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**SUBMISSION ON THE PROPOSED WAIKATO DISTRICT PLAN UNDER CLAUSE  
 6 OF THE FIRST SCHEDULE TO THE RESOURCE MANAGEMENT ACT 1991**

To: Waikato District Council  
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 Ngaruawahia 3742  
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**Name of Submitter:** Ambury Properties Limited

**Address:** c/- Bloxam Burnett & Olliver  
 PO Box 9041  
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 Attention: John Olliver

ECM Project: DPRPh5-03
ECM # .....
Submission # .....
Customer # <u>33719</u>
Property # <u>1/9</u>



#### Scope of submission

1. This is a submission on behalf of Ambury Properties Limited (**Ambury**) on the Proposed Waikato District Plan (**Proposed Plan**). The Proposed Plan was notified by the Waikato District Council (**Council**) on Wednesday 18 July 2018.
2. This submission seeks Industrial, Business and Residential zoning of land at Ohinewai (on Planning Map 14), amendments to related objectives and policies, and seeks the inclusion of a new structure plan for Ohinewai in Appendix 13 of the Proposed Plan.

#### Trade competition

3. Ambury could not gain an advantage in trade competition through this submission.

#### Background to Ambury Properties Limited

4. Ambury is the property owning associate of New Zealand Comfort Group Limited (**NZCG**), the manufacturer of Sleepyhead, Sleepmaker, Serta, Tattersfield and Design Mobel Beds along with Dunlop Foams and Sleepyhead flooring underlay. They also produce a wide range of related products including pillows, mattresses, drapes, furniture and other soft furnishings. In addition they manufacture a wide range of foam products for domestic, industrial and healthcare purposes. NZCG is a third generation New Zealand owned manufacturing business founded in 1935. It is owned by two brothers

who pride themselves in New Zealand-based manufacturing. NZCG is dedicated to building and maintaining a highly skilled and robust local manufacturing capability, using locally sourced components wherever possible. The manufacturing operations are currently based at several locations in Auckland. Ambury has been investigating options to consolidate all of their operations onto one site. It has searched extensively in Auckland and the Waikato for a suitable site.

5. Ambury has identified a suitable property on the corner of Lumsden Road and Tahuna Road, Ohinewai (Allotment 405, Lots 1 and 2 DPS 29288 and Lots 1-3 474347) (**Property**). This Property is currently zoned Rural in both the operative Waikato District Plan and Proposed Plan.
6. There are several drivers for Ambury's relocation and consolidation on a single site:
  - (a) As a major manufacturer that is importing raw materials and distributing and exporting products, NZCG wishes to be located adjacent to the North Island Main Trunk Railway Line (**NIMTR**) as it receives and distributes goods through both Auckland and Tauranga Ports. NZCG has strong exports to China and Australia. Ambury was unable to find any suitable sites adjacent to the NIMTR in Auckland.
  - (b) The consolidation of all of NZCG's operations onto one site leads to a requirement for a site of 30-35ha. No suitable sites of this size were identified in Auckland.
  - (c) NZCG has a very strong family-based worker culture, with many families having worked for NZCG for several generations. NZCG has been increasingly concerned at the inability of its employees and their families to find affordable housing in Auckland. The company intends to set up a scheme to assist their families into housing ownership as part of their employment. The cost of housing in Auckland meant this was not feasible.
  - (d) The Ohinewai/Hunly area is attractive to NZCG because of the strong local employment base. They are committed to a wide ranging technical training programme covering IT, chemical and mechanical engineering, trades and marketing. They are keen to work with local

schools, other educational institutions and Waikato-Tainui to develop the appropriate technical and professional staff skills within the local labour force.

### **Key submissions**

7. Ambury is generally supportive of the Proposed Plan, however, the Rural zoning of the Property is not appropriate for the intended use of the Property by Ambury.
8. In general, Ambury is seeking amendments to the Proposed Plan:
  - (a) to rezone the Property to Industrial, Business and Residential as generally shown on the plan included as **Attachment 1** to this submission;
  - (b) to amend or include new Objectives and Policies to recognise and support the appropriate use and development of the Property; and
  - (c) to include an Ohinewai Structure Plan in Appendix 13 to the Proposed Plan, as generally shown in **Attachment 2** to this submission.

### **Reasons for Submission**

9. In general, the rezoning of the Property to Industrial, Business and Residential zones, amendments to the policies to support the infrastructure, development and use of the Property, and inclusion of an Ohinewai Structure Plan in Appendix 13, will:
  - (a) be consistent with the purpose and principles of the RMA;
  - (b) will promote the sustainable management of natural and physical resources;
  - (c) will enable people and communities to provide for their social and economic wellbeing;
  - (d) will meet the reasonably foreseeable needs of future generations;
  - (e) will provide industrial, business and residential land to give effect to the National Policy Statement on Urban Development Capacity (**NPS-UDC**);

- (f) is consistent with sound resource management practice.
10. Alternatively, retaining the Property with a Rural zone and enabling its existing use will not achieve the matters addressed above.

### **Specific Submission Points**

11. Further, without derogating from the generality of the above reasons, the rezoning of the Property in the Proposed Plan is appropriate for the reasons outlined below.

#### *Specific reasons in support of the submission*

##### *Industrial use*

12. Ambury proposes to establish a standalone manufacturing facility on the Property to consolidate all of the company's manufacturing operations onto one site. Initially this will involve the construction of a building of approximately 60,000m<sup>2</sup>, together with the usual storage yards and access. NZCG's head office is also proposed to be located at the Property. The Property would be future proofed by ensuring sufficient space for the building to be expanded in the future.
13. A rail siding with north and south connections to the NIMTR would be included, as well as road connections from the road network. These requirements result in a 35ha site for the manufacturing facility.
14. Given the proposed investment in rail, road and other infrastructure, Ambury proposes to allocate a further 54ha of land to general industrial use adjacent to the manufacturing site. This would be connected by both road and rail, and would allow for other industrial uses to co-locate adjacent to the major manufacturing plant in this highly accessible location. Access to the rail siding would be made available.

##### *Business use*

15. An area of 9.5ha is proposed to be allocated to Business use. This land is principally to provide space for a bulk factory outlet centre associated with the manufacturing business. The products to be sold would be associated with the manufacturing business and would include beds, mattresses, bedding, drapes,

other soft furnishings and furniture. It is also proposed to include other outlet stores for similar homewares / furniture items.

16. In addition, the Property is well suited to a service centre type development as it is immediately accessible from the southbound off ramp from the Waikato Expressway and is a prominent site that will be readily visible. It is also intended to include a group of neighbourhood shops of a scale to service the local needs of residents. Further detailed master planning of the business zoned land will be required to confirm the mix of activities.

*Residential use*

17. It is proposed that NZCG will initially employ approximately 500 people at the Property. In the future, as all the manufacturing operations are consolidated onto this Property, this number could grow to 1,500.
18. One of the purposes of the relocation to the Property is for the company to assist workers into affordable housing. Therefore, approximately 23ha of land is proposed to be allocated to residential use immediately to the east of the industrial area. This will be a mix of medium density and higher density dwellings; medium density assumes an average lot size of 350m<sup>2</sup> and high density assumes an average lot size of 200m<sup>2</sup>. This results in a residential yield of approximately 900 dwellings. Some of these will be reserved for company employees, but some will also be offered to the private market.
19. Residential zoning under the Proposed Plan provides for medium and high density development in the Residential zone as a Discretionary Activity. Ambury considers that this is appropriate as specific master planning and design work has not yet been undertaken, and should be undertaken in the context of preparing a Discretionary Activity application.
20. The residential area is separated from the industrial area by an open space / recreational buffer area of over 100m wide. It also adjoins Lake Rotokawau and the associated Department of Conservation reserve. This provides amenity to the residential area as well as an opportunity for recreational walkway / cycleway connections to Lake Waikare and Te Kauwhata in the north. Additional open space areas connecting the residential area to the adjacent open space are also proposed. Open space areas will be multi-purpose; recreational, stormwater disposal and separation from industrial uses.

*Strategic location and Infrastructure provision*

21. This site is strategically located adjacent to the NIMTR and adjacent to the Waikato Expressway grade separated interchange. It is only 4.5km from Huntly and effectively operates as a suburb of Huntly. Although the Property is not currently serviced by reticulated urban services for water supply, wastewater, or stormwater disposal, discussions with Waikato District Council have indicated that they are currently investigating options that involve the provision of reticulated wastewater and water supply to Ohinewai, with a view to establishing these services in the next 3 years. Ambury are currently investigating options for stormwater disposal. This submission relies on those services being in place, except to the extent that some early works may be practicable based on on-site wastewater disposal. In addition Ambury are undertaking other technical investigations to inform more detailed aspects of master planning the site and building layout.

*Significant economic benefits for the community*

22. This development has arisen as a result of a specific set of circumstances impacting on the business in Auckland. Ambury has been looking to consolidate its various operations onto one site with strategic access for some time, at the same time establishing space for long term growth. A range of factors have led it outside Auckland. These factors are unpredictable in the context of usual supply and demand methodologies for industrial and residential land and would not have been fully taken into account in the Housing and Business Development Capacity Assessment 2017 prepared by Future Proof, nor in the Future Proof Strategy, Planning for Growth, November 2017 (**Future Proof Strategy**).
23. The Future Proof Strategy recognises that the settlement pattern needs to be agile enough to respond to change, and to capitalise on new opportunities that have the potential to contribute significant economic, social or cultural benefits to our communities.
24. The NZCG development will be a new significant industry for the region, providing a wide range of employment opportunities for the residents of Huntly and Te Kauwhata. The NZCG development is also of a scale that will encourage further industrial activities to co-locate, providing further employment opportunities. The investment in this location will also encourage

reinvestment and growth in Huntly by creating demand for supporting goods and services.

25. Enabling the NZCG development is consistent with the strategic priorities of Waikato Means Business – the economic development strategy for the Waikato region, including the priorities of: Growing global industries; Maintaining and building our location advantage; and Building, attracting and retaining skills and talent.

*Support in National and Regional Planning documents*

26. The NPS-UDC directs local authorities to quantify in broad terms how much feasible development capacity should be provided in resource management plans and supported with development infrastructure, to enable the supply of housing and business space to meet demand over the short term (1-3 year period), medium term (3-10 year period) and long term (10-30 year period). The NPS-UDC identifies the Future Proof sub-region (including Waikato District) as a high-growth urban area.
27. The Development Capacity Assessment for the Future Proof Region has been completed (Market Economics, 2018) and generally shows that there is insufficient supply to meet industrial and residential demand in Huntly, particularly in the medium to long term.
28. Industrial land demand for Huntly between 2017-2047 was predicted to be 19.1 ha taking into account the required medium and long term margins of 20% and 15% respectively. The capacity assessment identified that there is only 7.2ha of industrial land supply available. Therefore additional land needs to be made available for Industrial use within the Huntly area. As set out above this development is outside the predictable growth expectations, but also provides an opportunity to provide for this anticipated future growth in an appropriate strategic location close to identified transport routes, provide employment for the residents of Huntly and Te Kauwhata, and encourage the redevelopment and planned for growth of Huntly.
29. The Hamilton-Auckland Corridor Plan is an emerging sub-regional plan being developed jointly by central and local government and iwi. It is focused on the untapped growth potential of the 17 communities that lie between Papakura and Cambridge on the two parallel 'trunk' road and rail networks. It includes

Ohinewai and Huntly. It is in the early stages of development but based on the information available to date, this development comprising employment land and associated services and housing is designed to play a key role in the revitalisation of Huntly and be highly consistent with the Corridor Plan.

30. The Waikato Regional Policy Statement (**RPS**) also supports the management of natural and physical resources for the development of regionally significant industry (Policy 4.4) and recognises alternative land release and timing where criteria and development principles are met.

*Proposed Plan Objectives and Policies*

31. Generally the objectives and policies of the Proposed Plan are supportive of economic growth and new development and therefore support the rezoning of the Property and its use and development. For example Objective 4.6.1, '*Economic growth of industry*' states: '*The economic growth of the district's industry is supported and strengthened in industrial zones*'. This proposed industrial zoning will directly support this economic growth objective by enabling the development and its associated employment and economic benefits.
32. However this submission demonstrates that it is not always possible for a large industrial development with requirements for long term expansion to be located within an existing township. The NZCG development opportunity is of a form and scale that has not been anticipated, and cannot be accommodated within existing town boundaries.
33. Although the majority of the objectives and policies of the Proposed Plan support the proposed zoning, use and development of the Property, there is a need for amendments to the objectives and policies that are predicated on all development being contained within existing towns and villages (Objective 4.1.2(a) and Policy 4.1.3(a)), to recognise that development is also to be consolidated in new towns and villages where this is planned for.
34. A new policy is also sought for Ohinewai, or alternatively Policy 4.1.13 Huntly to be amended to include Ohinewai, to provide a policy framework for the subdivision, use and development of the Industrial, Business and Residential land of the Property.

35. Amendments to other objectives and policies, or inclusion of new objectives and policies, are also sought where required to provide for the subdivision, use and development of the Property.

***Decision sought***

36. Ambury seeks the following relief:

- (a) to rezone the Property from Rural to Industrial, Business and Residential as generally shown on the plan included as **Attachment 1** to this submission;
- (b) amend Objective 4.1.2(a) and Policy 4.1.3(a) to support the infrastructure, development and use of the Property as sought in this submission, as follows or with words to similar effect:

*"Objective 4.1.2(a) Future settlement pattern is consolidated in or around existing and planned towns and villages in the district."*

*"Policy 4.1.3(a) Subdivision and development of a residential, commercial and industrial nature is to occur within existing and planned towns and villages where infrastructure and services can be efficiently and economically provided".*

- (c) a new policy for Ohinewai, or alternatively Policy 4.1.13 Huntly to be amended to include Ohinewai, to provide a policy framework for the subdivision, use and development of the Industrial, Business and Residential land of the Property;
- (d) amendments to other objectives and policies, or inclusion of new objectives and policies, as necessary to provide for the subdivision, use and development of the Property;
- (e) to include an Ohinewai Structure Plan in Appendix 13 of the Proposed Plan, as generally shown in **Attachment 2** to this submission; and
- (f) Such further relief and / or amendments to the Proposed Plan as may be necessary to support Ambury's relief, as set out in this submission.

37. Ambury wishes to be heard in support of this submission.

DATED this 9<sup>th</sup> day of October 2018



John Olliver

Planner for Ambury Properties Limited

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**Attachment 1**  
**Ohinewai Zoning Plan**



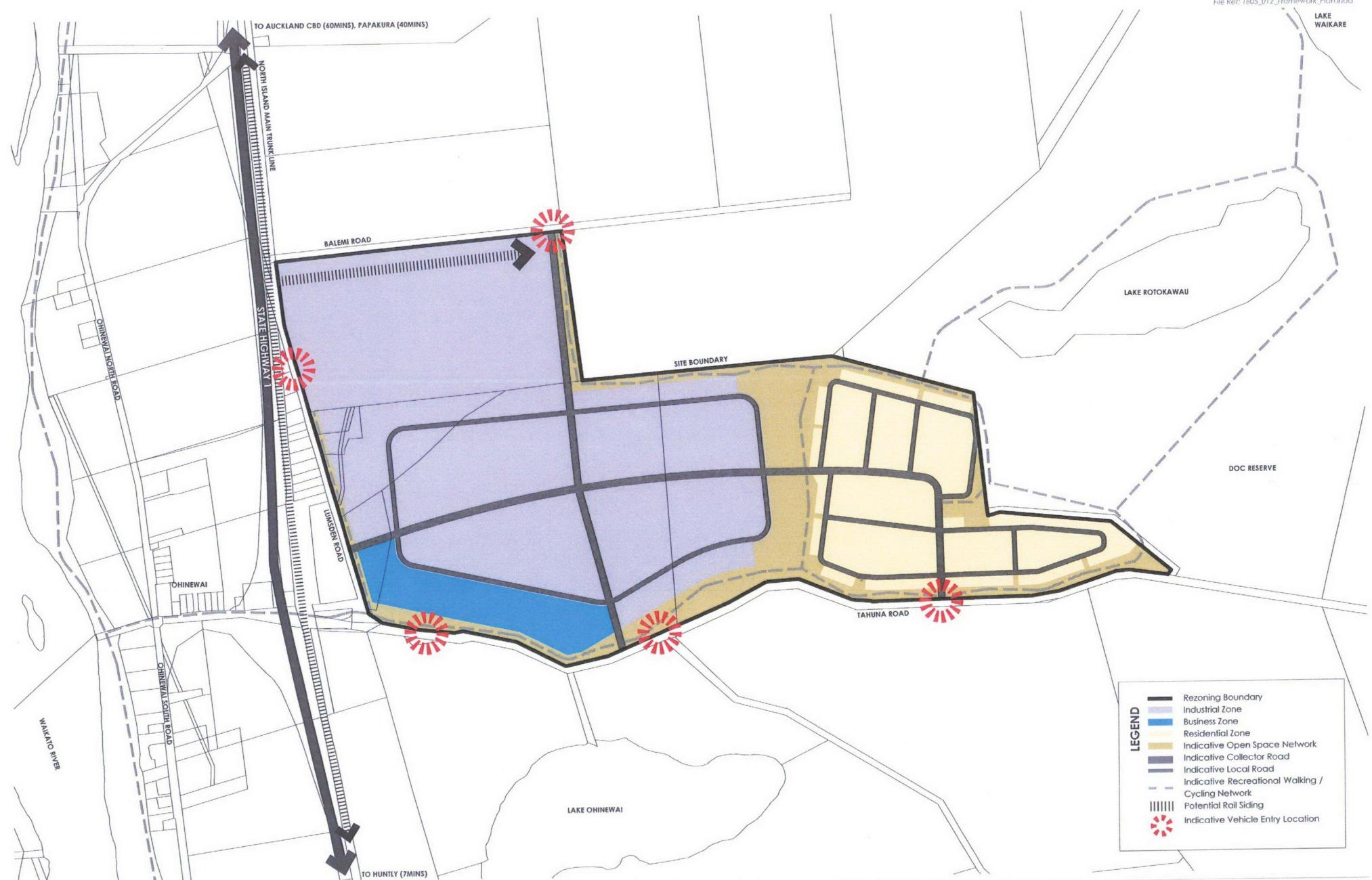
OHINEWAI DEVELOPMENT  
**Zoning Plan**  
Date: 05 October 2018 | Revision A  
Drawing Number: 1805\_013  
Plan prepared by Adapt Studio Ltd

File Ref: 1805\_013\_Zoning\_Plan.indd

LAKE  
WAIKARE

**Attachment 2**

**Ohinewai Structure Plan**

**OHINEWAI DEVELOPMENT****Framework Plan**

Date: 05 October 2018 | Revision A

Drawing Number: 1805\_012

Plan prepared by Adapt Studio Ltd