

Before the Independent Hearings Panel
at Timaru

under: the Resource Management Act 1991

in the matter of: Submissions and further submissions in relation to
Timaru Proposed District Plan – Hearing B

and: **Fonterra Limited**
Submitter 165

Statement of evidence of Susannah Vrena Tait

Dated: 5 July 2024

REFERENCE: B G Williams (ben.williams@chapmantripp.com)

STATEMENT OF EVIDENCE OF SUSANNAH VRENA TAIT

1. INTRODUCTION

- 1.1 My name is Susannah Vrena Tait.
- 1.2 I am a Partner at Planz Consultants Limited. I hold Bachelor of Science and Master of Applied Science degrees. I am a full Member of the New Zealand Planning Institute. I have been employed in the practice of planning and resource management for over 20 years, both in New Zealand and Australia. A summary of my qualifications and relevant experience is contained in **Appendix A**.
- 1.3 I assisted with the preparation of the submissions and further submissions made by Fonterra Limited ("**Fonterra**") (Submitter 165) on the Timaru Proposed District Plan ("**PDP**"). I am authorised by Fonterra to provide evidence on its behalf.

2. CODE OF CONDUCT

- 2.1. In preparing my evidence I confirm that I have read the Expert Witness Code of Conduct set out in the Environment Court's Practice Note 2023. I have complied with the Code of Conduct in preparing this evidence and I agree to comply with it while giving oral evidence before the Hearings Panel. Except where I state that I am relying on the evidence of another person, this written evidence is within my area of expertise. I have not omitted to consider material facts known to me that might alter or detract from the opinions expressed in this evidence.

3. SCOPE OF EVIDENCE

- 3.1 In preparing my evidence I have read:
- i. The relevant s32 Evaluation Reports.
 - ii. The 'Section 42A Report: Hearings B2 – Urban Zones: General Industrial Zone ("**GIZ**") and Port Zone ("**PORTZ**")' prepared on behalf of the Timaru District Council ("**Council**") by Ms Alanna Hollier.
 - iii. The 'Section 42A Report: Rural Zones' prepared on behalf of the Council by Mr Andrew MacLennan.
- 3.2 In my evidence, I will refer to the s42A report authors as '**the reporting officer**'.
- 3.3 I have also read, and I am reliant on, the evidence of Ms Suzanne O'Rourke (corporate), Mr Ross Burdett (site), Mr Paul Smith (landscape), Mr Richard

Chilton (odour), Mr Rob Hay (noise), Mr Mike Copeland (economic) and Mr Dave Smith (transport planning).

3.4 In my evidence, I set out:

- a. A summary of my conclusions (**Section 4**).
- b. An introduction to the Clandeboye Dairy Manufacturing site (**Section 5**)
- c. An evaluation of the proposed Special Purpose Zone for the Clandeboye Dairy Manufacturing site (**Section 6**).
- d. Responses to specific Fonterra submissions on the General Rural Zone ("GRUZ") (**Section 7**).
- e. Responses to specific Fonterra submissions on the GIZ (**Section 8**).
- f. Responses to specific Fonterra submissions on the PORTZ (**Section 9**).
- g. My conclusions (**Section 10**).

3.5 For ease of reference, the reporting officer's recommended amendments to provisions are shown in purple underline and ~~purple strikethrough~~, and my recommended amendments to provisions are shown in red underline and ~~red strikethrough~~.

4 EXECUTIVE SUMMARY

4.1 Having considered the operational requirements of the Clandeboye site, I do not consider that the GIZ and GRUZ are the appropriate means to provide for the complex nature and scale of the site.

4.2 I support the rezoning of the site to Special Purpose Zone: Clandeboye Dairy Manufacturing Zone ("**CDMZ**"). The new zone includes two new objectives, three new policies, three new activity rules and three new standards. The bulk and location of buildings on the Clandeboye site will be managed by an Outline Development Plan ("**ODP**") appended to the chapter.

4.3 The overarching intent of the zone (articulated through the provisions) is to recognise the regional and national significance of the site to the dairy sector by enabling activities and buildings consistent with the operational requirements of the site, managing effects beyond the site (largely through the topic chapters – noise, lighting etc) and acknowledging that sensitive activities will compromise the ability of the Clandeboye site to meet its operational requirements.

4.4 The CDMZ and the related ODP capture what already exists on the Clandeboye site with scope for small scale developments, including maintenance works, opportunities to capture changes in technology and the proposed energy conversion project (from coal to wood - which will assist the decarbonisation of

the site). Large scale projects, not anticipated by the ODP, will require resource consent.

- 4.5 I have undertaken a s32AA analysis of the CDMZ objectives and supporting provisions and I consider they are the most appropriate way to achieve the purpose of the Resource Management Act 1991 ("**RMA**"). The s32AA analysis included a consideration of the alternatives (which included a series of resource consent applications, a GIZ with precinct overlay and a Private Plan Change Request) and the CDMZ was considered to be the most appropriate way to achieve the RMA.
- 4.6 The National Planning Standards 2020 ("**NPS**") set out circumstances where a Special Purpose Zone ("**SPZ**") may be used. Based on the evidence of Mr Burdett and Mr Copeland, I am satisfied that the activities in the CDMZ are significant at a local and regional level. I do consider that the GIZ is the most appropriate zoning for the site because it sets out planning methods that are appropriate to manage urban based industrial activities that are typically contained within a single site. I similarly do not consider the use of spatial layers (either a precinct or a control overlay) are sensible methods to manage the site. The PDP applies a Height Specific Control Area overlay ("**HSCA**"), which I do not consider appropriate for the site and the use of additional control overlays would become cumbersome to manage. A precinct would result in the additional Clandeboye precinct provisions in effect being 'tacked on' to the GIZ.
- 4.7 I consider that the proposed rezoning request is consistent with the relevant provisions of the National Policy Statement for Highly Productive Land 2022 ("**NPS-HPL**"), the National Environmental Standards for Sources of Human Drinking Water 2007 ("**NES-DW**"), the Canterbury Regional Policy Statement 2013 ("**CRPS**"), the PDP, the relevant Iwi Management Plans, and the Timaru District 2045: Growth Management Strategy ("**GMS**"). With respect to the loss of a small area of highly productive land ("**HPL**") at 37 Rolleston Road and 2-10 Kotuku Place, this is offset by Fonterra's short-term plan to convert the coal burners at the site to biomass (wood) burners. This conversion project will decarbonise the site in line with national climate change policy.
- 4.8 The key issues relating to the request to rezone the site are traffic generation effects and effects on landscape values and visual amenity. These issues have been satisfactorily addressed through appropriate provisions in the TRAN chapter and the CDMZ ODP.
- 4.8.1 The issue of reverse sensitivity recognises that locating sensitive activities within the operating sphere of (permitted and consented) activities which generate effects beyond their site causes harm to the 'effects generating' activity. To recognise reverse sensitivity effects in a district plan is to acknowledge that preventing or restricting the rights of an individual is to support the contribution that a specific activity makes to the prosperity of the district (whether that be a critical, functional, economic or social contribution). The addition of a specific policy in the CDMZ to avoid reverse sensitivity effects on the Clandeboye site works in conjunction with a new Noise Control Boundary ("**NCB**") for the Clandeboye site and suitable amendments to GRUZ-P5 and GRUZ-S4.

- 4.9 I consider that amendments are required to a number of GRUZ provisions to reflect the purpose of the zone, in particular rural industry. I also consider that amendments are required to GRUZ-P5 and GRUZ-S4 to protect the CDMZ from reverse sensitivity effects, including by requiring a 250m setback of sensitive activities from any discharge of industrial and trade waste generated by the CDMZ.
- 4.10 I generally support the amendments recommended by the reporting officer to the GIZ and PORTZ provisions.

5 INTRODUCTION

5.1 *General commentary*

- 5.1.1 For the purposes of my evidence, I refer to the Clandeboye Dairy Manufacturing site as '**the Clandeboye site**'. For clarity, when I refer to the Clandeboye site, I am referring specifically to the land outlined in red on **Figure 1** below.
- 5.1.2 I understand that the Panel has had the opportunity to visit the Clandeboye site, which will assist when reading my evidence.



Figure 1: Clandeboye Dairy Manufacturing site

5.2 *The site*

- 5.2.1 The Clandeboye site is located generally at the intersection of Canal Road / Kotuku Place / Rolleston Road / Milford Clandeboye Road and comprises approximately 80ha held in 12 land parcels on nine Records of Title.
- 5.2.2 To the southeast of Rolleston Road, the Clandeboye site is characterised by an array of activities that collectively enable the manufacturing of dairy products. This area of the Clandeboye site has a predominately industrial feel, although includes administrative, executive and infrastructure servicing functions. To the northwest of Rolleston Road, the Clandeboye site is more rural in character, but includes training and administrative facilities in the former Clandeboye School building, which Fonterra purchased when the school closed and has adaptively reused (with resource consent).
- 5.2.3 The Clandeboye site was first established in 1904 and has evolved to be one of Fonterra's largest sites, employing over 1200 people and producing product to the value of \$1.8 billion¹. The Clandeboye site operates pursuant to 53 resource consents, including 18 consents issued by the Council and 35 resource consents (including certificates of compliance) issued by the Canterbury Regional Council ("**ECan**")².

5.3 *The surrounds*

- 5.3.1 The Clandeboye site is located on a coastal plain with the Canterbury foothills to the west and the Pacific Ocean approximately four kilometres to the east. The coastal plain is well described in the evidence of Mr Smith³.
- 5.3.2 The closest residential dwelling is located at 110 Donehue Road approximately 300m southeast of the Clandeboye site boundary. The Clandeboye kindergarten is located at 14 Kotuku Place, adjacent to the northwestern boundary of the Clandeboye site (specifically 2-10 Kotuku Place).
- 5.3.3 Canal Road (which does not front the Clandeboye site but is a key transport route between the Clandeboye site and Temuka and Timaru) is a regional arterial road. Rolleston Road (where it fronts the Clandeboye site) and Milford Clandeboye Road are principal roads. Donehue Road and Clandeboye Settlement Road are local roads.
- 5.3.4 The wider area comprises predominately farmland, including farms owned by Fonterra for wastewater discharge purposes. The Orari River is approximately 1.2km to the south of the Clandeboye site.

¹ Evidence of Mr Ross Burdett, paragraphs 11 and 17

² Evidence of Ms Suzanne O'Rourke, paragraph 11

³ Evidence of Mr Paul Smith, paragraphs 24 and 25

5.4 Relevant District Planning frameworks

Operative Timaru District Plan

- 5.4.1 Pursuant to the operative District Plan ("**TDP**"), the Clandeboye site is zoned Industrial H Zone and Rural 1 Zone and is subject to a single overlay, being Designation 135 (for telecommunications purposes). This designation is now redundant as Chorus New Zealand Limited ("**Chorus**") owns land on the corner of Rolleston and Donehue Roads housing telecommunications infrastructure. See **Appendix B, Figure 1** for relevant graphic.

Proposed Timaru District Plan

- 5.4.2 Pursuant to the PDP, the Clandeboye site is zoned GIZ and GRUZ and is subject to a number of overlays including (see **Appendix B, Figures 2 – 6** for relevant graphics):

- The Flood Assessment Area overlay.
- The Liquefaction Awareness Area overlay (in part).
- Major Hazard Facilities overlay (in part) (SHF-20).
- Heritage Item overlay (in part) (HHI-169) and associated Heritage Item Extent overlay (in part).
- Wāhi Tūpuna overlay (in part) (SASM-5).
- Drinking Water Protection Area overlay (in part).
- Height Specific Control Area (in part).

6 SPECIAL PURPOSE ZONE: CLANDEBOYE DAIRY MANUFACTURING ZONE

6.1 Background

- 6.1.1 Through submissions, Fonterra⁴ sought to rezone the Clandeboye site from GIZ and GRUZ to Special Purpose Zone: Strategic Rural Industry Zone. That SPZ was intended to apply more widely than just the Clandeboye site and was promoted initially (as part of comments to the Draft District Plan) by Fonterra, Silver Fern Farms and Ravensdown.

- 6.1.2 Since the close of submissions Fonterra has recognised that, as sole proponent, a more targeted SPZ is appropriate. As such, the SPZ that Fonterra is tabling for consideration by the Panel is the CDMZ, with revised provisions suitable to the Clandeboye site (rather than wider application to other strategic activities within the district).

6.2 Relief sought

- 6.2.1 The relief now sought by Fonterra is to replace the current GIZ and GRUZ over the Clandeboye site with the CDMZ. There are no changes proposed to the

⁴ Submissions 165.1 and 165.2

overlays – although these will be discussed further in later hearings in 2024 and 2025. The zoning and provisions package is contained in **Appendix C**.

6.2.2 The zone extent (shown in **Figure 2** below and included as Appendix A, Figure 06 to Mr Paul Smith's evidence) takes in the majority of Fonterra's landholdings in the vicinity of the Canal Road/Rolleston Road/Milford Clandeboye Road intersection. For clarity, the CDMZ:

- Does not extend over 110 Donehue Road (this will retain its notified GIZ zoning).
- Split zones 37 Rolleston Road (with CDMZ / GRUZ).
- Rezones 0 Rolleston Road (Lot 4 DP 75226) being land owned by Chorus and designated for the purpose of '*Telecommunications and Radio Communications and Ancillary*'.
- Rezones 1068 Milford Clandeboye Road and 0 Clandeboye Road (Lot 1 Deposited Plan 69140 and Lot 1 Deposited Plan 51498), being land owned by the Council and used for the Clandeboye Hall and Clandeboye Fire Station respectively.
- Includes Kotuku Place, Rolleston Road, Donehue Road, Milford Clandeboye Road and Clandeboye Settlement Road where those roads front land zoned CDMZ.

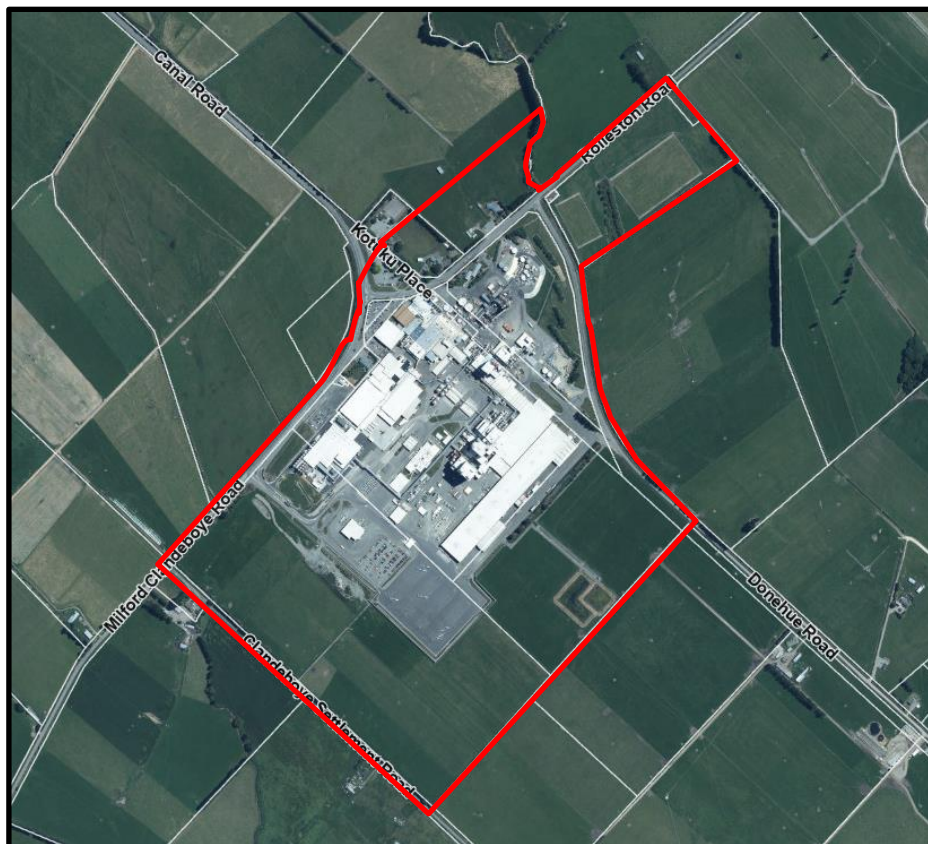


Figure 2: Proposed Clandeboye Dairy Manufacturing Zone extent

- 6.2.3 The CDMZ includes two new objectives, three new policies, three new activity rules and three new standards. The bulk and location of buildings on the Clandeboye site will be managed by an ODP appended to the chapter.
- 6.2.4 The overarching intent of the zone (articulated through the provisions) is to recognise the regional and national significance of the site to the dairy sector by enabling activities and buildings consistent with the operational requirements of the site, managing effects beyond the site (largely through the topic chapters – noise, lighting etc) and acknowledging that sensitive activities will compromise the ability of the Clandeboye site to meet its operational needs.
- 6.2.5 The CDMZ and the related ODP capture what already exists on the Clandeboye site with scope for small scale developments, including maintenance works, opportunities to capture changes in technology and the proposed energy conversion project (from coal to wood - which will assist the decarbonisation of the site). Large scale projects, not anticipated by the ODP, will require resource consent.
- 6.2.6 I have not identified any submissions that oppose the original relief sought by Fonterra. I therefore consider it unlikely that there would be opposition to the revised relief as it is a narrowing of the original relief sought. Mr Williams, counsel for Fonterra, will discuss the issue of scope further in legal submissions.

6.3 *Reporting officer's recommendations*

- 6.3.1 The reporting officer⁵ opposes the rezoning of the Clandeboye site, primarily citing that the GIZ is sufficient for the purposes of the site.

6.4 *Statutory framework and planning considerations*

- 6.4.1 The detailed statutory framework under the RMA for assessing the submission will be well known to the Hearing Panel. In short, the framework includes:
- a. Section 31, which sets out the functions of the Council.
 - b. Section 74, which provides the framework for assessing the proposed rezoning and sets out those matters which must be considered and those matters to which regard shall be had.
 - c. Section 75, which addresses the contents of what a district plan must contain and that it must, amongst other things, give effect to any national policy statement, a national planning standard and any regional policy statement.

⁵ Section 42A Report: Rural Zones, section 13.2

6.5 Part 2 (Sections 5-8)

- 6.5.1 The proposed rezoning must accord with the provisions of Part 2 of the RMA including its sustainable management purpose (section 5), which is addressed in paragraph 6.10.1 below.
- 6.5.2 I do not consider there are any section 6 matters relevant to the proposed rezoning of the site. While I acknowledge that there are both cultural (section 6(e)) and historic heritage (section 6(f)) overlays proposed over the site, these are not affected by the proposed rezoning and the provisions relating to those overlays will be discussed at later hearings.
- 6.5.3 In terms of section 7, I consider (b) *the efficient use and development of natural and physical resources*; (c) *the maintenance and enhancement of amenity values*; and (f) *the maintenance and enhancement of the quality of the environment*, are all relevant matters to have regard to.
- 6.5.4 I consider section 8 of the RMA to be relevant to the proposed rezoning and note that the District Plan Review process carried out in accordance with Schedule 1 (which includes the opportunity to rezone land) inherently takes into account of the principles of Te Tiriti o Waitangi.
- 6.5.5 In relation to these matters, I note that the request to rezone the Clandeboye site will replace one urban zone with another. I consider that the benefit of the CDMZ is that it better recognises the operational complexities of the Clandeboye site, which has existed in this location for approximately 120 years. I consider the CDMZ better provides for the efficient use of the natural and physical resources at the Clandeboye site; maintains an amenity consistent with the operational reality of the site (which is different to the GIZ); and maintains the quality of the environment by including suitable bulk and location controls.

6.6 Section 32

- 6.6.1 A full section 32AA assessment is contained in **Appendix D**. The analysis of the proposed rezoning (the proposal) concluded that:
- a. The new zone objectives for the CDMZ enable development of the Clandeboye site to meet the regional and national needs of the dairy sector. Furthermore, the objectives support the continued operation and development of the Clandeboye site within a building envelope that meets the operational requirements of the site, while managing effects (amenity, visual, shadowing, dominance) on adjoining properties. The proposed objectives are considered to be the most appropriate way to achieve the purpose of the RMA.
 - b. The proposal includes a policy framework that is considered the most appropriate way to achieve the objectives of the proposal. The policies enable dairy processing activities, activities ancillary to dairy processing activities and the development of the Clandeboye site, at such a scale, to meet the operational requirements of the site, while managing effects on the environment. Importantly, the policies acknowledge that the potential

for reverse sensitivity effects is incongruent with the operational requirements of the Clandeboye site.

- c. The proposal includes rules and standards that are considered the most appropriate way to achieve the objectives of the proposal. The rules and standards clearly reinforce that the purpose of the zone is to enable dairy processing activities, including enabling a built form and scale that facilitates the operational requirements of the Clandeboye site, while managing the zone interface and the effects of building bulk on neighbouring properties.
- d. The cost and benefits of the proposal have been considered, and on balance the benefits are considered to outweigh the costs. Where costs are recognised, these have been avoided or minimised through provisions in the proposal. One cost identified is the potential loss of an area of HPL; however, this is considered to be offset by the ability to decarbonise the site with the conversion of coal to wood. This is discussed further in **Section 6.8** below.
- e. Three alternatives to the proposal have been identified. The proposal is considered more appropriate than the alternatives.
 - i. First, managing the natural and physical resources on the site through a series of resource consent applications is considered an inferior means of achieving sustainable management, and the process of operating a site of this size becomes very time consuming, costly and inefficient for all involved. In her evidence, Ms O'Rourke has provided a summary of the workflow associated with consenting, developing and managing the site⁶.
 - ii. Secondly, retaining the GIZ and including a precinct overlay is not considered an efficient or effective means of managing the natural and physical resources on the Clandeboye site because the framework needed to support the site is much more nuanced than the methods of the GIZ which are intended to apply to businesses with one or two activities operating on a single site in an urban location.
 - iii. Lastly, a Private Plan Change Request is considered an unnecessarily costly, time consuming and inefficient exercise when there is an opportunity now to have the rezoning request considered with associated technical input.
- f. There is sufficient information to understand the risks of acting or not acting. There is certainty and sufficient information on the effects to be managed that there is low risk of acting on this proposal.
- g. The proposal achieves the objectives and thereby Part 2 of the Act in a more efficient and effective manner than the notified framework.

⁶ Evidence of Ms Suzanne O'Rourke, paragraphs 14 – 16

6.7 National Planning Standards

6.7.1 The NPS establish a standard format for district plans across New Zealand. Clause 8 (Zone Framework Standard) identifies the mandatory directions for district plan zones. Direction 1 of Clause 8 sets out that district plans must only contain the zones listed in Table 13 of the Standards consistent with the description of those zones. However, Clause 8(1)(a) provides for Special Purpose Zones when Direction 3 is followed. Direction 3 sets out that:

3. *An additional special purpose zone must only be created when the proposed land use activities or anticipated outcomes of the additional zone meet all of the following criteria:*
 - a. *Are significant to the district, region or country*
 - b. *Are impractical to be managed through another zone*
 - c. *Are impractical to be managed through a combination of spatial layers.*

6.7.2 The following is an assessment of Clause 8(1)(a) of the NPS to consider the appropriateness of a SPZ for the Clandeboye site:

Criterion a – are significant to the district, region or country

6.7.3 The guidance for this criterion directs the Council to consider whether the activities to be zoned are significant to the district, regional or country. There is no direction on how 'significant' is determined but I consider it could reasonably address things such as scale and expanse, or the social, economic, cultural or environmental benefits.

6.7.4 The Clandeboye site covers an area of approximately 80ha. At the time of publishing the Draft District Plan, Timaru had 866ha of GIZ zoned land⁷; as such, the site represents approximately 10% of all the GIZ land in the district. By comparison, the PORTZ land (excluding the operational wharf areas) is approximately 50ha in area⁸.

6.7.5 The scale of the operation and significance regionally and nationally is well canvassed in Mr Burdett's evidence. To summarise, the Clandeboye site:

- a. Employs 1219 individuals (over 900 being full time employees), with wages and salaries in the vicinity of \$118 million⁹.
- b. Contributes financially and in service to the local community¹⁰.

⁷ Timaru District Business Land Economic Assessment, Property Economics, 2021

⁸ <https://southcanterbury.org.nz/business-listing/primeport-timaru/>

⁹ Evidence of Mr Ross Burdett, paragraph 11

¹⁰ Evidence of Mr Ross Burdett, paragraph 13

- c. Processes 40% of Fonterra's South Island milk and produces nearly 10% of Fonterra's New Zealand milk into cheddar¹¹, mozzarella¹², whey protein concentrate, butter (unsalted¹³ and lactic), whole milk powder, skim milk powder, anhydrous milk fat, milk protein concentrate and lactose¹⁴.
- d. When operating at full capacity, processes up to 13.8 million litres of milk per day; and in the 2023/2024 season processed 2.3 billion litres, valued at approximately \$1.8 billion¹⁵.
- e. Fills more than 10,000 containers of dairy product every year, with approximately 98% of product exported from the Timaru Port¹⁶.
- f. Has a current value of approximately \$854 million with the reinstatement value being approximately \$1 billion¹⁷.

6.7.6 Mr Copeland has considered the economic benefits of the Clandeboye site. To summarise, the Clandeboye site:

- a. Adds important economic diversity to the local economy¹⁸.
- b. Generates local indirect effects ('forward and backward linkage' effects and 'induced' effects) totalling 1,853 additional jobs, \$179.1 million per annum in additional wages and salaries and \$97.5 – 105 million per annum in additional expenditure¹⁹.
- c. Generates regional indirect effects totalling 2,470 additional jobs, \$238.8 million per annum in additional wages and salaries and \$315 million per annum in additional expenditure²⁰.
- d. Generates economic welfare enhancing benefits including increased economies of scale; increased competition; reduced unemployment and underemployment of resources; increased quality of central government provided services²¹.

¹¹ The equivalent of 200,000 one-kilogram blocks of cheddar cheese per day. Evidence of Mr Ross Burdett, paragraph 22

¹² The largest producer of natural mozzarella cheese in the southern hemisphere. Evidence of Mr Ross Burdett, paragraph 24

¹³ The largest producer of unsalted butter in the world capable of producing 260 tonnes daily. Evidence of Mr Ross Burdett, paragraph 23

¹⁴ Evidence of Mr Ross Burdett, paragraph 15

¹⁵ Evidence of Mr Ross Burdett, paragraph 17

¹⁶ Evidence of Mr Ross Burdett, paragraphs 26 and 27

¹⁷ Evidence of Mr Ross Burdett, paragraph 21

¹⁸ Evidence of Mr Mike Copeland, paragraph 52

¹⁹ Evidence of Mr Mike Copeland, paragraph 58 and 59

²⁰ Evidence of Mr Mike Copeland, paragraph 60

²¹ Evidence of Mr Mike Copeland, paragraphs 63 and 64

- 6.7.7 I consider that there is sufficient evidence from Mr Burdett and Mr Copeland to confirm that the site is significant at a local, regional and national level.

Criterion b – are impractical to be managed through another zone

- 6.7.8 The Clandeboye site has a notified zoning of predominantly GIZ, with some GRUZ on the northwestern side of Rolleston Road. For the following reasons, I consider it impractical to manage the site pursuant to these zones.
- 6.7.9 Firstly, I note that I have taken 'impractical' to mean that it is not sensible, realistic or appropriate to manage the site under the GIZ (rather than it being 'impossible').
- 6.7.10 I acknowledge that the PDP is seeking to 'roll over' the existing Industrial H zoning, which was established for the site as early as 1995 (when the TDP was notified). In the almost 30 years since the Industrial H zoning was applied, the Clandeboye site has undergone regular change and, as set out in Ms O'Rourke's evidence²², Fonterra has needed to repeatedly seek resource consent for relatively routine dairy processing activities. To that end, I consider the application of the (notified) GIZ rules and standards to the site below.
- 6.7.11 The successful operation of the site relies on the agglomeration of a wide variety of activities. For context, the rezoning proposal has sought to capture these activities collectively under the definition of *dairy processing activities*, being:
1. *Any dairy processing activity, including the processing, testing, storage, handling, packaging or distribution of product.*
 2. *Any ancillary activity, limited to:*
 - a. *Rail infrastructure and rail activities required for the transportation of dairy product.*
 - b. *Infrastructure for roading and parking, wastewater, sewerage, stormwater, water supply and energy generation.*
 - c. *Any laboratory or facility for research and development related to the dairy processing activity.*
 - d. *Any office or facility required for the administration and management of the dairy processing activity, and the marketing, sales, and distribution of dairy products.*
- 6.7.12 While I acknowledge that the definition of *industrial activities* is broad, GIZ-R1 specifically excludes *ancillary activities*, which are provided for under GIZ-R2 as permitted activities where they are carried out on the same site²³ as the

²² Evidence of Ms Suzanne O'Rourke, paragraph 14

²³ means: a. an area of land comprised in a single record of title under the Land Transfer Act 2017; or b. an area of land which comprises two or more adjoining legally defined allotments in such a way that the allotments cannot be dealt with separately without the

industrial activity and are limited in area to 15% of the industrial activity. For the large majority of industrial activities this is unlikely to be difficult to satisfy, as they will operate on a single site. However, the Clandeboye site comprises 12 land parcels held in nine Records of Title and as such I consider it would be difficult to avoid triggering resource consent for an ancillary activity.

- 6.7.13 The Clandeboye site also includes offensive trades, including the management and disposal of sludge and refuse recovery, which are discretionary activities under the PDP. I consider this activity status and associated provisions to be appropriate for a GIZ zoned site in an urban location where there are more sensitive receivers. However, the Clandeboye site is located in a rural environment and this infrastructure is located on the site to manage effects. Fonterra hold resource consents from both the Council and ECan for these activities in their current form.
- 6.7.14 The infrastructure activities that support the operation of the Clandeboye site, include roading and parking, wastewater, sewage, stormwater, water supply and energy generation. Pursuant to GIZ-R5 and TRAN-R11 these activities would require resource consent as non-complying activities despite being appropriate to the purpose of the zone, the rural location and the private nature of the internal roading. I acknowledge that stormwater would be exempt from the provisions of the SW chapter of the PDP as it holds the necessary consents from ECan. The non-complying activity status means that the Council are able to broaden their assessment to anything they consider relevant, which can be unnecessarily obstructive for a site of this complexity.
- 6.7.15 The GIZ includes six standards that would apply to the Clandeboye site (if the zoning is retained). The evidence of Mr Paul Smith²⁴ compares these to the CDMZ methods for managing bulk and location, but I discuss them briefly here:
- a. GIZ-S1: Given the rural location of the Clandeboye site, I consider a height to boundary requirement unnecessary and ineffective. Any such control would only push buildings back from the boundary so that an operational built form could be achieved, losing developable land unnecessarily because there are no sensitive activities to 'protect' from building dominance and shading. A height to boundary control is appropriate for urban based sites as inevitably there is a sensitive boundary that needs to be controlled.
 - b. GIZ-S2: The 35m height limit would be restrictive for the Clandeboye site. It does not provide for the larger structures on the site and is considered overly permissive for the remainder of the site, which only

prior consent of the council; or c. the land comprised in a single allotment or balance area on an approved survey plan of subdivision for which a separate record of title under the Land Transfer Act 2017 could be issued without further consent of the Council; or d. despite paragraphs (a) to (c), in the case of land subdivided under the Unit Titles Act 1972 or the Unit Titles Act 2010 or a cross lease system is the whole of the land subject to the unit development or cross lease.

²⁴ Evidence of Mr Paul Smith, paragraph 43 and Table 2

needs a height of 15-20m to effectively provide for the majority of the Clandeboye site's operational requirements.

- c. GIZ-S3: The setbacks are not a problem for the Clandeboye site.
- d. GIZ-S4: This would not apply to the Clandeboye site because of the distance to any General Residential Zone (Temuka being the closest).
- e. GIZ-S6: The landscaping provisions are problematic for the Clandeboye site and do not provide for a site of this nature and scale. This is confirmed by Ms O'Rourke where she states in her evidence²⁵

Fonterra recognises that landscaping is a measure to screen and visually soften the visual appearance of a site. However, this approach would have limited effectiveness at the Clandeboye Site where there are many built structures and some structures have a height of 70 metres. Further, the requirement to provide landscaping is constrained due to potential issues it can create at a food manufacturing site. That is, landscaping provides habitat for wildlife such as birds and rodents. When birds and rodents are attracted to a site their faeces have the potential to be transferred into the food manufacturing facilities. This type of contamination has significant impacts at a food manufacturing site and can, in extreme cases, lead to closure of the plant.

6.7.16 There is a small area of GRUZ that also applies to the Clandeboye site (northwest of Rolleston Road). One of the sites (2-10 Kotuku Place) is used by Fonterra for executive, administrative, training and wellbeing purposes and has been authorised through resource consents. The other site (37 Rolleston Road) is used occasionally as a laydown area to assist with projects being constructed on the main site. Further use of this land for dairy processing activities (not already consented) would require resource consent as a non-complying activity, which as I have noted above, means that the Council are able to broaden their assessment to anything they consider relevant, which can be unnecessarily obstructive for a site of this complexity.

6.7.17 There are two further considerations I consider relevant to the appropriateness of the GIZ zoning of the Clandeboye site. Firstly, I note that the Timaru Port has been assigned a SPZ (and has an operative Industrial H zoning). The s32 Report states that (emphasis added):

The Port of Timaru (PrimePort) made a number of feedback points on the Draft District Plan. In addition to specific submissions on the zone provisions, the Port sought a Special Purpose Port Zone for its facility and activities. The planning standards expressly include a Special Purpose Zone for ports as a zone if this is warranted. Based on feedback points received the Port area has been re-zoned from General Industrial Zone to a Special Purpose Zone – Port Zone.

PrimePort put forward that the GIZ provision make no acknowledgement of the Port, in particular the objectives and policies and activities which

²⁵ Evidence of Ms Suzanne O'Rourke, paragraph 19

happen at the Port. The existing character and qualities of the Port, nor its continued use and development are provided for. These points were taken on board in the development of the Port Zone, within the PDP.

6.7.18 I note that the arguments put forward by PrimePort are identical to those advanced by Fonterra.

6.7.19 Secondly, the reporting officer²⁶ provided recommendations on the proposal to rezone the Canterbury woodchip site and commented on whether a GIZ is appropriate (for that site), specifically:

'It is my view that zoning this property GIZ would be contrary to various provisions of the PDP, and that spot zoning this site GIZ is inconsistent with the overall approach to zoning applied in the PDP, as:

- GIZ is an urban zoning type, and requires urban infrastructure, specifically trade waste connections to be available, with GIZ-O3.1 specifying that use and development in the GIZ is located so that it can be appropriately serviced by infrastructure;*
- The wider GIZ provisions would apply, allowing other industrial activities to establish on the site beyond those already existing, which allows for development potential inconsistent with the surrounding environment;*
- It would be inconsistent with the current PDP approach to zoning GIZ land, being that it is not connected to existing urban areas, as sought in UFD-O1 i, ii and x.*
- It would not be integrated with, or connected to existing urban areas, and thereby be contrary to CRPS Objective 5.2.1.1 and Policy 5.3.1.1 which both seek that developmental growth is concentrated, or attached to, existing urban areas...'*

6.7.20 When you look at these factors against the Clandeboye site, I note that the site is not located in an urban environment, it is not connected to an urban area, and it is not serviced by reticulated urban infrastructure. Furthermore, the Clandeboye site serves a very specific function and is not intended for a wide range of industrial activities. This reasoning therefore similarly shows that a GIZ is not the most appropriate zone for the Clandeboye site.

6.7.21 Overall, I consider the GIZ, GRUZ and (relevant) TRAN rules do not provide an effective framework that reflects the nature and scale of existing activities on the site and its rural location, nor do the provisions effectively provide for what should be reasonably enabled (for a site of this scale and complexity) to undertake maintenance works, respond to climate change decarbonisation commitments, retrofit advances in technologies and make minor additions that serve the purpose of the zone.

²⁶ Section 42A Report: Hearings B2 – Urban Zones: General Industrial Zone (GIZ) and Port Zone (PORTZ), paragraph 7.2.7

Criterion c – are impractical to be managed through a combination of spatial layers

- 6.7.22 The NPS provide a range of spatial layers that can be used in addition to a zone to manage activities. In this instance, a precinct or a specific control area could be considered the most appropriate spatial layers to adopt to manage the site.
- 6.7.23 The PDP (as notified) assigns a HSCA overlay to the site, which provides for buildings and structures up to 35m as a permitted activity (compared to the 15m permitted height limit in GIZ (outside the HSCA overlay)). There are no other proposed specific controls for the site, meaning that the only relief that the site gets from the proposed GIZ provisions is with respect to height. As I have noted above, the proposed height of 35m is problematic, in that it is inadequate to provide for the tallest buildings on site but is enabling of development across the entire site that is overly permissive for the requirements of the Clandeboye site.
- 6.7.24 While additional specific control areas could be applied to enable 'leniencies' in bulk and location, I consider that this would overly burden the overall function of the planning maps. Furthermore, specific control areas are not supported by a specific policy framework, which in the case of the Clandeboye site, I consider is appropriate to recognise its significance.
- 6.7.25 An alternative to a specific control area overlay, is the use of a precinct overlay. The NPS describes a precinct as:

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).

- 6.7.26 A precinct option was considered by Fonterra as an alternative to the SPZ and was also considered by the Council as part of their s32 analysis²⁷. I have considered the precinct option in my section 32AA analysis (**Appendix D**). For the reasons set out in the section 32AA and below, I do not consider the precinct to be the most practical (or sensible) planning solution to meet the needs of the Clandeboye site because:
- a. The multiple (proposed) precinct provisions necessary to provide for the activities and development of the Clandeboye site do not interface easily with the notified GIZ provisions. As noted above, precincts work by modifying or refining the zone provisions for a particular location. In the case of a Clandeboye precinct, the provisions for the Clandeboye site would have only a limited relationship with the GIZ policies, rules or standards (i.e. none of the GIZ provisions would apply to the Clandeboye site). In effect, the additional Clandeboye precinct provisions would be 'tacked on' to the GIZ as a way of finding a 'home' for them in the PDP.

²⁷ S32 Report, General Industrial and Port Zone, page 13

- b. The operations at the Clandeboye site are well known and have practical requirements associated with particular characteristics that cannot be readily accommodated by the GIZ provisions.
- c. I consider the precinct spatial layer is most suited to a developing site, where accommodations can be made to address site specific constraints. The Washdyke Industrial Expansion Precinct is a good example of this, where the GIZ policies, rules and standards are generally appropriate, but some additional controls are needed to manage the zone interface.
- d. The site is already subject to eight overlays. I consider the addition of another overlay is unnecessarily confusing, when a simpler and more streamlined set of zone provisions is more efficient and effective.

6.7.27 I therefore consider a standalone zone should be preferred over what would otherwise be a relatively cumbersome and impractical set of precinct provisions / spatial overlays.

Summary of analysis against the criteria

6.7.28 In light of the above, I consider that the criteria for including a SPZ for the Clandeboye site are satisfied. I have completed a thorough assessment of the precinct option as part of the section 32AA analysis and this showed that the CDMZ was the most appropriate way to achieve the purpose of the RMA.

Use of the SPZ by other territorial authorities

6.7.29 As is standard practice when drafting a District Plan, I have reviewed other second-generation plans developed under the NPS and which have been subject to scrutiny through a hearings process (rather than just being converted into the NPS format) to understand how the SPZ has been applied and whether it was applied to large scale complex sites. Examples include:

2G Plan	No. of SPZs
New Plymouth Proposed District Plan – Appeals Version	6
Wellington City 2024 District Plan: Appeals Version	10
Partially Operative Selwyn District Plan (Appeals Version)	11
Waikato Proposed District Plan – Appeals Version NB: this Plan was converted to the NPS format during the process of being heard, it was not developed pursuant to the NPS.	11

6.7.30 From this review, I note that the Partially Operative Selwyn District Plan (Appeals Version) has a specific Dairy Processing Zone (**DPZ**) that accommodates the Fonterra Darfield site, and which Fonterra has considered to shape the proposed CDMZ.

- 6.7.31 Furthermore, the New Plymouth Proposed District Plan – Appeals Version has a Major Facility Zone (**MFZ**), which is assigned to eight non-renewable energy sites (for harvesting, storing and processing of natural gas). The objectives for the zone are very similar to those advanced for the CDMZ, specifically:

MFZ-O1: Major facilities are provided for within a special purpose zone that recognises their national or regional significance, their unique operational characteristics and the contribution they make to the economic and social wellbeing of the nation, region and district.

MFZ-O2: Adverse effects generated by the operation, maintenance and repair, upgrading or development of major facilities are avoided, remedied or mitigated as far as practicable.

MFZ-O3: Major facilities are not constrained or compromised by other incompatible activities or reverse sensitivity effects.

MFZ-O4: Major facility sites are able to be redeveloped or repurposed where that will result in a more efficient, sustainable land use and/or reduce greenhouse gas emissions, provided any adverse effects associated with the site's transition are appropriately avoided, remedied or mitigated.

- 6.7.32 I acknowledge that the s32 Report prepared by the Council undertook a similar exercise but reached substantially different conclusions. That analysis seems to be heavily reliant on the Proposed Southland District Plan (which has not been developed in accordance with the NPS) because *the approach* [a GIZ with a concept plan overlay] *is considered of high relevance to TDC in regard to zoning in smaller rural townships and specific zoning of large Fonterra dairy factory*²⁸. The s32 Report acknowledged the existence of the DPZ, but had no regard to this, despite Darfield being a small rural town and the DPZ applying directly to another Fonterra site. The s32 Report also acknowledged the existence of the MFZ but did not explore the relevance of this to the Clandeboye site, despite there being similarities in the outcomes sought.
- 6.7.33 It is my opinion, that the Council have taken an overly narrow view to the application of Clause 8(1)(a) of the NPS; which in the case of the Clandeboye site has resulted in the inappropriate use of the GIZ, rather than a more effective and efficient SPZ that provides for the complex operational characteristics of the Clandeboye site. Other councils, who have developed their plans under the NPS, have used SPZs where this is considered the most appropriate way to manage large scale complex activities, and this includes SPZs in addition to those listed in the NPS.

6.8 Statutory considerations and other matters

- 6.8.1 I consider the statutory documents relevant to the request to rezone the Clandeboye site are the NPS-HPL, the NES-DW and CRPS.
- 6.8.2 It is my opinion that this request to rezone the site does not engage with the following statutory documents as no changes are proposed to the activities on

²⁸ S32 Report, General Industrial and Port Zone, page 9

the site as a result of the rezoning. Future activities on the site may engage with this national guidance and suitable assessment of these documents will occur at that time:

- The National Policy Statement for Greenhouse Gas Emissions from Industrial Process Heat 2023.
- The National Policy Statement for Freshwater Management 2020.
- The National Environmental Standards for Greenhouse Gas Emissions from Industrial Process Heat 2023
- The National Environmental Standards for Freshwater 2022.

6.8.3 I consider that there are a number of other documents that require consideration, including:

- The PDP.
- Te Whakatau Kaupapa (“**TWK**”) and The Iwi Management Plan of Kāti Huirapa for the Area Rakaia to Waitaki (“**IMP**”).
- The GMS.

6.8.4 The following paragraphs consider the statutory and non-statutory documents relevant to the rezoning request:

National Policy Statement for Highly Productive Land 2022

6.8.5 Ahead of mapping by ECan, the NPS-HPL defines HPL as:

(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.

6.8.6 The site includes LUC II and III land (see **Figure 3** below), but only a small portion of the site is zoned GRUZ (the land on the northwestern side of Rolleston Road). The majority of the land is zoned GIZ, and being an urban zone²⁹, is excluded from consideration under the NPS-HPL.

²⁹ National Policy Statement for Highly Productive Land 2022, definition **urban**

- 6.8.7 For completeness, SPZs (except Māori Purpose zone) are also defined as 'urban' under the NPS-HPL and therefore the change from GIZ to CDMZ does not require consideration of the NPS-HPL with respect to that land.
- 6.8.8 As such, consideration of the NPS-HPL is limited to the small area of land (approximately 5.5ha) on the northwestern side of Rolleston Road at 2-10 Kotuku Place and 37 Rolleston Road (see **Figure 4** below).

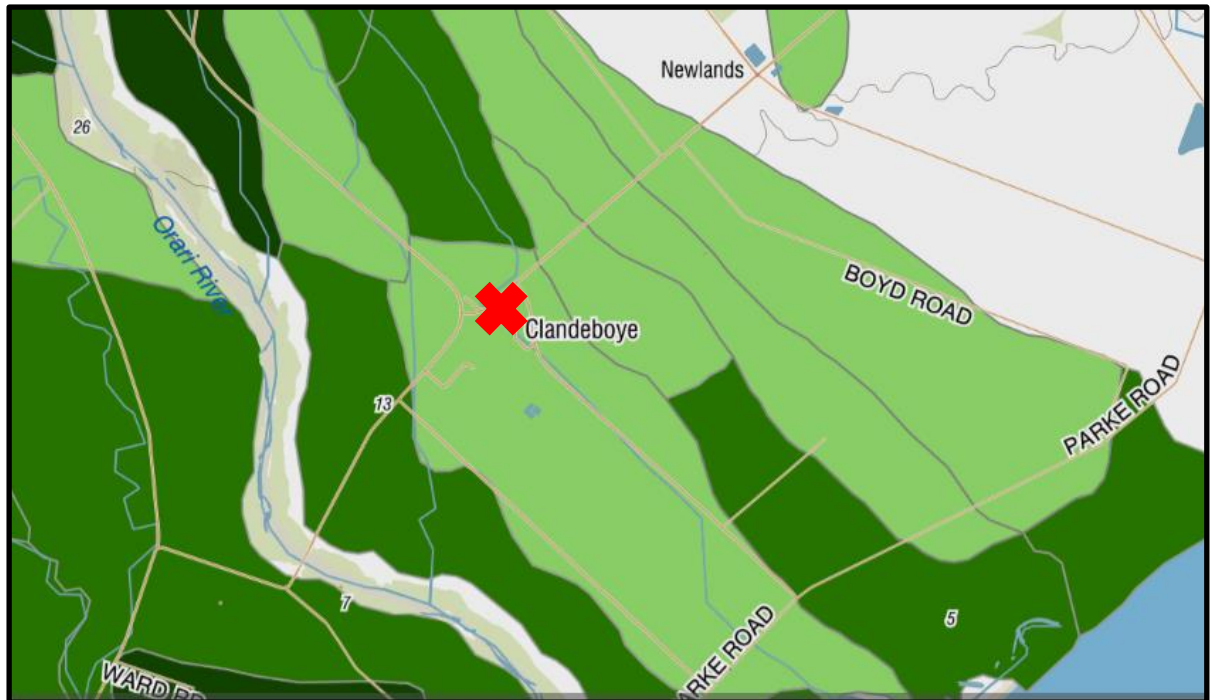


Figure 3: Highly Productive Land in and around the site (marked as an X)³⁰

³⁰ https://ourenvironment.scinfo.org.nz/maps-and-tools/app/Land%20Capability/Iri_luc_hpl

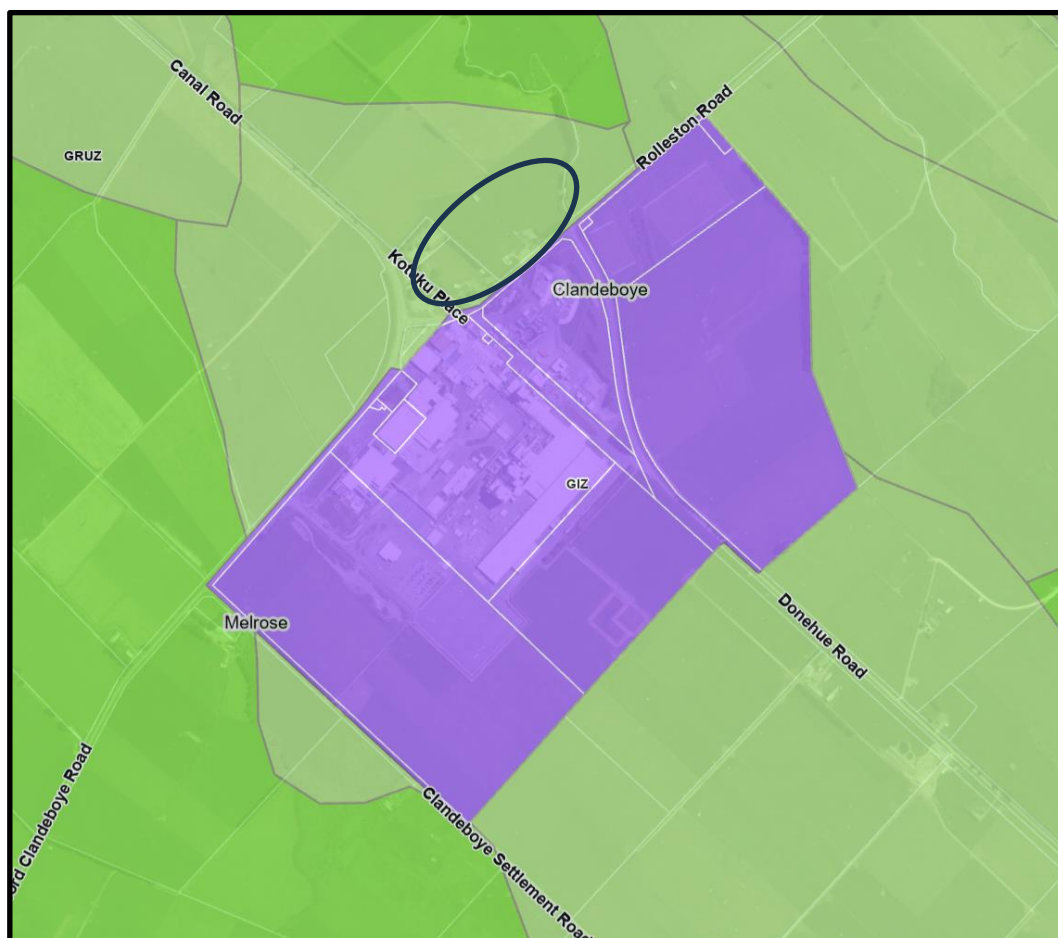


Figure 4: GRUZ land / highly productive land

- 6.8.9 The overarching objective of the NPS-HPL is that *highly productive land is protected for use in land-based primary production, both now and for future generations*. This objective is supported by nine policies, and I consider the following three to be relevant to the proposal:

Policy 4: The use of highly productive land for land-based primary production is prioritised and supported

Policy 5: The urban rezoning of highly productive land is avoided, except as provided in this National Policy Statement respectively.

Policy 8: Highly productive land is protected from inappropriate use and development.

- 6.8.10 Clauses 3.6(4) and (5) set out the parameters for the urban rezoning of HPL for territorial authorities that are not Tier 1 or 2³¹, specifically:

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

³¹ The National Policy Statement for Urban Development 2020 directs that Timaru is a Tier 3 Council

- 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.*

6.8.11 While Clause 3.11, which provides for the continuation of existing activities, states:

- 1. *Territorial authorities must include objectives, policies, and rules in their district plans to:*
 - a. *enable the maintenance, operation, or upgrade of any existing activities on highly productive land; and*
 - b. *ensure that any loss of highly productive land from those activities is minimised.*
- 2. *In this clause, existing activity means an activity that, at the commencement date:*
 - a. *is a consented activity, designated activity, or an activity covered by a notice of requirement; or*
 - b. *has an existing use of land or activity protected or allowed by section 10 or section 20A of the Act.*

6.8.12 Fonterra are in the planning stages of converting the coal powered heating source at the site to biomass (wood). Given the location of the existing coal fired boilers (near the corner of Rolleston Road and Donehue Road), using 37 Rolleston for additional infrastructure may be the most efficient and effective way to enable the delivery of the biomass project. The conversion of Fonterra's 10 manufacturing sites, which includes the Clandeboye site, to a biomass energy source will achieve delivery of Fonterra's decarbonisation ambition to reduce emissions to 50% by 2030 and exit coal by 2037³².

6.8.13 As to Clause 3.6(4)(a) and (b), the GIZ zoned land at the Clandeboye site is not required to provide sufficient development capacity for the Timaru district.

³² [Fonterra Sustainability Report 2023, Page 34 \(publitas.com\)](https://publitas.com/fonterra-sustainability-report-2023)

I was involved in preparing a report to inform the quantum of residential and business zoned land that should be brought forward in the PDP³³ to ensure that the district had sufficient development capacity³⁴. The Fonterra landholdings at the Clandeboye site were specifically excluded from consideration because *all vacant land owned by large corporate organisations was removed from the vacant supply (as it was assumed this was being reserved for future growth of those organisations)*.

- 6.8.14 As to the managing and balancing of effects (Clause 3.6(c)), Fonterra are proposing to rezone only the area of the site they consider necessary to deliver the biomass conversion project (the minimum area (Clause 3.6(5))). I consider that the loss of approximately 4ha of HPL at 37 Rolleston Road is offset by the benefits of achieving substantial emissions reductions at the Clandeboye site. Although I am not an expert in emissions policy, I note these benefits appear to be supported by the *Aotearoa New Zealand's first emissions reduction plan (the emissions reduction plan)*, which includes key actions particularly relevant to this project:

Reduce emissions and energy use in industry by:

- *supporting industry to improve energy efficiency, reduce costs and switch from fossil fuels to low-emissions alternatives through the Government Investment in Decarbonising Industry fund and the Energy Efficiency and Conservation Authority's business programmes*
- *banning new low- and medium- temperature coal boilers and phasing out existing ones by 2037.*

Set a strategy and targets to guide us to 2050 by:

- *setting a target for 50 per cent of total final energy consumption to come from renewable sources by 2035*
- *developing an energy strategy to address strategic challenges in the energy sector and signal pathways away from fossil fuels³⁵.*

- 6.8.15 The emissions reduction plan works in parallel with the first national adaptation plan, which sets in place a pathway to respond to climate change, even if the country pursues a low-emissions, resilient economy.
- 6.8.16 While I would not anticipate that the PDP would implement the NPS-HPL (given they were notified / gazetted at pretty much the same time), the Council has made some provision in the PDP for the expansion of urban areas (VS-P3). Having regard to VS-P3 and Clause 3.11 of the NPS-HPL, I consider that the rezoning of approximately 4ha of 37 Rolleston Road enables appropriate additional land to be made available to support the biomass conversion project and the continued operation of the Clandeboye site in a more environmentally sustainable way and in line with the emissions reduction plan which supports industry to decarbonise.
- 6.8.17 As for 2-10 Kotuku Place, this site is not used for farming purposes (historically it was the Clandeboye school and now it is used by Fonterra as offices and a

³³ GMS Residential Review Report 2022 and GMS Business Review Report 2022

³⁴ Clauses 3.2 and 3.3 of the National Policy Statement for Urban Development 2020

³⁵ Aotearoa New Zealand's first emissions reduction plan, page 202

training centre (for which they hold resource consent)); therefore, this site effectively operates as though it has an urban zoning and the HPL resource within this landholding is already unavailable for land based primary production purposes. I consider that rezoning 2-10 Kotuku Place to CDMZ does little to alter the availability of HPL within this land parcel.

National Environmental Standards for Sources of Human Drinking Water (NES-DW)

- 6.8.18 The NES-DW contains regulations for protecting sources of human drinking water from contamination and apply to registered drinking water supplies. These regulations place restrictions on granting water and discharge permits where registered drinking water supplies that provide water to 501 people or more (Regulations 7, 8 and 10) or 25 people or more (Regulation 11) may be adversely affected. The PDP also applies restrictions on certain landuses within proximity to drinking water bores.
- 6.8.19 There are four *Drinking Water Protection Areas* located within the Clandeboye site (see **Figure X** below).

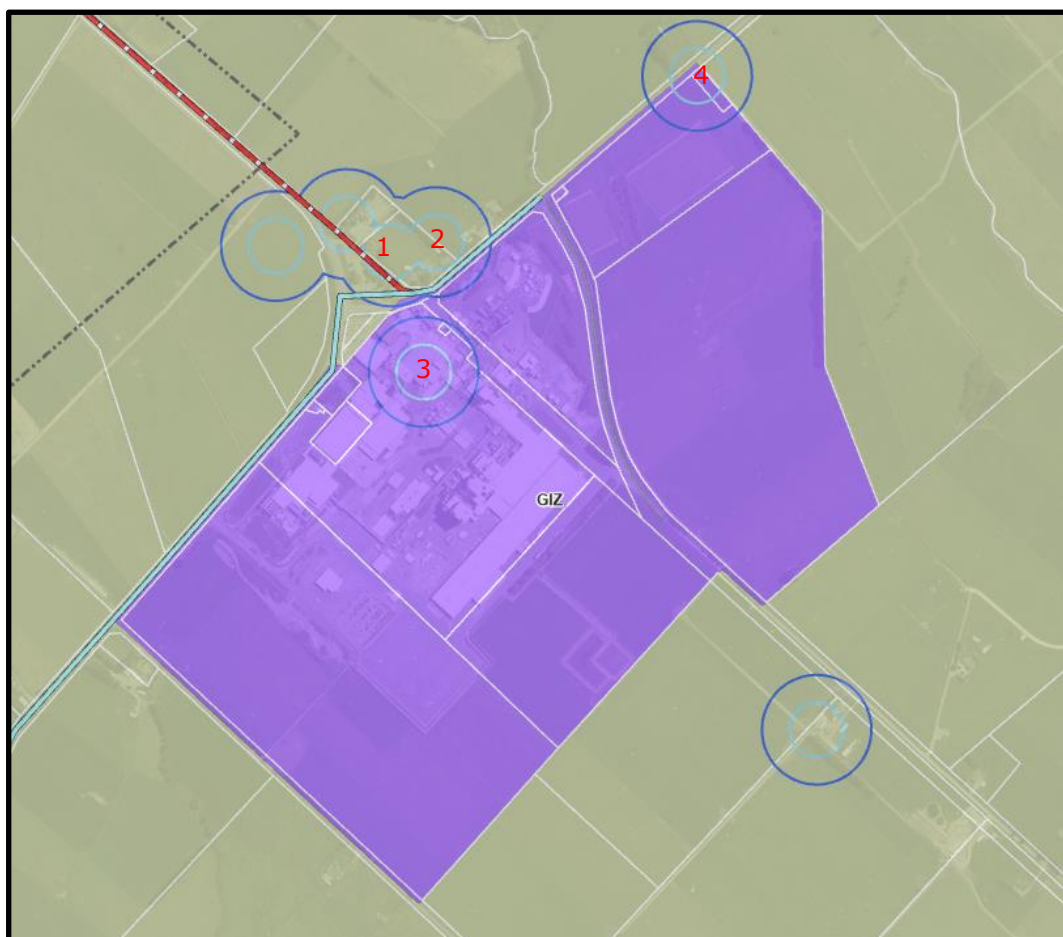


Figure 5: Proposed planning map with other district-wide matters overlays

- 6.8.20 I understand from Fonterra that Bore (1) and (2), as marked on **Figure 5**, are not drinking water bores; rather Bore (1) (CRC reference K38/1078) is a capped bore that is used occasionally for groundwater monitoring and Bore (2)

(CRC reference K38/0383) is capped and serves no useful purpose. Pursuant to Schedule 1, Clause 16 of the RMA, I consider that these Drinking Water Protection Areas could be removed from the PDP.

- 6.8.21 Bores (3) and (4) (marked on **Figure 5**) are located within the Clandeboye site and Fonterra³⁶ has made submissions to amend the relevant rules to enable existing activities to be undertaken. This submission will be discussed at a later hearing.
- 6.8.22 Notwithstanding the above, the proposed rezoning of the site does not override the relevant rules in the DWP chapter, which will still need to be assessed (if they continue to apply to the Clandeboye site) and future works are within the identified protection areas.

Canterbury Regional Policy Statement

- 6.8.23 I consider Chapters 4, 5 and 15 of the CRPS are relevant to the rezoning of the site. Noting that the proposed rezoning does not change the activities that will be undertaken on the site or the specific overlays that apply to the site; therefore, I do not consider that Chapters 11 and 13 to 19 are relevant to this request to rezone the site.
- 6.8.24 Chapter 4 recognises the relationship between Ngāi Tahu and natural and physical resources. This chapter is relevant because the request to rezone is a proposal to use natural and physical resources. The request to rezone the site is part of the District Plan Review process being undertaken by the Council. The rezoning of the site was promoted by Fonterra as part of the submission process. The Summary of Decisions Requested was notified and offered an opportunity for parties to make further submissions (on the submissions). From my review of the further submissions, Ngāi Tahu did not make a further submission opposing the request to rezone the site. I consider that the process for considering the rezoning proposal has had regard to Chapter 4 of the CRPS.
- 6.8.25 Chapter 5 (Land use and infrastructure) focuses on development within the district, and in particular the significance of regionally significant infrastructure and the need for land development to integrate with it. Objectives 5.2.1, 5.2.2 and 5.2.3, supported by Policies 5.3.2, 5.3.7, 5.3.8, 5.3.9 and 5.3.12, are relevant to the proposal.
- 6.8.26 Objective 5.2.1 provides overarching direction on the location, design and function of development. Overall, I consider that the proposal is consistent with Objective 5.2.1. While it does not consolidate development around an existing urban area (which would be unreasonable to expect given how established the Clandeboye site is), it provides for the sustainable management of a substantial and complex operation in its current location. In doing so, I consider the rezoning enables people and communities to provide for their wellbeing (and their health and safety through the noise control boundary mechanism (which I touch on below) and appropriate setbacks from the site and wastewater irrigation farms (also discussed below)) and specifically:

³⁶ Submission 165.96

- c. encourages sustainable economic development by enabling business activities in appropriate locations;*
- e. enables rural activities that support the rural environment including primary production;*
- f. is compatible with, and will result in the continued safe, efficient and effective use of regionally significant infrastructure;*
- i. avoids conflicts between incompatible activities.*

- 6.8.27 Objectives 5.2.2 and 5.2.3 (and Policies 5.3.2(3), 5.3.7, 5.3.8 and 5.3.9) seek to integrate land use with regionally significant infrastructure and ensure a safe, efficient and effective transport system. Given the reliance of the Clandeboye site on regionally significant infrastructure (in particular the road and rail networks and the Timaru Port), Fonterra works closely with the operating entities to manage the effects of its changing needs and demands on regionally significant infrastructure. I consider that the proposal is therefore consistent with Objectives 5.2.2 and 5.2.3 and related policies.
- 6.8.28 Policies 5.3.2 and 5.3.12 are the key policies, in my opinion, for the rezoning of the site.
- 6.8.29 Policy 5.3.2 seeks to enable development subject to satisfying a number of caveats, including not compromising or foreclosing a range of natural and physical resources; avoiding or mitigating hazards and reverse sensitivity effects and conflicts between incompatible activities; and integration with infrastructure and transport networks (discussed in paragraph 6.8.27 above). Given the Clandeboye site is an existing physical resource, the proposal to rezone the site from one urban zone (GIZ) to another urban zone (CDMZ) means that, in my opinion, the proposal is consistent with Policy 5.3.2.
- 6.8.30 Policy 5.3.12 seeks to maintain and enhance the natural and physical resources contributing to Canterbury's rural productive economy. It recognises primary production; tourism, employment and recreational development; and water quality and quantity as those resources contributing to the rural productive economy and sets out ways to maintain and enhance them. As above, I do not consider that a change in zoning offends Policy 5.3.12; in fact, I consider offering a more efficient and effective zone to facilitate the operations at the site advances the contributions that the Clandeboye site can make to the rural productive economy of Canterbury.
- 6.8.31 Chapter 15 seeks to maintain and improve the quality of soil resources in Canterbury (Objective 15.2.1) and prevent soil erosion (Objective 15.2.2). Each objective is supported by a single policy. In my opinion, the consideration of this chapter is limited to the area of the Clandeboye site (2-10 Kotuku Place and part of 37 Rolleston Road) that will change from a rural zone (GRUZ) to an urban zone (CDMZ). The majority of the site already has an urban zoning (GIZ) and therefore the soil resource (on the GIZ zoned land) has been 'forfeited' for other purposes.

- 6.8.32 As noted above, the loss of HPL at 37 Rolleston Road is key to delivering the biomass conversion project and decarbonising the site. The biomass conversion project gives effect to the emissions reduction plan and I consider that the loss of a relatively small area of HPL (4ha) is acceptable given the decarbonisation benefits of the project. As for 2-10 Kotuku Place (approximately 1.5ha), this site is not used for farming purposes (historically it was the Clandeboye school and now it houses offices and a training centre for which Fonterra hold resource consent); therefore this site effectively operates as though it has an urban zoning and the soil resource within this landholding is unavailable.
- 6.8.33 Overall, I consider that the proposal to rezone the Clandeboye site is consistent with the relevant objectives and policies of the CRPS.

The Proposed Timaru District Plan

- 6.8.34 While I acknowledge that the PDP represents an emerging direction for the district, I consider that, while provisions are still being heard, only limited weight can be given to the PDP provisions. I consider that reliance on higher order documentation (that the PDP must give effect to) is the appropriate backdrop for determining changes to the PDP provisions, including rezoning requests.
- 6.8.35 In saying that, I do consider that the rezoning request is consistent with the Strategic Directions of the PDP (specifically SD-O6 and SD-O9 and acknowledging the amendments that Fonterra have sought to those objectives). Ultimately, Fonterra is seeking to replace one urban zone (GIZ) with another (CDMZ) to better provide for an existing (complex) operation in this location; therefore, I consider that the CDMZ is consistent with the Strategic Directions. I also consider that the ODP and the building scale and location within the site appropriately reflect its rural location and how the site interfaces with the surrounding GRUZ.

Iwi Management Plans

- 6.8.36 There are two Iwi Management Plans relevant to the sustainable management of the Timaru district, being TWK and the IMP. Given that the proposal is seeking to rezone the site from one urban zone to another; that it does not alter the SASM-5 overlay or the requirements to manage works around rivers (under the NATC chapter); and that resource consents will continue to be required for the use of natural resources (from the regional council), I consider that the proposal is consistent with the relevant Iwi Management Plans.

Timaru District 2045: Growth Management Strategy

- 6.8.37 The GMS was promulgated to provide a clear pathway for urban growth and address the future residential and employment needs of the district. The GMS sets out twelve Strategic Directions which provide a framework for the growth of the district to 2045. The key directions for business development are [1], [3], [4], [6], [7] and [8] which describe outcomes for district character, settlement patterns and urban form, building resilient communities, sustainable economy, transport and infrastructure respectively.

- 6.8.38 While the GMS recognises that there is limited demand for additional industrial land (although this forecast was revised as part of the GMS Review in 2022 (which I cowrote), it does go on to state *an agile planning and infrastructure framework remains important. Forecasted trends in demand do not always account for industry specific demands and associated infrastructure servicing. Accordingly, District Plan policy, and associated financial contributions policy should be sufficiently agile to account for activity specific demand, whether this is an expansion at Clandeboye, or accommodating a specific manufacturing or logistics project at Washdyke*³⁷.
- 6.8.39 I do not consider that the GIZ offers the agile planning framework that the GMS anticipated. Conversely, I consider that the proposed CDMZ provides a suitably responsive planning framework that meets the specific operational needs of the Clandeboye site, which is an outcome anticipated by the GMS.

6.9 Key issues

Introduction

- 6.9.1 I consider that the effects of the proposed rezoning are limited to traffic effects, effects on landscape values and visual effects and economic effects.
- 6.9.2 There is a wider district planning issue of protecting the Clandeboye site against reverse sensitivity effects, which I will also canvas here, but which spills over into Hearing F (specifically consideration of noise and the application of a noise control boundary to the Clandeboye site). For the purposes of this discussion, Fonterra has engaged Mr Chilton and Mr Hay to provide odour and noise evidence respectively.

Traffic

- 6.9.3 Fonterra³⁸ made submissions seeking that traffic generation effects at the Clandeboye site be dealt with as part of the SPZ (at that time the Special Purpose Zone: Strategic Rural Industry Zone).
- 6.9.4 To confirm the most appropriate approach to managing traffic generated by the Clandeboye site, Mr Dave Smith has been engaged by Fonterra to provide evidence. Having considered the specific operational characteristics of the site and the capacity of the surrounding road network, he concludes that the thresholds for 'mixed use and other activities' in TRAN-S20 are appropriate to consider the traffic generating effects of the Clandeboye site.
- 6.9.5 As such, rather than including a traffic generating rule in the CDMZ, I consider that a simple amendment can be made to Table 21 in TRAN-S20 as follows:

³⁷ Timaru District 2045, Growth Management Strategy

³⁸ Submission 165.1, 165.2 and 165.44

TRAN-S20	High Trip Generating Activities				
All zones	Table 21 – High traffic generating activities				
	Activity	Basic ITA Required		Full ITA Required	
	...				
	<i>Mixed Use or other activities not listed above, <u>including all activities within the Clandeboye Dairy Manufacturing Zone</u></i>	50	Vehicle movements / peak hour	120	Vehicle movements / peak hour
		250	Vehicle movements / peak day	1000	Vehicle movements / peak day
		whichever is the greatest of above		whichever is the greatest of above	

- 6.9.6 I agree with Mr Smith where he concludes *in my view this is an appropriate threshold which is comparable with thresholds for other activities in terms of the number of vehicles generated and corresponding potential to impact on the surrounding transport network*³⁹.

Landscape

- 6.9.7 The effects of the proposed CDMZ and associated provisions (including the ODP) on the landscape values have been assessed by Mr Paul Smith. He has concluded that the proposed CDMZ will have a very low degree of effects on the landscape values and visual amenity of the receiving environment are very low to low (including the increase in zoned area by approximately 5.5ha)⁴⁰. Mr Smith also considers that the largely reduced height over the site (from 35m to largely 15-20m) will result in a low degree of positive visual effects⁴¹.
- 6.9.8 While the CDMZ removes the requirements for a height to boundary recession plane and landscaping, Mr Smith considers that this is appropriate given, in large part to, the rural location of the site⁴².
- 6.9.9 I therefore consider that the ODP and associated provisions proposed as part of the CDMZ are an appropriate planning response to manage the potential effects on landscape values.

Economic

- 6.9.10 In paragraph 6.7.6 above, I have recorded (in summary) the economic benefits described by Mr Copeland in his evidence. I will not repeat them here.

³⁹ Evidence of Mr Dave Smith, paragraph 35

⁴⁰ Evidence of Mr Paul Smith, paragraph 87

⁴¹ Evidence of Mr Paul Smith, paragraph 59

⁴² Evidence of Mr Paul Smith, paragraph 78 and 81

- 6.9.11 I consider that Mr Copeland has confirmed that the economic effects of facilitating the continued operation of the Clandeboye site can only be described as positive to both the district and the region.
- 6.9.12 I consider that the positive economic effects attributed to the Clandeboye site supports the proposed rezoning so that the provisions controlling the use and development of the site reflect the real operating parameters of this complex manufacturing site.

Reverse sensitivity / odour / noise

- 6.9.13 The issue of reverse sensitivity recognises that locating sensitive activities within the operating sphere of (permitted and consented) activities which generate effects beyond their site causes harm to the 'effects generating' activity. To recognise reverse sensitivity effects in a district plan is to acknowledge that preventing or restricting the rights of an individual is to support the contribution that a specific activity makes to the prosperity of the district (whether that be a critical, functional, economic or social contribution).
- 6.9.14 As set out in my Hearing A evidence, I do not consider that the Strategic Directions go far enough in protecting against reverse sensitivity effects, which is a fundamental consideration required by the CRPS (Objective 5.2.1 and Policy 5.3.2).
- 6.9.15 Mr Chilton and Mr Hay have provided evidence in relation to odour and noise effects (respectively) confirming that these effects can extend beyond the Clandeboye site boundary, which is an operational requirement of the business, i.e. to operate at the scale of the Clandeboye site means that these effects cannot be contained within the site boundary. The Clandeboye site holds resource consents from the Council and ECan for these effects, which include measures to manage these effects.
- 6.9.16 Mr Chilton describes the constraints of the Canterbury Air Regional Plan that would require Fonterra to reduce their operating sphere if a new sensitive activity was to occur near the Clandeboye site⁴³. He notes that in order to maintain the current operating sphere, Fonterra must rely on the PDP to preclude sensitive activities from establishing in proximity to the Clandeboye site⁴⁴.
- 6.9.17 I agree with Mr Chilton⁴⁵ and the reporting officer⁴⁶ that, while the primary responsibility for managing odour discharges from the Clandeboye site (and its wastewater disposal fields) lie with ECan, the Council also have a responsibility to assist in the management of odour effects by including appropriate zone provisions that recognise and manage the potential for reverse sensitivity

⁴³ Evidence of Mr Richard Chilton, paragraphs 16 and 17

⁴⁴ Evidence of Mr Richard Chilton, paragraphs 34

⁴⁵ Evidence of Mr Richard Chilton, paragraphs 30 – 34

⁴⁶ Section 42A Report: Rural Zones, paragraph 13.2.19

effects and to protect sensitive activities from objectionable or offensive environmental effects.

- 6.9.18 As such, I agree (in part) with the amendments recommended by the reporting officer to GRUZ-P5 and GRUZ-S4, but I have recommended further amendments to these provisions below to better reflect the purpose of the CDMZ.
- 6.9.19 Reverse sensitivity effects also arise as a result of elevated noise levels beyond the boundary of the site. Mr Hay confirms that Fonterra hold resource consent to operate at noise levels higher than those set out in both the TDP and PDP⁴⁷. Fonterra are seeking a NCB (and associated provisions) to formalise the noise limits for which it holds consent. The NCB will be discussed in more detail in Hearing E; however, Mr Hay confirms that a NCB is a robust and transparent method for managing noise⁴⁸ and will give effect to CDMZ-O2 and CDMZ-P3, which seek to protect the Clandeboye site from reverse sensitivity effects.

6.10 Conclusion

- 6.10.1 I consider that the proposal to rezone the Clandeboye site from GIZ and GRUZ to CDMZ is the most appropriate method for achieving the purpose of the RMA. I consider that the SPZ will ensure the sustainable management of the natural and physical resources at the site so that people and the community can provide for the wellbeing, particularly their economic and social wellbeing given the economic contribution of the Clandeboye site to the district and the region and the level of employment generated by the site. I consider the rezoning has balanced the use of HPL with achieving significant emissions reduction at the site thereby contributing to safeguarding the life supporting capacity of air and minimising the removal of HPL land resources. Lastly, the proposed CDMZ provisions (primarily achieved through the ODP) manage effects on the environment consistent with the purpose of the zone. The amendments I have suggested to GRUZ-P5 and GRUZ-S4, as well as the inclusion of a NCB work to avoid the potential for reverse sensitivity effects, which could impinge on the operational needs of the Clandeboye site.

7 GENERAL RURAL ZONE

- 7.1 Fonterra⁴⁹ made a submission seeking the deletion of the definition for *rural residential development* (noting that the NPS uses the term *rural lifestyle development*). The reporting officer⁵⁰ has recommended that the submission by Fonterra be accepted. I agree with the reporting officer's recommendation.

⁴⁷ Evidence of Mr Rob Hay, paragraph 27 – 36

⁴⁸ Evidence of Mr Rob Hay, paragraph 40

⁴⁹ Submission 165.20

⁵⁰ Section 42A Report: Rural Zones, paragraph 7.5.4

- 7.2 Fonterra⁵¹ sought to retain GRUZ-O1 as notified. The reporting officer⁵² has recommended that this submission be accepted. I agree with the recommendation of the reporting officer, I consider that GRUZ-O1 is an appropriate representation of the purpose of the zone.
- 7.3 In further submissions, Fonterra⁵³ supported a submission by NZPork⁵⁴ seeking to delete GRUZ-O2(3). The reporting officer⁵⁵ has recommended that the submission by NZPork (and therefore Fonterra's further submission) be rejected. I disagree with the reporting officer. The majority of sensitive activities occurring in the GRUZ will be the homes of farmers who are able to manage the location of their homes and the activities carried out on their own sites. In situations where neighbouring activities comprise intensive primary production, mining, quarrying, and other intensive activities, then GRUZ-O4 will apply. As such, I consider GRUZ-O2(3) is superfluous and can be deleted.
- 7.4 In further submissions, Fonterra⁵⁶ supported submissions by Silver Fern Farms⁵⁷ and Alliance⁵⁸ seeking to amend GRUZ-O4. The reporting officer⁵⁹ has recommended that the submissions by Silver Fern Farms and Alliance (and therefore Fonterra's further submission) be accepted in part. I agree with the changes that the reporting officer has recommended to the objective. I consider that the revised objective better reflects a range of issues, including the need for intensive activities to manage their own effects; that the effects of intensive activities are limited to those on existing sensitive activities; and the selection of 'sensitive' zones is appropriate.
- 7.5 In further submissions, Fonterra⁶⁰ opposed a submission by Federated Farmers⁶¹ stating that the GRUZ provisions impinge on private property rights. The reporting officer⁶² has recommended that the submission by Federated Farmers be rejected. I agree with the reporting officer that the submission should be rejected as providing for unfettered subdivision in the GRUZ would undermine the purpose of the zone, particularly the creation of large numbers of lifestyle lots.

⁵¹ Submission 165.124

⁵² Section 42A Report: Rural Zones, paragraph 10.2.10

⁵³ Further submission 165.53FS

⁵⁴ Submission 247.19

⁵⁵ Section 42A Report: Rural Zones, paragraph 10.3.8

⁵⁶ Further submissions 165.13FS and 165.23FS

⁵⁷ Submission 172.11

⁵⁸ Submission 173.11

⁵⁹ Section 42A Report: Rural Zones, paragraph 10.5.12

⁶⁰ Further submission 165.33FS

⁶¹ Submission 182.180

⁶² Section 42A Report: Rural Zones, paragraphs 10.14.3 and 10.14.4

- 7.6 In further submissions, Fonterra⁶³ opposed a submission by ECan⁶⁴ seeking that building coverage in the GRUZ be limited to 10%. The reporting officer⁶⁵ has recommended that the submission by ECan be rejected. I agree with the reporting officer that other standards are better suited for managing bulk and location in the GRUZ.

Rural industry

- 7.7 Fonterra⁶⁶ made several submissions relating to *rural industry*, including retaining the definition as notified; amending the policy framework (GRUZ-O3 and GRUZ-P7) to provide more recognition for, and be more enabling of, rural industry; and supporting the restricted discretionary activity rule for rural industry (GRUZ-R21). The reporting officer⁶⁷ has recommended a variety of responses to these submissions, which I discuss below.
- 7.8 Like the reporting officer, I support the use of the NPS definition for rural industry. I support the restricted discretionary activity status (GRUZ-R21) for rural industry defaulting to a discretionary activity status where it includes an offensive trade. I consider that a restricted discretionary activity status is consistent with GRUZ-O1, which recognises that the purpose of the zone includes rural industry.
- 7.9 As a result of the changes recommended to GRUZ-P5 (to avoid reverse sensitivity effects on rural industry), I am comfortable with the recommended amendments to GRUZ-O3. I consider that the amendment to GRUZ-P5 is an appropriate response because:
- a. Objective 5.2.1 of the CRPS is the overarching objective that informs Policy 5.3.2 and Policy 5.3.12. It has a very clear directive that conflicts between incompatible activities should be avoided. I consider rural industry would typically be incompatible with any sensitive activities that might seek resource consent to establish in the GRUZ (noting that there are no procedural grounds to manage the conflict with permitted sensitive activities).
 - b. With respect to Policy 5.3.12 of the CRPS, the primary chapeau refers to maintaining and enhancing '*natural and physical resources contributing to Canterbury's overall rural productive economy*'. The three subclauses of Policy 5.3.12 make it evident that the natural and physical resources relate to primary production, rural based development (tourism, employment and recreational) and water quality and quantity. Subclause (2)⁶⁸ seeks to enable development in rural areas where it satisfies a

⁶³ Further submission 165.36FS

⁶⁴ Submission 183.148

⁶⁵ Section 42A Report: Rural Zones, paragraph 10.39.3

⁶⁶ Submissions 165.19, 165.125, 165.126 and 165.128

⁶⁷ Section 42A Report: Rural Zones, paragraphs 10.4.8 – 10.4.16, 10.11.6, 10.31.7 and 10.31.12

⁶⁸ Policy 5.3.12 subclause 2: *enabling tourism, employment and recreational development in rural areas, provided that it: a. is consistent and compatible with rural character,*

number of criteria, including having a direct relationship with rural activities, rural resources or raw material inputs. The PDP has enabled rural industry using a restricted discretionary status⁶⁹. I consider it disingenuous to enable rural industry in the rural environment and then, once established, not protect it (with appropriate planning mechanisms) from reverse sensitivity effects, which could severely restrict operations and undermine the investment.

- c. A district plan must give effect to a regional policy statement⁷⁰. I consider that amending GRUZ-P5 to protect rural industry from reverse sensitivity effects is consistent with (or gives effect to) the CRPS. I consider that the amendment to GRUZ-P5 recommended by the reporting officer acknowledges the contribution that rural industry makes to Canterbury's overall rural productive economy and gives effect to Objective 5.2.1 of the CRPS which seeks to avoid conflict between incompatible activities.
- d. I note that emerging policy in the Draft CRPS⁷¹ reinforces that rural industry should be protected from reverse sensitivity. While there is little weight that can be placed on the Draft CRPS, it is an 'other matter' that the Panel are able to consider.

7.10 Fonterra⁷² sought the addition of a new policy seeking that reverse sensitivity effects on 'strategic rural industrial activities' are avoided. The reporting officer⁷³ has recommended that this submission be rejected, noting that the addition of rural industry to GRUZ-P5 should satisfy the submitters concerns⁷⁴. I consider that the amendment to GRUZ-P5 recommended by the reporting officer addresses the issue in part. As notified, the Clandeboye site is zoned GIZ but has functional and operational needs to locate in the rural environment, like a rural industry. Given the intent of GRUZ-P5, I think a further amendment to GRUZ-P5 is appropriate to recognise the CDMZ. I recommend the following amendment:

GRUZ-P5 ~~Protecting primary production~~ Reverse sensitivity

Manage sensitive activities in the zone to ensure:

activities, and an open rural environment; b. has a direct relationship with or is dependent upon rural activities, rural resources or raw material inputs sourced from within the rural area; c. is not likely to result in proliferation of employment (including that associated with industrial activities) that is not linked to activities or raw material inputs sourced from within the rural areas; and d. is of a scale that would not compromise the primary focus for accommodating growth in consolidate, well designed and more sustainable development patterns...

⁶⁹ National Policy Statement for Urban Development 2020, Clause 3.4(2)

⁷⁰ RMA, s75(3)(c)

⁷¹ Draft Canterbury Regional Policy Statement, IM-O5(4) (Built environments) and LF-RL - P1(b) and (d) (development in rural areas)

⁷² Submission 165.127

⁷³ Section 42A Report: Rural Zones, paragraph 13.2.14

⁷⁴ Further submission 165.30FS

1. they are located to avoid reverse sensitivity ~~adverse~~ effects on primary production, and rural industry activities and the Clandeboye Dairy Manufacturing Zone; or
2. if avoidance is not possible, the sensitive activity includes mitigation measures so that there is minimal potential for adverse effects on the sensitive activity from primary production, ~~or rural industry~~ activities or the Clandeboye Dairy Manufacturing Zone.

7.11 I consider this further amendment to GRUZ-P5 works well with proposed CDMZ-P3, which seeks to avoid reverse sensitivity effects on the CDMZ. As the Clandeboye site is surrounded by GRUZ, it relies on GRUZ provisions controlling land uses around the site.

7.12 With respect to GRUZ-P7, I consider the inclusion of 'only' (at the beginning of subclause (1)) suggests that rural industry and emergency services facilities are not generally anticipated in the zone, which is contrary to their restricted discretionary activity status. While consent is required, these activities are anticipated in the zone subject to consideration of the nature, scale and servicing of the activities.

7.13 As an aside, I consider GRUZ-P7 is trying to achieve too much. As drafted, P7 is trying to manage restricted discretionary, discretionary and non-complying activities. I consider that *rural industry* and *emergency services facilities* should be dealt with separately to those activities that are not generally anticipated in the zone.

GRUZ-S4 – Setbacks for sensitive activities

7.14 Fonterra⁷⁵ sought an additional clause be added to GRUZ-P4 requiring a 500m setback for sensitive activities from the boundary of any area used for the discharge of wastewater irrigation. The reporting officer⁷⁶ has recommended that this submission be accepted in part.

7.15 I agree that the additional clause be refined to apply to 'industrial and trade waste' (noting that the definition in the NPS and PDP is industrial and trade waste, not industrial trade waste). I do not agree that the setback should only apply to industrial and trade waste discharges at the Clandeboye Dairy Manufacturing site. The successful operation of the site relies on the ability of Fonterra to discharge wastewater (in accordance with its regional consents) to landholdings beyond the Clandeboye site at the intersection of Canal/Rolleston/Milford Clandeboye Roads (see **Figure 6** below). It is these sites, as well as the discharge fields at the site, that Fonterra are seeking to protect with setbacks for sensitive activities.

7.16 In response to the reporting officer's comments, Mr Chilton⁷⁷ has provided commentary on the appropriate setback for sensitive activities from industrial

⁷⁵ Submission 165.129

⁷⁶ Section 42A Report: Rural Zones, paragraphs 13.2.15 – 13.2.20

⁷⁷ Evidence of Mr Richard Chilton, paragraphs 35 – 43

and trade waste discharges. He confirms that a setback of 250m is appropriate where the wastewater from the site undergoes limited treatment prior to being irrigated/discharged (which can be the case for the Clandeboye site). On this basis, I consider that GRUZ-S4(4) should be further amended as follows:

GRUZ-S4 Setbacks for sensitive activities

...

4. No new sensitive activity may be established within 250m from the boundary of any area used for the discharge of industrial and trade waste generated by ~~from~~ the Fonterra Clandeboye site Dairy Manufacturing Zone.



Figure 6: Fonterra's landholdings in the vicinity of the Clandeboye site

8 GENERAL INDUSTRIAL ZONE

- 8.1 The following section of my evidence will address those Fonterra submissions on the GIZ; however, where Fonterra submissions on the GIZ have sought to modify the zone rules and standards to specifically achieve the outcomes for

the site (namely GIZ-S2, GIZ-S3 and GIZ-S6) I have addressed those above as part of the rezoning discussion.

- 8.2 Fonterra⁷⁸ made submissions seeking to retain the GIZ Introduction, GIZ-O1, GIZ-O2, GIZ-O3, GIZ-P1 and GIZ-P6 as notified. The reporting officer⁷⁹ has recommended that these submissions be accepted or accepted in part. I agree with the reporting officer's recommendations, including where those recommendations have included minor amendments to the provisions. I note that my support for these provisions is in a general sense, in that, I think they are appropriate for the GIZ but I do not think that they are the most efficient and effective way to achieve the outcomes sought for the Clandeboye site.
- 8.3 Fonterra⁸⁰ made a submission seeking to amend GIZ-P3 to focus the policy on the amenity within the GIZ and manage the amenity at the zone interface. The reporting officer⁸¹ has recommended that this submission be rejected. Given that PDP provisions cascade, I do not consider that GIZ-P3 needs the level of detail that was notified. It is obvious that screening, landscaping, building treatments and bulk and location constraints are all derived from a policy managing the zone interface. However, this approach appears to be the drafting preference of the reporting officer and I accept that.

9 PORT ZONE

- 9.1 Fonterra⁸² made submissions seeking to retain PORTZ-O1, PORTZ-P1, PORTZ-R3 and PORTZ-S1 as notified, and to delete the Height Specific Control Area overlay from the PORTZ. The reporting officer⁸³ has recommended that these submissions be accepted. I support the recommendations of the reporting officer and consider that the provisions as notified (and the deletion of the Height Specific Control Area overlay) will appropriately support development within the PORTZ, while managing effects on the environment.

10 CONCLUSION

- 10.1 I consider that the proposed CDMZ is the most appropriate method for achieving the purpose of the RMA and aligns with national and regional policy, as well as other guidance documents. The s32AA report confirms that it is more appropriate than the alternative options for managing the Clandeboye site. The

⁷⁸ Submissions 165.130, 165.131, 165.132, 165.133, 165.134, 165.136

⁷⁹ Section 42A Report: Hearings B2 – Urban Zones: General Industrial Zone (GIZ) and Port Zone (PORTZ), paragraphs 6.2.1, 7.2.12, 7.3.15, 7.4.14, 7.7.17

⁸⁰ Submission 165.135

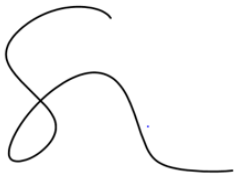
⁸¹ Section 42A Report: Hearings B2 – Urban Zones: General Industrial Zone (GIZ) and Port Zone (PORTZ), paragraphs 7.9.5 and 7.9.10

⁸² Submissions 165.7, 165.140, 165.141, 165.142 and 165.143

⁸³ Section 42A Report: Hearings B2 – Urban Zones: General Industrial Zone (GIZ) and Port Zone (PORTZ), paragraphs 8.2.4 and 8.3.4 and Appendix 3, Table B3.

request to rezone is consistent with Clause 8(1)(a) and Direction 3 of the NPS. The effects arising from the proposed rezoning are appropriately managed.

- 10.2 I consider that amendments to GRUZ-P5 and GRUZ-S4, as well as the inclusion of a NCB around the Clandeboye site will protect the site against the potential for reverse sensitivity effects.
- 10.3 I generally support the GIZ and PORTZ provisions as being appropriate for the purpose of those zones.



Susannah Vrena Tait

5 July 2024

APPENDIX A

My name is Susannah Vrena Tait. I am a Consultant Planner and Partner at Planz Consultants Limited.

I hold Bachelor of Science and Master of Applied Science degrees. I am a full Member of the New Zealand Planning Institute.

I have been employed in the practice of planning and resource management for approximately 20 years both in New Zealand and Australia.

I have been involved in a number of Plan Review / Amendment processes throughout the country, including:

- The preparation of submissions (on behalf of a government client) on the Intensification Planning Instruments prepared by Rotorua Lakes Council (Plan Change 9), Tauranga City Council (Plan Change 33) and Western Bay of Plenty District Council (Plan Change 92).
- The review (including preparation of submissions and evidence) of the Proposed Otago Regional Policy Statement (non-freshwater and freshwater) on behalf of Fonterra.
- The formulation of draft District Plan provisions for the Kaipara and Timaru District Councils, including urban growth recommendations for Timaru District.
- The preparation and review of proposed District Plans for the Selwyn and Waikato District Councils (including s32 and s42A Reports respectively).
- The review (including preparation of submissions and evidence) of proposed Unitary Plans on behalf of private clients, including the Auckland Plan and the Marlborough Unitary Plan (the latter for Fonterra).
- The review (including preparation of submissions and evidence) of Proposed District Plans on behalf of Fonterra and other private clients including the Whangarei, Selwyn and Timaru District Plans.
- The review (including preparation of submissions and evidence) of Proposed Regional Plans, on behalf of Fonterra, including the Southland and Bay of Plenty Regional Air Plans.
- The review (including preparation of submissions and evidence) of Plan Change 5 to the Hamilton City Plan on behalf of a government client.

APPENDIX B – Maps sourced from the Council’s website

Operative Timaru District Plan map

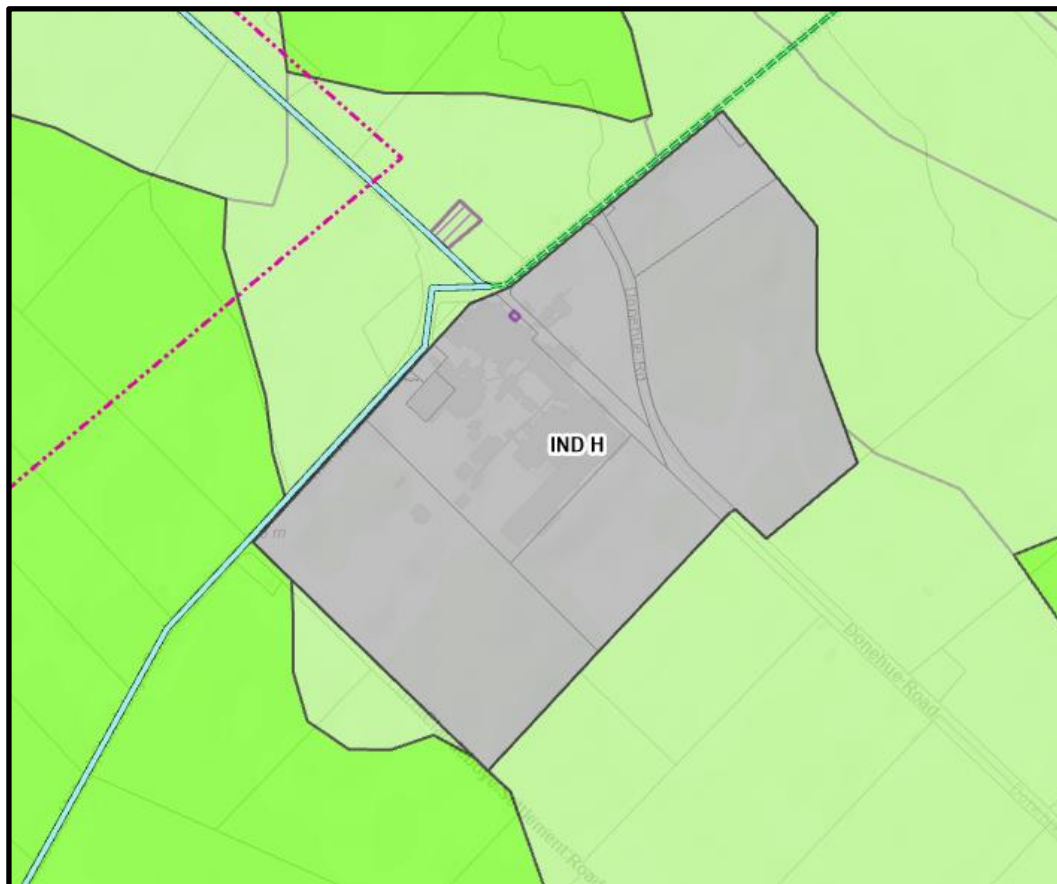


Figure 1: Operative District planning map

Proposed Timaru District Plan maps

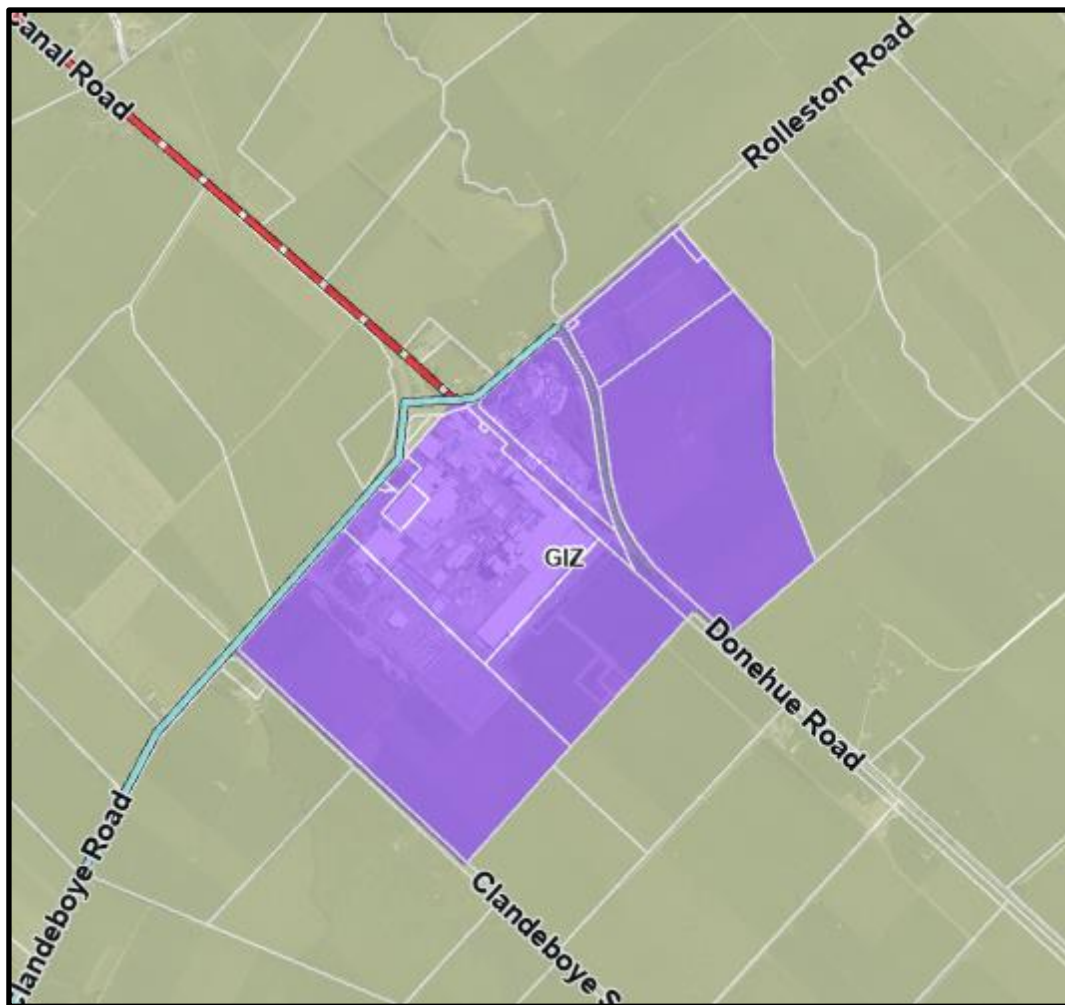


Figure 2: Proposed (notified) zones with infrastructure and transport overlays

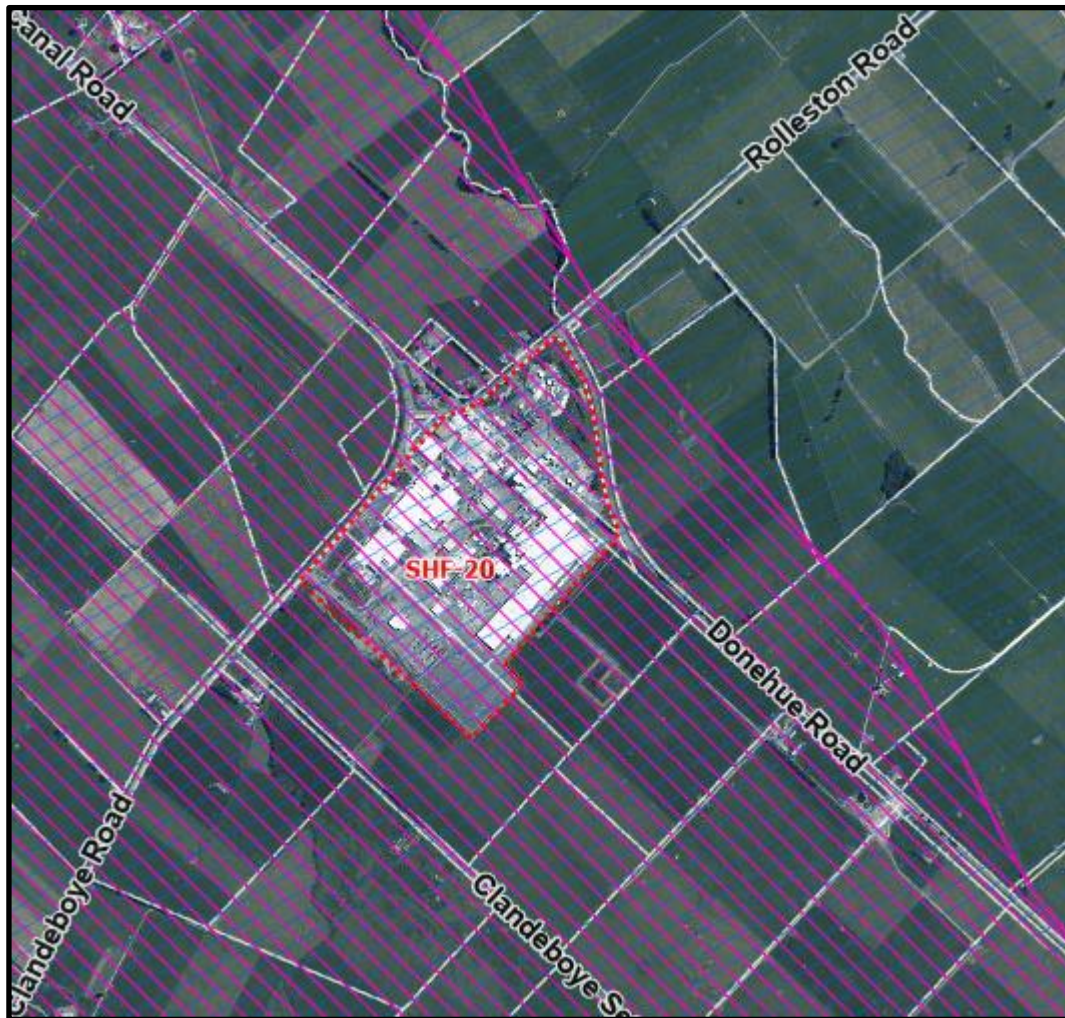


Figure 3: Proposed (notified) map with hazards and risks overlays

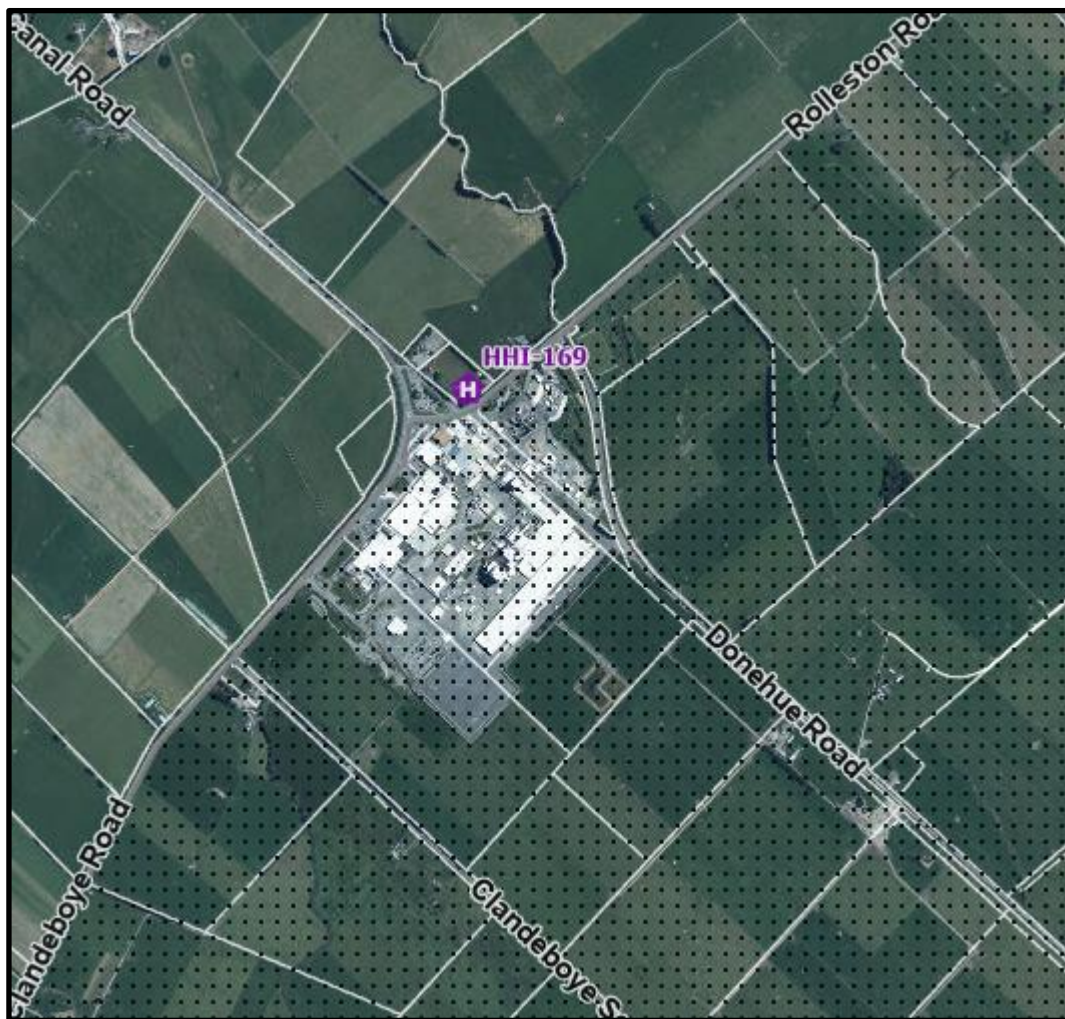


Figure 4: Proposed (notified) map with historical and cultural values overlays

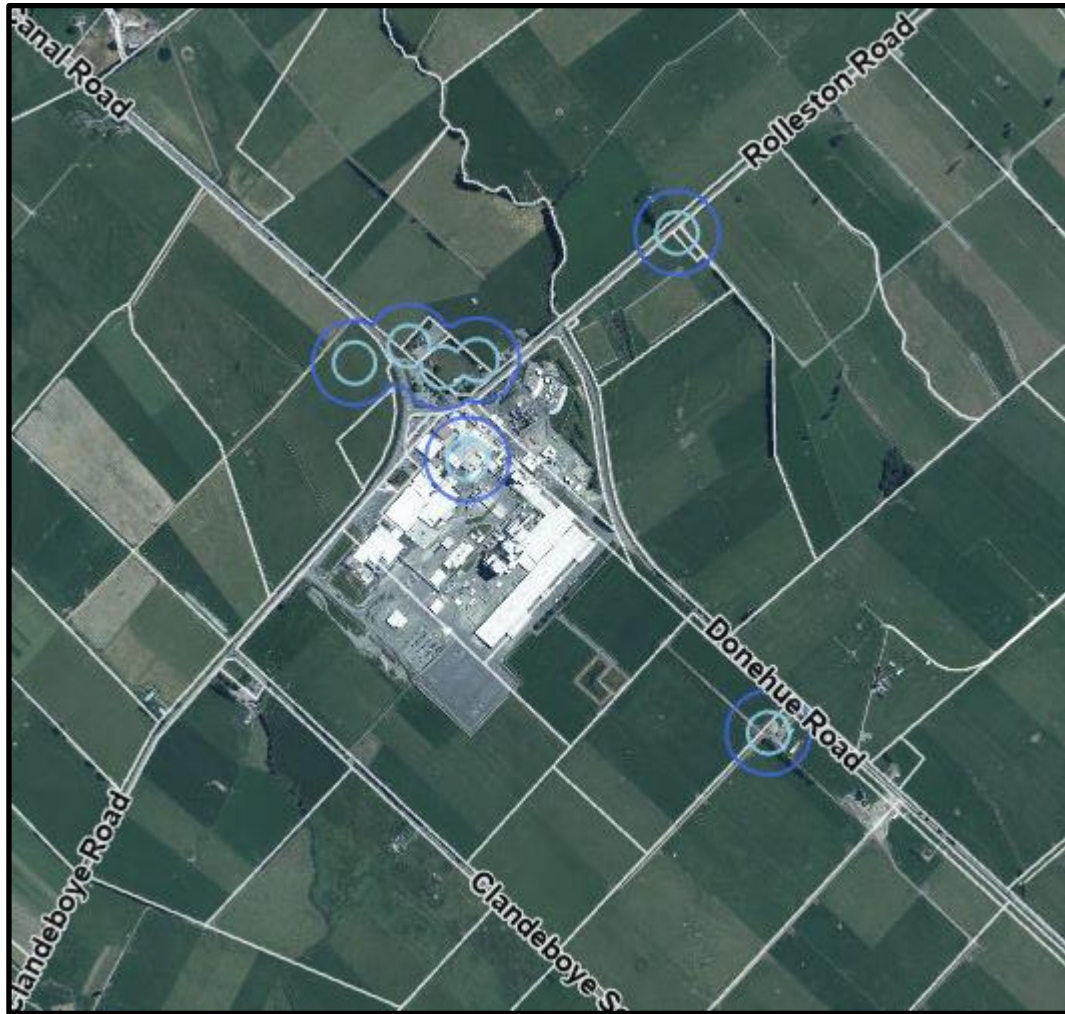


Figure 5: Proposed (notified) map with other district-wide matters overlays

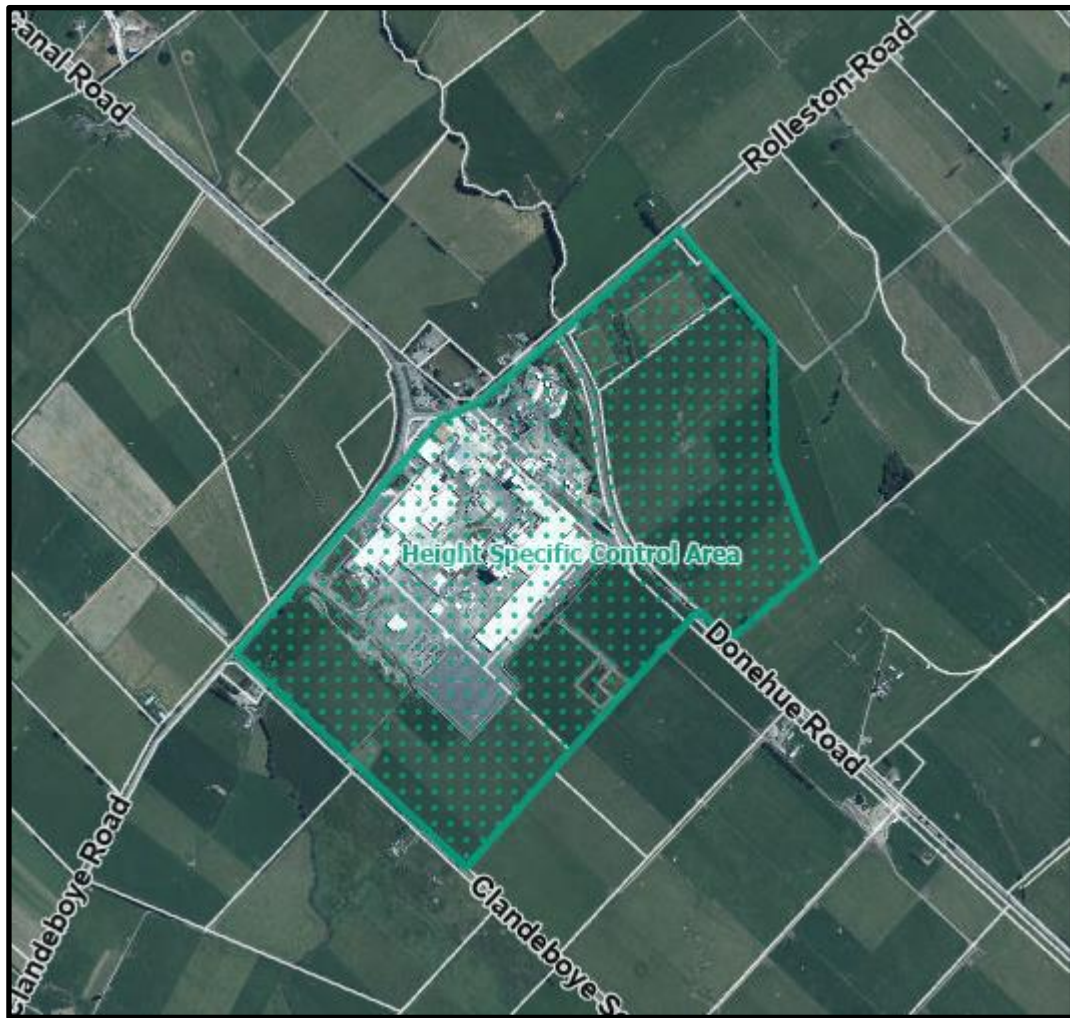


Figure 6: Proposed (notified) map with specific control areas overlay

APPENDIX C

Proposed Special Purpose Zone – Clandeboye Dairy Manufacturing Zone

Introduction

The Clandeboye Dairy Manufacturing Zone is located northeast of Temuka. The site supports dairy farming activities both regionally and nationally and relies on its rural location to ensure that there is sufficient and suitable land available to support the dairy processing activities. Due to its strategic importance, it is important that the site is able to continue to operate and develop, while acknowledging the potential for impacts on the surrounding rural activities due to the scale of its operations and nature of effects. The form of development is managed by an Outline Development Plan.

Objectives	
CDMZ-O1	Purpose of the Clandeboye Dairy Manufacturing Zone
The Clandeboye Dairy Manufacturing Zone provides for the establishment and operation of buildings and activities that are regionally and nationally significant to the dairy sector.	
CDMZ-O2	Incompatible activities
Activities permitted in the zone are not compromised by incompatible activities, while the effects arising from activities in the zone are managed to minimise effects on the environment.	

Policies	
CDMZ-P1	Nature, scale and location
Enable the continued operation and development of dairy processing activities and enable buildings and structures, at such a scale, that support the operational requirements of dairy processing activities.	
CDMZ-P2	Impacts of permitted activities
Manage the effects of dairy processing activities, where possible within the zone, while recognising that they generate noise, odour, lighting and traffic effects, and require large scale buildings to meet their operational requirements, that may have effects beyond the zone.	
CDMZ-P3	Reverse sensitivity

Enable dairy processing activities to operate without being compromised by sensitive activities and reverse sensitivity effects.

Rules		
CDMZ-R1 Dairy processing activities		
CDMZ	Activity status: Permitted Where: PER-1 The activity complies with all the standards of this chapter.	Activity status where compliance not achieved with PER-1: Restricted Discretionary Matters of discretion are restricted to: 1. the matters of discretion of any infringed standard.
CDMZ-R3 Any other industrial activity		
CDMZ	Activity status: Discretionary	Activity status when compliance not achieved: Not applicable
CDMZ-R4 Any other activity		
CDMZ	Activity status: Non-complying	Activity status when compliance not achieved: Not applicable

Standards		
CDMZ-S1 Outline Development Plan		
CDMZ	The location of all activities, buildings, and vehicle access points, shall be in accordance with the Outline Development Plan in CDMZ-SCHED1.	Activity status when compliance not achieved: Discretionary
CDMZ-S2 Location of activities and buildings		

CDMZ	<ol style="list-style-type: none"> 1. All activities and buildings shall be located within the Height Control Area identified on the Outline Development Plan in CDMZ-SCHED1, except: <ol style="list-style-type: none"> a. Signage; and b. Infrastructure for rail, roading and parking, wastewater, sewerage, stormwater, water supply, and energy generation. 2. Where located within the Clandeboye Buffer Area identified on the Outline Development Plan in CDMZ-SCHED1: <ol style="list-style-type: none"> a. Any signage will comply with SIGN-R4.3; and b. Infrastructure permitted by CDMZ-R1 will be setback 5m from any zone boundary and road boundary. 	Activity status when compliance not achieved: Discretionary
CDMZ-S3	Maximum height	
CDMZ	Every building will comply with the height limits shown in the Outline Development Plan in CDMZ-SCHED1, except stacks and exhaust vents attached to buildings shall be exempt from the height limits.	Matters of discretion are restricted to: <ol style="list-style-type: none"> 1. dominance; and 2. overlooking and loss of privacy; 3. mitigation measures.

CDMZ-SCHED1

See below

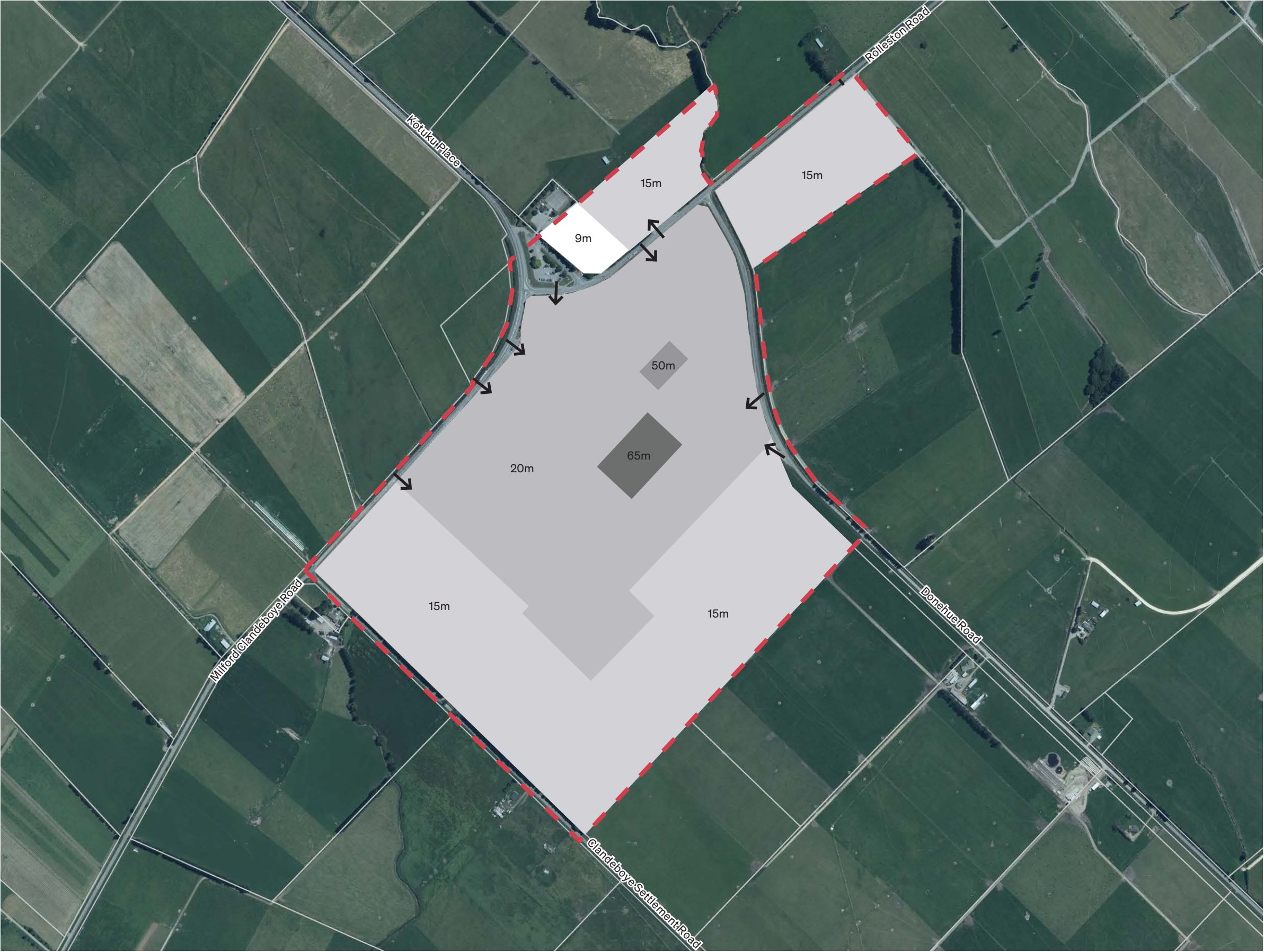
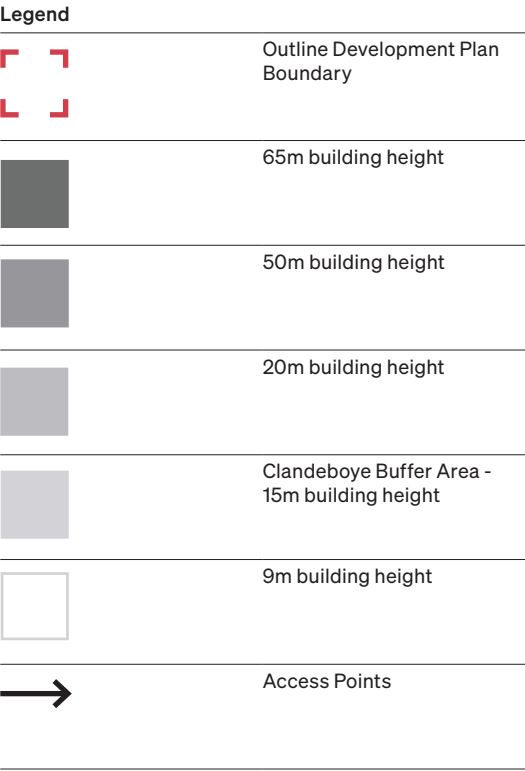
New definition

Dairy processing activities are defined as:

1. Any dairy processing activity, including the processing, testing, storage, handling, packaging or distribution of product.
2. Any ancillary activity, limited to:
 - a. Rail infrastructure and rail activities required for the transportation of dairy product.

- b. Infrastructure for roading and parking, wastewater, sewerage, stormwater, water supply and energy generation.
- c. Any laboratory or facility for research and development related to the dairy processing activity.
- d. Any office or facility required for the administration and management of the dairy processing activity, and the marketing, sales, and distribution of dairy products.

Proposed CDMZ Outline Development Plan



Scale: 1:8 000
Data Source: grip.co.nz

APPENDIX D

Request to Rezone the Clandeboye Dairy Manufacturing Site

s32AA Evaluation

1. Introduction

- 1.1 As set out in s32AA of the Resource Management Act (**RMA** or **Act**), a further evaluation is required for “any changes that have been made to, or are proposed for, the proposal since the evaluation report for the proposal was completed (the changes)”. In this case, the further evaluation is to be undertaken on the changes proposed to the Proposed Timaru District Plan (PDP) since the evaluation report was completed. The further evaluation must be undertaken in accordance with section 32(1) to (4) and must contain “a level of detail that corresponds to the scale and significance of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the proposal”.
- 1.2 The following report evaluates the request to amend the zoning of the Clandeboye Dairy Manufacturing site from General Industrial Zone (**GIZ**) and General Rural Zone (**GRUZ**) to a new Special Purpose Zone (Clandeboye Dairy Manufacturing) (**CDMZ**) with an Outline Development Plan (**ODP**) to guide development of the site. Specifically, the land sought to be rezoned is legally defined as:

Legal description	Title	Owner
Rural Section 38157	CB33A/494	Fonterra
Lot 1 Deposited Plan 81114, Lot 2 Deposited Plan 73281, Section 1 Survey Office Plan 19658 and Section 1 Survey Office Plan 20203	CB48B/18	Fonterra
Lot 3 Deposited Plan 75226	CB43B/752	Fonterra
Lot 4 Deposited Plan 61673	CB36C/844	Fonterra
Lot 1 Deposited Plan 73281	CB42D/494	Fonterra
Section 2 Clandeboye Settlement No 2	572735	Fonterra
Lot 2 Deposited Plan 75226	CB43B/751	Fonterra
Lot 4 Deposited Plan 75226	CB43B/753	Chorus New Zealand Limited
Lot 1 Deposited Plan 69140	CB40B/539	Timaru District Council
Lot 1 Deposited Plan 51498	CB32F/632	Timaru District Council
Part Reserve 4402	245494	Fonterra
Lot 4 Deposited Plan 450527 <i>Partially included in rezoning request.</i>	572737	Fonterra

2. s32(1)(a) – The extent to which the objectives of the proposal are the most appropriate way to achieve the purpose of the Act

2.1 Section 32(1)(a) requires the examination of the extent to which the objectives of the proposal are the most appropriate way to achieve the purpose of the Act.

2.2 In this case, the proposal (as per section 32(6)) introduces a new zone framework that does not exist under the PDP. As such, it is the objectives stated in the proposal that are to be evaluated when examining the extent to which the proposal is the most appropriate way to achieve the purpose of the Act.

2.3 The purpose of the Act is to promote sustainable management of natural and physical resources, where:

...sustainable management means managing the use, development, and protection of natural and physical resources in a way, or at a rate, which enables people and communities to provide for their social, economic, and cultural well-being and for their health and safety while-

- a. Sustaining the potential of natural and physical resources (excluding minerals) to meet the reasonably foreseeable needs of future generations; and*
- b. Safeguarding the life-supporting capacity of air, water, soil, and ecosystems; and*
- c. Avoiding, remedying, or mitigating any adverse effects of activities on the environment.*

2.4 The proposed objectives for the CDMZ are:

- **CDMZ-O1 Purpose of the Clandeboye Dairy Manufacturing Zone**

The Clandeboye Dairy Manufacturing Zone provides for the establishment and operation of buildings and activities that are regionally and nationally significant to the dairy sector.

- **CDMZ-O2 Incompatible activities**

Activities permitted in the zone are not compromised by incompatible activities, while the effects arising from activities in the zone are managed to minimise effects on the environment.

Table 1: Evaluation of Special Purpose Zone (Clandeboyne Dairy Manufacturing) objectives

Proposed Objective	Summary of Evaluation (relevance, usefulness, achievability, reasonableness)
<p><i>CDMZ-01 Purpose of the Clandeboyne Dairy Manufacturing Zone</i></p> <p><i>The Clandeboyne Dairy Manufacturing Zone provides for the establishment and operation of buildings and activities that are regionally and nationally significant to the dairy sector.</i></p>	<p>This objective is considered the most appropriate way to achieve the purpose of the Act because:</p> <ul style="list-style-type: none"> • Managing the provision of land, and its future development, through an appropriate zoning aligns closely with the purpose of the RMA under section 5(1) which is to achieve “the sustainable management of natural and physical resources”. Managing the natural and physical resources on the site, through a series of resource consent applications, is considered an inferior means of achieving sustainable management. • The Clandeboyne Dairy Manufacturing site is regionally and nationally significant to the dairy sector, and enables people and communities to provide for their social, economic and cultural well-being and for their health and safety in accordance with section 5(2). • The proposed objective will sustain the potential of the natural and physical resources to meet the reasonably foreseeable needs of future generations (section 5(2)(a)). • The proposed objective provides for the establishment and operation of buildings, structures and facilities (and therefore effects) that reflect the operational requirements of the activity (section 5(2)(c)). • The proposed objective has regard to the efficient use and development of the natural and physical resources in accordance with section 7(b). • The proposed objective recognises that the level of amenity will be consistent with a manufacturing activity, of a significant scale, which aligns with the purpose of the zone in accordance with section 7(c). • The proposed objective / zoning does not override or negate the overlays applying to the site and therefore the quality of the environment is maintained in accordance with section 7(f). • The existing zone framework and objectives is a less straightforward framework for managing the building, structures and facilities, and associated activities, within the site. Given the importance of the site to the dairy sector, it is appropriate to include a tailor-made objective that clearly sets out the purpose of the zone.

<p>CDMZ-02 Incompatible activities</p> <p><i>Activities permitted in the zone are not compromised by incompatible activities, while the effects arising from activities in the zone are managed to minimise effects on the environment.</i></p>	<p>This objective is considered the most appropriate way to achieve the purpose of the Act because:</p> <ul style="list-style-type: none"> • It appropriately recognises that effects, consistent with the purpose of the zone, are to be expected and should not be impacted by incompatible (sensitive) activities. The need to avoid, remedy or mitigate these effects which is in keeping with section 5(2)(c). • It recognises that the site has the potential to result in adverse effects on the environment, for example on amenity values resulting from noise generation, traffic movements and visual amenity, and that these effects need to be managed (consistent with section 5(2)(c)). • Managing adverse effects leads to the maintenance of amenity values in the manner envisaged by section 7(c).
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3. s32(1)(b) – Examine whether the provisions in the proposal are the most appropriate way to achieve the objectives.

3.1 Section 32(1)(b) requires an evaluation of whether the provisions in the proposal are the most appropriate way to achieve the objectives by:

- (i) *Identifying other reasonably practicable options for achieving the objectives; and*
- (ii) *Assessing the efficiency and effectiveness of the provisions in achieving the objectives; and*
- (iii) *Summarising the reasons for deciding on the provisions.*

3.2 The s32(1)(b) evaluation is undertaken in the following sections.

4. s32(1)(b)(i) – Identifying other reasonably practicable options for achieving the proposal

4.1 The proposal could reasonably be achieved by the following methods (as an alternative to pursuing the rezoning request through the District Plan Review):

Alternative no.	Alternative
1.	<p>Applying for resource consent(s) for new development on the subject site (the status quo).</p> <p>Experience shows that the site typically triggers multiple District Plan rules and has required resource consent, typically as a non-complying activity. The non-complying status means that there are no guarantees of a favourable outcome and enable the Council to broaden their assessment to matters well beyond the scope of the infringement (for example, non-compliance with landscape provisions).</p> <p>Furthermore, if multiple resource consents are required (or s127 amendments to conditions), the process of developing a site of this size becomes very time consuming, costly and inefficient for all involved.</p>

Alternative no.	Alternative
2.	<p>Applying a precinct overlay to the proposed GIZ.</p> <p>The precinct overlay does not distinguish the site in the same way the CDMZ does. The significance of the site, scale of the operation, the location of the site and the effects arising from the dairy processing activities distinguish it from other smaller scale industrial activities. Retrofitting provisions into the GIZ show that the intent of the GIZ is very different to what is anticipated on the site, for example <i>industrial activities</i> are permitted in the GIZ but would be a discretionary activity in the precinct overlay. It is considered that the site is more akin to the undertakings at the Timaru Port, which has been assigned its own Port zoning (PORTZ), rather than being subject to a GIZ with precinct overlay. There are also constraints on adding a further overlay to a site that already has eight other overlays (this does not include the Specific Height Control Area overlay, which will be removed if either a CDMZ or precinct overlay is implemented).</p>
3.	<p>Submitting a private Plan Change Request to TDC (at least two years after the provisions for this site have been resolved through the District Plan Review, pursuant to Schedule 1, Clause 25(b)(b)).</p> <p>There is the option of pursuing a private Plan Change Request after the PDP becomes operative. However, this is considered an unnecessarily costly, time consuming and inefficient exercise when there is an opportunity now to have the rezoning request considered with associated technical input.</p>

5. s32(1)(b)(ii) – Assessing the efficiency and effectiveness of the provisions in achieving the objectives

5.1 s32(1)(b)(ii) is informed by reference to s32(2)(a) to (c), which states that assessment of the efficiency and effectiveness of provisions needs to:

- (a) *Identify and assess the benefits and costs of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the provisions, including the opportunities for-*
 - (i) *Economic growth that are anticipated to be provided or reduced; and*
 - (ii) *Employment that are anticipated to be provided or reduced; and*
- (b) *If practicable, quantify the benefits and costs referred to in paragraph (a); and*
- (c) *Assess the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions.*

5.2 The proposal is an “amending proposal” because it will amend a “change that is already proposed or that already exists (an existing proposal)”⁸⁴. An examination under section 32(1)(b) must therefore relate to:

⁸⁴ RMA section 32(3)

- (a) The provisions and objectives of the amending proposal; and*
- (b) The objectives of the existing proposal to the extent that those objectives-*
 - (i) are relevant to the objectives of the amending proposal; and*
 - (ii) would remain if the amending proposal were to take effect.*

5.3 The s32(1)(b)(ii) evaluation is set out in Table 2 below. To date, s32 case law has interpreted 'most appropriate' to mean *"suitable, but not necessarily superior"*. This means the most appropriate option does not need to be the most optimal or best option but must demonstrate that it will meet the objectives in an efficient and effective way.

Table 2: Evaluation of Provisions in the Proposal

Special Purpose Zone: Clandeboye Dairy Manufacturing		
POLICIES		
<p>CDMZ-P1 Nature, scale and location</p> <p><i>Enable the continued operation and development of dairy processing activities and enable buildings and structures, at such a scale, that support the operational requirements of dairy processing activities.</i></p> <p>CDMZ -P2 Impacts of permitted activities</p> <p><i>Manage the effects of dairy processing activities, where possible within the zone, while recognising that they generate noise, odour, lighting and traffic effects, and require large scale buildings to meet their operational requirements, that may have effects beyond the zone.</i></p>	Objectives of Proposal	<p>The policies give effect to the following objectives of the proposal:</p> <p>CDMZ-O1</p> <p>CDMZ-O2</p>
	Relevant Objectives of the PDP	<p>The policies give effect to the following objectives in the PDP:</p> <p>SD-O6 – Business Areas and Activities</p> <p>SD-O9 – Rural Areas</p>
	Appropriateness, efficiency and effectiveness of the methods in achieving the objective(s)	<p>The policies implement the objectives.</p> <p>CDMZ-P1 promotes the continued operation and development of dairy processing activities and recognises that large scale buildings are necessary to support the operational requirements of the dairy processing activities. This policy implements CDMZ-O1 and CDMZ-O2 by enabling dairy processing activities and the effects of those activities, including large scale buildings.</p> <p>CDMZ-P2 recognises that the effects arising from the site correspond in scale to the scale of the activities and buildings on the site and may not necessarily be managed within the site / zone. Notwithstanding that, effects must be managed and minimised. Managing the effects of the zone will ensure that amenity values, appropriate to the zone, are achieved in the manner envisaged by section 7(c) of the RMA.</p> <p>The policies are therefore considered to be an appropriate, efficient and effective method for achieving CDMZ-O1 and CDMZ-O2.</p>

	Risk of acting or not acting	<p>There is sufficient information to understand the risks of acting or not acting.</p> <p>The notified PDP provides enough information to determine the constraints on the site. These notified provisions do not provide enough certainty to meet the ongoing (and changing) needs of the site.</p> <p>The package of information supporting the proposal has set out in detail the appropriateness of the proposal, including economic, traffic, landscape and planning assessments.</p> <p>There is enough certainty and information for there to be a low risk of acting on these policies.</p>
	Benefits	<p>Environmental:</p> <p>CDMZ-P1 supports the management of land for long term land use and sustainable development of a natural and physical resource. The Outline Development Plan (ODP) reflects existing built form and permits (relatively) lower scale buildings and structures ensuring that effects on the environment are appropriate to the purpose of the zone.</p> <p>CDMZ-P2 recognises that the effects on the environment arising from activities at the site must be managed. The ODP will manage the bulk and location of activities. The ODP will reflect what currently exists on site but provides flexibility to develop the site further in line with the existing site scale; and in the currently undeveloped areas of the site in a manner consistent with a scale consistent with the operative Industrial H Zone and notified GIZ. With the exception of traffic effects, other effects will be managed through the topic chapters. Traffic effects will be managed when activities are proposed that contribute to increased production on the site and exceed a specified threshold. It is considered that the potential effects arising from the zone are appropriately managed to a level consistent with the purpose of the zone.</p> <p>Social</p> <p>There are no known social benefits associated with the policy (or the proposal).</p> <p>Cultural</p>

		<p>There are no known cultural benefits associated with the policy (or the proposal).</p> <p>Economic</p> <p>CDMZ-P1 enables dairy processing activities and associated large scale buildings and structures reflecting the importance of the site to the regional and national economy.</p> <p>CDMZ-P2 enables a level of effects at the site consistent with the nature and scale of the activity that ensures that the site is able to operate in an economically efficient way.</p>
	Costs	<p>Environmental</p> <p>There is a small environmental cost of the proposed policies where approximately 8.5ha (of the total 83ha zone) will change from GRUZ to CDMZ (rather than GIZ to CDMZ). The change in zoning will change the environmental outcomes anticipated for this area (of the site). The effects of the zoning have been managed to ensure that there is no loss of highly productive land and that the bulk and location effects on the Clandeboye kindergarten are no greater than if 2-10 Kotuku Place retained its GRUZ zoning. With respect to the remaining approximately 75ha, it is considered that the potential effects arising from the zone are managed to a level consistent with the purpose of the zone.</p> <p>Social</p> <p>Given the development potential of 2-10 Kotuku Place will be limited (in the ODP), adverse effects on the Clandeboye kindergarten will be avoided.</p> <p>Cultural</p> <p>There are no known cultural costs associated with the policy (or the proposal). It is noted that the GIZ, as well as existing resource consents, already establish a baseline of effects associated with this site located within SASM-5. The new zone will formalise the existing site activities and provide for day to day operational and maintenance works. Significant new developments will still require resource consent and consideration of any effects on cultural values.</p> <p>Economic</p>

		Some activities will require resource consent where they are not provided for as permitted activities. This economic cost is considered an appropriate balance to managing effects on the environment.
	Other Practical Options Considered	<p>Resource Consent</p> <p>This option is not considered appropriate because the planning framework under the PDP does not align with the outcomes sought for the site.</p> <p>GIZ with precinct overlay</p> <p>This option is considered less appropriate because the policies are confined to dairy processing activities which are not provided for in the GIZ.</p> <p>Private Plan Change</p> <p>This option is not considered appropriate because the Council may reject the request for a Private Plan Change if the Plan has been operative for less than two years. With the cost associated with preparing a private plan change, this creates uncertainty and risk that the plan change will be accepted for consideration and then there is further uncertainty as to whether the plan change will be approved.</p>
RULES		
<p>CDMZ-R1 Dairy processing activities <i>Activity status: Permitted</i> <i>Where:</i> PER-1 <i>The activity complies with all the standards of this chapter.</i></p> <p>CDMZ-R2 New buildings and additions to buildings <i>Activity status: Permitted</i></p>	Objectives of Proposal	<p>The rules give effect to the following objectives of the proposal:</p> <p>CDMZ-O1</p> <p>CDMZ-O2</p>
	Relevant Objectives of the PDP	<p>The rules give effect to the following objectives in the PDP:</p> <p>SD-O6 – Business Areas and Activities</p> <p>SD-O9 – Rural Areas</p> <p>TRAN-O2 – Transport related effects</p>
	Appropriateness, efficiency and	<p>The rule framework for the zone, led by CDMZ-R1, recognises that the zone is intended for dairy processing activities, and activities ancillary to dairy processing</p>

<p><i>Where:</i></p> <p>PER-1</p> <p><i>The building or addition does not increase the capacity for milk processing or storage</i></p> <p>PER-2</p> <p><i>The building or addition does increase the capacity for milk processing or storage, but vehicle movements do not increase by more than TBC.</i></p> <p><i>Advice note: A trip generation assessment will be submitted with any building consent for a new building or addition that increases the capacity for milk processing or storage to demonstrate compliance with this rule.</i></p> <p>CDMZ-R3 Any other industrial activity</p> <p><i>Activity status: Discretionary</i></p> <p>CDMZ-R4 Any other activity</p> <p><i>Activity status: Non-complying</i></p>	<p>effectiveness of the methods in achieving the objective(s)</p>	<p>activities. The rule framework is considered the most appropriate for meeting the objectives of the proposal.</p> <p>A new definition is proposed for dairy processing activities, specifically:</p> <p><i>Dairy processing activities are defined as:</i></p> <ol style="list-style-type: none"> 1. <i>Any dairy processing activity, including the processing, testing, storage, handling, packaging or distribution of product.</i> 2. <i>Any ancillary activity, limited to:</i> <ol style="list-style-type: none"> a. <i>Rail infrastructure and rail activities required for the transportation of dairy product.</i> b. <i>Infrastructure for roading and parking, wastewater, sewerage, stormwater, water supply and energy generation.</i> c. <i>Any laboratory or facility for research and development related to the dairy processing activity.</i> d. <i>Any office or facility required for the administration and management of the dairy processing activity, and the marketing, sales, and distribution of dairy products.</i> <p>CDMZ-R2 enables the management of traffic effects arising from the new buildings and additions to buildings. The GFA measure in TRAN-R10 and TRAN-S20 was considered too blunt for the operational characteristics of the site. Accordingly, CDMZ-R2 acknowledges the need to manage such effects, but limits this to activities that increase the capacity for milk processing or storage. This is considered an appropriate way to achieve the objectives of the zone.</p> <p>CDMZ-R3 and CDMZ-R4 provide limited scope for industrial activities and other activities. Limiting these activities is considered the most appropriate way to achieve the objectives of the zone.</p>
	<p>Risk of acting or not acting</p>	<p>As above, there is sufficient information to understand the risks of acting or not acting. There is certainty and sufficient information on the effects to be managed that there is low risk of acting on this provision.</p>

	Benefits	<p>Environmental</p> <p>The rule framework is very clear that dairy processing activities are the focus of the zone. The zone is appropriately located in a rural environment away from sensitive activities and receptors, near to farmland for disposing wastewater, and the port, state highway and main trunk rail line for access and distribution. Furthermore, the activities are well established in this location and nearby neighbours have a good understanding of the actual and potential effects.</p> <p>CDMZ-R2 ensures that the traffic effects of new buildings and additions (increasing the dairy producing capacity of the site) are considered; and where those effects may adversely affect the environment (exceeds the specified threshold), resource consent will be required.</p> <p>The activities governed by the rule framework are located on site according to the ODP. The ODP includes a 'no build area' on land at 37 Rolleston Road to ensure that the LUC III highly productive land is protected for use in land based primary production, both now and for future generations.</p> <p>Social</p> <p>Enabling dairy processing activities on the site, in a manner that manages environmental effects, will potentially enable more employment on the site without consenting delays.</p> <p>Cultural</p> <p>There are no known cultural benefits associated with these rules.</p> <p>Economic</p> <p>Enabling dairy processing activities on the site, in a manner that manages environmental effects, will reduce consenting costs and improve economic efficiencies when delivering capital works that facilitate dairy manufacturing.</p>
	Costs	<p>Environmental</p> <p>There are no known environmental costs associated with these rules.</p>

		<p>Social</p> <p>There are no known social costs associated with these rules.</p> <p>Cultural</p> <p>There are no known cultural costs associated with these rules.</p> <p>Economic</p> <p>There are no known economic costs associated with these rules.</p>
	Other Practical Options Considered	Given the purpose of the zone, alternative or additional rules are not considered to assist with achieving the objectives.
STANDARDS		
<p>CDMZ-S1 Outline Development Plan</p> <p><i>The location of all activities, buildings, and vehicle access points, shall be in accordance with the Outline Development Plan in CDMZ-SCHED1.</i></p> <p>CDMZ-S2 Location of activities and buildings</p> <p>1. All activities and buildings shall be located within the Height Control Area identified on the Outline Development Plan in CDMZ-SCHED1, except:</p> <p>a. Signage; and</p> <p>b. Infrastructure for rail, roading and parking, wastewater, sewerage, stormwater, water supply, and energy generation.</p>	Objectives of Proposal	<p>The standards give effect to the following objectives of the proposal:</p> <p>CDMZ-O1</p> <p>CDMZ-O2</p>
	Relevant Objectives of the PWDP	<p>The standards give effect to the following objectives in the PDP:</p> <p>SD-O6 – Business Areas and Activities</p> <p>SD-O9 – Rural Areas</p>
	Risk of acting or not acting	<p>As above, there is sufficient information to understand the risks of acting or not acting. There is certainty and sufficient information on the effects to be managed that there is low risk of acting on this provision.</p> <p>Furthermore, because the ODP largely reflects what is already existing on the site and additional development permitted by the ODP is consistent with what would be permitted by the GIZ (in terms of bulk and location), then there is a great deal of certainty with regards to the visual effects of the proposed standards.</p>
	Appropriateness, efficiency and	The standards are the most appropriate way of meeting the objectives of the proposal. They set the standard for what is considered to be an acceptable outcome

<p>2. <i>Where located within the Clandeboye Buffer Area identified on the Outline Development Plan in CDMZ-SCHED1:</i></p> <p>a. <i>Any signage will comply with SIGN-R4.3; and</i></p> <p>b. <i>Infrastructure permitted by CDMZ-R1 will have a maximum height of 15m above ground level and be setback 5m from any zone boundary.</i></p> <p>CDMZ-S3 Maximum height</p> <p><i>Every building will comply with the height limits shown in the Outline Development Plan in CDMZ-SCHED1, except stacks and exhaust vents attached to buildings shall be exempt from the height limits.</i></p>	<p>effectiveness of the methods in achieving the objective(s)</p> <p>Benefits</p>	<p>and amenity response for building within the zone and in this manner ensure the management of environmental effects (CDMZ-O2).</p> <p>Environmental</p> <p>The Outline Development Plan provides for a specific and considered response to the development of the site. The ODP reflects the existing activities, building and vehicle access points, and provides scope for some additional buildings which are consistent in scale with the existing development and what would also be reasonably achievable under the notified GIZ, including the proposed biomass energy project. The Clandeboye Buffer Area reflects currently undeveloped spaces on the site, but the ODP provides scope to include infrastructure in these locations, which is smaller in scale relative to the dairy processing structures more centrally located on the site (and shown on the ODP).</p> <p>Social</p> <p>The ODP will manage the effects of development within the CDMZ on the amenity of surrounding zones and ‘scales down’ in peripheral locations to ensure that visual, shadowing, and dominance effects at the zone interface are minimised (consistent with CDMZ-O2 and CDMZ-P2). As the ODP clearly illustrates the potential building bulk and location on the site, there is much more certainty for neighbours as to what can or may occur.</p> <p>Cultural</p> <p>There are no known cultural benefits associated with these standards (noting that the SASM is unaffected by the proposal and will be managed by a separate suite of provisions).</p> <p>Economic</p> <p>Enabling buildings on the site to a scale consistent with the purpose of the zone, will reduce consenting costs and improve economic efficiencies when delivering capital works that facilitate dairy manufacturing.</p>
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	Costs	<p>Environmental</p> <p>There are no known environmental costs associated with these standards.</p> <p>Social</p> <p>There are no known social costs associated with these standards, noting that the Clandeboye Buffer Area permits buildings consistent in scale with the notified GIZ, which is considered an appropriate interface response with adjoining properties.</p> <p>Cultural</p> <p>There are no known cultural costs associated with these standards.</p> <p>Economic</p> <p>A breach of the standards will result in the requirement for resource consent, which has both time and financial costs to the operations at the site. However, this cost is considered appropriate as the standards impose appropriate thresholds for building bulk and location consistent with the purpose of the zone (and breaching these standards should be scrutinised through the resource consent process).</p>
	Other Practical Options Considered	<p>Consideration was given as to whether further specific standards needed to be provided such as gross floor area limits, impermeable surface requirements and height in relation to boundary. The standards put forward are appropriate for meeting amenity outcomes within a zone of this nature in a rural environment, while enabling enough to facilitate the operational requirements of the site.</p>

6. S32(1)(b)(iii) – Summarising the reasons for deciding on the provisions

6.1 The reasons for deciding on the provisions are summarised as follows:

- i. New zone objectives for a CDMZ enables development of the site to meet the regional and national needs of the dairy sector. Furthermore, the objectives support the continued operation and development of the site within a building envelope that meets the operational requirements of the site, while managing effects (amenity, visual, shadowing, dominance) on adjoining properties. The proposed objectives are considered to be the most appropriate way to achieve the purpose of the Act.
- ii. The proposal includes a policy framework that is considered the most appropriate way to achieve the objectives of the proposal. The policies enable dairy processing activities, activities ancillary to dairy processing activities and development of the site, at such a scale, to enable the operational requirements of the site, while managing effects on the environment. Importantly, the policies acknowledge that the potential for reverse sensitivity effects is incongruent with the operational requirements of the site.
- iii. The proposal includes rules and standards that are considered the most appropriate way to achieve the objectives of the proposal. The rules and standards clearly reinforce that the purpose of the zone is to enable dairy processing activities, including enabling a built form and scale that facilitates the operational requirements on the site, while managing the zone interface and the effects of building bulk on neighbouring properties.
- iv. The cost and benefits of the proposal have been considered, and on balance the benefits are considered to outweigh the costs. Where costs are recognised, these have been avoided or minimised through provisions in the proposal.
- v. Three alternatives to the proposal have been identified. The proposal is considered more appropriate than the alternatives.
 - a. Firstly, managing the natural and physical resources on the site through a series of resource consent applications is considered an inferior means of achieving sustainable management, and the process of developing a site of this size becomes very time consuming, costly and inefficient for all involved.
 - b. Secondly, amending the GIZ with a precinct overlay is not considered an efficient means of managing the natural and physical resource on the site because the framework needed to support the Clandeboye Dairy Manufacturing site is much more nuanced than the methods of the GIZ intended to apply across multiple locations and businesses in an urban setting. It is considered that the requirements of the Clandeboye Dairy Manufacturing site are akin to those of the Timaru Port, which is afforded a SPZ to enable it to operate.
 - c. Lastly, a Private Plan Change Request is considered an unnecessarily costly, time consuming and inefficient exercise when there is an opportunity now to have the rezoning request considered with associated technical input.
- vi. There is sufficient information to understand the risks of acting or not acting. There is certainty and sufficient information on the effects to be managed that there is low risk of acting on this proposal.

- vii. The proposal achieves the objectives and thereby Part 2 of the Act in a more efficient and effective manner.