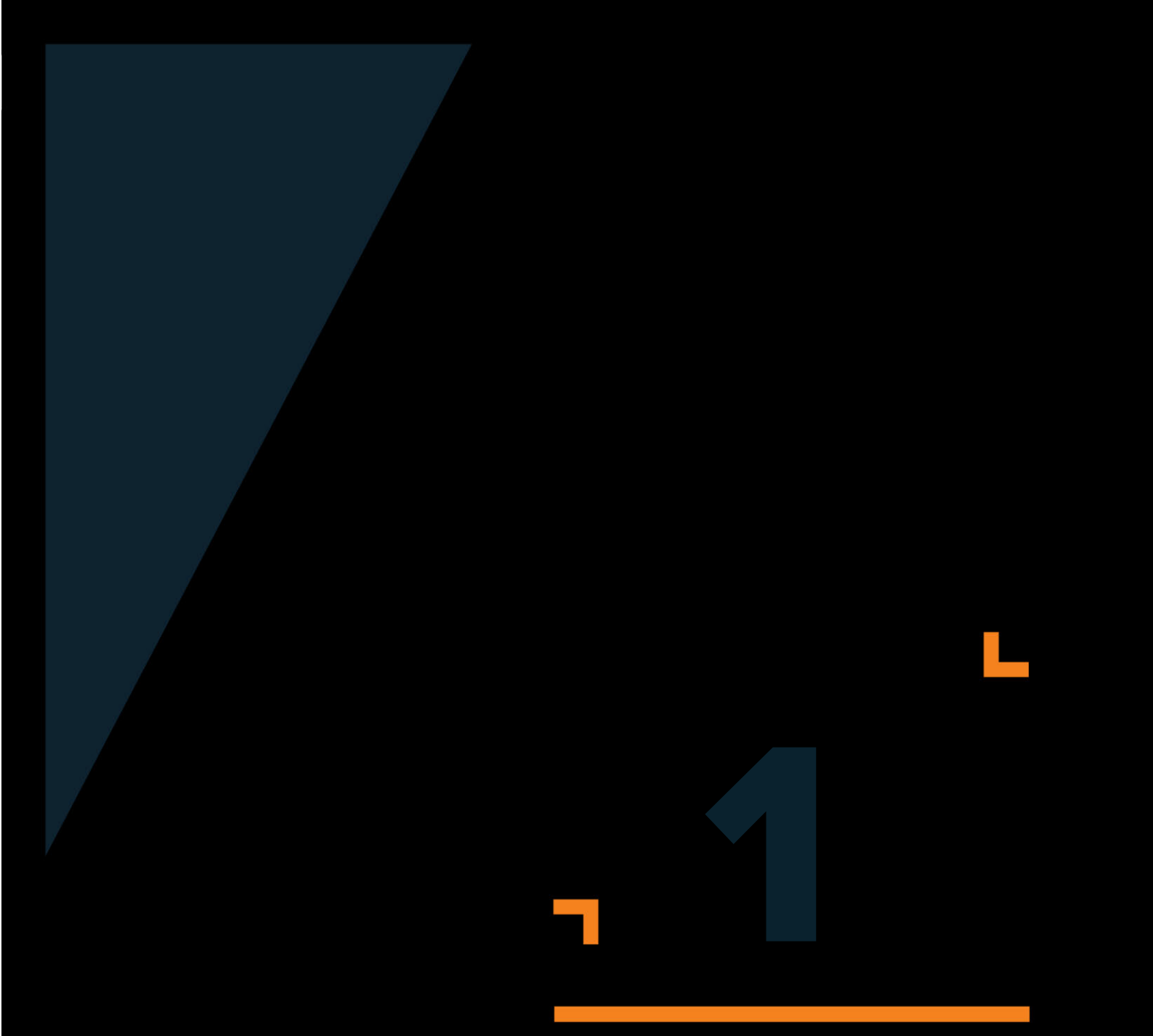




ATTACHMENT 1

SOUTHERN LINK PROPERTY LIMITED

SOUTHERN LINK INLAND PORT

Fast-track Approvals Act 2024 Referral
Application

14 May 2025

TABLE OF CONTENTS

1.	Applicant	1
1.1	Applicant Details	1
1.2	Agent Acting on Behalf of Applicant	1
1.3	Finance	1
1.4	Compliance and Enforcement History	2
2.	Referral Application Summary	3
2.1	Project Name	3
2.2	Project Description and Location	3
2.3	Ineligible Activities	5
2.4	Exemptions from Requirement to Provide Agreement	6
2.5	Ministerial Approval	6
2.6	Appropriateness for Fast-track Approvals Process	6
3.	Project Details	22
	Timing of Construction	22
3.1	Approvals Required	22
3.2	Staging of the Project	24
3.3	Alternative Project	24
3.4	Adverse Effects	25
3.5	Persons Affected	29
3.6	Legal Interests	33
3.7	Other Matters	33
3.8	Specific Proposed Approvals	34

ATTACHMENTS

Attachment 1:	SLPL – Southern Link Inland Port – Fast-track Approvals Act 2024 Referral Application (<i>this document</i>)
Attachment 2:	Southern Link Inland Port – Indicative Site Layout
Attachment 3:	Southern Link Inland Port – Site Location Map
Attachment 4:	Records of Title
Attachment 5:	Economic Assessment Summary
Attachment 6:	KiwiRail Letter of Support
Attachment 7:	Dunedin City Council Pre-Application Consultation Feedback
Attachment 8:	Otago Regional Council Pre-Application Consultation Feedback
Attachment 9:	Ministry for Environment Pre-Application Consultation Feedback
Attachment 10:	Te Rūnanga o Ōtākou Incorporated, Kati Huirapa ki Puketeraki Incorporated and Te Rūnanga o Moeraki Incorporated Consultation Process Agreement



1. APPLICANT

APPLICANT DETAILS

1.1

Organisation: Southern Link Property Limited

Contact Person:

s 9(2)(a)



1.2

AGENT ACTING ON BEHALF OF APPLICANT

Organisation: Mitchell Daysh Limited

Contact Person:

s 9(2)(a)



1.3

FINANCE

Organisation: Southern Link Property Limited

Contact Person:

s 9(2)(a)



Please direct all correspondence relating to this application (including correspondence from MfE) to:

s 9(2)(a)



1.4 COMPLIANCE AND ENFORCEMENT HISTORY

Have there been any compliance or enforcement actions taken against the applicant (or if the referral application is lodged by more than one person, any of those persons) under a specified Act definition for either 'compliance' or 'enforcement'?

No.



2. REFERRAL APPLICATION SUMMARY

2.1 PROJECT NAME

Southern Link Inland Port.

2.2 PROJECT DESCRIPTION AND LOCATION

2.2.1 Project Description

The proposed Southern Link Inland Port is a comprehensive Inland Port / Logistics Hub to service Port Otago. It will include:

- > A rail siding to enable a rail freight shuttle service to Port Chalmers and wider rail network;
- > Up to 80,000 m² of high stud warehousing (chilled and ambient);
- > A truck canopy and unloading area;
- > A 5 ha container depot facility enabling the cleaning, repair and inspection of used containers to make them available for food grade repacking;
- > Up to 5 ha of container terminal for storage of full containers including up to 1,500 refrigerated container charging ports;
- > Break bulk storage facilities;¹
- > Road widening and upgrades to the Dukes Road rail crossing; and
- > Ancillary activities to support the above.

The establishment of the Inland Port / Logistics Hub will involve earthworks, construction of the rail siding, site access, internal roadways and parking, hardstand areas, landscaping, buildings for storage, administration and maintenance facilities, and associated infrastructure and works including measures necessary to manage stormwater and stabilise the site.

The site will be compliant with both Ministry of Primary Industries and New Zealand Customs Service requirements to allow for handling of both import and export goods.

¹ Break bulk cargo generally refers to goods that cannot be packed into standard shipping containers due to size, shape, or weight.



A video explaining the key elements of the proposal can be viewed here:

<https://vimeo.com/927897238>.

The Inland Port / Logistics Hub is being developed by Southern Link Property Limited which is a 50:50 joint venture between Chalmers Property Limited (Port Otago Limited's Property subsidiary) and Dynes Transport Tapanui Limited ("**Dynes Transport**").

Icon Logistics Limited (a Dynes Transport subsidiary) provides third party logistics services to Port Otago Limited ("**Port Otago**") and its exporters. The Inland Port / Logistics Hub qualifies as 'infrastructure' under the Resource Management Act as it is a facility for the loading or unloading of cargo transported on land by any means² – in this case road and rail.

The purpose of the Inland Port / Logistics Hub is to facilitate the provision of an end to end logistics solution for the lower South Island's containerised exporters and importers. The Inland Port / Logistics Hub will operate as a world class facility enabling the more efficient, resilient and cost effective handling of containerised freight passing through Port Otago.

The facility is optimally located to provide freight storage and buffering to enhance the efficiency of Port Otago's Port Chalmers operations. The Inland Port / Logistics Hub will facilitate a mode shift from road to rail for freight to Port Otago, increasing the Port's operational efficiency and significantly reducing carbon emissions and road maintenance costs associated with heavy vehicle movements to the Port.³ Conservative analysis of mode shift associated with existing Icon Logistics and Port Otago customers show at least 17,000 heavy vehicle movements per annum (one way) will be removed from the road on establishment of the Inland Port / Logistics Hub. **s 9(2)(b)(ii)**

As a consequence the Inland Port / Logistics Hub will reduce congestion within Dunedin City and improve the efficiency and safety of the city's road network.

The proposal will leverage the existing KiwiRail infrastructure and equipment utilising existing capacity in that network and improving the return on investment for this infrastructure, as well as increasing volumes on rail.

An indicative site layout is included as **Attachment 2**.

² Resource Management Act 1991, Section 2 – Infrastructure definition at (h).

³ Refer Attachment 5 – Savvy Economics Report Summary at page 21.

⁴ Refer Attachment 5 – Savvy Economics Report Summary at page 15.

2.2.2 Project Location

The proposed site for the Inland Port / Logistics Hub is 270 – 292 Dukes Road North, North Taieri, 9092, within the territorial boundaries of the Dunedin City Council. The site is located adjacent to the Taieri Branch Rail Line corner of Stedman Road and Dukes Road North. A site location map is provided as **Attachment 3**, with the cadastral boundary and immediate surrounds shown in the indicative site layout, included as **Attachment 2**.

The land holdings for the Inland Port / Logistics Hub are wholly owned by Southern Link Property Limited, and are legally described as follows:

- > Part Section 10 Block V East Taieri Survey District, held in Record of Title OT3C/897;
- > Deposited Plan 5579, held in Record of Title OT304/127;
- > Part Section 9 Block V East Taieri Survey District, held in Record of Title OT3C/899; and
- > Part Section 9 Block V East Taieri Survey District, held in Record of Title OT329/233.

Records of Titles are provided as **Attachment 4**.

2.3 INELIGIBLE ACTIVITIES

In accordance with section 5 of the Fast-track Approvals Act 2024 (“**FTAA**”), the Project does not meet the definition of an ineligible activity as the Project:

- > Will not occur on identified Māori land;
- > Will not occur in a customary marine title area;
- > Will not occur in a protected customary rights area;
- > Will not occur on Māori customary land;
- > Will not occur on land set apart as a Māori reservation as defined in section 4 of Te Ture Whenua Māori Act 1993;
- > Is not an aquaculture activity;
- > Does not require an access arrangement under the Crown Minerals Act 1991;
- > Is not an activity that would be prevented under section 165J, 165M, 165Q, 165ZC or 165ZDB of the Resource Management Act 1991;
- > Will not occur on land that is listed in Schedule 4 of the FTAA;
- > Will not occur on a national reserve held under the Reserves Act 1977;
- > Will not occur on a reserve held under the Reserves Act that is managed by someone other than the Department of Conservation or a local authority;

- > Is not a prohibited activity under the Exclusive Economic Zone and Continental Shelf (Environmental Effects) Act 2012 or regulations made under that Act;
- > Is not an activity that is described in section 15B of the Resource Management Act 1991 or an activity that is prohibited by section 15C of the Resource Management Act 1991;
- > Is not a decommissioning-related activity; and
- > Is not an activity undertaken for the purposes of an offshore renewable energy project.

2.4 EXEMPTIONS FROM REQUIREMENT TO PROVIDE AGREEMENT

2.4.1 Mining Activities

The Project is not for an activity that is prospecting, exploration, mining or mining operations of Crown-owned minerals undertaken below the surface of any land or area.

2.4.2 Land Exchange

The Project is not located on land proposed to be the subject of a land exchange.

2.5 MINISTERIAL APPROVAL

The Project is not an activity that is seeking a ministerial determination under section 23 or 24 of the FTAA.

2.6 APPROPRIATENESS FOR FAST-TRACK APPROVALS PROCESS

2.6.1 Purpose of the FTAA

The Project is an infrastructure project that will have significant regional and national benefits. The Inland Port / Logistics Hub is infrastructure as defined in the Resource Management Act 1991 (“**RMA**”). Port Otago’s facilities are recognised as nationally significant infrastructure under the National Policy Statement for Urban Development 2020 (“**NPS-UD**”). The Port is also a lifeline utility under the Civil Defence Emergency Management Act 2002. Port Otago plays a critical role in regional and national economies. Recent research by the New Zealand Institute of Economic Research (“**NZIER**”) estimates that Port Otago’s operations contribute around \$₂₀₂₀154 million to Otago Region’s annual direct and indirect GDP and \$₂₀₂₀118 million to New Zealand’s annual Gross Domestic

Product (“GDP”).⁵ The Port sustains a workforce of approximately 300 people across a range of occupations.

In 2023/24, Port Otago handled \$8.1 billion exports (2.47 million tonnes) and \$1.1 billion imports (0.7 million tonnes), reflecting the export nature of our country and region. When considering goods exported from New Zealand by seaport, Port Otago accounts for 10% of goods exported by sea by value (ranking it third in the country after the Ports of Tauranga and Lyttelton). In the context of the South Island, Port Otago handles 21% of exported goods by gross weight and 31% of exported goods by value, ranking it second highest of South Island seaports (after Lyttelton).

Exporting product is Port Otago’s primary economic role, with 90% of all goods passing through the Port (by weight) being export goods.

Like many ports around New Zealand, Port Otago’s Port Chalmers site faces significant pressure for space portside. There is no further viable space for expansion at Port Chalmers as it is both land-locked and sea-locked. Additionally, the upper harbour Port facilities and capacity are constrained by the limited free land available – a few hectares as opposed to the required tens of hectares. As such it is being developed to focus on and service bulk Port operations. The Dunedin Port at upper harbour is unable to cater for larger ships that carry containerised freight and is not currently equipped for handling containerised freight. Growth in export volumes is becoming constrained (if not already) by the capacity of the container terminal at Port Chalmers. Addressing this constraint and improving the efficiency of the supply chain to Port Chalmers will enable Port Otago to grow and increase its market share over the medium to long-term and allow it to support growth in primary sector exports in the southern South Island. The Inland Port / Logistics Hub will also increase the resilience of the Port to adverse weather, natural hazard events and other supply chain shocks, and to increase efficiency of the lower South Island supply chain, including from a carbon emissions point of view.

Port Otago’s containerised freight supply chain currently relies on a fragmented suite of warehouses and freight providers. Port Otago operates some of its own warehousing at Port Chalmers, whilst other logistics companies (predominantly Icon Logistics) operate multiple sites within Dunedin and Mosgiel. This fragmentation creates significant inefficiencies by requiring the manoeuvring of empty containers to the required locations (via Port Otago’s

⁵ This figure is considered conservative as induced economic impacts (those arising from household spending using wages and salaries sustained directly and indirectly by Port Otago) are not included in the NZIER report.

Strathallan Street Container Depot), increased handling of product and space constraints causing congestion and delays for exporters.

Constraints at Port Chalmers and Strathallan Street have recently necessitated the establishment of the Ravensbourne Container Depot which provides ~ 1,000 Twenty-foot Equivalent Units (a standard sized ‘container’ also known as a “TEU”) of empty container storage. All these containers rely on trucks to be transported to and from the site which adds additional heavy traffic congestion to the road network. Demand for empty container storage is particularly acute for Port Otago due to the significant imbalance of export versus import freight (90% of Port Otago’s containerised freight is export freight).

Therefore, Port Otago must import a significant number of empty containers for packing and exporting. Global shipping schedule reliability has decreased significantly in recent years (currently standing at ~ 65%, relative to ~ 83% in 2019). This means that ports require more container storage capacity to ‘buffer’ exports while waiting for ships. The demand for this buffering clogs the terminals and the local roading network, thus reducing the efficiency of Port Otago’s operations. An additional challenge for Port Otago is the delays in receiving empty containers caused by lower ship schedule reliability. To manage the demand for empty containers in the face of shipping delays, Port Otago has doubled its need for empty container availability from 4,000 to 8,000 containers to ensure that there are enough available to be more resilient to shipping delays. This additional storage is placing significant pressure on already constrained sites.

The facilitation of the delivery of the Inland Port / Logistics Hub is the solution to the inefficiencies, pressures, fragmentation and challenges currently being experienced. The proposed Inland Port / Logistics Hub will be co-located with Fonterra’s Mosgiel distribution centre, which acts as a regional hub for Fonterra’s sizeable operations across Otago and Southland and which provides a significant source of freight to Port Chalmers. This provides an opportunity for co-ordination and increased economies of scale that leverage the existing KiwiRail operated rail services to Port Chalmers, and increase the return on investment for KiwiRail. The development of the Inland Port / Logistics Hub will provide an opportunity for further mode shift of freight currently transported from Southland to Port Otago and import freight into Central Otago. This would result in significant savings for freight importers and exporters and road controlling authorities via reduced heavy traffic.

2.6.2 Criteria for Assessing Referral Application

Referring the Project to the Fast-track approvals process will meet the criteria outlined in section 22, as outlined in the following sub-sections.

2.6.2.1 Would facilitate the project, including by enabling it to be processed in a more timely and cost-effective way than under normal processes

The site of the proposed Inland Port / Logistics Hub has been carefully selected because:

- > It is located adjacent to the KiwiRail operated Taieri Branch Rail Line which can be utilised to operate short shuttle train services to deliver containerised freight to Port Chalmers on a just in time basis.
- > The site's location creates opportunities for new export storage serviced by the rail network, which doesn't exist currently in the region.
- > The site is relatively flat, large and effectively square enabling establishment of the optimum sized rail siding (to accommodate a longer train of 24 40 foot wagons), and site layout for operational efficiency.
- > The site is relatively close to Dunedin and the rail line is automatically controlled enabling frequent shuttle train services. Sites further south are not within the automatically controlled KiwiRail network which places a significant limitation on the frequency of rail services without significant upgrade costs being incurred. A location any further afield than Mosgiel would result in the shuttle train services becoming less reliable to deliver optimal productivity.
- > The site is adjacent to the existing Fonterra distribution centre an already significant source of containerised freight to Port Chalmers enabling coordination and increased economies of scale, and utilisation of existing KiwiRail rolling stock.

The key benefits of this site are similar to other inland port locations both in New Zealand and Australia.

In the Applicant's assessment, there are no other sites in the Otago region that meet the specific operational needs of this infrastructure project, particularly proximity to Port Chalmers to support shuttle train services and existing rail infrastructure to support mode shift.

However, the site is zoned 'Taieri Plain Rural' in the Dunedin City Council's 2nd Generation District Plan, and is located on land which is classified as highly productive. In light of this, the proposal is likely to face unacceptable delays due to policy technicalities through either a private plan change or a non-complying consent application process. The FTAA is expected to provide a faster and more cost-effective approval pathway that will help facilitate this regionally significant infrastructure development.

2.6.2.2 Is unlikely to materially affect the efficient operation of the Fast-track approvals process

Whilst being a sizeable project that will deliver significant regional and national benefits, the proposal is not overly complex, and will only require approvals that would otherwise be applied for under the RMA, but not under any other specified Act.

As such, processing the application will require a comparatively modest amount of time and effort by an expert panel and other administering agencies.

The Project is well suited to the Fast-track process. The effects of the Project are substantially positive for the region. The primary effect that needs to be managed relates to stormwater and flood hazard management, which is well understood, and detailed solutions will be available to the expert panel to consider. Consultation with the Otago Regional Council (“**ORC**”) with respect to these issues has identified a principle based approach to address these issues, and the Applicant is now developing the detail of that.

2.6.2.3 Has the Project been identified as a priority project in a central government, local government, or sector plan or strategy (for example, in a general policy statement or spatial strategy), or a central government infrastructure priority list

Yes. The site of the Inland Port / Logistics Hub is included within the Dunedin City Council Future Development Strategy 2024 (“**FDS**”), for the purposes of a ‘Logistics Park / Freight Hub’.

Otago’s Regional Land Transport Plan 2021-2031 (“**RLTP**”) also identifies the need for a freight hub / logistics park south of Dunedin and seeks to increase use of rail and coastal shipping for freight. Similar strategic objectives are also contained within Dunedin’s Integrated Transport Strategy 2013, Dunedin’s Infrastructure Strategy 2013 and Dunedin’s Economic Development Strategy 2013-2023.

The proposal also aligns with the Emissions Reduction Plan for New Zealand which has targets relating to the decarbonisation of Freight (Transport Target 3 and 4) and the Dunedin City Council Zero Carbon 2030 which identified the need to reduce transport emissions by 42%, including an 20% shift of road freight to rail. The Inland Port / Logistics Hub would be a significant step toward achieving these targets.

2.6.2.4 Will the Project deliver new regionally or nationally significant infrastructure or enable the continued functioning of existing regionally or nationally significant infrastructure

Yes to both. This Project is critical to the efficient functioning of Port Otago over the short to medium term. As described in detail in Section 2.6.1 above, the Project is being developed to address the significant space constraints faced by Port Otago at Port Chalmers. With no

viable space for expansion at Port Chalmers, growth in export volumes is becoming constrained by the capacity of the existing container terminal.

In addition, the lease of the Port's existing off-site container depot (the Strathallan Street Container Depot) in Dunedin will end in 2030, and a new location for the container depot will be required. There is a shortage of industrial land of adequate size and with efficient transport links in Dunedin, and no other suitable sites have been identified. The proposed Inland Port / Logistics Hub will provide a fit-for-purpose replacement of the Strathallan Street Container Depot to ensure that Port Otago's nationally significant operations can continue without disruption.

As well as meeting the immediate needs of Port Otago, the Project will also provide an opportunity for the Port to grow its export volumes and increase its resilience to adverse weather or natural hazard events. This is discussed further in Section 2.6.2.10, below.

Given the fact that Port Chalmers serves the primary sector in multiple regions (Otago, South Canterbury and Southland) the development of the Inland Port / Logistics Hub is considered a regionally significant infrastructure development in its own right. But it will equally support and enable the continued and improved functioning of Port Otago's Port Chalmers facility which is identified as nationally significant infrastructure.

The Project will also address the currently fragmented, and inefficient state of the third-party logistics operations within Dunedin which provide the critical link between Port Otago and the exporters that rely on it. There will also be an opportunity for the sites vacated by Port Otago and Icon Logistics within Dunedin to be redeployed by other industrial users who have activities that are more appropriately located within central Dunedin and who can achieve a higher return on investment of this valuable industrial land.

Furthermore, the proposal is directly aligned with Policy 9 of the New Zealand Coastal Policy Statement ("**NZCPS**"). Once developed, the Inland Port / Logistics Hub would provide a more efficient and cost-effective connection between road, rail and shipping transportation modes. As described in Section 2.6.1 above, the current fragmentation of freight depots across sites in Dunedin creates significant inefficiencies for exporters, in the form of congestion, delays and supply chain resilience challenges. This Project will significantly reduce such inefficiencies and improve road and rail connections with Port Otago's Port Chalmers operations. The alignment of the Project with the NZCPS is considered further in Section 3.8.1.1, below.

2.6.2.5 Will the Project increase the supply of housing, address housing needs, or contribute to a well-functioning urban environment (within the meaning of Policy 1 of the National Policy Statement on Urban Development 2020)

The Project will not directly increase the supply of housing as it is not a housing project, but it will contribute to a well-functioning urban environment.

Currently a large number of heavy traffic movements are required through Dunedin to move freight and empty containers around the city. The proposed Inland Port / Logistics Hub will transfer a significant number of heavy truck movements to rail and increase the utilisation of existing rail assets between Mosgiel and Port Chalmers. There is sufficient capacity within the existing rail network between the site and Port Chalmers to support the operation of the Inland Port / Logistics Hub without requiring any upgrades or new equipment.

As such, the Project will directly contribute to Policy 1(c) and (e) of the NPS-UD by improving the safety of active transport routes and reconfiguring the freight network to reduce greenhouse gas emissions. Additionally, the Project will reduce congestion within Dunedin, and free up valuable industrial land for higher value uses within the central city, of which there is currently a shortage. It is estimated that the Inland Port / Logistics Hub will result in ~17,000 fewer heavy traffic movements per annum (one way) initially, with the potential to increase that over the medium to long term as new customers are secured.⁶

2.6.2.6 Will the Project deliver significant economic benefits

Yes. Construction of the proposed facility is estimated to be approximately \$80 – 100 million of direct expenditure for the initial phases (including the siding, container depot, terminal and 40,000 m² of warehousing). This is a conservative estimate as the final projected area of warehousing is 80,000 m² and the estimate does not include associated costs such as infrastructure services and fit out of the buildings. Regardless, this will provide a significant source of economic stimulus during the construction phase, 86% of which is expected to occur within the Otago economy. There will also be additive indirect and induced economic impacts.

The direct, indirect and induced economic benefits of the Project associated with the construction of the warehousing, rail siding and pavement for the container depot and terminal include:

- > Expenditure of \$71.5 million in the Otago region, and \$7.9 million in the rest of New Zealand (for the main components only); and

⁶ Refer Attachment 5 – Savvy Economics Report Summary at page 18.

- > Employment of 551 full time equivalents (“**FTE**”) in the Otago region and 62 FTE in the rest of New Zealand (for the main components only).⁷

Once operational, there will continue to be significant economic benefits associated with:

- > Reduced road maintenance costs;
- > Reduced congestion making the wider Dunedin transport network more efficient and safer for other road users;
- > Increased utilisation and productivity of existing rail network. Currently only one ship per fortnight departs Southport (Bluff). This has resulted in a shortage of shipping capacity for products produced in Southland, and means that product is currently trucked from Southland to Port Otago. By supporting Port Otago to maximise its current resources the Inland Port / Logistics Hub will enable these products to be moved to rail, stored and then transported to Port Chalmers on a just in time basis. This will increase utilisation of the KiwiRail network and improve efficiency for Southland freight producers. The shuttle trains between the Inland Port / Logistics Hub and Port Chalmers will utilise the same rolling stock and equipment as the service from the adjacent Fonterra Mosgiel distribution centre. This will see an increased return on investment for KiwiRail from this existing equipment and infrastructure;
- > Increased utilisation and productivity of existing Port Otago infrastructure. Consolidating freight logistics for delivery to Port Chalmers will significantly improve the efficiency of Port Otago’s operation by providing buffering capacity off site and freeing up port land (which is currently used for third party logistics services) allowing Port Otago to redeploy that space to optimise its ability to serve and turnaround ships. These efficiency improvements will support Port Otago to grow its TEU’s from current levels (175,000 TEU in 2023) to up to 300,000 TEU without requiring further space at Port Chalmers; and
- > Increased supply chain resilience reducing the impact that disruptions have on producers. Due to space constraints and current ship volumes, Port Otago has limited space available at Port Chalmers for freight buffering. This means that freight producers need to manage production levels, and freight handling in line with port space. This can, at times limit their productivity or create bottle necks. With the Inland Port / Logistics Hub there will be adequate space available, and transport capacity via train shuttles to

⁷ Refer Attachment 5 – Savvy Economics Report Summary at page 7, Table 3.1.



port for freight producers to store material for 4 – 6 weeks and allow Port Otago to quickly move any backlog when shipping channels free up again.

It is anticipated that approximately 55 FTE will be required to operate the Inland Port / Logistics Hub once operational. Approximately 34 of those are additional to the status quo which equates to a 2.4% increase in employment for the transport, postal and warehousing sector.⁸

2.6.2.7 Will the Project support primary industries, including aquaculture

Yes. The Inland Port / Logistics Hub will significantly improve the efficiency and resilience of the primary industry supply chain in the lower South Island, and support and improve the efficiency of Port Otago. Port Otago is primarily an export port and is an essential part of the primary production export economy. Port Otago exported \$6.36 billion of product to year end June 2023. 90% of product passing through Port Otago in 2023 was export goods. 49% of these exports were dairy products and 34% were meat products by value. Wood, flour / cereals and seafood make up the balance. Efficient supply chains are integral to supporting the investments being made by the southern South Islands exporters – for example the \$150 million investment being made by Fonterra in its new UHT (ultra-high temperature treatment) plant at Edendale.⁹

The freight task within Otago is projected to increase by 7 million tonnes from 11 million tonnes in 2012 to 18 million tonnes by 2042.¹⁰ This growth mainly comes from primary sector export growth. Ensuring that the supply chain is able to operate efficiently is critical to capitalising on this primary industry growth and supporting the primary sector.

2.6.2.8 Will the Project support development of natural resources, including minerals and petroleum

The Project will not directly support the development of natural resources, however, it will improve the efficiency of natural resource use for the transportation sector, compared to the status quo. The reduction in transport related emissions that would occur as a result of the Project are discussed in detail in Section 2.6.2.9.

⁸ Refer Attachment 5 – Savvy Economics Report Summary at page 11, with additional information available in the full Economics Assessment, available on request.

⁹ <https://www.fonterra.com/nz/en/our-stories/articles/fonterra-breaks-ground-on-new-edendale-uht-cream-plant.html>

¹⁰ Draft South Island Freight Plan 2015: <https://www.nzta.govt.nz/assets/resources/draft-south-island-freight-plan/docs/draft-south-island-freight-plan.pdf>

2.6.2.9 Will the Project support climate change mitigation, including the reduction or removal of greenhouse gas emissions

Yes. This Project will help facilitate a mode shift for freight from road to rail. Currently transport emissions contribute 34% of Dunedin's gross carbon emissions. Dunedin's Zero Carbon Plan 2030 identifies the need to reduce transport emissions by 42% by 2030 which can be achieved with a contribution from the freight sector involving a shift of at least 20% freight from road to rail and electrification of 14% the heavy vehicle fleet.

The New Zealand Emissions Reduction Plan also includes two targets relevant to freight transport.

- > Target 3 – Reduce emissions from freight transport by 35% by 2035; and
- > Target 4 – Reduce the emissions intensity of transport fuel by 10% by 2035.

The proposed Inland Port / Logistics Hub will be a substantial contributor to achieving mode shift which is predicted to reduce carbon dioxide emissions by 4,800 tonnes per annum within Dunedin City and will contribute to the national target to reduce freight transport emissions. s 9(2)(b)(ii)

At a broader scale, increased capacity (from efficiency gains) will support Port Otago to handle more freight. This will provide an opportunity for import products destined for Central Otago that currently get offloaded at the Port of Lyttelton to be handled via Port Otago and the Inland Port / Logistics Hub. This has the potential to further reduce greenhouse gas emissions. Shipping can generate as little as 20% of the carbon emissions as road transport, and the subsequent road journey (from the Inland Port / Logistics Hub to Cromwell) would be approximately 200 km shorter than that required from Lyttelton to Cromwell.

Additionally, the Applicant intends to utilise the extensive roof space within the Inland Port / Logistics Hub to establish solar electricity generation, which will be used to power the site.

2.6.2.10 Will the Project support climate change adaptation, reduce risks arising from natural hazards, or support recovery from events caused by natural hazards

Yes. Port Otago currently has constrained container storage capacity at Port Chalmers, which has important natural hazard resilience implications. The Inland Port / Logistics Hub

¹¹ Refer Attachment 5 – Savvy Economics Report Summary at page 15.

will be capable of buffering freight for delivery to Port Otago if natural hazard events affect the ability to transport freight to Port Chalmers.

In addition, the Inland Port / Logistics Hub will mean that a mode shift from road to rail or vice versa can be implemented if required as a response to natural hazard events. If the rail line is affected by a natural hazard event (for example, a landslide) the Inland Port / Logistics Hub will also guarantee faster and more efficient freight transfers once rail lines are restored, due to the increased efficiency of the rail network compared to the status quo (road transport).

The Inland Port / Logistics Hub will provide greater storage capacity for both empty and full containers to enable a buffering response to mitigate logistic chain shocks from forecast climate change events.¹² Increased storage capacity at the Inland Port / Logistics Hub will enable forward planning, allowing product to be moved to Port Chalmers ahead of a significant adverse weather event that might affect transport routes between the Inland Port / Logistics Hub and Port Chalmers. Having infrastructure to support such proactive planning will enable Port Otago to continue to service incoming ships if necessary. This will reduce the 'risks' to the supply chain because there are fewer parts of it exposed to hazard risks or vulnerabilities, increasing resilience and recovery of the supply chain network.

Extra container storage capability close to Port Chalmers will also support supply chain resilience in the event of international shipping disruption such as conflicts along shipping routes (such as recently experienced in the Red Sea) or impacts such as those seen during the Covid-19 pandemic. These types of events typically see shipping capacity reduced or delayed which requires increased port-side storage to cater for the New Zealand based production that continues.

2.6.2.11 Will the Project address significant environmental issues

Climate change is a significant environmental issue that New Zealand faces. The Project will significantly reduce transport related carbon dioxide emissions in Dunedin and the wider Otago region. As described in Section 2.6.2.9 above, the Project will support the decarbonisation of New Zealand's economy and will contribute to the national target to reduce freight transport emissions.

¹² Using regional SSP 2 - 4.5 physical scenarios.

2.6.2.12 Is the Project consistent with local or regional planning documents, including spatial strategies

The relevant local and regional planning documents include:

- > Regional Policy Statement for the Otago Region 2019 (“**RPS**”);
- > Proposed Regional Policy Statement for the Otago Region 2021 (“**pRPS**”);
- > Regional Plan: Water for Otago (“**Water Plan**”);
- > Dunedin City Council’s 2nd Generation District Plan (“**2GP**”);
- > Dunedin Towards 2050 – a Spatial Plan for Dunedin’ (“**Spatial Plan**”);
- > Otago Southland Regional Land Transport Plan 2021-2031 (“**RLTP**”);
- > Dunedin City Council’s Future Development Strategy (“**FDS**”); and
- > Kāi Tahu Ki Otago Natural Resource Management Plan 2005 (“**KTKO NRMP**”)

Regional Policy Statement and Proposed Regional Policy Statement for the Otago Region

The RPS aims to ensure Otago’s natural and built resources are managed well, and to provide for Otago’s social, economic, cultural, and environmental wellbeing; community health and safety; and for future generations.

At a high level, the Project is generally consistent with the RPS and pRPS for the following reasons:

- > The Project will deliver integrated, effective and efficient infrastructure that will help facilitate a mode shift for freight from road to rail. This will decrease associated transport emissions and remove heavy vehicles from the city streets of Dunedin, which will help provide for the wellbeing of people, and support sustainable economic development and growth in the region;
- > The pRPS seeks to ensure that risks to people, communities and property from natural hazards where they are acceptable remain so and manage risks to ensure they do not exceed a tolerable level. The Project site is located within an area that is identified as being subject to flood hazards, and a portion of the site forms part of the North Taieri floodway (discussed in more detail in Section 3.4.1, below). The Inland Port / Logistics Hub has been planned so that floodwater (under current and future climate change scenarios) can be appropriately managed to ensure that flood risk is not shifted offsite, and there will be no impact on the effective functioning of ORC’s flood management

infrastructure. No additional risks to people, communities or properties will be generated as a result of the Project;

- > As noted in Section 2.6.2.1 above, the site is currently zoned Rural Taieri Plain in the 2GP. The RPS provides for activities other than primary production that have a functional need to locate in rural areas (the district planning context is considered in more detail below); and
- > The pRPS seeks to identify and implement climate change adaptation and mitigation measures for Otago. As discussed in Sections 2.6.2.9 and 2.6.2.10, this Project will provide regionally significant climate change mitigation and adaptation measures by significantly reducing heavy transport related emissions and increasing the resilience of Port Otago's operations, and the wider Otago / Southland supply chain to natural hazards or adverse weather events. In line with the direction of the pRPS, the effects of the proposal will be managed in accordance with the effects management hierarchy.

Regional Plan: Water for Otago

The Water Plan promotes the sustainable management of Otago's water resources.

At a high level, the Project is consistent with the Otago Regional Water Plan for the following reasons:

- > The Inland Port / Logistics Hub will be designed and operated in a way that ensures the integrity of the ORC flood management infrastructure and does not create or exacerbate flooding or other natural hazards associated with rivers, either on or off-site;
- > Stormwater, floodwater and discharges generated during construction and site operation will be captured and managed to prevent contaminants (including sediment) from entering water, or onto or into land in circumstances which may result in any contaminant entering water; and
- > Hazardous substance storage areas will be designed, and risk management mechanisms will be implemented, to prevent the possibility of accidental spills resulting in the contamination of surface or ground water in Groundwater Protection Zones.

Dunedin City Council's 2nd Generation District Plan

The 2GP seeks to sustainably manage the natural and physical resources of Dunedin to meet the needs of current and future generations and to provide for their social, economic and cultural wellbeing and for their health and safety. At a strategic policy level, the Project is generally consistent with 2GP for the following reasons:

- > The 2GP seeks the efficient and effective development of facilities and infrastructure that are important for economic productivity (including major facilities and key transport routes) such as the proposed Inland Port / Logistics Hub;
- > Feasibility investigations have determined that the Inland Port / Logistics Hub has a critical operational need to be located at the proposed site (as previously described), and it will be designed and operated in a way that appropriately manages the risk from natural hazards; and
- > As noted above, the site is currently zoned Taieri Plan Rural. Whilst the zone provisions are dissuasive of industrial land uses on rural land generally, the very specific locational needs of a logistics hub were not anticipated and would likely require a Private Plan Change to be pursued if the Fast-track process is not available. Notwithstanding, the site has been recognised by the Dunedin City Council (“**DCC**”) in the city’s FDS as the location for a proposed ‘inland port / freight hub’ (as set out in Section 2.6.2.3). Furthermore, as described in Section 2.6.2.1, the proposed site is the only economically and operationally feasible location available for an Inland Port / Logistics Hub in Otago.

Dunedin Towards 2050 – a Spatial Plan for Dunedin

The Project is consistent with the Spatial Plan – which specifically seeks to encourage and support increased use of rail for freight, protect potential freight hubs and rail infrastructure and prioritise use of rail for freight transport into the future, which is the purpose of the Project. By removing heavy vehicles from Dunedin’s inner-city streets, the Project also supports objectives and policies of the Spatial Plan that relate to reducing congestion and improving safety and amenity for cyclists and other road users.

Otago Southland Regional Land Transport Plan 2021-2031

As set out in Section 2.6.2.3, the RLTP identifies the need for a freight / logistics hub south of Dunedin, which would provide opportunities for freight movement north, south and west. As such, the Project is consistent with the outcomes sought by the RLTP.

Dunedin City Council’s Future Development Strategy

As set out in Section 2.6.2.3, the proposed site for the Inland Port / Logistics Hub has been recognised in Dunedin’s FDS, and therefore consistent with its strategic directions.

Specifically, the Inland Port / Logistics Hub is recognised in Key Transport Priority 6.3.2.4 of the FDS as follows:

6.3.2.4 Investigation and establishment of an inland freight hub

"Freight transport is a significant issue for Dunedin. It is critical achieving a thriving urban and rural economy within the district and wider region. Current freight transport routes include the use of trucks to move freight to and from Port Chalmers and this has significant consequences in terms of road maintenance, safety and connectivity for active transport users within the City and high carbon emissions.

Port Chalmers is space constrained meaning it has only limited capacity to increase freight volumes before further land reclamation would be necessary. Increasing the proportion of freight moved by rail would have significant benefits in terms of efficiency, reduced carbon emissions, road safety and amenity. Achieving this 'mode shift' requires a fundamental change to the way freight is handled within Dunedin.

Establishment of an inland freight hub would enable Port Otago to relocate aspects of its operations such as the container depot, freeing up space at Port Chalmers enabling Port Otago to increase freight capacity, operational efficiency and resilience to supply chain disruption. The DCC has identified the need for an Inland Freight Hub South of Dunedin in its Zero Carbon Plan.

Accordingly, an indicative site for an inland freight hub is shown in this FDS. This will facilitate further investigations into its feasibility and support stakeholders; including NZTA Waka Kotahi, KiwiRail, DCC, ORC, Port Otago and freight logistics operators; to undertake investigations to determine whether the indicative site is appropriate. Identification of an indicative site will also ensure that other strategic planning initiatives, such as the strategic transport study for Mosgiel (to be undertaken 2024-2027), consider the potential for an inland freight hub.

The freight hub will not comprise general 'industrial zoned' land or any other land use including retail, commercial or residential activities. If it proceeds to an approvals stage it will require site specific zoning provisions that focus solely on warehousing and goods storage and movements."

Kāi Tahu Ki Otago Natural Resource Management Plan 2005

This is the principle planning document for Kāi Tahu and provides resource management guidance in accordance with the wishes of the rūnaka who hold mana whenua in Otago. While this assessment is in no way intended to be a replacement for consultation with the relevant mana whenua, the Plan contains provisions regarding certain issues of importance to mana whenua.

The Applicant has commenced consultation with Te Rūnanga o Ōtākou Incorporated, Kati Huirapa ki Puketeraki Incorporated and Te Rūnanga o Moeraki Incorporated (collectively, "**Ka Rūnaka parties**") on behalf of Te Rūnanga o Ngāi Tahu, in accordance with a signed consultation Process Agreement (provided as **Attachment 10**). A follow up hui with the Ka Rūnaka parties is scheduled to occur in coming weeks.

The Ka Rūnaka parties have confirmed that separate consultation with Te Rūnanga o Ngāi Tahu is not required, as also set out in the Process Agreement.

The Applicant is committed to engaging with the Ka Rūnaka parties to gain an understanding of values associated with the site and surrounding area (notably the Silverstream, which borders the site), and specific management objectives. This consultation is discussed further in Section 3.5.2, below.

At a strategic objectives level, the KTKO NRMP seeks to ensure that the waters of the Otago Catchment are healthy and support Kai Tahu ki Otago customs, that contaminants being discharged directly or indirectly to water are reduced, and that all wāhi tapu are protected from inappropriate activities. The KTKO NRMP also seeks to ensure Mahika kai resources are healthy and abundant within the Otago Region.

The Project is consistent with these objectives, as the Applicant will appropriately manage discharges during both construction and operation of the Inland Port / Logistics Hub to ensure that they are treated appropriately and do not adversely affect ground or surface water quality – particularly that of the Silverstream, which is located immediately south of the site.

3. PROJECT DETAILS

TIMING OF CONSTRUCTION

Assuming that consents are in hand in 2025, the Project will commence construction in the first quarter of 2026. Once construction commences, it is expected that parts of the site will be operational within 12 months.

For details of subsequent construction staging, refer to Section 3.2, below.

3.1 APPROVALS REQUIRED

3.1.1 Resource Management Act 1991

The Project will require resource consents under the Resource Management Act 1991 (“RMA”). It is anticipated that the following resource consents / statutory approvals will be required from the relevant local authorities as set out below:

Otago Regional Council

The Applicant has discussed the expected resource consent requirements with the Otago Regional Council as part of pre-application consultation.¹³ These discussions have identified the following consent requirements for the Project:

- > Water permits for stormwater and floodwater management, which may include the damming or diversion of water or the erection of a defence against water (subject to detailed design);
- > Land use consent for works on the bed of a river, and accompanying water and discharge permits for the temporary damming or diversion of water if required for site stabilisation works (subject to detailed design);
- > Discharge permits for the discharge of stormwater to the Silverstream, and the discharge of contaminants into land and / or water from an industrial premises; and
- > A water permit if temporary dewatering of groundwater during construction is required.

Dunedin City Council

- > Land use consents for construction activities including earthworks, land disturbance, construction noise, lighting and traffic; and

¹³ Refer to Attachment 8 – Otago Regional Council Pre-Application Consultation Feedback.



- > Land use consents to construct, operate and maintain an Inland Port / Logistics Hub facility on a site subject to a natural hazard overlay, including consent for physical structures and buildings, associated infrastructure and ancillary facilities, and for the use and storage of hazardous substance (if required).

The Project is not an ineligible activity, and does not require authorisation of any prohibited activities.

3.1.2 Conservation Act 1987

No approvals are being sought under the Conservation Act 1987.

3.1.3 Reserves Act 1977

No approvals are being sought under the Reserves Act 1977.

3.1.4 Wildlife Act 1953

No approvals are being sought under the Wildlife Act 1953.

3.1.5 National Parks Act 1980

No approvals are being sought under the National Parks Act 1980.

3.1.6 Heritage New Zealand Pouhere Taonga Act 2014

No approvals are being sought under the Heritage New Zealand Pouhere Taonga Act 2014.

3.1.7 Freshwater Fisheries Regulations 1983

No approvals are being sought under the Freshwater Fisheries Regulations 1983.

3.1.8 Exclusive Economic Zone and Continental Shelf (Environmental Effects) Act 2012

No approvals are being sought under the Exclusive Economic Zone and Continental Shelf (Environmental Effects) Act 2012.

3.1.9 Crown Minerals Act 1991

No approvals are being sought under the Crown Minerals Act 1991

3.1.10 Public Works Act 1981

No approvals are being sought under the Public Works Act 1981.

3.1.11 Not applicable to this Project

3.1.12 Not applicable to this Project

3.1.13 Other Approvals

Approvals will be required from KiwiRail with respect to designations that it holds as a requiring authority. KiwiRail's written approval is required for works within the rail corridor (Designation 420 - Taieri Branch Railway line) to establish the rail siding for the site. The Applicant has been working with KiwiRail on the siding design and concept plans have been completed. Designation approval will follow when design detail is finalised. KiwiRail has provided a letter of support for the Project (included as **Attachment 6**) and has also obtained provisional approval for funding from the Regional Infrastructure Fund to establish the proposed rail siding.

Depending on the flood hazard and stormwater management solution adopted, ORC's written approval may be required for any works required in relation to Designation 218 - East Taieri Drainage Scheme.

Depending on the stormwater design adopted approval may be required from the ORC under the Flood Management Bylaw. The Applicant and ORC have had initial discussions on bylaw approval during pre-lodgement consultation, discussed further in Section 3.5.2, below.

3.2 STAGING OF THE PROJECT

Project construction will proceed in stages (these stages are identified on the indicative site layout plan, included as **Attachment 2**). Approvals for the entire Project (comprising the stages listed below and shown on the indicative site layout plan) will be sought as part of a single substantive application:

- > Stage 1: Rail siding, container maintenance yard (depot facility), road upgrades, internal roading, stormwater management infrastructure, first stage container storage and warehousing, administrative buildings and carparks, log yard, road transfer facilities and truck parking – 12-18 months post approval.
- > Stage 2: Second stage container storage and warehousing – 2-5 years post approval.
- > Future potential stages: Further container storage and warehousing constructed as required to serve demand – 5-10 years + post approval.

3.3 ALTERNATIVE PROJECT

The Project is not proposed as an alternative project.



3.4 ADVERSE EFFECTS

The potential effects on the environment associated with the Project fall within two general categories: construction phase effects and operational phase effects.

Construction phase effects are temporary and relate to activities involved with constructing the Inland Port / Logistics Hub and associated infrastructure, whereas operational phase effects arise from the operation, use and maintenance of the Inland Port / Logistics Hub.

3.4.1 Summary of Adverse Effects

3.4.1.1 Flood Hazard

The 2GP identifies the site as being subject to flood hazards, and a portion of the site forms part of the North Taieri floodway. The Applicant has undertaken investigations into engineering solutions that will appropriately manage storm water and flood risk to avoid increasing the risk of flooding and adverse effects beyond the boundary. These investigations have identified a workable engineering solution which underpins the site layout and design. The principles of this solution are acceptable to the Otago Regional Council (as evidenced in **Attachment 8**) with the outcome managing effects on the operation of the existing Taieri Flood Management network downstream of the Project site. Detailed design of the solution is underway.

Flood hazard risk is primarily an operational effect.

3.4.1.2 Transport Related Effects

An integrated traffic assessment (“**ITA**”) has been undertaken which assesses the potential adverse effects of the proposal on the road network as less than minor. The proposal is assessed as contributing up to 30 additional truck movements on State Highway 87 through Mosgiel which is less than 1% of existing traffic volumes. Therefore, it will not have a noticeable effect on the road network.

The ITA includes recommendations to complete localised road widening along the site frontage to Dukes Road North to enable safe entry and exit to the site. The level rail crossing at Dukes Road North will also require installation of barrier arms. The Applicant proposes to include these works as part of the proposal.

The purpose of the Inland Port / Logistics Hub is to facilitate a road to rail mode shift for freight movement to Port Otago. As such the proposal will give rise to wider benefits for the road network associated with reduced traffic movement through central Dunedin to Port Chalmers, particularly State Highways 1 and 88. These effects are assessed as positive for the wider road network.

There will be some short-term effects on the transportation network associated with construction, which will be managed by a Construction Traffic Management Plan.

As discussed during pre-lodgement consultation with the ORC, this Project aligns with the South Island Regional Transport Committee Chair's Group goal of investing in strategic freight hubs to increase road and rail freight across the South Island (refer to **Attachment 8**).

3.4.1.3 Ecological Effects

As discussed with the ORC during pre-lodgement consultation, Silverstream, which is located immediately adjacent the site, has a number of ecological and cultural values (refer to **Attachment 8**). This includes as a 'large waterbody supporting high numbers of particular species or habitat variety'. The Applicant is currently undertaking a baseline assessment to inform the design of future works and any mitigation measures that will be required to manage potential adverse effects on the Silverstream. The cultural values of the Silverstream are addressed in Section 3.4.1.9, below.

3.4.1.4 Landscape and Amenity

The development of the Inland Port / Logistics Hub will require the construction of large warehouses, container marshalling yards and new transport infrastructure, such as rail sidings and site access points. Containers will be stored on site once the Inland Port / Logistics Hub is operational, and operating machinery and truck movements will also likely be visible from the road and nearby properties.

The site is currently in pasture and is not identified in any statutory plan as holding any significant landscape values. While zoned rural, the surrounding area is largely industrial and agricultural in nature, with some lifestyle properties nearby. The site is directly adjacent to the North Taieri Industrial Area and existing rail line. As such, it is expected that the Inland Port / Logistics Hub will appear as a logical extension to nearby industrial sites and transport infrastructure.

The detailed site design will incorporate recommendations from a Landscape and Amenity Assessment on ways to manage adverse effects on landscape and amenity values, including selection of building materials, siting of structures, landscaping, and screening plantings if appropriate.

3.4.1.5 Lighting

Construction of the Inland Port / Logistics Hub is expected to occur within daylight hours, therefore lighting related effects are not anticipated during the construction phase.

Once operational, it is anticipated that the Inland Port / Logistics Hub will operate up to 24 hours per day and therefore will require lighting to ensure operational safety overnight. Site layout and design will seek (where practical) to use buildings, structures and landscaping to provide screening from outside the property. Adoption of standard industry best practice will ensure all practicable steps are taken to reduce effects such as light spill, glare and sky glow. As requested during pre-application consultation with the Dunedin City Council, a Lighting Assessment (including sources and levels of light spill) will be undertaken, and the recommendations used to design site lighting to mitigate lighting and glare effects on the environment and nearby properties, whilst also ensuring the site can be safely operated. The Applicant will consult with the operators of the nearby Taieri Aerodrome and Dunedin International Airport to ensure that lighting is designed in a way that will not impact the safe operations of those facilities.

3.4.1.6 Noise

The construction and operation of the Inland Port / Logistics Hub will potentially generate noise that will be heard outside the boundary of the property.

Noise effects during the construction phase may be elevated but will be temporary in nature. It is anticipated the noise associated with construction will meet the Construction Noise Standards (NZS6803) and will occur during daytime hours (7.30am – 6.00pm).

Once operational, it is anticipated that the Inland Port / Logistics Hub will operate up to 24 hours per day, 7 days per week. Operational noise effects will be associated with heavy vehicle movements (both on and off-site) and the loading and unloading of freight onsite. Site layout and design will seek to use buildings, structures and landscaping to mitigate the effects of noise at the boundary of the site. On-site vehicles and machinery will (where possible) utilise electric motors, which will generate less noise. Trucks to the site will be required to utilise low frequency quackers (as opposed to reversing beepers). Noise will be managed by the development of a site Noise Management Plan and an ongoing monitoring program will be implemented.

While the site is not currently zoned for industrial use, it is directly adjacent to an industrial zoned (and developed) area, where elevated noise is currently anticipated and provided for via District Plan overlays.

The Applicant has engaged a technical expert to model the potential noise effects of the Project, during both the construction and operation phase. Background noise monitoring has been completed which forms the basis of this assessment. This assessment will be used to inform mitigation measures that may be required to reduce the impact of noise on nearby residential dwellings. As discussed with Dunedin City Council during pre-application

consultation, the noise assessment will include details of the types and levels of construction and operational noise and a management plan if required (refer to **Attachment 7**).

3.4.1.7 Highly Productive Land

The proposed site is located on highly productive land as defined in the National Policy Statement for Highly Productive Land 2022 (“**NPS-HPL**”). During construction, topsoil will be removed and stockpiled and (where not otherwise required onsite) high-class soils will be relocated so they may be utilised elsewhere for productive purposes. Whilst the proposal will remove this site from land-based primary production purposes, the development of an Inland Port / Logistics Hub on the site is considered to be a significantly more efficient and productive use of the site’s unique locational features than land based primary production. As mentioned above, a well-functioning port is essential to Otago and Southland’s primary production sector.

A detailed assessment of the proposal against the NPS-HPL is provided in Section 3.8.1.1, below.

As outlined in Section 2.6.2.1, above, the proposal has a suite of requirements in order to be successful. Those are a combination of functional and operational requirements including access to a rail network with capacity to serve the site, proximity to Port Chalmers to enable shuttle train services, flat topography to enable establishment of a workable siding and facilitate efficient construction and a large contiguous area of land. The proposed site meets these criteria, and the Applicant has been unable to identify any other areas of land that are equivalent, that are not subject to other more significant constraints.

3.4.1.8 General Construction Effects

In addition to the potential for increased traffic and noise effects during the construction phase (discussed above), it is anticipated that there may be other temporary construction effects such as dust emissions and the generation of sediment from earthworks. These effects, and others, will be managed by the development and implementation of a Construction Management Plan that includes dust suppression and sediment and erosion control measures.

3.4.1.9 Cultural Effects

The Applicant understands that it is for the Ka Rūnaka parties to describe any cultural or historical associations with the site. As noted in Section 2.6.2.12, and discussed further in Section 3.5.2, the Applicant has commenced consultation with the Ka Rūnaka parties in accordance with a signed consultation Process Agreement (provided as **Attachment 10**). A

follow up hui with the Ka Rūnaka parties is scheduled to occur in coming weeks. It is expected that this consultation process will help the Applicant to understand iwi values and views of the Project site and surrounds, and how any effects of the Inland Port / Logistics Hub on these values can be managed.

3.4.2 Prohibited Activities

No activities involved in the Project are prohibited activities under the RMA.

3.5 PERSONS AFFECTED

3.5.1 Persons, groups and/or entities who are considered likely to be affected by the Project

The Applicant consider the following persons, groups and entities are likely to be affected by the Project:

- > Dunedin City Council;
- > Otago Regional Council;
- > Ka Rūnaka parties –Te Rūnaka o Ōtakou, Kāti Huirapa ki Puketeraki, and Te Rūnaka o Moeraki;
- > Te Rūnanga o Ngāi Tahu; and
- > Ministry for the Environment (as the administering agency for the RMA).

3.5.2 Consultation undertaken with the above persons and/or groups and how this has informed the Project

Dunedin City Council

To date, the Applicant has had two meetings with a full suite of Council staff (including staff from planning, transport, three waters, subdivision, environmental health and building control). At these meetings, the Applicant provided an outline of the Project and details of progress towards the preparation of the referral application. Discussions were held on how the Applicant proposes to manage the effects of the proposal, and Council staff provided feedback on these measures. That feedback included specific questions regarding the Integrated Traffic Assessment that has been undertaken, discussion regarding the availability of three waters services and how connection to those could be facilitated. There was discussion with the Environmental Health representatives regarding the noise measurements and proposed mitigations, and questions from planning staff regarding the

interface with the Aerodrome that the Applicant was able to respond to. Respective Planning representatives also discussed relevant District Plan provisions.

A separate meeting was held with the Transport Team to discuss the Integrated Transport Assessment and discuss the potential interface of this Project with other Council workstreams. Council staff had some questions that the Applicant's consultant was able to respond to including the need for road widening and upgrades to the Dukes Road Rail Crossing which has provided guidance to the Applicant as to what is required within the substantive application. The Applicant has been considering other rail / road intersections that may be affected by increased rail movements, and this was also raised by Council.

The issues associated with the LUC1 / Highly Productive Land status of the land were raised by Council policy staff. To help address this matter and respond more fully to Council's concerns, the Applicant is undertaking an analysis of that issue to provide more detailed information regarding the productive potential of the land on the site.

The DCC's feedback following the latest consultation meeting is attached to this Application as **Attachment 7**.

Otago Regional Council

To date, the Applicant has had two meetings with a full suite of Council staff (including staff from planning, natural hazards, and infrastructure management). This provided an opportunity for the Applicant to outline the overall project and discuss the work that has been completed to date. Council identified the key issues arising from their point of view. Separate meetings with the Natural Hazards staff enabled a more in-depth discussion about stormwater and flood hazard management and has assisted the Applicant in understanding the Council's expectations with respect to the interface of this Project on the Council's flood infrastructure. That feedback has informed the Applicant's site design and approach to stormwater and flood hazard management on the site. There have also been multiple discussions between the Applicant's engineers and the Council's Natural Hazards team regarding the information available to assist the Applicant in completing its assessment of hydrology matters.

The issues associated with the LUC1 / Highly Productive Land status of the land were raised by Council policy staff. As noted above, the Applicant is undertaking an analysis of that issue to provide more detailed information regarding the productive potential of the land on the site.

ORC have provided written feedback to the Applicant providing a summary of discussions and highlighting issues that ORC seek to ensure are addressed in the substantive applications, which is attached to this application as **Attachment 8**.



Ka Rūnaka parties

The Applicant has commenced consultation with Te Rūnanga o Ōtākou Incorporated, Kati Huirapa ki Puketeraki Incorporated and Te Rūnanga o Moeraki Incorporated (on behalf of Te Rūnanga o Ngāi Tahu (collectively, the Ka Rūnaka parties), in accordance with a signed consultation Process Agreement (provided as **Attachment 10**). A follow up hui with the Ka Rūnaka parties is scheduled to occur in coming weeks.

The Applicant is committed to engaging further with the Ka Rūnaka parties to understand iwi values and views of the Project site and surrounds, and how any effects of the Inland Port / Logistics Hub on these values can be managed. The Applicant welcomes opportunities to collaborate with the Ka Rūnaka parties on the Project. It is expected that the identification of such opportunities will form part of discussions between the Applicant and the Ka Rūnaka parties over the coming months, and will inform the substantive application when ultimately lodged.

Te Rūnanga o Ngāi Tahu

Through discussions with the Ka Rūnaka parties, the Applicant has been advised that separate consultation with Te Rūnanga o Ngāi Tahu will not be required, and this is documented in the consultation Process Agreement (refer **Attachment 10**).

Ministry for the Environment

The Ministry for the Environment is the administering agency for the Resource Management Act 1991. The Applicant wrote to the Ministry for the Environment on 30 April 2025, outlining the Project and invited its comments. The Ministry's response is included as **Attachment 9** and includes a summary of the national direction made under the RMA. This summary has been considered and incorporated into Section 3.8.1.1 of this application, below.

3.5.3 Treaty settlements that apply to the project area and a summary of the relevant principles and provisions in those settlements

Ngāi Tahu Claims Settlement Act 1998

Legislation was passed in 1998 that put into effect the terms and redress package agreed to by Ngāi Tahu and the Crown. The Ngāi Tahu Claims Settlement Act 1998 includes several mechanisms specifically designed to be used in implementing other legislation such as the Resource Management Act 1991 and Conservation Act 1987.

In summary, the key elements of the Ngāi Tahu Settlement are:

- > Apology: The Crown apologises unreservedly for the suffering and hardship caused to Ngāi Tahu;
- > Aoraki/Mount Cook: gifting of Aoraki, co-management and renaming;
- > Cultural redress: restoring effective kaitiakitanga;
- > Non-tribal redress: providing a commitment to resolve claims by individuals that were heard by the Waitangi tribunal. These private claims are separate from the collective Ngāi Tahu Claim, Te Kerēme; and
- > Economic redress: to provide finance and mechanisms to give Ngāi Tahu the capacity to build tribal assets to generate funds for social and cultural development.

A significant component of the Ngāi Tahu Settlement is the elements of cultural redress, which seek to restore the ability of Ngāi Tahu to give effect to its kaitiaki responsibilities. These include:

- > Ownership and control: pounamu, high country stations, specific sites and wāhi taonga;
- > Mana recognition: Statutory Acknowledgements, Deeds of Recognition, Tōpuni, dual place names;
- > Mahinga kai: Nohoanga, customary fisheries management, taonga species management; and
- > Management Input: Statutory Advisors to DOC, dedicated memberships, Department of Conservation protocols, Resource Management Act implementation, and heritage protection review.

The proposed location for the Inland Port / Logistics Hub is within the Taieri Plain, an area of cultural significance for Ngāi Tahu Whanui. The Waihola / Waipori wetlands are identified as a Statutory Acknowledgement Area pursuant to the Ngāi Tahu Claims Settlement Act. This wetland complex is approximately 20km from the proposed freight hub site and will not be affected by the proposal. No nohoanga exist in the vicinity of the site.

3.5.4 Any principles or provisions in the Ngā Rohe Moana o Ngā Hapū o Ngāti Porou Act 2019 that would be invoked by the project

Not relevant to the Project.

3.5.5 Treaty Settlement Land

The Project will not be located on land returned under a Treaty Settlement.

3.5.6 Treaty Settlement Land – written agreement

Not relevant to the Project.

3.5.7 Public Works Act 1981

No processes have been undertaken under the Public Works Act 1981 in relation to the Project, nor need to be undertaken.

3.5.8 Māori Land, Marae, or Identified Wāhi Tapu within the Project Area

Not relevant to the Project.

3.6 LEGAL INTERESTS

The Application site is owned by the Applicant.

3.7 OTHER MATTERS

3.7.1 Previous Application or Decision

No activities included in the Project have been the subject of an application or a decision under a specified Act.

3.7.2 Previous Application

Not relevant to the Project.

3.7.3 Previous Decision

Not relevant to the Project.

3.7.4 Climate Change and Natural Hazards

The site is subject to flood hazard overlays, as discussed in Section 3.4.1.1, above. These flood hazards are being factored into the design process for the Inland Port / Logistics Hub, including site layout and design and provision of onsite water management, including adjustments for climate change effects. However, it should also be noted that (as discussed in detail on Section 2.6.2.10), the Project will also increase Port Otago's resilience to natural hazards and adverse weather events.

3.8 SPECIFIC PROPOSED APPROVALS

3.8.1 Approvals under the Resource Management Act 1991

3.8.1.1 Resource Consents

The Project is seeking consent for activities that would otherwise be applied for under the RMA. An assessment against any relevant national policy statement and national environmental standards is provided in the sections below.

To the best of the Applicant's knowledge, there are no existing resource consents relevant to the Project site to which RMA section 124C(1)(c) (existing consent would need to expire to enable the approval to be exercised) or RMA section 165ZI (space already occupied by the holder of an aquaculture permit) would apply if the approval were to be applied for as a resource consent under that Act.

In accordance with the guidance provided by the Ministry for the Environment during pre-application consultation (refer to **Attachment 9**), an assessment of the Project against the relevant national policy statements and the New Zealand Coastal Policy Statement is set out below.

New Zealand Coastal Policy Statement 2007

Whilst the Project will not directly interact with the coastal environment, Policy 9 of the NZCPS is relevant to Port operations and the transport connections between shipping and other modes. Specifically, Policy 9 recognises that that a sustainable national transport system requires an efficient national network of safe ports, servicing national and international shipping, with efficient connections with other transport modes.

This Project is consistent with the NZCPS, because, as noted in Section 2.6.2.4 above, once developed, the Inland Port / Logistics Hub would provide a more efficient and cost-effective connection between road, rail and shipping transportation modes. The current fragmentation of freight depots across sites in Dunedin creates significant inefficiencies for exporters, in the form of congestion, delays and supply chain resilience challenges. This Project will significantly reduce such inefficiencies and improve road and rail connections with Port Otago's Port Chalmers operations.

National Policy Statement for Freshwater Management 2022 (amended 2024) ("NPS-FM")

The NPS-FM provides direction on how freshwater should be managed under the RMA. The objective of the NPS-FM is to ensure that natural and physical resources are managed in a way that prioritises:

- > First, the health and wellbeing of water bodies and freshwater ecosystems;



- > Second, the health needs of people; and
- > Third, the ability of people and communities to provide for their social, economic and cultural wellbeing, now and in the future.

The Project is consistent with the direction of the NPS-FM for the following reasons:

- > The potential effects of the proposal on the health of and wellbeing of water bodies and freshwater ecosystems relate primarily to potential effects from sediment during construction. A Construction Management Plan and erosion and sediment control measures will be used to ensure that the health of nearby waterbodies and freshwater ecosystems is protected during construction;
- > The Inland Port / Logistics Hub will be designed so that it can appropriately manage floodwaters and will capture and treat stormwater generated on site. It is considered that these measures will ensure that the health of nearby waterbodies and freshwater ecosystems and the health needs of people are protected once the Inland Port / Logistics Hub becomes operational; and
- > Effectively managing the flood hazard risk, and stormwater requirements of the proposed site (described in Section 3.4.1) will enable the development of an Inland Port / Logistics Hub, which will help provide for the wellbeing of people now and in the future. This is because the Inland Port / Logistics Hub will play a pivotal role in shifting freight from road to rail, reducing heavy truck movements between Mosgiel and Port Chalmers and reducing transport emissions in the medium to long term.

National Policy Statement for Urban Development 2020

The NPS-UD sets out the objectives and policies for planning for well-functioning urban environments under the RMA. The primary objective of the NPS-UD is to ensure that New Zealand has well-functioning urban environments that enable all people and communities to provide for their social, economic, and cultural wellbeing, and for their health and safety, now and into the future. Notably, this includes urban environments that support reductions in greenhouse gas emissions and are resilient to the effects of climate change.

The Project is consistent with the direction of the NPS-UD for the following reasons:

- > The Project will facilitate the mode shift of freight from road to rail and therefore reduce the volume of heavy traffic movements on roads. It is anticipated that this, along with more efficient freight movements, will lead to associated reductions in greenhouse emissions, in line with the objectives of the NPS-UD and other national, regional and district policy direction;

- > Reducing truck movements within Dunedin will result in decreased road maintenance requirements, decreased road congestion and improved road safety for State Highways 1 and 88, and local roads between Mosgiel and Port Chalmers;
- > The Project is anticipated to significantly improve amenity within the city and reduce barriers to active transport modes, particularly from the Otago Peninsula to the city centre and from the city centre to Port Chalmers; and
- > The Project will create employment opportunities near Mosgiel for local residents, particularly during the construction phase.

National Policy Statement for Highly Productive Land 2022 (amended 2024)

The objective of the NPS-HPL is to protect highly productive land for use in land-based primary production, both now and for future generations. As mentioned in the sections above, this policy is relevant to the proposed site, which is located on land use classification LUC1 / Highly Productive Land.

The NPS-HPL provides a pathway for the development of specified infrastructure on highly productive land where there is a functional or operational need for the use or development to be on the highly productive land. As described in Section 2.6.2.1, above, extensive investigations have determined that the site is the most suitable site for the development of the proposed Inland Port / Logistics Hub in the Otago region. These unique attributes include:

- > A sufficiently large flat area;
- > Proximity to transport infrastructure, particularly rail;
- > Proximity to other significant freight operators (namely Fonterra); and
- > It is at an appropriate distance from Port Otago to enable shuttle runs to and from the Port utilising the automated (existing) rail line.

As discussed in Section 2.6.2.12 above, because of these unique attributes, the site was recognised as a location for the Inland Port / Logistics Hub in the FDS for the City of Dunedin. However, due to the FDS being developed subsequent to the commencement of the NPS-HPL, the site must be treated as highly productive land.

The definition of specified infrastructure includes infrastructure that delivers a service operated by a lifeline utility. The proposed Inland Port / Logistics Hub falls within the definition of infrastructure under the RMA, being a facility for the loading or unloading of cargo or passengers transported on land by any means. Port Otago Limited is a lifeline utility

as defined by the Civil Defence Emergency Management Act 2002.¹⁴ The Inland Port / Logistics Hub will be operated in tandem by Port Otago and Southern Link Logistics (a Dynes Transport Tapanui Subsidiary) and will connect land-based cargo transport with the sea-based transport facilities at Port Chalmers. Simply by virtue of the proposed operational arrangements, only parts of the site can qualify as specified infrastructure under the NPS-HPL. Critically, the container terminal (which will be operated by Southern Link Logistics) where empty containers will be offloaded from the trains before being transferred to the on-site container depot (which is to be operated by Port Otago Limited) does not qualify as specified infrastructure because it is not operated by a lifeline utility. Therefore, despite having all the hallmarks of specified infrastructure, including clear regional and national significance and a functional and operational need to locate on the proposed site, it cannot meet the definition under the NPS-HPL as a technicality.

Further to that, whilst the site has been identified in the Dunedin FDS as an indicative site for an Inland Port / Logistics Hub, the necessary statutory processes to rezone the site have not been initiated and are unlikely to be completed within any reasonable time period given the 2GP has recently been reviewed. Whilst the Applicant could seek to initiate a private plan change that process would take a considerable amount of time.

As a result, the proposal faces a significant policy hurdle simply by virtue of the timing of the finalisation of Dunedin City Council's FDS, and then the commercial arrangements for the Inland Port / Logistics Hub. This makes it a good candidate for referral under the Fast-track Approvals Act where the decision-making priorities will assist in overcoming the inhibiting and problematic policy framework of the NPS-HPL.

Furthermore, it is proposed that during construction, topsoil will be scraped, and where not required onsite, high-class soils will be relocated so they may be utilised for productive purposes.

Therefore, whilst the high-class soils will not be used on site for land-based production, the proposal has addressed this matter in a way consistent with the provisions of the NPS-HPL.

National Policy Statement for Renewable Electricity Generation ("NPS-REG")

The NPS-REG seeks to enable sustainable management of renewable energy generation under the RMA. The applicant intends to utilise the extensive roof space to establish solar generation to provide for onsite activities. It is expected that the Inland Port / Logistics Hub site would also be connected to the local distribution network so that excess electricity

¹⁴ Civil Defence Emergency Management Act 2002, Part A, Clause 6.

could be provided to the wider network. This qualifies as small and community scale distributed electricity generation under the NPS-REG.

Therefore, the Project will increase renewable energy generation, in line with the objectives of the NPS-REG and broader national policy direction.

Sections 3.8.1.2 – 3.8.1.6

- > The application is not seeking a standard freshwater fisheries activity.
- > The application is not seeking a designation.
- > The application is not seeking a designation where the Project includes a standard freshwater fisheries activity.
- > The application is not seeking a change or cancellation of conditions.
- > The application is not seeking a certificate of compliance.

3.8.2 Approvals relating to Conservation Act 1987, Reserves Act 1977, Wildlife Act 1953, and National Parks Act 1980

Not relevant to this Project.

3.8.3 Approvals relating to Complex Freshwater Fisheries activities

Not relevant to this Project.

3.8.4 Approvals relating to Exclusive Economic Zone and Continental Shelf (Environmental Effects) Act 2012

Not relevant to this Project.

3.8.5 Approvals relating to Crown Minerals Act 1991

Not relevant to this Project.



ATTACHMENTS

Attachment number	Document Name	Author	Document Version
Attachment 1	SLPL - Southern Link Inland Port - FTAA Referral Application	Southern Link Property Limited	-
Attachment 2	Southern Link Inland Port – Indicative Site Layout	Southern Link Property Limited	-
Attachment 3	Southern Link Inland Port – Site Location Map	Southern Link Property Limited	
Attachment 4	Records of Title	-	-
Attachment 5	Economic Assessment Summary	Natalie Hampson, Savvy Economics	-
Attachment 6	KiwiRail Letter of Support	Alan Piper, Executive General Manager Freight Markets, KiwiRail	-
Attachment 7	Dunedin City Council Pre-Application Consultation Feedback	Karen Bain, Associate Senior Planner, Dunedin City Council	-
Attachment 8	Otago Regional Council Pre-Application Consultation Feedback	Dwayne Daly, Principal Consents Planner, Otago Regional Council	-
Attachment 9	Ministry for Environment Pre-Application Consultation Feedback	Acting General Manager, System Enablement and Oversight, Ministry for the Environment	-
Attachment 10	Te Rūnanga o Ōtākou Incorporated, Kati Huirapa ki Puketeraki Incorporated and Te Rūnanga o Moeraki Incorporated Consultation Process Agreement	-	-

