

IN THE MATTER of the Resource
Management Act 1991

AND

IN THE MATTER of a submission in respect
of the **PROPOSED
WAIKATO DISTRICT
PLAN** by **AMBURY
PROPERTIES LIMITED**
pursuant to Clause 6 of
Schedule 1 of the Act to
rezone 178ha of land at
Ohinewai

STATEMENT OF REBUTTAL EVIDENCE OF DAVID McLAREN GAZE

1. INTRODUCTION

- 1.1 My name is David McLaren Gaze. I am the Executive Director of Gaze Commercial Ltd. I have, for a number of years, been advising the New Zealand Comfort Group Ltd ("TCG") and Ambury Properties Limited ("APL") on options for relocating from TCG's current premises in Auckland to a single site where TCG can consolidate all its operations.
- 1.2 Since the identification of the Ohinewai site, I have been project managing and overseeing inputs from the team of professional advisors who have been engaged to advise on the project; liaising with representatives of the Waikato District and Waikato Regional Councils ("WDC" and "WRC"), iwi, local landowners; organising the inputs from consultants advising on the Project; and planning for work programmes, earthworks, etc.

Purpose and scope of rebuttal evidence

- 1.3 The purpose of this statement of evidence is to address two matters raised in the evidence of Melissa Hackell and Ian Mayhew on behalf of WRC.

- 1.4 Specifically, I address the following:
- (a) The concern raised by Melissa Hackell and Mr Mayhew about whether TCG employees will want to live and work at Ohinewai (Section 2); and
 - (b) Progress made on infrastructure funding arrangements since my evidence in chief ("EIC") was filed on 14 July 2020 (Section 3).

2. **LIKELIHOOD THAT TCG EMPLOYEES WILL WANT TO LIVE AT OHINEWAI**

2.1 At paragraphs 5.4-6.4 of Ms Hackell's evidence and Paragraph 7.46(b) of Mr Mayhew's evidence, they raise a concern that APL has not provided sufficient evidence demonstrating that TCG workers will choose to live and work at Ohinewai, and in particular, that the social impact assessment prepared by Robert Quigley did not include interviews with TCG employees.

2.2 Mr Quigley's rebuttal evidence addresses the question of whether such interviews are necessary or appropriate in terms of the methodology for undertaking social impact assessments. In this evidence I make two additional points relating to this issue.

TCG employees

2.3 My EIC and that of Craig Turner explain TCG and APL's commitment to the development and to the opportunities it offers for enabling TCG employees to become homeowners.

2.4 However, in advance of the determination of APL's submission on the Proposed Waikato District Plan, the position that TCG management has adopted is that it is too early to canvass the proposals in detail with employees. The development of the Ohinewai Structure Plan is a long term project (as set out in the staging plan).

2.5 The first stage of the project is the Foam Factory. That will employ 40-45 people and will take 18 months to be completed. There is plenty of time to ascertain the interest of existing employees in moving to Ohinewai once we have our consent. TCG does not wish to socialise the Sleepyhead Estate concept with employees until there is more certainty that it will proceed. We do not want long term employees

involved in discussions that might or might not come to fruition, some 3 to 4 years from a potential occupation date.

Third parties wishing to move to Ohinewai

2.6 Quite apart from what TCG intends to deliver, we have had interest in the site from a number of other industrial operators who are particularly keen to take up the opportunity to provide housing for their employees. The letter from real estate agent James Group, attached as **Attachment A**, details the latest of those enquiries, from an operator who has expressed an interest in taking up ten hectares of industrial land and 200 residential lots for its staff.

3. INFRASTRUCTURE FUNDING

3.1 Since my EIC was filed, John Olliver, Bill Mitchelmore and I have been attending weekly meetings with Mark Davey (PhD. B Plan (Hons)) as Analytics Manager for WDC along with legal counsel, Christine Piddock, from WDC for the purpose addressing the elements of key infrastructure elements required to service the OSP.

3.2 Our discussions were lengthy and canvassed in some detail the staging of the development, the infrastructure needs for each stage, timing, funding principles, and logistics. These key elements required to service the OSP were identified as:

- (a) Water and wastewater connections to WDC treatment plants;
- (b) Stormwater management systems;
- (c) State Highway and roading upgrades;
- (d) Public transport; and
- (e) Public open space and community facilities.

3.3 The outcome of these discussions is that we reached agreement on a clear way forward in terms of infrastructure provision and have entered into a memorandum of understanding ("MOU") with WDC which sets out the principles under which the parties' will progress the provision and funding of the necessary infrastructure. This will form the basis of a private development agreement ("PDA") in due course if the rezoning is approved (because WDC is unable to enter into negotiations for a PDA until that is in place).

- 3.4 The MOU was signed by WDC's Chief Executive, Gavin Ion, and Craig Turner, director and co-owner of APL, on 21 August 2020 and is attached as **Attachment B**.

WDC / APL memorandum of understanding

- 3.5 The MOU expires on 31 March 2022 by which time it is anticipated that a PDA will be well in place.
- 3.6 The key elements of the MOU are set out below.

Section 2 - Background

- 3.7 This section:
- (a) Sets out the background as regards the OSP;
 - (b) Recognises the need for infrastructure provision and the funding consequences of that not having been planned for;
 - (c) Sets out WDC's policy in relation to growth-related capital expenditure; and
 - (d) Notes the inability to enter into a PDA until the rezoning is in place.

Section 3 – General Principles

- 3.8 This section sets out a number of "general principles" in relation to mutual assistance and information sharing, plus strategic goals, in the main:
- (a) The delivery of WDC's vision for Ohinewai per 'Waikato 2070' as a larger, integrated employment node that extends beyond the Site, to the north and including additional residential development to the south, and not limit further growth to the north and south in the future.
 - (b) APL working with WDC and related agencies to promote employment and training opportunities for local residents and businesses from Huntly and the District.
 - (c) Considering funding options.

- (d) Undertaking a development that is fully aligned with the Vision and Strategy for the Waikato River.

Section 4 – Three Waters Principles

3.9 This section:

- (a) Confirms that APL recognises that any water and wastewater infrastructure proposed will need to be consistent with the draft Mid-Waikato Servicing Strategy (“MWSS”), alongside Watercare Services Limited (“WSL”) which is WDC’s contractor in relation to “three waters services, and associated advice and expertise.”
- (b) Outlines MWSS preferred options.
- (c) Records the commitment that, “without guaranteeing a servicing solution” for WDC, WSL and APL to agree to work to identify finding a treatment and disposal solution for the proposed development at the Site.

Section 5 – Transport

3.10 This section records that APL:

- (a) Intends to provide and fund its own local transport requirements including the cost of connecting to the existing road network and all local roads and vesting land for roads at no cost to WDC.
- (b) Acknowledges WDC’s requirement that it is for APL to construct and fund any necessary road and State Highway upgrades and to enable good circulation through the site for possible future development.

Section 6 – Reserves and Community Facilities Principles

3.11 This section records that APL will:

- (a) Provide and fund appropriate and adequate land and associated community facilities for local reserves which will be available for public use and owned and maintained by APL.

(b) Consider the connection of open spaces to possible future development within the Ohinewai area.

3.12 On the basis of the very clear understanding recorded in the MOU and the enthusiastic support of WDC, I have no doubt that we can address the detail of infrastructure planning and funding as we go forward.

David McLaren Gaze

24 August 2020

ATTACHMENT A
LETTER FROM JAMES GROUP

To Whom it may Concern,

This letter confirms I introduced a 10Ha owner occupier to the proposed Sleepyhead Estate Industrial Park to David Gaze representing Ambury Properties Ltd on the 1st July 2020 at Ohinewai.

Ambury confirmed the property was not for sale as rezoning of the land was awaiting a Commissioners Hearing & Ambury should know the outcome by late 2020.

The client confirmed the delay did not worry them and with pending lease terminations their occupancy would be circa 2023

Our client confirmed in writing to David Gaze & myself that they require;

- 10 Ha of Industrial land
- Envisaging building a staged Industrial building as their current leases fall due, commencing with a 15,000 sqm building
- The Rail Siding was imperative to their operation for imports and exports.
- They also expressed their written wish for first rights on 200 Residential Lots for their staff.
- This client currently employs 200 staff over two locations in Auckland & the Waikato.

Since the 1st July 2020, the client has maintained contact with me & is keen to know when purchase negotiations can commence.

Although this is the only Industrial owner/occupier I have introduced to Ohinewai, we are well aware of a pending need for large Industrial blocks, especially with Rail Siding; potential accommodation & an existing labour pool.

Sincerely,



Scott Buswell
Senior Broker

ATTACHMENT B

**MEMORANDUM OF UNDERSTANDING BETWEEN WAIKATO
REGIONAL COUNCIL AND AMBURY PROPERTIES LIMITED**

Memorandum of Understanding

Between Waikato District Council (**Council**)

and

Ambury Properties Limited (**APL**)

("the Parties")

Date: 21/8/20 August 2020

I. PURPOSE

- 1.1. This Memorandum of Understanding (MOU) sets out the broad principles that the Parties agree will underpin their relationship related to the potential servicing of APL's site in Ohinewai.
 - 1.2. This MOU is intended to be non-binding in so far as it does not give rise to legally enforceable obligations between the Parties.
-

2. BACKGROUND

- 2.1. Ambury Properties Limited (APL) is the owner of land at 231 Tahuna Road, Ohinewai, legally described as Allotment 405, Lots 1 and 2 DPS 29288 and Lots 1-3 DPS 474347 ("the Site").
- 2.2. APL has submitted on the Proposed Waikato District Plan seeking Council rezone the Site to Residential, Business and Industrial zones to enable proposed development on the Site in accordance with APL's Master Plan, including the construction of factory premises, other commercial buildings, and residential dwellings.
- 2.3. The Council has not envisaged growth at Ohinewai prior to publishing Waikato 2070 in May 2020, and therefore the current Long Term Plan does not anticipate additional infrastructure demand in this area. It is Council's policy that costs of growth-related capital expenditure should largely come from developers, rather than from general rates or any other indirect funding source. A key principle for Council being that growth funds growth.

- 2.4. The proposed APL development on the Site would cause unanticipated demand on infrastructure which is not currently envisaged or funded in Council's current Long-Term Plan. Furthermore, there are no specific Ohinewai development contributions applicable in the WDC Development Contributions Policy 2018-2021. A new Long-Term Plan (2021-2031) and Development Contributions Policy will be adopted by Council by 30th June 2021.
 - 2.5. One of the issues to be addressed between the parties is the potential provision and funding of future assets including water and wastewater infrastructure, transport infrastructure, stormwater management systems and reserves to enable growth if APL's zoning submission is accepted through the Proposed Waikato District Plan process. If rezoning of the Site is approved, the Parties would need to commence negotiations for a development agreement in accordance with the Local Government Act 2002. Council cannot enter negotiations for a Development Agreement until such time as a decision is made regarding re-zoning of the Site and a Party formally requests a Development Agreement.
 - 2.6. APL has indicated to Council the proposed development on the Site is anticipated to be staged over approximately ten years.
-

3. GENERAL PRINCIPLES

- 3.1. Subject to the outcome of the re-zoning hearing in September 2020, as part of the District Proposed Waikato District Plan process, Council agrees to work with APL to investigate the potential servicing solutions for the Site in event that the Site is rezoned.
- 3.2. If residential, business, or industrial zoning is to be enabled at the Site upgrades and new assets would be required to support the proposed growth and development of the Site. These include water and wastewater assets, roading and walking/cycling infrastructure, and community assets.
- 3.3. Council and APL agree to the following principles:
 - 3.3.1. To provide reasonable assistance to each other as appropriate subject to the other terms of this MOU;
 - 3.3.2. To share relevant information related to the proposed development of the Site that is likely to impact the principles set out in this MOU at the earliest possible time;
 - 3.3.3. APL will share information with Council at the earliest possible time regarding potential changes in timing, sequencing, and scope of their proposal for the Site;
 - 3.3.4. APL acknowledges Council's vision for Ohinewai as outlined in 'Waikato 2070' as a larger, integrated employment node, that extends beyond the Site, to the north and including additional residential development to the south;

- 3.3.5. APL's proposed site layout, design and infrastructure will take account of 'Waikato 2070', and not limit further growth to the north and south in the future (refer Appendix 3: Huntly & Ohinewai Development Plan, Waikato 2070);
 - 3.3.6. In the event of the Site being rezoned and APL securing the necessary consents Council anticipates offering support to APL to help realise its proposal through economic promotion of the Site to attract businesses;
 - 3.3.7. APL anticipates working with Council and related agencies to promote employment and training opportunities for local residents and businesses from Huntly and the District during the construction periods and APL operations.
 - 3.3.8. APL and Council may consider and evaluate advance funding options for network infrastructure where necessary to enable development earlier than Council might provide for in its Long-Term Plan 2021-2031. This infrastructure may include assets which will provide benefits beyond the proposed Site.
 - 3.3.9. APL is committed to undertake a proposed development on the Site that is fully aligned with Te Ture Whaimana, the Vision and Strategy for the Waikato River.
-

4. THREE WATERS INFRASTRUCTURE PRINCIPLES

- 4.1. Council is the waters service provider, water abstraction consent holder and the water network utility operator, and the service includes the treatment of potable water. APL acknowledges Watercare Services Limited (Watercare) is contracted to Council to provide three waters services, and associated advice and expertise. Any water and wastewater infrastructure proposed will need to be consistent with the draft Mid-Waikato Servicing Strategy (MWSS) dated 30 June 2020, and later versions of that Strategy, including all other relevant standards, specifications and legislative requirements;
- 4.2. The draft MWSS servicing solutions have not yet been adopted by either the Waters Governance Board or Council, as such the funding requirements are not reflected in Council's current Long-Term Plan.
- 4.3. For servicing purposes, the draft MWSS may recommend:
 - 4.3.1. potable water for the development at the Site is to be initially sourced from Huntly and then from Te Kauwhata;
 - 4.3.2. wastewater discharges from the development at the Site to be treated at the Huntly Wastewater Treatment Plant; and
 - 4.3.3. for strategic infrastructure resilience reasons, future connectivity of the existing water networks at Huntly and Te Kauwhata.
 - 4.3.4. The proposed development at the Site to provide and fund its own stormwater management system;

- 4.4. For stage 1 of the proposed development (as shown on the indicative Staging Plan at Appendix 1) it is anticipated that APL will be self-sufficient for water supply and wastewater disposal so requirements for servicing solutions for water and wastewater are likely to only take effect at stage 2 of the proposed development on the Site.
 - 4.5. For stage 2 and subsequent stages of the proposed development APL it is likely APL may need to connect to the Huntly WWTP. Future upgrades of the Huntly WWTP are likely to be required because of the additional discharge demands of proposed future growth.
 - 4.6. Without guaranteeing a servicing solution Council agrees to provide such assistance as it considers in its discretion to be reasonable and prudent in the circumstances to assist APL in finding a treatment and disposal solution for the proposed development at the Site. This could include:
 - 4.6.1. Working with Watercare to identify or create additional capacity at the applicable WWTP and WTP (water treatment plant) by:
 - 4.6.1.1. Reviewing and identifying capacity that may be available at the WWTP and WTP following any proposed upgrades;
 - 4.6.1.2. Identifying future growth and capacity requirements for the Waikato district; and;
 - 4.6.1.3. Determining whether any future planned upgrades of the applicable WWTP and WTP will need to be brought forward to cater to future demand;
 - 4.6.1.4. Identifying capacity at another wastewater treatment plant or water treatment plant owned or controlled by Council or another council or council-controlled organisation;
 - 4.6.1.5. Identifying other potentially viable methods of treatment and disposal, including private initiatives.
-

5. TRANSPORT PRINCIPLES

- 5.1. The proposed development on the Site intends to provide and fund its own local transport requirements including the cost of connecting to the existing road network and all local roads;
- 5.2. The proposed development contemplates roads including road reserve land progressively vesting to Council at no cost to Council, subject to the approval of Council.
- 5.3. APL agrees to negotiate with Council on a constructive good faith basis to provide a reasonable monetary contribution to support the funding and provision of proposed public transport services to and from the Site.
- 5.4. APL's proposed development on the Site will take account of the need to provide walking and cycling connectivity between the Site, Ohinewai West and Huntly utilising Ohinewai South Rd, and Council's requirement for APL construct and to

fund any necessary road and state highway upgrades, such as walking/cycling connections over the Waikato Expressway, Tahuna Road overbridge, to Ohinewai Hall and School.

- 5.5. APL's proposed Master Plan for the proposed development will take into account Council's need to enable good circulation through the site to future possible development to the north and south of the subject site
 - 5.6. APL will not preclude the use of the rail siding for future businesses within the area on a reasonable commercial basis.
-

6. RESERVES AND COMMUNITY FACILITIES PRINCIPLES

- 6.1. APL will provide and fund appropriate and adequate land and associated community facilities within the development for local reserves indicated in 'Appendix 2: APL Master Plan'. The land and facilities will be privately owned and maintained by APL but made available for public use, by agreement with Council. APL will consider the connection of open spaces to possible future wider development within the Ohinewai area.
-

7. TERM

- 7.1. This MOU is effective from the date of this MOU and terminates on 31st March 2022, unless terminated by agreement, or on written notice by either Party, or by replacement with another agreement. Neither Party is required to provide a reason for termination of the MOU in the written notice of termination.
-

8. CONFIDENTIALITY

- 8.1. Neither of the Parties is to disclose, directly or indirectly, any confidential information received from the other party to any third party without written consent from the other party, unless required by processes under the Official Information Act 1982 or the Local Government Official Information and Meetings Act 1987 (whichever applies).
-

9. DISPUTE RESOLUTION

- 9.1. Any dispute concerning the subject matter of this MOU is to be settled by full and frank discussion and negotiation between the Parties.
-

10. COUNCIL'S CAPACITY

- 10.1. The parties acknowledge that nothing in this MOU or any other action taken by the Council pursuant to this MOU will be constructed as constituting a fetter, limitation or predetermination on the exercise of any discretion or power of decision by the Council, or power of decision by the Council in its capacity as consent authority, or any other regulatory capacity it has in connection with the proposed development of the Site including the rezoning.
 - 10.2. The parties acknowledge Council has statutory and regulatory functions in its capacity as a local authority outside of the terms and conditions of this MOU including without limitation under the Resource Management Act 1991, Building Act 2004, Local Government Act 2002 and any other Act, regulation or by-law. Where Council is exercising these regulatory functions it shall be deemed not to be acting in those circumstances as party to this MOU. Nothing in this MOU:
 - 10.2.1. will override Council's regulatory role which will prevail in the event there is a conflict between that regulatory role and the provisions of this MOU.
 - 10.2.2. implies any approval by Council in its regulatory role.
-

11. DISCLOSURE OF INFORMATION AND MEDIA RELEASES

- 11.1. APL shall not, and will ensure that the APL trustees, beneficiaries, employees, contractors, agents, and officers, shall not, make public announcements or statements to the media or otherwise disclose any information relating to this MOU without the express prior written consent of Council.
-

12. NO REPRESENTATION

12.1. Nothing in this Memorandum shall imply any representation on the part of Council as to:

- 12.1.1. the likelihood of any Resource Consent application being successful, or
- 12.1.2. the suitability of the Site for APL proposed or intended use, or
- 12.1.3. any other matter contained in this MOU or
- 12.1.4. Re-zoning of the site.

EXECUTION

SIGNED for and on behalf of)
AMBURY PROPERTIES)
LIMITED by:



Signature of director

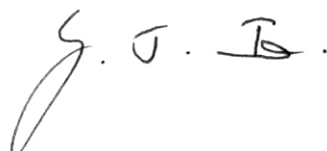
LYNN CRAIG TURNER

Print full name of director

21/8/20

Date

SIGNED for and on behalf of)
WAIKATO DISTRICT)
COUNCIL by:



Signature

Gavin Ion, Chief Executive

Gavin Ion

Print full name
21 August 2020

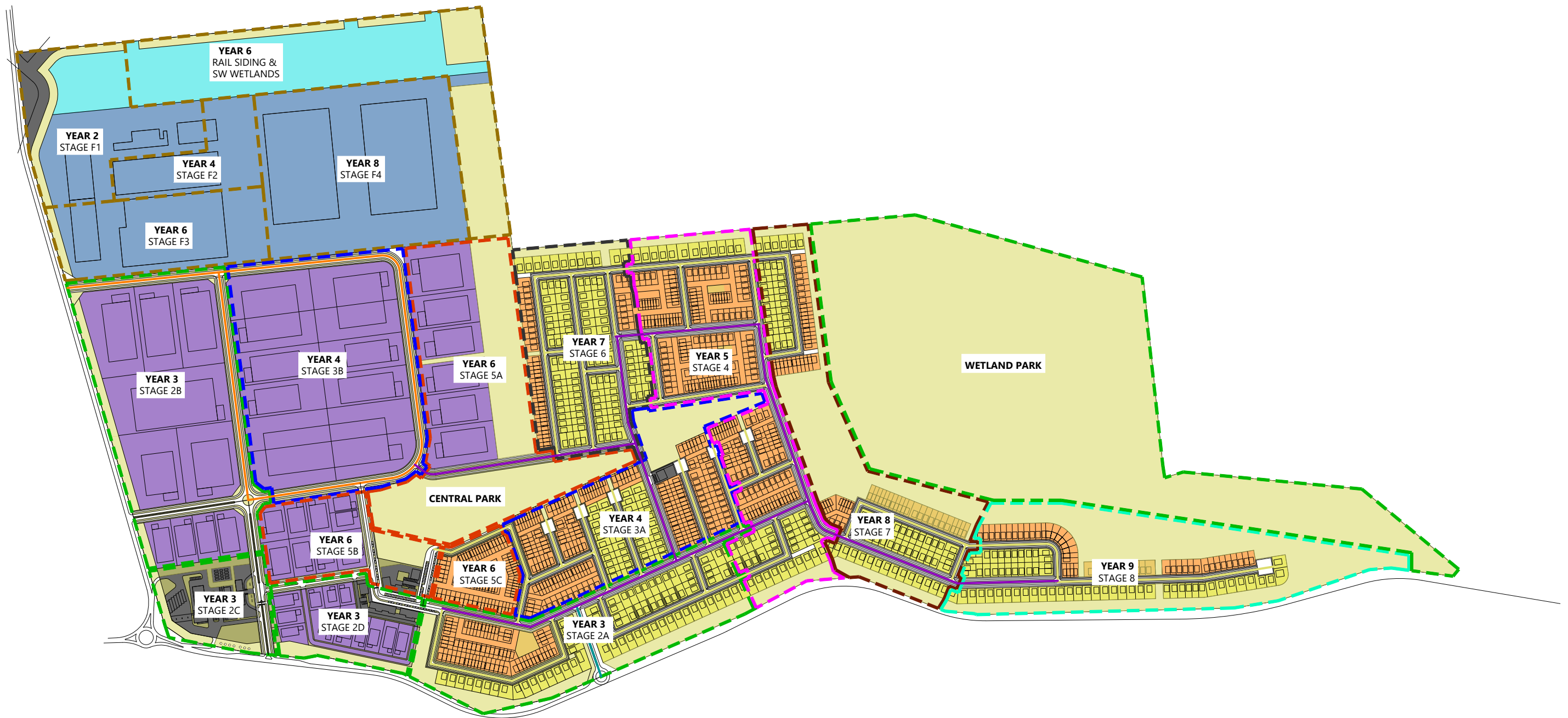
Date

Appendix I: APL Master Plan: Civil Works Staging

SUMMARY (AREA)						
YEAR	STAGE	INDUSTRIAL AREA (m ²)	BUSINESS AREA (m ²)	GENERAL RESIDENTIAL NO. OF LOTS	MEDIUM RESIDENTIAL NO. OF LOTS	FACTORY STAGE
YEAR 2	STAGE 1	-	-	-	-	F1
YEAR 3	STAGE 2A	-	-	77	68	-
	STAGE 2B	100900	-	-	-	-
	STAGE 2C	-	21900	-	-	-
	STAGE 2D	23600	4400	-	-	-
YEAR 4	STAGE 3A	-	1000	44	170	F2
	STAGE 3B	116000	-	-	-	
YEAR 5	STAGE 4	-	-	44	201	-
YEAR 6	STAGE 5A	48200	-	-	-	F3 + RAIL SIDING
	STAGE 5B	25600	4000	-	-	
	STAGE 5C	-	-	-	74	
YEAR 7	STAGE 6	-	-	114	44	-
YEAR 8	STAGE 7	-	-	77	66	-
YEAR 9	STAGE 8	-	-	63	50	F4
TOTAL		314300	31300	419	673	

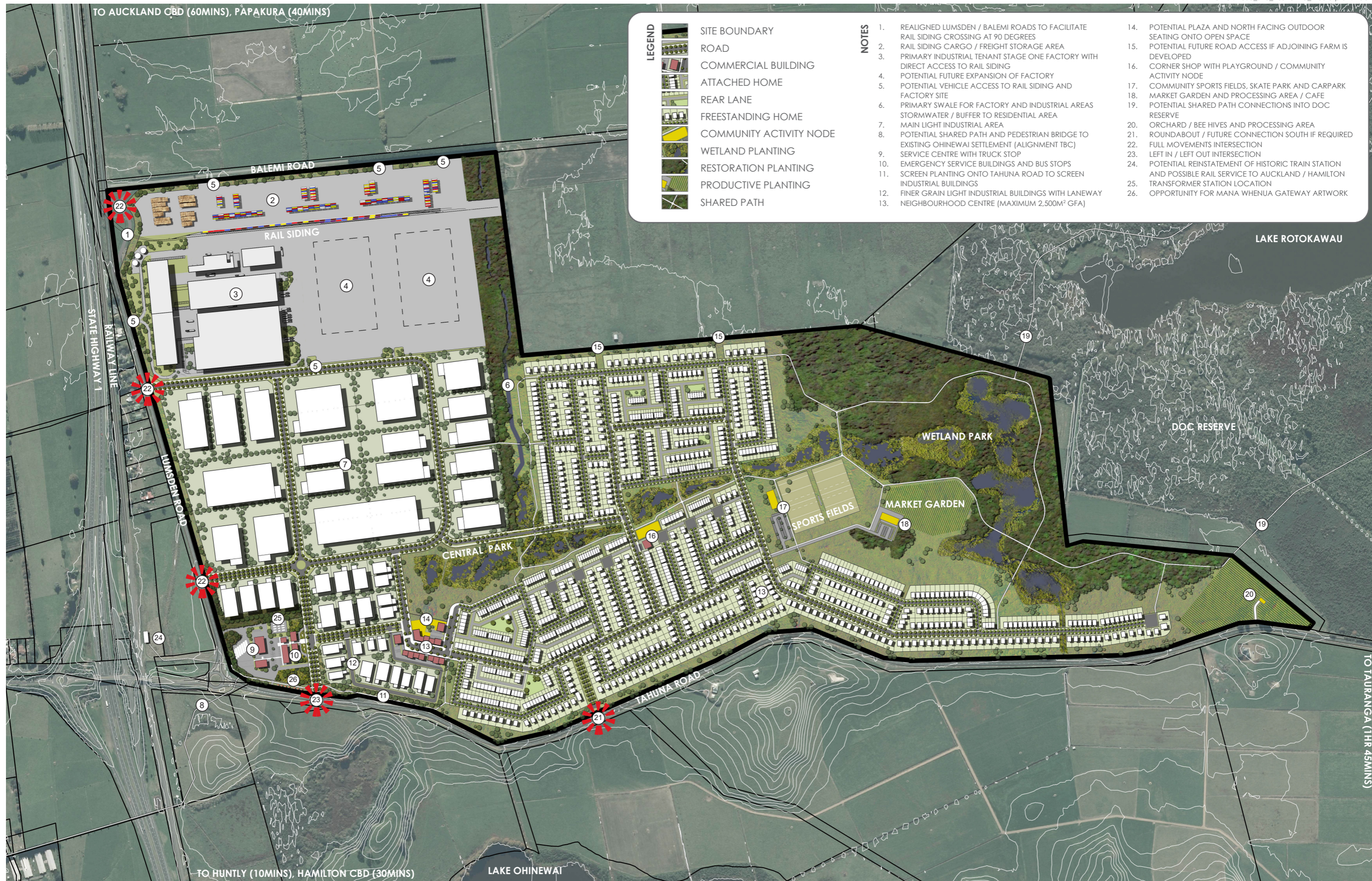
SUMMARY (ROADING)							
YEAR	STAGE	INDUSTRIAL ROAD (m)	COMMERCIAL ROAD 1 (m)	COMMERCIAL ROAD 3 (m)	RESIDENTIAL ROAD 1 (m)	RESIDENTIAL ROAD 2 (m)	RESIDENTIAL ROAD 3 (m)
YEAR 2	STAGE 1	-	-	-	-	-	-
YEAR 3	STAGE 2A	-	-	-	134.93	614.05	899.95
	STAGE 2B	747.09	307.84	-	-	-	-
	STAGE 2C	-	183.5	-	-	-	-
	STAGE 2D	-	-	100.45	-	-	-
YEAR 4	STAGE 3A	-	-	-	-	179.94	1047.66
	STAGE 3B	954.6	-	14	-	-	-
YEAR 5	STAGE 4	-	-	-	-	750.16	1185.93
YEAR 6	STAGE 5A	-	-	-	-	239.69	-
	STAGE 5B	-	-	263.9	-	-	13.55
	STAGE 5C	-	-	-	-	-	120.67
YEAR 7	STAGE 6	-	-	-	-	421.77	1067.73
YEAR 8	STAGE 7	-	-	-	-	239.88	661.87
YEAR 9	STAGE 8	-	-	-	-	175.72	593.30
TOTAL		1701.69	491.34	378.35	134.93	2621.21	5590.66

NOTE: AREAS BASED ON ILLUSTRATIVE MASTERPLAN REVISION O



REVISION DETAILS		INT	DATE	SURVEYED	231 TAHUNA ROAD OHINEWAI WAIKATO	AMBURY PROPERTIES LTD	OHINEWAI - MASTER PLANNING CIVIL WORKS STAGING		STATUS	ISSUED FOR INFORMATION	REV	
1	ISSUED FOR INFORMATION	HS	11/08/2020	DESIGNED					HS	SCALE	1:7500 @ A3	1
				DRAWN					BP	COUNCIL	WAIKATO DISTRICT COUNCIL	
				CHECKED						DWG NO	P19-176-00-1040-SK	
				APPROVED	WOODS.CO.NZ							

Appendix 2: APL Master Plan



Appendix 3: Huntly & Ohinewai Development Plan, Waikato 2070