



28 April 2025

Te Kowhai East Limited Partnership  
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Email: s 9(2)(a)

Dear Gareth

**TE KOWHAI EAST GROWTH CELL – IMPLICATIONS OF THE NATIONAL POLICY STATEMENT FOR HIGHLY PRODUCTIVE LAND**

**1. INTRODUCTION**

- 1.1 Te Kowhai East Limited Partnership (“TKE”) owns approximately 139ha of land at 270 Te Kowhai Road and 28 Mathers Road in Te Kowhai, Hamilton (“site”). The site is currently within the jurisdiction of Waikato District Council (“WDC”), but sits adjacent to the boundary between that Council and Hamilton City Council (“HCC”).
- 1.2 TKE has previously been seeking that HCC accept the site (and two adjoining pieces of land between the site and Waikato Expressway, collectively the “sites”) as an “emerging growth cell” for future residential purposes. As a result of that engagement with HCC, TKE is now proposing that the site be developed for general industrial uses (i.e. no heavy or wet industries) (together with a further 2ha of local amenity centres and 20ha of open space, including drainage reserves, wetlands and roads/access).
- 1.3 In this regard, both TKE and HCC are aware that the Business Capacity Assessment (“BCA”)<sup>1</sup> undertaken in accordance with the requirements of the National Policy Statement on Urban Development 2020 (“NPSUD”) has identified that there demand for additional industrial land around the northern end of Hamilton, particularly in the medium to long term.
- 1.4 HCC is accordingly interested in the possibility of progressing a pathway for the sites to transition from rural zoned land in Waikato District to industrial zoned land in Hamilton City. We note the sites adjoin the Northern Corridor of the Hamilton-Waikato Metropolitan Spatial Plan (“MSP”, at page 41) prepared by Future Proof and which outlines opportunities and linkages for future development areas between Hamilton and neighbouring areas such as the Waikato District.

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<sup>1</sup> Being the *Business Development Capacity Assessment 2023: Future Proof Partners: Hamilton City, Waikato District, Waipā District and Waikato Regional Council*, ME Consulting, 3 April 2024 (BCA).

1.5 However, HCC has then questioned whether this proposal may be affected (and potentially precluded) by the provisions of the National Policy Statement for Highly Productive Land 2022 (“NPSHPL”).

1.6 In particular, Policy 5 of the NPSHPL is as follows:

*“Policy 5 – The urban rezoning of highly productive land is avoided, except as provided in this National Policy Statement.”*

1.7 Policies requiring activities to be “avoided” are to be treated as highly directive and given significant weight, in accordance with the Supreme Court’s decision in *Environmental Defence Society Incorporated v The New Zealand King Salmon Company Limited & Ors* [2014] NZSC 38. This is significant, given that district plans are required to give effect to any national policy statement, in accordance with section 75(3)(a) of the Resource Management Act 1991 (“RMA”).

#### **Purpose and scope of this letter**

1.8 Against that brief background, the purpose of this letter is to address the potential impact of the NPSHPL on TKE’s proposal for the sites to be rezoned for future industrial use.

1.9 To that end, we address the following:

- (a) Do the sites contain “highly productive land” (Section 3)?;
- (b) Does the proposal involve “urban rezoning” (Section 4)?;
- (c) Assessment of the relevant tests from clause 3.6 of the NPSHPL (Section 5); and
- (d) Concluding comments (Section 6).

1.10 We provide a summary of our advice in Section 2 below.

1.11 For completeness, we note that TKE’s proposal would involve an element of local government reorganisation, to transfer the sites from WDC to HCC. We have not been asked to consider that aspect of the proposal for the purpose of this advice and do not do so. However, we are happy to provide advice on that matter also, should that be required.

## **2. SUMMARY**

2.1 For the reasons outlined below, in our view:

- (a) The sites contain “highly productive land” and TKE’s proposal involves “urban rezoning”, in accordance with the NPSHPL.
- (b) As such, the rezoning cannot proceed (or must be “avoided”, as per Policy 5 of the NPSHPL), unless it meets the relevant criteria from clause 3.6 of the NPSHPL.
- (c) Those criteria will require:
  - (i) A range of comprehensive and robust assessments to be provided, including as to the required development capacity for industrial land in the northern end of Hamilton (in particular around the Te Rapa industrial area); and

- (ii) Careful consideration as to the extent of the sites that can (and need to be) rezoned in order to meet this development capacity.
- 2.2 That said, on balance we do not consider there are any current “red flags” or immediate issues arising in respect of the NPSHPL requirements, which would necessarily preclude the proposal from proceeding.
- 3. **DO THE SITES CONTAIN “HIGHLY PRODUCTIVE LAND”?**
  - 3.1 To come within the ambit of Policy 5 of the NPSHPL, the sites must come within the definition of “*highly productive land*”. In accordance with clause 1.3 of the NPSHPL, that term is defined as follows:

*“Highly productive land means land that has been mapped in accordance with clause 3.4 and is included in an operative regional policy statement as required by clause 3.5 (but see clause 3.5(7) for what is treated as highly productive land before the maps are included in an operative regional policy statement and clause 3.5(6) for when land is rezoned and therefore ceases to be highly productive land).”*
  - 3.2 As the NPSHPL only came into force as of 17 October 2022, no local authorities (including WDC or HCC) have yet completed their mapping of highly productive land in accordance with the requirements of that document. As such, clause 3.5(7) of the NPSHPL currently applies in terms of determining whether the sites contain highly productive land.
  - 3.3 In summary, that clause provides that highly productive land:
    - (a) Is:
      - (i) Land which is zoned general rural or rural production; and
      - (ii) Land Use Class (“LUC”) 1, 2 or 3 land;
    - (b) But is not:
      - (i) Identified for future urban development; or
      - (ii) Subject to a Council initiated, or adopted, notified plan change to rezone it from general rural or rural production to urban or rural lifestyle.
  - 3.4 The sites are:
    - (a) Zoned “Rural” under the operative Waikato District Plan (“OWDP”)<sup>2</sup> and “General Rural” under the appeals version of the proposed Waikato District Plan (“PWDP”);
    - (b) Shown in the Manaaki Whenua/Landcare Research “Land Use Capability” maps (“LUC Maps”) as being LUC Class 2 land; and
    - (c) Not subject to any Council initiated, or adopted, notified plan change or variation to rezone them from general rural or rural production to urban or rural lifestyle under either

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<sup>2</sup> To the extent relevant, given it is understood there are no outstanding appeals in respect of the zoning of the land under the PWDP, so this zoning is now to be treated as operative.

the OWDP or PWDP. There are only one current variations to the PWDP, none of which affect the rural zoning of the sites.

3.5 Clause 1.3 of the NPSHPL defines “*identified for future urban development*” as follows:

***“Identified for future urban development means:***

- (a) Identified in a published Future Development Strategy as land suitable for commencing urban development over the next 10 years; or*
- (b) Identified:*
  - (i) In a strategic planning document as an area suitable for commencing urban development over the next 10 years; and*
  - (ii) At a level of detail that makes the boundaries of the area identifiable in practice.”*

3.6 The existing strategic planning documents potentially relevant to this definition are:

- (a) The Future Proof Strategy 2024 (“FPS24”), being a 30-year growth management and implementation plan specific to the Hamilton, Matamata-Piako, Waipā and Waikato sub-region within the context of the broader Hamilton-Auckland Corridor, the Hamilton to Tauranga Corridor and Hamilton-Waikato Metropolitan areas, which incorporates the requirements of a Future Development Strategy under by subpart 4 of Part 3 of the NPSUD;<sup>3</sup>
- (b) Waikato 2070, being WDC’s Growth and Growth and Economic Development Strategy which was developed to provide guidance on appropriate growth and economic development that will support the wellbeing of the district, and was adopted by WDC in May 2020;
- (c) The Hamilton Urban Growth Strategy 2023 (“HUGS”), which outlines what is key to Hamilton City’s growth and the investment needed to support that both within Hamilton and the wider Future Proof area; and
- (d) The MSP (as approved by Future Proof), which sets out how and where HCC and neighbouring communities within Waipā and Waikato Districts should grow, develop and move around long-term to ensure social, economic and environmental prosperity.

3.7 An area in Te Kowhai is identified as a “Village Enablement Area” in the FPS24 (at page 10). However, the identified area is to the west of the sites and the FPS24 states (at page 69) that the future urban form of the FPS area will comprise “*low levels of growth in identified village enablement areas in accordance with district-level land use planning*”.

3.8 The FPS24 (at page 70) indicates the timing of development in the Te Kowhai West and central “Village Enablement Areas” to be “medium term”, or within 3-10 years as that term is defined in the NPSUD and used in the FPS24. However, given the sites lie outside of the Te Kowhai “Village Enablement Area”, we consider it prudent to proceed on the basis that the FPS24 is not

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<sup>3</sup> Noting clause 1.3(3) of the NPSHPL provides that terms defined in the NPSUD and used in the NPSHPL have the meanings in the NPSUD, unless otherwise specified.

either a published Future Development Strategy or strategic planning document which indicates the site as within *“an area suitable for commencing urban development over the next 10 years”*.

3.9 A similar area in Te Kowhai is identified as being subject to residential development within 10-30 years in the *“Te Kowhai Development Plan”* at page 38 of Waikato 2070. Again, this area is to the west of the sites and in any event, the proposed timing for urbanisation of this area is outside the 10-year window covered by the definition of *“land identified for future urban development”* from the NPSHPL.

3.10 Neither HUGS nor the MSP identify Te Kowhai (or the sites) as being an area suitable for commencing urban development over the next 10 years.

3.11 On the basis of the above, we consider that the sites are:

- (a) Not identified for future urban development for the purposes of the NPSHPL; and
- (b) Accordingly, contain highly productive land, as per the relevant definition from the NPSHPL.

#### 4. DOES THE PROPOSAL INVOLVE “URBAN REZONING”?

4.1 The next question is therefore whether TKE’s proposal involves *“urban rezoning”*. This is defined in clause 1.3 of the NPSHPL as follows:

*“Urban rezoning means changing from a general rural or rural production zone to an urban zone.”*

4.2 As noted, the sites are currently zoned general rural.

4.3 Clause 1.3 of the NPSHPL defines *“urban”* (as a description of a zone) to include:

- (a) Commercial, large format retail, and mixed use; and
- (b) Light industrial, heavy industrial and general industrial.

4.4 We understand that TKE’s proposed zoning would come within these definitions. As such, the proposal involves *“urban rezoning”*.

#### 5. ASSESSMENT OF THE RELEVANT TESTS FROM CLAUSE 3.6 OF THE NPSHL

5.1 Given the conclusions reached above, Policy 5 of the NPSHPL requires that the proposed rezoning *“be avoided”*, except as provided in that NPS. In that regard, clause 3.6 of the NPSHPL<sup>4</sup> provides a limited pathway for the rezoning of highly productive land and states as follows:

*“(1) Tier 1 and 2 territorial authorities may allow urban rezoning of highly productive land only if:*

- (a) The urban rezoning is required to provide sufficient development capacity to meet demand for housing or business land to give*

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<sup>4</sup> Noting that both HCC and WDC are both Tier 1 local authorities for the purposes of the NPSHPL and NPSUD, as per the Appendix to the NPSUD.

*effect to the National Policy Statement on Urban Development 2020; and*

- (b) There are no other reasonably practicable and feasible options for providing at least sufficient development capacity within the same locality and market while achieving a well-functioning urban environment; and*
- (c) The environmental, social, cultural and economic benefits of rezoning outweigh the long-term environmental, social, cultural and economic costs associated with the loss of highly productive land for land-based primary production, taking into account both tangible and intangible values.*

...

- (5) Territorial authorities must take measures to ensure that the spatial extent of any urban zone covering highly productive land is the minimum necessary to provide the required development capacity while achieving a well-functioning urban environment.”*

5.2 We address each of those relevant criteria as follows.

#### **Rezoning is required to provide sufficient development capacity**

5.3 The clear intent of this criteria is to provide a link between the BCA assessment undertaken in accordance with the NPSUD and proposals to rezone highly productive land. As outlined in the Ministry for the Environment’s “*National Policy Statement for Highly Productive Land – Guide to Implementation*” (“Implementation Guide”, published in March 2023) at page 44:

*“...‘sufficient development capacity’ is defined in Part 3, subpart 1 of the NPSUD. The intention of this test is that rezoning HPL to an urban zone can only be considered if it is “required” to provide sufficient development capacity to meet demand for housing and business land (as assessed in a HBA for tier 1 and 2 local authorities). Where there is already sufficient development capacity to meet demand for housing and business land within the district, Clause 3.6(a) is not met and urban rezoning on HPL cannot occur.*

*The intent is the test could support the rezoning of HPL to an urban zone if needed to provide for short term (within next 3 years) and/or medium term (3–10 years) sufficient development capacity as this is required to be zoned for housing and business land for it to be ‘plan-enabled’ (refer Clause 3.4 of the NPS-UD). Rezoning HPL to an urban zone to provide for long-term development capacity (10–30 years) would not meet this test.”*

5.4 The definition of “sufficient” to meet expected demand for business land from clause 3.3 of the NPSUD means that the development capacity must be:

- (a) Plan enabled;
- (b) Infrastructure ready;

- (c) Necessary to meet the expected demand plus the appropriate competitiveness margin (for Tier 1 and 2 local authorities); and
- (d) Suitable (as described in the NPSUD) to meet the demands of different business sectors.

5.5 Market Economics have undertaken the required BCA for the “Future Proof” Partners (being WDC, HCC, Waipā District and now Matamata-Piako District). The outcome of that assessment, as relevant to potential for rezoning of the sites, is as follows.

### ***Business/Industrial Development Capacity***

5.6 At a “Future Proof”-wide level of analysis, the BCA concludes<sup>5</sup> that plan enabled capacity for retail and industrial land is sufficient to meet the anticipated growth in the short, medium and long term (again as those terms are defined in the NPSUD)<sup>6</sup>. There is also sufficient plan enabled capacity for commercial land in the short and medium terms. Given the scale of the area covered by the three local authorities, that is unsurprising.

5.7 However, the assessment at an individual local authority and business/economic area level is far more relevant and tells a different story. Focusing in particular on supply of industrial land for HCC, and accounting for the margins over and above predicted demand as required by the NPSUD,<sup>7</sup> the BCA concluded as follows:<sup>8</sup>

*“Localised industrial land demand plus margin is the most likely demand type to significantly exceed capacity. This is especially true for much of Hamilton City, Huntly, Raglan, and Te Kauwhata in Waikato. For the most part, local insufficiencies can be met in adjacent areas where there is ample capacity. Councils will need to monitor the uptake of industrial land in particular over time as Auckland industrial land prices increase and the area comes under significant pressure to accommodate Auckland spillover – putting pressure on local demand.”*

5.8 This is demonstrated in Figure 7.21 from the BCA, which shows insufficient supply of industrial land for all areas of Hamilton (other than Ruakura) in the medium and long term, as follows:

**Figure 7-21: Hamilton Industrial Land Sufficiency plus Margin (ha)**

Name	Short Term	Medium Term	Long Term	Short Term Vacant Land (ha)	Medium Term Vacant Land (ha)	Long Term Vacant Land (ha)	Short Term	Medium Term	Long Term
Te Rapa	38.5	123.3	236.5	39.6	39.6	149.8		Insufficient	Insufficient
Chartwell	0.2	0.6	1.7	0.1	0.1	0.1	Insufficient	Insufficient	Insufficient
Frankton	8.5	31.1	89.9	4.6	4.6	4.6	Insufficient	Insufficient	Insufficient
CBD	2.8	9.7	28.0	0.8	0.8	0.8	Insufficient	Insufficient	Insufficient
Ruakura	1.6	5.1	15.4	66.1	154.9	173.0			
Other	9.8	30.5	86.0	14.4	14.4	14.4		Insufficient	Insufficient
<b>Total</b>	<b>61</b>	<b>200</b>	<b>457</b>	<b>126</b>	<b>214</b>	<b>343</b>			Insufficient

<sup>5</sup> See for example Figure 7.39, at page 107.

<sup>6</sup> In accordance with clause 3.4(1) of the NPSUD, development capacity is “plan enabled” for business land if:

- a. In relation to the short term, it is on land that is zoned for business use in an operative district plan;
- b. In relation to the medium term, either paragraph (a) applies, or it is on land that is zoned for business use in a proposed district plan;
- c. In relation to the long term, either paragraph (b) applies, or its on land identified by the local authority for future urban use or intensification in an FDS or, if the local authority is not required to have an FDS, any other relevant plan or strategy.

<sup>7</sup> Being 20% over and above projected demand in the short and medium term and 15% in the long term, as per clause 3.22 of the NPSUD.

<sup>8</sup> BCA, at page 100.

- 5.9 This is consistent with the view that HCC staff have also expressed to TKE when discussing the rezoning proposal. TKE has also advised that industrial land at Ruakura is typically for lease only, so does not provide capacity for new “owner-occupier” options.
- 5.10 In light of the above, we consider that the existing BCA provides a reasonable basis to argue that TKE’s proposal meets the criteria from clause 3.6(1)(a) of the NPSHPL, in respect of the land that is to be rezoned for industrial use.

**No other reasonably practicable and feasible options for providing capacity**

- 5.11 With respect to this criterion, the NPSHPL and NPSUD provide the following relevant definitions:
- (a) In accordance with clause 3.6(3) of the NPSHPL, development capacity is considered to be “*within the same locality and market*” if it is:
    - (i) In or close to a location where a demand for additional development capacity has been identified through an HCA/BCA (or some equivalent document) in accordance with the NPSUD; and
    - (ii) For a market for the types of dwelling or business land that is in demand (as determined by an HCA/BCA in accordance with the NPSUD).
  - (b) As relevant, a “*well-functioning urban environment*” is defined in Policy 1 of the NPSUD to mean urban environments that, as a minimum:
    - (i) Have or enable a variety of sites that are suitable for different business sectors in terms of location and site size; and
    - (ii) Have good accessibility for all people between housing, jobs, community services, natural spaces, and open spaces, including by way of public or active transport.
- 5.12 Having regard to the definition from clause 3.6(3) of the NPSHPL, in our view the relevant “locality and market” for the purposes of TKE’s proposal must be around the northern end of Hamilton and more specifically, the north-western/Te Rapa area. Even if there may be sufficient industrial development capacity at a “Future Proof” scale, it would be unreasonable (and inappropriate) to expect any shortfall in or around northern Hamilton to be serviced for example by new residential or industrial areas to the north of WDC (i.e., along its boundary with Auckland) or in Waipā.
- 5.13 Rather, as the definition from clause 3.6(3) of the NPSHPL states, this demand should be serviced in or close to the location in which the need for it has been identified – in this case, Te Rapa/north-west Hamilton. Thus, this is the extent of area within which “*reasonably practicable and feasible options*” for providing sufficient development capacity must be considered, for the purposes of clause 3.6(1)(b) of the NPSHPL.
- 5.14 Clause 3.6(2) of the NPSHPL also clarifies that the range of reasonably practical (and feasible) options that must be considered for providing the required development capacity include:
- (a) Greater intensification in existing urban areas; and
  - (b) Rezoning of land that is not highly productive land as urban; and
  - (c) Rezoning different highly productive land that has a relatively lower productive capacity.



5.15 In respect of each of those requirements, we note as follows:

- (a) Greater intensification in urban areas is unlikely to be a practical and feasible option for meeting the required demand for industrial land. As the Implementation Guide notes (at page 47):

*“This is due to the nature of the activities the zone encourages (i.e. industrial activities may find it more challenging to intensify in the same way as residential or some business activities as the space they require usually serves an operational purpose).”*

- (b) The LUC Maps show that there is relatively little non-highly productive land in the area surrounding the northern part of Hamilton City, to the west of the Waikato River. The vast majority of this land is LUC Class 1 or 2 (together with LUC Class 3 land along the Waikato River). The closest relevant pockets of LUC Class 4 land to the sites are further north, along Onion Road and to the south/west (around Rotokauri and Western Heights). Thus we anticipate it may be difficult to identify rezoning options for industrial land for the northern part of Hamilton City that are *not* on highly productive land and which:

- (i) Will provide the required amount of development capacity;
- (ii) Are within the same locality and market, in accordance with the explanation of those terms in clause 3.6(3) of the NPSHPL (noting the need to provide sufficient industrial land to support Te Rapa/north-west Hamilton in particular, as outlined in the BCA and above);
- (iii) Are reasonably practical and feasible (noting that for the short or medium term, “feasible” is defined in the NPSUD to mean “commercially viable to a developer based on the current relationship between costs and revenue”); and
- (iv) Will achieve a well-functioning urban environment (noting that providing appropriate infrastructure connections and a contiguous urban form with good accessibility are key components of such urban environments).

- (c) The requirement to consider options for rezoning land that has a relatively lower productive capacity recognises that there are urban environments (such as the north-western part of Hamilton) that are essentially surrounded by LUC Class 1, 2 or 3 land. In this circumstance, the NPSHPL requires that rezoning be directed to the lower-class land as a priority, unless that is not a feasible option or would result in a poorly functioning urban environment. As noted, TKE’s proposal already avoids LUC Class 1 land. The LUC Maps show that the closest LUC Class 3 land to the sites is further west (along Woolrich Road) and to the east, along the Waikato River. Based on the LUC Maps, these areas do not appear to provide the same accessibility, ease of development and scale as the sites. We therefore anticipate it is possible to argue that there are no “*relevant and reasonably feasible*” options for rezoning land with a relatively lower productive capacity within the same locality and market, that would also achieve a well-functioning urban environment.

5.16 Having regard to the above assessment, we consider it would likely be feasible to prepare a robust and comprehensive set of assessments, to support an argument that TKE’s proposal meets the criteria from clause 3.6(1)(b) of the NPSHPL.

### **Assessment of costs and benefits**

- 5.17 With respect to the criteria from clause 3.6(1)(c) of the NPSHPL, the Implementation Guide states:

*“The intent of Clause 3.6(1)(c) is to build on best practice in terms of section 32 evaluations but also to emphasise that, in the case of urban rezoning of HPL, there is an even greater need to look beyond the short-term economic benefits of any urban rezoning proposal and to consider the full spectrum of environmental, economic, social and cultural benefits and costs. A robust section 32 assessment that covered both the section 32 tests and the requirements of Clause 3.6(1)(c) is recommended as best practice.”*

- 5.18 The Implementation Guide also states that the intangible values of highly productive land that should be considered as part of this assessment include:

- (a) Its value to future generations;
- (b) Its finite characteristics and limited supply;
- (c) Its ability to support community resilience; and
- (d) The limited ability of other land to produce certain products.

- 5.19 We understand that TKE has already obtained a range of expert assessments and reports regarding the rezoning proposal. While we have not reviewed those in detail, we anticipate they would provide the basis of a robust, cohesive and comprehensive assessment of the benefits and costs of the rezoning, sufficient to meet the requirements of this criteria.

- 5.20 It is also important to have a relevant expert (or experts) address the intangible values of highly productive land, for those benefits to be included in the overall section 32 evaluation. We note that the Project Team discussed this with James Allen of AgFirst, with the intent of obtaining an assessment from him to support a robust cost-benefit evaluation which meets the criteria from clause 3.6(1)(a) of the NPSHPL.

### **Ensuring spatial extent of rezoning is minimum necessary**

- 5.21 In summary, the intent of clause 3.6(5) of the NPSHPL is to ensure that:

- (a) Any urban rezoning of highly productive land is an efficient use of that land;
- (b) The loss of highly productive land is only considered if required to provide enough development capacity, as identified in the BCA; and
- (c) The minimum amount of highly productive land is lost to provide that additional development capacity (for example, that significant development capacity – i.e. beyond that required for the next 10 years - is not being provided on highly productive land).

- 5.22 The requirement for the rezoning to be an “efficient” use of land is most relevant to rezoning for residential rather than industrial use. For example, any residential rezoning of highly productive land should generally be high density. That said, we understand that TKE’s proposal provides industrial land in a highly efficient way. Careful design and location of infrastructure and roading connections has resulted in the net yield of the sites being as efficient as roading

and stormwater requirements allow. In this regard, TKE has advised that their draft Framework Plan produces a net yield of 74%, which compares well to a typical net yield for many industrial parks of 65%.

- 5.23 It is also arguable that loss of highly productive land as proposed by TKE is required to provide enough development capacity for industrial zoned land, as identified in the BCA. In this regard, we note that:
- (a) The BCA indicates that for HCC (and excluding Ruakura, which is assessed as having more than sufficient supply of industrial land), approximately 135ha of additional industrial land is required to meet development capacity in the medium term (including the 20% margin required by the NPSUD). TKE's proposed rezoning of 139ha would be a key contribution to addressing that shortfall, noting that for the reasons outlined above, there is little other non-highly productive land available in the area to meet the identified demand capacity.
  - (b) The sites would also serve (and provide development capacity for) WDC, which should be accounted for. In this regard, while the BCA concludes there is generally a sufficient supply of industrial land in WDC in the short and medium term,<sup>9</sup> much of this is located to the north in proximity to the WDC boundary with Auckland (at Pokeno and Tuakau) or in Ngaruawahia. So not sufficiently proximate to meet demand in northern Hamilton.
  - (c) The assessment above only considers development capacity required over the medium term, so would not involve providing significant development capacity (i.e. beyond 10 years) on highly productive land.
- 5.24 Overall, we anticipate that TKL's proposal could appropriately address clause 3.6(5) of the NPSHPL. However, this will require careful consideration as to the extent of the sites that need to be rezoned, in order to provide this development capacity.

## 6. CONCLUDING COMMENTS

- 6.1 TKE and HCC have correctly identified that TKE's proposal needs to address Policy 5 of the NPSHPL, in order for it to proceed. This will require a range of comprehensive and robust assessments to be provided, including as to the required development capacity for industrial land in Hamilton. It will also require careful consideration as to the extent of the sites that can (and need to be) rezoned in order to meet this development capacity.
- 6.2 However, on balance, we do not consider there are any current "red flags" or immediate issues arising in respect of the NPSHL requirements, which would necessarily preclude the proposal from proceeding.
- 6.3 We trust the above is clear and sufficient for present purposes. We are of course happy (and available) to discuss any aspect of the above with the Project Team further, as required.

Yours sincerely



Helen Andrews  
Director  
The Environmental Lawyers

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<sup>9</sup> See Figure 7.24 of the BCA.