outlines the options that have been considered to enable the development of industrial activities by Builtsmart Property Partnership on the land comprising the Builtsmart expansion area. In order to determine whether the options are reasonably practicable, a comparative analysis has been undertaken. Builtsmart Property Partnership is not legally obliged to detail the evaluation process for other reasonably practicable options that were not identified as the preferred option. However, it is considered fair and transparent to demonstrate how the preferred option was decided upon following an assessment against other reasonably practicable options.

The key considerations of this analysis include the relevance of the option in addressing the issue and the usefulness in guiding decision-making. Reasonableness and achievability have also been considered during this analysis.

The following table compares Option 1 and Option 4B:



**Table 5. Evaluation of Options.**

Option 1: Preferred Option - Private Plan Change		Option 4B: Rezone Through PDP
Appropriateness	<p>Given that the expansion area is adjacent to the existing Builtsmart site, the plan change represents an efficient utilisation of land and resources. It is considered that this is appropriate. Similarly, the plan change rezones an area in a wider industrial land environment – there is only a small enclave of residential uses on Great South Road which largely reflects historic land uses, rather than any strategic planning in determining their zoning.</p> <p>Given that industrial activities are prohibited in the Living Zone (the Builtsmart Extension area is zoned Living Zone) the only appropriate mechanism available to enable the development of the land in the short term is a private plan change to the Operative Waikato District Plan.</p> <p>This option responds to the NPS on Urban Development Capacity 2016, which requires Councils to provide in their plans enough development capacity and sufficient land for business (which includes industrial) to be available for up to 30 years. An oversupply of land is also required to be provided, in which this plan change assists with, albeit in a small way.</p> <p>The technical assessments supporting the plan change demonstrate that the land is suitable for industrial development and that the actual and potential effects of Proposed Plan Change 22 can be appropriately avoided, remedied and / or mitigated.</p>	<p>This option has a similar level of appropriateness as Option 1 and substantially reduces the costs to Builtsmart Property Partnership (not having to undertake a private plan change process).</p> <p>However, the timeframes associated with getting to the point of an operative plan is not appropriate given the need for Builtsmart Property Partnership to develop their site within the next year to be able to appropriately respond to the housing market deficit.</p>
Reasonableness	<p>This option provides certainty to landowners in the area as to the future development of the site. Industrial development in and adjacent to a planned industrial area is not unfamiliar or out of character. Similarly, the development (as proposed through the private plan change process) gives certainty to existing landowners in terms of the expectations in respect to the quality of the industrial development.</p>	<p>This option has a similar level of reasonableness as Option 1, without the same level of site-specific consideration as a private plan change does.</p> <p>However, the timeframes associated with getting to the point of an operative plan is not appropriate given the need for Builtsmart Property Partnership to develop their site within the next year.</p>

Option 1: Preferred Option - Private Plan Change		Option 4B: Rezone Through PDP
	With respect of the provision of services, this Plan Change process has identified the mechanisms by which the land will be serviced.	
Achievability	This option is achievable to implement, within the statutory function of the Waikato District Council and is achievable to implement through a plan change process. It is not cost prohibitive to achieve, given it's a private plan change (and any subsequent development will be paid for by Builtsmart Property Partnership).	The achievability of this option is dependent on the Waikato District Council and PDP Hearings Panel adopting / accepting the submission to re-zone the property.  This option does not incur any significant financial costs to Builtsmart Property Partnership; however, it significantly adds to the timeframes by which Builtsmart Property Partnership could undertake the development.
Relevance	This plan change will resolve the issue of the Builtsmart Expansion area not being able to accommodate the industrial activity proposed on the site. This expansion will enable the production to increase significantly. The expansion will assist with the housing affordability issue by providing an increased number of prefabricated homes at varying sizes to a number of different markets.	This option also resolves the issue for Builtsmart. However, this option does not resolve the option in a reasonable time period, nor does it provide the same degree of site-specific analysis as Option 1.
Usefulness	This option is useful in that it enables initial industrial development in the expansion area, and subsequent development and increase in production capacity. This also assists with finding suitable land zoned Industrial Zone for industrial development in Huntly.  Proposed Plan Change 22 is also inherently useful for the Waikato District Council in enabling them, in a small way, to meet their requirements under the NPS on Urban Development Capacity.	While essentially achieving the same result, this option is not as useful as Option 1 to Builtsmart Property Partnership in the near term as it is likely that the PDP will not be made operative for at least another year (noting that the current operative Waikato District Plan took 10 years to become fully operative). There is also no guarantee that the submission to rezone the land would be accepted and therefore a resource consent process would need to be entered into to enable the development (thus adding more timeframe issues).
Overall rating	<b>Preferred Option</b>	<b>Not Preferred</b>

#### 4.2.2 The Preferred Option

The table above demonstrates why the rezoning of the of the Builtsmart expansion area to Industrial Zone as a private plan change (Option 1) is the preferred option. This option consistently meets the criteria in respect of addressing the issue, providing equity, certainty and relevance. Essentially, Option 1 enables the Builtsmart expansion to occur in a timely manner, gives effect to the NPS on Urban Development Capacity and Waikato RPS, resolves issues of industrial



land availability in Huntly (in a small way) and provides for sustainable management of natural and physical resources (while avoiding, remedying and mitigating potential adverse effects). While Option 4B, utilising the PDP process, provides an alternative mechanism to rezoning the land (and one with a lower planning cost to Builtsmart Property Partnership), it will not do so in a manner that enables Builtsmart to undertake the expansion as soon as practicable. In addition, Option 1 also provides an enhanced opportunity for the specific effects of industrial activities occurring on the Builtsmart expansion land to be assessed and appropriately addressed. Option 4B does not provide the same level of detail.



## **5. EVALUATION OF PLAN CHANGE**

### **5.1 EVALUATION OF PLAN CHANGE OBJECTIVE**

This part of the Section 32 analysis assesses whether the proposal and the plan change provisions are the most appropriate to support the Plan Change Objective (which is presented in Section 1.3.2). The purpose of this evaluation is to make sure that the objective is the most appropriate way to promote the sustainable management of natural and physical resources.

### **5.2 EVALUATION OF PLAN CHANGE PROVISIONS**

As part of Proposed Plan Change 22, the applicant is required to assess the efficiency and effectiveness of the Plan Change's provisions in achieving the Plan Change's objective. 'Effectiveness' is the measure of contribution that the proposed provisions make towards resolving the issue, while 'efficiency' refers to benefits and costs to all members of society.

This part of the report assesses the Proposed Plan Change 22 provisions in achieving the Plan Change's objective. This entails identifying and assessing the benefits and costs of the environmental, social, cultural and economic effects anticipated from the implementation of the Plan Change's provisions. This is recorded in the following table which also compares the costs, benefits, efficiency and effectiveness of Option 1 and Option 4B.



**Table 6. Evaluation of Plan Change Provision and Comparison of Options.**

Option 1: Preferred Option - Private Plan Change		Option 4B: Rezone Through PDP
Benefits	<p><u>Environmental Benefits</u></p> <p>The site that is being re-zoned is within a wider industrial area and is being developed in a manner that addresses potential effects (for example, stormwater management, flood ponding and effects on residential amenity). The stormwater management areas will be multi-functional in that they provide an area to manage stormwater and ponding, while also providing a significant buffer between the light industrial activities and the boundary of the neighbouring residential properties and also being an amenity feature (through planting that is proposed).</p> <p>The environmental effects of the rezoning have been considered (as previously discussed in this report) and it has been determined that they can be appropriately managed.</p> <p><u>Economic Benefits</u></p> <p>There is significant economic benefit to Huntly as a result of Proposed Plan Change 22, through the increased production from the Builtsmart site and additional employment opportunities for Huntly residents (and associated flow on economic benefits).</p> <p>As this is a Private Plan Change, the Waikato District Council does not bear the costs of it.</p> <p>The NPS on Urban Development Capacity requires Councils to provide for business land for the short, medium and long term, including provision for over supply. Proposed Plan Change 22 has economic benefits for the council in that it assists them in meeting these requirements (including via the applicant funding the plan change process).</p>	<p><u>Environmental Benefits</u></p> <p>This option has the same environmental benefits as Option 1.</p> <p>However, this option does not provide the same opportunity for site specific consideration (including a submission and further submission process dedicated to this plan change) of the appropriateness of developing and expanding the Builtsmart site, and the ability to address the specific effects of the proposed development.</p> <p>This option also requires the Residential Zone noise limits to be achieved at the boundary of the Industrial Zone / Residential Zone properties.</p> <p><u>Economic Benefits</u></p> <p>If the re-zoning is accepted by the Waikato District Council and Hearings Panel (and there are no successful appeals) then the economic benefits are similar to that of Option 1. However, the timeframes by which the PDP will become fully operative may mean that Builtsmart has missed the critical business opportunity such that the expansion is no longer viable (and in this scenario, the economic benefits are not realised).</p> <p>There are also potential noteworthy economic benefits to Builtsmart Property Partnership in progressing this option in not having to fund the entire plan change process.</p> <p><u>Social Benefits</u></p> <p>This option has the same social benefit as Option 1, albeit at a later timeframe.</p> <p>From a neighbouring landowner perspective, this option does not provide the same opportunity for specific engagement on the re-zoning and subsequent</p>

Option 1: Preferred Option - Private Plan Change		Option 4B: Rezone Through PDP
	<p>The economic costs, if any, are considered to be substantially outweighed by the economic benefits.</p> <p><u>Social Benefits</u></p> <p>There is significant social benefit in enabling additional employment opportunities with the Huntly area.</p> <p>In addition, Option 1 provides for the neighbouring residents enhanced opportunities to understand and consider the development and be involved in the plan change through the submission and hearing process. Proposed Plan Change 22 also allows for specific rules to be proposed for the Builtsmart expansion area to manage the potential effects on the neighbouring residents.</p> <p><u>Cultural Benefits</u></p> <p>There will be positive effects in relation to employment in Huntly and economic flow on effects which facilitates cultural benefits.</p>	<p>development of the site (through consultation, submissions, further submissions and the opportunity to present at a specific hearing on this matter).</p> <p><u>Cultural Benefits</u></p> <p>The same as Option 1 - there will be positive effects in relation to employment in Huntly and economic flow on effects (albeit at a later date than Option 1).</p>
Costs	<p><u>Environmental Costs</u></p> <p>The development of the Builtsmart expansion site, if undertaken in an inappropriate manner, could adversely affect the amenity of the residential land holdings to the north of the site. However, these effects can be managed (avoided and mitigated) through the use of setbacks, adherence to Living Zone noise limits at the boundary of the Living Zone / Light Industrial Zone interface, landscape plantings and bunds so that the residents are not adversely affected.</p> <p>The management of stormwater / flood water and ponding could also be an adverse effect. However, the design of the stormwater system and flood management / risk have been developed to ensure it is managed appropriately, for example by ensuring that there is sufficient stormwater holding capacity on site</p>	<p><u>Environmental Costs</u></p> <p>The same as Option 1. However, with a re-zoning through the PDP process may not provide the same level of scrutiny regarding the interface between the light industrial and residential uses. Here, the standard setbacks would be required as the minimum rather than the large setbacks being proposed by Builtsmart Property Partnership as part of Option 1 (which may adversely impact the amenity of the neighbouring residents relative to Option 1). By way of example, the PDP requires (in the Industrial Zone) a 7.5 metre setback from buildings in the Industrial Zone from any other boundary where the site adjoins another zone (20.3.4.1 P1 – Building Setbacks). Builtsmart Property Partnership is proposing a setback of at least 25 metres from the buildings to the boundary of the neighbouring properties.</p>



Option 1: Preferred Option - Private Plan Change	Option 4B: Rezone Through PDP
<p>to manage storm events, and to design the buildings so that they are flood resilient.</p> <p><u>Economic Costs</u></p> <p>As this is a Private Plan Change, the Waikato District Council does not bear the costs of it. Therefore, this is of low economic costs to the ratepayers and high economic costs to Builtsmart Property Partnership relative to progressing the re-zoning through the PDP process.</p> <p>There would be economic costs if development within the Builtsmart expansion area if development was enabled without adequate infrastructure provision in place, however this will be avoided as there is sufficient capacity in the current three waters network to accommodate the development.</p> <p><u>Social Costs</u></p> <p>Potential effects on adjoining properties and surrounding land uses as a result of a change in land use and subsequent industrial development. However, this is consistent with wider environment being largely industrial in nature (with a small enclave of residential activities that reflects historic and current land uses). These adjacent landowners have been consulted and the proposal explained to them fully – including how Builtsmart Property Partnership are proposing to maintain the amenity of their properties. The potential effects of the rezoning and subsequent development will be managed through adherence to existing district plan requirements, and adherence to the proposed noise and setback rules that are specific to the Builtsmart expansion area.</p> <p><u>Cultural Costs</u></p> <p>None identified – this plan change is considered to have positive effects.</p>	<p>It is noted that Proposed Plan Change 22 and the PDP result in the same noise requirements at the boundary of the residential / industrial properties.</p> <p><u>Economic Costs</u></p> <p>Similar to Option 1, however the Waikato District Council bears most of the costs of rezoning the land through the PDP process (which will happen in any event as the two processes are running concurrently).</p> <p>There are potential economic costs from an employment perspective if the Waikato District Council / Hearings Panel do not adopt or accept the submission seeking the Builtsmart expansion land be rezoned as part of the PDP.</p> <p>There are also potential costs to Builtsmart Property Partnership if the Waikato District Council/Hearings Panel do not accept the submission as Builtsmart either does not develop at all (thus cannot realise the economic benefits of an increased production). There would also be substantial costs to Builtsmart Property Partnership if Builtsmart choose to develop the site (which in this scenario is zoned Residential Zone) and had to apply for resource consent as a Non-Complying Activity.</p> <p><u>Social Costs</u></p> <p>Similar to Option 1. However, this option (should the rezoning be approved by the Council / Hearings Panel), the standard light industrial provisions would apply. The adoption and adherence to the general provisions to enable the Builtsmart development would potentially result in reduced amenity for neighbouring residents. For example, due to the smaller setbacks required as a permitted activity for buildings compared to that which Builtsmart Property Partnership is proposing by way of the building / site layout presented in the Plan Change documentation.</p>





Option 1: Preferred Option - Private Plan Change		Option 4B: Rezone Through PDP
		<p><u>Cultural Costs</u></p> <p>None identified.</p>
Opportunities for economic growth and employment to be provided or reduced	<p>Proposed Plan Change 22 provides for improvements in employment potential within Huntly.</p> <p>Proposed Plan Change 22 enables industrial development to occur, within a wider area identified as a “Strategic Industrial Node” (within the Huntly and Rotowaro Node). It also assists the Waikato District Council in meeting its requirements (albeit in a small way) to supply business land for the short, medium and long term (including over supply) in accordance with the NPS on Urban Development Capacity.</p> <p>The plan change will enable better uptake of opportunities for economic growth and employment opportunities.</p>	<p>Similar to Option 1, although the benefits are dependent on the Waikato District Council / Hearings Panel accepting the submission seeking the rezoning.</p> <p>The opportunities for economic growth and employment would be realised at a later date than Option 1.</p>
Efficiency and effectiveness of achieving objectives	<p>Proposed Plan Change 22 is effective as a means of changing the zoning of the land to enable industrial development. Builtsmart Property Partnership is only seeking minor changes to the rule framework as part of the plan change in relation to requiring larger setbacks (along with a related additional definition) and adherence to more stringent noise limits at the boundary of the properties in the Living Zone. No other changes are proposed as the existing objective, policy or rule framework are effective in providing for development, while also managing potential adverse effects.</p> <p>Proposed Plan Change 22 is considered to be efficient as it is a clean and precise way of updating the Waikato District Plan to provide for the development Builtsmart Property Partnership is proposing.</p> <p>A private plan change is also an efficient and effective mechanism of enabling site specific consideration of the proposal, including assessing the effects (rather than through the Option 4B process). This option also provides stakeholders and</p>	<p>Provided that the submission on the PDP in relation to the re-zoning is accepted, utilising the PDP process to re-zone the land would be an effective means of doing so. From a Builtsmart Property Partnership perspective, it may also be more efficient from a financial perspective given that the costs of the entire planning process would not be borne by them. However, the PDP option would not be efficient or effective from a timing perspective. Nor would it be an effective means of providing site specific consideration of the effects of the re-zoning and subsequent industrial development.</p> <p>On the whole, the rezoning through the PDP process is not the most efficient nor effective means achieving the objectives, relative to the private plan change process.</p>



Option 1: Preferred Option - Private Plan Change		Option 4B: Rezone Through PDP
	neighbouring residents enhanced opportunities to be involved in the process through the submissions / hearing process.	
Risk of acting or not acting if there is insufficient or uncertain information about the subject matter of the provisions.	<p>The key risk of not acting is essentially not allowing industrial activities to be developed on the Builtsmart expansion area, and Builtsmart not being able to increase production from its site in Huntly. Potentially, Builtsmart would need to move part of all of its production out of Huntly. Thus, the social and economic benefits of the expansion will not be realised. The extent of this risk is considered to be substantial.</p> <p>The risk of acting (by way of Option 4B) is that the increase in production from the Builtsmart site will not be realised in an appropriate timeframe. Given that the layout of the re-zoned land and the Builtsmart expansion is known, there is no risk of uncoordinated development occurring in this area.</p> <p>There is considered to be ample information about the subject matter of the provisions. A number of technical reports support Proposed Plan Change 22 to confirm that land is suitable for industrial development.</p>	
Overall appropriateness for achieving objectives	It is considered that this option is the most appropriate for achieving the objective.	It is considered that this option is not the most appropriate way for achieving the objectives, primarily due to the timeframes associated with the PDP becoming operative and the lack of site-specific analysis and consideration that would be given to this re-zoning if it occurred within the wider PDP process.

The table above demonstrates that Option 1 is the most appropriate as it addresses the issues and achieves the Plan Change Objective. Option 1 consistently meets the criteria in respect of addressing the issue, providing certainty to Builtsmart Property Partnership, landowners and the community in respect of the nature of the development. It is relevant and ensures the policy guidance in the Plan is adhered to.



## 6. IMPLEMENTATION OF PLAN CHANGE

### 6.1 SCALE & SIGNIFICANCE - IMPLEMENTATION OF THE PLAN CHANGE

This report must contain a level of detail that corresponds to the scale and significance of the environmental, economic, social and cultural effects anticipated from the implementation of the Plan Change. 'Scale' refers to the magnitude of effects, and 'significance' refers to the importance that the wider community places on those effects. The following table outlines the criteria considered to determine the scale and significance of the effects that are anticipated from implementation of the Plan Change. An ordinal scale has been used for this assessment.

**Table 7. Scale and Significance of Proposed Plan Change 22.**

Criteria	Assessment
	High / Medium / Low / NA
Number of people who will be affected	Low
Magnitude and nature of effects	Low – in relation to adverse effects High – in relation to the positive effects
Immediacy of effects	Low
Geographic extent	Low
Degree of risk or uncertainty	Low
Stakeholder interest	Low
Māori interest	Low
Information and data is easily available	High
Information and data is easily quantified for assessment	High
Extent of change from status quo	Medium

In this instance, the scale and significance of the adverse effects that are anticipated from the implementation of Proposed Plan Change 22 is considered to be low for the following reasons:

- Proposed Plan Change 22 involves a small, discrete area (approximately 2.4 hectares), and therefore is of only localised interest to stakeholders;
- Builtsmart will play an important role in the housing market, and the expansion will have significant benefits to Huntly from an employment perspective;



- Consultation with neighbouring residents has indicated their support for the proposal provided that Jackson Road is not utilised by operational traffic associated with the proposal (which is not proposed);
- The Plan Change area is surrounded by wider industrial uses, including to the south and to the east. The residential area to the north is a small enclave of Living Zone land amongst a wider industrial environment;
- The adverse effects (in terms of amenity, earthworks, scale of buildings) can be appropriately managed through existing controls in the Waikato District Plan, and the increased building setback and more stringent noise requirements that are being proposed as part of Proposed Plan Change 22. Effects in relation to traffic, amenity and stormwater have been considered thoroughly as part of this Plan Change;
- The NPS on Urban Development Capacity has introduced additional requirements on the Waikato District Council to ensure that, in respect of business land, District Plans make provision for land over the short, medium and long term including 15 - 20 per cent oversupply to act as a “buffer”. Proposed Plan Change 22 assists the Waikato District Council (albeit in a small way) in meeting the NPS on Urban Development Capacity land provision requirements;
- The proposal is consistent with the Future Proof Sub-Regional Growth Strategy and the provisions of the RPS in respect of the built environment, urban growth and industrial land allocation; and
- The adverse effects of the rezoning will be negligible. The site adjoins an established industrial area, as well as being next to State Highway 1 and a large quarry.

The positive effects of Proposed Plan Change 22 are important to the Huntly community and significantly outweigh the minor adverse effects.

## **7. CONCLUSION**

This report presents an evaluation undertaken by Mitchell Daysh Limited on behalf of Builtsmart Property Partnership in accordance with Section 32 of the RMA for Proposed Plan Change 22 to amend the Operative Waikato District Plan to rezone 2.4 hectares of land from Living Zone to Light Industrial Zone in Huntly.

This report outlines the process that was taken to identify the issue and options and evaluates the options. It then evaluates the preferred option in detail compared with the only realistic alternative approach. The report concludes with an assessment of the scale and significance of the effects anticipated from the plan change and concludes that the adverse effects are considered to be low while the positive effects will be significant.

As such, it is considered appropriate for the rezoning of the Builtsmart expansion area to occur.