in the matter of: A Private Plan Change to the Waipa District Plan under

Schedule 1 of the RMA by Waikato Regional Airport Ltd/Titanium Park Ltd and an associated Notice of Requirement, by the NZ Transport Agency, for an alteration to designation as per section 181 of the RMA

to: Waipa District Council

applicant: Waikato Regional Airport Ltd/Titanium Park Ltd

Statement of Evidence by **Mark Andrew Morgan** on behalf of Waikato Regional Airport Ltd/Titanium Park Ltd

Date: 1 May 2019

1. INTRODUCTION

- 1.1 My name is Mark Andrew Morgan. I am currently the Chief Executive of the Hamilton Airport. I have held this position since July 2015.
- 1.2 In my role as Chief Executive I am responsible to the Waikato Regional Airport Limited (WRAL) Board of Directors. The Directors are Barry Harris (Group Chair), Margaret Devlin (Director and Chair of the Property Committee), Carlos da Silva (Director and Chair of our Hotel Committee) and Annabel Cotton (Director and Chair of Hamilton Waikato Tourism).
- 1.3 The WRAL Group has three subsidiary Companies, Titanium Park Limited (TPL), Hamilton Waikato Tourism Limited and Waikato Regional Airport Hotel Limited. The WRAL Directors are Directors of all entities.
- 1.4 My responsibilities extend to the leadership and oversight of the Group operations, including the Airport, the Group property interests (TPL), and now the recent acquisition of the Airport Hotel and its operations from 13 May 2019. In relation to these entities I am the key company representative and I am empowered by the Board under delegated authority to act for, and in the best interests of the Group.
- 1.5 I am also a non-paid Director of Hamilton Waikato Tourism Limited and as such sit on this subsidiary board.
- 1.6 In 2017 I approached Bloxam Burnett & Olliver (BBO) to assist the WRAL Group amend the consented access arrangements to the eastern side of the Airport and off State Highway 21 (SH21). The reason for this change and its importance to the Airport is set out in my evidence below.
- 1.7 Within this evidence I will also present the history of the Hamilton Airport; the background to Titanium Park Business Park; the revised access strategy and I will comment on the subsequent consultation undertaken with the submitters in opposition since the close of submissions.
- 1.8 In preparing this evidence I have read the submissions that have been received. I have also read the Waipa District Council's Consultant Planners s42A report and recommendation that the Plan Change be approved, subject to one minor modification, and that the Notice of Requirement be confirmed subject to a suite of conditions.
- 1.9 I have read the supporting evidence that my experts from BBO will present on behalf of the WRAL Group. In summary, I wish to see the Plan Change approved and the recommendations to the designation conditions our experts have made be adopted by the Commissioner and the Notice of Requirement confirmed.

2. AIRPORT BACKGROUND

- 2.1 Hamilton Airport is a critical hub in the Waikato Regions transport infrastructure and is identified as regionally significant infrastructure in the Regional Policy Statement (RPS).
- 2.2 The Airport was established at its current site at Rukuhia off SH 21 in 1935. During World War 2 it was taken over by the Royal New Zealand Airforce. In 1946 the air force operation officially ended, and the Waikato Aero Club began flying from the airport.
- 2.3 Since then, the Airport has developed into a regional airport with scheduled domestic passenger services, and in the mid-1990s and 2000s operated as an international airport through the introduction of scheduled flights to Australia. These have since discontinued. The Airport is currently experiencing good growth, with an average of approximately 5%-7% growth in passenger numbers per annum.
- 2.4 WRAL is the owner and certified operator of Hamilton Airport. WRAL is wholly owned by five territorial authorities, including Waipa District Council.
- 2.5 To undertake its airport operations, WRAL owns just over 170ha of land between State Highway 21 near the southern extend of the existing runway, extending north to Raynes Road towards the northern end of the runway.

3. TITANIUM PARK BUSINESS PARK BACKGROUND

- 3.1 During 2004, WRAL undertook a comprehensive review of their land holdings, with a view to planning development of the Airport and its surrounds. As a result, 173ha of land was identified for the Airports long-term operational needs including runways, runway extensions, safety areas, taxiways, navigation aids and the passenger terminal. A further 117ha of land was identified as not being needed for the direct operational requirements of the Airport. It is this land which became the 'Titanium Park Business Park'.
- 3.2 The landholdings owned by WRAL are the areas referred to as the Central Precinct, Southern Precinct, Northern Precinct and the Aviation Precinct off Ingram Road as shown on the Airport Environs plan in **Attachment 1**.
- 3.3 To bring the development potential into fruition WRAL entered into a Joint Venture with McConnell Property, called the Titanium Park Joint Venture (TPJV).
- 3.4 In 2007 the Joint Venture lodged a Plan Change with Waipa District Council to rezone land from Rural to Airport Business (Plan Change 57). A Structure Plan was prepared to support the Plan Change and to provide context to staging and access arrangements.

- 3.5 The Structure Plan defined that transport access to the eastern side of the Airport (i.e. the Central and Southern development Precincts) would initially be from the existing airport terminal intersection on SH21 for up to 8ha of business park development (refer **Figure 1** for the location of this intersection). After the 8ha development threshold is reached, or should adverse effects require it earlier, a new multi-lane roundabout intersection is required to be constructed at a location just south of Lochiel Road. The new roundabout location also provided for the realignment of Lochiel Road as the fourth leg of the roundabout.
- 3.6 The existing airport terminal intersection with SH21 would then be permanently closed once that roundabout was constructed. The new roundabout was proposed to be a gateway into Titanium Park servicing both the business park and the airport traffic, albeit giving prominence to the Business Park firstly and the Airport secondly.
- 3.7 Both the Central and Southern Precincts were to be accessed from the new roundabout via a Spine Road (now partly constructed and called Ossie James Drive). The Southern Precinct traffic would have to continue along the Spine Road, past the Airport terminal and carparking areas and traverse the southern gully. No direct access from SH21 to the Southern Precinct is provided for.

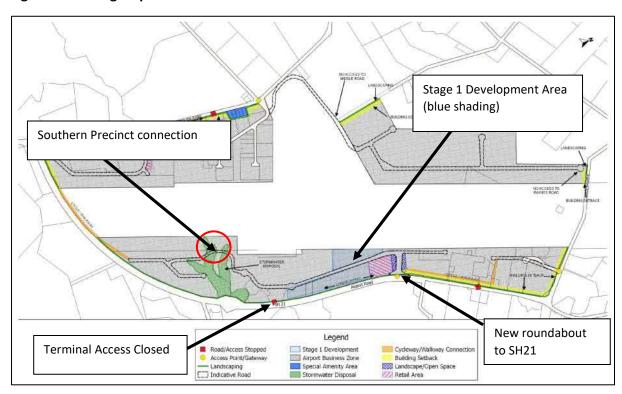


Figure 1: Existing Airport Business Zone Structure Plan

3.8 The Structure Plan process also culminated in the signing of a Memorandum of Agreement (MoA) between the NZ Transport Agency and TPJV. The MoA defined the future intersection configurations and a series of effects-based triggers and monitoring requirements to

- determine when the new roundabout was to be planned, designed and constructed, and the existing intersection with SH21 closed.
- 3.9 In 2016, the TPJV was dissolved and a new entity, TPL took responsibility for managing and developing the Central and Southern Precincts of Titanium Park and overseeing the wider WRAL land holdings. Whilst the Northern Precinct is not part of this Plan Change it is part of the wider Business Park and is controlled by the WRAL Group too.

4. BACKGROUND TO THIS PLAN CHANGE AND NOTICE OF REQUIREMENT

- 4.1 In 2017, the WRAL entities (WRAL and TPL) completed a review of the original development masterplan and Structure Plan and concluded that fundamental changes were needed to ensure the Structure Plan reflected WRAL's core focus being the Airport and terminal operations, with the business park development secondary to that.
- 4.2 The Structure Plan review resulted in five key issues being identified. These are:
 - 1. Ensuring that the Airport terminal is the prominent focal point upon entry from SH21 in the future, by providing a gateway access feature.
 - 2. Locating the future SH21 access in a position to achieve the above, while also serving appropriate access to the business park (Central Precinct).
 - 3. Separating the development of the Southern Precinct from the Central Precinct to minimise conflict between terminal operations and heavy business park traffic in the south while also minimising transport infrastructure cost.
 - 4. Retaining walking and cycling connectivity between the Southern and Central precincts.
 - 5. Limiting high traffic generating activities in the Southern Precinct so as to minimise traffic volumes for the new southern access.
- 4.3 In light of these matters, I engaged BBO to work with the NZ Transport Agency and Waipa District Council to reach agreement on a revised eastern side access strategy and thereafter consent the revised access strategy. This process has resulted in the preparation of a concurrent Plan Change (Plan Change 10) and Notice of Requirement (for alteration to designation), with the NZ Transport Agency being a partner in the process.

5. REVISED ACCESS STRATEGY

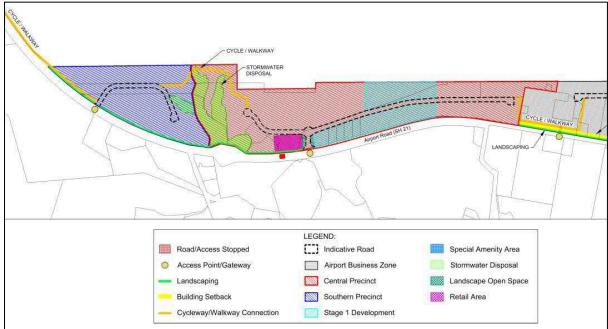
5.1 The revised access strategy can be broken up into two parts, being the Main Access and the Southern Precinct Access.

5.2 Main Access

5.2.1 The WRAL Group now seek to make the Airport Terminal area a key focal point. To achieve this, a dual lane roundabout design is proposed at a location approximately 100m north of the existing airport access location.

- 5.2.2 This access point will form the main access to the Airport terminal as a gateway entrance, and also provides access to the adjacent Go-Kart operation, the Hamilton Pistol Club, and the Mystery Creek Events site. This roundabout also provides access to a smaller diameter roundabout that will provide access to Ossie James Drive (the Central Precinct) and the Airport Terminal. This smaller roundabout may be constructed simultaneously with the main roundabout, if not before, and will become local road vested in Waipa District Council.
- 5.2.3 This roundabout replaces that which was originally proposed near Lochiel Road.
- 5.2.4 To provide for the above change, the Airport Business Zone Structure Plan is proposed to be revised, as shown in **Figure 2**.





5.2.5 The land requirement plans for the main access roundabout shows that land is required to be purchased off two adjacent landowners, being Shaw's Property Holdings Ltd and the Hamilton Pistol Club. WRAL have already purchased the land required from Shaw's Property Holdings Ltd and have completed a subdivision¹ to separate that land from their balance land. Negotiations with the Hamilton Pistol Club to purchase their land are ongoing. The other two pockets of land are owned by WRAL Group already and are thus available to be used for the roundabout construction.

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¹ Waipa DC Reference SP/0145/18

5.3 **Southern Precinct Access**

- 5.3.1 As outlined above, the review of the access strategy for the business park identified that providing access through the Airport terminal operations area and across the adjacent gully to the south would be both expensive and disruptive to the function of the Airport. The likely presence of heavy vehicles mixing with airport traffic on a daily basis across the front of the Terminal building and public parking areas under the road network indicated on the Structure Plan, is also at odds with WRAL's mandate to promote and enhance the Airport operations.
- 5.3.2 For these reasons, we requested that BBO investigated the option of providing a separate access point to the Southern Precinct, directly off SH21. The outcome that BBO proposed, and that was supported by the NZ Transport Agency, is a right turn bay, at one of the existing access points to this land. The right turn bay would then service an internal road that would be vested in Council as part of subsequent subdivision of the Southern Precinct.
- 5.3.3 The key benefits of this access arrangement were seen as:
 - 1. Making the Southern Precinct independent of the Central Precinct and avoiding the costly and intrusive road construction across the gully system (i.e. avoiding the ecological and financial costs of this work).
 - 2. Greater efficiencies for traffic serving the Southern Precinct than provided within the current Structure Plan road network, which currently sees this traffic (including heavy vehicles) having to use approximately 1.8km of internal roads before they obtain access to SH21.
- 5.3.4 In terms of minimising the potential effects of an additional access point onto SH21, BBO and the NZ Transport Agency identified that there was a need to restrict higher traffic generating land uses, so that the safety and efficiency of the intersection was not compromised. The Plan Change consequently proposes that a number of land uses that are permitted in the wider Titanium Park Business Park are more constrained in the Southern Precinct (i.e. become non-complying activities in the Southern Precinct). Such activities are those that have been identified as being higher traffic generating land uses and include activities such as offices, places of assembly, cafes, vehicle rental and vehicle parking storage etc. This approach aligns with the WRAL Group aspirations of the Southern Precinct providing a development option for large lot industrial development, with the Central Precinct providing for smaller lots, as required.
- 5.3.5 Due to the delays in the timing of this Plan Change process, TPL has sought and obtained a subdivision consent from Waipa District Council that provides for the creation of the new Southern Precinct right turn bay intersection and associated internal road. The NZ Transport Agency and adjacent landowners' approvals were provided as part of this consenting process.

- 5.3.6 This consent was granted on the 5 December 2018 (Council reference SP/0144/18). The subdivision provides for the creation of 5 industrial lots (Lots 1 to 5), a balance lot (Lot 101), a road to vest in Waipa District Council (Lot 201) and the construction of the right turn bay and associated SH21 improvements. The approved scheme plan for this subdivision is contained in Attachment 2. The conditions of that subdivision consent require NZ Transport Agency to be a party to the design approval process and the final sign off of the works, within SH21.
- 5.3.7 Physical works associated with its construction are well underway and are expected to be finished by the end of June 2019. Four of the five lots created have also been sold, highlighting the demand for land within the Airport environs/business park.
- 5.3.8 The approval of the plan change will result in the revised Structure Plan aligning with the consented Southern Precinct access arrangements that are currently been constructed.
- 5.3.9 Future pedestrian connectivity across the gully, for pedestrians, will be enabled in the Stage2 development of the Southern Precinct to ensure connectivity between the Central andSouthern Precincts.

6. SUBSEQUENT CONSULTATION UNDERTAKEN WITH SUBMITTERS

- 6.1 I have read through the submissions in opposition received from the Hamilton Pistol Club and the Fieldays Society Incorporated/Kaipaki Promotions Ltd.
- 6.2 As a result of the receipt of these submissions I directed BBO staff and our Property Manager Dion Merson to engage with both these parties to see whether resolution on their concerns could be reached.
- 6.3 I understand that this has occurred and has given rise to a number of discussions between the parties and some refinements being made to the preliminary engineering drawings to accommodate both parties' concerns, as able to be accommodated at this time. Collaboration on the consent conditions has also occurred/is ongoing.
- 6.4 I also understand that the majority of their concerns relate to the detailed design of the new roundabout and how the conditions can be drafted to ensure that both parties are subject to that process and design outcomes are protected. I understand that the designation conditions, will provide for such opportunities and will also clearly set out the design outcomes.
- 6.5 I have also written to both parties acknowledging their concerns with the roundabout design and identifying that the Airport will continue to engage with them in the detailed engineering design process for the roundabout to ensure that they are part of that process

too. We, as the Airport, wish to be a good neighbour and acknowledge that part of that is enabling both these parties to be involved in the future process.

7. CONCLUSION

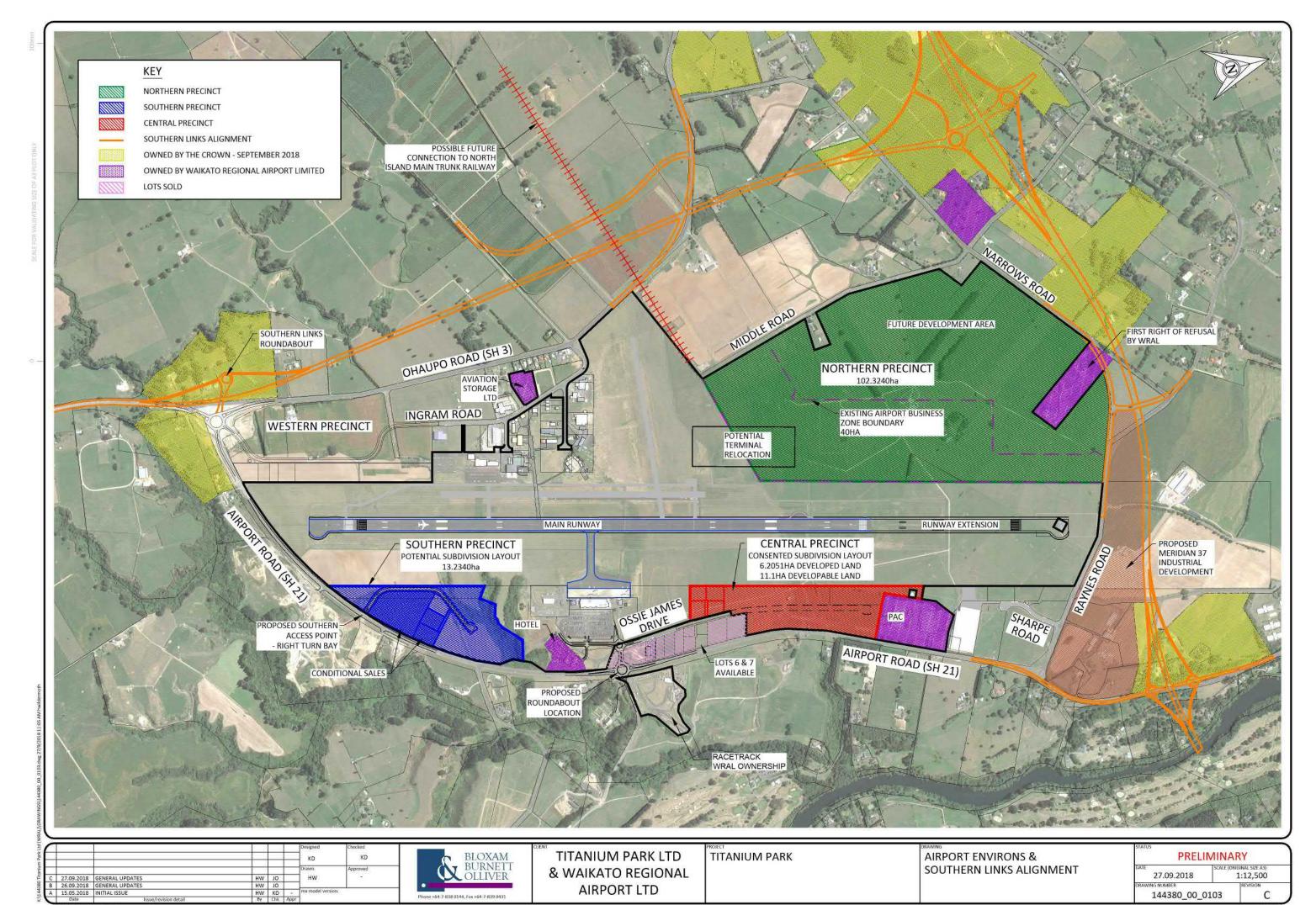
- 7.1 The Plan Change and associated Notice of Requirement has accounted for the issues identified by the WRAL Group in its review of Airport operations and adjoining Business Park. This is because the new main Airport roundabout that will act as a key gateway to the Airport and the wider Waikato region and separation of the Southern Precinct from the Central Precinct will also minimise conflict between terminal operations and heavy business park traffic in the south while also minimising transport infrastructure cost.
- 7.2 For these reasons, I ask that Waipa District Council support the Plan Change and Notice of Requirements, in accordance with the recommendations that have been made by our experts.

Mark Morgan

Chief Executive - Hamilton Airport

1 May 2019

Attachment 1 – Airport Environs Plan



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Attachment 2 - Southern Precinct Approved Subdivision Scheme Plan

