

Memorandum

To: Waikato Regional Council, Hamilton City Council and Future Proof
From: Mark Chrisp, Abbie Fowler
Cc: Matt Smith, Todd Whittaker, Wayne Allan
Date: 30 October 2018
Re: Proposed Plan Change 11 – Bardowie Industrial Precinct.

INTRODUCTION

The Waikato Regional Council, Hamilton City Council and Future Proof (the “**submitters**”) all submitted on Proposed Plan Change 11 to the Waipa District Council to rezone 57.6 hectares of land at Hautapu from a combination of Deferred Industrial Zone / Rural Zone to Industrial Zone.

Proposed Plan Change 11 and the associated Bardowie Industrial Precinct Structure Plan is intended to enable a light to medium industrial precinct to develop in an area identified in the Waikato Regional Policy Statement as a Strategic Industrial Node. The Bardowie Industrial Precinct will be a contemporary industrial development, designed to be an industrial “campus”, and encompass a degree of mixed use. It is intended that the precinct be a modern, fully self-serviced campus, that will include cafe, child care facilities a wellness centre, visitor accommodation and conference facilities providing Cambridge with a new employment hub.

Development in the Bardowie Industrial Precinct has been divided into defined ‘Nodes’ that are available for development in three stages (subject to the private sale and purchase agreement).

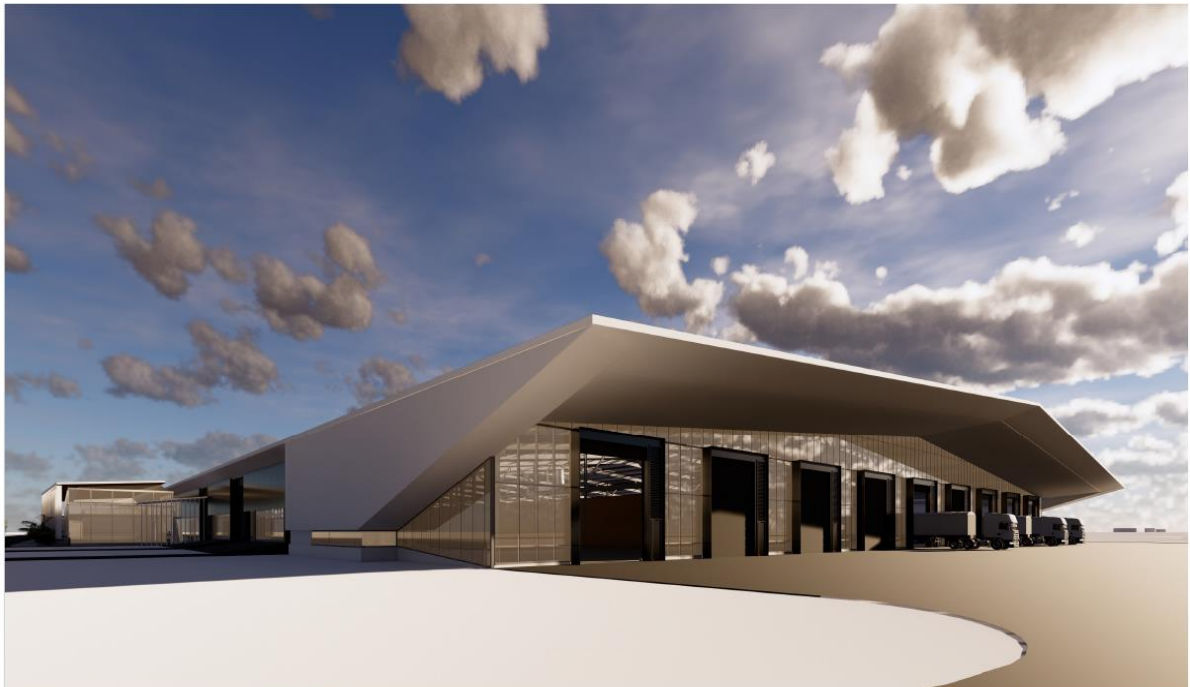
- Node 1A - 12.5 hectares – Window manufacturing and associated activities.
- Node 1B – 5.2 hectares – Land currently owned by Shoof Properties Limited and partially occupied by Shoof International Limited.
- Node 2 - 16.3 hectares – Window manufacturing and associated activities, including the Campus Hub (5.5 hectares).
- Node 3 – 22.7 hectares – General industrial activities that are designed in accordance with the urban design guidelines and private covenants (general industrial).

Proposed Plan Change 11 is being driven for the need to consolidate the plants and offices of Architectural Profiles Ltd (“**APL**”), which are currently located across a number of different sites in

Hamilton. APL will operate across approximately 27 hectares of the Bardowie Industrial Precinct, with the balance eventually becoming available for other industries to establish (subject to adherence to urban design guidelines). A new industrial location has been sought by APL due to the challenges associated with securing suitable land in in the Future Proof sub region that is large enough to consolidate its regionally significant operations and has good transportation linkages.

To give the submitters an idea of the quality of design that forms the basis of the Bardowie Industrial Precinct, the below figures show renderings from the architects for the first building (noting that the building is 414 metres in length and 110 metres wide).

3.4 External View - South West



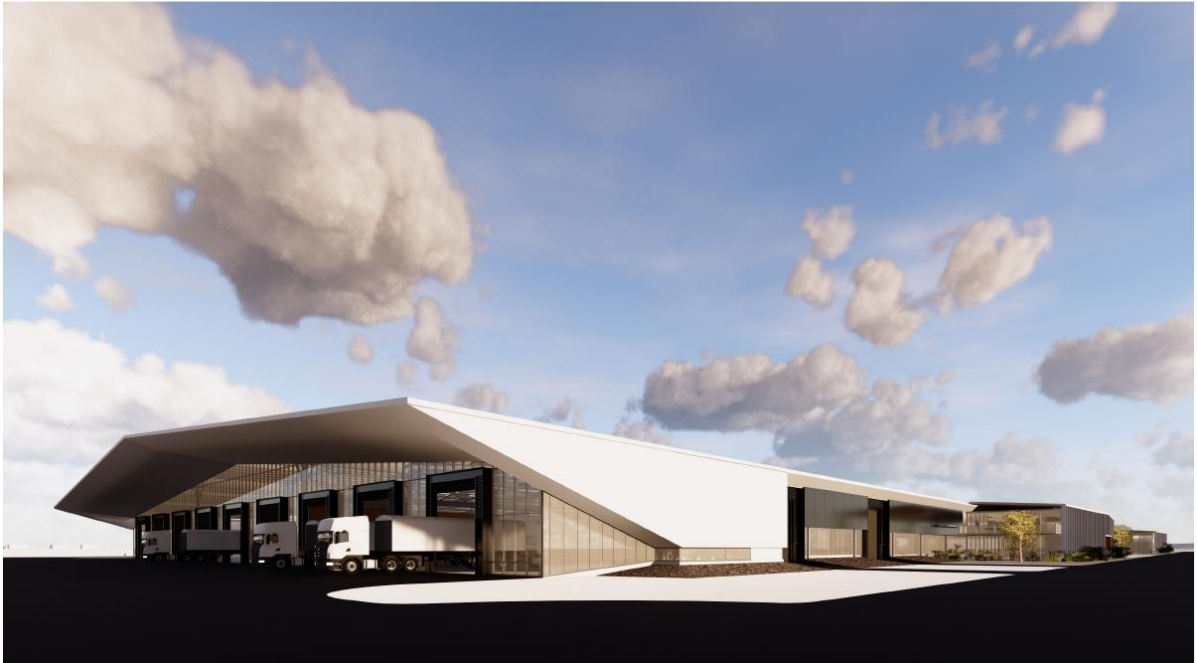
3.5 Aerial View



3.6 External View - ALPAC office



3.7 External View Northern Approach



The submissions of these parties were generally supportive of the rezoning; however, two key issues were raised as follows:

- Further analysis against the Waikato Regional Policy Statement industrial land allocation tables, and alternative land release provisions (including an assessment against Waipa 2050); and
- The size and extent of the Campus Hub, and associated provisions in relation to retail activities.

In addition, subsequent discussions with these submitters identified the benefit in Bardowie Investments Limited (“**BIL**”) providing details on the alternative locations sought for the APL relocation prior to embarking on the Private Plan Change Process. It is noted that there is commonality in ownership between BIL and APL.

This memorandum addresses these matters, as detailed below.

WAIKATO REGIONAL POLICY STATEMENT

The submitters posed questions in relation to the alignment of Proposed Plan Change 11 with the Waikato Regional Policy Statement (the “RPS”). Please find below details of our further assessment in relation to this matter.

Firstly, we note that the Waikato Regional Council, via its primary submission, has confirmed that the proposal meets the RPS requirements (provided below verbatim) – it is noted that the relief the WRC sought was to retain the rezoning as notified.

“Based on the strategic land use direction of the WRPS, location, and history of being identified as an industrial growth cell, it is considered that overall this site is appropriate for industrial development and is consistent with the intent of the WRPS land use and settlement patterns.

Land immediately to the west has recently been subject to a proposed plan change process (Waipa District Council Proposed Plan Change 6), which would make an area of approximately 100 hectares of land available for industrial development. Plan Change 11 seeks to add an additional 56.7 hectares of industrial land at Hautapu. If approved, these two plan changes would bring the total amount of land available for industrial development at Hautapu to almost 157 hectares. This figure exceeds the 96 hectares that the WRPS’ Table 6-2 Future Proof industrial land allocation identifies for Hautapu in the long term (to 2061).

Implementation Method 6.14.3 of the WRPS provides criteria for consideration of an alternative land release to that indicated in Table 6-2. These criteria relate to: maintenance and enhancement of existing and planned infrastructure; justification of the exceedance of the allocation through robust and comprehensive evidence; timely, affordable availability of land and maintenance of the benefits of committed infrastructure investments; and consistency with the development principles contained in the WRPS’ Section 6A Development Principles.

Supporting the alternative land release criteria in Implementation Method 6.14.3, the material provided with Plan Change 11 identifies the following:

- a) *While the Proposed Plan Change 6 land to the west provides for additional industrial land, approximately 50 hectares is privately owned and current unavailable for development;*
- b) *Recent analysis by Future Proof and Waipa District Council to meet requirements of the National Policy Statement on Urban Development Capacity (NPS-UDC) has highlighted that there is likely to be a shortage of industrial land in the area in the long-term, and that the area identified in the WRPS is insufficient (note that the WRPS is required to be amended to incorporate the NPS-UDC requirements);*
- c) *The Plan Change 11 area has been identified in the Waipa 2050 Growth Strategy since 2009 for future industrial development (noting a reduction in the area as part of the 2017 update of this*

Growth Strategy), and part of the site is zoned for future industrial use, with the remaining Rural Zone land immediately adjacent; and

- d) *A developer agreement will be entered into between Waipa District Council and the developer to ensure that the costs of infrastructure to service the development can be managed. As discussed further below, concern regarding the management of stormwater has been identified, and a submission point is included to capture this.*

Based on the abovementioned detail the criteria for alternative land release are largely being met.

The RPS alternative land release provisions are 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.*

The table below details our assessment of Proposed Plan Change 11 against the RPS alternative land release provisions.

From the outset we note that within the Future Proof sub-region, there has been less industrial land provided than originally anticipated by the Future Proof Growth Strategy due to this land being used to meet residential housing demand (within Hamilton City, via the Te Awa Lakes project). This equates to approximately 50 hectares less than provided for in the RPS. We anticipate that the rezoning of the Proposed Plan Change 11 area will provide an option for industrial activities to locate on industrial zoned land where they may not have been able to due to constraints in other district or city jurisdictions.

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<p>Efficient and safe functioning of existing or planned infrastructure</p>	<p>A key aspect of developing Proposed Plan Change 11 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 Waipa District Council). The following reports and assessments support Proposed Plan Change 11:</p> <ul style="list-style-type: none"> • Appendix A: Geotechnical Assessment • Appendix B: Preliminary Site Investigation • Appendix C: Transportation Assessment • Appendix D: Water Assessment: • Appendix E: Archaeological Assessment • Appendix F: Landscape Assessment <p>For example, the northern access point to the Bardowie Industrial Precinct is being designed in a manner to resolve existing issues with the Hautapu Road / Victoria Road intersection, cater for the entire extent of the C8 industrial growth cell (as shown in the operative Waipa District Plan including the Bardowie Industrial Precinct, and the Hautapu Industrial Structure Plan Area). The Waipa District Council has confirmed there is allocation in their water and wastewater network to cater for the Plan Change 11 development, without impacting their ability to cater for the existing Hautapu Industrial area.</p> <p>As a private plan change / development, a Development Agreement will be entered into which will set out how the infrastructure costs will be met.</p>
<p>Evidence of demand (to exceed the RPS Table 6-2 land allocation)</p>	<p>Proposed Plan Change 11 was promulgated largely to consolidate the many business units of APL into one campus, in close proximity to a town (workforce) and good connection links (having to distribute their products nationwide). For several years, APL have been attempting to secure land large enough to accommodate their operations (including the 50 hectares of land in the Hautapu area that is zoned industrial but currently used for rural purposes and not available to the market). There is simply not enough available land to accommodate the APL operations (with good transport links) in the Waipa District that is zoned Industrial. The northern part of the</p>

Provision	Assessment
	<p>precinct will be made available for other industrial land uses (non-APL) and there is a significant interest in third parties securing that land from Bardowie Investments Limited (once BIL has access to the land in 2024). This clearly shows that there is sufficient demand for industrial land. We also note that this demand is partly due to 50 hectares of industrial zoned land on Hannon Road not being available to the market for industrial development.</p> <p>The population of Cambridge has increased significantly, and there is a reliance on Hamilton City for employment opportunities. The RPS is a static document that cannot respond quickly enough to the type of growth that Cambridge has experienced (and will likely to continue to experience). We note that population growth in Cambridge has far exceeded all population growth projections (which were used to develop the RPS land allocation tables). We also note that none of the modelling could have anticipated one single industrial business moving to Cambridge and requiring 27 hectares. This clearly shows that there is actual demand for industrial land.</p> <p>As stated in the section 32 analysis supporting Proposed Plan Change 11, the RPS (and therefore the land allocation tables) does not give effect to the National Policy Statement on Urban Development Capacity which requires business land to be zoned in a district plan in line with population forecasts, including an oversupply (15-20 %) in the short, medium and long term. The Waipa District Council has indicated to us that the modelling being undertaken to support the Future Proof review shows that there is a shortfall of industrial land in the Waipa District and Cambridge.</p>
<p>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;</p>	<p>The Bardowie Industrial Precinct is within the Hautapu Strategic Industrial Node.</p> <p>The premise of Proposed Plan Change 11 is to make the land available in a timely manner for industrial development (noting that the costs of the First Schedule process for Proposed Plan Change 11 is not being met by the Waipa District Council – it is a private plan change whereby the costs are being met by Bardowie Investments Ltd). The availability of the land is occurring in a staged manner – with the general industrial land being made available at the latest in 2024.</p> <p>There will be no adverse impacts of the development of the Bardowie Industrial Precinct on the benefits of regionally significant committed infrastructure investments made to support other greenfield areas or industrial nodes.</p> <p>Proposed Plan Change 11 is providing regional economic benefits by leveraging off the investment in the development of the Waikato Expressway.</p>



Provision	Assessment	
Consistency with development principles (Section 6A of the RPS)	a) support existing urban areas in preference to creating new ones;	Proposed Plan Change 11 is consistent with this clause. The Bardowie Industrial Precinct is within the Cambridge 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 11 is consistent with this clause. It is within the defined urban limits of Cambridge.
	c) make use of opportunities for urban intensification and redevelopment to minimise the need for urban development in greenfield areas;	Proposed Plan Change 11 is consistent with this clause. 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 Cambridge to support this development. The Bardowie Industrial Precinct is within the Cambridge Urban Limits.
	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;	<p>Proposed Plan Change 11 is consistent with this clause. The technical documents supporting Proposed Plan Change 11 confirm the ability to appropriately service the area, and this has been confirmed by the Waipa District Council.</p> <p>It is noted that this development leverages off the investment in the Waikato Expressway, and significant time and cost has gone into ensuring that the access into the Bardowie Industrial Precinct enhances the transport network.</p>
	e) connect well with existing and planned development and infrastructure;	As above, Proposed Plan Change 11 is consistent with this clause.



Provision	Assessment
	<p>f) identify water requirements necessary to support development and ensure the availability of the volumes required;</p> <p>Proposed Plan Change 11 is consistent with this clause. A three waters assessment was commissioned to support Proposed Plan Change 11, which confirms the ability to service the site. Industries within the precinct will be “dry” industries. The Waipa District Council has also confirmed that there is allocation in the water supply network for the scale of development within the Precinct. It is noted that the Urban Design and Landscape Guidelines supporting the plan change place significant emphasis on the efficient use of water and water capture and reuse.</p>
	<p>g) be planned and designed to achieve the efficient use of water;</p> <p>As above, Proposed Plan Change 11 is consistent with this clause.</p>
	<p>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> <p>Proposed Plan Change 11 is largely consistent with this clause. It is acknowledged that Proposed Plan Change 11 will result in the change of land from rural productive purposes to industrial. However, the precinct is located with a strategic <u>industrial</u> node and within urban limits as per the RPS. The operative Waipa District Plan also identifies the area as being within the C8 <u>industrial</u> growth cell. This change from rural to industrial has therefore been contemplated, planned and signalled for a number of years.</p>
	<p>i) promote compact urban form, design and location to:</p> <ul style="list-style-type: none"> i) minimise energy and carbon use; ii) minimise the need for private motor vehicle use; <p>The Bardowie Industrial Precinct has been designed to be consistent with this clause. Sustainability is the backbone of the development with guidance supporting the use of solar panels and other methods for minimising energy use and supporting New Zealand’s transition to a low carbon economy.</p>



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>Cycle and pedestrian access and walkways have been a focus of the design of the precinct, with these connecting into the residential areas of Cambridge. In addition, for those who are reliant on private vehicles, there will be electric vehicle charging stations to support the transition to electric vehicles.</p> <p>While it is not the role of Bardowie Investments Limited to provide public transport services, the roads in the precinct will be designed to accommodate public transport (including spaces for bus stops).</p> <p>As discussed in the Section 32 analysis supporting Proposed Plan Change 11, the premise of the rezoning is to enable Cambridge to have more land for employment opportunities to reduce the reliance on Hamilton. This supports the “live, work, play” concept.</p>
	<p>j) maintain or enhance landscape values and provide for the protection of historic and cultural heritage;</p>
	<p>Proposed Plan Change 11 is consistent with this clause. The Bardowie Industrial Precinct 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 in the archaeological assessment and through engagement with tangata whenua.</p>
	<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>
	<p>Proposed Plan Change 11 is consistent with this clause.</p> <p>The site currently has limited biodiversity values currently, being a rural productive landscape. The Urban Design and Landscape Guidelines place a very high emphasis on landscaping and planting (both indigenous and introduced that reflect the character of Cambridge). In addition, the existing 0.87 hectare constructed wetland will be enhanced and extended to be 4 hectares, and a large stormwater wetland basin is to be created on the</p>

Provision	Assessment
	<p>adjacent land for stormwater management (but will have obvious co-benefits in terms of biodiversity and amenity values).</p>
<p>l) maintain and enhance public access to and along the coastal marine area, lakes, and rivers;</p>	<p>Proposed Plan Change 11 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. In fact, it is likely that the creation of the wetland environments discussed above will also have educational value and will be public infrastructure (thus increasing access to freshwater systems).</p>
<p>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>	<p>Proposed Plan Change 11 is consistent with this clause.</p> <p>This matter is fully addressed in the stormwater section of the three waters report supporting Proposed Plan Change 11. The site has been designed in a manner to achieve hydraulic neutrality and to the extent that there will be a discharge to the Mangaone Stream, the stormwater will be treated prior to discharge to reduce potential contaminant loading. The focus of the stormwater strategy is getting as much stormwater discharge to ground as possible (and the soakage of the land means that a significant proportion of the stormwater will be discharged via ground soakage).</p> <p>In addition, this matter will be fully addressed in the resource consent application that will be lodged with the Waikato Regional Council to discharge stormwater.</p>
<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</p>	<p>Proposed Plan Change 11 is consistent with this clause. All of these matters form part of the Urban Design and Landscape Guidelines for the Bardowie Industrial Precinct. Any industrial development within the precinct must achieve “overall consistency” with the guidelines.</p>



Provision	Assessment	
	harvesting and grey water recycling techniques where appropriate;	
	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 11 is consistent with this clause.
	p) be appropriate with respect to projected effects of climate change and be designed to allow adaptation to these changes;	Proposed Plan Change 11 is consistent with this clause. We do not anticipate that there will be adaptations required due to climate change.
	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;	Proposed Plan Change 11 is consistent with this clause. Engagement has occurred with tangata whenua in relation to this matter and these conversations will continue.
	r) support the Vision and Strategy for the Waikato River in the Waikato River catchment;	Proposed Plan Change 11 is consistent with this clause. This matter is fully canvassed in the Section 32 analysis supporting Proposed Plan Change 11, which demonstrates the consistency of Proposed Plan Change 11 with the direction of the Vision and Strategy for the Waikato River.

Provision	Assessment
	<p>s) encourage waste minimisation and efficient use of resources (such as through resource-efficient design and construction methods); and</p> <p>Proposed Plan Change 11 is consistent with this clause. All of these matters form part of the Urban Design and Landscape Guidelines for the Bardowie Industrial Precinct. Any industrial development within the precinct must achieve “overall consistency” with the guidelines.</p>
	<p>t) recognise and maintain or enhance ecosystem services</p> <p>Proposed Plan Change 11 is consistent with this clause (as detailed above in terms of biodiversity and ecological enhancement).</p>

Overall, it is concluded that Proposed Plan Change 11 is consistent with the alternative land release provisions of the RPS.

WAIPA 2050 GROWTH STRATEGY

Another submission sought that the Waipa 2050 Growth Strategy (the “**Strategy**”) be analysed further. Table 5 of the Strategy sets out the key District Challenges. One of these challenges is “definition of employment type and location in terms of where development should occur” and “provide employment opportunities within the district to make it more sustainable” as key considerations.

The Strategy sets out that the Hautapu Industrial Area (growth cells C8 and C9) and growth cell C10 are considered suitable for industrial development. The Future Proof Strategy identifies the Hautapu area as a strategic node of approximately 90 hectares in area to be developed between 2017 and 2061. Growth Cell C10 covers part of the Bardowie Industrial Precinct, not the entire extent. However, both the operative Waipa District Plan and 2009 Growth Strategy do identify the entire Bardowie Industrial Precinct Structure Plan area (and the land directly to the east) as an industrial growth cell (growth cell C8 in the operative Waipa District Plan). We understand that this reduction in area is largely due to the unwillingness of the former owner of the area to develop their land for industrial purposes, a situation that has recently changed with the sale of part of the Bardowie Farm to BIL. We have sought that the original extent of that growth cell (as currently provided for in the operative Waipa District Plan and the 2009 Growth Strategy) be retained as part of Plan Change 5 (via a partial withdrawal of the plan change) and including as part of Proposed Plan Change 11.

The 2017 Waipa Growth Strategy sets out that 36 hectares of land will be sufficient to meet the anticipated demand until 2041, which will be made up of the land comprising the C8 growth cell (Hautapu). This refers to anticipated demand, rather than anticipated demand plus an oversupply and we note that growth in Cambridge has historically exceeded the anticipated demands and growth projections.

In addition, the provision of an additional 85 hectares of industrial land will be sufficient to meet the Future Proof anticipated demand until 2061, made of the land comprising the C9 (55 hectares) and C10 (30 hectares of the Bardowie Industrial Precinct – currently zoned Deferred Industrial Zone). The strategy sets out that the C10 cell is also seen as a “useful alternative to C9” (noting that it is not guaranteed that this land, which PC6 is seeking to rezone from Rural Zone to Deferred Industrial Zone, will be made available for industrial development).

As a result of Proposed Plan Change 11 there will be an additional 27 hectares of land zoned industrial that was not provided for in the 2017 Waipa Growth Strategy. However, this land was earmarked for industrial growth in the 2009 Waipa Growth Strategy and the operative Waipa District Plan.

As emphasised in the Section 32 analysis supporting Proposed Plan Change 11, approximately 50 hectares of Growth Cell C8 on Hannon Road (and currently zoned industrial) is unavailable for industrial development due to private ownership constraints so this land is not sufficient to meet the anticipated demand until 2041. BIL has attempted to purchase this land to enable industrial

development but was ultimately unsuccessful. Proposed Plan Change 11 is therefore the only option to enable the scale of development sought.

The anticipated industrial land demand is based on the growth modelling used to support the 2009 Future Proof Strategy. This does not take into account the requirements under the NPS for Urban Development Capacity (nor does the RPS give effect to the NPS for Urban Development Capacity, which also requires an oversupply of business land). The Waipa District Council has indicated to us that the results of Phase 2 of the Future Proof review will require alterations (increases) to the industrial land allocations for the Cambridge area.

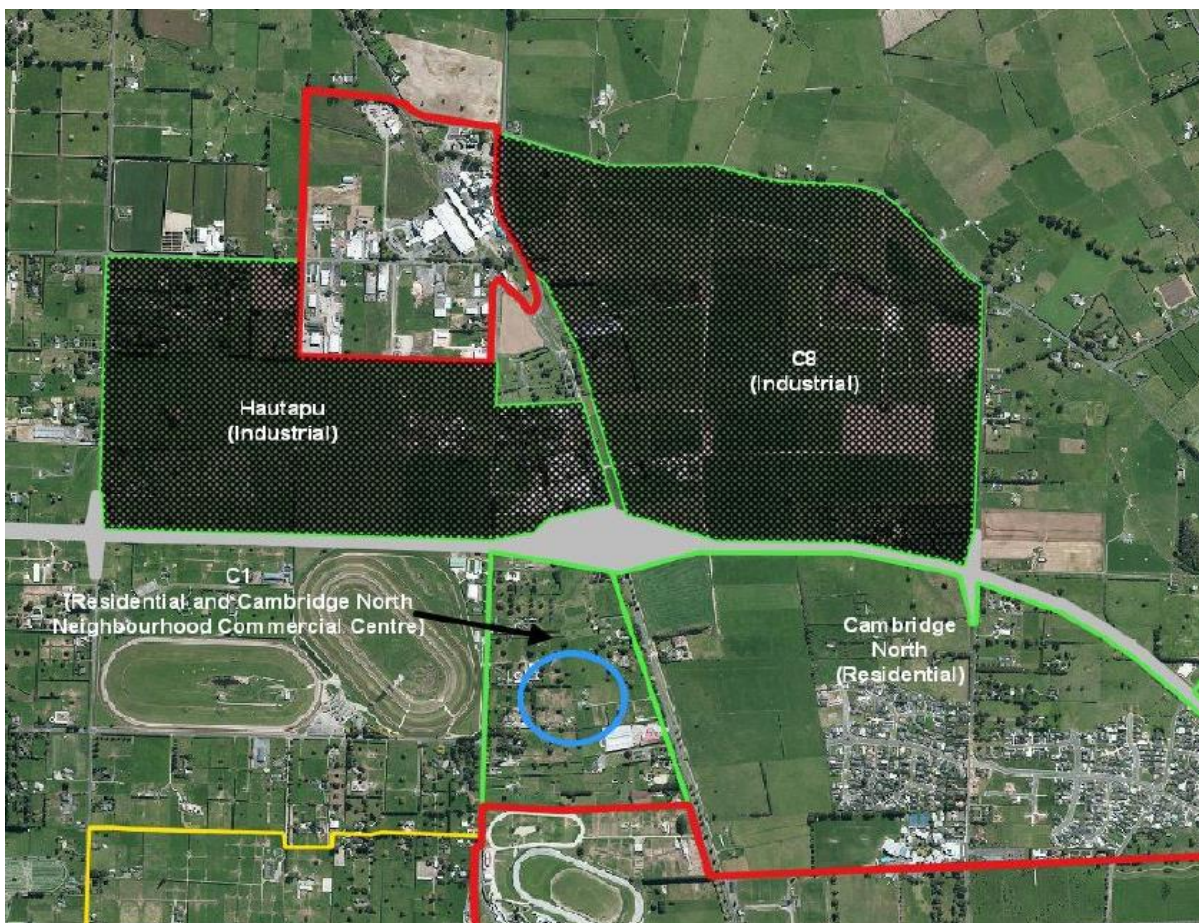


Figure from the operative Waipa District Plan and the 2009 Growth Strategy

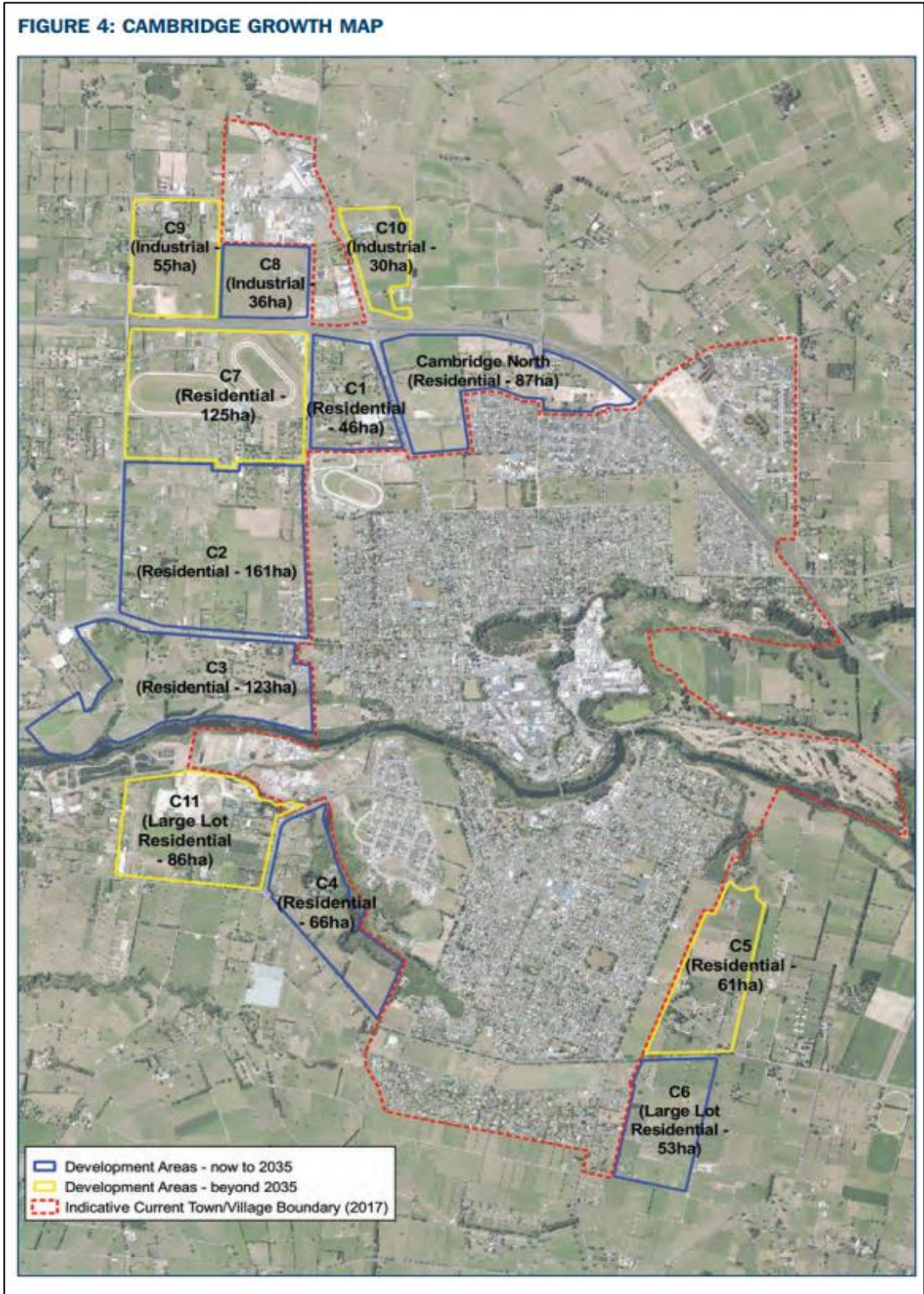


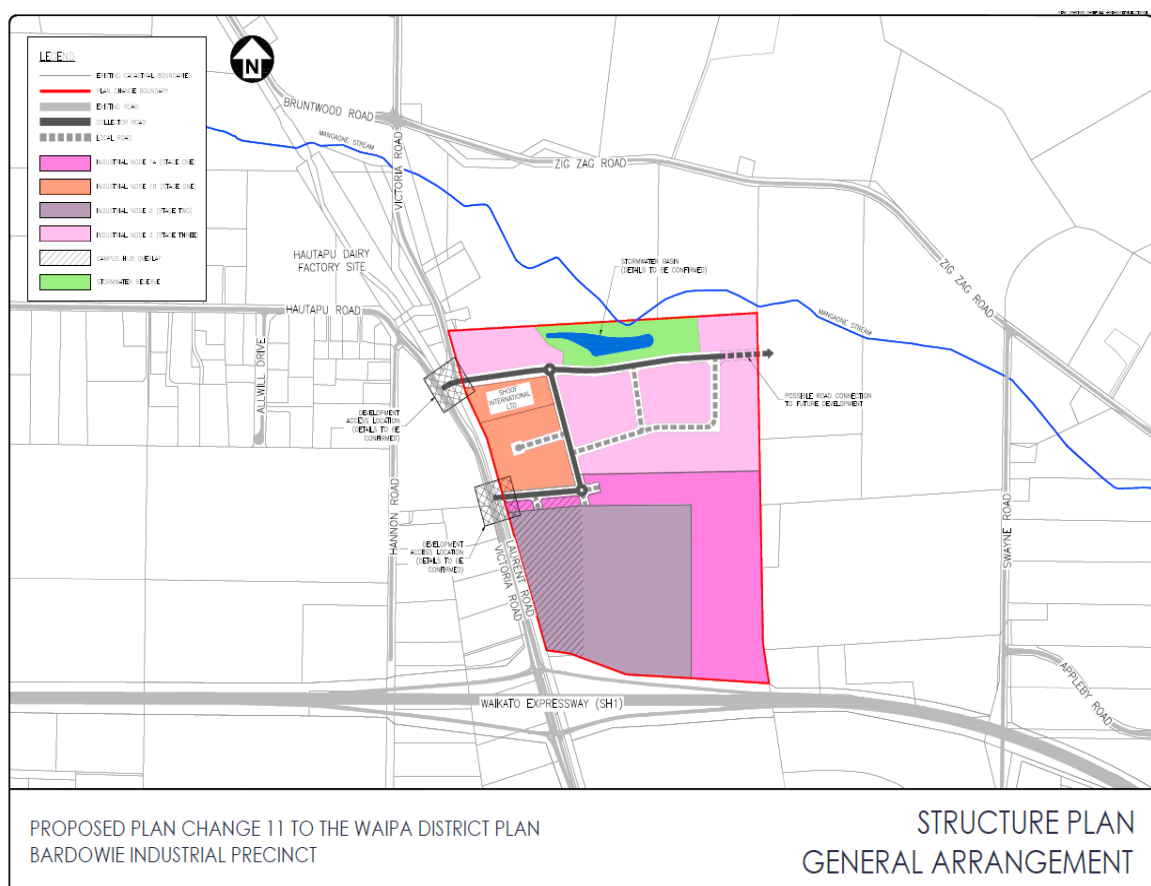
Figure from the 2017 Growth Strategy

CAMPUS HUB

The Campus Hub and Industrial Precinct approach was taken as we consider that it represents a more ‘modern’ approach towards planning, compared to the traditional specific use zone planning where there are blunt demarcations between each zone. We consider that this mixed-use approach can improve the economic efficiencies of those locating in the Precinct and, given the emphasis placed on wellbeing (a core function of the Campus Hub) it will improve the wellbeing and productivity of employees.

A good example of the type of development that is similar to the Campus Hub in the New Zealand context is the Fisher and Paykel Healthcare site in Auckland.

A number of submissions sought clarification and limitations in relation to the scale and extent of the Campus Hub. We were always aware that this was a matter that would be refined following the lodgement of the plan change. In that regard, the BIL primary submission sought the changes to Proposed Plan Change 11, including amending the Structure Plan to reduce the size of the Campus Hub to 5.5 hectares as detailed in the figure below:



Within the 5.5 hectares, a significant proportion of the Campus Hub will be occupied by carparking and landscaping.

Another key change was seeking changes to the policy in relation to the Campus Hub to make clear our intention to not affect the commercial hierarchy of Cambridge. We note that the wording we proposed is consistent with that of the Commercial Zone policies in the Waipa District Plan (for example Policy 6.3.1.5 (b) in relation to neighbourhood centres). We proposed these changes to make it explicit that retail is not the primary function of the Campus Hub, and to enable the Campus Hub to have the ability to service the wider industrial area, which we consider to be lacking currently due to the constraints on land availability. Our proposed changes are as follows:

7.3.4.2A - To enable the development of a Campus Hub within the Bardowie Industrial Precinct that consists of activities such as retail activities and commercial services such as cafes and lunch bars, visitor accommodation and a conference centre, child care facilities and a wellness centre (as described in the Bardowie Industrial Precinct Structure Plan) to service employees and the business needs of the Bardowie Industrial Precinct and the wider industrial area. The Campus Hub shall not impact the function and vibrancy of the primary commercial centre of Cambridge.

We have also sought change (again via BIL's primary submission on Proposed Plan Change 11) to the extent of retail provided in the Campus Hub as a permitted activity. We note that this is in addition to the 60m² ancillary retail provided for by way of the existing permitted activity rules.

In addition to 7.4.1.1 (a) – (u), the following activities are permitted activities within the Campus Hub of the Bardowie Industrial Precinct (Appendix S19):

- (i) Child care and preschool facilities;*
- (ii) Wellness centre (as defined in the Bardowie Industrial Precinct Structure Plan);*
- (iii) Innovation centre (as defined in the Bardowie Industrial Precinct Structure Plan);*
- (iv) Offices with a ground floor GFA of less than 200m² (except as provided for by Rule 7.4.1.1(l));*
- (v) Any other retail activities not otherwise provided for in Rule 7.4.1.1 with a maximum combined ground floor GFA of less no more than 200-400m² within the Campus Hub;*
- (vi) A Licenced Premise with a ground floor GFA of no more than 350 m²; and*
- (vii) Education Facilities*

The changes we sought make it explicit that retail is permitted in the Campus Hub to a total of 400m² GFA.

We note that retail that exceeds 400 m² is a Non-Complying Activity under Rule 7.4.1.5 (h) and any offices larger than 200m² are a Non-Complying Activity under Rule 7.4.1.5 (g). Any activity not specifically provided for in the Industrial Zone is also Non-Complying under Rule 7.4.1.5 (m)

ALTERNATIVE LAND SOUGHT

The submitters, through meetings held with them, have sought greater detail on where APL have sought to establish and consolidate their business on land currently zoned Industrial Zone in the wider sub region. APL has been seeking appropriate land to enable the consolidation of their businesses for a number of years, including as follows:

- Land at Te Rapa North, this was ruled out as an option as due to the size of land required by APL;
- Fifty hectares of land on Hannon Road in the Hautapu Strategic Industrial Node, however all offers were rejected by the land owner;
- The Ruakura Inland Port. Tainui Group Holdings would only offer 13 hectares to APL (note that APL needs 27 hectares), and would not sell the land, instead a lease agreement would be entered into; and
- Hamilton Airport. This appeared to be an ideal location for APL, however the uncertainty regarding Southern Links made this location less appealing given that APL relies on good transportation linkages.

We note that irrespective of the above, the location of the Bardowie Industrial Precinct is still within a Strategic Industrial Node, 30 hectares of which is currently zoned Deferred Industrial. To lift the deferred status, all BIL would have needed to do was to undertake a structure planning process and get a council resolution to uplift the zoning (under the rules in the Waipa District Plan). This would have limited any involvement from external parties, however it would not assist in the issue that Waipa District Council has had for many years in establishing appropriate business land to match its residential growth.

In addition, none of the statutory planning documents anticipate or enable the large type of development proposed by APL / BIL. The standard type industrial allotment is 5,000 m² rather than the 27 - 28 hectares required to consolidate and grow APL's operations. Informally, for the balance of the Bardowie Industrial Precinct, we have had offers from a significant number of industries – seeking between the standard allotment size and the entire extent of Node 3 for one business. This shows the variety of lots now required to enable industrial development and growth. As a region we are still fortunate to have greenfield industrial development opportunities. Given the constraints on land in areas such as Auckland, there is an opportunity for business located there to seek to relocate to the Waikato (thus increasing economic and social growth and wellbeing).

Within Cambridge there is 50 hectares of land zoned industrial on Hannon Road that is not available to the market but is considered as part of the RPS / Future Proof land allocation limits. If there was the ability to 'discount' this land, as for all intents and purposes, the industrial zoning it is illusory,

Proposed Plan Change 11 would largely sit within the RPS land allocation framework (even if the staging was not completely in line with that set out in the RPS).

At the sub-regional level, 50 hectares within Hamilton City Councils jurisdictional area has recently been removed from the potential for industrial development, with this area in Te Rapa (an identified Strategic Industrial Node) being approved for residential development (Te Awa Lakes proposal).

SUMMARY

The following provides a summary of how BIL have addressed the key concerns of the submitters:

- The RPS provides for 96 hectares of industrial land being made available to the market at Hautapu. The RPS urban limits, and the Hautapu strategic industrial node, include the entire extent of the Bardowie Industrial Precinct.
- Proposed Plan Change 11 will exceed the RPS land allocation “limits”. However, 50 hectares of land zoned Industrial Zone in the Hautapu area (on Hannon Road) is not available to the market and cannot be utilised for industrial development. Many attempts to purchase this land has been made over the last decade to enable industrial development within this area.
- The RPS provides for alternative land release where the allocation limits and staging of the RPS are exceeded. Proposed Plan Change 11 is consistent with the alternative land release criteria.
- Irrespective, the RPS is widely acknowledged as being out of date in relation to land allocation issues. The population of Cambridge has increased significantly, and there is a reliance on Hamilton City for employment opportunities. The RPS is a static document that cannot respond quickly enough to the type of growth that Cambridge has experienced (and will likely to continue to experience). Population growth in Cambridge has far exceeded all population growth projections which were used to develop the RPS land allocation tables.
- None of the modelling used to support Future Proof and the RPS could have anticipated one single industrial business moving to Cambridge and requiring 27 hectares of land. This in itself shows a clear and present demand for industrial land.
- The RPS (and therefore the land allocation tables) does not “give effect” to the National Policy Statement on Urban Development Capacity which requires business land to be zoned in a district plan in line with population forecasts, including an oversupply (15-20 %) in the short, medium and long term. The Waipa District Council has indicated to BIL that the modelling being undertaken to support the Future Proof Stage 2 review shows that there is a shortfall of industrial land in the Waipa District including within Cambridge. Proposed Plan Change 11 assists the Council in meeting the statutory requirements to give effect to the National Policy Statement on Urban Development Capacity.

- The Waipa 2050 Growth Strategy (2017) sets the framework for growth in the Waipa District. It sets out that the Hautapu Industrial Area (growth cells C8 and C9) and growth cell C10 are considered suitable for industrial development.
- Growth Cell C10 (30 hectares) covers part of the Bardowie Industrial Precinct, not the entire extent. However, the current Waipa District Plan and 2009 Growth Strategy do identify the entire Bardowie Industrial Precinct Structure Plan area (and the land directly to the east) as an industrial growth cell (growth cell C8 in the operative Waipa District Plan).
- As a result of Proposed Plan Change 11 there will be an additional 27 hectares of land zoned industrial that was not provided for in the 2017 Waipa Growth Strategy (however, this land was earmarked for industrial growth in the 2009 Waipa Growth Strategy and the operative Waipa District Plan). However, the 27 hectares (comprising Node 1A and Node 2) are essentially being utilised by one organisation or industrial use (APL). The remaining 30 hectares of the Bardowie Industrial Precinct will be utilised for general industrial development.
- Bardowie Investments Limited, through its primary submission, has made substantial changes to the Campus Hub provisions to address the concerns of several submitters, particularly Waikato Regional Council, Hamilton City Council and Future Proof.
- The changes to the Campus Hub including reducing the extent to 5.5 hectares, limiting the extent of retail within the area to a maximum total GFA of 400m² in addition to the permitted allowance (and retail over and above this amount would need consent as a Non-Complying Activity), and seeking changes to the policy framework to make it explicit that the Campus Hub will not affect the Cambridge CBD.
- APL have sought land around the sub-region currently zoned Industrial that is large enough to consolidate their operations. However, these areas have not been suitable due to land ownership issues, the size and configuration of land available and uncertainty regarding transportation linkages.
- The location of the Bardowie Industrial Precinct is within a Strategic Industrial Node, 30 hectares of which is currently zoned Deferred Industrial. To lift the deferred status, all BIL would have needed to do was to undertake a structure planning process and get a council resolution to uplift the zoning (under the rules in the Waipa District Plan). This would have limited any involvement from external parties, however it would not assist in the issue that Waipa District Council has had for many years in establishing appropriate business land to match its residential growth.
- None of the statutory planning documents anticipate or enable the large type of development proposed by APL / BIL. The standard allotments have historically been 5,000m², whereas numerous businesses and industries now need much larger land areas. Proposed Plan Change

11 and the development of the Bardowie Industrial Precinct allows flexibility in allotment types and sizes.

- Within Cambridge there is 50 hectares of land zoned industrial on Hannon Road that is not available to the market but is considered as part of the RPS / Future Proof land allocation limits. If there was the ability to 'discount' this land, as for all intents and purposes, the industrial zoning it is illusionary, Proposed Plan Change 11 would largely sit within the RPS allocation limits (even if the staging was not completely in line with that set out in the RPS).

CONCLUSION

We trust this memorandum adequately sets out the additional information sought by the Waikato Regional Council, Hamilton City Council and Future Proof in relation to the key matters collectively raised in their submissions. These matters include providing additional analysis in relation to the RPS land release provisions, the Waipa 2050 Growth Strategy, matters in relation to the Campus Hub and also setting out alternative land that had been investigated by APL before settling on the Bardowie Industrial Precinct as the most appropriate location to consolidation of their business.

We will continue to liaise with submitters up to the hearing, with our objective being to resolve the concerns held by submitters prior to the hearing so that there is no need for them to appear at the hearing.

Please contact us if you have any remaining concerns. Otherwise, we would be grateful if you could confirm if the issues raised in your respective submissions have been resolved.

We look forward to hearing from you.



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