
BEFORE THE HEARINGS PANEL

In the Matter of: The Resource Management Act 1991

And Proposed Plan Change 43:
Taupō Industrial Environment

Application By: Taupō District Council

Section 42A Response to Panel Requests and Response to Evidence
Taupō Town Centre Environment

Matt Bonis

Dated: 13 November 2023



Taupō District Plan

CHANGES - BUNDLE ONE

INTRODUCTION AND PURPOSE

1. My name is Matthew William Bonis. I provided Planning Evidence (**the s42A Report**) on behalf of Taupō District Council regarding the notified provisions and submissions on Plan Change 43: Taupō Industrial Environment. That evidence [4 – 10] sets out my experience, qualifications and compliance with the Code of Conduct. I retain that compliance in this Right of Reply Report.
2. I presented evidence at the Hearing on 12 September 2023.
3. The purpose of this Report as requested in Panel Minute 18 [para 15(d)] is twofold:
 - a. Respond to matters of clarification or questions as sought by the Panel during the Hearing; and
 - b. Provide a Right of Reply to additional matters raised by submitters during the Hearing. I note that if there is no specific response to a witness or Submitter, I retain my view as expressed in the s42A Report or as expressed at the Hearing.
4. All recommended changes to PC43 as undertaken through this right of reply are set out in this Report, this includes those made in relation to the two Joint Witness Statements (**JWS**) responding to Minute 18 from the Panel. The JWS's included tabulated s32AA relating to the both the Industrial / Residential Environment interface (Minute 18 [para 15(c)] and Geothermal SNAs (Minute 18 [para 15(a)] from relevant Planning Witnesses to assist the Panel regardless of their determination on these matters.
5. The amended provisions as I have recommended to the Panel are set out in **Attachment A**, as inclusive of the submission number associated with the recommended amendment.
6. To distinguish between the notified plan amendments, the recommendations contained in the s42A Report and those as revised through this Reply Report:

The **s42A recommendations** are shown in coloured text (**as red underline**) for new text and **red strike through** for deleted text.

The **Reply Recommended** text is shown in colour text (**as purple underline**) for new text and **purple strike through** for deleted text.

7. For the purposes of the **Response to questions** by the Panel, acknowledging where there is overlap in terms of my Reply to matters raised by experts and submitters, these include the following:
 - a. **Broadlands Area 4 - Removal of Contact Energy Land in terms of NPS-UD**
 - b. **Broadlands Area 4 – Geothermal SNAs**
 - c. **Broadlands Area 4 – Policy wiring: Reverse Sensitivity – EnviroWaste (OS39)**
 - d. **Rangatira E – Revised 19ha Site: Application of NPS-HPL and Economic Consideration.**

8. For the purposes of the **Reply to matters raised by Experts and Submitters** these include the following:
 - a. **Contact Energy** – Options for removal from Broadlands Area 4.
 - b. **Advance** – Trade Competition, evidential basis for approach.

RESPONSE TO PANEL QUESTIONS

Contact Energy – Removal of Land from Broadlands Area 4

9. The Panel sought clarification as to what the reduction in spatial extent from the proposed Broadlands – Area 4 Taupō Industrial Environment as attributable to the Contact Energy ‘area’ would equate to, in terms of Industrial Land sufficiency and the Council’s functions under the NPS-Urban Development (**NPS-UD**).
10. This matter is addressed in part in the s42A Report¹. I also note as stated by Mr Heath at the Hearing that the rezonings sought to be enabled by Plan Change 43 are to provide sufficiency for the long term (30 year) horizon. That is, there is sufficient Industrial land supply within the Operative District Plan to meet Taupō’s requirements under the NPS-UD for both (3 year) short- and (10 year) medium-term supply (as zoned and serviced).
11. In terms of the specific request, I understand from Mr Heath that assuming the Contact Energy Land at Broadlands Area 4 (approx. 6ha) was not rezoned, this would equate to a reduction in two (2) years of Industrial Land supply.

Broadlands Area 4 – Geothermal SNAs

12. The Panel requested through Minute 18 [para 15(a)] that Mr Clark as Planner for Mega Food Services Ltd and I consider and respond to *‘the potential options for a hybrid of the various options for land use and subdivision provisions’*.
13. The Joint Witness Statement was provided to the Panel on 8 November.
14. Fundamentally, the JWS outlines agreement:
 - a. That the evidence of Mr Shaw is acknowledged as the only ecological evidence available to the Panel. That evidence identifies that there are features on the site that achieve the criteria not only in the NPS-Ingenious Biodiversity (**NPS-IB**), but also Waikato Regional Policy Statement – Appendix (APP) 5.
 - b. Accordingly, regardless of the application of the NPS-IB to the rezoning of the site, the management of these features is to achieve the relevant policy provisions including **Objective 3i.2.1** and **Policy 3i.2.2(ii)** (and provisions introduced through PC38 - **Objective 2.6.2**, and **Objective 2.6.3**).

¹ S42A [200, 204]

- c. That the Plan provisions, in being both effective and efficient for the purposes of s32(1)(b) are to strike an appropriate balance between protection and enabling a flexible development regime for the site.
 - d. That the geothermal ecology resource needs to be protected by (both subdivision and land use provisions in the Plan) on the agreed basis that the resource meets the appropriate threshold in criteria as set out in the evidence of Mr Shaw.
15. As stated in the JWS, I consider that either the approach recommended (**Option 3**) or by Mr Clark (**Option 4**) in the JWS reflects the relevant statutory function to exercise properly informed judgements as to what warrants (ecological) protection and establish an appropriate regulatory regime to achieve such. Option 3 having pre-empted that exercise in response to submissions, and Option 4 replacing such with a process related enquiry to assess, identify and respond through a subsequent subdivision / land use consenting regime. I have included in **Attachment A**, my recommended approach (Option 3).
16. Lastly, in reference to the legal submissions from Ms Beresford, I do not consider that the environmental constraints expressed in the Taupō District Plan are ‘subordinate’ to the overall Industrial aims of the TIE zone objectives².
17. The statutory tests for considering the Plan Change are as set out in Section 2 of the s42A Report. These include *giving effect* to the respective provisions of the NPS-UD, NPS-IB and WRPS³ and achieve and implement the respective District Plan Objectives⁴. Relevantly given the matter relates to rezoning the subject land to facilitate industrial land use development:

Objective 3e.2.5

Ensure land development does not detract from the amenity value or qualities of the local environment.

Policy 3e.2.5(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).

18. As noted in the s42A Report there are explicit provisions seeking to identify and protect indigenous biodiversity as identified in paragraph 14(b) above. Fundamentally it is considered that these matters (industrial development vs ecological protection) are able to be reconciled through either Option as recommended in the JWS between myself and Mr Clark, without needing to determine a hierarchy between respective higher order planning instruments, and individual provisions. As also recognised by Clause 3.5(1) of the NPS-IB:

*3.5 Social, economic, and cultural wellbeing
(1) Local authorities must consider:
(a)*

² Mega Foods Submissions. Beresford [32, 33]

³ Sections 75(3)(a) and (c) respectively.

⁴ Section 32(1)(b)

(b) that the protection, maintenance, and restoration of indigenous biodiversity does not preclude subdivision, use and development in appropriate places and forms; and

Broadlands Area 4 – Policy wiring: Reverse Sensitivity – EnviroWaste (OS39)

19. The question from the Panel, in relation to matters raised in the Corporate Evidence of Ms Rosser from EnviroWaste was: *‘is there need for a specific policy in relation to reverse sensitivity effects from activities undertaken in the Taupō Industrial Environment’*.
20. The premise of the question is understood to have the foundation in Ms Rosser’s evidence, that: *‘existing Taupo Industrial Environment objectives, policies and rules (do not) provide sufficient protection for reverse sensitivity effects in relation to the Taupo Landfill’*.
21. In support of the proposition, Ms Rosser referred to **Objective 3t.2.2** and **Policy 3t.2.2i** which in synopsis address intra-reverse sensitivity issues. That is, where non-industrial activities were to establish in the Taupō or Centennial Industrial Environments and result in reverse sensitivity effects on established or otherwise lawful industrial developments within the zone itself.
22. As discussed, albeit briefly with the Panel, I consider that an appropriate provision has been included by Plan Change 38 which seeks to insert at **Policy 2.3.3.10**⁵ to address these matters:

Manage subdivision use and development of land to ensure that it will not:

 - a. *have an adverse effect on the functioning of the environment where it is located,*
 - b. *unduly conflict with existing activities on adjoining properties and the surrounding areas,*
 - c. *compromise development consistent with the intent and planned urban built form of the environment where it is located.* (emphasis underlined)
23. I consider that such a provision is appropriately placed in the architecture of the District Plan at a wider ‘district wide’ hierarchy, and hence can be considered in the context of both s104(1)(b)(vi) or s32(1)(b) in terms of any matter relating to a resource consent or plan change respectively, as this relates both within and across zones, as is appropriate in terms of the context of a consideration of reverse sensitivity effects. I do not consider there to be a lacuna in the District Plan that requires addressing, where the Panel agrees with the inclusion of Policy 2.3.3.10.
24. However, for the avoidance of doubt, as stated in my Hearing summary⁶ I do not consider that Ms Rosser has provided any material evidence, guidelines or standards which would preclude Broadland – Area 4 from being rezoned to Taupō Industrial Environment or restrict the range of activities therein.

⁵<https://www.taupodc.govt.nz/repository/libraries/id:25026fn3317q9slqygym/hierarchy/Council/Consultation/District%20Plan%20Changes%2038-43/PC38%20post%20hearing/5.%20Ch2%20Strategic%20Directions%20Hearing%20version.pdf>

⁶ S42A Hearing Summary [19]

Rangatira E – Revised 19ha Site: Application of NPS-HPL and Economic Consideration

25. At the conclusion of the statements for Rangatira E as provided by Mr Lenihan, the Panel had two questions for the Council Team in relation to the 19ha ‘reduced area’ proposed by Mr Lenihan as being appropriately zoned as Taupō Industrial Environment. These are:
- (a) Under the NPS – Highly Productive Land (**NPS-HPL**) does the Panel have a discretion to consider the site in terms of ‘giving effect to the NPS-HPL’; and if so
 - (b) what would be the consideration of a revised consideration by Property Economics in terms of the Multi-Criteria-Analysis (MCA) for the 19ha subject site.
26. In terms of the former, with regard to the application of the NPS-HPL, I consider the following:
- a. The reduced 19ha subject site, is as set out in **Figure 1**.

Figure 1: Rangatira E – 19 Ha



- b. As outlined in **Attachment B** by Mr Heath, 96% of the subject area is classified under the Land Use Capacity (LUC) system as Class 3.
- c. Under s75(3)(a) of the RMA1991, Plan Change 43 must be considered in terms of ‘giving effect’ to any National Policy Statement.
- d. The NPS-HPL came into force on 17 October 2022. The overarching objective is to protect highly productive land (HPL) for use in land based primary production in New Zealand, both now and for future generations (**Objective 2.1**). Whilst Plan

Change 43 was notified prior to 17 October 2022, it did not include the Rangatira E subject area.

- e. The relevant provisions of the NPS-HPL are considered below:

In terms of interpretation:

Identified for future urban development means:

(a) *identified in a published Future Development Strategy as land suitable for commencing urban development over the next 10 years; or*

(b) *identified:*

(i) *in a strategic planning document as an area suitable for commencing urban development over the next 10 years; and*

(ii) *at a level of detail that makes the boundaries of the area identifiable in practice.*

Policy 5 provides that:

The urban rezoning of highly productive land is avoided, except as provided in this National Policy Statement

The policies (clause 2.2) require HPL to be mapped in regional policy statements and district plans, and that the land identified as HPL be protected from inappropriate use and development.

Under clause 3.5, regional councils must map all HPL in the regions in the relevant regional policy statement within three years of the commencement date of the NPS-HPL.

Policy 5 is implemented through clause 3.6 which states that territorial authorities may (a discretion) only (mandated direction) allow urban rezoning of HPL in the circumstances set out in clause 3.6(4) for Tier 3 territorial authorities (which includes Taupō District Council).

Clauses 3.6(4)(a) and (b) are connected to the provision of *sufficient development capacity* to meet demand for housing or business land in order to give effect to the NPS-Urban Development (NPS-UD). Importantly, sufficient development capacity as to be applied in the NPS-HPL has taken its meaning from the NPS-UD clause 3.3, which relates to both: short, medium and long term (cl3.3(1)(b)) capacity; and for different business sectors (cl3.3(1)(a)). It is understood that an assessment of different business sectors for the purpose of cl3.3(1)(a) is not to be undertaken at an artificially micro level of analysis.

The relevant sections of cl3.6 of the NPS-HPL are:

3.6 Restricting urban rezoning of highly productive land

(4) *Territorial authorities that are not Tier 1 or 2 may allow urban rezoning of highly productive land only if:*

(a) *the urban zoning is required to provide sufficient development capacity to meet expected demand for housing or business land in the district; and*

(b) *there are no other reasonably practicable and feasible options for providing the required development capacity; and*

(c) *the environmental, social, cultural and economic benefits of rezoning outweigh the environmental, social, cultural and economic costs associated with the loss of highly productive land for land-based primary production, taking into account both tangible and intangible values*

(5) *Territorial authorities must take measures to ensure that the spatial extent of any urban zone covering highly productive land is the minimum necessary to provide the required development capacity while achieving a well-functioning urban environment.* (Emphasis added)

Clause 4.1 of the NPS-HPL address the application of the NPS-HPL until such time as an operative regional policy statement contains maps of Highly Productive Land as required under clause 3.5. In full the clause states:

4.1 When this National Policy Statement takes effect

(1) *Every local authority must give effect to this National Policy Statement on and from the commencement date (noting that, until an operative regional policy statement contains the maps of highly productive land required by clause 3.5(1), highly productive land in the region must be taken to have the meaning in clause 3.5(7)).*

(2) *Every territorial authority must notify changes to objectives, policies, and rules in its district plan to give effect to this National Policy Statement (using a process in Schedule 1 of the Act) as soon as practicable, but no later than 2 years after maps of highly productive land in the relevant regional policy statement become operative.*

In the intervening period, cl3.5(7) sets out the transitional position until the mapping in the RPS has been undertaken. Clause 3.5(7) states:

3.5 Identifying highly productive land in regional policy statements and district plans

(7) *Until a regional policy statement containing maps of highly productive land in the region is operative, each relevant territorial authority and consent authority must apply this National Policy Statement as if references to highly productive land were references to land that, at the commencement date*

(a) is

(i) zoned general rural or rural production; and

(ii) LUC 1, 2, or 3 land; but

(b) is not:

(i) identified for future urban development; or

(ii) subject to a Council initiated, or an adopted, notified plan change to rezone it from general rural or rural production to urban or rural lifestyle.

f. In applying this to the Rangatira E subject area.

i. The subject area (at 19ha) is mapped by the New Zealand Land Resource Inventory is HPL3 as defined by Clause 1.3 'Interpretation'.

ii. The NPS-HPL is applicable to the Rangatira E subject area as:

1. it was not included within PC43 as a Council initiated rezoning (clause 3.5(7)(b)(ii));
2. within cl3.6, which addresses urban rezoning, there are no exclusions regarding specified Māori land. Furthermore, Sub-clauses (1)(a) to (c) are conjunctive, so even if it is accepted that there are substantial cultural benefits associated with the rezoning, there is no evidence to the Panel that sub-clauses (a) and (b) are able to be achieved; and
3. Is not spatially identified in a Strategic Planning Document (Taupo TD2050 (2018)) as an area suitable for commencing urban development over the next 10 years. It is to be acknowledged that Action 26 from TD2050 states:

Work with the owners of Paenoa te Akau and Rangatira E Trust to consider alternative development opportunities better suited to the tenure.

Which imposes a commitment from the Council to Rangatira E to work towards land development to enable economic self-determination.

However, for the purposes of giving effect to the NPS-HPL there is no spatial reference to the area, nor at a level of detail that makes the boundaries of the area identifiable in practice (clause 3.5(7)(b)(ii)).

- iii. There is no evidence before the Panel that the subject area is necessary to be rezoned as the only *other reasonably practicable and feasible option for providing the required development capacity* pursuant to clause 3.6(4)(b).

27. Accordingly, I consider that the request relating to a reduced scale rezoning for Rangatira E would not give effect to the NPS-HPL.

28. Mr Heath has also considered the reduced scale proposition, and concluded:

“Despite the reduction in land area, the updated Option 6’s overall MCA score remains largely unaffected, and it remains the least appropriate and least efficient option compared to other previously assessed industrial rezoning options. The site’s Class 3 soil would result in the second largest reduction of productive land of the considered rezoning options”.

29. Accordingly, I also consider that the requested rezoning, through this process, is not the most appropriate in consideration of the subject sites merits, notwithstanding acknowledging the cultural importance of development in terms of economic self-determination as stated by Mr Lenihan.

REPLY TO SUBMITTER EVIDENCE

Contact Energy – Options for removal from Broadlands Area 4.

30. I acknowledge the evidence of Mr Chrisp and position of Mr Williams which seeks that that part of Broadlands Area 4 as owned by Contact is not rezoned Taupō Industrial Environment. The basis of the opposition as I understand it is that there is no desire on behalf of Contact Energy ‘*at least in foreseeable future*’⁷ for an industrial rezoning and yet Contact would accrue associated economic costs as associated with Council rates.
31. In terms of the latter, I understand that the rezoning would be picked up by the Council’s valuers. They would assess the land based on its highest and best use and change the valuation. From 1 July the new values would be used for rating purposes and if the land started being used for industrial purposes, the Council would rate the property as industrial commercial on a differential of 1.8. If only part of the rural land was used for industrial commercial and the rest was left as a farm, the Council would split the property for rating purposes. That is, only the differential would attract a differing rate and until improvements were established there would be no water/wastewater rate. As the property would be split the vast remainder would still be charged at the rural differential.
32. However, I accept that would be an increased (albeit modest) increased economic cost to the landowner.
33. I have discussed this matter further with Mr Heath, and I consider the following:
- a. for the reasons as set out in my s42A Report, a Council does not zone or not rezone based solely on the individual preferences of a landowner where there is a demonstrable and wider community benefit and need to satisfy statutory requirements associated with providing for sufficient development.
 - b. In terms of Broadlands Road – Area 4, the agglomerated benefits attributable to the 20ha site, inclusive of the 6ha Contact Energy component provides economic benefits in terms of the provision and long-term efficiency associated with servicing the new industrial area and associated certainty as associated with roading, pipes, etc, i.e. there is a long term community benefit in terms of infrastructure investment.
 - c. Without the Contact land it increases the shortfall in long term sufficiency (by some two years). Regardless, as stated at the Hearing the Council is aware, in the absence of Option 1 (in the s32 Option 1 being the Centennial Northern Extension was removed given likely conflict with statutory requirements under the Water Services Legislation Bill and the Water Services Economic Efficiency and Consumer Protection Bill) that even in the absence of the Contact Energy land as rezoned, further plan change(s) will be necessary to enable Industrial development and sufficiency.
34. I consider that this matter is finely balanced and have provided the Panel with plan provisions that can address either approach. For my part, I consider that rezoning is still the more

⁷ EIC Chrisp [17]

appropriate recognising the agglomerated benefits attributable to a larger Industrially zoned area at Broadlands.

Advance – Trade Competition, evidential basis for approach.

35. As stated at the Hearing I retain concerns with the requirements associated with Trade Competition effects⁸ and the Legal submissions and evidence provided from Advance Property Group Limited. As noted, that concern extends to restraints on Trade Competition as enshrined within the Resource Management Act including s74(3) and clause 6(3) of the First Schedule.
36. Effectively, the submissions from Mr Lawson and evidence from Ms Lewis seek to argue that Napier Road – Area 7 should retain a Rural Environment (zoning) on the basis that an Industrial zoning would be wholly incompatible with an (unbuilt) adjoining residential zoning, as coupled with consent notices on the site.
37. Fundamentally the Panel will need to make a determination on the Trade Competition issue, however in terms of substance, I consider the following:
 - a. I have addressed matters associated with the consent notices. As these are subject to a separate regulatory regime these do not impose a constraint to the rezoning.
 - b. Advance have not provided any expert technical evidence to the Panel to substantiate any matter raised within the evidence of Ms Lewis as to why the rezoning would be so wholly incompatible with the adjoining Residential Environment so as to render it inappropriate in terms of s32(1)(b).
 - c. By comparison, the Council (and Ms Makinson on behalf of TIEL) has provided expert evidence on economics, servicing, and transport.
 - d. For matters associated with issues at the interface, as expressed at the Hearing I have relied on the existing Operative District Plan requirements (and link between policies and the rules) that govern such effects. I have acknowledged and recommended to the Panel in the JWS that matters associated with requirements for interface landscaping and lighting can and should be improved – again as founded on provisions contained in the Operative Plan.

⁸ S42A [Section 3]

38. As expressed at the Hearing, fundamentally the issue before the Panel is relatively simple, is retention of the existing Rural Environment zone the more appropriate than the Taupō Industrial Environment (as amended through recommended additional interface requirements in the JWS). In contrast to the outcomes expressed under the Rural Environment in the District Plan, as these relate to productive use (**Objective 3b.2.1**), and rural character and amenity (**Objective 3b.2.4**). I consider the Taupō Industrial Environment the more appropriate.

Matt Bonis
13 November 2023

Attachment A: RECOMMENDED AMENDMENTS

In the Plan Change as notified **new text to be inserted is underlined, bold and red** and ~~text to be deleted has strike through~~. Text that has been moved, but not amended is green and underlined twice.

Text amended as a consequence of recommendations to submissions is either **bold and purple** where inserted, or ~~purple with a strike through~~ where deleted.

Text amended as a consequence of the Joint Witness Statements are either **bold and orange** where inserted, or ~~orange with a strike through~~ where deleted

4h.1 Performance Standards

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4h.1.4 Landscaping

- a. Landscaping must be established and maintained on any industrial site according to the following provisions:
 - i. An average of one specimen tree per 7 metres of road boundary (as a minimum), excluding the vehicle access point or points.
 - ii. On any site boundary fronting the East Taupō Arterial Road (to become State Highway 1), a 3 metre wide planted landscaping strip and an average of 1 specimen tree per 10 metres of road boundary, with a minimum of 3 trees per 30 metres.
 - iii. For the Taupō Industrial Environment identified on Planning Map DX on sites adjoining a Residential Environment a 3-metre-wide planted landscaping strip shall be provided and an average of 1 Specimen Tree per 7 metres shall be planted.⁹
 - iv. Specimen trees must be a minimum of 1.8 metres tall at the time of planting.
 - v. Specimen trees must be one of the species listed in [Appendix 7](#) and planted according to the specifications within [Appendix 7](#).

4h.1.13 Light and Glare Taupō Industrial Environment identified on Planning Map DX only

- a. Any exterior lighting:¹⁰
 - i. shall not exceed a Maximum Artificial Light level of 8 Lux as received within any adjoining Residential Environment; and
 - ii. shall, as far as practicable, be aimed, adjusted and/or screened to direct lighting away from the windows of habitable spaces within any adjoining Residential Environment.

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⁹ Advance OS67.1

¹⁰ Advance OS67.1

4h.3 Subdivision Rules

4h.3.7

Any subdivision of land identified as “Sensitive” within the Taupō Industrial Environment is a **discretionary activity** and will be subject to the recommendations of appropriate technical assessments including, but not limited to: a geotechnical assessment, and an ecological assessment where the activity affects land identified as a Significant Natural Area. In applying this Rule to the Sensitive Land Overlay within Section 14 SO ¹¹40438782 and Lot 1 DP 445148, the assessment must be informed by deep geotechnical investigation and shall also include, but not be limited to:

- establishing a ground temperature profile starting from the margins of the Hot Ground Hazard Area (District Plan maps);
- determination of the groundwater profile and susceptibility to liquefaction and risk of subsurface water flows;
- establishing an understanding of the most likely future state of thermal features; and
- a stormwater management plan.

Insert as 4h.4 and renumber accordingly...

4h.4 Broadlands Road West Outline Development Plan area Rules¹²

Also refer to the General and Subdivision Rules for the Taupo Industrial Environment

Additional Land use Rules for the Broadlands Road West Outline Development Plan area

<u>Rule 4h.4.1</u>	<p><u>The following activities in or within 20m of any Geothermal Significant Natural Areas identified in the Broadlands Road West – Outline Development Plan on Appendix 11 are permitted. Any other activity, involving soil disturbance, vegetation removal or establishment of permeable surfaces, except as provided by Rule 4h.4.2 is a non-complying restricted discretionary activity:</u></p> <ul style="list-style-type: none">i. <u>Vegetation clearance of invasive exotic plants.</u>ii. <u>Soil disturbance associated with fencing to protect the feature.</u>iii. <u>The sustainable customary use of indigenous biodiversity conducted in accordance with tikanga.</u>iv. <u>Replacement, and maintenance of existing buildings, landscaping and impervious surfaces within their existing footprint as of [the date that part of the rule becomes operative].</u> <p><u>The matters over which the Council reserves discretion for the purposes of assessment are:</u></p>
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¹¹ WRC OS28.20

¹² A Delich OS62.2, OS62.3, OS62.4, OS62.5; Taupō Climate Action Group OS114.14, OS114.15; Tukairangi Trust OS46.5, OS46.14

	<ul style="list-style-type: none"> a. <u>The extent to which adverse effects on the ecological values of the Significant Natural Areas identified in Appendix 11 will be avoided, remedied or mitigated and if mitigated how this will be achieved, for example 'like for like' enhancement.</u> b. <u>The extent to which the activity mitigates pre-existing adverse effects on the Significant Natural Areas identified in Appendix 11.</u> c. <u>The extent to which associated infrastructure such as structures, pipelines and wells will be designed, constructed and placed to avoid, remedy or mitigate adverse effects on ecological values.</u> d. <u>The expected duration of the activity.</u> e. <u>Any further matters arising from the results of a report by a suitably qualified and experienced ecologist as to the effects which the clearance will have on the ecological values of the Significant Natural Areas identified in Appendix 11.</u> f. <u>Any social, economic, environmental and cultural benefits resulting from the proposed activity.</u>
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Additional Subdivision Rules for the Broadlands Road West Outline Development Plan area

<p><u>Rule 4h.4.2</u></p>	<p><u>Any subdivision within that part of the Broadlands Road West – Outline Development Plan on Appendix 11, legally described as Section 14 SO438782 is a restricted discretionary activity. For the purposes of 4h.4.2, the matters over which the Council reserves control for the purpose of assessment as related to the Geothermal Significant Natural Areas identified are:</u></p> <ul style="list-style-type: none"> a. <u>The design and layout of subdivision to ensure the recognition and protection of the features identified on the Broadlands Road West – Outline Development Plan (Appendix 11);</u> b. <u>An ecological management plan for the features identified as Geothermal Significant Natural Areas identified on the Broadlands Road West – Outline Development Plan (Appendix 11); and</u> c. <u>Controls on stormwater management and construction activities to maintain ongoing health and function of the features identified. of Significant Geothermal Significant Natural Areas identified on the Broadlands Road West – Outline Development Plan (Appendix 11).</u>
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4h.45 Assessment Criteria...

4h.5.18

ARTIFICIAL LIGHT – TAUPŌ INDUSTRIAL ENVIRONMENT IDENTIFIED ON PLANNING MAP DX ONLY¹³

- a. Extent to which the light source will adversely impact on the amenity of the adjoining Residential Environment.
- b. Necessity for the light for reasons of safety or security.
- c. Duration and operating hours of activity and associated lighting.
- d. Proposed methods for the avoidance, remedying or mitigation of potential adverse effects and the degree to which they would be successful including:
 - i. height, direction, angle and shielding of the light source.

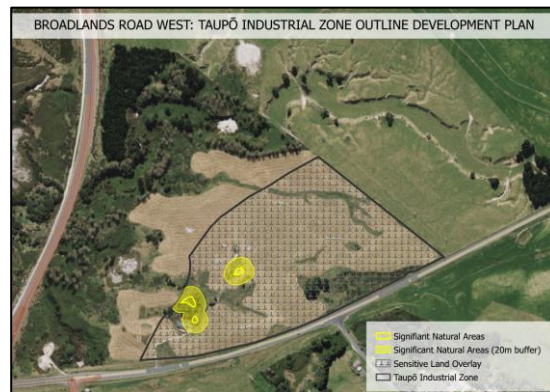
¹³ Advance OS67.1

Insert as Appendix 11:

Appendix 11: Broadlands Road West Outline Development Plan



Note for Panel: As Recommended



Note for Panel: Were the Panel to accept Contact Energy (OS93.82)

Subdivision Design

Ensure protection of 'Geothermal Significant Natural Areas' inclusive of 20m wide buffer, including through the avoidance of earthworks, community infrastructure (including but not limited to road reserves), and impervious surfaces.

Requirement for an Ecological Management Plan

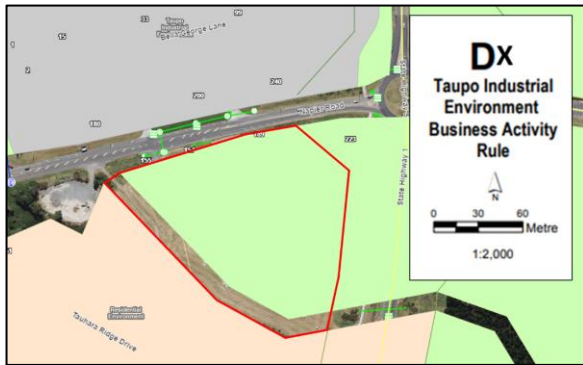
An Ecological Management Plan (EMP) prepared by a suitably qualified and experienced ecologist shall be provided for approval as associated with the first subdivision application associated with that Record of Title legally described as Section 14 SO438782 within the Broadlands Road West Taupo Industrial Environment as shown in the Outline Development Plan above. The requirement for an EMP applies regardless of the extent or scale of the subdivision proposed.

The EMP shall detail methods to minimise and mitigate potential adverse effects on ecological values represented by the identified Geothermal Significant Natural Areas and how these values are to be recognised, provided for and protected in terms of the accompanying subdivision design, stormwater management and construction activities, including but not limited to the application of consent notices.

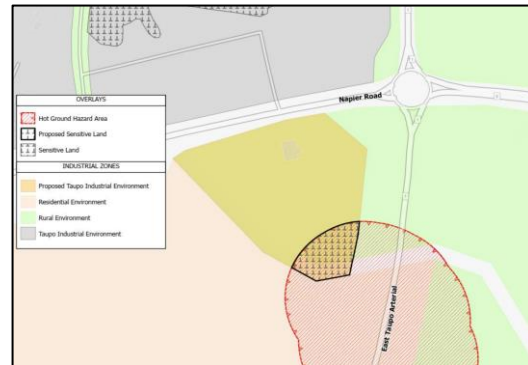
Required Environmental Outcome

To maintain, or enhance the Geothermal Significant Natural Areas identified on the Broadlands Road West Outline Development Plan, so that there is at least no overall loss in indigenous biodiversity.

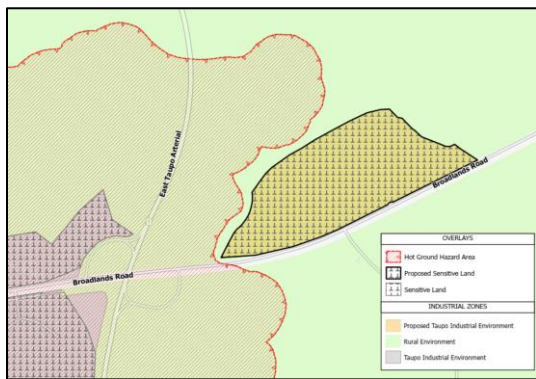
Insertions Planning Maps:



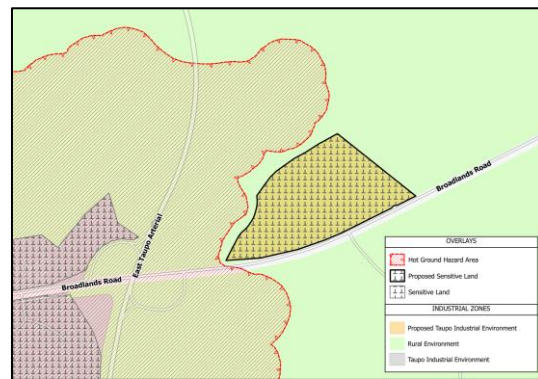
Inserted Map DX - Taupo Industrial Environment Business Activity Rule



Amended Planning Map – Napier Road



Note for Panel: As Recommended – Broadlands Road



Note for Panel: Were the Panel to accept Contact Energy (OS93.82) – Broadlands Road

Attachment B: RESPONSE ECONOMICS

PROPERTY **E**CONOMICS



RANGATIRA E REVISED

INDUSTRIAL REZONING POSITION

ECONOMIC MEMORANDUM

Client: Taupō District Council

Project No: 52167

Date: November 2023

10 November 2023

ECONOMIC MEMORANDUM

To: Taupō District Council

c/- Matt Bonis

PC43 Section 42A Reporting Planner

Email: matt@planzconsultants.co.nz

RE: REVISED RANGATIRA E INDUSTRIAL REZONING POSITION

INTRODUCTION

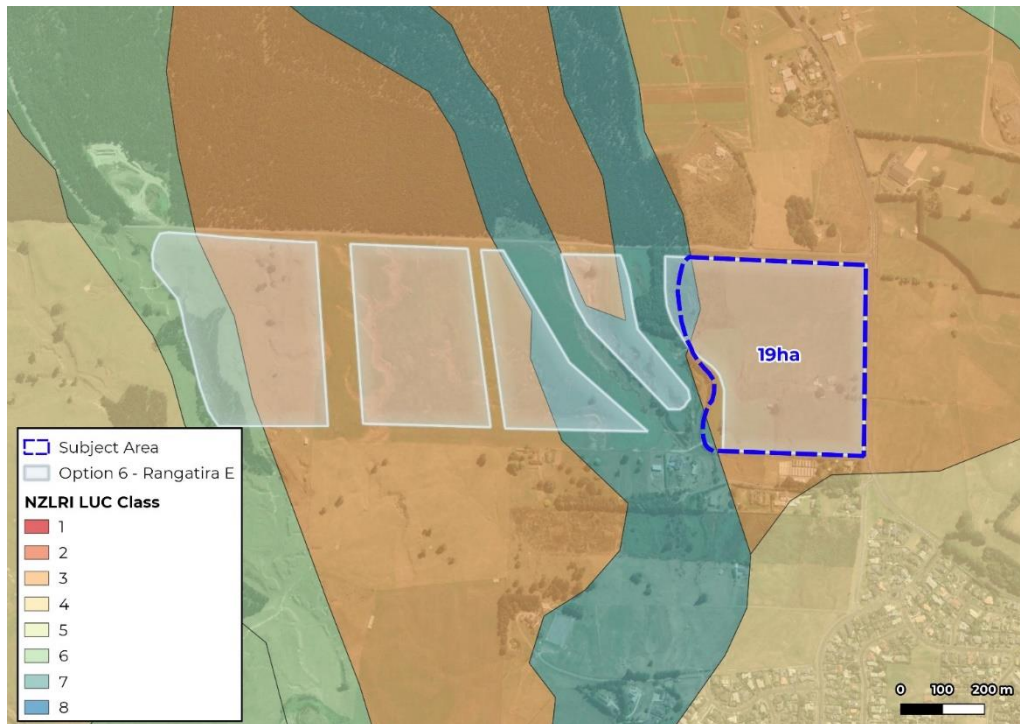
Property Economics understand that there are questions from the Hearings Panel with regard to PC43: Taupō Industrial Rezoning relating to the submission by Rangatira E at the hearing to reduce its initial rezoning extent as sought in its submission, to around a 19ha block at the eastern end of the rezoning request.

This Economic Memo assesses the key economic considerations in evaluating the merits of Rangatira E's revised position, and whether this changes the outcomes of the economic MCA and the land's suitability to be rezoned for industrial purposes.

The land area related to the revised position is situated at the intersection of Scoria Road and Poihipi Road encompasses approximately 19ha of land. According to the New Zealand Land Resource Inventory (NZLRI) Land Use Capacity (LUC) system, this Subject Area is classified as Class 3 (approximately 96%) and Class 7 (the remaining 4%) soils. This classification means the National Policy Statement for Highly Productive Land becomes a significant influencing factor when considering the appropriateness of the land for rezoning.

The figure below illustrates the location and extent of the Subject Area in the context of the surrounding LUC environments. It graphically highlights that basically the entire site is classified as highly productive soils.

FIGURE 1: RANGATIRA E BLOCK IN REVISED POSITION



Source: Property Economics, LINZ

Despite the reduction in land area, the updated Option 6's overall MCA score remains largely unaffected, and it remains the least appropriate and least efficient option compared to other previously assessed industrial rezoning options. The site's Class 3 soil would result in the second-largest reduction of productive land of the considered rezoning options.

Although the loss of productive land or Class 3 soil is reduced (from Rangatira E's original submission), the smaller land area of Option 6 also means that the potential for agglomeration benefits in this location overall would be notably less than that previously sought.

Based on the above, there is no economic basis to rezone the 19ha area requested. The site is classified as highly productive land and a full assessment of alternatives has not been provided by the submitter to show the rezoning is the most appropriate outcome, and it still ranks lowest of the assessed rezoning options.

If you have any queries, please give me a call.

Kind Regards

Tim Heath