

**BEFORE HEARING COMMISSIONERS  
IN TAUPŌ**

<b>UNDER THE</b>	Resource Management Act 1991 (“ <b>Act</b> ”)
<b>IN THE MATTER OF</b>	Proposed Plan Change 42 Rural Chapter - General Rural Environment and Rural Lifestyle Environment
<b>AND IN THE MATTER OF</b>	a submission seeking the rezoning of the site located at 387 Whakaroa Road to Rural Lifestyle Environment and associated relief.
<b>BETWEEN</b>	<b>STEVE HAWKINS</b>  Submitter
<b>AND</b>	<b>TAUPŌ DISTRICT COUNCIL</b>  Planning authority

**STATEMENT OF EVIDENCE OF ANDREW BROWN CUMMING**

*Before a Hearing Panel:* Chairperson David McMahon, Commissioner Liz Burge, and Councillors Yvonne Westerman and Kevin Taylor.

**SECTION 1. INTRODUCTION**

**Background, qualifications and experience**

1. My full name is Andrew Brown Cumming.
2. I am self-employed as a planning consultant. I hold the qualifications of Bachelor of Science (Zoology) from Massey University and Master of Science (Environmental Science and Zoology) (First Class Honours) from the University of Auckland.
3. I have worked in resource management and planning in both the public and private sectors for more than 25 years. My experience includes senior management and policy experience at district councils and policy experience at a regional council as well as 12 years of private resource

management practice. My most recent role at a council was as District Plan Manager at Hutt City Council from 2015 until 2019.

4. I have been involved in a wide range of projects and tasks including preparing regional and district plans, reviewing district plan changes and policy documents, identifying implications for clients and preparing formal submissions, preparing applications for consent for a variety of subdivision and land use projects, and commissioning and reviewing specialist inputs (e.g. ecologists, surveyors, geotechnical engineers, traffic engineers, noise specialists, landscape architects and archaeologists).
5. I am a full member of the New Zealand Planning Institute.

#### **Purpose and scope of evidence**

6. My statement of evidence is structured as follows:
  - (a) **Section 1** is the above introduction.
  - (b) **Section 2** provides a summary of this evidence.
  - (c) **Section 3** sets out my involvement in the Te Tuhi Estates (**TTE**) project.
  - (d) **Section 4** provides a summary of the constraints and attributes of the Te Tuhi Estates site (**the site**), the proposed subdivision and development and the expert advice I have relied on to inform my planning opinion.
  - (e) **Section 5** sets out Steve Hawkins' submission to Taupō District Council's (**TDC**) Plan Change 42 (**PC42**) and comments on scope.
  - (f) **Section 6** explains the suggested planning framework for the site (**the Preferred Relief**), that is, rezoning to Rural Lifestyle Environment with a site-specific Te Tuhi Precinct (**TTP**) overlay, including the Te Tuhi Precinct Plan (**Precinct Plan**). Section 6 comments on the efficacy of the provisions in terms of their workability and mechanical appropriateness. In this regard:

- (i) At **Attachment 1** I have included a track changes version of PC42 incorporating amendments agreed at the expert planning conferencing held on Tuesday 8 August and the Te Tuhi Precinct Plan. The Precinct Plan is updated from the earlier draft version that was attached to Mr Gardner-Hopkins' email dated 7 August 2023 to TDC officer Hilary Samuel.
  - (ii) At **Attachment 2** I have included a Section 32AA assessment in respect of the suggested changes.
  - (g) **Section 7** discusses the appropriateness of both the PC42 provisions and the rezoning request to achieve the objective of PC42.
  - (h) **Section 8** addresses the further submission (212.12) of the Waikato Regional Council.
  - (i) **Section 9** states my conclusions.
7. My evidence is supported by the following attachments:
- (a) **Attachment 3** – Agricultural Assessment prepared by Steven Howarth of AgFirst.
  - (b) **Attachment 4** – Archaeological Assessment prepared by Perry Fletcher.
  - (c) **Attachment 5** – Environment Court decision for Glen Massey Precinct Plan, Waikato District<sup>1</sup>.
  - (d) **Attachment 6** – Chapter 3e Land Development – Comments on Objectives and Policies, Matters of Consideration

#### **Expert witness code of conduct**

8. I have been provided with a copy of the Code of Conduct for Expert Witnesses contained in the Environment Court's 2023 Practice Note. While this is not an Environment Court hearing, I have read and agree to comply with that Code. This evidence is within my area of expertise, except

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<sup>1</sup> This recent Environment Court decision is not yet shown in the Proposed Waikato District Plan.

where I state that I am relying upon the specified evidence of another person. I have not omitted to consider material facts known to me that might alter or detract from the opinions that I express.

## **SECTION 2. SUMMARY OF EVIDENCE**

9. I have been providing planning advice to the project, together with Stephanie Blick.
10. The relief sought by submitter Steve Hawkins has been refined into the **Preferred Relief** of amendments to the Plan Change 42 (**PC42**) provisions including a Te Tuhi Precinct (**TTP**) overlaying the Rural Lifestyle Environment and incorporating the Te Tuhi Precinct Plan (**Precinct Plan**). Subdivision and development in accordance with the Precinct Plan would be a discretionary activity, with Taupō District Council (**TDC**) able to consider all relevant matters in reaching a determination. Subdivision and development that is *not* in accordance with the Precinct Plan would be non-complying.
11. The Te Tuhi site has been subject to extensive investigation and assessment, led by a design team including a landscape architect, designer and engineer, supported by experts in architecture, ecology, geotechnical, transport, agriculture and archaeology.
12. The design process has led to the Required Outcomes for the site described and shown in the Precinct Plan, which would deliver a tourism lodge complex, an equestrian centre, 112 small rural residential allotments and over 200 hectares of restored native vegetation.
13. The outcomes sought in the Preferred Relief are robust and lead to strongly positive environmental outcomes, including for landscape and character values, ecology and improved nitrogen and sediment runoff to Lake Taupō. The Preferred Relief would make a strong economic contribution. Any adverse effects are able to be mitigated.
14. In my opinion, the Precinct Plan approach is a workable and appropriate planning mechanism. This is supported by Ms Blick and the TDC and Waikato Regional Council planners who were parties to the Joint Witness Statement – Planning (subject to their reservations recorded there).

15. The Preferred Relief achieves the purpose or objective of PC42 and the sustainable management purpose of the Resource Management Act. There is no planning impediment to granting the Preferred Relief.

### **SECTION 3. MY INVOLVEMENT IN THE TE TUHI ESTATES PROJECT**

16. In March 2023, I was engaged by Steve Hawkins on behalf of Te Tuhi Estates Ltd to provide additional planning advice to the TTE project, due to circumstances limiting the availability of the then incumbent planner Stephanie Blick. Ms Blick continues to contribute planning advice to the project.
17. Prior to my involvement, the TTE project had commenced extensive site investigations and assessment, including landscape, design and engineering, as described in Ms White's evidence.
18. I have assisted in identifying additional expert advice required to inform the project. The expert advice informing the project is discussed in Section 4.
19. I have prepared a comprehensive subdivision and land use consent application, informed by the expert advice identified in Section 4. The application is intended to be lodged with TDC in August 2023. The application is for a non-complying activity and, due to the uncertainty of outcome associated with that consent pathway, the Applicant is also seeking amendments to the Taupō District Plan to provide a more robust framework for the proposal to be considered by TDC on its merits.
20. Therefore, I have prepared recommended amendments to PC42 (**the Preferred Relief**), including the Te Tuhi Precinct incorporating the Te Tuhi Precinct Plan. Again, the approach is informed by the expert advice identified in Section 4. I explain the provisions in Section 6 below.

### **SECTION 4. THE CONSTRAINTS AND ATTRIBUTES OF THE SITE, THE PROPOSED SUBDIVISION AND DEVELOPMENT AND THE EXPERT ADVICE RELIED ON**

#### **The Site and the Proposed Subdivision and Development**

21. I visited the site on 23 March 2023.

22. The site, and its constraints and attributes, is described in the Design Statement that forms part of Ms White's evidence and the Landscape, Natural Character and Visual Assessment that forms part of Mr Mansergh's evidence. To avoid repetition I rely on those descriptions.
23. A full description of the proposed subdivision and development is provided at pages 9-17 of the Landscape, Natural Character and Visual Assessment. Again, I rely on that description.

### **Expert Advice**

24. The site has been subject to extensive expert investigation and assessment, as follows:
- (a) Te Tuhi Site Design Report (Urban Acumen);
  - (b) Te Tuhi Conditions of consent, covenants and design guidelines (Urban Acumen);
  - (c) Te Tuhi Lodge Architectural Design Statement, site plan and building plans (TOA Architects);
  - (d) Te Tuhi Equestrian Centre Architectural Design Statement, site plan and building plans (Assemble Architects);
  - (e) Landscape, Natural Character and Visual Assessment and associated Restoration and Mitigation Planting Strategy (Mansergh Graham Landscape Architects);
  - (f) Engineering:
    - (i) Earthworks Plan including Erosion and Sediment Control (Envelope Engineering);
    - (ii) Infrastructure Report (Envelope Engineering);
    - (iii) Geotechnical Report (Core50);
  - (g) Transportation Assessment (Don McKenzie Consulting);
  - (h) Ecological Assessment (Bioresearches);
  - (i) Archaeological Assessment (Perry Fletcher);

- (j) Agricultural Assessment (AgFirst);
- (k) Economic Assessment (Fraser Colegrave).

25. I also note that TTE has sought to engage with mana whenua over many months. Limited substantive feedback has been provided, but TTE is seeking to continue the conversations including with more recent assistance from TOA Architecture kaumatua. Some progress is being made through the Western Bays Forum (Ngā Hapū o te Hauauru), which is a forum between the hapū of the Western Bays and the Department of Conservation for the management of the conservation estate in the Western Bays from the Pureora Ranges to the Lake Front Shore.

### Site Design

26. The Design Statement prepared by Ms White and attached to her statement of evidence explains the design rationale and design process used to arrive at the intended site layout (Design Statement p24) and the subdivision scheme plan (Design Statement p25).

27. The site layout shows the intended location of the Te Tuhi Lodge complex and Te Tuhi Equestrian Centre (which are described under **Architectural Design** below).

28. The site layout also shows the size and location of the rural residential allotments and their building platforms plus the internal roads and a network of walking, mountain biking and horse trails.

29. The Design Statement reaches the following conclusion:

The proposal is the product of a careful and considered multi-disciplinary design approach. It represents a rural residential environment that has been designed in response to a wide range of design drivers, specifically the unique characteristics and capacity of the site itself, its location and the aim to advance a viable and sustainable long term use for the site which delivers a “win – win” outcome for the site, its landscape values and Taupo generally.

The proposal has the following benefits:

- a significant increase in ecological value through new areas of native bush
- increased native biodiversity for both flora and fauna
- an extended existing DOC forest

- protect waterways and improvement in water quality through riparian planting
- a reduction in pasture and corresponding reduction in nitrogen leaching and soil erosion
- opportunity for the protection of archaeological sites
- opportunity for local economy benefits through construction and planting
- opportunity for employment, both during implementation/construction as well as in the
- long term (lodge and ongoing land management)
- support for Taupo as a tourist destination
- addition to housing capacity and choice in the Taupo district
- a sustainable and more productive long term use for the site through carbon farming
- opportunities for the local and wider community for recreation (lodge and equestrian centre)
- opportunities for mana whenua benefit through native bush restoration, access to land,
- employment and through cultural design reference for lodge and equestrian facility; and in particular,
- "The net outcome will be a positive effect on visual amenity values associated with the Outstanding Landscape Area" Landscape, Natural Character and Visual Assessment Report, Mansergh Graham).

30. I accept Ms White's findings.

### **Architectural Design**

31. TOA architects have designed the Te Tuhi Lodge complex, which comprises the following buildings:

- (a) Te Tuhi Lodge:
- (i) Accommodation (20 units);
  - (ii) Café/bar/restaurant;
  - (iii) Kitchen;
  - (iv) Wellness centre;



- (v) Reception area;
    - (vi) Storage etc.
  - (b) Wedding chapel;
  - (c) Chalet accommodation comprising nine units in three clusters, with each cluster containing:
    - (i) One one-bedroom unit;
    - (ii) One two-bedroom unit;
    - (iii) One three-bedroom unit.
- 32. The Te Tuhi Lodge Complex is described in the Design Statement and shown in the TOA Architecture site plan and building plans that are included in my evidence as part of the Te Tuhi Precinct Plan.
- 33. Assemble Architects have designed the Te Tuhi Equestrian Centre, which comprises the following:
  - (a) Horse stables (12 stalls);
  - (b) Two three-bedroom residential units for staff accommodation;
  - (c) Two arenas for show jumping and dressage;
  - (d) Grazing yards;
  - (e) Grazing paddocks.
- 34. There are associated horse riding trails through the Native Bush Area.
- 35. The Te Tuhi Equestrian Centre is described in the Design Statement and shown in the site plan and building plans that are that are attached to Mr de Beer's evidence and also included in my evidence as part of the Te Tuhi Precinct Plan.
- 36. The architectural design of the Lodge and Equestrian Centre is consistent with the site's design intentions and rationale as described in the Design Statement. The buildings have been assessed in the Landscape, Natural Character and Visual Assessment attached to Mr Mansergh's evidence.

## **Landscape, Natural Character and Visual Assessment**

37. Mansergh Graham Landscape Architects has provided a comprehensive Landscape, Natural Character and Visual Assessment. The Assessment notes that the site is almost entirely categorised in the TDP as the Whakaroa Peninsula Outstanding Landscape Area (**OLA**). The Assessment sets out the project vision, the design principles, the constraints of the site and the development concept then presents an assessment of effects on landscape and natural character.
38. The Assessment then considers visual effects, describing the thorough methodology used, which includes identifying each proposed rural residential allotment as green, orange or red according to its visual sensitivity.
39. The Assessment goes on to consider natural character, identifying the existing natural character of the site and assessing the effects of the proposed development.
40. The Assessment considers the proposed development in terms of the provisions of the Operative TDP, PC38 and PC42.
41. The Assessment sets out a comprehensive Mitigation and Site Restoration approach that includes approximately 250ha of restoration planting, building bulk, location and finishing requirements, plus additional mitigation planting requirements, that respond to the visual sensitivity – green, orange or red – of the particular allotment. The Assessment notes that site specific mitigation strategies will address the potential effects of the Lodge and Equestrian Centre.
42. The Assessment stated the following findings:
  - 10.2. In summary, analysis of the proposal found that:
    - a. The wider landscape context of application site is characterised by a combination of its physical attributes, associative attributes, and perceptual attributes. These include the varying volcanic topography comprising the gently rolling hill country and flatlands associated with the lower Mapara and Whangamata Valleys; the steeper land, escarpments and bluffs associated with the main ridgelines; the bays beaches, peninsulas, bluffs, escarpments, and headlands along the edge of Lake Taupo, and the vast

expanse of Lake Taupo. It is also characterised by land cover, land use and development patterns, including pastoral grazing, large tracts of native bush, urban development, and the landscapes history and use. These features contribute to the *moderate-high(+ve)* existing landscape value attributed to the site and its surroundings.

- b. The application site and its immediate surroundings are part of an Outstanding Natural Landscape, identified as the Whakaroa OLA in the Operative Taupo District Plan. The Whakaroa OLA is comprised of two different landscape character types. These are the rural landscape character type associated with the application site and the natural landscape character type associated with the adjacent areas of reserve and bush covered landscape around the base of the Whakaroa ridgeline. Landscape values associated with those parts of the OLA that are covered in native bush are *very high(+ve)*. Landscape values associated with the rural land within the OLA are *moderate(+ve)*.
- c. Existing visual amenity values, derived from views across the landscape from north, west and east of the application site, vary depending on viewer location and the background context. Views that are backdropped by the Lake Taupo OLA and the Tongariro massifs have higher amenity value than views of the rural landscape to the north. Views looking north from on the lake that are backdropped by the bush covered base of the Whakaroa Peninsula and flanked by the more natural parts of Whangamata Bay and Whakaipo Bay, are of higher visual amenity value.
- d. The visual absorption capability of the site is primarily derived from a combination of the topography within the site and existing development patterns around it. The topographic position of the site, on top of the ridge, means that it is mostly experienced from locations at lower elevations meaning most of the most site is hidden from view from any one location meaning that buildings located in these areas will not be seen from outside the site. However, its location also means that development within those parts of the site that are visible, will be obvious and will require mitigation to integrate with the surrounding landscape.
- e. Mitigation, in the form of screening, control over the placement of buildings within each proposed lot, control over building colour and reflectivity and control over the maximum height of buildings within each lot, is required to mitigate the effect of development within the site on the values associated with the OLA, existing landscape character and existing visual amenity.
- f. The proposed mitigation planting will mitigate the effects of the proposed development on visual amenity by screening and backdropping the buildings within the site while ensuring that views across the lake and surrounding landscape from those are maintained. The arrangement and locations of the proposed lots, in clusters, means that the pattern of mitigation planting that will be established at time of subdivision, will appear natural within the context of the wider surrounding landscape.
- g. The effects of the proposed development on existing visual amenity, with the Phase 1 mitigation planting place, will initially be adverse and will range between *no effect/very low (-ve)* to *low-moderate (-ve)*. With the implementation and

establishment of the Phase 2 and 3 restoration and enrichment planting across the site, the effects will transition to positive effects and are expected to range between *very low (+ve)* to *moderate-high (+ve)* effects.

- h. With the mitigation and restoration strategy in place, the proposed development is likely to have a *moderate-high (+ve)* positive effect on the existing natural character and landscape character values of the site and its surroundings. The positive effects associated with the restoration of native vegetation across the site will offset any adverse effects associated with the development of the Lodge, Equestrian Centre and within private lots within the OLA. This is because the proposed mitigation and restoration planting will enhance the physical (abiotic and biotic) and perceptual and experiential natural character values within the site, extending the natural character values associated with the adjacent SNA reserves and enhancing (restoring) the overall natural landscape values associated with the OLA.

10.3. While most of the site is hidden from view from any single location, and therefore the extent of change that will be experienced will be relatively small, as development within the site progresses, it will initially transition in character from rural to rural residential, with clusters of buildings visible interspersed among pockets of mitigation planting with the private lots. As the mitigation planting grows, and the rehabilitation planting is implemented and becomes established across the site over a period of 6 – 8 years, the landscape character will continue to transform into a more natural, bush-clad environment. This transition, from rural to rural residential to a more natural character, commensurate with the characteristics and values of the more natural parts of the Whakaroa OLA, is expected to take place gradually. As the native bush grows, the proposed development will progressively blend in and become subservient to the natural surroundings.

10.4. The net outcome will be a positive effect on visual amenity values associated with the OLA.

10.5. Overall, the effects of the proposed development on the landscape character, natural character and associated visual amenity values were found to be below the minor (adverse) threshold of the RMA. It is therefore considered that the proposed development is consistent with the overall intent of the relevant landscape and amenity objectives, policies, and rules of the OTDP and sections 6(a), 6(b) 7(c) and 7(f) of the RMA.

43. I accept Mr Mansergh's findings.

### **Ecology**

44. The ecology of the site has been assessed by Treffery Barnett of Bioresearches. The Ecological Assessment identifies three terrestrial vegetation categories on the site:

- (a) Exotic grassland with negligible ecological value;

- (b) Exotic trees with low ecological value;
  - (c) Early stage regenerating native bush and native shrubland, and native broadleaf with moderate ecological value for avifauna and herpetofauna and low ecological value for bats.
45. The Ecological Assessment assesses the terrestrial values of the site against representativeness, rarity/distinctiveness, diversity and pattern, and ecological context and concludes that the combined ecological value score is low.
46. The Ecological Assessment also investigated freshwater habitats on the site and concluded that the ecological values of freshwater ecosystems are negligible due to the lack of permanent or intermittent habitat within the site, including no natural inland wetlands. The freshwater features observed were limited to ephemeral overland flow paths. No, per the NPS-FM were identified within the site. and concluded there are no natural wetlands on the site. The ecological value of the freshwater habitats of the site are assessed as negligible.
47. The Ecological Assessment identified the following benefits of the project:
- In general, the extensive revegetation that is to accompany the development of the site provides numerous ecological benefits, including connection to the wider landscape, food resources and habitat for native fauna. The native vegetation cover of the site will greatly increase, from its current position as predominantly sparse farmland. The surrounding native forest within the DOC reserves neighbouring the site will also receive ecological benefits, due to the buffering effect of the planting along the site's boundaries.
48. I accept Ms Barnett's findings.

### **Cultural Impact**

49. TTE has engaged with the Ngā Hapū o te Hauauru over recent months. TTE is seeking to explore opportunities for positive cultural impacts (for example, by the design of the lodge complex referencing the site's cultural history) and for ongoing partnerships in the implementation of development and revegetation.
50. TTE has also engaged with the Department of Conservation over recent months, both in respect of DoC's stewardship of neighbouring reserves and DoC's partnership with local hapū in the preparation and implementation

of the *Whakaipō Bay Recreation Reserve Biodiversity Assessment and Management Plan*<sup>2</sup>. I understand that both DoC and local hapū are committed to their relationship as Treaty partners, and so wish to advance ongoing input into the proposal in a co-ordinated way.

### **Engineering**

51. Envelope Engineering Ltd undertook engineering assessment, informed by investigations of geotechnical matters by Core50 Ltd. Envelope Engineering Ltd then advised on infrastructure, earthworks and stormwater management and contributed to the location and design of the site's roading, subdivision and building platform design.
52. The infrastructure report sets out concepts for the communal wastewater treatment and disposal facility and water supply and notes the availability of electricity and telecommunications infrastructure. The report sets out how stormwater will be managed in accordance with best practice.
53. Alan Blyde of Envelope Engineering has discussed the above in his statement of evidence. I accept Mr Blyde's findings.

### **Transport**

54. Don McKenzie has reviewed and considered the conclusions of a Transportation Impact Assessment undertaken by Urban Connection Ltd. Mr McKenzie sets out his findings in his statement of evidence. He supports the key mitigation measures recommended by the Traffic Impact Assessment, that is, upgrading the Whakaroa Road/Mapara Road intersection and minor improvements to Whakaroa Road. Mr McKenzie's evidence also addresses the site's internal roading network, a potential school bus pick up point and transport management for special events. Mr McKenzie is satisfied that the suitable specific mitigation measures can be developed as part of a discretionary resource consent application under the Preferred Relief.
55. Mr McKenzie's evidence concludes that "There are in my opinion, no major concerns or fundamental impediments in respect of either internal and external transportation effects associated with the preferred relief sought".

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<sup>2</sup> Copy available on request

56. I accept Mr McKenzie's findings.

### **Economics**

57. The economic impact of the proposed development was evaluated by Mr Colegrave's (Insight Economics) evidence.

58. Mr Colegrave estimates the development's one-off and ongoing impacts both onsite and offsite, considers the likely housing market impacts and briefly canvasses other potential economic effects.

59. Mr Colegrave conclusion states:

This evidence has considered the likely economic costs and benefits of enabling a high-end rural residential lifestyle development and world-class tourism facility to establish in the district. It has shown that the proposal will generate significant economic stimulus during both construction and future operation. In addition, it will provide a notable boost in capacity for a specific segment of the housing market while enabling a higher and better use of the land. Accordingly, I support the proposal on economic grounds

60. I accept Mr Colegrave's findings.

### **Agriculture**

61. The agricultural productivity of the site was assessed by AgFirst. The Agricultural Assessment evaluated the existing sheep and beef operation using livestock, financial and other information provided by the current farmer. The Agricultural Assessment then considered alternative primary production possibilities. All the options are based on 250ha of effective land area. All options, including the existing farm require a cash investment of \$250M.

62. The Agricultural Assessment found that the existing sheep and beef farm is performing above the industry average and can be run as an economic unit. A better return would be achieved from *Pinus radiata* plantation forestry, particularly in the first rotation due to carbon credits. Indigenous bush, including the option of manuka honey production, would achieve a loss.

63. The Agricultural Assessment also considered and ruled out horticulture and dairy farming as not feasible on the site. Cropping of lucerne on the lower sloping areas, as part of a pastoral land use, could be further investigated.

64. Finally, the Agricultural Assessment commented on how overall productivity would be affected if the site was subdivided into 10ha allotments. I draw on the Assessment's findings on this matter in full later in this evidence. For the moment, I note the overall conclusion that productivity would drop substantially.
65. I accept Mr Howarth's findings.
66. At this point, the findings in respect of the options of sheep and beef farm, pine plantation and indigenous bush are worth putting in a wider context:
- (a) Despite the sheep and beef farm being economically viable, Mr Colegrave notes that the farm income supports only two to three full time equivalent employees at most. It provides a modest return on investment.
  - (b) The pine plantation is more attractive financially but may not be appropriate environmentally due to the site's steepness and proximity to Lake Taupō. Particularly during harvest, the management of slash, erosion and sediment may be problematic. In addition, the neighbouring DoC reserves already have ongoing issues in managing wilding pines, as noted in the *Whakaipō Bay Recreation Reserve Biodiversity Assessment and Management Plan*<sup>3</sup>.
  - (c) An indigenous bush operation is not financially viable. This finding supports the view that the proposed development's extensive revegetation plans are likely to be viable only with a substantial revenue stream from the rural residential sites.

### Archaeology

67. The site's recorded archaeological sites were investigated by archaeologist Perry Fletcher. Mr Fletcher's Archaeological Assessment (**Attachment 4**) concludes that the sites will be unaffected by the proposed development. I accept Mr Fletcher's findings.

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<sup>3</sup> Copy available on request



## **SECTION 5. SUBMISSION 74 TO PLAN CHANGE 42**

68. Mr Hawkins engaged in the PC42 process by lodging a submission (Number 74) seeking the following relief:
- (a) Amend the zone of the site located at 387 Whakaroa Road to Rural Lifestyle Zone.
  - (b) Amend Rule 4b.5.1 to make subdivision that results in lots smaller than 10ha a discretionary activity.
  - (c) The proposed changes to the rural chapter should be amended to reflect the obligations and requirements of the National Policy Statement for Highly Productive Land whereby only Class 1-3 land should be protected with a non-complying activity subdivision rule.
69. I accept the advice of Mr Gardner-Hopkins that the amendments to PC42 that I have recommended in this evidence are within the scope of PC42 and the relief sought in the original submission.

## **SECTION 6. SUGGESTED PLANNING FRAMEWORK FOR THE SITE**

70. In this **Section 6**, I explain the suggested planning framework for the site and note the results of the 8 August 2023 planning conference that considered the workability, mechanics and efficiency of the Preferred Relief within the structure of PC42.
71. I referred to a description of the proposed subdivision and development of the site in Section 4. As noted in the Section 1 Introduction, the proposal is being advanced as a resource consent application as well as through these PC42 proceedings. In respect of the PC42 proceedings, the detailed information prepared to support the consent application is able to be used to refine the relief sought in Mr Hawkins' submission to give a high level of certainty of outcome to plan users including decision makers.
72. The Preferred Relief is to rezone the site to Rural Lifestyle Environment with a site-specific "Te Tuhi Precinct" overlay, including the Te Tuhi Precinct Plan.

73. At Attachment 1 I have included a track changes version of proposed amendments to PC42. The track changes show subsequent amendments agreed at the expert planning conferencing held on Tuesday 8 August. Attachment 1 also includes the Te Tuhi Precinct Plan updated from the earlier draft version that was attached to Mr Gardner-Hopkins' email dated 7 August 2023 to TDC officer Hilary Samuel.
74. At Attachment 2 I have included a Section 32AA assessment in respect of the suggested changes to PC42.
75. The Preferred Relief begins with the inclusion of some acknowledging text in the rural chapter introduction, together with the introduction of Objective 3b.3.9, which provides an overall anticipated outcome for subdivision and development through giving effect to the Te Tuhi Precinct Plan.
76. The objective is then implemented via a directive policy (Policy 3b.3.9A) that requires subdivision, use and development to give effect to the Te Tuhi Precinct Plan through comprehensive, integrated subdivision and land use proposals that achieve the subdivision layout, the built development requirements and the mitigation and enhancement planting.
77. There are then two complementary rules for subdivision (Rule 4b.3.9) and built development (Rule 4b.5.10) Subdivision and built development are required to be generally in accordance with the Te Tuhi Precinct Plan in order to be assessed as discretionary activities. The detail of the Precinct Plan, which reflects the extensive expert advice identified in Section 3, means that plan users (including decision makers) have a high level of certainty as to the outcomes sought, including the overall layout of the site and the appropriate location, design and finishing of built development. The discretionary status of the applications means TDC has full discretion to consider and test the appropriateness of all relevant matters.
78. Any proposal that fails to be in general accordance with the Te Tuhi Precinct Plan would have to proceed as a non-complying activity. Given the proposed Objective and Policy, any material departure from the Precinct Plan would be a non-complying activity and faces a significant hurdle unless it can be demonstrated that the effects are no more than minor.

79. The Preferred Relief also discourages minor residential units and indoor primary production by making them non-complying activities through adjustments to the relevant rules. There is also an exception added to Rule 4b.5.7 with the effect of amending the activity status of subdivision within the OLA from non-complying to discretionary (if in general accordance with the Precinct Plan). As agreed in the expert planning conferencing, the Preferred Relief also includes an Te Tuhi Precinct earthworks rule that cross-references to the OLA earthworks rule provided in the General Rural Environment.
80. The Te Tuhi Precinct would be shown on the relevant planning map and the plans and documents detailed below that form the precinct provisions would be included as an appendix to the Rural Lifestyle Environment chapter.
81. The Te Tuhi Precinct Plan comprises the following information:
- (a) An overall site plan, identifying:
    - (i) Allotment boundaries, including Te Tuhi Lodge, Te Tuhi Equestrian Centre and rural residential allotments
    - (ii) Building platforms
    - (iii) Planting areas
    - (iv) Wastewater treatment and disposal area
    - (v) Roads
    - (vi) Trails
  - (b) Statements of required outcomes for each of the four sub-areas of the site:
    - (i) Te Tuhi Lodge Area;
    - (ii) Te Tuhi Equestrian Centre Area;
    - (iii) Lifestyle Cluster Area; and
    - (iv) Native Bush Area.

- (c) Table of requirements for building location, architectural design and materiality
  - (d) More detailed requirements for Te Tuhi Lodge, including:
    - (i) Site plan
    - (ii) Building platforms
    - (iii) Mitigation planting areas
    - (iv) Access and parking
    - (v) Building plans
  - (e) More detailed requirements for Te Tuhi Equestrian Centre, including:
    - (i) Site plan
    - (ii) Building platforms
    - (iii) Horse arenas
    - (iv) Grazing areas
    - (v) Mitigation planting areas
    - (vi) Access and parking
    - (vii) Building plans.
82. In considering a precinct approach, I have been guided by the National Planning Standards definition, which states (in part):
- A precinct spatially identifies and manages an area where additional place-based provisions apply to modify or refine aspects of the policy approach or outcomes anticipated in the underlying zone(s).
83. Precinct plans (and similar development area or structure plans) are a well-accepted method of guiding future development within a defined area. They vary considerably in the level of detail they provide. Some are high-level, showing indicative road alignments, areas of avoidance such as Significant Natural Areas and broad brush indications of areas of different

development density (e.g. Plimmerton Farm, Porirua District Plan<sup>4</sup>). Others provide the detail of possible allotment boundaries (e.g. Glen Massey Precinct Plan, Waikato District, **Attachment 4**).

84. I am satisfied that the Te Tuhi Precinct Plan reflects the project's comprehensive, multidisciplinary, expert advice and provides an appropriate framework for the detailed consideration of any future resource consent for subdivision and development that complies with the Precinct Plan through a discretionary consent process. Departure from the Precinct Plan will require a non complying resource consent, the most stringent consent status, with any such application needing to pass one or both of the s104D gateway tests. This is a constraining package, but appropriate given the sensitivity of the site.

### **Planning Conference**

85. In accordance with the Hearing Panel's instructions for the parties to engage over Mr Hawkins' submission,<sup>5</sup> Mr Gardner-Hopkins (TTE's project manager), Ms Blick and I met with TDC officers (Hilary Samuels and Craig Sharman) on 20 July 2023 by online video link.
86. As agreed in the meeting, Mr Gardner-Hopkins followed up with a memorandum to the Hearing Panel providing:
- (a) The Preferred Relief, comprising a draft of suggested changes to PC42 (with placeholder notes for the Precinct Plan content (referred to at that time as a structure plan)); and
  - (b) A preliminary response on the matter of scope, which had been raised in the meeting by TDC.
87. The Hearing Panel responded with Minute 6 that acknowledged Mr Gardner-Hopkins' memorandum and, among other things, gave instructions for a planning conference to consider the following:

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<sup>4</sup> See Appendix D, page 155 of the Plimmerton Farm Zone [https://storage.googleapis.com/pcc-wagtail-edia/documents/ODP\\_PFZ\\_Plimmerton\\_Farm\\_Zone\\_8277722\\_Updated\\_July\\_2021.pdf](https://storage.googleapis.com/pcc-wagtail-edia/documents/ODP_PFZ_Plimmerton_Farm_Zone_8277722_Updated_July_2021.pdf)

<sup>5</sup> *There is a genuine endeavour by the expert planner for submitter 74 and the council's s42A writers to have discussed any remaining points of disagreement following the receipt of the s42A report and before the hearing commences (including before the filing of evidence if possible) to identify whether any narrowing or issues is possible*

- (a) Whether the suggested provisions in the Preferred Relief are workable, in terms of the mechanics of what the refined relief proposes (i.e. the structure plan approach);
  - (b) If the revised provisions are not workable, can they be made workable?
  - (c) If the revised provisions are workable (or if they are made workable), can they be made more efficient?
88. The Hearing Panel instructed the planners not to consider the merits of the Preferred Relief, because this would be a matter for evidence at the hearing.
89. The details of the planning conference are recorded in the Joint Witness Statement – Planning (**JWS**) provided to the Hearing Panel. The JWS agreed that the proposed provisions are workable subject to agreed amendments. The agreed amendments to the proposed provisions are included in the JWS and in the PC42 track changes version provided in Attachment One.
90. Notwithstanding the agreement over the workability of the provisions, Hilary Samuel and Craig Sharman for TDC and Megan Kettle for submitter Waikato Regional Council recorded in the JWS their concern that “key elements of the precinct plan, including technical assessments and appropriate consultation, have not been demonstrated at this time”.
91. The JWS (paragraph 3) also recorded a difference of opinion among the planning experts. Ms Samuel, Mr Sharman and Ms Kettle recorded the following:
- Concerns with workability and tension of competing objectives (Rural Lifestyle Environment (RLE), Outstanding Landscape Area (OLA), strategic direction objectives proposed in Plan Change 38 and the proposed structure plan provisions). Processing planners will in due course need to look at all relevant provisions, including the full suite of objectives and policies in the District Plan. A concern was raised by HS, CS and MK that there is not specific direction regarding hierarchy of objectives and policies, particularly if there are conflicting or competing provisions.
92. I remain of the opinion that assessing proposals against a range of objectives and policies is an everyday occurrence in resource consent preparation and processing. My understanding is that specific provisions

override more general provisions. Under the planning framework for the site set by the Preferred Relief, TDC would have the discretion to consider all relevant matters including the specific Te Tuhi provisions as well as all other relevant objectives and policies. In my opinion, that is appropriate rather than a matter of concern.

## **SECTION 7. THE APPROPRIATENESS OF THE REZONING REQUEST TO ACHIEVE THE OBJECTIVE OF PC42**

93. I begin this section by setting out my understanding of the “objective of PC42” (which is the phrase used by the Hearing Panel in Minute 6). I have not found a simple statement of the objective of PC42. Rather, I have found the objective of PC42 to comprise a number of matters, which I set out and discuss after explaining their source. The sources and context are the following:

- (a) TDC plan changes webpage<sup>6</sup>;
- (b) Public notice for Plan Changes 38-43<sup>7</sup>.
- (c) Taupō District Council Meeting Agenda 27 September 2022<sup>8</sup>;
- (d) Operative Taupō District Plan (**Operative TDP**);
- (e) Waikato Regional Policy Statement (**RPS**);
- (f) Change 1 to the Waikato Regional Policy Statement (**RPS Change 1**);
- (g) Taupo 2050 District Growth Management Strategy 2018 (**TD2050**);
- (h) Plan Change 38 (**PC38**) and its s42A Report;
- (i) Overarching Section 42A Report for Plan Changes 38-43 (**Overarching s42A Report**);
- (j) PC42 Section 32 Report (**s32 Report**);

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<sup>6</sup> <https://www.taupodc.govt.nz/council/consultation/taupo-district-plan-changes-38-43>

<sup>7</sup> <https://www.taupodc.govt.nz/repository/libraries/id:25026fn3317q9slqygym/hierarchy/Council/Consultation/District%20Plan%20Changes%2038-43/Plan%20Changes%2038-43%20Public%20Notice.pdf>

<sup>8</sup> [https://taupo.infocouncil.biz/Open/2022/09/TDC\\_20220927\\_AGN\\_5622.PDF](https://taupo.infocouncil.biz/Open/2022/09/TDC_20220927_AGN_5622.PDF)

- (k) PC42 Section 42A Report (**s42A Report**);
- (l) PC42 itself;

94. The TDC plan changes webpage and the public notice calling for submissions provide the simple purpose statement that PC42 is a “Full review of the rural chapters and removal of the Mapara Valley Structure Plan”. This suggests a broad objective to review and update the rural chapters as most appropriate for achieving the purpose of the RMA (and the other tests for plan changes generally).
95. Taupō District Council approved notification of PC42 at its meeting of 27 September 2022. The agenda paper includes the following table and statement:

Plan Change	Scope of Plan Change	Reason for inclusion
PC42 – General Rural and Rural Lifestyle	Full chapter review	The rural areas of the district are where significant primary production activities take place. The proposed changes are about recognising this activity and making it easier for them to operate. That enablement also needs to be balanced with a reasonable level of control. The plan change also specifically identifies rural lifestyle areas and provides a targeted set of provisions to ensure appropriate management.

Plan Change 42 involves a complete review of the rural chapters within the District Plan. This change has been extensively discussed with the community and governance. Key changes include splitting a new Rural Lifestyle Environment from the General Rural Environment, allowing for additional subdivision within the Rural Lifestyle areas, allowing for minor dwellings and making sure rural industry and production can operate effectively. As part of the rural plan change the Mapara Valley Environments are being removed, Appendix 3 to the District Plan (Mapara Valley Structure Plan) is proposed to be deleted.

96. The fact that PC42 is a full review of the rural chapters is important. It means that every property in the Operative TDP’s Rural Environment has effectively been considered and rezoned as either GRE or RLE.
97. The Operative TDP contains guidance for land development in Chapter 3e Land Development. The provisions emphasise the role of TDC’s identified Urban Growth Areas (**UGA**) in providing capacity for new urban land development and require that the development of a UGA should proceed in a comprehensive manner by way of a “Taupō District Structure Plan



Process” and associated plan change process. One intention is to ensure that the full development potential of UGAs is reached and not compromised by sporadic development that, for example, reduces yield or hinders the efficient placement of roads and infrastructure. Another intention is that urban development does not occur in the rural environment outside of UGAs.

98. Neither PC42 nor the Preferred Relief comprise urban development (I accept Ms White’s advice on the nature of urban development). PC42 has therefore not proceeded via the Taupō District Structure Plan Process. Nor for that matter, has the Preferred Relief. Despite that, to further demonstrate the completeness of the approach to developing the Preferred Relief, I have considered each of the Chapter 3e objectives and policies and the “Matters to be Considered in Structure Plan Assessment” and noted evidence of their consideration in preparing the Precinct Plan (**Attachment 6**).
99. I turn now to the RPS. The RPS includes many relevant provisions for managing natural and physical resources that I do not need to cover here. Both the s32 Report and the s42A Report conclude that PC42 is consistent with the RPS and I accept that overall position at a high level.
100. However, I highlight Objective *UFD-O1 Built Environment*, which requires TDC (as a council defined as a Tier 3 local authority in the National Policy Statement for Urban Development 2020 (**NPSUD**)), to take “an integrated, sustainable and planned” approach to built development, including rural residential development.
101. The associated RPS Policy (*UFD-P18*) requires TDC to manage new development in the Taupō District Plan in a way that, among other things, recognises TDC’s growth strategy (which is TD2050) and has regard to the list of “development principles” set out in Policy *UFD-P1 Planned and co-ordinated subdivision, use and development*. The development principles are many and varied and each is likely to be given effect to by PC42 to a greater or lesser extent. A key point is that TD2050 is accorded status by the RPS in addition to its status under s74(2)(b)(i) of the RMA as a TDC-approved policy document prepared under the Local Government Act.
102. TD2050 sets ‘Seven Strategic Directions’ for Taupō District:

1. Plan for a district characterised by contained urban communities, bordered by a productive, functional rural environment.
  2. Design and plan compact, walkable and adaptable urban areas.
  3. Create vibrant, diverse places and spaces where people love to live, work, play and invest.
  4. Recognise tangata whenua cultural identity and build strong, collaborative relationships.
  5. Provide the platform for a sustainable economy.
  6. Integrate sustainable infrastructure provision, land use and funding.
  7. Manage development to enhance and protect the natural environment.
103. While all the Strategic Directions (except Direction 2) are relevant to PC42, Directions 1 and 7 appear to be particularly pertinent. Direction 5 also has considerable relevance.
104. TD2050 goes on to identify five groups of TDC “We will” statements and actions in respect of managing residential, rural, commercial, industrial and tangata whenua and multiply-owned Māori land.
105. The “We will” statements and actions for managing rural land (page 12) are:
- We will:**
- Prevent the urbanisation of the rural environment.
  - Protect functional activities within the rural environment.
  - Consolidate rural lifestyle opportunities within existing areas.
  - Ensure that the District Plan allows for appropriate and sustainable alternatives to farming.
- Actions:**
8. Maintain the policy approach of controlling fragmentation of the rural environment below 10ha.
  9. Investigate the level of demand for lifestyle blocks (below 10ha) and ensure appropriate supply.
  10. Remove the WeKA (West Kinloch Arterial) designation except for the lower section between Wairākei Drive and Poihipi Road.

11. Ensure the District Plan provisions support rural industries and innovative uses for rural land such as agribusiness, tourism and recreation opportunities that do not lead to an urbanisation of the rural environment
106. Actions 8, 9 and 11 are particularly relevant.
107. TD2050 is implemented, in terms of the TDP, via Plan Changes 38-43. PC38 Strategic Directions aims to set strategic direction for the following “key strategic or significant resource management matters for the district”:
- (a) Tangata Whenua
  - (b) Fresh Water Quality
  - (c) Urban Form and Development
  - (d) Climate Change
  - (e) Strategic Infrastructure
  - (f) Natural Values and Landscapes.
108. PC38 as notified did not explicitly provide strategic direction for rural development. However, in response to submissions pointing that out, the s42A Report for PC38 has recommended the following:
- It is recommended that Objective 2.3.2.2 be amended as follows:
- Subdivision, use and development of land will be consistent with TD2050 2018 to protect the effective functioning of the Rural Environment, maximise the efficient use of zoned and serviced urban land and is co-ordinated with the provision of cost effective infrastructure.*
- It is recommended that Policy 2.3.3.3 be amended as follows:
- Avoid fragmented urban development that results in inefficiencies:*
- a. Use of land in,*
  - b. ~~the~~ provision and functioning of infrastructure, and*
  - c. ~~land use~~ functioning of the General Rural Environment*
109. The PC42 S42A Report (paragraph 12) cites the above recommendations as if approved. I note at this point that I consider the Preferred Relief to meet both the original and proposed Objective 2.3.22 and Policy 2.3.3.3.

110. The Overarching s42A Report includes a table (p4) with the following extract:

Plan Change	Reason for inclusion
PC38 Strategic Directions	Addition of Strategic Directions to better align with the National Planning Standards and provide plan users with clearer strategic direction as the current Significant Resource Matters chapter has lost considerable relevance. Setting out the main strategic objectives will also assist setting the framework for the proposed RMA reform. This chapter was a priority from iwi partners to be undertaken.
PC42- General Rural and Rural Lifestyle Environments	<p>The rural areas of the district are where significant primary production activities take place. The proposed changes are about recognising this activity and making it easier for productive activities to establish and operate. That enablement also needs to be balanced with a reasonable level of control of actual or potential adverse environmental effects.</p> <p>The plan change also specifically identifies rural lifestyle areas and establishes a framework for managing these activities (and importantly restricting opportunities elsewhere in the rural environment).</p>

111. While the s32 Report does not include a statement of PC42's purpose or objective, the s32 Report (p18) cites the above "We will" statements and Actions 8-11 from TD2050 as part of its consideration of the statutory planning context. The s32 Report also identifies "key resource management issues" (p35), which I paraphrase as follows:

- (a) Pressure for lifestyle living opportunities within the Rural Environment, causing the following adverse effects:
- (i) Higher infrastructure costs;
  - (ii) Inefficient land use;
  - (iii) Reverse sensitivity;
  - (iv) Loss of rural character; and
  - (v) Loss of flexibility of large land holdings.

- (b) Changes in Rural Industry meaning the TDP needs to provide for a wide range of activities.
- (c) Pressure for second dwellings. Second dwellings on small lots have the potential to generate negative effects on:
  - (i) The infrastructure network;
  - (ii) Efficiency of land use;
  - (iii) Reverse sensitivity; and
  - (iv) Rural character and amenity.
- (d) The management of reverse sensitivity.
- (e) Uncertainty over the planning framework for the Mapara Valley.

112. The s42A Report (p6) includes Section 2.2 "Purpose of Plan Change 42", which notes the following:

Proposed PC42 to the ODP seeks to update the Rural Environment provisions. Key changes proposed are:

- Deletion of the existing ODP Rural Environments sections and replacement with new provisions.
- Creating a new RLE and a new GRE.
- Removal of the Mapara Valley Structure Plan, Mapara Valley Environments and associated provisions.
- Formulation of a separate set of objectives and policies for the RLE and for GRE.
- More flexible papakāinga provisions.

113. The s42A Report goes on to state in paragraph 21:

The most significant change made by PC42 the move to creating two new 'Environments' for the Rural Environment of the district. As described within the introductions for each Environment, the separation highlights the need to preserve the productive potential of the land and other natural resources of the Rural Environment and its production values, while also meeting demand for rural lifestyle living in specific locations (within the RLE), whilst being more restrictive of this in the GRE. The creation of the GRE aims to support primary productive uses, renewable electricity generation activities, and rural industry being an activity dependent on primary production and/or have a locational or functional need to be within the GRE (rather than an urban environment).

114. The s42A Report (p18) also cites the above “We will” statements from TD2050 but not Actions 8-11. The S42A Report also mentions:
- (a) Incremental fragmentation of the rural land resource.
  - (b) Enabling the GRE to be a ‘working rural environment’, including geothermal electricity, rural industry and quarries, requiring separation from rural lifestyle uses to provide certainty and minimise reverse sensitivity.
  - (c) Accommodating smaller (2 – 4ha) allotments in the “different, established character” of the RLE.
- (a) “Amendments to provisions around the allowance for minor residential units”.
115. As noted above, the s42A Report also draws on the recommended strategic direction in PC38 Objective 2.3.2.2 and Policy 2.3.3.3.
116. Turning now to PC42 itself, the introduction (3b.1) provides descriptions of some desired end states for the rural environment, some of which are then set out as objectives and policies. The yellow highlights are mine.

The Rural Environment makes up most of the land within the District and has been categorised into two distinct areas, being the General Rural Environment and the Rural Lifestyle Environment. These separate areas highlight the increasing need to protect the open space characteristics of the Rural Environment and its production values, while also providing for the growth of the District and the demand for rural lifestyle living in specific locations.

The Rural Environment also contains sites that are of significance, some of these are identified as Outstanding Landscape Areas. The Rural Environment objectives and policies seek to manage subdivision and land use activities in a way that reflects the productive nature of the land, the rural level of infrastructural services and the amenity values of the landscape, as well as managing effects and enabling rural lifestyle living in appropriate areas.

Other activities that are anticipated in the Rural Environment are tourism activities, visitor accommodation and renewable electricity generation and transmission. It is important that all such activities do not affect the ability of the rural environment to function effectively. It is also important to acknowledge that existing, lawfully established activities in the Rural Environment are able to continue operating and that activities that choose to locate in close proximity to these activities are aware of the effects they can generate and that the Rural Environment is the best location for these activities. It is expected in the Rural Environment that all properties are self-servicing in terms of the

provision of potable water and the disposal of stormwater and wastewater.

The papakāinga provisions recognise the intent of Part 2 of the RMA and provide for the occupation by whanau, hapū or iwi members on Māori land. The provisions recognise the importance of enabling Māori to settle on their ancestral lands.

**Papakāinga development** will often be at higher densities than other residential land uses in the rural environment. Papakāinga may also have associated social, cultural or commercial aspects to support the community who reside there.

In addition to papakāinga there is a wide range of **cultural activities and activities of importance to Māori** which are appropriate to occur within the rural environment.

### **General Rural Environment**

The General Rural Environment is predominantly characterised by **large open space and vegetated areas including productive farmland and forest, ridgelines, native bush, lakes, rivers and their margins**. Other prime characteristics of the General Rural Environment are the **diverse range of land uses including farming, horticulture, energy and plantation forestry activities, with dispersed buildings and rural roads**.

There is also a wide range of development associated with c, and the District is one of New Zealand's most significant for the **generation, storage and transmission of renewable electricity**.

The purpose of separating the General Rural Environment from the Rural Lifestyle Environment is to **preserve the productive potential of the land** within the General Rural Environment by **retaining large property sizes** and limiting the extent of housing provided for. Yet **allowing appropriate development to occur while preserving the 'openness'** of the General Rural Environment. The creation of the General Rural Environment aims to support **primary productive uses** and **rural industry**, meaning an activity that directly supports, services, or is dependent on primary production and has a locational need to be within the General Rural Environment (rather than an urban environment).

Primary production activities in the General Rural Environment will produce effects that are different from urban areas, such as noise, odour, vibration, spray drift and dust. Allowing these activities to operate in a more suitable environment, along with compatible activities, aims to protect rural land uses from unnecessary restrictions.

The General Rural Environment provisions seek to **limit the scale of commercial and industrial activities unless they are dependent on primary production and have a locational need** to be within the General Rural Environment. This is to avoid the uptake of General Rural Environment land by activities which are provided for in other Environments and may therefore impact on the land available for primary production activities within the General Rural Environment.

### **Rural Lifestyle Environment**

The Rural Lifestyle Environment has been created to **address the increasing demand for rural lifestyle living** within the Rural

Environment. The Rural Lifestyle Environment aims to provide for rural residential development in specific locations for those who want the benefits of rural living without necessarily undertaking a productive rural activity.

By creating separate areas in appropriate locations within the Rural Environment, the Rural Lifestyle Environment creates areas for rural living on smaller property sizes, whilst retaining separation from the rural production activities predominating in the General Rural Environment. This separation of activities serves to minimise reverse sensitivity issues. By concentrating rural residential development within the Rural Lifestyle Environment this serves to preserve the open space characteristics and productive potential of the rest of the Rural Environment, and to reduce the potential for land use conflict.

The Rural Lifestyle Environment will be less populated than a Residential Environment, with standards in place for minimum lot sizes to preserve the rural residential aspect of the area. Limited provision is also made for home business and commercial activity to occur, but not of a scale or extent that changes the predominantly rural residential amenity and character intended. The Rural Lifestyle Environment areas are located closer to urban areas to allow for access to community facilities within the district's townships.

117. From the above material, I list below the matters that I understand to fall within the purpose or objective of PC42 (**PC42 Matters**) in its full review of the Operative Rural Environment:
- (a) Maintaining rural character. Protection and enhancement of the natural environment including Significant Natural Areas and Outstanding Landscape Areas;
  - (b) Maintaining primary production potential. Avoiding the fragmentation of rural land;
  - (c) Providing for rural industry that has a locational need to be in the rural environment;
  - (d) Providing for geothermal electricity production;
  - (e) Managing reverse sensitivity;
  - (f) Providing sufficient rural lifestyle opportunities in existing areas to meet demand;
  - (g) Enabling appropriate and sustainable alternatives to farming including agribusiness, tourism activities and visitor accommodation;



- (h) Providing for papakāinga housing and Cultural activities and activities of importance to Māori;
- (i) Maintaining a rural level of infrastructural services. All properties are self-servicing in terms of potable water, stormwater and wastewater;
- (j) Providing for minor dwellings;
- (k) Removing the Mapara Valley Structure Plan.

118. I now assess the appropriateness of both PC42 and the Preferred Relief in achieving each of the above PC42 Matters. I then provide an overall assessment.

**Maintaining Rural character. Protection and enhancement of the natural environment including Significant Natural Areas and Outstanding Landscape Areas**

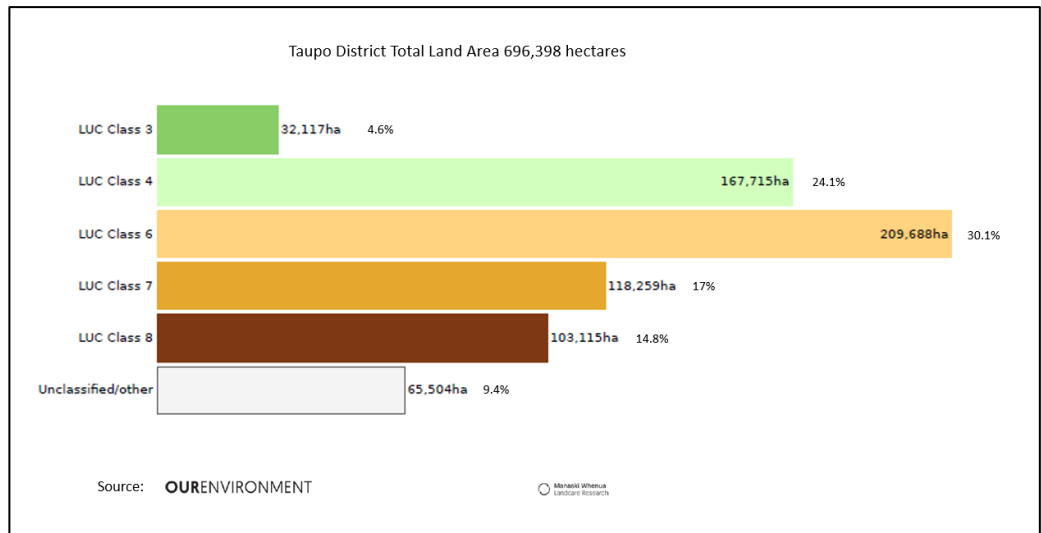
119. PC42 seeks to maintain “established character” (Objective 3b.2.2). Policy 3b.2.9 provides limited clarification of what the established rural character comprises but is inconsistent with the description in the introduction. “Established character” is not necessarily a desirable end state and maintaining it may not provide for appropriate change or enhancement. More informative objectives would be helpful. The provisions enable diverse rural land uses. The minimum allotment size of 10ha in GRE will generally result in separation and open rural character between built development.
120. In the RLE, Objective 3b.3.1 seeks that “The character of the Rural Lifestyle Environment is maintained and protected from incremental subdivision and development.” The objective seems to be directly counter to the overall objective of PC42 of enabling subdivision and development in the RLE.
121. With respect to OLAs the rural chapter sets out rules to manage subdivision and development (including buildings and structures and earthworks) in OLAs that fall within the GRE. In my view the appropriate way to include plan provisions for OLAs is by means of spatial overlays with accompanying objectives, policies and rules. I understand that TDC

intends to respond to such National Planning Standards requirements through future plan changes.

122. The TTP requires extensive native revegetation with enhanced landscape and rural character values (including those values attributed to the Whakaroa Peninsula OLA), and ecological values, reduced impacts on Lake Taupō water quality and climate positive carbon sequestration. The TTP achieves a diverse mixture of land uses and activities including a tourism complex, rural residential clusters, an equestrian centre, extensive native forest and an active recreation trail network.
123. In my opinion, the provisions of PC42 for the management of rural character are generally satisfactory. However, the TTP's specific, detailed approach means that rural character, landscape and ecological values will all be improved.

**Maintaining primary production potential. Avoiding the fragmentation of rural land**

124. PC42 seeks to prevent fragmentation of rural land and protect primary production potential. Objective 3b.2.1 Enable Primary Production states:
- Primary production is enabled by protecting the availability of the rural land resource and its productive capability.
125. Objective 3b.2.1 is implemented by restricting subdivision below 10ha (as a non-complying activity) and enabling, as a controlled activity, subdivision where allotments are 10ha or larger in the GRE. In the RLE 4ha and 2ha allotments are enabled depending on whether the land adjoins the GRE or not.
126. The approach to subdivision in the GRE assumes that allotments of less than 10ha have compromised production potential and allotments of 10ha or greater retain production potential. I agree, based on the findings of the Agricultural Assessment, that allotments of less than 10ha have compromised production potential, except on highly productive land such as LUC 1, 2 and 3 where high value horticulture or cropping may be viable (See Agricultural Assessment). However, 86% of land in Taupō District is LUC 4 – 8 (Figure 1), which has much less productive potential and requires much greater land area than 10ha to have “productive capability”.



**Figure 1 Land Use Capability in Taupō District**

127. According to the s32 Report, one of the criteria for the RLE is that “Areas have not been selected where there are physical constraints such as topography”. Thus, some of the proposed RLE comprises flatter, more productive land (including areas of LUC 1-3 that are lately discussed in the follow up Property Economics report *Taupō Rural Lifestyle Plan Change Economic Overview*). In my opinion, a plan change seeking to safeguard rural productive potential as one of its key planks would need to understand land use capability spatially and consider a more nuanced approach than a blanket 10ha minimum allotment size. I note this was a matter raised by Mr Hawkins in his submission.
128. Taking the Te Tuhi site as an example, the Agricultural Assessment confirms that, if the site was subdivided into 10ha allotments (shown as Scenario 4 in the Design Report attached to Ms White’s evidence), its production would be likely to drop substantially. The Agricultural Assessment states (p15):

Under 10ha allotments this is well below the economic size required for a commercial scale livestock grazing property. As outlined in the report at LUC 4-8 the land is not suitable for horticulture or arable cropping, there may be some potential to grow lucerne as a cut and carry crop but would require further investigation on suitable contours and markets. This is important because under higher land uses such as horticulture a commercial scale can be achieved at 10ha, in the context of this block 10ha is insufficient.

By subdividing into 10ha lots this is a permanent shift in land use away from commercial scale, this should be an important consideration that commercial scale is permanently lost.

Without the commercial scale there is a lack of incentive to generate reasonable production and profitability, the blocks would be viewed as lifestyle blocks. Most lifestyle block owners do not have the same knowledge or experience as commercial operators so production would be impaired.

At 10ha lots this would introduce a number of land owners, each would determine how best to manage their blocks and there would be a range of systems employed which could range from productive uses such as selling a few beefies, through to pet animals with no productive value.

Comparing production of the block now as one sheep and beef unit performing at above average levels with 10ha lifestyle lots production will drop substantially.

129. On this basis, I conclude that PC42 already enables fragmentation of rural land, not only in the RLE but in the GRE, and so does not in fact protect primary production potential.
130. In the proposed TTP, the rural residential allotments fragment land and lower productive potential in the same way as in the RLE. However, the clustering of the TTP allotments means that at least 200ha is safeguarded in perpetuity as a productive native bush unit, with the significant associated benefits noted earlier and in the evidence of Ms Barnett.
131. In my opinion, PC42 does not prevent the fragmentation of rural land or protect primary production potential in the GRE. Against that starting point, the proposed TTP leads to significantly better outcomes in that respect.

**Providing for rural industry that has a locational need to be in the rural environment. Providing for geothermal electricity production**

132. PC42 is enabling of industry that has a locational need to be in the rural environment.
133. The Preferred Relief does not seek to enable rural industry on the Te Tuhi site. The RLE provisions would continue to apply, subject to compliance with the proposed TTP. To the extent this is a constraint, it is not a constraint in practice, as the site is not well suited to rural industry. There is also no geothermal electricity production on or near the site.
134. In my opinion, the provisions of both PC42 and the TTDA are satisfactory in respect of rural industry and geothermal electricity production.

### **Managing reverse sensitivity**

135. PC42 includes GRE Objective 3b.2.5 and RLE Objective 3b.3.2 to avoid reverse sensitivity. While the allotment size and building setback provisions assist in separating incompatible activities, an obligation remains on GRE activities so that “adverse effects generated by an activity must be managed within the allotment” (Policy 3b.2.13 Avoiding Reverse Sensitivity). An equivalent policy in the RLE would also be appropriate (although is not presently proposed).
136. In the TTP, the layout and the proposed activities mean that reverse sensitivity issues are unlikely to arise. In addition, the rural residential sites would have ongoing financial and management interests and obligations in the native bush area. As a result, any operational issues would readily be able to be addressed.
137. In my opinion, reverse sensitivity management in both PC42 and the TTP is satisfactory but would be improved with an RLE policy equivalent to Policy 3b.2.13.

### **Providing sufficient rural lifestyle opportunities in existing areas to meet demand**

138. PC42 provides an additional supply of rural lifestyle opportunities close to Taupō township. The TTP immediately adjoins the proposed RLE area.
139. Mr Colegrave’s evidence identifies a shortage of available rural residential land and notes that Te Tuhi aims to provide a high-end, bespoke development that caters for a specific market segment.
140. I accept Mr Colegrave’s advice and conclude that PC42 does not provide sufficient rural lifestyle opportunities in existing areas to meet demand, at least for the higher end type of rural lifestyle opportunities. The TTP provides additional opportunities and contributes to meeting that shortfall.

### **Providing for appropriate and sustainable alternatives to farming including agribusiness, tourism activities and visitor accommodation**

141. According to Objective 3b.2.4 “Māori cultural activities, tourism activities, visitor accommodation and renewable electricity generation and transmission activities are enabled in the General Rural Environment”.

Similarly, “rural industry<sup>9</sup>” but not “general commercial and industrial activities not having a locational need” are enabled by Objective 3b.2.3.

142. Turning to the policies that implement the above objectives, Policy 3b.2.17 guides plan users and decision makers in respect of Māori cultural activities. Policy 3b.2.14 is to “limit the scale of commercial and industrial activities. There is no specific policy guidance for rural industry, tourism or visitor accommodation activities.

143. Rule 4b.1.10 is a permissive rule for rural industry. In contrast, commercial and industrial activities are limited to a permitted activity standard of 100m<sup>2</sup> of gross floor area or outdoor area (via Rule 4b.1.5).

144. There is no specific rule for tourism and visitor accommodation activities, which appear to come within the TDP definition of “Accommodation Activities”:

Activities including associated land and buildings used for the accommodation of people on a temporary basis, which may involve integrated conference, tavern and restaurant facilities to both the public and in-house guests. Accommodation activities definition includes but is not limited to hotels, motels, campgrounds but excludes homestay activities which do not exceed four people.

145. In the absence of a specific rule for accommodation activities, Rule 4b.1.1 applies. This means that if the activity complies with all the GRE and district-wide performance standards, it is permitted. If a standard is breached, the activity becomes discretionary. I accept that the rule setting is enabling, as indicated by Objective 3b.2.4. However, as noted above, there is no specific policy guidance to be considered alongside the other more general guidance (for example, Policy 3b.2.9 for maintaining established rural character) for determining whether a discretionary proposal would be acceptable.

146. In the RLE, there are no specific objectives or policies for rural industry, tourism activities or visitor accommodation. An accommodation activity could be advanced under the generic enabling Rule 4b.3.1 but the activity would likely breach a number of RLE performance standards and need to

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<sup>9</sup> Proposed PC42 definition - Rural Industry – an activity that directly supports, services, or is dependent on primary production and has a locational need to be within the General Rural Environment (rather than an urban environment). These activities include, but are not limited to; forestry, agriculture, dairy farming and geothermal/electricity generation.

be assessed as discretionary without specific guidance from objectives and policies.

147. The TTP specifically provides for a tourism lodge complex and an equestrian centre, which meets the definition of rural industry but may also be an “alternative to farming”.
148. In my opinion, PC42 is enabling of “appropriate and sustainable alternatives to farming including agribusiness, tourism activities and visitor accommodation” but lacks clear guidance from objectives and policies.
149. The TTP is enabling of specific non-rural activities that have been determined by the experts to be appropriate for the site and that will result in significant benefits. Its guidance as to the required outcomes is clear via the Precinct Plan (and the proposed objective and policy).

**Providing for papakāinga housing, cultural activities and activities of importance to Māori**

150. PC42 provides for papakāinga housing and cultural activities.
151. The TTP is not Māori land so papakāinga housing provisions are not relevant. Te Tuhi Estates Ltd is engaging with mana whenua to ensure development appropriately references the Māori history of the site and opportunities for ongoing partnership are identified. The approach is consistent with Objective 3b.2.8 Tāngata Whenua and Policy 3b.2.17 Maori Cultural Activities. The provisions are also assured as matters for consideration under the discretionary activity consenting framework proposed for activities in general accordance with the Precinct Plan.
152. In my opinion, both PC42 and the TTP are consistent with the objective.

**Maintaining a rural level of infrastructural services. All properties are self-servicing in terms of potable water, stormwater and wastewater**

153. PC42 requires on-site infrastructure so there is no reliance on existing reticulated infrastructure and no demand for the extension of existing infrastructure.
154. The TTP site as a whole is able to be self-servicing with infrastructure, although the intention is to continue to use the water allocation from the

existing reticulated water supply to the site. The proposed communal wastewater system would also achieve higher quality discharges than a proliferation of individual on-site systems.

155. Mr McKenzie confirms that the existing rural road network, with minor upgrades, is able to service the Preferred Relief.
156. Mr Colegrave considers infrastructure and concludes that the proposal will have no long-term infrastructure costs or risks for the district.
157. In my opinion, both PC42 and the TTP are consistent with a rural level of infrastructural services.

#### **Providing for minor residential units**

158. PC42 provides for minor residential units that are clustered with primary residential units to limit the coverage of land, protect rural character and limit reverse sensitivity.
159. In the TTP minor residential units are non-complying activities so that they do not increase residential density with the potential for associated effects on rural character and traffic generation.
160. In my opinion, the approach of both PC42 and the TTP to minor residential units is appropriate.

#### **Removal of the Mapara Valley Structure Plan**

161. PC42 proposes to remove the Mapara Valley Structure Plan.
162. The Mapara Valley Structure Plan Escarpment Area covers some of the eastern margin of the TTP site (Figure 2) but does not necessitate any amendment of the TTP. The removal of the Mapara Valley Structure Plan would be inconsequential to the TTP.



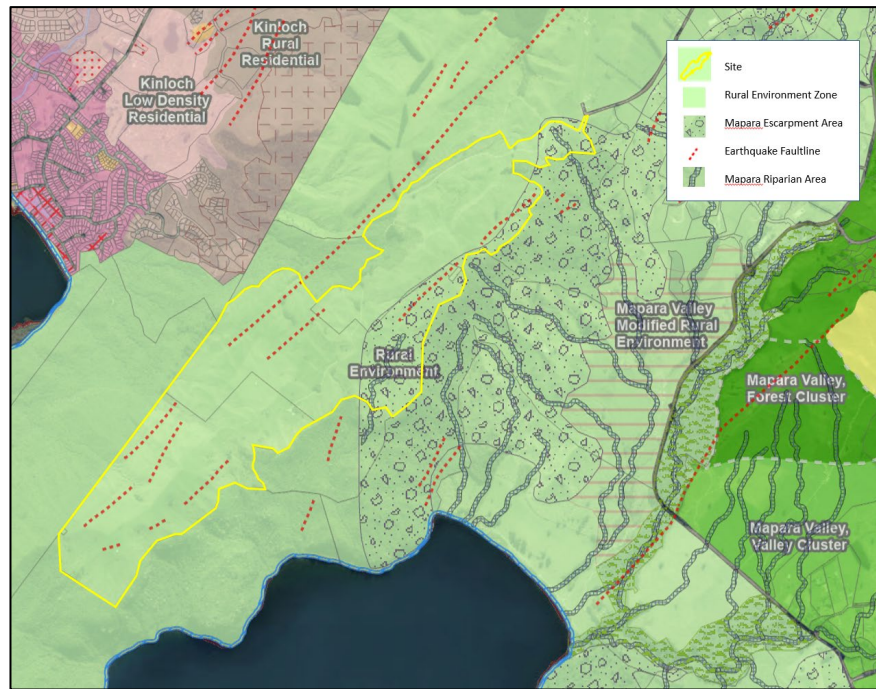


Figure 2 Area of site affected by Mapara Valley Structure Plan

**Overall Assessment of the Appropriateness of both PC42 and the Preferred Relief in achieving the PC42 Matters.**

163. I have considered above how both PC42 and the Preferred Relief achieve the PC42 Matters; the purpose or objective of PC42.
164. In my opinion, the PC42 provisions have shortcomings in the following:
- (a) Preventing fragmentation of the GRE and protecting rural productivity.
  - (b) Setting out clearly the rural character that is to be protected.
  - (c) Providing sufficient rural lifestyle opportunities to meet demand.
  - (d) Giving clear policy guidance for alternatives to farming including agribusiness, tourism activities and visitor accommodation.
165. In contrast, the required outcomes of the TTP are clearly set out and achieve the PC42 Matters. To reference the phrase used in Minute 6, I conclude that there is no planning policy impediment to the granting of the Preferred Relief.

**SECTION 8. WAIKATO REGIONAL COUNCIL FURTHER SUBMISSION**

166. The further submission point on behalf of WRC (FS212.12) in respect of Mr Hawkins' submission states:

The submitter is proposing to rezone an area of approximately 121ha under the proposed Rural Lifestyle Environment. This is a significant area that could result in a large number of new lifestyle lots. The proposed rezoning has the potential to create a range of issues including land fragmentation, loss of productive capacity, increase in greenhouse gas emissions and issues associated with transport and infrastructure. Retain the land zoned as General Rural Environment.

167. I acknowledge that, at the time of making the further submission, WRC had not had the benefit of seeing the Preferred Relief. I comment on the matters raised by WRC as follows.
168. I have accepted expert evidence that the rezoning of the site, with additional requirements to develop the site in general accordance with the Precinct Plan, will retain productive capacity while moving from pastoral farming into native forest (with associated improvements in respect of nitrogen and sediment runoff to Lake Taupō). The forest will also sequester greenhouse gases and the site will be net climate positive.
169. In respect of transport, the nature of private vehicles accessing the site is likely to change greatly over the next few years. My observation is that market forces and government incentives are pushing a switch from internal combustion to electrical vehicles. That switch is likely to build momentum as economies of scale and technological advances reduce costs and internal combustion vehicles are phased out. Greenhouse gas emissions from transport will reduce in step.
170. My opinion in respect of infrastructure, supported by the Infrastructure Assessment and Mr Colegrave's analysis, is that the site will be self-supporting for infrastructure (except for continuing to use its existing reticulated water allocation) and there are no long-term infrastructure costs or risks for the district.

**SECTION 9. CONCLUSION**

171. I have accepted Mr Gardner-Hopkins' advice that the Preferred Relief is within the scope of both PC42 and Submission 74.

172. The Preferred Relief is based on extensive expert advice including landscape, ecology, engineering, architecture and design. There is no planning policy impediment to the granting of the Preferred Relief.
173. The suggested planning framework for the site, that is, the suggested changes to PC42, is workable and appropriate and would give effect to the Preferred Relief sought.
174. I therefore recommend that the Hearing Panel grants the Preferred Relief.

**11 August 2023**  
**Andrew Brown Cumming**

**Attachment 1**

**Track changes version of PC42 (Planning  
Conference Version) and  
Te Tuhi Precinct Plan**

(Please refer to separate computer files)

## Attachment 2

### Section 32AA Evaluation

1. Section 32AA of the Resource Management Act requires a further evaluation of any changes to a plan change proposal since the initial section 32 evaluation report.
2. The proposed objective and policy require giving effect to the Te Tuhi Precinct Plan, which has resulted from extensive site investigations and evaluation of options and represents an end state for the site that enhances landscape and ecological values while providing for subservient built development and ongoing productive land use. The provisions are the most appropriate way to give effect to both the purpose of the Act, and to the objective of PC42 including for maintaining rural character.
3. The other options considered were rezoning to General Rural Environment or to Rural Lifestyle Environment without a Precinct overlay or Precinct Plan. The consideration of these options is embedded in the following evaluation.

#### **Cost/Benefit**

4. While the rezoning of the site to Rural Lifestyle Environment will remove some of the site from primary production. The site is approximately 75% Land Use Capability 6 and 7 with 25% LUC 4 and therefore is not considered to be highly productive. The equestrian centre and the native forest are ongoing, productive rural land uses with greater long term sustainability than the existing pastoral farming operation, which contributes to the deterioration of Lake Taupō water quality through nitrogen runoff (from stock urine) and sedimentation (from soil erosion). The extensive native reforestation provides significant indigenous biodiversity benefits, linking to and extending neighbouring Department of Conservation forest reserves. The native forest will also sequester considerable volumes of greenhouse gases. The rezoning will contribute to reducing development pressure on rural areas beyond the established Rural Lifestyle area between Taupō township and Kinloch.

5. The proposed Precinct provisions confer additional benefits as they address the potential adverse effects of unfettered Rural Lifestyle Environment zoning at the site including limiting density, managing the effects of built development and requiring extensive native planting.

#### **Effectiveness and Efficiency**

6. The proposed provisions respond to the potential environmental, economic, social and cultural effects anticipated from the site's development in accordance with the Precinct Plan. In particular, the specific requirements for robust controls over built development, mitigation and enhancement native planting, and onsite management of wastewater infrastructure, is an efficient and effective way to respond to the potential effects of the proposal as well as to achieve enhanced environmental outcomes that would not be achieved by retaining the General Rural Environment or rezoning to an unrestricted Rural Lifestyle Environment. The Precinct Plan-specific objective does not reduce the effectiveness and efficiency of the existing Rural Lifestyle Environment provisions, which will also apply (except for modifications to avoid intensive indoor farming and minor residential units).
7. The proposal is effective because it achieves the objectives. It is efficient because the benefits of the approach outweigh the costs.

#### **Risk of acting or not acting**

8. The comprehensive information provided in support of the submission is sufficient to provide an informed assessment of the planning alternatives and costs and benefits. The proposed planning framework including a Precinct Plan is well understood and provides for specific proposals to be evaluated through the resource consent process with the council having full discretion to consider all relevant matters and determine the outcome.

**Attachment 3**  
**Agricultural Assessment**



Independent  
Agriculture  
& Horticulture  
Consultant  
Network

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Steve Hawkins  
387 Whakaroa Road, Taupo

Productivity Assessment

Prepared by Steven Howarth  
7<sup>th</sup> August 2023



## TABLE OF CONTENTS

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1.0	Executive Summary .....	2
2.0	Background .....	3
3.0	Property Description .....	4
3.1	Physical Description .....	4
3.2	Land Use Capability Mapping .....	5
3.3	Soil Fertility.....	5
3.4	Total Annual Nitrogen Discharge .....	6
4.0	Current Farm Performance .....	7
4.1	Livestock Performance .....	7
4.2	Financial Performance .....	8
5.0	Potential Land Use Options.....	10
5.1	Sheep and Beef .....	10
5.1.1	Sheep and Beef Capital .....	10
5.1.2	Sheep and Beef Profitability .....	10
5.2	Pine Production Forestry.....	12
5.2.1	Pine Production Forestry Capital .....	12
5.2.2	Pine Production Forestry Profitability .....	12
5.3	Indigenous Forestry .....	13
5.3.1	Indigenous Forestry Capital.....	13
5.3.2	Indigenous Forestry Profitability .....	13
5.4	Horticulture.....	14
5.5	Dairy farming.....	14
5.6	Arable cropping.....	15
5.7	Subdivision into 10 hectare blocks.....	15
6.0	Appendix A - Livestock Reconciliation.....	16

## 1.0 EXECUTIVE SUMMARY

The property is located at 387 Whakaroa Road, Taupō, and totals 343.21 ha, the current owners estimate an effective grazable area of 334 ha. The developer has an application under way for a tourism lodge and residential subdivision. As a result the land available for primary production will reduce to approximately 250 ha. The developer has engaged AgFirst to provide advice on the viability of the current sheep and beef land use on a reduced area alongside alternative land use options.

The property is currently run as a breeding farm running breeding ewes and breeding cows. Some progeny are finished on farm and some are moved to a second farm.

Feasible land use options are outlined below. All are based on 250 ha and assumes \$2.5 million cash is invested, the balance borrowed at 6% on an interest only mortgage. All options include overhead costs of Admin, Insurance, Rates and Debt servicing. Net present value calculations are also based on 6% discount rate.

- **Sheep and Beef.** Using the current stocking rates (adjusted for the reduced area) and performance there is an estimated net profit of \$40,746 total or \$163/ha. Revenue and expenses are based on an average of the last three years' performance with B+LNZ expense data used where data for the property was unsuitable. The steep land dictates a breeding operation and based on current above average breeding performance and good expense control, this can be run as an economic unit. This is on the proviso that 2.5 million of cash is invested to reduce debt levels. At 250 ha this is smaller than typical for hill country, B+LNZ Northern North Island averages 356 ha.
- **Pinus Radiata production forestry.** Under a production forestry regime and selling carbon credits through the first rotation this shows the highest Net Present Value (NPV) of the land use options analysed. However the ability to sell carbon under production forestry without penalty is limited to the first 16 years, any further carbon sold would be met with a liability at harvest. As a result the profitability of the second rotation is substantially reduced without the carbon income.
- **Indigenous bush.** The Timata Method to establish indigenous bush is used to minimise upfront costs by using Manuka/Kanuka as a colonising species followed by climax tree species from year 5. Despite the lower cost strategy, the NPV remains negative, the income from carbon is not sufficient to offset costs. If additional revenue is sourced from honey, the NPV still remains negative.

Table 1. Profitability of land use options per hectare

Land Use	Total Capital Required (\$ Total)	Net Present Value (\$/ha)	Total Profit (28 years) (\$/ha)
Sheep and Beef	\$3,675,977	\$2,185	\$4,564
Pinus Radiata first rotation	\$3,000,000	\$7,905	\$31,846
Pinus Radiata second rotation	\$3,000,000	-\$5,047	\$8,366
Indigenous bush – Timata Method – first 28 years	\$3,000,000	-\$8,098	-\$4,687
Indigenous bush – Timata + honey income	\$3,000,000	-\$4,675	-\$1,813

Alternative land use options of horticulture, arable cropping and dairy farming are all considered to be unviable for this property. There may however be scope to grow lucerne as a cut and carry crop on the easier contoured land. Further investigation is required of suitable contour, soil fertility, suitable markets and impact on nitrogen leaching.

All land use options are based on high level pricing for revenue and expenses. The intention is to provide high level guidance for the developer on land use options. More detailed due diligence is recommended on the selected land use. This report is limited to a desktop exercise and no ground truthing has been completed.

The budgets are based on current pricing, this will vary and a few points worth noting:

- Sheep and beef revenue and expenses are based on historical data, through 2023 lamb pricing has come back and farm working expenses continue to rise.
- A carbon price of \$60/T CO<sup>2</sup> equivalent is used as per current market pricing, the pricing has come back substantially, pricing reached close to \$90/T CO<sup>2</sup> in 2022. The government is consulting on changes to the ETS which has created uncertainty.
- A honey price of \$20/kg based on a 10 UMF is used as per current pricing, the industry is current oversupplied and pricing is suppressed.
- Carbon accumulation rates used for indigenous bush are based on MPI look up tables which are based on Manuka/Kanuka, if climax tree species are introduced there is the potential to increase carbon accumulation rates above those modelled, but would require either a change to the lookup tables or a forestry area of greater than 100ha to qualify for the field measurement assessment.
- For the NPV a discount rate of 6% is used, a high rate will discount options such as pine trees due to the time lag between expenses to establish trees and harvesting.

If the block was to be subdivided into 10ha lots production will drop substantially due to loss of commercial scale, leaving the blocks as 'lifestyle blocks'. Lifestyle block owners are less skilled (compared to commercial operators), are not as motivated to achieve good performance, and each will choose their own land use. Production will be reduced, and this would be an irreversible shift away from a commercial scale land use.

## 2.0 BACKGROUND

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The property is located on the southern edge of Kinloch. The developer, Steve Hawkins, is in the process of seeking council approval to establish a tourism lodge and a clustered residential subdivision. The developer is also considering land use options for the balance of the land which will remain in primary production.

AgFirst has been engaged to provide a desktop review of the current performance as a sheep and beef farm, to establish if this will be economically viable on a reduced land area, and to provide high level advice on alternative land use options.

### 3.0 PROPERTY DESCRIPTION

#### 3.1 Physical Description

The property is located at 387 Whakaroa Road, Taupō, and totals 343.2165 ha, the current owners estimate an effective grazable area of 334 ha.

The property consists of 3 titles:

Lot 4 DP408156	121.1545 ha
Lot 2 DP408156	120.611 ha
Lot 1 DP378264	101.451 ha

The property is currently run as a sheep and beef farm. The block is subdivided into 26 paddocks, trough water is supplied to each paddock. Water is supplied from the Whakaroa water supply, and the current owner noted some of the pipes are older galvanised pipes containing mineral deposits, which restrict water flow and will need to be replaced. Figure 1 shows the farm map with paddock locations.

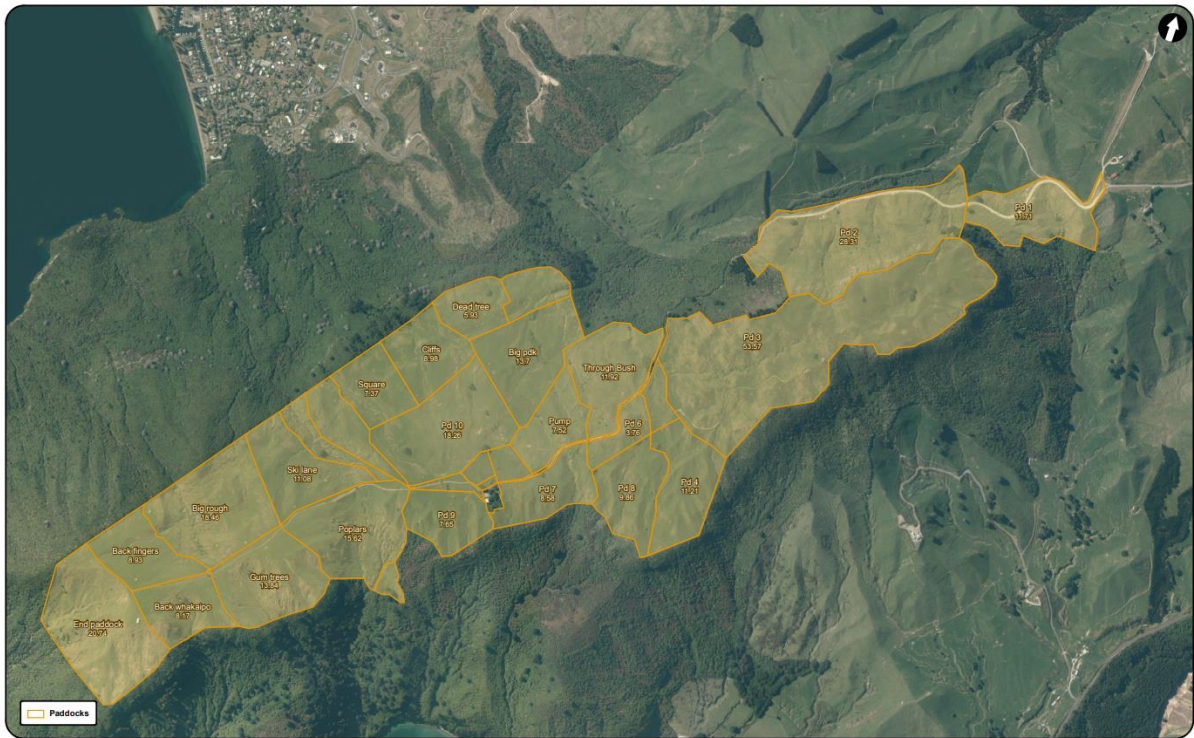


Figure 1: Farm map showing paddock locations and sizes. Source: Landpro

The current owners have indicated that fencing is conventional 8-wire post and batten in good condition, woolshed and yards are older but in maintained functional condition. There is no dwelling on the property.

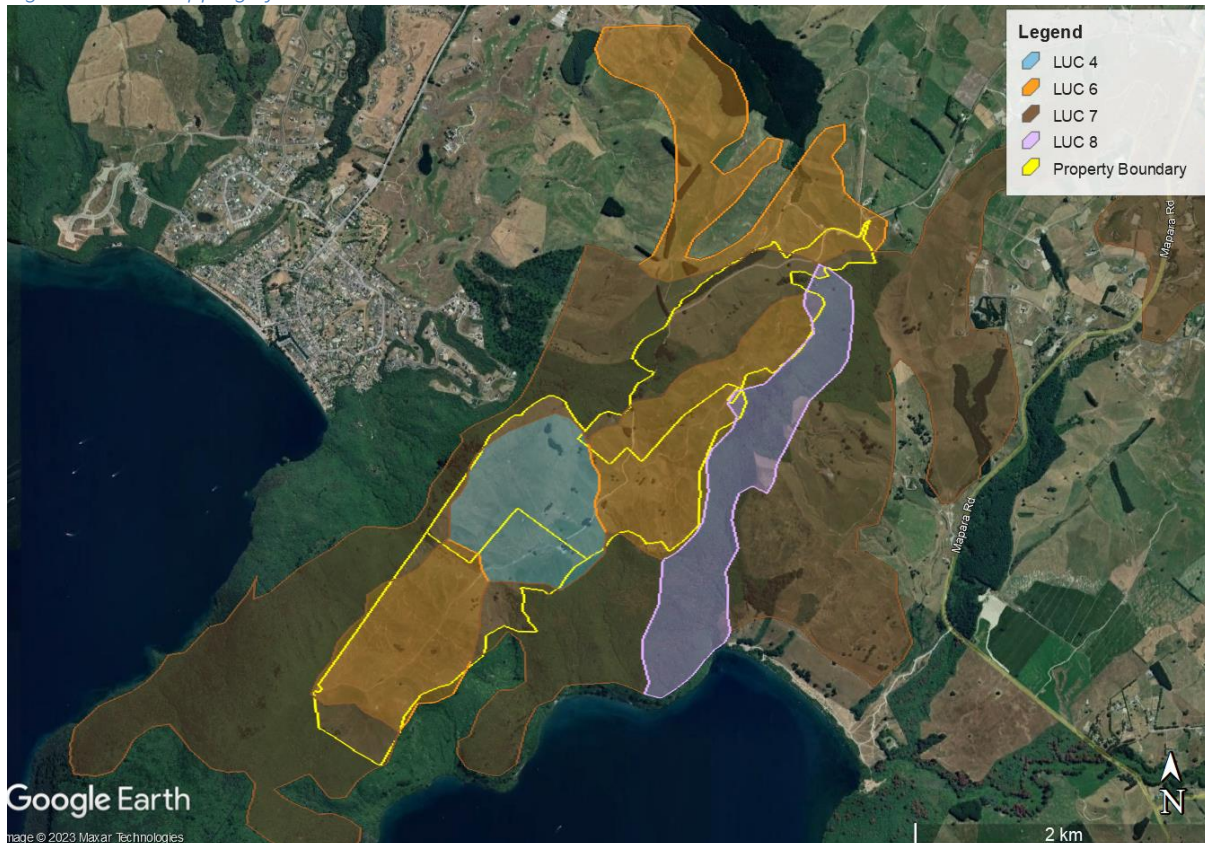
There have been no crops grown, or regrassing completed in the last few years.



### 3.2 Land Use Capability Mapping

Land Use Capability (LUC) mapping shows there is one area of LUC 4 and the remainder are LUC 6-8. LUC 4 land lies on slopes of 16-20 degrees, LUC 6-8 is on slopes of greater than 26 degrees. LIDAR slope maps are not available for the property, and a site visit was not completed to ground truth contours. The LUC maps have been produced at a 1:50,000 scale and are suitable for guidance, but are not specifically designed to be interpreted at a farm or paddock scale.

Figure 2. LUC mapping of land classes



S-Map data shows the soils are Pumice and are well drained.

### 3.3 Soil Fertility

The most recent soil tests were completed in October 2018, results are summarised Table 1, these should be read with caution as tests are now five years out of date. If the property is to remain in pastoral grazing up to date soil testing should be completed. Results from 2018 indicate pH is low in some areas, Olsen P is highly variable with some high tests, Potassium and Sulphur is low.

Table 1: Soil test results (test completed 18th March 2023).

	pH	Olsen P	Potassium MAF QT	Sulphate Sulphur	Calcium MAF QT	Magnesium MAF QT	Sodium MAF QT
Transmitter rolling	5.4	56	5	3	4	8	3
Middle haybarn	5.7	26	4	4	4	10	1
Main track mid hills	5.8	21	8	3	8	21	3
Lake end hills	5.8	25	7	4	6	16	3
Whakapipo hills	5.6	51	4	4	5	9	1
Optimum (Pumice)	5.8 - 6.0	34 - 45	7 - 10	10 - 12	4 - 10	8 - 10	1 - 10

Records provided show fertiliser has been applied in the 2019, 2020 and 2021 years, nothing was applied in 2022 as the current owners believed the farm would have been sold. Records from 2022 show an application of Sulphur Super 30 at 60 T total or 179 kg/ha plus trace elements (Selenium and Cobalt). This would have supplied 12.5 kg/ha Phosphorus, no potassium, and 54kg/ha Sulphur. Soil testing is recommended to understand current fertility and for guidance on future applications.

### 3.4 Total Annual Nitrogen Discharge

The property sits within the Lake Taupo Catchment and the amount of nitrogen discharged from the property is capped. Records provided by the current owner show a Total Annual Nitrogen Discharge (TAND) of 4,337 kgN (Reference Dataset for MJ & CA Phillips, dated 2nd December 2020). This equates to 12.6 kgN/ha/yr (current 343 ha effective) or 17.4 kgN/ha/yr under a reduced area of 250 ha.

Under the reduced area this will increase the per hectare allowance which would enable changes to livestock policies which are likely to increase nitrogen leaching. The current 12.6 kgN/ha for a sheep and beef farm on pumice is on the lower side of what would be typical. On the full 343 ha there would be limited potential to change livestock policies such as increasing the ratio of cattle.

## 4.0 CURRENT FARM PERFORMANCE

The current landowner has supplied actual records of livestock numbers and financial performance for the last three years, this is analysed below.

### 4.1 Livestock Performance

The property is currently run as a breeding operation, some progeny are finished and some are moved to the owner's second farm in the Wairarapa. Livestock numbers wintered are presented in Table 2, this shows a typical breeding property with reasonably consistent numbers wintered. A full livestock reconciliation is provided in Appendix A.

*Table 2. Livestock numbers wintered 2020 – 2023*

	1st July 2020	1st July 2021	1st July 2022	1st July 2023
<b>Sheep</b>				
MA Ewes	1476	1047	1068	1910
Two Tooth Ewes	588	1069	842	1018
Ewe Hoggets	1115	1024	1018	0
Breeding Rams	21	40	40	40
Trade Hoggets	11	10	0	0
<b>Total</b>	<b>3211</b>	<b>3190</b>	<b>2968</b>	<b>2968</b>
<b>Beef</b>				
MA Cows	65	56	67	93
R2 Heifers	23	23	26	26
R1 Heifers	0	0	0	28
Breeding Bulls	5	4	3	3
<b>Total</b>	<b>93</b>	<b>83</b>	<b>96</b>	<b>150</b>

The key profit drivers of a breeding operation is the number and weight of lambs and calves weaned. For the two most recent years both lambs and calves weaned are well above the B+LNZ average for Northern North Island Hill Country 2022/2023 season. Note that the accounts supplied total lambs weaned, 60% of lambs weaned from hoggets is assumed to give an indication of 2-Tooth and MA ewe performance.

*Table 3. Reproduction performance*

	2022/23	2021/22	2020/21	B+LNZ Average (2022/23)
MA Ewes	143%	146%	132%	129%
Hoggets	60%	60%	60%	
Cows	84%	89%	54%	81%

## 4.2 Financial Performance

The financial performance is derived from the current owners Figured online accounting system. Adjustments have been made to value livestock on hand at opening and closing, and where stock are moved to/from the owners second farm in the Wairarapa. In both cases the IRD National Average Market values are used to provide an indication of value.

Certain expense items have been overridden using B+LNZ average data or AgFirst indicative values where insufficient data was available, this is most likely due to costs being shared or attributed to the second farm.

The profit and loss report in Table 4 shows above average profitability compared with B+LNZ data.

- Revenue was higher than the B+LNZ average, due the high ratio of sheep with above average reproductive performance.
- Expenses were slightly lower than B+LNZ, with the main drivers being:
  - » Low wages, noting the owners wage is not accounted for in either the farm accounts or B+LNZ.
  - » Low weed and pest expenses, with expenses in only one of the three years.
  - » Higher shearing costs due to the high proportion of breeding ewes.
  - » Virtually no cropping, grazing or supplementary feed expenses.
  - » Significantly higher council rates.
- Overall including a number of indicative expenses, total expenses were slightly lower than B+LNZ.

*Table 4. Actual Profit and Loss data from farm accounting software*

	2020/ 2021		2021/2022		2022/2023		B+LNZ 2022/23	Data Source
	Total	\$/ha	Total	\$/ha	Total	\$/ha	\$/ha	
<b>Income</b>								
<b>Sheep</b>								
Sales	348,517	1,016	256,468	748	282,951	825		Te Tuhi
Purchases		-		-		-		Te Tuhi
Wool	18,356	54	28,988	85	19,093	56		Te Tuhi
Change in Value	12,050	35	- 48,894	- 143	92,719	270		Te Tuhi
Net Transfers	36,600	107	207,125	604	41,213	120		Te Tuhi
<b>Total</b>	<b>415,523</b>	<b>1,211</b>	<b>443,687</b>	<b>1,294</b>	<b>435,976</b>	<b>1,271</b>		
<b>Beef Cattle</b>								Te Tuhi
Sales	11,831	34	5,951	17	39,958	116		Te Tuhi
Purchases	4,800	14	-	-		-		Te Tuhi
Change in Value	- 13,136	- 38	14,564	42	- 7,238	- 21		Te Tuhi
Net Transfers	35,494	103	24,439	71	11,804	34		Te Tuhi
<b>Total</b>	<b>29,389</b>	<b>86</b>	<b>44,954</b>	<b>131</b>	<b>44,524</b>	<b>130</b>		
<b>Total Income</b>	<b>444,912</b>	<b>1,297</b>	<b>488,641</b>	<b>1,425</b>	<b>480,500</b>	<b>1,401</b>	<b>1,250</b>	



	2020/ 2021		2021/2022		2022/2023		B+LNZ 2022/23	Data Source
Operating Expenses	Total	\$/ha	Total	\$/ha	Total	\$/ha	\$/ha	
Wages		-	2,034	6	8,202	24	87	Te Tuhi
Animal Health	8,719	25	6,147	18	14,241	42	49	Te Tuhi
Weed & Pest Control		-	3,474	10		-	17	Te Tuhi
Shearing Expenses	35,407	103	29,610	86	19,344	56	30	Te Tuhi
Fertiliser	54,602	159	54,602	159	54,602	159	159	B+LNZ
Lime	6,881	20	6,881	20	6,881	20	20	B+LNZ
Seeds		-		-		-	8	Te Tuhi
Vehicle Expenses	13,007	38	13,007	38	13,007	38	38	B+LNZ
Fuel	8,191	24	8,191	24	8,191	24	24	B+LNZ
Electricity	3,951	12	3,951	12	3,951	12	12	B+LNZ
Feed & Grazing	1,470	4	1,617	5	1,630	5	46	Te Tuhi
Cultivation & Sowing	-	-	56	0	-	-	7	Te Tuhi
Repairs & Maintenance	9,377	27	20,560	60	20,386	59	101	Te Tuhi
Cartage	8,991	26	16,861	49	4,496	13	20	Te Tuhi
Administration Expenses	12,283	36	12,283	36	12,283	36	36	B+LNZ
<b>Total Working Expenses</b>	<b>162,878</b>	<b>475</b>	<b>179,273</b>	<b>523</b>	<b>167,213</b>	<b>488</b>	<b>655</b>	
Insurance	6,935	20	6,935	20	6,935	20	20	B+LNZ
ACC Levies	3,372	10	3,372	10	3,372	10	10	B+LNZ
Rates	26,607	78	30,891	90	30,814	90	38	Te Tuhi
Managerial Salaries	4,915	14	4,915	14	4,915	14	14	B+LNZ
Interest	28,809	84	28,809	84	28,809	84	84	B+LNZ
Rent		-		-		-	37	Te Tuhi
<b>Total Standing Charges</b>	<b>70,638</b>	<b>206</b>	<b>74,922</b>	<b>218</b>	<b>74,845</b>	<b>218</b>	<b>204</b>	
<b>Total Cash Expenditure</b>	<b>233,516</b>	<b>681</b>	<b>254,195</b>	<b>741</b>	<b>242,058</b>	<b>706</b>	<b>859</b>	
Depreciation	25,049	73	25,049	73	25,049	73	73	B+LNZ
<b>Total Farm Expenditure</b>	<b>258,566</b>	<b>754</b>	<b>279,245</b>	<b>814</b>	<b>267,108</b>	<b>779</b>	<b>932</b>	
<b>Farm Profit before Tax</b>	<b>186,346</b>	<b>543</b>	<b>209,396</b>	<b>610</b>	<b>213,392</b>	<b>622</b>	<b>319</b>	

## 5.0 POTENTIAL LAND USE OPTIONS

This section explores continued livestock farming, and alternative land use options. This section is based on an area of 250 ha being available for primary production, after the proposed tourism lodge and residential subdivision is developed.

### 5.1 Sheep and Beef

#### 5.1.1 *Sheep and Beef Capital*

Under a sheep and beef farm, a number of capital inputs are required as outlined in Table 5. This assumes a reasonable standard of farm machinery and livestock are based on current per hectare stocking rates but reduced to account for the smaller farm area.

*Table 5. Capital requirements for Sheep and Beef Land Use*

Equipment	\$ Total		
Plant and Equipment	\$25,000		
Motorbike	\$15,000		
Tractor	\$75,000		
Ute	\$40,000		
<b>Total Equipment</b>	<b>\$155,000</b>		
Livestock		\$/hd	Number (hd)
MA Ewes	\$148,360	\$177	838
2th Ewes	\$149,417	\$205	729
Ewe Hoggets	\$99,125	\$136	729
Breeding Rams	\$10,845	\$372	29
MA Cows	\$86,710	\$1,334	65
R2 Heifers	\$26,519	\$1,153	23
<b>Total Livestock</b>	<b>\$520,977</b>		<b>2,325</b>
		\$/ha	
<b>Land Value</b>	<b>\$3,000,000</b>	<b>\$12,000</b>	
<b>Total Capital</b>	<b>\$3,675,977</b>		

To provide an indicative profit and loss budget and internal rates of return, it is assumed there is \$2.5 million re-invested into the farm and the balance is financed through an interest only loan at a 6% interest rate.

Under a sheep and beef land use the net borrowings are \$1,175,977, or \$70,559 per annum of interest expense.

#### 5.1.2 *Sheep and Beef Profitability*

The forecast sheep and beef profit and loss is based on a three year average of the actual financial data where available, where this is not available, indicative values are provided either from AgFirst or from B+LNZ 22/23 data. The same livestock performance is assumed, noting this is already above average, and stock are reduced proportionately to account for the reduced land area.

The budget includes a managers salary and servicing of \$1.175 million of debt. The net profit is \$40,746 total.

*Table 6. Sheep and Beef profit and loss*

	Total (\$)	\$/ha	Source
Total Sheep	323150	1293	Pro rata Te Tuhi 3yr avg
Total Cattle	29657	119	Pro rata Te Tuhi 3yr avg
<b>Total Income</b>	<b>352808</b>	<b>1411</b>	
<b>Operating Expenses</b>			
Wages	3831	15	Pro rata Te Tuhi 3yr avg
Animal Health	7262	29	Pro rata Te Tuhi 3yr avg
Weed & Pest Control	2600	10	Pro rata Te Tuhi 21/22
Shearing Expenses	21048	84	Pro rata Te Tuhi 3yr avg
Fertiliser	39798	159	B+LNZ
Lime	5015	20	B+LNZ
Vehicle Expenses	9480	38	B+LNZ
Fuel	5970	24	B+LNZ
Electricity	2880	12	B+LNZ
Feed & Grazing	1177	5	Pro rata Te Tuhi 3yr avg
Cultivation & Sowing	14	0	Pro rata Te Tuhi 3yr avg
Repairs & Maintenance	12556	50	Pro rata Te Tuhi 3yr avg
Cartage	7572	30	Pro rata Te Tuhi 3yr avg
Administration Expenses	3500	14	AgFirst Indicative - Accountancy \$2,000, \$1,000 subscriptions and \$500 other
<b>Total Working Expenses</b>	<b>122702</b>	<b>491</b>	
Insurance	5000	20	AgFirst Indicative
ACC Levies	2458	10	Pro rata Te Tuhi 3yr avg
Rates	23093	92	Pro rata Te Tuhi 2yr avg
Managerial Salaries	65000	260	AgFirst Indicative
Interest	70559	282	See capital assessment
<b>Total Standing Charges</b>	<b>166109</b>	<b>664</b>	
<b>Total Cash Expenditure</b>	<b>288812</b>	<b>1155</b>	
Depreciation	23250	93	15% of Capital Plant and Equipment
<b>Total Farm Expenditure</b>	<b>312062</b>	<b>1248</b>	
<b>Farm Profit before Tax</b>	<b>40746</b>	<b>163</b>	

In order to compare the consistent profit and loss under sheep and beef with the more lumpy returns from forestry, the Net Present Value of sheep and beef has been calculated at \$2,185/ha over a 28 year time period.

There will be improvements that could be made to the sheep and beef operation, however large improvements are not expected as the farm is already performing at above average levels. Some expenses may be conservative as they are based on a three year average and generally expenses would be expected to increase. If a sheep and beef land use is continued a more detailed review and management plan can be provided to support performance.

## 5.2 Pine Production Forestry

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### 5.2.1 Pine Production Forestry Capital

Under a forestry land use the capital requirements reduce as livestock and equipment costs do not exist. It is assumed all forestry work is contracted out and there is no input required from the owner.

The only capital requirement is the land, valued as above at \$3,000,000.

For Forestry the net borrowings are \$500,000 or \$30,000 interest expense.

### 5.2.2 Pine Production Forestry Profitability

Under a Pinus Radiata production forestry regime the following assumptions are made:

- Carbon sales for the first 16 years valued at \$60/t, this is 'safe carbon' which does not need to repaid at harvest. No trading of carbon is completed.
- Pruned forestry producing 500 m<sup>3</sup>/ha of pruned logs valued at \$125/t.
- Harvest costs of \$40/m<sup>3</sup> and cartage of \$35/t.

This equates to a net \$25,000/ha return at harvest.

Establishment costs consist of:

- Seedlings, planting and first release spray at \$2,500/ha.
- Second release spray in year 3 of \$250/ha.
- Spraying for Dothistroma five times in the first 15 years at \$20/ha/application.
- Prune at years 4-6 at \$3,000/ha.
- Thinning at year 10 at \$1,200/ha.
- Pest control of \$300/ha over the first 3 years.
- Installation of roading prior to harvest at \$500/ha.

To provide a fair comparison with sheep and beef farming the following overhead costs are also included:

Admin Expenses	3,500
Insurance	5,000
Rates	31,000
Interest	30,000
Forest Management fees (\$50/ha)	12,500
<b>Total Overhead Expenses</b>	<b>82,000</b>
<b>Total Overhead Expenses per ha</b>	<b>328</b>

The total profit over the first rotation to year 28 is \$31,846/ha or a net present value (NPV) of \$7,905/ha.

For the second rotation there is no longer an income stream from the ETS (any carbon sold would need to be purchased back at harvest), plus roading costs are reduced to \$100/ha. Total profit reduces to \$8,366/ha with a NPV of -\$5,047.

### 5.3 Indigenous Forestry

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#### 5.3.1 *Indigenous Forestry Capital*

The capital requirements for indigenous forestry match that of plantation forestry. Roading for harvest is covered under operating expenses, so total capital required is \$3,000,000 for the land, debt servicing is based on \$500,000 or \$30,000/yr interest expense.

#### 5.3.2 *Indigenous Forestry Profitability*

To establish indigenous forestry would likely cost \$20,000 - 50,000/ha, this would not be economic. However an alternative known as the Timata Method, is a lower cost option which utilises Manuka/Kanuka as a colonising species to transition to natives. The use of Manuka/Kanuka reduces establishment costs substantially by using a wider spacing between plants (2m spacing/2500 stems/ha versus 1.5m spacing/4,444 stems/ha for natives), lower cost per plant and lower planting costs through forestry grade seedlings. As the Manuka/Kanuka establish climax tree species are then planted at low rates between the Manuka/Kanuka (150 stems/ha).

Establishment costs consist of:

- Manuka/Kanuka seedlings, planting and preplant spot spray at \$6,050/ha.
- Release spray in year 2 of \$1,375/ha.
- Weed control of \$1,000/ha spread over the first 7 years.
- Pest control of \$1,000/ha spread over the first 5 years.
- Planting of climax tree species in year 5 at \$1,500/ha.

Overhead costs are consistent with those outlined in Section 5.2.2, with the exception of forest management fees which are no longer required, overheads are \$278/ha.

Carbon revenue is included at \$60/T and is claimed throughout the term analysed. However in comparison to pines, the rate of accumulation is roughly a third of pines.

The total profit over the first 28 years is -\$4,678/ha or a net present value (NPV) of -\$8,098, based on a 6% discount rate. Like the previous land use options this return is net of overheads and debt servicing.

By growing Manuka this also presents the opportunity to include an additional income stream from Manuka honey. The key assumptions here are:

- Honey yields 30 kg/hive/yr at 1 hive per ha.

- Bulk honey price of \$20/kg based on current pricing for UMF 10.
- 20% share of apiary revenue.
- Honey production begins in year 5.

The inclusion of honey brings the total profit over the first 28 years to -\$1,813/ha or a net present value (NPV) of -\$4,674.

More information on the Timata Method can be found at:

<https://ourlandandwater.nz/project/retiring-farmland-into-ngahere/>

It is also worth noting that AgFirst is working with researchers on a second method using pines as a nurse crop to establish natives, further information can be provided when this project is completed and available.

#### 5.4 Horticulture

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Horticulture options are unlikely to be economically feasible due to:

- High frost risk, the elevation along the main ridge of the farm is 620 m – 760 m above sea level and NIWA data for Taupo shows the mean annual number of frosts is 82, compared to an average of 31 for North Island Towns<sup>1</sup>.
- LUC classes, LUC mapping shows the majority of the farm is LUC 6-8 which would not be suitable for arable cropping or horticulture, and one area of LUC 4 which has a low suitability.
- Steep slopes, according to LUC mapping there is an area of LUC 4 at 16-20 degrees, which is on the steeper end of what is suitable for 4-wheel drive machinery, the remaining areas are LUC 6-8 at greater than 26 degrees and are not suitable.
- Well drained soils, S-Map data shows soils are Pumice which are prone to drying out over summer, and typically have low nutrient reserves.

Note that LUC mapping is based on a 1:50,000 scale so this should be treated as an indication of slope and LUC classes given the range of classes across the farm.

#### 5.5 Dairy farming

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Conversion of the farm to dairy farming is not feasible This would exceed the current TAND, contours would limit the area of land which could be milked off and a large capital investment would be required for the milking shed and associate infrastructure.

Secondly under the National Environmental Standards for Freshwater, resource consent would be required for conversion and a condition is that there is no increase in contaminant loss compared to the baseline year of 2020. Again this would not be feasible given the current land use predominantly in sheep farming. Dairy cows produce significantly higher nitrogen leaching losses.

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<sup>1</sup> <https://niwa.co.nz/education-and-training/schools/resources/climate/groundfrost>

## 5.6 Arable cropping

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The frost risk will restrict suitable crops, however lucerne would be suitable and is grown in the wider area, noting that this would only be suitable on the lower slope areas of the farm.

Indicative returns for lucerne are 10 tDM/ha sold standing at 25c/kgDM or \$2,500, less direct costs of \$2,197/ha year 1 and \$1,417/ha years 2-5<sup>2</sup> (average of \$1,573/ha/yr). A net return of approximately \$930/ha, this suggests a higher return than current sheep and beef returns.

Further investigation of lucerne is recommended, if the farm is to continue under a pastoral land use:

- Suitable contours – LUC mapping shows only some areas of the farm would be suitable, an assessment of actual areas suitable is required.
- TAND – an Overseer model would need to be developed to investigate if this land use would comply with nitrogen discharges.
- Suitable markets – distance to suitable buyers such as dairy farmers is critical as transport costs can erode returns.
- Soil fertility – as noted in Section 3.3 soil tests are outdated, an up to date assessment would be needed of current fertility.

## 5.7 Subdivision into 10 hectare blocks

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AgFirst has also been asked to comment on how the overall productivity would be affected if the block was subdivided into 10 hectare lots:

- Under 10ha allotments this is well below the economic size required for a commercial scale livestock grazing property. As outlined in the report at LUC 4-8 the land is not suitable for horticulture or arable cropping, there may be some potential to grow lucerne as a cut and carry crop but would require further investigation on suitable contours and markets. This is important because under higher land uses such as horticulture a commercial scale can be achieved at 10ha, in the context of this block 10ha is insufficient.
- By subdividing into 10ha lots this is a permanent shift in land use away from commercial scale, this should be an important consideration that commercial scale is permanently lost.
- Without the commercial scale there is a lack of incentive to generate reasonable production and profitability, the blocks would be viewed as lifestyle blocks. Most lifestyle block owners do not have the same knowledge or experience as commercial operators so production would be impaired.
- At 10ha lots this would introduce a number of land owners, each would determine how best to manage their blocks and there would be a range of systems employed which could range from productive uses such as selling a few beefies, through to pet animals with no productive value.
- Comparing production of the block now as one sheep and beef unit performing at above average levels with 10ha lifestyle lots production will drop substantially.

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<sup>2</sup> Pioneer Lucerne. A Practical Guide to Growing, Harvesting and Feeding. <https://www.pioneer.co.nz/product-range/lucerne/lucerne-manual>

6.0 APPENDIX A - LIVESTOCK RECONCILIATION

2022/2023	Opening	Birth	Purchase	Sale	Transfer in	Transfer out	Deaths	Closing	Closing Aged Up	Capital Value Change	Transfer in Value	Transfer out Value
<b>Sheep</b>												
MA Ewes	1068			-59		-485	-39	485	1302	41418		-85845
Two Tooth Ewes	842						-25	817	755	-17835		
Ewe Hoggets	1018			-204		-14	-45	755	1000	-2448		-1904
Ewe Lambs		746			273		-19	1000			37128	
Breeding Rams	40				32	-24		48	48	2976	11904	-8928
Trade Hoggets								0	512	68608		
Trade Lambs		2592		-2115	673	-625	-13	512			90182	-83750
<b>Total</b>	<b>2968</b>	<b>3338</b>	<b>0</b>	<b>-2378</b>	<b>978</b>	<b>-1148</b>	<b>-141</b>	<b>3617</b>	<b>3617</b>	<b>92719</b>	<b>139214</b>	<b>-180427</b>
<b>Beef</b>												
MA Cows	67			-12	58	-62	-5	46	46	-28014	77372	-82708
R2 Heifers	26			-26				0	26	0		
R1 Heifers					26			26	28	20776	19292	
Heifer Calves		28						28				
Breeding Bulls	3							3	3	0		
Steer Calves		28			27	-55		0			24840	-50600
<b>Total</b>	<b>96</b>	<b>56</b>	<b>0</b>	<b>-38</b>	<b>111</b>	<b>-117</b>	<b>-5</b>	<b>103</b>	<b>103</b>	<b>-7238</b>	<b>121504</b>	<b>-133308</b>
<b>2021/2022</b>												
2021/2022	Opening	Birth	Purchase	Sale	Transfer in	Transfer out	Deaths	Closing	Closing Aged Up	Capital Value Change	Transfer in Value	Transfer out Value
<b>Sheep</b>												
MA Ewes	1047			-550		-305	-123	69	1068	4242		-61610
Two Tooth Ewes	1069			-46			-24	999	842	-50848		
Ewe Hoggets	1024			-1		-90	-91	842	1018	-858		-12870
Ewe Lambs		622			411		-15	1018			58773	
Breeding Rams	40				21	-18	-3	40	40	0	8064	-6912
Trade Hoggets	10			-10				0	0	-1430		
Trade Lambs		3088		-1123		-1965		0			0	-192570
<b>Total</b>	<b>3190</b>	<b>3710</b>	<b>0</b>	<b>-1730</b>	<b>432</b>	<b>-2378</b>	<b>-256</b>	<b>2968</b>	<b>2968</b>	<b>-48894</b>	<b>66837</b>	<b>-273962</b>
<b>Beef</b>												
MA Cows	56			-2			-2	52	67	14608		
R2 Heifers	23			-3		-5		15	26	3114		-5190
R1 Heifers					26			26			17290	
Heifer Calves		27				-27		0				-17955
Breeding Bulls	4						-1	3	3	-3158		



Steer Calves		23				-23		0				-18584
<b>Total</b>	<b>83</b>	<b>50</b>	<b>0</b>	<b>-5</b>	<b>26</b>	<b>-55</b>	<b>-3</b>	<b>96</b>	<b>96</b>	<b>14564</b>	<b>17290</b>	<b>-41729</b>
<b>2020/2021</b>	<b>Opening</b>	<b>Birth</b>	<b>Purchase</b>	<b>Sale</b>	<b>Transfer in</b>	<b>Transfer out</b>	<b>Deaths</b>	<b>Closing</b>	<b>Closing Aged Up</b>	<b>Capital Value Change</b>	<b>Transfer in Value</b>	<b>Transfer out Value</b>
<b>Sheep</b>												
MA Ewes	1476		-849			-7	-161	459	1047	-74646		-1218
Two Tooth Ewes	588							588	1069	91871		
Ewe Hoggets	1115						-46	1069	1024	-11193		
Ewe Lambs		596			428			1024			52644	
Breeding Rams	21				32	-12	-1	40	40	6137	10336	-3876
Trade Hoggets	11		-11					0	10	-119		
Trade Lambs		2802	-1998		371	-1165		10			44149	-138635
<b>Total</b>	<b>3211</b>	<b>3398</b>	<b>-2858</b>	<b>0</b>	<b>831</b>	<b>-1184</b>	<b>-208</b>	<b>3190</b>	<b>3190</b>	<b>12050</b>	<b>107129</b>	<b>-143729</b>
<b>Beef</b>												
MA Cows	65					-24	-3	38	56	-10242		-27312
R2 Heifers	23			-5				18	23	0		
R1 Heifers					23			23			12949	
Heifer Calves		21				-21		0				-11823
Breeding Bulls	5		2	-3				4	4	-2894		
Steer Calves		14				-13	-1	0				-9308
<b>Total</b>	<b>93</b>	<b>35</b>	<b>2</b>	<b>-8</b>	<b>23</b>	<b>-58</b>	<b>-4</b>	<b>83</b>	<b>83</b>	<b>-13136</b>	<b>12949</b>	<b>-48443</b>

## Contact

### Steven Howarth

Agribusiness Consultant  
027 557 089  
Steven.howarth@agfirst.co.nz

### AgFirst Waikato (2016) Ltd

26D Liverpool Street  
PO Box 9078, Hamilton 3240, New Zealand  
07 839 2683  
[www.agfirst.co.nz](http://www.agfirst.co.nz)

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**Attachment 4**  
**Archaeological Assessment**

### **387 Whakaroa Rd Archaeological Assessment**

Early and present historic site investigation.

An assessment involved looking for:

Any evidence of occupation on the surface of the site.

Any other archaeological information of significance on the area?

Not to date as indicated on early maps and land records.

Because there are no sites evident from the surface, have any sites been modified or destroyed during land development still likely to be revealed? This is not likely because there would not have been early occupation there.

- 1) The soils in the block are marginal.
- 2) Lack of water.
- 3) In an exposed area being away from known places of settlement and kainga in the past.

Recorded Historic Sites.

There are two sites recorded off Whakaroa Road on the block under the NZAA scheme.

T18/ 72 and T18/73

The sites were recorded on 23 June 1980 during the time when an overview of Lands & Survey Blocks (Peri-urban study) was carried out.

Field assessment.

A coverage was made of the general area by myself in the late 1970s. At the time there was not any obvious surface evidence for site records to be made, with the possible exception of Lot One. Incised rock markings were noted, but this interpretation has since been revised. I consider the markings are the result of weathered root abrasions and other natural agencies. As these sites are included within the NZ Historic Places Trust Inventory, an application will still have to be made to modify a site, with an update record. To assist this process, I could update and detail the record with a recommendation that this should not affect the lot purchase or general utilization of the land. From our recent inspection, the state of the farmland is much the same, being former marginal scrub-covered land.

Historic record.

My preliminary search of early survey maps and notebooks, as well as Maori Land Court records, have not indicated any sites of significance within the block.

The high ground is associated with an old boundary line to Whakaroa Point ending at the Lake, from which the Road and the name of this project take their name.

An obsidian core was found in the vicinity by a previous owner. This was on the other side of Whakaroa Road the block.

At the time Gayle Leaf of the TDC Cultural Unit undertaking research about sites of significance which includes the Whakaroa Area. Gayle would as part of this study be available after February to inspect the block in relationship to her findings for the area. Gayle was then involved with Resource

Consents, but covers the area on behalf of the Rauhoto Land Rights Committee, to advise about sites of significance recognition and process.

Additional values and cultural concerns would come from their committee as may be decided by hapu representatives.

Rauhoto Land Rights Committee Inc.

Mr Eddy Aubrey expressed interest in viewing the subdivision, and that he is aware of the extent and type of development. I took the Rauhoto Land Rights Chairman Mr. Eddy Aubrey pointed out the area intended to be subdivided. Mr. Aubrey was satisfied with my assessment of the block.

Any issues may be raised by hapu.

During this time I was also involving now-defunct TDC Cultural Unit.

Any hapu response regarding cultural values and places regarded as a site of significance, or other issues they may raise as to protection and recognition of specific sites or other traditional values, must be understood as quite separate from my assessment about any surface remains coming within the terms of the 1993 Historic Places Act.

Early records.

The old Maori boundary (ordered by the Court) became a Survey District Boundary decided as being the dividing line between the Whangamata and Oruanui Blocks.

The high ground is associated with an old boundary line to Whakaroa Point ending at the Lake, from which the Road and the name of this project take their name.

1868 Folio 32-90, Taupo Minute Book One.

Early survey and boundary lines.

The old Maori boundary (ordered by the Court) became a Survey District Boundary decided as being the dividing line between the Whangamata and Oruanui Blocks.

'I made a survey of the Oruanui Block. The lines are all marked in the ground and the angles are pegged. Hohepa accompanied me around the whole of the boundaries.'

Taupo MB1:85-86 Henry Mitchell's evidence as a licensed surveyor under the Native Lands Act 1865. In the records, contesting parties placed emphasis on settlements or pa by the lake at Whakaipo or Whangamata Bay.

Later divisions for a reserve were ordered but never took place. A large section of the reserve is now part of DOC land and private farmland.

Historic records.

Information from records about the early movement of people indicates that the land was used over a long period by different groups. There are at the present time six recorded pa sites near the lake.

The pa and other recorded sites are mostly on the levels below 400 metres around the lake and headland bluffs outside of the proposed subdivision. The recorded sites reflect the general use of the headland held for early Maori living in the area of Whangamata and Whakaipo as a crossing over the area, or casual use for rat catching and bird snaring. Two independent methods may be applied to estimate the time-related hapu occupation that took place in the area indicating they established themselves there between 1675 and 1775. The places they lived being Waiwakaaru, Whangamata, and Raupo. The people living there travelled inland to cultivate and snare birds.

My comments below about an early assessment of the land at 387 Whakaroa Rd still apply. The recorder rock shelter

T18/74 is outside the block.

The writer last traversed the land when he was advising and marking out the W2K route prior to the making of the cycle and walking tracks on Department of Conservation land around the headland connecting Kinloch and Whangamata Bay in 2002.

This was ahead of making the W 2 K cycle walking track before its first stage opening in 2008. This included access and traversing over the farmland. There was nothing else during that time to indicate any remains of the historic nature there.

During that time I met with Māori representatives and trustees from Marae and hapu on-site regarding places of cultural significance in the area of land around the lake.

From my further 11 June 2023 assessment, there is no surface evidence or other indications to suspect historic remains on the farmland.

The rock outcrops would not be modified so there are no potential effects on the recorded archaeological sites T18/72 and T18/73.

Perry Fletcher. July 2023

P.O. Box 512 TAUPO. 3351

Phone: (07) 378 8517

Taupo district during the time when the Lake Taupo Reserves and proposed reserves scheme and inland when an overview of Lands & Survey Blocks (Peri-urban study) was carried out. The recorded sites in this inventory did not include burial places.

Any development proposal needs to take into account the need for a wider assessment in the field to accommodate, protect, manage or apply for permits to modify historic sites. Having completed such an assessment over the land required for the 259 Whakaroa Road proposed development, I believe that any such sensitive places is confined to the shore and initial rock bluffs and headland outside of the Whakaroa land development proposal.

Three places are recorded as sites on this block allocated site numbers and plotting on the inch to mile maps are shown with their metric numbers and grid equivalents.

N93/81 Quarry/flaking area given a grid reference error being recorded on the inch to the mile as 431 391 plotting it on to this land instead of 431 491. The metric GR T18 669 767 the south of Poihipi Road is T17 near 669 857.

N93/ 83 425.398 T18/ 72 664.773 Rock art?

Approximately 610 metres altitude. South of fence and gate, Whakaroa Road access.

Apparent incised markings on the south side rocks in an outcrop although these are probably caused by natural agencies. A level area in front of the boulders may indicate a camp site.

The inch to mile was computer adjusted to metric. My present inspection places this outcrop from 667.774 north.

N93/ 84 430.403 T18/ 73 669.778 Rock art?

Access over farm property via Whakaroa Road. Farm road runs parallel to rock face above on west side of long volcanic dome. Where a deep gully breaks into the contour many rocks on either side of the pass appear to be incised on the face of exposed slabs ranging from multilinear lines and interconnected motifs, although I consider these are probably caused by natural agencies.

Again, computer adjusted to metric, the gully dividing the outcrops at 672.778. Examples clearly seen on the highest rocks such as at E 27 672 58 N 62 779 81 ±4m

Another recorded site is -

N93/ 85 437.417 T18/ 74 676.790 Rock shelter

This is a small site in pasture land facing out to the east and above a former water course. To the south of this shelter there is a place suggesting a defended aspect on which there is a range of surface evidence indicating former habitation there. This site is not near the proposed subdivision.

● I have previously given the area limited field coverage. Other sites I have recorded through the NZAA scheme are not near or will not be modified by the proposed development.

metric T18/72 SPS CR 662-774

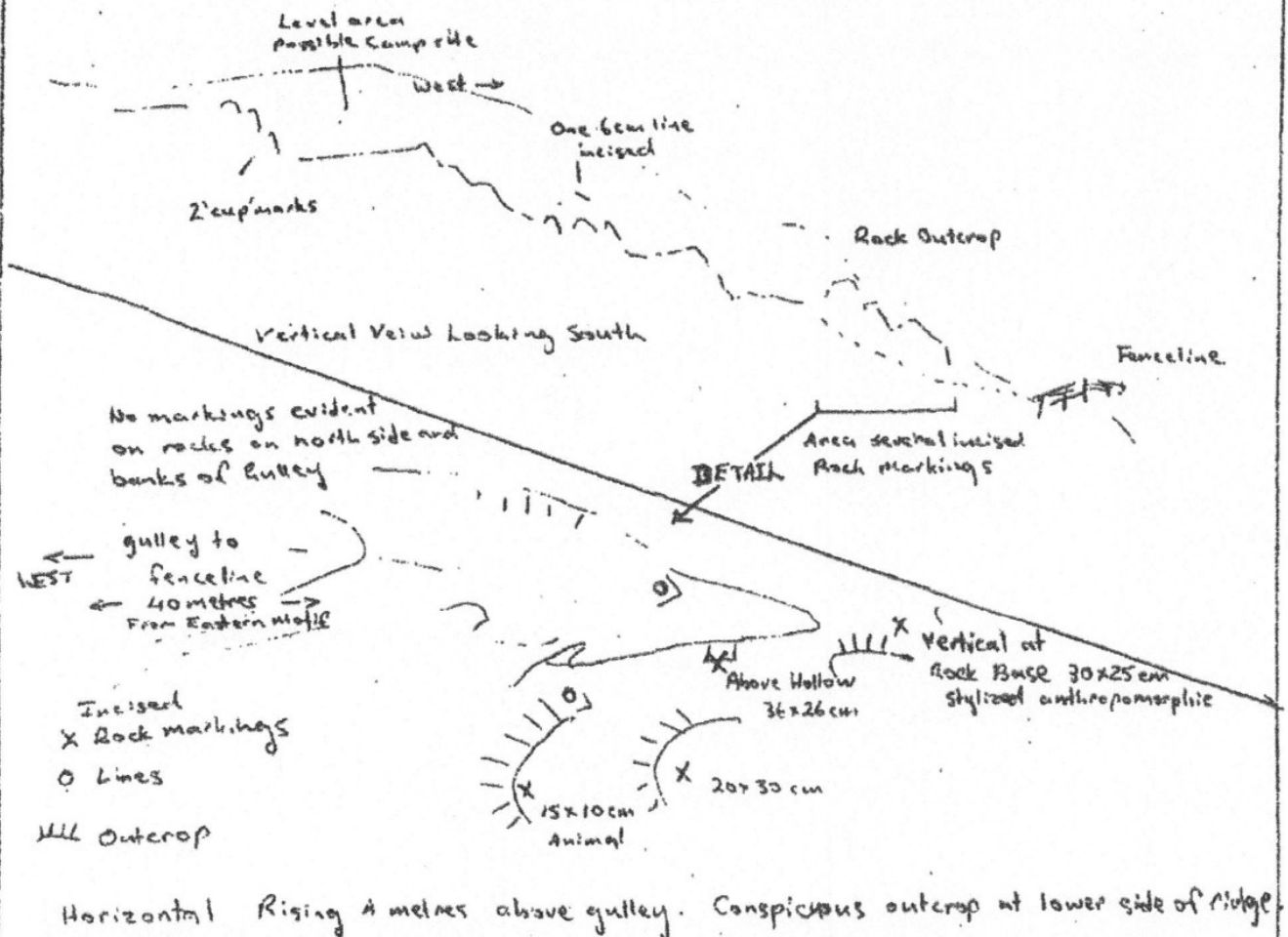
NEW ZEALAND ARCHAEOLOGICAL ASSOCIATION SITE RECORD FORM		SITE NUMBER
Map number	N 93	N93/83
Map name	WAIHAHA	SITE NAME: MAORI - OTHER -
Map edition	3rd.	SITE TYPE
Grid Reference	425.398	ROCK ART.
<p>1. Aids to relocation of site Approximately 610 metres altitude. South of fence and gate Whakaroa Road access. A Vgully facing west and surrounded on both sides by a small outcrop of rocks. The rock art is seen in the form of several incised markings on the rocks on the south side bank. Further up the gully east and toward farm track, a level area fronting boulders indicates a camp site.</p>		
<p>2. State of site: possibility of damage or destruction Land has been developed and in pasture. Incised works are in good condition.</p>		



T18/72

NEW ZEALAND ARCHAEOLOGICAL ASSOCIATION SITE DESCRIPTION FORM  Map Number N 93 Map Name WAIHANA Map Edition 425.398 Grid Reference 3rd.	SITE NUMBER	N 93/88
	SITE NAME:	MAORI - OTHER -
	SITE TYPE	ROCK ART

(This form may be used for recording any descriptive information or other supplementary information on the site, or for maps and drawings.)





T18/72 rock outcrop area





Markings and vertical groove centre right.



A 'cup mark' is shown located in the top left section of the sketch.

metric T18/73 GPS area 672.778

NEW ZEALAND ARCHAEOLOGICAL ASSOCIATION		SITE NUMBER	
<b>SITE RECORD FORM</b>		N95/84	
Map number	N 93	SITE NAME: MAORI	-
Map name	WAIHARA	SITE NAME: OTHER	-
Map edition	3rd.	SITE TYPE	
Grid Reference	430.403	ROCK ART	
<p>1. Aids to relocation of site Access over farm property via Whakaroa Road. Farm road runs parallel to rock face above on west side of long volcanic dome. Where a deep gully breaks into the contour many rocks on either side of this pass are incised (at this point access down to and overlooking Kinloch and Whangamata Bay) Deminishing from this point and ceasing by 100 metres nrth. Rock markings have been incised and are on the face of exposed slabs ranging from multi lines and interconnected motifs.</p>			
<p>2. State of site; possibility of damage or destruction Rocks are on developed land and are in good condition (Dozens).</p>			

---

Drew Cumming

**acplanning**

027 461 0364

[acplanning@outlook.co.nz](mailto:acplanning@outlook.co.nz)

**From:** P T Fletcher <[perry44@xtra.co.nz](mailto:perry44@xtra.co.nz)>  
**Sent:** Thursday, June 8, 2023 11:16 AM  
**To:** 'Andrew Cumming' <[acplanning@outlook.co.nz](mailto:acplanning@outlook.co.nz)>  
**Subject:** RE: Archaeological Report - Whakaroa Rd

Morning Andrew,

Thank you for the enclosed information.

After your phone call, I remember this early assessment.

Perry Fletcher.

I am being taken from my place by two others, Jeffrey and Whaitaima, on Saturday.

They have an interest in rock art sites and will be attending next month's NZAA conference in Hamilton.

They should benefit to be included in the site visit.

This visit took place on 11 June and Jeffrey was also of the opinion that markings on the rocks were made from natural causes.

**From:** Andrew Cumming [<mailto:acplanning@outlook.co.nz>]  
**Sent:** Thursday, 8 June 2023 10:47 a.m.  
**To:** Perry Fletcher <[perry44@xtra.co.nz](mailto:perry44@xtra.co.nz)>  
**Cc:** Steve Hawkins <[steve.hawkins@acuity2020.com](mailto:steve.hawkins@acuity2020.com)>  
**Subject:** Archaeological Report - Whakaroa Rd



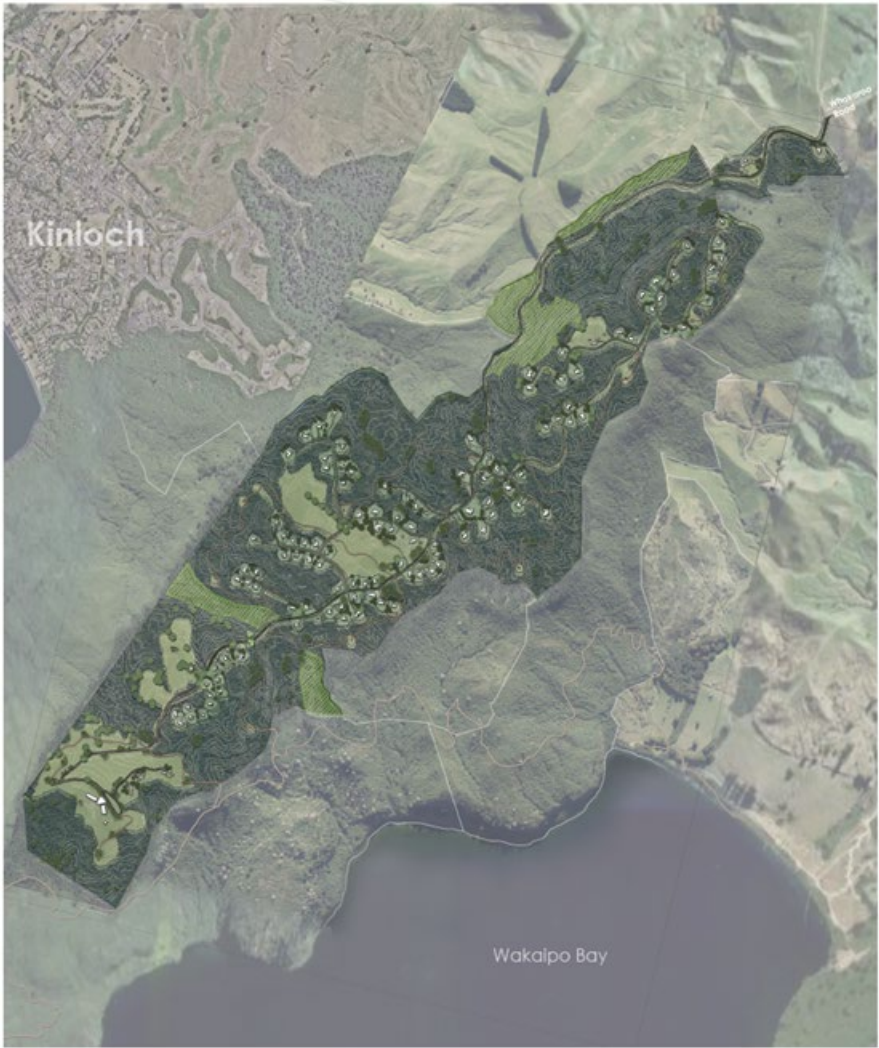
Hi Perry

Thanks for our discussion just now. As mentioned I'm a planning consultant working for Te Tuhi Estates Ltd, which has plans for 387 Whakaroa Rd along the lines shown below. Essentially the proposal is a tourism lodge, rural residential clusters, and approximately 250 ha of native revegetation.

You prepared the attached archaeological report for a previous approved subdivision consent on the site. Te Tuhi Estates Ltd would like to engage you to refresh your report to address any potential effects on the recorded archaeological sites. I see that T18/72 and T18/73 are clearly on the site (see below). T18/70 is close to the boundary.

I've copied Steve Hawkins of Te Tuhi Estates. Perry, perhaps you could provide a short form agreement for Steve's sign-off.

Steve, Perry has indicated he will be in the Whakaroa area on Saturday and would be able to visit the site if access is available. Would you be able to tee that up with Mike? Mike may be able to meet Perry at the gate and take him to the sites, especially if Perry needs to see T18/70.



 existing vegetation



Basemap sources: Marsighi Graham +  
Google, TDC GIS  
Contour interval is 5m

**Draft for Discussion**

**Draft Development Concept**



Client: Elevation Holdings Ltd  
Project No: 20-023

Scale: 1:15 @ A3  
Date: 2 August 2022

**Te Tuhi Point**  
Taupō



**Disclaimer:** This is a desk top concept sketch only, engineering, traffic and planning advice is required to confirm yield, compliance and feasibility.

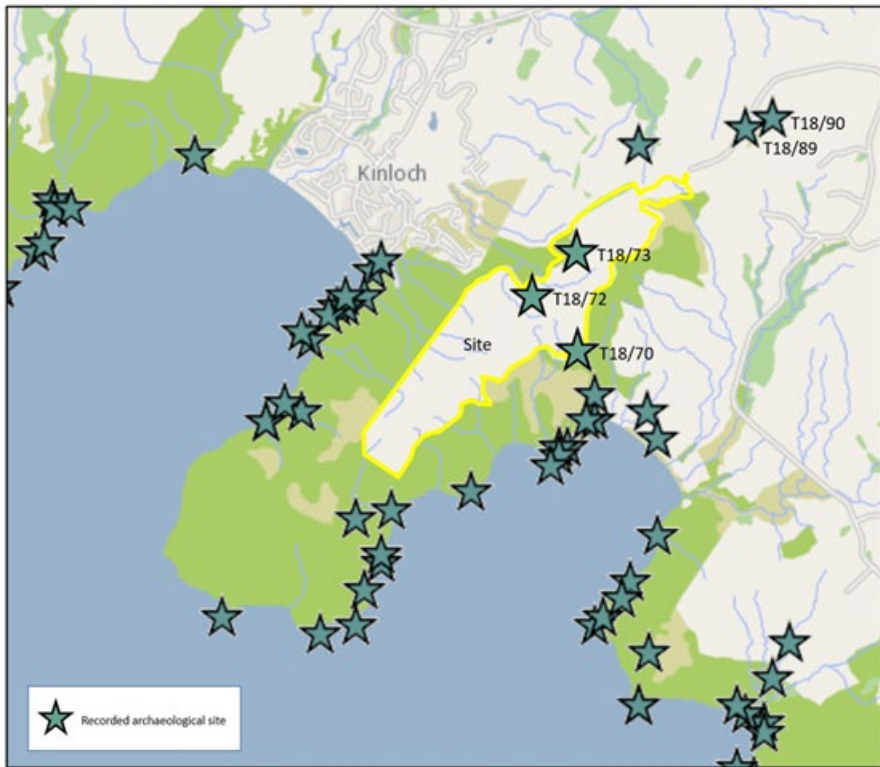


Figure-Recorded-Archaeological-Sites

All but two of the sites marked with a star in this plan were personally inspected and recorded by Perry Fletcher.

Drew Cumming

**acplanning**

027 461 0364

[acplanning@outlook.co.nz](mailto:acplanning@outlook.co.nz)

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Virus-free. [www.avast.com](http://www.avast.com)



**Attachment 5**  
**Environment Court decision for Glen Massey**  
**Precinct Plan**

**IN THE ENVIRONMENT COURT  
AT AUCKLAND**

**I TE KŌTI TAIAO O AOTEAROA  
KI TĀMAKI MAKĀURAU**

**Decision [2023] NZEnvC 136**

IN THE MATTER OF an appeal under clause 14 of the First  
Schedule of the Resource Management  
Act 1991

BETWEEN

K QUIGLEY

S QUIGLEY

THE QUIGLEY FAMILY TRUST

(ENV-2022-AKL-000024)

Appellants

AND

WAIKATO DISTRICT COUNCIL

Respondent

Court: Environment Judge S M Tepania sitting alone under s 279 of the  
Act

Last case event: 2 June 2023

Date of Order: 3 July 2023

Date of Issue: 3 July 2023

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**CONSENT ORDER**

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A: Under section 279(1)(b) of the Resource Management Act 1991, the  
Environment Court, by consent, orders that:

S and K Quigley and The Quigley Family Trust v Waikato District Council



- (1) the Subdivision (SUB) and Rural Lifestyle Zone (RLZ) chapters in the Proposed Waikato District Plan at Part 2: district-wide matters and Part 3: area-specific matters respectively be amended to include the additional provisions set out in Appendix A: Clean change version of the agreed changes to the SUB and RLZ chapters;
- (2) the planning maps are amended in accordance with Appendix B: Amended zoning map for the Property to show 233 Wilton Collieries Road identified as RLZ and subject to the Glen Massey Precinct;
- (3) an additional appendix ‘APP15 – Glen Massey Precinct’ be included in the Proposed Waikato District Plan in Part 4; Schedules and Appendices (after APP14) in accordance with Appendix C: New Appendix APP15 – Glen Massey Precinct; and
- (4) the appeal is resolved in its entirety. Topic 1.4: Zoning – Rest of District remains extant so far as it relates to other appeals.

B: Under section 285 of the Resource Management Act 1991, there is no order as to costs.

## **REASONS**

### **Introduction**

[1] This consent order relates to an appeal by Stuart and Katrina Quigley and the Quigley Family Trust (**Appellants**) against parts of the decisions of the Waikato District Council (**Respondent**) in respect of the Proposed Waikato District Plan (**PDP**). Specifically, the Appellants have appealed the zoning decision relating to their land at Glen Massey.

[2] The appeal has been assigned to Topic 1.4: Zoning – Rest of District. The consent order resolves the appeal in its entirety. However, other unrelated appeals under Topic 1.4 remain unresolved.

## **Background**

[3] The Appellants own 29.0021 hectares of land at 233 Wilton Collieries Road, Glen Massey, legally described as Lot 20 DP 431591 (**the Property**). The Property is approximately 400m to the south of Glen Massey Village.

### ***Original Submissions and PDP Decision***

[4] When the PDP was notified, the land in the Glen Massey Village was shown as a mixture of Country Living and Village zones. The Property was shown as remaining Rural.

[5] The Quigleys made submissions seeking that the Property be zoned either Country Living Zone or Village Zone.

[6] In the decisions version of the PDP the Property was zoned General Rural Zone (**GRUZ**).

### ***Appeal***

[7] The Appellants' appeal seeks that it be rezoned either Country Living Zone or Village Zone. The National Planning Standards, which came into force after notification of the PDP, have led to the renaming of these zones as Rural Lifestyle Zone (**RLZ**), Settlement Zone (**SETZ**) and Large Lot Residential Zone (**LLRZ**), respectively.

[8] Precision Built Ltd (**Precision**) has given notice of an intention to become a party to this appeal under s274 of the Act. Precision's sole director is Mr Johnathan Quigley, son of Stuart and Katrina Quigley and beneficiary of the Quigley Family Trust. Precision supports the relief sought by the appeal.

### **Agreement reached**

[9] Following discussions between the parties and the provision of a landscape assessment and traffic assessment, the parties to the appeal have reached an agreement to rezone the Property to RLZ and apply a precinct over the Property to guide development within the precinct. This agreement resolves the appeal in its entirety.

- [10] The agreement consists of the following changes to the PDP:
- (a) amend the planning maps to rezone the Property from GRUZ to RLZ and to apply an overlay over the Property known as PREC33 – Glen Massey Precinct;
  - (b) insert a new Glen Massey Precinct Plan into Part 4 of the PDP (as APP15 – Glen Massey Precinct);
  - (c) insert a new objective (RLZ-O2), policy (RLZ-P11), and land use rule (RLZ-R37) into the RLZ chapter to provide for development in accordance with PREC33 – Glen Massey Precinct; and
  - (d) insert a new subdivision rule SUB-R152 into the SUB chapter to provide for subdivision in accordance with PREC33 – Glen Massey Precinct being a restricted discretionary activity.

### **Section 32AA evaluation**

[11] Section 32AA of the Act requires a further evaluation for any changes to the proposal since the initial section 32 evaluation report and the decision. The parties prepared a section 32AA evaluation to assess the appropriateness of the agreement outlined above. This analysis is set out in the paragraphs below.

[12] In summary, the parties consider that the agreed changes are the most appropriate way to give effect to both the purpose of the Act, and to the objectives of the PDP. The other options considered were retaining the rural zoning of the Property, or rezoning the Property to RLZ with no precinct overlay and plan. The consideration of these options is embedded in the following evaluation.

### ***Effectiveness and Efficiency***

[13] The proposed precinct and associated provisions respond to the potential environmental, economic, social and cultural effects anticipated from the development of rural-residential land use. In particular the specific requirements for native planting, onsite generation of power and onsite management of three waters infrastructure (as incorporated into the proposed provisions), is an efficient and

effective way to respond to the potential effects of the proposal. The precinct-specific objective does not reduce the effectiveness and efficiency of the existing RLZ provisions, which will also apply.

### ***Cost/Benefit***

[14] While the rezoning of the Property to RLZ will remove 29ha of rural land from primary production, it is noted that the Property is LUC 6 and thus not considered to be highly productive for rural purposes. The rezoning will reduce development pressure on surrounding rural areas, reduce the likelihood of fragmentation of rural land elsewhere and provide for development close to the existing Glen Massey Village. This will strengthen the sense of place of Glen Massey by enabling low-density residential development around an existing rural settlement. This could enhance cohesion, stability, character, services and facilities in the community. The proposed policy and methods for the precinct will also have additional benefits as they address other potential effects of RLZ at the Property while limiting density and providing for self-sufficient development and native planting.

### ***Risk of acting or not acting***

[15] The additional information prepared as part of the parties direct discussions means that the information now available is sufficient to provide an informed assessment of the planning alternatives and costs and benefits.

### **Consideration**

[16] In making this order the Court has read and considered:

- (a) the notice of appeal dated 28 February 2022; and
- (b) the Joint Memorandum of the parties dated 2 June 2023.

[17] The Court is making this order under section 279(1) of the Act, such order being by consent, rather than representing a decision or determination on the merits. The Court understands for present purposes that:


- (a) all parties to the proceedings have executed the memorandum requesting this order; and
- (b) all parties are satisfied that all matters proposed for the Court's endorsement fall within the Court's jurisdiction, and conform to the relevant requirements and objectives of the Act including, in particular, Part 2.

[18] The Court is satisfied that the changes sought are within the scope of the Appellants' submission and appeal.

### **Order**

[19] The Court orders, by consent, that:

- (a) the Subdivision (SUB) and Rural Lifestyle Zone (RLZ) chapters in the Proposed Waikato District Plan at Part 2: district-wide matters and Part 3: area-specific matters respectively are amended to include the additional provisions set out in **Appendix A**;
- (b) the planning maps be amended in accordance with **Appendix B** to this order to include the rezoning of the Property and the introduction of a new overlay titled "Glen Massey Precinct";
- (c) an additional appendix 'APP15 – Glen Massey Precinct' be included in the Proposed District Plan in accordance with **Appendix C**;
- (d) the appeal is otherwise dismissed; and
- (e) there is no order as to costs.



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**S M Tepania**  
Environment Judge



## Appendix A

### Part 2: District-wide matters / Subdivision / SUB – Subdivision

New standard: SUB-R152

*RLZ – Rural lifestyle zone*

SUB-R152	General Subdivision within PREC33 – Glen Massey Precinct	
<p><b>PREC33 – Glen Massey Precinct</b></p>	<p><b>(1) Activity status: RDIS</b></p> <p><b>Activity specific standards:</b></p> <p>(a) Subdivision within PREC33 – Glen Massey Precinct that complies with all of the following standards:</p> <p style="margin-left: 20px;">(i) The number of lots (other than any access allotment or utility allotment), whether in a single or multiple applications, does not exceed a total of 25.</p> <p style="margin-left: 20px;">(ii) All proposed lots have a net site area (excluding access legs) of at least 5000m<sup>2</sup>.</p> <p style="margin-left: 20px;">(iii) The proposal shall include native planting along the riparian margins of the ephemeral stream, within steep gully areas, and between lots.</p> <p style="margin-left: 20px;">(iv) Certification by a geotechnical engineer that the site is geotechnically stable and suitable for the onsite management of three waters and other supporting infrastructure (for example right of ways / access).</p> <p>(b) Rule AINF-R16 (1)(a)(i)-(iv) does not apply. Subdivision within PREC33 – Glen Massey Precinct in the RLZ – Rural lifestyle zone shall not provide connections to public or reticulated wastewater, water supply, stormwater, or electricity supply.</p> <p>(c) Rule SUB-R61 does not apply.</p> <p><b>Council’s discretion is restricted to the following matters:</b></p> <p>(a) Consistency with the Glen Massey Precinct Plan (APP15 – Glen Massey Precinct Plan);</p> <p>(b) Adverse effects on amenity values;</p> <p>(c) The provision of infrastructure, including water supply for firefighting where practicable and servicing of the site;</p>	<p><b>(2) Activity status: NC</b></p> <p><b>Where:</b></p> <p>(a) Subdivision that does not comply with Rules SUB-R152(1)(a) and (b).</p>



	<ul style="list-style-type: none"> <li>(d) The positioning of any solar panels to integrate into the design of buildings or, if standalone, visually screened from positions beyond the site;</li> <li>(e) Design of earthworks to integrate with existing natural site contours;</li> <li>(f) Standard of design and construction of the rights of way and accesses onto Wilton Collieries Road;</li> <li>(g) Provision of native planting, management plans for weed and pest control and their implementation, ownership and ongoing management of: <ul style="list-style-type: none"> <li>(i) the gully areas and any riparian areas;</li> <li>(ii) landscape screening between lots and;</li> <li>(iii) any existing pockets of native vegetation;</li> </ul> </li> <li>(h) Measures to minimise reverse sensitivity effects, including on adjoining GRUZ – General rural zone land;</li> <li>(i) Measures to mitigate effects of the subdivision on the transport network; and</li> <li>(j) Geotechnical suitability of the site for residential development.</li> </ul>	
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### Part 3: Area-specific matters / Zones / Rural zones / RLZ – Rural Lifestyle Zone

#### New objective RLZ-O2:

RLZ-O2 Glen Massey Precinct

- (1) The Glen Massey precinct creates 25 self-sufficient rural lifestyle properties, that can enable residents to grow, farm, manage three waters services and generate renewable energy supply all on-site.

#### New policy RLZ-P11:

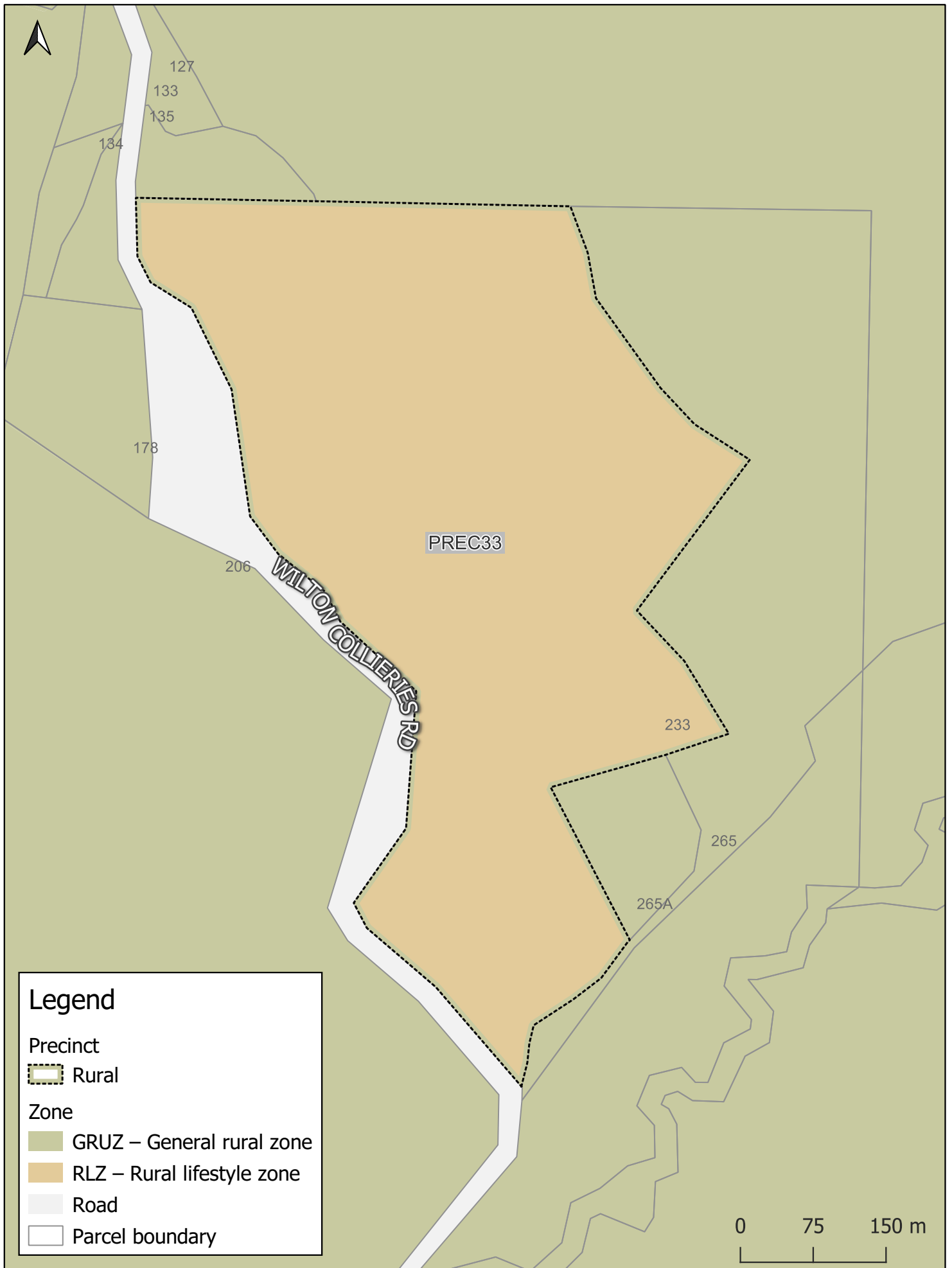
RLZ-P11 Glen Massey Precinct

- (1) Develop and manage the precinct in general accordance with the precinct plan (APP15 – Glen Massey Precinct Plan).
- (2) Any building or development within the Glen Massey Precinct is to have power supply from off-grid renewable energy sources as the primary source of power.
- (3) Within the Precinct, the installation of a fossil-fuel powered off-grid power supply is to be for emergency back-up supply only.
- (4) Manage the adverse effects of the Glen Massey precinct development by:
- (a) Minimising adverse effects on the landscape values of the surrounding rural environment including through native planting and pest management; and
  - (b) Providing for the safe and efficient operation of the transport network.

#### New standard: RLZ-R37

*Land use - activities*

RLZ-R37	Use of Renewable Energy within the Glen Massey Precinct
<p><b>(1) Activity status: PER</b></p> <p><b>Activity specific standards:</b></p> <p>(a) Development of a site within the PREC33 – Glen Massey Precinct is to be supported by off-grid renewable energy power generation and supply (such as solar or wind energy).</p>	<p><b>(2) Activity status where compliance not achieved: NC</b></p>



Legend

Precinct

 Rural

Zone

 GRUZ – General rural zone

 RLZ – Rural lifestyle zone

 Road

 Parcel boundary

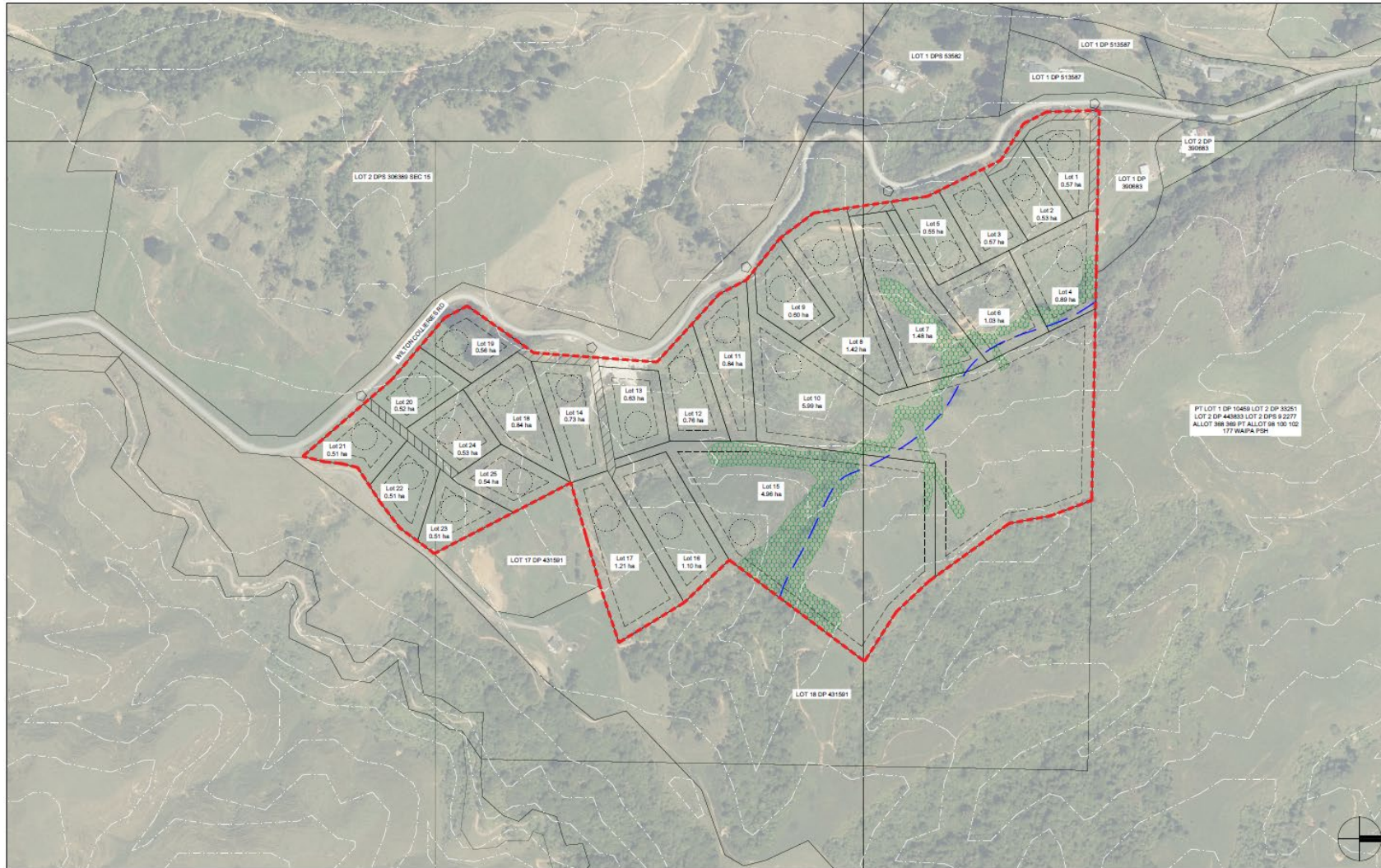
0 75 150 m

# Appendix C

## Part 4: Schedules and appendices / APP15 – Glen Massey precinct plan

### APP15 – Glen Massey precinct plan

This graphic has been prepared by STUDIO SW on the specific instructions of our Client. It is solely for our Client's use in accordance with the agreed scope of work. Any use or reliance by a third party is at that party's own risk. Where information has been supplied by the Client or obtained from other external sources, it has been assumed that it is accurate. No liability or responsibility is accepted by STUDIO SW for any errors or omissions to the extent that they arise from inaccurate information provided by the Client or any external sources.



**Attachment 6**  
**Chapter 3e Land Development**  
**Comments on Objectives and Policies**  
**Matters to be considered in structure plan area**  
**assessment**

<p style="text-align: center;"><b>3e Land Development Objectives and Policies</b></p>	<p style="text-align: center;"><b>Comments on Objectives and Policies</b></p>
<p><b>Objective 3e.2.1 Provide for and manage urban growth so as to achieve the sustainable management of the District’s natural and physical resources.</b></p> <p><b>Policies</b></p> <ul style="list-style-type: none"> <li>i. Recognise the appropriateness of Urban Growth Areas as an important resource for providing for new urban land development and as the focus for future urban growth.</li> <li>ii. Ensure patterns of future urban development are consistent with the identified Urban Growth Areas as described in Section 3e.6.</li> <li>iii. Prevent urban development in the rural environment outside of the identified Urban Growth Areas.</li> <li>iv. Avoid the cumulative effect that subdivision and consequent fragmented land ownership can have on the role of the Urban Growth Areas in providing the supply of land for urban development.</li> <li>v. Ensure that urban development of an identified Urban Growth Area occurs by way of a Taupō</li> </ul>	<p>The Preferred Relief does not comprise urban development and the site is not in an Urban Growth Area.</p>

<p><b>Objective 3e.2.2</b></p> <p><b>Ensure that the subdivision and development of Urban Growth Areas for new urban growth occurs by way of a comprehensive Taupō District Structure Plan Process and plan change.</b></p> <p><b>Policies</b></p> <ul style="list-style-type: none"> <li>i. Define the precise location, extent, form and staging of development of Urban Growth Areas by way of the Taupō District Structure Plan Process and associated plan change process.</li> <li>ii. Ensure that the development framework for the Urban Growth Areas is determined by the Taupō District Structure Plan Process.</li> <li>iii. That a range of residential densities, location of rural residential opportunities and the staging of the development of the Urban Growth Areas shall be determined by the Taupō District Structure Plan Process.</li> <li>iv. Ensure that staging of development in the Urban Growth Areas is efficient, consistent with and supported by adequate infrastructure.</li> <li>v. Ensure that the planning and development of Urban Growth Areas adequately takes into account the efficient and effective functioning of supporting and surrounding infrastructure.</li> </ul>	<p>The Preferred Relief does not comprise urban development and the site is not in an Urban Growth Area.</p> <p>While PC42 does not follow the Taupō District Structure Plan Process, it does seek to set the location of rural residential opportunities. The Preferred Relief seeks to provide additional rural residential immediately adjoining the proposed location.</p>
<p><b>Objective 3e.2.3</b></p> <p><b>Ensure the maintenance of an appropriate and sufficient level of community infrastructure within existing serviced areas.</b></p>	<p>The Infrastructure Report and Mr McKenzie’s evidence confirm that the Preferred Relief is able to connect to available existing capacity in the transport network (with minor upgrades) and continue to use the site’s existing reticulated water supply allocation (supplemented by an onsite groundwater take), without adverse effects on those networks.</p>
<p><b>Policies</b></p> <ul style="list-style-type: none"> <li>vi. Allow new activities and development to connect to existing water and wastewater infrastructure where there is adequate capacity to meet the needs of the development.</li> </ul>	<p>The Infrastructure Report confirms that the Preferred Relief is able to continue to use the site’s existing reticulated water supply allocation (supplemented by an onsite groundwater take), without adverse effects on the networks.</p>

<p>vii. Avoid, remedy or mitigate any adverse effects of the disposal of stormwater on the receiving environment</p>	<p>The Infrastructure Report sets out the best practice disposal of stormwater.</p> <p>The extensive revegetation of the site including gullies with ephemeral flowpaths and the retirement of most of the site from pastoral grazing will improve both the rate and quality of stormwater discharge into Lake Taupō, with consequent benefits to the health of the lake.</p>
<p>viii. Ensure new activities and developments contribute to the provision and standard of reserves and open space amenity to meet the needs of the community including Esplanade Reserves in accordance with the provisions of the Act.</p>	<p>The Preferred Relief includes a network of trails. The intention is, with Department of Conservation approval (which is part of continuing discussions), to provide a link to the Great Lakes Trail linking Kinloch and Whakaipō Bay.</p>
<p>ix. Avoid, remedy or mitigate the adverse effects of new development and activities on the safe and efficient functioning of the existing and future roading networks including those identified through the Taupō District Precinct Plan Process.</p>	<p>Mr McKenzie is satisfied that minor upgrade works are able to mitigate any adverse effects of the Preferred Relief on the roading network.</p>
<p><b>Objective 3e.2.4</b></p> <p><b>Avoid the degradation of Taupō District's lakes, waterways and aquifers from effluent and waste water resulting from land development.</b></p> <p><b>Policies</b></p> <p>i. Implement integrated land management strategies in conjunction with Regional Authorities that will avoid, remedy or mitigate adverse environmental effects on Taupō District's lakes, waterways and aquifers.</p> <p>ii. Allotments that are not serviced by an off-site wastewater disposal system are to be of an adequate size to ensure that the proposed land use can operate and maintain appropriate on-site effluent and waste water treatment systems.</p>	<p>As described earlier, the proposal will have positive effects on the health of Lake Taupō as a result of the following features:</p> <ul style="list-style-type: none"> <li>• Retirement of most of the site from stock greatly reducing the amount of nitrogen-laden stock urine;</li> <li>• Revegetation of most of the site in indigenous vegetation;</li> <li>• Best practice stormwater management;</li> <li>• Communal wastewater treatment and disposal system designed, constructed and operated in to achieve a high quality discharge to land, as described in the Infrastructure Report.</li> </ul>



<p><b>Objective 3e.2.5</b></p> <p><b>Ensure land development does not detract from the amenity value or qualities of the local environment.</b></p> <p><b>Policies</b></p> <ul style="list-style-type: none"><li>i. Ensure that proposals for the subdivision and development of land assess the particular amenity values of the area including the physical characteristics of the land and avoids, remedies or mitigates any adverse effects.</li><li>ii. Subdivision and subsequent development shall either maintain or enhance, but not detract from, the significance of features or areas of cultural, spiritual, historical, landscape or natural value, (as identified through the provisions of this Plan).</li><li>iii. Enable the creation of allotments below any minimum allotment size identified as a controlled activity in this Plan for the exclusive purpose of providing or enhancing public or private access, or to exclusively accommodate a complying network utility activity and infrastructure.</li></ul>	<p>The Preferred Relief’s design is landscape-driven with extensive mitigation and enhancement planting and results in significant positive effects on landscape and natural character values (Landscape, Natural Character and Visual Assessment) and ecological values (Ecological Assessment).</p>
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<b>Matters to be considered in structure plan area assessment</b>	<b>Evidence of Consideration in Te Tuhi Precinct</b>
<p><b>Landscape and natural value management</b></p> <ul style="list-style-type: none"> <li>• identification and management of areas with landscape value</li> <li>• identification and management of significant natural areas</li> </ul>	<ul style="list-style-type: none"> <li>• Landscape, Natural Character and Visual Assessment and associated Restoration and Mitigation Planting Strategy</li> <li>• Ecological Assessment</li> </ul>
<p><b>Hazards and land suitability</b></p> <ul style="list-style-type: none"> <li>• slope, geotechnical limitations, susceptibility to flooding, erosion, location of earthquake faults, geothermal hazards</li> </ul>	<ul style="list-style-type: none"> <li>• Geotechnical Report</li> <li>• Infrastructure Report</li> </ul>
<p><b>Natural resources</b></p> <ul style="list-style-type: none"> <li>• catchment characteristics (upstream and downstream)</li> <li>• vegetation coverage</li> <li>• biodiversity</li> </ul>	<ul style="list-style-type: none"> <li>• Landscape, Natural Character and Visual Assessment and associated Restoration and Mitigation Planting Strategy</li> <li>• Ecological Assessment</li> </ul>
<p><b>Heritage Sites</b></p> <ul style="list-style-type: none"> <li>• sites, places, and values of importance to Tangata Whenua</li> <li>• sites, places, and values of importance to the general Community including the likely presence of archaeological sites</li> </ul>	<ul style="list-style-type: none"> <li>• Archaeological Assessment</li> <li>• Ongoing engagement with mana whenua</li> <li>• Engagement with Department of Conservation</li> </ul>

<p><b>Existing and potential future land-use considerations</b></p> <ul style="list-style-type: none"> <li>• the shape, form, and design of the area taking account of separate land ownerships</li> <li>• the relationships in the area between the area's functional characteristics, infrastructures, landscapes, and structures</li> <li>• choice in urban form (e.g. choice of densities, development types, transport options and land use activities)</li> <li>• low impact design and/or quality urban design (as applicable)</li> <li>• Open space and reserve requirements</li> <li>• Existing land uses particularly those that have the capacity to be incompatible with the proposed land uses</li> <li>• The relationship of the built form to the area's inherent environmental values that may contribute to or become features of the urban form</li> <li>• The interface between urban and rural areas to ensure the maintenance of rural character and amenity and the avoidance of adverse effects on the establishment and operation of rural production activities.</li> </ul>	<ul style="list-style-type: none"> <li>• Design Statement</li> <li>• Landscape, Natural Character and Visual Assessment and associated Restoration and Mitigation Planting Strategy</li> <li>• Agricultural Assessment</li> </ul>
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<p><b>Infrastructure</b></p> <ul style="list-style-type: none"> <li>• matching infrastructure to population / land-use and vice versa</li> <li>• an integrated network approach to sewerage, water supply, stormwater detention treatment and disposal, energy supply, roading and transport, open space, community facilities</li> <li>• Stormwater Catchment Management Plans</li> <li>• the existing capacity and availability of infrastructure</li> <li>• the investment/funding needed to service the area being structure planned to the level of development anticipated</li> <li>• Future public transport needs</li> <li>• providing for a choice of transport routes and modes appropriate to the level and type of development</li> <li>• Utilisation of the geothermal resource</li> <li>• Location and operation of electrical transmission infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• Infrastructure Report</li> <li>• Transportation Impact Assessment and review (Mr McKenzie's evidence)</li> </ul>
<p><b>Funding, timing/staging, and affordability</b></p> <ul style="list-style-type: none"> <li>• Timing/staging of development</li> <li>• Funding of infrastructure (CAPEX programme works, development contributions)</li> <li>• Impact on Council's future operating budgets once development assets are accepted</li> <li>• In situations where budget implications are considerable, the role of targeted rating in reducing financial impacts on both Council and other ratepayers.</li> </ul>	<ul style="list-style-type: none"> <li>• Fraser Colegrave – Economic Evidence</li> </ul>

<p><b>Boundary Determination</b></p> <ul style="list-style-type: none"><li>• Determination of the location and extent of the Urban Growth Area is to be carried out as a result of consideration of the above matters.</li><li>• Structure plan development and implementation – legislative compliance</li><li>• Structure plan development and implementation shall achieve statutory compliance with the following statutes:</li></ul>	<ul style="list-style-type: none"><li>• Based on evidence provided in support of Submission</li></ul>
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<p><b>Local Government Act 2002</b></p> <p><b>Structure Plan development</b></p> <ul style="list-style-type: none"><li>• section 82 - consultation</li></ul> <p><b>Structure Plan implementation</b></p> <ul style="list-style-type: none"><li>• consistency with existing LTCCP (community outcomes)</li><li>• sections 76-81 – decision-making</li></ul>	<ul style="list-style-type: none"><li>• Participation in statutory plan change process</li></ul>
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<p><b>Resource Management Act 1991</b></p> <p><b>Structure Plan development</b></p> <ul style="list-style-type: none"> <li>• Clauses 3, 3B, 3C 1st Schedule - consultation</li> </ul> <p><b>Structure Plan implementation</b></p> <ul style="list-style-type: none"> <li>• consistency with existing District Plan objectives, policies and rules.</li> <li>• section 31 – functions of territorial authorities</li> <li>• section 32 – structure plan development documentation, and section 32 assessment of draft plan change document</li> <li>• section 75 – contents of district plans</li> <li>• existing cross-referencing to structure plans in assessment of resource consents – a ‘halfway-house’ until plan change notification.</li> </ul>	<ul style="list-style-type: none"> <li>• Participation in statutory plan change process</li> </ul>
<p><b>Land Transport Management Act 2003</b></p> <p><b>Structure Plan development</b></p> <ul style="list-style-type: none"> <li>• consistency with the Regional Land Transport Strategy</li> <li>• take into account the objectives of the NZ Transport Strategy and the LTMA</li> </ul> <p><b>Structure Plan implementation</b></p> <ul style="list-style-type: none"> <li>• any transport infrastructure to be included in Regional/District Land Transport Programme(s)</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable</li> <li>• Transportation Impact Assessment and review (Mr McKenzie’s evidence)</li> </ul>