

14 September 2022

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Ministry for the Environment | Manatū Mō Te Taiao

By email: fasttrackconsenting@mfe.govt.nz

Copy to: s 9(2)(a)

THE YARDS - RESOURCE RECOVERY AND SERVICE ACTIVITY PARK: FURTHER INFORMATION (3)

Introduction

1. Thank you for your letter of 31 August 2022,
2. You have requested further information in respect of the following:
 1. How many full-time equivalent jobs will be created through the construction of the storage facility?
 2. Please clarify the land which will be included within the project site, and who the legal owners of that land are. If the applicant is not the owner of the land, please explain any arrangements in place to allow the applicant to develop that land.
3. The applicant also wishes to update the Minister in respect of the following matters:
 - (a) Current and urgent demand for the facilities that the applicant seeks to provide.
 - (b) Progress in respect of consent application RM220327, which relates to the storage component of the wider Yards proposal, and has also been advanced separately. The applicant is aware that it cannot continue with RM220327 if that application is still in train by the time it lodges any application with the EPA (if referred).
 - (c) Progress in respect of the applicant's appeal in respect of the proposed district plan, which relates to the same site, but which the current application for fast track referral is not dependent on.

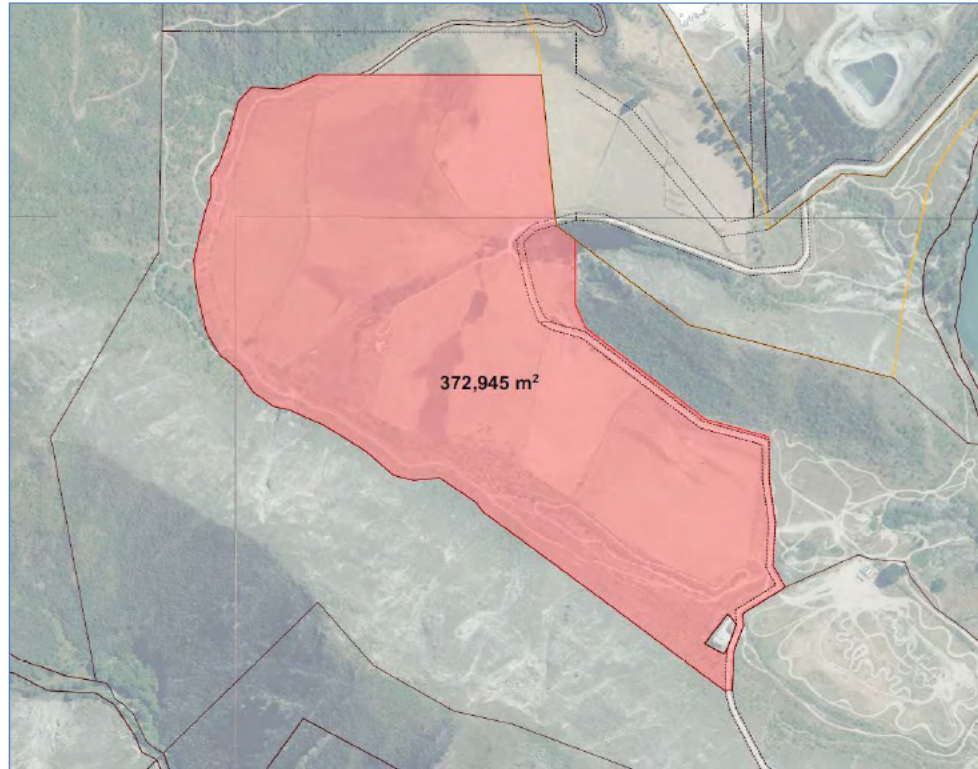
Full-time equivalent jobs – construction of the storage facility

4. The construction of the storage facility is estimated to create a total of 84 FTE jobs. This is out of the total 325 FTE construction jobs estimated

across the entire proposal (ie the balance of the project would create 241 FTEs).¹

Land forming the project site

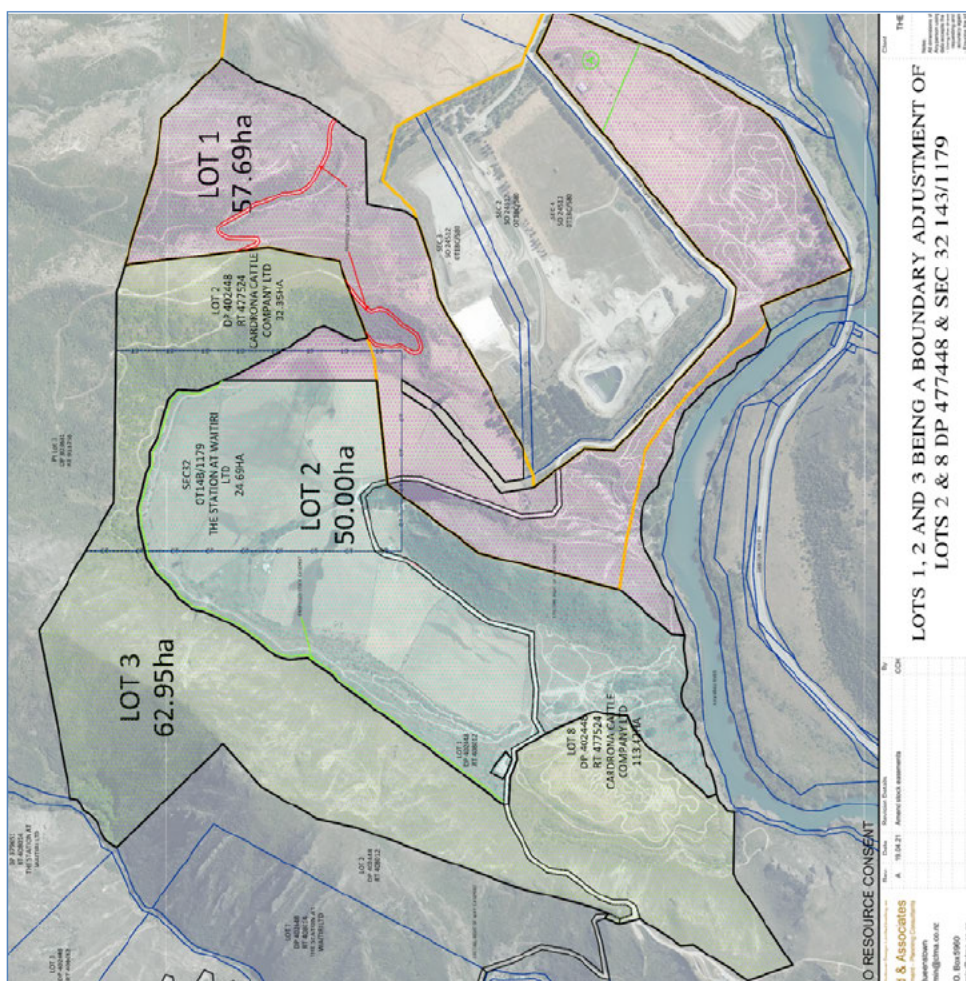
5. The following land is to form the project site:



6. The land is currently comprised in Section 32 Block II Kawarau SD OT14B/1179 legally owned by The Station at Waitiri Limited, and Title 477524 Lot 2 DP 420346 and Lot 8 DP 402448, legally owned by Scope Resources.
7. The land is subject to a consented boundary adjustment (RM200776), which will result in a reconfiguration of the lots as shown in the following plan over the page. Cardrona Cattle Company Limited has an agreement to take ownership of Lot 2 as shown on that plan, which includes the entirety of the land forming the project site (as identified above), as well as some additional land that is not subject to the current fast-track referral

¹ This information is contained in the original economic assessment, but that assessment mistakenly refers to the storage units as “ve-work” units. The author has clarified: “I have reviewed our report regarding the reference to ve-work units. This appears to be a misinterpretation of the concept plan. However, I understand from our discussion that they are small storage units. Our reports assessment, including the FTEs generated by the land development, construction and ongoing operation, relate to a general industrial activity, which applies equally to the proposed storage units. The FTEs estimates in the report therefore correctly reflect the proposed storage unit activity.”

application. The survey plan to give effect to the consented boundary adjustment is due to be lodged with LINZ soon.



Current and urgent demand for the facilities that the applicant seeks to provide

8. The applicant is pleased to confirm the following, as just some of the businesses that it is dealing with who are wanting to introduce competitiveness and efficiency into QLDC's building regime to considerably assist affordability, and the businesses it has established relationships with to establish a very effective resource recovery park:
 - (a) An engineering firm which wishes to buy steel in bulk and therefore reduce its costs considerably, but needs a place to put down its shipping containers and to sort its steel.
 - (b) A contractor who has acquired a highly sophisticated rock breaking machine for excavating foundations, at a fraction of the cost and time of a traditional approach – and much more quietly. They need

space to store their rocks for sorting and recycling, rather than straight to some distant fill site.

- (c) A concrete panel company from Auckland, who can considerably reduce the costs of concrete panels for domestic construction. However, they cannot find a suitable site for any affordable price to justify setting up their operations.
- (d) Two scaffold companies who can reduce the costs of scaffolding in town, if they can have more affordable space to set up, store, sort and maintain their inventory.
- (e) A number of construction companies who have no local base for their construction set ups, which mostly includes space to bring materials in bulk into the district and store these - almost all outside, and store their sheds, equipment etc. They advise that the costs of operating remotely adds significant costs to their pricing. Some are currently looking at Alexandra.
- (f) A drain layer wanting to become more efficient and competitive by buying in bulk. They currently have 1,000 sqm in Arrowtown which is hopeless for their aspirations.
- (g) A company that undertakes construction recycling. With significant effort from the applicant's part, they are now very and propose operations that would include:
 - (i) Concrete crushing and then storing for subsequent use in paving and roading.
 - (ii) Gib board shredding. This is a sizeable and very dusty and noisy machine that shreds gib scraps and then uses the gypsum in conjunction with green and organic waste to make compost.
 - (iii) Timber shredding/chipping. This is then processed into bricks which are then used as a fuel source for heating and similar.
 - (iv) The small amount left over then goes to the landfill.
- (h) A demolition yard. This is a facility that accepts demolition materials from an ever-increasing number of commercial and domestic buildings being levelled around the district. It sorts these, sends some of the materials to the construction recycling facility and then sets up the recovered material for sale to contractors.
- (i) A vermiculture operation which will take green waste from CODC and QLDC, add that to organic waste from restaurants and hotels in QLDC's district and, with the addition of gypsum, produce a world class compost material. Thus considerably reducing greenhouse gas emissions.

- (j) A very competitive crane operator wanting yard space for their equipment.
 - (k) A wholesale tree/nursery operation who will grow and import plants for domestic and commercial landscape operators.
9. The applicant is particularly pleased to have so many recycling facilities lined up in a community that has essentially none. Currently 40% of what goes into QLDC's landfill is construction and demolition waste. The applicant is particularly concerned about the current planning delays and the effect they are having on those parties currently committed to these recycling facilities. These parties all have other opportunities in other jurisdictions to invest and operate.

Progress in respect of consent application RM220327 (for the storage facility)

10. As previously advised, despite public notification, only five submissions were received, from adjoining neighbours. All submissions have been resolved with APAs obtained, save for one submitter.
11. The applicant still expects that this last submitter's concerns can be resolved and a final APA obtained, which will enable consent to be granted by delegated authority at officer level. Discussions are continuing.
12. What this illustrates is that there is no wider public or extended community interest in the use of the site, and that neighbour concerns are all resolvable. This means, if the Minister were to refer the entire project into the fast track process that would not cut across any wider community concerns or expectations of participation. For adjoining neighbours, they would all be invited to comment, and the Hearing Panel would be expected to give careful consideration to any legitimate concerns raised by them in any comments made.
13. Application RM220327 also illustrates the length of time that the council-level process takes. It was lodged on 1 December 2021, and is only now, some 10 months later, at the stage where it is anywhere close to an outcome at council-level (noting that if it did have to proceed to hearing, that could be some further additional months away). This supports the applicant's request for referral.
14. If consent application RM220327 has been granted by the time that any application to the EPA is to be made, the applicant could, at that time, exclude the land subject to RM220327 from the application to the EPA. This might be the case if construction were to have already commenced under consent RM220327.
15. Alternatively, if the Minister were to make a referral order soon, the applicant could withdraw application RM220327 so that the entire proposal can be considered in an integrated way by an EPA Hearing Panel.

16. The applicant understood that the scheme of the legislation allows flexibility to have to processes running in parallel, up to the point at which any fast-track application is lodged with the EPA (at which point any council-level application must be surrendered). It had deliberately developed its application for referral with this in mind, to provide it with the greatest flexibility given the uncertainty in timing, if not outcome of the two processes.
17. Ultimately, however, the applicant's preference is to proceed with the project as one integrated shovel-ready proposal that can be advanced in a co-ordinated fashion rather than in a piecemeal fashion, which might occur if the part of the proposal are separated out and consented through separate processes.

Progress in respect of proposed district plan appeal

18. As indicated in the initial application form, in its PDP appeal the applicant had sought a full industrial zone over a much large land area than that to which its current fast-track referral relates.
19. Its rezoning request has been narrowed to align with the boundaries of the fast-track application site, but, as you would anticipate with a plan appeal, the relief sought would allow greater flexibility for a wider range of uses if ultimately granted.
20. It remains the applicant's view that its fast track project for referral is deserving and capable of consent without the outcome of the PDP appeal being resolved in its favour. That said, the work that the applicant has done in respect of its PDP appeal reinforces the case for its fast-track project.
21. Any suggestion that the applicant should await the outcome of the PDP appeal process would result in inordinate delays. Early in the year, the applicant sought hearing time for its appeal, but that was refused by the Court, in preference for mediation with the Council. Regrettably, the Council then refused to mediate – and only relatively recently, and against the fact that the Council's experts did not have any fundamental opposition to the applicant's plan appeal proposal and that the Officers' recommendation was for the Council's Committee to authorise mediation.
22. There will be no hearing until at least April 2023, and no decision could be expected until perhaps July 2023, or later. A resource consent would then have to be sought under the new zoning, resulting in further delays.

Forward progress

23. The applicant trusts the above satisfies the final information requirements, and looks forward to hearing the outcome of the Minister's decision.

Yours faithfully



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