

# Application for a project to be referred to an expert consenting panel

**(Pursuant to Section 20 of the COVID-19 Recovery (Fast-track Consenting) Act 2020)**

*For office use only:*

Project name: Milbrow Estate  
Application number: PJ-0000856  
Date received: 31/01/2023

This form must be used by applicants making a request to the responsible Minister(s) for a project to be referred to an expert consenting panel under the COVID-19 Recovery (Fast-track Consenting) Act 2020.

All legislative references relate to the COVID-19 Recovery (Fast-track Consenting) Act 2020 (the Act), unless stated otherwise.

The information requirements for making an application are described in Section 20(3) of the Act. Your application must be made in this approved form and contain all of the required information. If these requirements are not met, the Minister(s) may decline your application due to insufficient information.

Section 20(2)(b) of the Act specifies that the application needs only to provide a general level of detail, sufficient to inform the Minister's decision on the application, as opposed to the level of detail provided to an expert consenting panel deciding applications for resource consents or notices of requirement for designations.

We recommend you discuss your application and the information requirements with the Ministry for the Environment (the Ministry) before the request is lodged. Please contact the Ministry via email: [fasttrackconsenting@mfe.govt.nz](mailto:fasttrackconsenting@mfe.govt.nz)

The Ministry has also prepared [Fast-track guidance](#) to help applicants prepare applications for projects to be referred.

## Part I: Applicant

### Applicant details

Person or entity making the request: Caland Holdings Limited

Contact person: Stuart Milsom

Job title: Director

Phone: s 9(2)(a)

Email: s 9(2)(a)

Postal address:

66 McFetridge Drive

Hamurana

RD6

Rotorua 3096

### Address for service (if different from above)

Organisation: Sigma Consultants Limited

Contact person: Ann Nicholas

Job title: Planner - Consultant

Phone: s 9(2)(a)

Email: s 9(2)(a)

Email address for service: s 9(2)(a)

Postal address:

PO Box 553

Rotorua 3040

## Part II: Project location

The application: does not relate to the coastal marine area

If the application relates to the coastal marine area wholly or in part, references to the Minister in this form should be read as the Minister for the Environment and Minister of Conservation.

Site address / location:

A cadastral map and/or aerial imagery to clearly show the project location will help.

66 McFetridge Drive, Hamurana, Bay of Plenty, 3096, New Zealand

Refer Attachment A Location Plan

Legal description(s):

A current copy of the relevant Record(s) of Title will help.

Lots 7 & 8 DP 392696 and Lot 2 DP 558193

Refer Attachment B Records of Title

Registered legal land owner(s):

Applicant as above

Detail the nature of the applicant’s legal interest (if any) in the land on which the project will occur, including a statement of how that affects the applicant’s ability to undertake the work that is required for the project:

Land Owner

## Part III: Project details

### Description

Project name: Milbrow Estate

Project summary:

Please provide a brief summary (no more than 2-3 lines) of the proposed project.

The proposal is a rural residential subdivision to provide 91 clustered rural residential lots set in restored native vegetation cover across the site. While development of each lot will be undertaken by third parties, the project would generate 213 FTE jobs and contribute \$28.3m to the construction sector GDP.

Project details:

Please provide details of the proposed project, its purpose, objectives and the activities it involves, noting that Section 20(2)(b) of the Act specifies that the application needs only to provide a general level of detail.

### Proposed Subdivision

Milbrow Estate will provide a rural residential subdivision comprising 91 clustered rural residential lots integrated with the restoration of indigenous vegetation across the site. The subdivision will contribute positively to the unfulfilled demand for residential sites across a range of lifestyle opportunities in the Rotorua District, while supporting employment and investment within Rotorua District. In addition, it will facilitate land use change mandated for lake water quality enhancement by retiring rural land from dairying in the Rotorua catchment.

The proposal will enable the restoration of indigenous vegetation around clusters of residential sites to visually integrate and screen the building platforms and connect the landscape patterns of the site. Some of the lots will be provided with internal rural views to the north with others achieve lake views to the south. The existing property accommodates two dwellings, the homestead and the managers cottage.

The proposed subdivision will introduce an additional 89 dwellings into the landscape across the 83.1ha site. The range of lot sizes comprise 2,320m<sup>2</sup> to 4.9ha in size with a focus to creating pocketed clusters of housing separated by native vegetation cover. The parent lot (Lot 94) contains some 21.5ha and is connected to a series of vegetated walkway lots (Lots 91, 92 and 93).

The site layout is shown on the subdivision plan in [Attachment C](#).

### Services and Infrastructure

It is proposed that the development was be supported by infrastructure as set out in the attached Infrastructure Report (refer [Attachment D](#)) follows:

- **Wastewater:** connection to Rotorua Lakes Council sewer is proposed for all lots. The Council’s Land Development Engineering Manager has confirmed that the sewer has capacity for the proposed development, subject to design and upgrade plus development contributions.
- **Stormwater:** stormwater flowpaths through the site will be managed at the same or lower levels of flow. Stormwater from buildings and hard surfaces will be collected and disposed of within the site as far as practical.
- **Water:** there is a current total allocated of 61.7M<sup>2</sup> per day from the Kaharoa Water Scheme as well as groundwater extraction within the authorised limits. Rainwater collection and storage tanks are proposed to supplement the current water allocation. With an increase to the water take plus (if required) occasional top

up by tanker trucks if necessary, the provision of an adequate and potable water supply, including for fire fighting purposes, will be achieved for all sites and buildings.

- **Roading:** the attached Infrastructure Report in Attachment D and the Transportation Assessment in Attachment E provide a description of the roading/network aspects.

The subdivision will promote sustainability initiatives where feasible. As well as enabling land use change, indigenous vegetation and wetland restoration and a local network of walkways for residents, options such as solar power/ water heating will be encouraged where feasible. Power and telecommunications services are available to the site.

The site includes already established and revegetated wetlands and ponds and the proposed subdivision would enable additional indigenous vegetation to enhance the gully system and manage stormwater runoff across the site.

Integrated to the natural landform and rural patterns is the integration of native vegetation cover that is proposed to surround the clusters of dwellings creating enclaves amongst the rural landscape.

### **Benefits**

There are three anticipated benefits from the project:

- Housing demand - the Rotorua District has a well recognised significant shortfall in housing across all sectors. The lack of housing choice across all sectors prevents businesses locating in Rotorua. While located in a rural environment, the site is strategically located between Rotorua and Tauranga urban areas and will support the provision of additional housing urgently required for those urban areas This is a primary driver for the project.
- Economic contribution - while development of each lot will be undertaken by third parties, the project would generate 213 FTE jobs and contribute \$28.3m to the construction sector GDP. The benefit of supporting business relocation is additional to the identified benefits.
- Environmental benefit – land use change is required in the Lake Rotorua catchment to achieve significant reductions in nutrient discharge to the lake and support enhancement of water quality. Nutrient Discharge Allocations have been set for each productive rural lot and significant change from the current dairying operation must be achieved by 2032. The retirement of the site and the restoration of much of the site with indigenous vegetation will make a strong contribution to the outcomes sought as dairying is not viable in the medium term

### **Consents Sought**

Therefore, Caland Holdings seek subdivision consent to enable the subdivision of the site as described. There is a separate requirement to uplift part of an existing consent notice on the record of title for Lot 7 DP 392696 which is discussed further below. In addition, consent is also sought for earthworks for the subdivision. However, earthworks and stormwater consents will be sought at a later time from BORPC.

Where applicable, describe the staging of the project, including the nature and timing of the staging:

Three stages are proposed as follows:

- Stage 1 - From consent 2023 to Q2 2024 Stage 1 - 30 Lots – Working with GJ Gardiners, and Classic Builders and Private buyers sell Lots, Remove existing structure, build roading, install power, sewage, fibre broadband and water, excavate house sites.
- Stage 2 - 2024 to Q 1 2025 Stage 2 - 30 Lots – Working with GJ Gardiners, and Classic Builders and Private buyers sell Lots, Remove existing structure, build roading, install power, sewage, fibre broadband and water, excavate house sites.
- Stage 3 - Q1 2025 to Q3 2025 Stage 3 - 29 Lots – Working with GJ Gardiners, and Classic Builders and Private buyers sell Lots, Remove existing structure, build roading, install power, sewage, fibre broadband and water, excavate house sites

### **Consents / approvals required**

Relevant local authorities: Rotorua District Council

Resource consent(s) / designation required:

Land-use consent, Subdivision consent

Relevant zoning, overlays and other features:

Please provide details of the zoning, overlays and other features identified in the relevant plan(s) that relate to the project location.

Legal description(s)	Relevant plan	Zone	Overlays	Other features
Lot 7 DP 392696	Rotorua District Plan	Rural 1	Rotorua Caldera Rim Less Sensitive Landscape Area	Landslip Susceptibility
Lot 8 DP 392696	Rotorua District Plan	Rural 1	Rotorua Caldera Rim Less Sensitive Landscape Area	Landslip Susceptibility; Fault Avoidance Zone; Transmission Line/Pylons
Lot 2 DP 558193	Rotorua District Plan	Rural 1	Rotorua Caldera Rim Less Sensitive Landscape Area	Landslip Susceptibility; Fault Avoidance Zone

Rule(s) consent is required under and activity status:

Please provide details of all rules consent is required under. Please note that Section 18(3)(a) of the Act details that the project **must not include** an activity that is described as a prohibited activity in the Resource Management Act 1991, regulations made under that Act (including a national environmental standard), or a plan or proposed plan.

Relevant plan / standard	Relevant rule / regulation	Reason for consent	Activity status	Location of proposed activity
Rotorua District Plan	SUB-R25(2)	Subdivision - Consent is required under rule SUB-R25(2) as a non-complying activity where the performance standards in SUB-R25(a) are not met. The proposed subdivision does not meet the performance standards and in particular the minimum lot size of 15ha usable land (being defined as all land except Classes VII & VIII, ephemeral watercourses and slopes over 35 degrees). As an alternative the status is non-complying under SUB-R29(2) as the	Subdivision - non-complying	66 McFetridge Drive, Hamurana

		performance standards for lifestyle lot are not met. or with performance standards, in particular minimum lot size of 15ha usable land and number of lifestyle lots provided for.		
Rotorua District Plan	EW-S1(1)	Land use consent for exceeding maximum area, volume and depth of cut and fill.	Restricted Discretionary	66 McFetridge Drive, Hamurana

Resource consent applications already made, or notices of requirement already lodged, on the same or a similar project:

Please provide details of the applications and notices, and any decisions made on them. Schedule 6 clause 28(3) of the COVID-19 Recovery (Fast-track Consenting) Act 2020 details that a person who has lodged an application for a resource consent or a notice of requirement under the Resource Management Act 1991, in relation to a listed project or a referred project, must withdraw that application or notice of requirement before lodging a consent application or notice of requirement with an expert consenting panel under this Act for the same, or substantially the same, activity.

NA

Resource consent(s) / Designation required for the project by someone other than the applicant, including details on whether these have been obtained:

NA

Other legal authorisations (other than contractual) required to begin the project (eg, authorities under the Heritage New Zealand Pouhere Taonga Act 2014 or concessions under the Conservation Act 1987), including details on whether these have been obtained:

#### Consent Notices

Consent notices can restrict subdivision consent approvals. There are consent notices attached to the records of title of all the lots. The consent notices relate to road access and water supply and no change is required to these aspects. In addition Lot 7 DP 39269 has a consent notice imposing a 'no complaints' clause in relation to the kennel/cattery on the adjacent SH36 frontage. No change is proposed to this consent notice and it will be extended to potentially affected lots.

In addition, consent notices on Lot 8 DP 39269 and Lot 2 DP 558193 advise that there is no further entitlement under specified District Plan rules, which relate the number of lots allowed to site area. The proposed subdivision does not refer to or rely on the specified rules and therefore no change is concluded to be necessary to these consent notices.

On the record of title for Lot 7 DP 39269 one clause in the consent notice is to restrict any potential residential buildings from being established on the site. This affects 5.9874ha or 7% of the total site area, or potentially some 8 of the proposed lots. It is important to note that the restriction does not prevent subdivision but rather the resulting potential residential development of lots created from Lot 7.

The reason for imposing the consent notice is not clear but is presumed to refer to maintaining rural character at the time. However, the decision was made over 15 years ago. Rural character and amenity has been subject to change since that time and, in addition, the subdivision now proposed responds to the nutrient reduction initiatives in effect for the Lake Rotorua catchment

and supports District and Regional plan outcomes. Therefore, cancelling that part of the consent notice will allow residential development consistent with and appropriate to this outcome. Application will be made to Rotorua Lakes Council, in parallel to this application. At a recent meeting Rotorua Lakes Council Deputy Chief Executive, District Development, indicated Council's support for the change the proposed cancellation of that part of the consent notice on Lot 7 DP 39269, to be consistent with approval through this process.

### **Construction readiness**

If the resource consent(s) are granted, and/or notice of requirement is confirmed, detail when you anticipate construction activities will begin, and be completed:

Please provide a high-level timeline outlining key milestones, e.g. detailed design, procurement, funding, site works commencement and completion.

The applicant is ready to initiate Stage 1 in the first construction season following granted of consent ie 2023.

## **Part IV: Consultation**

### **Government ministries and departments**

Detail all consultation undertaken with relevant government ministries and departments:

The applicant has held meetings with Ministry for the Environment Staff in relation to this application. In addition, the meeting with Rotorua Lakes Council on 14 July 2021 included attendance by Waka Kotahi Staff who subsequently provided written feedback. While direct access to State Highway 36 was not supported, the additional vehicle generation to and from State Highway 36 via Jackson Road and Central Road was supported.

### **Local authorities**

Detail all consultation undertaken with relevant local authorities:

The applicant has consulted with Bay of Plenty Regional Council and Rotorua Lakes Council as follows:

- Bay of Plenty Regional Council - the applicant has consulted with BOPRC on a number of occasions in relation to the water supply taken from groundwater and the Nutrient Discharge Allocation and the required reductions.
- Rotorua Lakes Council - the applicant has consulted the Deputy Chief Executive, District Development, Jean Paul Gaston, on several occasions. Mr Gaston has provided a letter in support of the project, dated 54 July 2022, which is attached as [Attachment F](#).
- Rotorua Lakes Council - a meeting was held on 14 July 2021 with the staff from the Planning consents and development engineering sections where information on the project was provided and advice was received in relation to potential sewer connection which was stated to have capacity (subject to financial contribution and possible upgrade), geotechnical, stormwater and roading investigations required.
- Rotorua Lakes Council - a meeting was held on 17 January 2023 with the Deputy Chief Executive, District Development, Jean Paul Gaston and the Team Lead Planning Consenting, Lorelle Barry. The process to uplift the consent notice was discussed as well as the connection to Council sewer. This resulted in the letter attached as [Attachment G](#) and the email re the sewer connection which is attached to the Infrastructure report in [Attachment D](#). Mr Gaston offered to participate in any meeting with the Ministry for the Environment in relation to this application, to confirm Council's support.

### **Other persons/parties**

Detail all other persons or parties you consider are likely to be affected by the project:

The applicant has identified Ngati Rangiwewehi as mana whenua. This is addressed below.

The applicant also identifies as adjacent landowners who may be potentially affected as including:

- 3 McFetridge Drive

- 6 McFetridge Drive
- 102 Jackson Road
- 30 Jackson Road
- 137 State Highway 36/ Tauranga Direct Road
- 67 State Highway 36/ Tauranga Direct Road
- 21 State Highway 36/ Tauranga Direct Road
- 359 State Highway 36/ Hamurana Road
- Trustees for three separate Maori land parcels, being Mangorewa Kaharoa 6E3No2E2A2, Mangorewa Kaharoa 6E3No2H7A and Mangorewa Kaharoa 6E3No2H5A, being located to the west of the subject site.

Detail all consultation undertaken with the above persons or parties:

The applicant has consulted with other parties as follows:

Adjacent landowners: the applicant has had some discussions with adjacent landowners but no formal approval has been sought or received. Discussions were held with the following parties:

- Adjacent land owners to the north, through Mr Craig Snodgrass, have not supported the proposed subdivision of the site.
- Kaharoa Kennels at 67 State Highway 36 have been receptive to the proposal and the applicant has advised that an existing covenant/consent notice applying to Lot 7 would be applied to all resulting lots to impose a no complaints reverse sensitivity clause to protect the ongoing operation of the kennels.

## Part V: Iwi authorities and Treaty settlements

For help with identifying relevant iwi authorities, you may wish to refer to [Te Kāhui Māngai – Directory of Iwi and Māori Organisations](#).

### Iwi authorities and Treaty settlement entities

Detail all consultation undertaken with Iwi authorities whose area of interest includes the area in which the project will occur:

Iwi authority	Consultation undertaken
Ngati Rangiwewehi	The applicant has been in contact with and met with representatives of Ngati Rangiwewehi on several occasions. A meeting was held with representatives at the site on 25 January 2022, a meeting at Sigma Consultants on 30 March 2022 and a meeting at Tarimano Marae on 20 September 2022. Ngati Rangiwewehi provided a letter advising that a cultural impact assessment would be required and this work is on-going.

Detail all consultation undertaken with Treaty settlement entities whose area of interest includes the area in which the project will occur:

Treaty settlement entity	Consultation undertaken
No details	

### Treaty settlements

Treaty settlements that apply to the geographical location of the project, and a summary of the relevant principles and provisions in those settlements, including any statutory acknowledgement areas:

[Section 18\(3\)\(b\)](#) of the Act details that the project **must not include** an activity that will occur on land returned under a Treaty settlement where that activity has not been agreed to in writing by the relevant land owner.

NA

## Part VI: Marine and Coastal Area (Takutai Moana) Act 2011

### Customary marine title areas

Customary marine title areas under the Marine and Coastal Area (Takutai Moana) Act 2011 that apply to the location of the project:

Section 18(3)(c) of the Act details that the project **must not include** an activity that will occur in a customary marine title area where that activity has not been agreed to in writing by the holder of the relevant customary marine title order.

NA

### Protected customary rights areas

Protected customary rights areas under the Marine and Coastal Area (Takutai Moana) Act 2011 that apply to the location of the project:

Section 18(3)(d) of the Act details that the project **must not include** an activity that will occur in a protected customary rights area and have a more than minor adverse effect on the exercise of the protected customary right, where that activity has not been agreed to in writing by the holder of the relevant protected customary rights recognition order.

NA

## Part VII: Adverse effects

Description of the anticipated and known adverse effects of the project on the environment, including greenhouse gas emissions:

In considering whether a project will help to achieve the purpose of the Act, the Minister may have regard to, under Section 19(e) of the Act, whether there is potential for the project to have significant adverse environmental effects. Please provide details on both the nature and scale of the anticipated and known adverse effects, noting that Section 20(2)(b) of the Act specifies that the application need only provide a general level of detail.

The proposed subdivision will lead to an increase in the number of house sites beyond the scale which might otherwise be anticipated in the Rural 1 Zone, where rural production activities and scattered buildings are more typical of the working rural environment. While up to 18 lots could result from subdivision provided for in the Rural Zone, through the use of the discretionary activity provisions for nutrient reduction and gully retirement, up to 91 house sites (including two existing houses) could result.

The potential effects of increased density of development potentially relate to landscape, visual change, traffic generation and visual change.

### Landscape Values

In a report prepared by Boffa Miskell in October 2012, Rotorua Caldera Rim – Caldera Rim Rural Character Design Guideline, the subject site is located in Landscape Character Area 10 Lower Plateau Slopes. The report refers to a number of proposals for further residential and rural development. This includes an extension to the Hamurana Rural Residential Extension which is identified as:

*This area adjoins an existing rural residential development along the Lake edge. It is located outside the Caldera Rim Sensitive Rural Area. Rural Residential Development is dominant in this area and is bounded by the change in landform. Development should be responsive to the rural amenity values and the natural patterns of this landscape.*

And:

*As a result five Sensitive Rural Areas were identified with the remaining areas in the Caldera Rim identified as Less Sensitive Rural Areas having no special rural landscape value. Both the future growth area and areas eligible for*

*transferrable development rights (to improve lake water quality) as identified in the proposed District Plan, are located within the less sensitive rural area.*

While only four are numbered on the Map of Areas for Proposed Development, the subject site is located within the area circled as a Proposed Development Area. The potential development is therefore signalled although has not as yet been carried into statutory documents

Boffa Miskell prepared a document entitled "*Milbrow Estate, A Landscape and Visual Assessment of Rural Residential Subdivision, prepared for Caland Holdings Ltd, 22 August 2022*" which informed the design and layout of the subdivision. The report evaluates the existing environment and its character as well as the relevant statutory provisions under the RMA.

The Boffa Miskell report concludes in relation to Landscape Values:

*Overall, the direct landscape effects will be of the highest degree of change attributed to the change in rural open space with the balanced integration of rural housing amongst enhanced natural patterns.*

*Earthworks which have been minimised through the careful placement of dwellings using the natural topography.*

*Converse to the adverse effects of earthworks and dwellings, there are also positive effects by way of the biotic enhancement proposed as part of the overall proposal which are critical to the visual integration of the subdivision into the landscape.*

*With the design response and recommended design measures for the subdivision, recognising the approach to integrating with the rural residential and surrounding rural character, the potential adverse landscape effects will be moderate in degree reducing to moderate-low over a 10 year period as the mitigation measures become effective. It is recognised the cultural values are not expressed in this assessment and would require further consideration in the response when they are made available.*

#### **Visual Effects**

Visual amenity is a component of visual effects and comprises the effects that bulk, scale, reflectivity, location, form, privacy and shading have upon the amenity values of a particular viewing audience. The potential effect of the subdivision will result in an opportunity for additional dwellings to be constructed, in addition to the two dwellings that already presently exist on the property.

The house sites have been specifically chosen to minimise visibility between dwellings both internally and externally to the site. The spacing of the house sites, topography of the property and location of current and proposed native planting work together to ensure visual impacts within the site and to the surrounding area are less than minor.

The Boffa Miskell report concludes that:

*Overall, the visual effects represent those sensory values attributed to the experience of the proposed subdivision in this landscape. The potential adverse effects are focused to the immediate neighbouring properties to the north, east and west, associated dwellings and road corridors, with a potential for moderate adverse visual effects.*

*The design response seeks to maintain the rural landscape characteristics of the broader landscape and the natural patterns, whilst integrating a change in land use. The medium to long term effects will gradually reduce from moderate to moderate-low.*

*Middle distant and distant viewing audience appreciate the landscape patterns and the wider Hamurana landscape.*

*The sensory cohesion of the site will be retained and enhanced with housing set amongst the landscape patterns and features with a clustering of the proposal in the broader landscape to the land use patterns of Hamurana. The protection of the escarpments, gully systems and the open plains to the north are important components of the overall integration of the subdivision into the broader landscape.*

*Overall, the potential adverse visual effects on this viewing audience will be moderate-low for the middle distant and very low for the distant viewing audience.*

Recommendations are made for the development of the sites and preparation of a Landscape Management Plan by a registered Landscape Architect in order to ensure the landscape values and outcomes assessed are successfully implemented. The Landscape Management Plan is identified as including:

- Identification of community enclave areas and individual property requirements
- Detailed landscape planting implementation and maintenance requirements
- Identification of public and private realm vegetation management.
- Identification of building and site design controls for each community enclave and individual properties.
- Inclusion of the following design controls within the LMP.

These recommendations are adopted by the applicant.

## **Water Quality**

The strong focus of the community, including both the regional and district councils and iwi, is on achieving an identified water quality target for Lake Rotorua. The proposed subdivision of the site will result in a subdivision that is connected to the Council wastewater system, but more significantly reduce the land used for dairy farming use conversion to lifestyle rural residential lots. The retirement and planting of the site will also increase the beneficial effects on water quality arising from the proposal contribute positively rather than increase nutrient loss. The resulting reduction will significantly enhance the cumulative reduction across the catchment.

In addition, the retirement of the gully system leading to the Awahou Stream and Te Puna o Pekehaua is a positive contribution to ecological links and reducing runoff.

Overall the outcome will be positive rather than adverse.

## **Traffic Generation**

A Transportation Assessment Report was prepared by Stantec entitled McFetridge Subdivision Transportation Assessment Report prepared for Caland Holdings Ltd, dated October 2021. This report concludes:

*Caland Holdings Limited (CHL) proposes to subdivide rural zoned land at 66 McFetridge Drive and 89 Tauranga Direct Road north of Hamurana to create 100 rural residential lots. The concept plans for the subdivision include new roads for the subdivision based on access to Jackson Road via McFetridge Drive and a potential new intersection on State Highway 36 in the location of an existing paper road and farm access.*

*The assessment has investigated the effects of the subdivision progressing with and without direct access to SH36. Construction of a new intersection on SH36 represents a Discretionary activity under the District Plan Subdivision rules and will require approval from Waka Kotahi as the Road Controlling Authority. The investigation of the intersection location found that adequate sight distances could be achieved for the operating speed but that this would require control of vegetation outside the road reserve. It has also been identified that the location of barriers on each side of the road will also introduce some complexity into the design for a safe intersection and it is likely to be impractical to form an intersection in the proposed location.*

*The analysis of the potential traffic effects of the proposed subdivision on the road network with no direct connection to SH36 has concluded that the additional vehicle movements can be accommodated with little noticeable effects on the operation of roads and intersections. The main effect will be awareness of more traffic because of the very low volumes that are present now. On this basis, it has been concluded that the subdivision could proceed on the basis of all access being via Jackson Road. However, it is recommended that some minor intersection works are undertaken at the SH36 / Jackson Road intersection to create a right turn bay.*

## **Cultural Values**

There are no identified archaeological or heritage sites identified in the District Plan for the site. Consultation has been initiated with Ngati Rangiwewehi who were concerned about the potential impact on springs. A cultural impact assessment is being prepared.

However, the retirement of the site from dairy farming and further planting of the gully system will provide a more vegetated link down to Te Puna o Pekehaua which are a taonga of Ngati Rangiwewehi. Enhancement to ecological values and to water passing through the site, by retiring and planting the gully, is considered to be a positive contribution to the values attributable to the locality.

## **Geotech/Stability**

A fault avoidance zone is identified in the Rotorua District Plan as affecting part of the site. GNS undertook further investigation and reported on the Faultline (GNS Letter to Caland Holdings Ltd, Active Fault Investigation for 66 McFetridge Drive, Rotorua, dated 15 July 2022). The investigations identified that the fault recurrence interval is >8000 years and Fault A is in RI Class IV (>5000 to ≤10000 years) according to MfE Guidelines for 'Planning for development of land on or close to active faults'. Allowable building standards are set out in the report and there is no constraint to the development proceeding.

## **Soil Contamination**

A report was commissioned from HAIL Environmental to identify whether there was contamination present within the site. The site is not identified on the BOPRC HAIL website but the application of superphosphate fertilisers and associated additives containing pesticides may be considered persistent bulk storage or use (HAIL category A10). A Preliminary Site Investigation was undertaken and determined that the site has been used for pastoral farming since at least the 1940s and likely since the land was cleared. Preliminary soil sampling was undertaken to confirm

concentrations of cadmium and DDT. It is only in the north-west portion of the site where contaminants may be present, being in the vicinity of the dairy farm buildings. This part of the site is generally excluded from the proposed lots for development, but if further development is proposed in this location then a Detailed Site Investigation would be undertaken. Recommendations are contained in the report should this be required.

The balance of the site to be developed is concluded to not be a piece of land and hence no level of contamination was identified that would require further investigation at this time or preclude the site from subdivision and development.

### Summary

In summary, the key potential adverse effects are concluded to relate to landscape and visual amenity. These effects are concluded to be minor or less than minor. The proposed subdivision is concluded to be consistent with targets for retiring land from the Lake Rotorua catchment and the enhancement of water quality. The provision of housing and economic support to the Rotorua community is a significant issue for the community at this time and is considered below as the project will provide positive not adverse economic outcomes.

## Part VIII: National policy statements and national environmental standards

General assessment of the project in relation to any relevant national policy statement (including the New Zealand Coastal Policy Statement) and national environmental standard:

### NATIONAL POLICY STATEMENTS

There are six National Policy Statements, of which the NPS Freshwater Management, NPS for highly productive land, and the NPS Electricity Transmission have been considered in relation to this proposal.

The **NPS on Electricity Transmission** provides a high level framework to guide the management and future planning of the national grid. There is a high voltage transmission line that crosses the northern part of the site just inside the boundary. Therefore it is relevant to consider the NPS. In particular the objective requires the adverse effects of other activities on the network must be managed and policies 10 and 11 address reverse sensitivity and buffer identification. The proposed subdivision has been designed to set the only affected building platform back from the transmission line and provide the required buffer. Therefore the proposal is in accordance with the NPS Electricity Transmission.

The **NPS for Freshwater Management** manages freshwater to give effect to Te Mana o te Wai and protects and enhances wetlands and streams. The subject site does not contain wetlands or streams that would require consideration under the NPS freshwater Management. There are gullies but no permanently flowing streams and substantial restoration of indigenous vegetation is proposed across the site as part of the retirement of the land from dairy farming and establishing the amenity and character sought for the subdivision. The proposal is therefore likely to increase the potential opportunity for habitat and reduce offsite effects arising from stormwater flow down through the catchment.

The **NPS for Highly Productive Land** commenced on 17 October 2022 and applies to land zoned Rural, Land Use Capability Class 1, 2 and 3, and is not identified for future urban development or subject to a Council notified plan change to change the zoning. The land owned by Caland Holdings Ltd and subject to this application falls in part within the definition of Highly Productive Land, as shown in [Attachment G](#). The affected land is part of Lot 8 DP 39696 and comprises approximately 20ha (estimated) of the site. Subdivision of highly productive land must be avoided except as otherwise provided in the NPS.

Clause 3.10 sets out the basis on which highly productive land may be subdivided where it would not otherwise be allowed under clauses 3.7, 3.8 or 3.9. Under the current District Plan rules, rural subdivision is provided for as a Discretionary Activity where compliance with performance standards is achieved (SUB-R25) The site could be subdivided potentially into 18 lots as a discretionary activity under the following provisions:

- General rural lot of 15ha – 1 lot (balance)
- Lifestyle lot allocation – 1 lot
- Nutrient reduction – 14 lots (based on retirement of 70ha from dairy)
- Gully retirement – 1-2 (based on retirement of 7ha)

Any additional subdivision is likely to require consent as a non-complying subdivision. However, the proposal supports the Rotorua Te Arawa Lakes Programme and the recent change to the BOP Regional Natural Resources Plan (Plan Change 10) which imposes Nitrogen Discharge Allocations to be achieved by 2032 and constrains the ongoing use for dairy farming.

In a report prepared by Boffa Miskell in October 2012, Rotorua Caldera Rim – Caldera Rim Rural Character Design Guideline, the subject site is located in Landscape Character Area 10 Lower Plateau Slopes. The report refers to a number of proposals for further residential and rural development. This includes an extension to the Hamurana Rural Residential Extension which is identified as:

*This area adjoins an existing rural residential development along the Lake edge. It is located outside the Caldera Rim Sensitive Rural Area. Rural Residential Development is dominant in this area and is bounded by the change in landform. Development should be responsive to the rural amenity values and the natural patterns of this landscape.*

And:

*As a result five Sensitive Rural Areas were identified with the remaining areas in the Caldera Rim identified as Less Sensitive Rural Areas having no special rural landscape value. Both the future growth area and areas eligible for transferrable development rights (to improve lake water quality) as identified in the proposed District Plan, are located within the less sensitive rural area.*

The subject site is located within the area circled as a Proposed Development Area. The potential development is therefore signalled although has not as yet been carried into statutory documents

Therefore, in summary:

- The current District Plan currently allows for lifestyle lot subdivision of the site to achieve nutrient reduction, enabling up to 18 lifestyle lots
- The BOP Regional Natural Resources Plan imposes significant constraints on the continuation of dairy farming requiring reductions to be achieved by 2032 and supporting changes to lifestyle lot subdivision
- The potential development of this area has been indicated since 2012 in development of guidelines for managing development within the Rotorua Caldera in relation to landscape values.

As set out in the Urban Economics Report attached as [Attachment I](#), the proposal is concluded to meet the conditions of Clause 3.10 and is therefore consistent with the NPS for Highly Productive Land.

## **NATIONAL ENVIRONMENT STANDARDS**

There are nine National Environmental Standards (NES) that have been prepared under sections 43 and 44 of the Act and are in force as regulations. These cover plantation forestry, air quality, human drinking water, telecommunications facilities, freshwater, electricity transmission, outdoor storage of types, marine aquaculture and management of contaminants in soil.

The NES for Contaminants in Soil controls activities in relation to the assessment and management of the actual and potential adverse effects of contaminants in soil on human health from particular activities which include subdivision. However, the HAIL Environmental Report referred to earlier has concluded that this is not a piece of land. No consents are required at this time as the only parts of the site where higher levels of contaminants were identified are not currently subject to change in use.

There are no other National Environmental Standards considered of relevance to this proposal.

## **Part IX: Purpose of the Act**

Your application must be supported by an explanation how the project will help achieve the purpose of the Act, that is to “urgently promote employment to support New Zealand’s recovery from the economic and social impacts of COVID-19 and to support the certainty of ongoing investment across New Zealand, while continuing to promote the sustainable management of natural and physical resources”.

In considering whether the project will help to achieve the purpose of the Act, the Minister may have regard to the specific matters referred to below, and any other matter that the Minister considers relevant.

Project’s economic benefits and costs for people or industries affected by COVID-19:

The project has been evaluated by Urban Economics as set out in [Attachment I](#). Their conclusions are summarised as follows:

The proposal is to develop approximately 91 rural lifestyle lots. The market price for the 'lot plus dwelling' is estimated to be between \$1,210,000 and \$1,510,000 based on the current sale prices of lifestyle dwellings in the study area. The majority of lifestyle dwellings in the study area are valued in the \$700,000 - \$ 1,200,000 price range. There are also a significant number of lifestyle dwellings valued above \$1,500,000.

Over the last year (November 2021-2022) lifestyle dwellings in the study area achieved an average sale price of \$1,320,000, and lifestyle lots achieved an average sale price of \$610,000.

Over the last 5 years, the study area accounted for approximately 92% of all the residential dwellings consented (235 dwellings vs 255 dwellings) within the district. Of the new dwellings consented within the study area, stand alone dwellings accounted for 175 dwellings (77%), terrace houses accounted for 35 dwellings (14%) and apartments accounted for 3 units consented per annum.

There are six residential developments currently selling within the study area, with a total supply of 210 dwellings, of which, 46 new dwellings are available for sale. This equates to approximately 2.5 months of demand within the study area, indicating a significant shortage of new residential dwellings being supplied to the market resulting in unmet demand and increasing house prices within the study area and the district.

The proposed development is located in an attractive location, offering a wide range of amenities that support residential development. Most notably, the proposed development is located approximately 20 minutes' drive from the Rotorua Town Centre, giving future residents access to a wide range of educational facilities, supermarket, churches, a medical centre, public library and other community facilities. In addition, the proposed development would provide future residents access to approximately 5,860 businesses offering a total of approximately 27,800 jobs within a 30-minute drivetime.

It is estimated that the construction of the proposed residential development would generate 213 FTE jobs and contribute \$28.3 million to construction sector GDP. This is a notable economic benefit.

The proposed development would generate approximately 49 FTE jobs in the land & building construction sector.

Stages 1 and 2 are expected to generate 16 FTE jobs, and Stage 3 is expected to generate 17 FTE jobs.

The proposed development would generate approximately 115 FTE jobs in the construction service sector. Stage 1 is expected to generate 57 FTE jobs, Stage 2 is expected to generate 34 FTE jobs and Stage 3 is expected to generate 24 FTE jobs.

The proposed development would generate approximately 49 FTE jobs in the architectural, scientific and engineering services sector. Stage 1 is expected to generate 29 FTE, Stage 2 is expected to generate 15 FTE jobs and Stage 3 is expected to generate 5 FTE jobs.

The proposed development would provide additional employment and increase the range of new housing in the study area. The project would have a positive impact on the social and cultural well-being of current and future generations by increasing the housing supply within the study area, which will place downward pressure on house prices.

The proposal would provide 91 rural lifestyle lots/dwellings to the market within the study area. The proposal would result in a significant increase in construction sector output, and therefore meets the economic requirements of the fast-track consenting process and is recommended for approval.

#### Project's effects on the social and cultural wellbeing of current and future generations:

As described above and in the Urban Economics Report, the project will support the provision of residential choice and job creation within the Rotorua District which is essential to the social and cultural wellbeing of the people of the District, now and in the future. The Rotorua District has been identified as experiencing a housing crisis, including the provision of emergency housing, which can only be addressed by a response across the housing sectors. The lack of a suitable range of residential environments restricts some companies from relocating to the district and therefore job opportunities are being lost. the lack of choice leads to some people employed in the District commuting from Tauranga/ Papamoa which is neither sustainable or beneficial for current and future generations.

The proposed development would provide additional employment and increase the range of new housing in the study area. The project would have a positive impact on the social and cultural well-being of current and future generations by increasing the housing supply within the study area, which will place downward pressure on house prices.

Whether the project would be likely to progress faster by using the processes provided by the Act than would otherwise be the case:

Using the process under the FTCA will enable a faster response to the housing demand in this sector and hence the ability to support economic outcomes for the community and housing choice for people in the District. There is a well recognised urgent need for housing in the Rotorua District and this extends across housing of all types.

Timeframes for the FTCA are specified and the opportunity for input from third parties is defined, which enables a focussed response to potential issues from all relevant parties and stakeholders. Under the FTCA a decision is expected generally within 4 months, based on a timeframe of up to 95 working days (or 110 working days if the timeframe is extended).

The standard process through the Council District Plan could require a notified application process or a change process. Notified applications have a statutory timeframe of 130 working days but the median has been reported by MfE as over 200 working days. Currently Rotorua Lakes Council is working to doubled timeframes due to the resources challenges following COVID 19. A recent application for Emergency Housing in the District reached the stage of a decision being released some 16 months after the date of lodgement. Therefore, the FTCA process will achieve a reduced and more certain timeframe than relying on the standards RMA application process.

The alternative of a plan change is not considered feasible as there will be significant delays. Council resources are currently focussed on Plan Change 9 Housing for Everyone which was notified in August and will not proceed to hearing until mid/late 2023 through a streamlined process.

Therefore, using the FTCA process is anticipated to achieve a decision before July 2023 and provides essential increased certainty which neither the private plan change nor a standard notified application would allow.

Whether the project may result in a 'public benefit':

Examples of a public benefit as included in Section 19(d) of the Act are included below as prompts only.

Employment/job creation:

As set out in section 10 of Attachment I, it is estimated that the construction of the proposed residential development would generate 213 FTE jobs and contribute \$28.3 million to construction sector GDP. This is a notable economic benefit.

The proposed development would generate approximately 49 FTE jobs in the land & building construction sector.

Stages 1 and 2 are expected to generate 16 FTE jobs, and Stage 3 is expected to generate 17 FTE jobs.

The proposed development would generate approximately 115 FTE jobs in the construction service sector. Stage 1 is expected to generate 57 FTE jobs, Stage 2 is expected to generate 34 FTE jobs and Stage 3 is expected to generate 24 FTE jobs.

The proposed development would generate approximately 49 FTE jobs in the architectural, scientific and engineering services sector. Stage 1 is expected to generate 29 FTE, Stage 2 is expected to generate 15 FTE jobs and Stage 3 is expected to generate 5 FTE jobs.

Housing supply:

Over the last 5 years, the study area accounted for approximately 92% of all the dwellings consented (235 v 255 dwellings) within the district. Of the new dwellings consented within the study area, stand alone dwellings accounted for 175 dwellings (77%), terrace houses accounted for 35 dwellings (14%) and apartments accounted for 3 units consented per annum.

There are 6 residential developments currently selling within the study area, with a total supply of 210 dwellings, of which, 46 new dwellings are available for sale. This equates to approximately 2.5 months of demand within the study area, indicating a significant shortage of new residential dwellings being supplied to the market resulting in unmet demand and increasing house prices within the study area and the district.

The proposed development is located in an attractive location, offering a wide range of amenities. The proposed development is located some 20 minutes from the centre of Rotorua, giving future residents access to a wide range of educational facilities, supermarket, churches, medical centre, public library and other community facilities. In addition,

the proposed development would provide future residents access to approximately 5,860 businesses offering a total of approximately 27,800 jobs within a 30-minute drivetime.

#### Contributing to well-functioning urban environments:

The proposed subdivision is located outside the urban area and therefore will not contribute directly to the well-functioning urban environment in the Rotorua City Centre. However, the choice of residential lifestyle environments supports the residential areas within the city and the provision for employment and living environment for people relocating to the District will support the functioning of the urban area.

#### Providing infrastructure to improve economic, employment, and environmental outcomes, and increase productivity:

The project is not an infrastructure project. However, except for the sewer reticulation, the subdivision will be self sufficient for water and stormwater which will be managed within the site. The provision of power and telecommunications services are confirmed as available and transport links have the capacity to accept the additional vehicle generation.

#### Improving environmental outcomes for coastal or freshwater quality, air quality, or indigenous biodiversity:

The proposal integrates significant revegetation and restoration of the site with indigenous vegetation and retirement of land from dairy farming. This will make a significant contribution to indigenous vegetation cover and habitat in the vicinity of the site as well be promoting the outcomes sought through the reduction in nutrient discharges and enhancing water quality in Lake Rotorua.

#### Minimising waste:

The proposal is based around retirement of land to achieve and support reduction in nutrient loss from the site. the resources required to support dairy farming on the site would no longer be required. Waste minimisation and sustainable options will be encouraged through the development and management of the site as far as can be achieved.

#### Contributing to New Zealand's efforts to mitigate climate change and transition more quickly to a low-emissions economy (in terms of reducing New Zealand's net emissions of greenhouse gases):

The proposal will support and enable the retirement of the land from dairy farming, reducing nutrient discharges as well as emissions from cows. Provision of the housing choice enables people to live and work in the District rather than commuting from Tauranga/Papamoa. In addition, through the applicant's discussions with BOPRC, the increase in population resident in the locality has been supported by BOPRC as it will make bus services more feasible and achievable and support a transition from private car to public transport/busses.

#### Promoting the protection of historic heritage:

NA

There is no identified heritage sites within the proposed site.

#### Strengthening environmental, economic, and social resilience, in terms of managing the risks from natural hazards and the effects of climate change:

The subdivision will not result in risk or increased risk from natural hazard or the effects of climate change, being located away from water bodies. The fault line has been investigated and provides no barrier to development.

#### Other public benefit:

The provision of housing choice within the district is an important adjunct the attractiveness of the district to investment and economic growth and is supported by Rotorua Lakes Council as an important component of addressing the housing shortage in the District.

The Urban Economics report in [Attachment I](#) concludes that the proposed development would provide additional employment and increase the range of new housing in the study area. The project would have a positive impact on the social and cultural well-being of current and future generations by increasing the housing supply within the study area, which will place downward pressure on house prices.

Whether there is potential for the project to have significant adverse environmental effects:

The evaluation of the adverse effects above has not identified any potential significant adverse effects. There will be visual change for those on adjacent sites but the visible change could arise from subdivision provided for in accordance with the discretionary activity rules. Substantial revegetation will result in benefits to habitat within the site and wider benefits to the catchment.

## Part X: Climate change and natural hazards

Description of whether and how the project would be affected by climate change and natural hazards:

The site is elevated above any water bodies and the effects of earthquake have been evaluated. The management of stormwater within the site takes into consideration increased rainfall. The retirement of the site from dairying will reduce emissions and nutrient runoff, and with the revegetation of substantial parts of the site will be beneficial.

## Part XI: Track record

A summary of all compliance and/or enforcement actions taken against the applicant by a local authority under the Resource Management Act 1991, and the outcome of those actions:

Local authority	Compliance/Enforcement Action and Outcome
Rotorua District Council	NA

## Part XII: Declaration

I acknowledge that a summary of this application will be made publicly available on the Ministry for the Environment website and that the full application will be released if requested.

By typing your name in the field below you are electronically signing this application form and certifying the information given in this application is true and correct.

Stuart Milsom

31/01/2023

**Signature of person or entity making the request**

**Date**

## Important notes:

- Please note that this application form, including your name and contact details and all supporting documents, submitted to the Minister for the Environment and/or Minister of Conservation and the Ministry for the Environment, will be publicly released. Please clearly highlight any content on this application form and in supporting documents that is commercially or otherwise sensitive in nature, and to which you specifically object to the release.

- Please ensure all sections, where relevant, of the application form are completed as failure to provide the required details may result in your application being declined.
- Further information may be requested at any time before a decision is made on the application.
- Please note that if the Minister for the Environment and/or Minister of Conservation accepts your application for referral to an expert consenting panel, you will then need to lodge a consent application and/or notice of requirement for a designation (or to alter a designation) in the approved form with the Environmental Protection Authority. The application will need to contain the information set out in Schedule 6, clauses 9-13 of the Act.
- Information presented to the Minister for the Environment and/or Minister of Conservation and shared with other Ministers, local authorities and the Environmental Protection Authority under the Act (including officials at government departments and agencies) is subject to disclosure under the Official Information Act 1982 (OIA) or the Local Government Official Information and Meetings Act 1987 (LGOIMA). Certain information may be withheld in accordance with the grounds for withholding information under the OIA and LGOIMA although the grounds for withholding must always be balanced against considerations of public interest that may justify release. Although the Ministry for the Environment does not give any guarantees as to whether information can be withheld under the OIA, it may be helpful to discuss OIA issues with the Ministry for the Environment in advance if information provided with an application is commercially sensitive or release would, for instance, disclose a trade secret or other confidential information. Further information on the OIA and LGOIMA is available at [www.ombudsman.parliament.nz](http://www.ombudsman.parliament.nz).

## Checklist

Where relevant to your application, please provide a copy of the following information.

No	Correspondence from the registered legal land owner(s)
No	Correspondence from persons or parties you consider are likely to be affected by the project
No	Written agreement from the relevant landowner where the project includes an activity that will occur on land returned under a Treaty settlement.
No	Written agreement from the holder of the relevant customary marine title order where the project includes an activity that will occur in a customary marine title area.
No	Written agreement from the holder of the relevant protected customary marine rights recognition order where the project includes an activity that will occur in a protected customary rights area.