BEFORE HEARINGS COMMISISONERS APPOINTED

BY THE FAR NORTH DISTRICT COUNCIL

IN THE MATTER of the Resource Management Act 1991

AND

IN THE MATTER of the hearing of submissions on the Proposed

Far North District Plan

SUBMITTER Waipapa Pine Limited and Adrian Broughton Trust

[Novated to Fletcher Building Limited]

HEARING TOPIC: Hearing 14 – Urban Zones

STATEMENT OF PLANNING EVIDENCE OF ANDREW CHRISTOPHER MCPHEE

7 July 2025

INTRODUCTION

- 1. My name is Andrew Christopher McPhee. I am a Director / Consultant Planner at Sanson and Associates Limited and Bay of Islands Planning (2022) Limited.
- 2. I have been engaged by Waipapa Pine Limited¹ (**WPL**) to provide evidence in support of its further submission to the Proposed Far North District Plan (**PDP**). WPL is a wholly owned subsidiary of Fletcher Building Limited.
- 3. WPL transferred representation rights to Fletcher Building Limited in a letter to Council on 4 September 2024, following a sale and purchase of the business agreement (see Attachment 1).
- 4. I note that while the Environment Court Code of Conduct does not apply to a Council hearing, I am familiar with the principles of the code and have followed these in preparing this evidence.

QUALIFICATIONS AND EXPERIENCE

- 5. I graduated from The University of Auckland in 2007 with a Bachelor of Planning (Honours).
- 6. I began my planning career with Boffa Miskell, where I was a graduate planner until 2009. The same year I joined the Auckland Regional Council in the Policy Implementation Team. When the Auckland Councils amalgamated in 2010, I worked in a number of planning roles, leaving in 2015 as a Principal Planner in the Central and Island Planning Team.
- 7. I joined the Far North District Council (**FNDC**) in 2015 as a Senior Policy Planner working principally on the review of the district plan. I left FNDC in December 2023 and joined Sanson and Associates Limited and Bay of Islands Planning (2022) Limited with my codirector Steven Sanson.
- 8. I have been involved in a number of plan change and resource consent hearing processes in my time at Auckland Council, including as the planning lead for a number of topics for the Auckland Unitary Plan process. At FNDC I project managed private plan change 22 and was the portfolio lead for a number of topics for the PDP.
- 9. I am a full member of the New Zealand Planning Institute and a member of the Resource Management Law Association. In February 2024, I was certified with excellence as a commissioner under the Ministry for the Environment's Making Good Decisions programme.

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¹ Submission 342 was originally lodged by Waipapa Pine Limited and Adrian Broughton Trust

SCOPE OF EVIDENCE

- 10. Hearing 14 addresses submission points relating to the PDP Urban zones.
- 11. I have been asked by WPL to provide expert planning evidence arising from their submission points seeking amendments to Rule HIZ-R1 and Standards HIZ-S3, HIZ-S5 and HIZ-S8 within the Heavy Industrial zone chapter². The WPL further submission³ also opposed amendments to HIZ-S8 and HIZ-R1 from submissions S269.002 and S431.129 respectively.
- 12. I note that the WPL site is located south of the existing Industrial zone in Waipapa and is currently zoned Rural Production in the Operative District Plan. Through the notified PDP the WPL site is proposed to be rezoned Heavy Industrial. The rezoning hearings are scheduled for October 2025.
- 13. In preparing this evidence, I have reviewed the s42A Report for the Urban zones, with a particular focus on the Heavy Industrial zone as it relates to the WPL site.
- 14. I have adhered to the instructions of hearing Minute 1 'take a lead from the s42A Report in terms of content of evidence, specifically that evidence highlights areas of agreement and disagreement with the s42A Report, outlines any changes in Plan wording proposed (along with the rationale for these changes) together with an assessment pursuant to s32AA of the Resource Management Act 1991 (**RMA**)'.

ROLE AND FUNCTION OF THE HEAVY INDUSTRIAL ZONE

- 15. While relayed in previous pieces of evidence produced for WPL, it is important to note that the Heavy Industrial zone is a new zone promoted through the PDP. In respect to Waipapa, the proposed Heavy Industrial zone is a mix of 'Industrial' and 'Rural Production' zoned land in the Operative District Plan. In respect of the WPL site, it is currently zoned Rural Production where industrial activities have been lawfully established.
- 16. The overview in the Heavy Industrial zone chapter of the PDP recognises that it accommodates a range of activities which contribute to the economic wellbeing of the district but may produce offensive or objectionable environmental effects including odour, dust or noise. Further, the zone is characterised by large-scale purpose built utilitarian buildings and large areas of car parking and/or outdoor storage.

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² Submission 342

³ Further submission 374

17. The Heavy Industrial zoned land in Waipapa represents the extent of Heavy Industrial zoned land in the Kerikeri/Waipapa area. As such, it is important that the activities provided for in this zone are enabled to establish and continue relatively unencumbered.

SECTION 42A RECOMMENDATIONS (AGREEMENT)

18. The s42A Report has made recommendations in respect of Standards HIZ-S3 (Setback) and HIZ-S5 (Outdoor Storage), which I agree are appropriate.

HIZ-S3

- 19. The s42A Report supports the relief sought by WPL in respect of HIZ-S3, where it recommends a setback between sites within the Heavy Industrial zone is no longer required⁴.
- 20. I agree that this is a pragmatic outcome and concur with the commentary in the s42A Report where is states that setback controls are typically applied to support outcomes around pedestrian access, visual amenity or public open space. The Heavy Industrial zone does not prioritise these matters, as such it is not necessary to impose a setback control between sites within the Heavy Industrial zone.

HIZ-S5

- 21. The s42A Report supports the relief sought by WPL in relation to HIZ-S5, where it concedes a standard controlling outdoor storage is not necessary in the Heavy Industrial zone, and would place an undue burden on typical heavy industrial operations⁵.
- 22. I agree with this commentary and the proposed amendment to remove the requirement to comply with the standard when adjoining Light or Heavy Industrial zoned land.

SECTION 42A RECOMMENDATIONS (DISAGREEMENT)

HIZ-R1/HIZ-R4

- 23. While I agree with the recommendation in the s42A Report to exclude light industrial activities from the consideration of this rule, there is still insufficient evidence to support an arbitrary percentage of GFA for an ancillary activity.
- 24. The PDP supports a definition of 'Ancillary activities', which means an activity that supports and is subsidiary to a primary activity⁶. As such, an ancillary activity must have a relationship with and support an activity permitted in the Heavy Industrial zone.
- 25. Ancillary activities, such as administration, staff amenities or showrooms may be required for the efficient functioning of an activity undertaken within the Heavy Industrial

⁵ S42A Report Urban zones [para 840]

⁴ S42A Report Urban zones [para 834]

⁶ PDP Definitions (Definition National Standards)

- zone. An arbitrary 15% of GFA cap, which has no consideration of the overall size of the industrial operation, may not adequately cater to these essential support functions.
- 26. It is not clear from any of the Council documentation (s32 report or s42A Report) why an arbitrary limit and location has been applied in HIZ-R4. It is also not clear what this limit is trying to protect. It is fanciful to consider a scenario where an activity ancillary to a heavy industrial activity runs a risk of becoming the predominant use of the site where it has to be linked to the primary use.
- 27. I note that HIZ-O5 and HIZ-P5 directly address the provision of ancillary activities in the Heavy Industrial zone. HIZ-P5 specifically provides for ancillary activities where there is a direct relationship to the heavy industrial activity on-site.
- 28. Because of the requirement for an ancillary activity to have a direct relationship with the primary activity, determined through the framework and the definition of ancillary activities, the risk of an adverse or unforeseen outcome is limited. As such, I believe that the size of the ancillary activity should be determined by its functional relationship to the primary industrial activity, not by an arbitrary percentage.

HIZ-S8

- 29. The s42A Report relies on the commentary in the s32 Report for the Urban Environment for not supporting the removal of the 15% coverage rule in the Heavy Industrial zone. The s32 Report identifies that the heavy industrial zoning is generally not serviced by a reticulated stormwater network. No further commentary or analysis is provided by the s42A report writer in addressing the coverage issue. The approach taken in the PDP is a significant removal from how stormwater management, or coverage, is controlled for the Industrial zone in the Operative District Plan.
- 30. Industrial sites are inevitable highly impermeable, as can be seen from the development that has already occurred on the Industrial zoned landholdings in Waipapa. Figure 1 below demonstrates the existing coverage of the proposed Heavy Industrial zone in the PDP. I note that almost the entire extent of the proposed Heavy Industrial zone is currently zoned Rural Production in the Operative District Plan.
- 31. With the exception of three sites, most are highly impervious and being used in an industrial capacity.



Figure 1: Heavy Industrial zoned land in Waipapa

- 32. Heavy industrial activities often require large buildings, extensive paved areas for storage, manoeuvring of large vehicles, and outdoor operational spaces. A 15% impermeable surface coverage standard would severely restrict these fundamental requirements, which jeopardises the functionality of the zone.
- 33. The s42A Report acknowledges it is likely more than 15% of Heavy Industrial sites will be covered by impermeable surfaces⁷. It is evident from Figure 1 above that the current impermeable surface coverage for the Heavy Industrial zone in Waipapa is well in excess of 15%, making the proposed Standard impractical for both new and existing businesses.
- 34. The s42A Report, in relation to the 15% coverage Standard, states in paragraph 845 that "...it represents an appropriate balance between enabling industrial development in areas that may lack adequate infrastructure and ensuring that potential adverse effects on stormwater runoff are managed through the consenting framework where necessary." This statement in the s42A Report suggests a perceived 'balance', but it doesn't demonstrate how 15% coverage achieves this for heavy industrial activities.
- 35. As previously stated, the nature of heavy industrial activities demands large impermeable areas, as such 15% coverage will serve to stifle rather than enable industrial development in the Heavy Industrial zone. While I acknowledge that managing stormwater is important, setting such a low permitted threshold for the Heavy Industrial zone, may lead to:
 - Unnecessary costs and delays associated with the consenting process.

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⁷ S42A Report [para 843]

- Uncertainty around the consenting process which leads to a lack of confidence in the market for this zone.
- Encourage a low intensity of development on land specifically zoned for heavy industrial activities, undermining the zone's purpose of enabling such activities.
- Be cost prohibitive to manage or provide site specific solutions to manage stormwater.
- 36. The s42A Report identifies the 15% threshold as a "...trigger for resource consent, allowing stormwater management to be considered where more intensive development is proposed, rather than acting as a strict cap on development potential".
- 37. If the trigger is set unrealistically low for the intended character and function of the zone, it effectively acts as a firm cap on permitted development. It presumes that almost all heavy industrial development will have significant adverse stormwater effects needing an assessment as a restricted discretionary activity, rather than allowing for a more reasonable level of permitted impermeable surface.
- 38. FNDC have been remiss in providing appropriate development infrastructure to service the Heavy Industrial zone, instead are relying on the landowner to address stormwater matters, which in a zone of this nature should be considered and addressed on a zone wide basis through a reticulated network or global discharge consent with the Northland Regional Council.

THE RESOURCE MANAGEMENT ACT 1991 (RMA)

- 39. The RMA's purpose is to "promote the sustainable management of natural and physical resources" in a way that "enables people and communities to provide for their social, economic, and cultural wellbeing and for their health and safety".
- 40. An arbitrary 15% of GFA threshold for ancillary buildings and an impractical 15% coverage in the Heavy Industrial zone will hinder economic well-being by deterring investment and constraining operations in a zone specifically designated for economic activity.
- 41. When considering the efficient use of natural and physical resources (section 7(b)), the thresholds proposed for ancillary buildings and coverage may lead to inefficient use of heavy industrial land. With a 15% threshold for coverage as a permitted activity much of the site may be underutilized for its intended purpose due to this strict impervious surface restriction.
- 42. Section 31 of the RMA requires Council to ensure that there is sufficient development capacity in respect of business land to meet the expected demands of the district. 15% coverage makes heavy industrial land largely unusable or uneconomical for its intended

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⁸ s42A Report Urban zones [para 843]

- purpose, it effectively reduces the available and usable business land. It could also lead to inefficient development patterns by forcing industrial activities to spread out more, rather than making efficient use of zoned industrial land.
- 43. While I acknowledge that resource consent can be applied for where the Standard is breached, it increases the level of uncertainty and confidence for development in the zone.

THE REGIONAL POLICY STATEMENT FOR NORTHALND (RPS)

- 44. Objective 3.5 of the RPS sates that Northland's natural and physical resources should be 'sustainably managed in a way that is attractive for business and investment that will improve the economic wellbeing of Northland and its communities'.
- 45. As previously identified the arbitrary threshold for ancillary buildings and 15% impermeable coverage is fundamentally unattractive for heavy industrial businesses. It potentially restricts the scale of operations, increases development complexity, and may imposes high compliance costs particularly in addressing stormwater mitigation measures. This is inconsistent with the regional objective to make Northland 'attractive for business and investment'.
- 46. Policy 5.1.1 of the RPS seeks to ensure that use and development is located, designed and built in a planned and coordinated manner which recognises and addresses potential cumulative effects of subdivision, use, and development, and is based on sufficient information to allow assessment of the potential long-term effects.
- 47. While I concede that this policy has a broad scope, the impracticality of 15% coverage in Heavy Industrial zone can lead to unplanned outcomes. If heavy industrial land cannot be developed to its full functional potential, it could lead to pressure to expand industrial activities into other zones. This has been a trend in the Far North historically, the WPL and neighbouring sites is a prime example being zoned Rural Production under the Operative District Plan.
- 48. Policy 6.1.1 of the RPS seeks to ensure that regulation is only utilised if it is the most effective and efficient way of achieving resource management objective(s), taking into account the costs, benefits and risks. Furthermore, it seeks to minimise compliance costs where it is efficient and effective.
- 49. The arbitrary ancillary activity threshold and the 15% coverage standard are unlikely to be the 'most effective and efficient way' to achieve objectives for a heavy industrial zone. It will undoubtedly increase compliance costs for businesses by pushing most development into a resource consent process with little evidence that this is the most appropriate means to achieve the purpose of the RMA.

MISALIGNMENT WITH THE OBJECTIVES AND POLLICIES

- 50. HIZ-O2 seeks an outcome to accommodates a range of heavy industrial activities that efficiently use the resources of the zone and anticipates large-scale purpose-built utilitarian buildings and large areas of car parking and/or outdoor storage. 15% impermeable surface coverage is very low for a zone intended to accommodate 'large-scale purpose built utilitarian buildings and large areas of car parking and/or outdoor storage'.
- 51. HIZ-O5 and HIZ-P5 seek an outcome to limit the range of ancillary activities to those that support on-site industrial activity. These provisions emphasise the functional relationship of the ancillary activity to the zone. However, the arbitrary numerical cap of 15% GFA has no consideration of this functional relationship and relies solely on the size of the building. An ancillary space larger than the threshold might still support on-site heavy industrial activity while not compromising the ability of other activities to operate efficiently and effectively.
- 52. HIZ-P1 seeks to enable the development and operation of heavy industrial activities in the zone. A 15% permitted impermeable surface/coverage limit significantly constrains development and the efficient operation of many heavy industrial activities. Such a low threshold would likely require almost every new or expanding industrial facility to seek a resource consent, creating additional costs and potentially delays, thereby hindering, rather than enabling, development.
- 53. HIZ-P2 directs subdivision in the Heavy Industrial zone to provide reticulated three waters infrastructure, where available. Through rezoning this area Heavy Industrial and not providing any services ordinarily associated with this type of zone, FNDC has placed a significant burden on individual sites for on-site stormwater disposal for a very large percentage of the land.

RECOMMENDED CHANGES

54. The amendments are shown in strikethrough and <u>underline</u>.

HIZ-R4	Industrial activity (excluding offensive trade)	
Heavy Industrial zone	Activity status: Permitted Where: PER-1 Any ancillary activity (excluding any noise	Activity status where compliance not achieved with PER-1: Non-complying Not Applicable
	sensitive activity) is located within or is attached to the same building and occupies no more than 15% of the GFA.	

Note: This rule does not apply to Light industrial activities assessed under HIZ-RX Light industrial activity

HIZ-S8	Coverage	
Heavy Industrial zone	1:—The combined building and impermeable surface coverage of the any site must be is no more than 15%; and The disposal of collected stormwater is within an existing consented urban stormwater management plan or discharge consent; or 2. Where there is no consented urban stormwater management plan or discharge consent a connection to Council's reticulated stormwater system is not available—then stormwater must be disposed of in accordance—with—any recommendations within the site supported by an engineering / site suitability report is required to determine compliance with this standard	Where the standard is not met, matters of discretion are restricted to: a. the character and amenity of the surrounding area; b. whether the activity is within an existing consented urban stormwater management plan or discharge consent; c. the extent to which building site coverage and impermeable surfaces contribute to total catchment impermeability and the provisions of any catchment or drainage plan for that catchment; d. the extent to which low impact design principles have been used to reduce site impermeability; e. natural hazard mitigation and site constraints; f. the effectiveness of the proposed method for controlling stormwater without adverse effects on adjoining waterbodies (including groundwater and aquifers) on adjoining or downstream properties; g. the extent to which existing grass, vegetation or landscaping provided on site can mitigate the adverse effects resulting from

	reduced, alternative or no
	permeable surface; and
	h. the extent of potential
	adverse effects on cultural,
	spiritual, heritage and/or
	amenity values of any
	affected waterbodies.

SECTION 32AA EVALUATION

Effectiveness and Efficiency

- 55. Applying an arbitrary figure relative to the GFA of a building for an ancillary activity that by definition is tied to the primary use of a heavy industrial use is ineffective as it does not consider the functional relationship of the activity.
- 56. The 15% permitted standard for coverage is ineffective in enabling heavy industrial development and achieving economic objectives within the zone and the RPS. It creates a disconnect between the desired character of the zone (large impermeable areas) and the regulatory framework.
- 57. The permitted thresholds are inefficient from a regulatory perspective, as inevitably it creates a trigger for resource consent for activities that should typically be permitted in a heavy industrial zone, leading to unnecessary administrative burden and compliance costs.

Costs/Benefits

- 58. The proposed thresholds for ancillary buildings and coverage may lead to:
 - Industrial activities seeking larger land parcels to meet the permitted thresholds, potentially impacting more greenfield land elsewhere in other zones, which has historically been the case.
 - Increased costs for businesses due to the need for resource consent and infrastructure solutions.
 - Reduced land efficiency and attractiveness for industrial investment.

Risk of Acting or not Acting

59. The risk of not acting and retaining the proposed permitted thresholds constrains industrial development, which leads to inefficient land use, increased costs for businesses, and potentially driving industrial investment away from the district, or other zones.

CONCLUSION

- 60. I am of the opinion that the proposed permitted thresholds for ancillary activities and coverage in the Heavy Industrial zone shackle the zone's ability to function and deliver land use activities that are ordinarily anticipated.
- 61. Any further land use applications in the zone will likely require resource consent and burden the land owner with potentially expensive solutions to address stormwater, noting that the permitted threshold is the same as that within the Rural Production zone.
- 62. The Heavy Industrial zone in Waipapa is already largely impermeable and contains a consented environment that is largely utilised by heavy industrial activities. As such FNDC must have a reasonable understanding of the effects of coverage in this location and should be able to provide a threshold that at least reflects the existing environment. FNDC has to take some responsibility for providing appropriate infrastructure to support the Heavy Industrial zone and the activities enabled within the zone, which require large areas of impermeable surfaces.
- 63. There is a limited quantum of Heavy Industrial zoned land proposed in the PDP in the vicinity of Kerikeri and Waipapa (and across the Far North District). The introduction of the Heavy Industrial zone within the PDP signals where Council wants activities that may produce offensive and objectionable environmental effects to locate. As such, it is important for activities supported in the Heavy Industrial zone to remain unencumbered.

Attachment 1 - Representation Transfer					

4 September 2023

Far North District Council

5 Memorial Avenue Private Bag 752 Kaikohe 0440

Re: Waipapa Pine Limited and Adrian Broughton Trust Submission No 342"

Waipapa Pine Ltd entered into a sale and purchased agreement with Fletcher Building Ltd, for the sale of 100% of Waipapa Pine Ltd shares to Flecther Building Ltd. The sales transaction, and share transfer, was completed on the 9th of June 2023

This letter serves to notify FNDC that the previous Directors of Waipapa Pine Ltd are transferring representation rights to Fletcher Building Ltd, with regards to submission No 342

Grant Arnold

Previous Director

frunt Ambl.

Waipapa Pine Ltd

4 September 2023

Far North District Council

5 Memorial Avenue

Private Bag 752

Kaikohe 0440

Re: Waipapa Pine Limited and Adrian Broughton Trust Submission No 342"

The Adrian Broughton Trust entered into a sale and purchase agreement with Fletcher Building Ltd for the sale of land & buildings related to submission No 342. The purchase was completed on the 9th of June 2023.

This letter serves to notify FNDC that the trustees of The Adrian Broughton Trust are transferring representation rights to Fletcher Building Ltd, with regards to submission No 342

Yours Sincerely,

Adrian Broughton

The Adrian Broughton Trust