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**SUBMISSION ON PLAN CHANGE 16 - TUAKAU STRUCTURE PLAN (STAGE 1) -
RESIDENTIAL AND INDUSTRIAL REZONING (WAIKATO SECTION AND
FRANKLIN SECTION)**

TO: Waikato District Council

SUBMISSION ON: Plan Change 16 – Tuakau Structure Plan (Stage 1)

NAME: Horticulture New Zealand

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**1. Horticulture New Zealand's submission, and the decisions it seeks,
are detailed as follows:**

- Submission of Horticulture New Zealand
- Section 32
- Chapter 15C: Tuakau Structure Plan (Stage 1)
- Schedule 21E: Tuakau Living Zone Rules (New Residential)
- Subdivision Rules

2. Submission of Horticulture New Zealand

Horticulture New Zealand was established on 1 December 2005, combining the New Zealand Vegetable and Potato Growers' and New Zealand Fruitgrowers' and New Zealand Berryfruit Growers Federations.

On behalf of all active growers Horticulture NZ takes a detailed involvement in resource management planning processes as part of its national environmental policy. Horticulture NZ works to raise growers' awareness of the RMA to ensure effective grower involvement under the Act, whether in the planning process or through resource consent applications. The principles that Horticulture NZ considers in assessing the implementation of the RMA include:

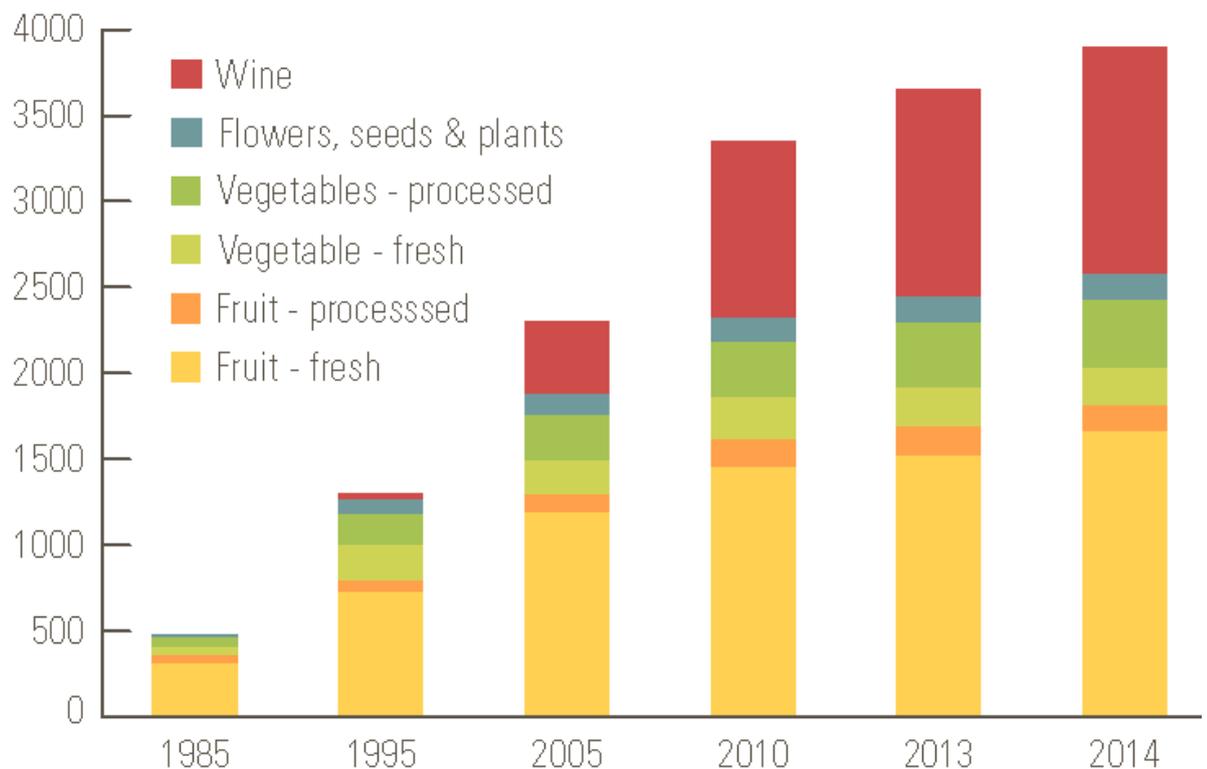
- (a) Science should underpin the basis of all advocacy;
- (b) The effects based purpose of the RMA;
- (c) Non-regulatory methods should be employed by councils;
- (d) Regulation should impact fairly on the whole community, make sense in practice, and be developed in full consultation with those affected by it;
- (e) Early consultation of land users in plan preparation, and
- (f) Ensuring that RMA plans work in the grower community's interests both in an environmental and economic production sense.

Since 1997 Horticulture NZ has been, and continues to be, an active participant in the regional and district planning processes and has emphasised expert based involvement since 2005. Horticulture NZ's investment in this activity is significant. For example, in the Financial Year to 2016 \$1.3m was expended by Horticulture NZ on resource management and environment advocacy work. This included evidence preparation and submissions on more than 48 plans and variations, more than 20 council hearings on decisions, 30 appeal discussions or mediations and 3 Environment Court Hearings.

Horticulture in NZ is a growth industry (see Figure 1 below). Total horticulture merchandise exports in 2014 were over \$1.65 billion, an increase in value of nearly seven percent on 2013 horticultural produce exports. Three horticulture crops kiwifruit; apples (fresh & processed); and potatoes (fresh, frozen &

processed); were collectively 64% of the value of New Zealand's horticultural produce exports in 2014.

Horticultural exports – Years to June (\$ million, fob)



Source: Statistics New Zealand

Figure 1 Exports in NZ horticulture over time

Increased export values of greater than \$10m were in:

- Apples (\$61m/+13% on 2013);
- Avocados (\$59m/+176%);
- Other processed fruit (\$13m/+17%); and
- Potatoes (\$11m/+12%).

Other major export crops are onions who are in a growth phase, predicting returns to be up 50% on 2015, from \$81 million to \$125 million FoB, and processed peas (\$80m). Vegetable seed exports, dominated by radish seed and carrot seed, fell \$14m (18%), but at \$66m vegetable seeds are significant exports. The value of New Zealand kiwifruit exports in 2015 at \$1.182 billion FoB was 27% above the 2014 and the average value of \$973m for the previous five years.

Land under horticultural crop cultivation in New Zealand is calculated to be approximately 87,140 hectares.

Domestic production

Combined domestic sales value of horticulture products are calculated to exceed \$3.2 billion and exports of \$3.9 billion has the value of New Zealand's horticultural outputs exceeding \$7 billion for the first time.

Domestic production dominates the vegetable sector and is a core element of New Zealand's food network. In our view, parts of the domestic supply chain are now being affected by constraints on production that are influenced by the availability of suitable land. Effects tend to result in increased prices for access to products that are staples of the New Zealand food basket such as carrots, potatoes and leafy greens. The most crucial issue is the timing of production, with potential for shortages at key times of the year if resource access is not managed strategically.

The key constraints to growth in horticultural production, which are the basis for this submission, remain access to the factors of production - in particular, land and water. Of the 5.5% of land available for production in New Zealand roughly 1/10th was subdivided for lifestyle blocks in the last 15 years. Access to water and land is becoming a key constraint to growth because of competition for versatile land for housing, the availability of water at high reliability, and water quality constraints.

Horticulture is a very efficient high value industry. For a comparison, ~50,000 people are employed in the >\$7Bn industry, operating off ~123,000 hectares. Dairy returns around \$18Bn, employs 30,000 people off a footprint of ~2.5million hectares. Increasingly, iwi based agribusiness is looking to expand into horticulture and Horticulture New Zealand has supported these groups to do so.

Tuakau

Access to the land resource is paramount for the horticultural sector. It is Horticulture New Zealand's national position that expansion of urban areas should not be on elite or prime land. Inappropriate choices on greenfield expansion compromise regionally significant rural production systems. This issue is fully recognised in the decision version of the Auckland Unitary Plan¹ but not appropriately addressed in Plan Change 16 in Tuakau where the same rural production systems rely on the same rural resources.

There are locational reasons why the rural sector is so productive in Tuakau related not just to the quality of soil but also access to freshwater, transport linkages, post-harvest facilities, access to labour, the proximity of the market and a diverse land parcel structure. There is a need to preserve areas of rural production for rural production and provide for growth and sustained access to land and water. There is also a need to ensure land owners have flexibility to change rural production land use activities and that the regulatory regime is practical and supportive.

The Future Urban Zone of Auckland and the future urban areas proposed through the Tuakau Structure Plan will be less than 2.5km apart and fall across rural production systems that are a critical part of the food supply system. It is the opinion of Horticulture New Zealand that through this plan change and structure plan the Waikato District Council has chosen housing over food production when alternatives to meeting housing demand have not been fully considered and where food production opportunities will be lost forever.

It is not just the food security and economic benefits associated with rural production that are important to Auckland and the Waikato. The rural economy supports rural communities and as identified in the Structure Plan "Tuakau is a rural service town". Tuakau is dependent on safeguarding productive rural activities if it wishes to retain that function.

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<http://www.aucklandcouncil.govt.nz/EN/planspoliciesprojects/plansstrategies/unitaryplan/Documents/ihprecommendations/ihp011ruralenvironment.pdf>

If not and it wants to become part of the solution to meet housing demands in North Waikato/ South Auckland then Council must look more carefully at where and how growth and intensification is provided. Tuakau is very much part of the Auckland picture, on the North Island Main Truck Railway Line and better growth management options are available than rolling out minimum residential lot sizes across adjoining high quality rural production land.

Rural production also defines much of the rural landscape. The landscape assessment prepared for the Tuakau Structure plan references the long history of cultivation in Tuakau², citing reports of fertile crops, a flour mill erected 1853, peach groves and crops of wheat, oats, potatoes and onions. To this day the horticultural landscape is a common feature in the Rural landscape recognised by the notified Urban Design guide stating “*Tuakau is characterised by its rural horticultural context*”.

3. Section 32

Part 3: Identification of Other Reasonable Practicable Options – Section 32(1)(b)(i)

Horticulture New Zealand supports recognition of the benefit of retaining rural land for productive purposes and the life-supporting capacity of versatile soils as an environmental benefit and the consequential environment cost of pursuing Option 3. It is noted that such environmental cost is not listed for Option 2 when it should be.

The section 32 is deficient in evaluating the relationship of rural production land in Tuakau with the Auckland/Waikato rural production systems that produce food and the effect of the proposed changes on those production systems. The assessment does not identify and assess

² Page 27, Tuakau Landscape Assessment Report of the Tuakau Study Area prepared for Waikato District Council by Mansergh Graham Landscape Architects.

the benefits and costs of the environmental, economic, social, and cultural effects of losing high value rural production land to housing. i.e:

- Is the growth necessary in Tuakau given the release of decisions on the Auckland Unitary Plan.
- Are there alternative greenfield options around Tuakau or in other locations not on land with high production values.
- Is intensification in the Tuakau town centre a better option than residential lots on land with high production values.

The economic benefit of retaining rural land should be included in Option 1 (addresses the status quo - do nothing) and the consequent cost of the loss of productive rural land should be included in the evaluation of Option 2 (the preferred PC16 option) and Option 3 (retain and apply the existing Franklin Section framework of provisions).

The economic and employment consequences of the rezoning of rural land has not been provided subject to Section 32.2(a) of the RMA.

It is noted that Property Economics were engaged by Waikato District Council to undertake an assessment Tuakau's core economic market, which focuses on the retail market. This document was used to inform the structure plan. However, no economic analysis has been undertaken of the reduction in economic growth derived from the loss of productive rural land.

The s32 analysis fail to demonstrate how it relates to the provisions of the existing plan (Section 32.3).

For example, Issue 1A.2 of the District Plan (Waikato Section) "Managing Growth Pressures" states "*Failure to have a strategic framework for growth has adverse effects on the ability to have efficiently organised and integrated urban areas, to appropriately develop land and to sustain productive rural activities*". The consequent policies states that new growth areas should be identified and planned for where they

support local services and minimise adverse effects on productive rural activities and lawfully established rural-based activities (Policy 1A.2.4).

The proposed plan change does not minimise adverse effects on productive rural activities and removes regionally if not nationally significant rural production land from the food production system.

It is also not clear how the section 32 assessment and plan change relate to or consider Part 3D, Part 18 and Part 19 of the District Plan (Franklin Section). Strategic Objective 2 of Part 3D is to provide for the sustainable use and management of highly valued land, including the life supporting capacity of soils, to ensure the productive potential, versatility and accessibility. Objective 19.1.1 (Growth Pattern of Main Centres) and the relevant policies are very directive on the pattern of urban growth for Tuakau. While a structure plan has been prepared in accordance with Policy 1.1.1(bullet 5), versatile land and its productive capability will be lost.

Decision Sought:

Revise the s32 to provide a more comprehensive evaluation and assessment of the plan change and makes changes to Plan Change 16 accordingly.

4. Chapter 15C: Tuakau Structure Plan (Stage 1)

4.1 15C.1 Introduction

The introduction focuses only on the growth of Tuakau. The introduction is deficient in that it does not describe the relationship of rural production land in Tuakau with the Auckland/Waikato rural production systems and the need to protect land with high production potential and promote a growth management response to do so.

Decision Sought:

Amend Introduction to describe the relationship of rural production land in Tuakau with the Auckland/Waikato rural production systems and the need to protect land with high production potential and promote a growth management response to do so.

4.2 15C.2 Issue – Planned and Sustainable Growth of Tuakau

In the preparation of the Tuakau Structure Plan adopted in December 2015 the following was identified as a preliminary key issue:

Safeguard good quality agricultural land from inappropriate subdivision and residential development.

This specific issue has not been included within the Plan Change.

Decision Sought:

Amend the Issue description:

The unplanned growth of Tuakau can adversely affect the quality, character and vitality of its urban environment the productive capacity of high quality land and rural production systems, and undermine the efficient provision and use of infrastructure and services

Add new Objectives:

(1) Tuakau's rural areas make a significant contribution to the wider economic productivity of, and food supply for the Waikato, Auckland and New Zealand.

(2) Areas of land containing elite and prime soil are protected for the purpose of food supply from inappropriate subdivision, urban use and development and rural production activities are enabled.

Add new Policies:

1) Growth in Tuakau is to be undertaken in a manner that avoids elite soils and where practicable avoids prime soils which are significant for their ability to sustain food production.

2) The location and density of subdivision are to ensure sustained productive rural activities. Development is to be cognisant of adjoining activities and designed in a manner that ensures reverse sensitivity effects on rural production activities are avoided.

3) Provide a yard, planting, fencing and no-complaints covenant buffer to manage reverse sensitivity between urban activities and production farming activities.

Add new Reason and Explanation:

Land with High Production Potential

There are locational reasons why the rural sector is so productive in Tuakau related not just to the quality of soil but also access to freshwater, transport linkages, post-harvest facilities, access to labour, the proximity of the market and a diverse land parcel structure. There is a need to preserve areas of rural production for rural production and provide for growth and sustained access to land and water. There is also a need to ensure land owners have flexibility to change rural production land use activities and that the regulatory regime is practical and supportive.

4.3 15C.4 Issue – Impact on Water Quality, Biodiversity, Ecosystems and Habitats

The issue statement correctly identifies that subdivision, land use and development can degrade the quality of fresh water and ecosystems, fragment and isolate habitats and reduce biodiversity.

Urbanisation of rural land typically results in a degradation of water quality and can adversely affect those water resource rural production systems rely on.

Decision Sought:

Amend Objective 15C.4.1 as follows:

Wetlands, lakes, ~~and~~ rivers and groundwater resources are protected from the adverse effects of urban related subdivision and land disturbance.

Amend Policy 15C.4.4. as follows:

Subdivision, land use and development are designed to:

- (a) result in the planting of riparian margins of streams with native vegetation;
- (b) be consistent with a Catchment Management Plan (and/or an approved discharge consent) and Iwi Management Plan;
- (c) ensure that stormwater is managed as close to its source as practicable;
- (d) ensure that stormwater management practices and devices are in accordance with low impact design principles; ~~and~~
- (e) create public drainage reserves along water bodies where necessary in order to manage stormwater drainage; and
- (d) Avoid the degradation of freshwater resources and discharge of contaminants from urban activities into the urban environment.

4.4 15C.8 Issue – Amenity Values for Urban Subdivision, Building and Development

The issue statement and objectives and policies fail to recognise that poorly designed and located urban subdivision, building and development can result in reverse sensitivity effects and conflict at the

rural/urban interface. An issue of particular importance given the plan's intent to expand urban activities across rural production land.

Decision Sought:

Amend the Issue description as follows:

Poorly designed and located urban subdivision, building and development can have adverse effects on amenity values, result in reverse sensitivity effects and affecting the natural and physical qualities of the environment.

Amend Objective 15C.8.1 as follows:

Adverse effects of activities on amenity values are managed and reverse sensitivity effects avoided or mitigated so that the qualities and character of the surrounding urban environment, and the rural production systems on the surrounding rural environment are not unreasonably compromised.

Amend Policy 15C.8.2 as follows:

Subdivision, building and development are to be located and designed to:

Avoid or mitigate adverse foreseeable effects (including reverse sensitivity effects) on, and from, nearby land use, particularly existing lawfully established activities;

Amend Reasons and Explanation as follows:

Poorly designed and located urban subdivision, building and development can result in reverse sensitivity effects and conflict at the rural/urban interface. An issue of particular importance given the plan

expand urban activities across interregional and nationally significant rural production land.

4.5 15C.13 Anticipated Environmental Results

Decision Sought:

Add new Issue 15C.13.1 as follows:

Safeguard good quality agricultural land from inappropriate subdivision and residential development.

Add new Anticipated Environmental Result 15C.13.2 as follows:

Residential and industrial growth in Tuakau that results in:

(k) The protection of land containing elite and prime soil for the purpose of food supply from inappropriate subdivision, urban use and development and enablement of rural production activities.

5. Schedule 21E: Tuakau Living Zone Rules (New Residential)

Rural activities such as horticulture are not accommodated within the Land Use – Activities. Interim provisions should be provided for such activities to enable the continuation for such activities similar to those provided in the Te Kauwhata Structure Plan.

Decisions Sought:

Amend the activity table as follows:

ITEM	PERMITTED
<u>Interim landuse</u>	<u>21B.3.1</u> <u>Any activity that complies with all the effects and building rules is a permitted activity if it is:</u>

ITEM	PERMITTED
	1. <u>an agricultural or horticultural activity in the Tuakau Living Zone.</u>
	<u>An activity that does not comply with a condition for a permitted activity is a Discretionary Activity</u>

As correctly identified within the s32 analysis, existing rural activities with existing use rights will be constrained by the proposed New Residential rezoning particular in the case of staged development given the range of land owners subject to the proposed rezoning.

The proposed urbanisation will create conflict with rural production at the rural/urban interface and create uncertainty for rural land users. The proposed rule framework does not adequately address rural urban interface issues.

Horticulture New Zealand is not satisfied that provision of building set back requirements will not avoid or mitigate adverse effects on rural activities or address the potential for reverse sensitivity. The current setback provisions are not consistent with proposed policy 15C.8.2.

In a worst case scenario, a residential dwelling could be located within 1.5m of a rural boundary. This is not considered to avoid or mitigate adverse effects on lawfully established rural activities and will generate reverse sensitivity effects.

Consideration needs to be given to the rule framework to address the scenario of staged residential development to enable existing productive rural activities to continue.

Design Sought:

- 1) Address the scenario of staged residential development to enable existing productive rural activities to continue.

- 2) Provide appropriate yards, planting requirements, fencing and a no-complaints covenant buffer to manage reverse sensitivity between urban activities and rural production activities.

6. Subdivision Rules

The submitter supports Reverse Sensitivity being a matter control is reserved over for subdivision consent in regards to:

- Rule 27B.45.1 (Allotment Size)
- Rule 27B.46.1 (Allotment Boundaries)

This should also be a matter of control in:

- Rule 27B.49.1 (Building Platform)

Design Sought:

Retain the Reverse Sensitivity matter control for subdivision consent in regards to:

- Rule 27B.45.1 (Allotment Size)
- Rule 27B.46.1 (Allotment Boundaries)

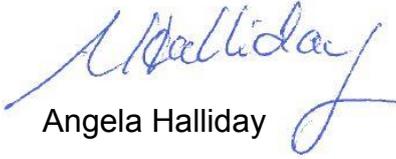
Add Reverse Sensitivity as matter control for subdivision consent in regards to:

- Rule 27B.49.1 (Building Platform)

8. If others make a similar submission the submitter would be prepared to consider presenting joint case with them at any hearing.

9. Horticulture New Zealand wishes to be heard in support of this submission.

Thank you for the opportunity to submit on the Plan Change 16 to the Waikato District Plan.



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