## **BEFORE THE HEARINGS PANEL**

UNDER the Resource Management Act 1991

IN THE MATTER of proposed Plan Change 17 to the Waipā District Plan

## STATEMENT OF EVIDENCE OF MARK BULPITT CHRISP ON BEHALF OF FONTERRA LIMITED

**PLANNING** 

13 MARCH 2023



#### 1. INTRODUCTION

- 1.1 My full name is Mark Bulpitt Chrisp.
- 1.2 I am a Partner and a Principal Environmental Planner in the Hamilton Office of Mitchell Daysh Ltd, a company which commenced operations on 1 October 2016 following a merger of Mitchell Partnerships Ltd and Environmental Management Services Ltd (of which I was a founding Director when the company was established in 1994 and remained so until the merger in 2016).
- In addition to my professional practice, I am an Honorary Lecturer in the Department of Geography, Tourism and Environmental Planning at the University of Waikato. I am also the Chairman of the Environmental Planning Advisory Board at the University of Waikato, which assists the Environmental Planning Programme in the Faculty of Arts and Social Sciences in understanding the educational, professional and research needs of planners.
- 1.4 I have a Master of Social Sciences degree in Resources and Environmental Planning from the University of Waikato (conferred in 1990) and have more than 30 years experience as a Resource Management Planning Consultant.
- 1.5 I am a member of the New Zealand Planning Institute, the New Zealand Geothermal Association, and the Resource Management Law Association.
- 1.6 I am a Certified Commissioner under the Ministry for the Environment's 'Making Good Decisions' course.
- 1.7 I have appeared as an Expert Planning Witness in numerous Council and Environment Court hearings, as well as several Boards of Inquiry (most recently as the Expert Planning Witness for the Hawke's Bay Regional Investment Company Ltd's proposed Ruataniwha Water Storage Scheme).
- 1.8 I have undertaken a substantial amount of work within the dairy sector working for New Zealand Dairy Group and then Fonterra Ltd ("Fonterra") over the last 30 years. Over that time, I have undertaken planning work in respect to all of Fonterra's dairy manufacturing sites in the Northland, Auckland, Waikato and Bay of Plenty regions. This has included re-consenting existing dairy manufacturing operations and/or associated spray irrigation of wastewater (e.g. the Hautapu and Edgecumbe sites) and major capacity expansion projects.

- 1.9 I have assisted Fonterra in resource management matters relating to the Hautapu Dairy Manufacturing Site (the "**Hautapu Site**") over the last 25 years. This has included:
  - (a) Securing a Certificate of Existing Use Rights in relation to noise levels associated with the operation of the Hautapu Site;
  - (b) A submission on the Notice of Requirement for the Cambridge Section of the Waikato Expressway (which now passes through what was a larger Bardowie Farm);
  - (c) Submissions on the Proposed Waipa District Plan (as it has evolved over the last three decades) in relation to the zoning and associated planning provisions relating to the Hautapu Site and surrounding land;
  - (d) Renewal of resource consents for the spray irrigation of dairy factory wastewater on the Bardowie, Bruntwood and Buxton Farms owned by Fonterra; and
  - (e) Resource consents for a Wastewater Treatment Facility on the Hautapu Site (which is about to be constructed).
- 1.10 I have had extensive experience assisting operators of large-scale industrial activities and/or energy infrastructure seeking to avoid the creation of potential reverse sensitivity effects. This includes work undertaken for Fonterra in respect to its dairy manufacturing sites and work undertaken for Contact Energy in relation to its geothermal power stations and associated steamfield activities (including 24/7 drilling activities and steam venting) in the Central North Island.
- 1.11 I have been engaged by Fonterra to present planning evidence in relation to Plan Change 17 ("**PC17**") to the Waipā District Plan ("**WDP**"). The focus of my evidence is the interface between the proposed rezoning of additional land for industrial purposes (referred to as Area 6) and Fonterra's Hautapu Site.¹ Specifically, my statement of evidence will:
  - (a) Provide a brief background to the current zoning at Hautapu;
  - (b) Set out the planning framework that applies to Plan Change 17;

-

This statement of evidence does not address the effects of any proposed rezoning on other parties including the Hautapu Landowners Group (a submitter on PC17 for which I have prepared a separate statement of planning evidence).

- (c) Describe the importance of the Hautapu Dairy Factory, including as regionally significant industry;
- (d) Set out the importance of protecting the Hautapu Dairy Factory from reverse sensitivity effects;
- (e) Set out the amendments to the planning provisions to ensure that the development of industrial activities is compatible with the ongoing operation of the Hautapu Site; and
- (f) Respond to matters raised in the s 42A report.

## **Code of Conduct**

- 1.12 I confirm that I have read the Code of Conduct for Expert Witnesses contained in the Environment Court Practice Note 2023 and I agree to comply with it.
- 1.13 My qualifications as an expert are set out above. I confirm that the issues addressed in this brief of evidence are within my area of expertise, except where I state that I have relied on the evidence of other persons. I have not omitted to consider material facts known to me that might alter or detract from the opinions I have expressed.

## 2. BACKGROUND TO CURRENT ZONING AT HAUTAPU

2.1 The Hautapu Site (including surrounding land owned by Fonterra) is shown on the following aerial photograph.



Figure 1: Hautapu Site

2.2 The Hautapu Site is zoned Industrial Zone and is subject to a Specialised Diary Industrial Area overlay. The purpose of the Specialised Dairy Industrial Area overlay is addressed at length in the decision report for the WDP<sup>2</sup> [emphasis added]:

3.5.2 The Committee considered a submission point from Mr Andrew Neal which requests that provision is made within the zone for a number of additional industrial activities as permitted activities. The submission also requests that Rule 7.4.1.1(v) is amended to provide for the consented or existing industrial activities undertaken within the Hautapu Specialised Dairy Industrial Area as permitted activities, even where these are not directly related to the processing of milk or the production of milk related products. The Committee noted that reasoning behind the "Specialised Dairy Industrial Area" approach is to ensure that land uses are assessed as to their compatibility with the food processing activities undertaken at Te Awamutu and Hautapu Dairy Factories. The particular concern relates to the management of airborne emissions and the potential impact this could have on milk processing and the production of milk related products. The Committee also observed that development located within these areas has an existing use right to operate there, and would likely have been considered under the provisions of a similar rule in the Operative District Plan.

3.5.3 The Committee discussed this matter at length and concluded that the amendment proposed by Mr Neal was acceptable and that additionally, new activities in the "Specialised Dairy Industrial Area" could be provided for as Restricted Discretionary Activities. The Committee felt that the Discretionary activity status was overly onerous given that the main effect that requires management is the impact on the dairy manufacturing sites. The change of activity status as recommended in the Section 42A Report was discussed with the Planning consultants acting on behalf of Fonterra. Mr Ian Johnson considered that this amendment would be acceptable subject to the matter of discretion (as proposed in the Section 42A Report). The Committee therefore acknowledges that this amendment is undertaken under the provisions of Schedule 1 clause 10(2)(b)(i), and notes that further amendment is required to section 21.1.7 of the Plan to ensure that reverse sensitivity effects on the dairy factories are provided for as a matter of discretion.

2.3 In summary, the decision on the Proposed WDP sets out that the rationale for the Specialised Dairy Industrial Area is firstly to ensure that activities locating near the Hautapu Site do not adversely affect milk production activities through

Decision Report 12 (Industrial Provisions) for the Proposed Waipa District Plan 2012, dated 22 January 2015.

airborne emissions, and secondly to ensure that the potential for reverse sensitivity effects on the Hautapu Site is managed on land surrounding the Hautapu Site (that is zoned Industrial Zone) to ensure that operations of the Site are not impacted by inappropriate or incompatible land uses.

#### 3. CURRENT PLANNING FRAMEWORK

3.1 The following section of my evidence identifies and briefly summarises the relevant provisions of the statutory planning framework applicable to PC17 and the Hautapu Site.

## **Waikato Regional Policy Statement**

- 3.2 The Hautapu Site forms part of a Strategic Industrial Node identified in the Waikato Regional Policy Statement ("Waikato RPS").
- 3.3 Under the Waikato RPS, it is my view that the Hautapu Site is a 'Regionally Significant Industry', which is defined as follows:

Regionally significant industry - means an economic activity based on the use of natural and physical resources in the region and is identified in regional or district plans, which has been shown to have benefits that are significant at a regional or national scale. These may include social, economic or cultural benefits.

- 3.4 The Waikato RPS sets out an extensive range of strongly worded policy directives in relation to the built environment, including Regionally Significant Industry, relevant to PC17, as follows:
  - (a) 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;<sup>3</sup>
  - (b) Minimising land use conflicts, including minimising potential for reverse sensitivity;<sup>4</sup>
  - (c) The management of natural and physical resources providing for the continued operation and development of regionally significant industry by recognising the value and long-term benefits of regionally

Waikato RPS Objective 3.12(c).

Waikato RPS Objective 3.12(g).

significant industry to economic, social and cultural wellbeing and avoiding or minimising the potential for reverse sensitivity;<sup>5</sup>

- (d) Local authorities having particular regard to the potential for reverse sensitivity when assessing resource consent applications, preparing, reviewing or changing district or regional plans and development planning mechanisms such as structure plans and growth strategies. In particular, consideration should be given to discouraging new sensitive activities, locating near existing and planned land uses or activities that could be subject to effects including the discharge of substances, odour, smoke, noise, light spill, or dust which could affect the health of people and / or lower the amenity values of the surrounding area<sup>6</sup>;
- (e) The maintenance of industrially zoned land for industrial activities unless it is ancillary to those industrial activities<sup>7</sup>; and
- (f) New development should be directed away from identified regionally significant industry and 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<sup>8</sup>;
- 3.5 In my opinion, the RPS provides a clear directive that the WDP (including PC17) must include measures to avoid or minimise the potential for reverse sensitivity effects and other adverse effects on established Regionally Significant Industry, such as the Hautapu Site.
- In the context of the WDP, the Waikato RPS provisions I have summarised above are given effect to in the following manner:
  - (a) The inclusion of the Dairy Manufacturing Noise Contour on the planning maps, and associated rule framework, that recognises that within the noise contour area the noise environment can be elevated due to the operations at the Hautapu Site (and places limits on the Hautapu Site operation in respect of noise outside of the contour). This is shown on the following figure.

<sup>&</sup>lt;sup>5</sup> Waikato RPS Policy 4.4.

<sup>&</sup>lt;sup>6</sup> Waikato RPS – Implementation Method 6.1.2.

Waikato RPS – Policy 6.16(f).

<sup>&</sup>lt;sup>8</sup> Waikato RPS – Section 6A Development Principles (h) and (o).

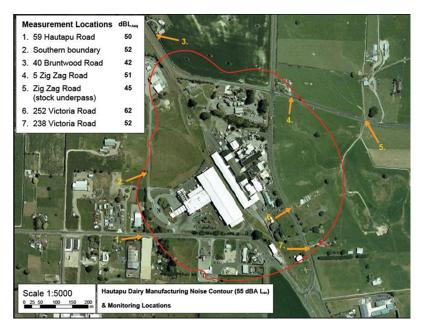


Figure 2: Hautapu Noise Contour

(b) The inclusion of a 'Specialised Dairy Industrial Area' overlay and associated rule framework that requires activities not associated with the manufacturing of dairy products within the Specialised Dairy Industrial Area to obtain resource consent (as a restricted discretionary activity). The following figure shows the present extent of the Specialised Dairy Industrial Area in the WDP:

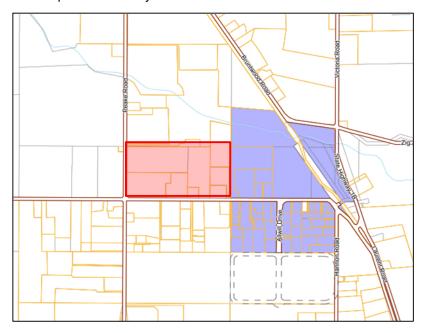


Figure 3: Specialised Dairy Industrial Area (purple) and Area 6 (red)

(c) The inclusion of specific transportation standards for the Hautapu Site (Appendix T8).

- (d) Various policies supporting the operation of the Hautapu Site, as set out later in my evidence.
- 3.7 It is my view that PC17 is generally consistent with the policy directives of the Waikato RPS in respect to the management of reverse sensitivity and other effects as industrial activities are inherently more compatible with Fonterra's operations than other land use activities. However, given the nature of the activities undertaken at such a large scale heavy industrial site used to produce food products, there is a risk that some other industrial activities that will be provided for (as a permitted activity) in Area 6 under PC17 are not entirely compatible with Fonterra's operations. In that respect, for PC17 to fully give effect to the Waikato RPS, I consider that Area 6 should be identified as a Specialised Dairy Industrial Area.

#### 4. IMPORTANCE OF THE HAUTAPU DAIRY MANUFACTURING SITE

- 4.1 As set out in Fonterra's primary submission, Fonterra is New Zealand's largest company, and a significant employer, with more than 11,000 New Zealand based staff and more than 6,500 employees based overseas.
- 4.2 Fonterra owns and operates the Hautapu Site located, north of State Highway 1, and between Hautapu Road and Bruntwood Road. Fonterra employs approximately 300 people at this site, which has operated for more than 120 years.
- 4.3 The WDP acknowledges the importance of the Hautapu Site (and the need to ensure compatible activities establish adjacent to the site) through the Specialised Dairy Industrial Area and the noise contour, which I have already discussed, setting out in the introduction section of the Industrial Zone chapter:

The existing dairy manufacturing sites at Te Awamutu and Hautapu are significant industries that are important to the local and regional economy. The food producing activities that are carried out on these sites are sensitive to other industrial activities. This Plan recognises the sensitive nature of these sites by incorporating specific provisions in the 'Specialised Dairy Industrial Area'. This Plan also recognises that the Te Awamutu and Hautapu Dairy Manufacturing sites were developed a long time ago and the activities undertaken at those sites are often authorised by existing use rights rather than the current District Plan rules.

4.4 The resource management issues for the Industrial Zone set out that the milk processing activities undertaken within the Hautapu Site are of regional

significance and can be affected by the nature of other developments, due to the sensitive nature of food production<sup>9</sup>.

- 4.5 Additionally, the WDP contains the following policy directives relevant to the Hautapu Site:
  - (a) To achieve a consolidated settlement pattern that (among other matters), supports the continued operation, maintenance, upgrading and development of regionally important sites<sup>10</sup>;
  - (b) The protection of the ability for the Hautapu Site to continue to operate, grow and develop by limiting noise sensitive activities on surrounding sites<sup>11</sup>;
  - (c) To ensure the increased demand on infrastructure near the Hautapu Site is managed in an integrated manner by allowing the provision of private on-site infrastructure where it cannot practicably be provided through municipal supply because of timing, design, operational constraints or because other more sustainable methods are available (i.e. land disposal)<sup>12</sup>;
  - (d) The industrial zone is developed in a manner that protects industrial activities from incompatible land uses that could result in reverse sensitivity effects<sup>13</sup>;
  - (e) The industrial zone is developed in a manner that protects the ability for the Hautapu Site to continue to operate and expand within the site<sup>14</sup>;
  - (f) The protection of the ability of the Hautapu Site to continue to operate and develop by managing activities on surrounding sites within the Specialised Dairy Industrial Area, where they could adversely affect the operation of the Hautapu Site<sup>15</sup>;
  - (g) When upgrading components of the site, to progressively reduce noise emissions where practicable <sup>16</sup>; and

<sup>9</sup> Issue 7.2.3 of the WDP.

WDP Objective 1.3.1(b).

<sup>11</sup> WDP Policy 1.3.1.7.

<sup>&</sup>lt;sup>12</sup> WDP Policy 1.3.2.7.

WDP Objective 7.3.1(b).

WDP Objective 7.3.1(c).

<sup>&</sup>lt;sup>15</sup> WDP Policy 7.3.1.2(b).

<sup>&</sup>lt;sup>16</sup> WDP Policy 7.3.3.3.

(h) Require activities within the Specialised Dairy Industrial Area that are not related to the processing of milk and production of milk related products (excluding rural based industrial activities) to obtain resource consent as restricted discretionary activity, with the only matter of discretion being reverse sensitivity effects on the operation of the Hautapu Site<sup>17</sup>.

# 5. IMPORTANCE OF REVERSE SENSITIVITY ISSUES TO THE HAUTAPU DAIRY MANUFACTURING SITE

- 5.1 I understand that various decisions of the Environment Court have identified the following "planning principles" with respect to reverse sensitivity and are directly relevant to the development and/or intensification of activities in proximity to Fonterra's existing dairy manufacturing sites:
  - (a) The concept of reverse sensitivity is an accepted effect under the RMA and may arise when more sensitive activities locate in close proximity to existing activities. Those existing uses form part of the "existing environment" which have actual or potential offsite effects that cannot be fully internalised. The owners and occupiers of these new more sensitive land uses then seek to constrain the existing use or, just as importantly, will oppose any attempt to further develop or expand the existing activity.
  - (b) District councils are responsible for managing these reverse sensitivity effects (e.g. by making appropriate provisions in their District Plans and in the determination of resource consent applications).
  - (c) Generally, buffer zones or setbacks (in this case, the WDP includes a Specialised Dairy Industrial Area overlay as already discussed) are appropriate around existing activities where those uses have taken reasonable steps to avoid, remedy or mitigate their offsite effects. Sensitive uses seeking to establish within those zones or setbacks are required to be assessed against various criteria to determine the potential level of reverse sensitivity effects, and may be subject to conditions (e.g. acoustic insulation) reducing those potential effects.
- I am aware that Fonterra's experience has been that it is not always the actual effects of large-scale industrial activities which give rise to reverse sensitivity

WDP Rule 7.4.1.1(t) and Rule 7.4.1.3(d).

issues, but rather the perception of an adverse effect caused by higher expectations of amenity being imposed on the environment by neighbouring land use activities.

- 5.3 In my experience, reverse sensitivity can manifest in several ways, including:
  - (a) Complaints from third parties in relation to the effects of lawfully established industrial activities, and the costs for those existing activities associated with having to respond to such complaints (irrespective of the merits of those complaints);
  - (b) Additional costs associated with resource consent applications;
  - (c) An increased likelihood of submissions in opposition to resource consent applications made by the operators of industrial activities and appeals in relation to any decision to grant such consents; and
  - (d) Submissions and/or further submissions on district and regional plans that seek greater limitations or restrictions (i.e. reduced noise limits) on existing industrial activities.
- The issue of reverse sensitivity was demonstrated recently in respect to the Hautapu Site through a resource consent application process that sought to authorise the discharge of odour to air from a proposed Wastewater Treatment Facility located at the Hautapu Site.
- 5.5 The following is a comment from a member of the Hautapu Residents Group made in a newspaper article<sup>18</sup> in respect of the consent process which, in my view, clearly demonstrates reverse sensitivity:

"We know the factory has been there for more than 100 years and it's in a long-time industrial zone, ...

But there are now more than 50 homes as its neighbours and some are just a few hundred metres away from the site.

Maybe this is not the right place for the factory anymore."

5.6 While the above quote relates to rural – residential / industrial challenges, given the heavy industrial nature of Fonterra's operations at the Hautapu Site, there is the potential for reverse sensitivity to arise in respect to light industrial operations establishing adjacent to the site within Area 6.

https://www.stuff.co.nz/environment/126775336/dairy-factorys-rural-neighbours-preparing-for-battle-over-wastewater-plant

5.7 Area 6 is adjacent to a large dairy factory Wastewater Treatment Facility ("WWTF") proposed to be constructed on the Hautapu Site following an extensive resource consent process. The following image shows the location of the WWTF:

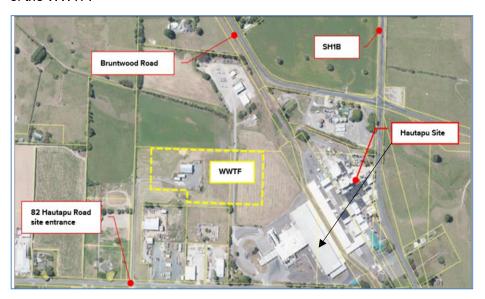


Figure 4: Location of the WWTF on the Hautapu Site

The WWTF is a biological wastewater treatment process which (once constructed) will utilise a series of anoxic, anaerobic and aerobic steps to significantly reduce the organic content of the wastewater generated at the site and will also enable denitrification and enhanced biological phosphorus removal. I was involved in this resource consent process as the planner for Fonterra and note that the WWTF is a critical component of Fonterra's wastewater strategy to reduce its nutrient discharges in the Waikato River Catchment (in accordance with the aims of Te Ture Whaimana, the National Policy Statement for Freshwater Management and the Waikato Regional Plan).

#### 6. ADDITIONAL INDUSTRIAL LAND

- 6.1 Fonterra's primary submission sets out support of the re-zoning of the land in the C9 Growth Cell and Area 6 as industrial activities are generally compatible with the scale of the Hautapu Site. In my opinion, industrial activities are generally the most appropriate land use activities to locate in proximity to a dairy manufacturing site such as Hautapu.
- 6.2 I support the amendment to Rule 7.4.1.5(p) of the WDP proposed as part of PC17, which classifies specific activities as being a non-complying activity. These are the activities that are obviously incompatible with Hautapu Site

operations (with the exception of relocated buildings) from an air quality perspective. However, Rule 7.4.1.5(p) does not manage the potential for reverse sensitivity effects.

- Given the nature of the operations at the Hautapu Site, and including operations associated with wastewater treatment, the Fonterra submission also sought that Area 6 be identified as a Specialised Dairy Industrial Area. The rationale for this is to ensure that only industrial activities that are directly (and obviously) compatible with the operations at Hautapu are provided for, as a permitted activity, within the overlay area.
- The effect of identifying Area 6 as a Specialised Dairy Industrial Area is that industrial activities seeking to establish within the overlay would likely need resource consent in accordance with Rule 7.4.1.1(t) as a restricted discretionary activity. I note that the only matter of discretion applicable to activities seeking resource consent under this rule is:

Reverse sensitivity effects on the operation of the Te Awamutu or Hautapu Dairy Manufacturing Sites.

- The specific assessment criteria sets out that in assessing applications for activities which are not permitted activities under the rules within the Special Dairy Industrial Area, WDC will have regard to the compatibility of the activities with food processing activities carried out in the Specialised Dairy Industrial Area. Conditions may be imposed to ensure that proposed activities are compatible.
- Any resource consent application would therefore only need to address reverse sensitivity and would not need to consider the full range of 'effects' such as noise, infrastructure servicing, visual effects or transportation. Any application would also only need to address the objectives and policies of the WDP that relate to the Hautapu Site and reverse sensitivity.
- The resource consent process provides the opportunity for Fonterra to be considered a potentially affected party for any activity that requires resource consent in accordance with Rule 7.4.1.1(t). In my experience, Fonterra would only object (i.e. not provide written approval) to a resource consent application if it is fundamentally incompatible with its Hautapu Site operations and would provide written approval if those activities are compatible.
- In my view, Policy 7.3.1.2 of the WDP provides a clear rationale for the Specialised Dairy Industrial Area applying to Area 6, which is the management of activities on land surrounding the Hautapu Site [emphasis added]:

#### Policy 7.3.1.2 - Dairy manufacturing sites

To protect the ability of the Te Awamutu and Hautapu Dairy Manufacturing Sites to continue to operate and develop by:

- (a) Providing for tall buildings within identified areas, and use and storage of hazardous substances where located over 40m from the zone boundary; and
- (b) Managing activities on surrounding sites within the specialised dairy industrial area, where they could adversely affect the operation of the Dairy Manufacturing Sites.
- I have been involved in assessing applications for activities within the Specialised Dairy Industrial Area from a planning perspective on behalf of Fonterra. On all occasions, the applicant has accepted measures proposed by Fonterra or offered measures upfront to address the potential for reverse sensitivity (including no complaints / no objection covenants). In all those processes, written approval has been provided by Fonterra. Fonterra has provided its written approval in relation to 21 applications for activities in the Specialised Dairy Industrial Area at Hautapu over the last seven years. Nine written approvals have been provided by Fonterra in relation to the Specialised Dairy Industrial Area surrounding the Te Awamutu Site.
- 6.10 I consider that both Rule 7.4.1.5(p) and the Specialised Dairy Industrial Area overlay (and the associated rules) should apply to activities in Area 6 as they both address different matters, namely:
  - (a) Rule 7.4.1.5(p) addresses activities with air emissions that would directly impact the food processing operations at the Hautapu Site; and
  - (b) The Specialised Dairy Industrial Area overlay and associated Rules 7.4.1.1(t) and 7.4.1.3(d), provide Fonterra the opportunity to review and consider a resource consent application that is for activities not directly associated with milk production, which may be more sensitive to heavy industrial activities occurring on the adjacent Hautapu Site.
- I note that I was involved in the plan change process (PC11) for the applicant that rezoned the 'Bardowie Industrial Precinct' from Rural Zone to Industrial Zone, inserted Rule 7.4.1.5(p) into the WDP, and removed a Specialised Dairy Industrial Area overlay from part of the land that was rezoned through PC11. The land that formed part of PC11 was purchased by the plan change applicant

from Fonterra, and I was involved in the discussions with Fonterra on behalf of the plan change applicant.

- The reason that Fonterra was generally comfortable with the removal of the Specialised Dairy Industrial Area overlay in the context of PC11, was that wider PC11 process included a number of private agreements (i.e. no complaints / no objection covenants which are applicable across the entire extent of the PC11 land), and the rules proposed that classified obviously incompatible activities as Non-Complying Activities. This suite of measures were proposed to ensure the potential for reverse sensitivity and other effects was appropriately managed.
- 6.13 In addition, Fonterra was able to review the draft plan change documentation and provide comment on that draft prior to it being lodged with WDC. Through the land purchase process and the pre-lodgement process of the plan change, Fonterra had substantial influence on the provisions of PC11.
- 6.14 The inclusion of the Specialised Dairy Industrial Area overlay on Area 6 would provide Fonterra the same degree of involvement for industrial activities seeking to establish within Area 6, as Fonterra did with PC11, through the resource consent process (rather than the sale / purchase agreement or plan change process).

## 7. RESPONSE TO S42A REPORT

- 7.1 I have reviewed the s 42A report prepared by Ms Neda Bolouri, and while I agree with the majority of her analysis, I do not agree with her opinion in respect of the Specialised Dairy Industrial Area.
- 7.2 Ms Bolouri provides a very brief analysis in respect to this matter, setting out that<sup>19</sup>:

One submitter (#19 – Fonterra Ltd) has requested that Area 6 be rezoned a Specialised Dairy Industrial Area. Specialised Dairy Industrial Areas have a very limited range of permitted industrial activities, some of these could potentially have more water use and additional adverse amenity effects (noise, smell etc.), than a light to medium Industrial Zone. On this basis the submission point has been rejected.

7.3 With respect, the purpose of the Specialised Dairy Industrial Area is to ensure that only activities that are obviously directly compatible with the operations at

<sup>9</sup> At paragraph 6.5.7 of the s 42A report

the Hautapu Site (i.e. those relating to milk production) are permitted within an area identified as a Specialised Dairy Industrial Area. Ms Bolouri has not acknowledged that the purpose of the Specialised Dairy Industrial Area is to protect the Hautapu Site from incompatible activities establishing or expanding in close proximity.

- 7.4 Ms Bolouri has provided no analysis of the framework within the WDP in respect of the Hautapu Site that supports her recommendation to reject the submission by Fonterra. It is my opinion, that the existing provisions of the WDP provide clear direction for the Specialised Dairy Industrial Area to apply on sites adjacent to, and surrounding, the Hautapu Site (particularly in the absence of alternative measures as discussed above in relation to the Bardowie Industrial Precinct).
- 7.5 In addition, I do not agree, as Ms Bolouri has suggested, that Fonterra seeks Area 6 be "rezoned" to a Specialised Dairy Industrial Area. The Specialised Dairy Industrial Area is an overlay, rather than a zone. This is demonstrated by the PDF planning maps on the WDP webpage, which labels the 'Boundary of the Specialised Diary Industrial Area' as an overlay:

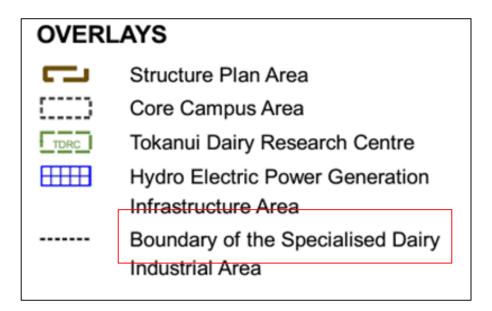


Figure 5: Excerpt from the WDP PDF Planning Map Legend

7.6 However, I do acknowledge that there is an inconsistency between the planning maps on the Waipā IntraMaps GIS application and the pdf planning maps available on the Waipā District Council WDP webpage, where the GIS system identifies the Specialised Dairy Industrial Area as being a 'Specialised Industrial Zone'. The following figure demonstrates this inconsistency:



Figure 6: Comparison Between the Planning Map PDF and Waipā Intramaps GIS Layers

7.7 For the reasons set out in my evidence, I consider that Area 6 should be identified as a Specialised Dairy Industrial Area.

#### 8. SECTION 32AA

8.1 Section 32AA of the RMA, requires that:

Requirements for undertaking and publishing further evaluations

- (1) A further evaluation required under this Act—
  - (a) is required only for any changes that have been made to, or are proposed for, the proposal since the evaluation report for the proposal was completed (the changes); and
  - (b) must be undertaken in accordance with section 32(1) to (4); and

- (c) must, despite paragraph (b) and section 32(1)(c), be undertaken at a level of detail that corresponds to the scale and significance of the changes; and
- (d) must-
  - (i) be published in an evaluation report that is made available for public inspection at the same time as the approved proposal (in the case of a national policy statement or a New Zealand coastal policy statement or a national planning standard), or the decision on the proposal, is notified; or
  - (ii) be referred to in the decision-making record in sufficient detail to demonstrate that the further evaluation was undertaken in accordance with this section.
- (2) To avoid doubt, an evaluation report does not have to be prepared if a further evaluation is undertaken in accordance with subsection (1)(d)(ii).
- (3) In this section, proposal means a proposed statement, national planning standard, plan, or change for which a further evaluation must be undertaken under this Act.
- 8.2 In my opinion, the amendment I have proposed to PC17 to identify Area 6 as a Specialised Dairy Industrial Area is more effective and efficient than not identifying this area as such, as it will achieve similar outcomes in respect to enabling industrial development, but done so in a manner that gives effect to the Waikato RPS and the existing provisions in the WDP and, in so doing, not impacting the ongoing operation of the Hautapu Site.

## 9. CONCLUSION

9.1 Industrial activities are generally the most appropriate land use activities to locate in proximity to a dairy manufacturing site such as the Hautapu Site. However, should the Panel approve PC17, I consider that additional amendments are required to PC17, as outlined in my evidence, to give effect to the Waikato RPS and to ensure consistency with the existing objectives and policies of the WDP in respect of recognising the importance of the continued operation of the Hautapu Site.

Mark Chrisp 13 March 2023