

**BEFORE INDEPENDENT COMMISSIONERS**

**UNDER** the Resource Management Act 1991 ("**RMA**")

**AND**

**IN THE MATTER** of Proposed Private Plan Change 13 to the Hamilton  
City Operative District Plan: Te Rapa Racecourse  
("**PC13**")

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**STATEMENT OF EVIDENCE OF MARK CHRISP  
ON BEHALF OF FONTERRA LIMITED**

**PLANNING**

**9 AUGUST 2023**

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## 1. SUMMARY

- 1.1 The regional and district policy regime recognises the importance of regionally significant industry and infrastructure which includes the Crawford Street Distribution Centre and Canpac site (as part of the Crawford Street Freight Village) and the North Island Main Trunk Railway Line.
- 1.2 The policy regime requires decision makers to assess the potential long-term and cumulative effects of subdivision, use and development. The relevant objectives and policies in the Waikato Regional Policy Statement must be given effect to in determining PC13.
- 1.3 In my view, the integrity of the planning provisions that provide for, and supposedly protect, Fonterra's major industrial activities in Hamilton City are being progressively eroded. This is primarily from the establishment of residential activities in the form of Te Awa Lakes in proximity to the Te Rapa Dairy Manufacturing Site and two retirement villages in proximity to the Crawford Street Freight Village. The land for the retirement villages was sold by the Waikato Racing Club Incorporated ("**WRCI**") as "surplus land".<sup>1</sup>
- 1.4 Mr John Olliver's evidence states that following consideration of the Messara Report, "WRCI concluded that the Te Rapa Racecourse will continue to operate for the foreseeable future."<sup>2</sup> The evidence of Mr Andrew Castles does not discuss the future of the Te Rapa Racecourse other than to note that WRCI has now merged with Cambridge Jockey Club and Waipa Racing Club.<sup>3</sup> Any future change in land use, whether it is in response to the "Review of the New Zealand Racing Industry" prepared by Mr John Messara ("**the Messara Report**") or other initiatives advanced by the racing industry, will be influenced by the outcome of PC13.
- 1.5 In the absence of a clear understanding regarding the future of the balance of the racecourse land, the approval of PC13 significantly increases the risk of further residential development being proposed closer to the Crawford Street Freight Village in the future whereby the slippery slope of piece-meal rezoning and/or development continues to occur and the integrity of the Hamilton City District Plan and the provision it makes for regionally significant industry and infrastructure is further undermined.

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<sup>1</sup> Evidence of Andrew Castles at [12].

<sup>2</sup> Evidence of John Olliver at [17].

<sup>3</sup> Evidence of Andrew Castles at [4].

## 2. INTRODUCTION

- 2.1 My full name is Mark Bulpitt Chrisp.
- 2.2 I am a Director and a Principal Environmental Planner in the Hamilton Office of Mitchell Daysh Ltd, a company which commenced operations on 1 October 2016 following a merger of Mitchell Partnerships Ltd and Environmental Management Services Ltd (of which I was a founding Director when the company was established in 1994 and remained so until the merger in 2016).
- 2.3 In addition to my professional practice, I am an Honorary Lecturer in the Department of Geography, Tourism and Environmental Planning at the University of Waikato. I am also the Chairman of the Environmental Planning Advisory Board at the University of Waikato, which assists the Environmental Planning Programme in the Faculty of Arts and Social Sciences in understanding the educational, professional and research needs of planners.
- 2.4 I have a Master of Social Sciences degree in Resources and Environmental Planning from the University of Waikato (conferred in 1990) and more than have 30 years' experience as a Resource Management Planning Consultant.
- 2.5 I am a member of the New Zealand Planning Institute, the New Zealand Geothermal Association, and the Resource Management Law Association.
- 2.6 I am a Certified Commissioner under the Ministry for the Environment's 'Making Good Decisions' course.
- 2.7 I have appeared as an Expert Planning Witness in numerous Environment Court hearings, as well as several Boards of Inquiry (most recently as the Expert Planning Witness for the Hawke's Bay Regional Investment Company Ltd's proposed Ruataniwha Water Storage Scheme).
- 2.8 I have undertaken a substantial amount of work within the dairy sector working for New Zealand Dairy Group and then Fonterra Ltd ("**Fonterra**") over the last 30 years. Over that time, I have undertaken planning work in respect to all of Fonterra's dairy manufacturing sites in the Northland, Auckland, Waikato and Bay of Plenty regions. This has included re-consenting existing dairy manufacturing operations and/or associated spray irrigation of wastewater (e.g. the Hautapu and Edgumbe sites) and major capacity expansion projects.

2.9 I have had extensive experience assisting operators of large-scale industrial activities and/or energy infrastructure seeking to avoid the creation of potential reverse sensitivity effects. This includes work undertaken for Fonterra in respect to its dairy manufacturing sites and work undertaken for Contact Energy in relation to its geothermal power stations and associated steamfield activities (including 24/7 drilling activities and steam venting) in the Central North Island.

#### **Scope of Evidence**

2.10 This statement of evidence will:

- (a) provide an overview of Fonterra's submission on PC13;
- (b) provide an overview of the current planning framework relating to Fonterra's operations at Crawford Street;
- (c) discuss the implications of PC13 on the ability to strategically plan for the wider racecourse area in the future; and
- (d) present an overall conclusion.

#### **Code of Conduct**

2.11 I confirm that I have read the Code of Conduct for Expert Witnesses contained in the Environment Court Practice Note 2023 and I agree to comply with it. My qualifications as an expert are set out above. I confirm that the issues addressed in this brief of evidence are within my area of expertise, except where I state that I have relied on the evidence of other persons. I have not omitted to consider material facts known to me that might alter or detract from the opinions I have expressed.

### **3. FONTERRA'S SUBMISSION**

3.1 As discussed in the evidence of Ms O'Rourke, the Crawford Street Distribution Centre and Canpac site (which are part of the Crawford Street Freight Village under the Hamilton City District Plan) are strategic operations for Fonterra and have had significant investment over the last five years.<sup>4</sup>

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<sup>4</sup> Evidence of Suzanne O'Rourke at [3.5].

- 3.2 Fonterra's submission opposes PC13 on the basis that its approval will result in a high risk of further residential activities in the future closer to the Crawford Street Freight Village if the Te Rapa Racecourse ceases to operate.
- 3.3 The establishment of residential activities near Fonterra's sites has the potential to result in incompatible land uses and reverse sensitivity issues due to the amenity expectations of residents living in residential zones versus the effects associated industrial activities. Importantly, this not only includes actual effects but also perceived effects.
- 3.4 As identified in the section 42A report, and the evidence of Mr Olliver on behalf of the Applicant, Fonterra's assets are some distance from the PC13 area and are surrounded by closer residential activities (to the west of Mangaharekeke Drive and the retirement villages to the east of the Crawford Street Distribution Centre).<sup>5</sup> However, that is not a reason to allow a greater level of incompatible activities to locate in close proximity to each other, particularly when the longer-term implications are considered.
- 3.5 From a strategic (and long-term) planning perspective, and on the expectation (or at least possibility) that the land owned by the Te Rapa Racing Club will not always be used for a racecourse, PC13 is a continuation of a 'slippery slope' (following the establishment of residential activities in the form of two retirement villages) that is highly likely to impact and constrain the ability to use the balance of the racecourse land for any alternative land use other than residential land uses in the future. That, in turn, is highly likely to result in reverse sensitivity effects compromising the ongoing operation of Fonterra's activities at Crawford Street. I will discuss this issue in more detail later in my evidence.

#### 4. CURRENT PLANNING FRAMEWORK

- 4.1 The industrial nature of Fonterra's operations has been recognised and provided for in policy and planning documentation under the RMA.

##### **Waikato Regional Policy Statement**

- 4.2 The Crawford Street Distribution Centre and Canpac are recognised as "Regionally Significant Industry" within the Waikato Regional Policy Statement ("**Waikato RPS**"), which is defined as:<sup>6</sup>

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<sup>5</sup> Section 42A report at [5.13] and Evidence of John Olliver at [94].

<sup>6</sup> Definitions Chapter, Waikato RPS.

Means an economic activity based on the use of natural and physical resources in the region and is identified in regional or district plans, which has been shown to have benefits that are significant at a regional or national scale. These may include social, economic or cultural benefits.

- 4.3 Fonterra's activities at Crawford Street rely on the North Island Main Trunk Railway Line which is operated and managed by KiwiRail. The North Island Main Trunk Railway Line is defined by the Waikato RPS as "Regionally Significant Infrastructure".
- 4.4 The Waikato RPS provides strong policy direction with respect to recognising the benefits of industrial activities. These provisions include:
- (a) Objective IM-O2(1): To recognise and provide for the role of sustainable resource use and development and its benefits in enabling people and communities to provide for their economic, social and cultural wellbeing, including by maintaining and where appropriate enhancing access to natural and physical resources to provide for regionally significant industry and primary production activities that support such industry;
  - (b) Objective UFD-O1(3): The integration of land use and infrastructure planning, including by ensuring that development of the built environment does not compromise the safe, efficient and effective operation of infrastructure corridors;
  - (c) Objective UFD-O1(7): The minimisation of land use conflicts, including minimising the potential for reverse sensitivity;
  - (d) Policy IM-P4: The management of natural and physical resources providing for the continued operation and development of regionally significant industry by recognising the value and long-term benefits of regionally significant industry to economic, social and cultural wellbeing and avoiding or minimising the potential for reverse sensitivity;
  - (e) Implementation Method UFD-M2: That local authorities have particular regard to the potential for reverse sensitivity when assessing resource consent applications, preparing, reviewing or changing district or regional plans and development planning mechanisms such as structure plans and growth strategies. In particular, consideration should be given to discouraging new sensitive activities, locating near existing and planned land uses or

activities that could be subject to effects including the discharge of substances, odour, smoke, noise, light spill, or dust which could affect the health of people and / or lower the amenity values of the surrounding area;

- (f) Policy UFD-P13(6): The maintenance of industrially zoned land for industrial activities unless it is ancillary to those industrial activities; and
- (g) APP11(h) and (o) (Development principles): That new development should be directed away from identified regionally significant industry and not result in incompatible adjacent land uses (including those that may result in reverse sensitivity effects), such as industry, rural activities and existing or planned infrastructure.

4.5 In addition, Implementation Method IM-28 (plan provisions) of the Waikato RPS requires that district plans should provide for Regionally Significant Industry by:

- (a) identifying appropriate provisions, including zones, to enable the operation and development of regionally significant industry;
- (b) maintaining and where appropriate enhancing access to natural and physical resources for regionally significant industry and primary production, while balancing the competing demand for these resources;
- (c) recognising the potential for regionally significant industry activities to have adverse effects beyond its boundaries and the need to avoid or minimise the potential for reverse sensitivity effects;
- (d) recognising the need to ensure regionally significant industry is supported by infrastructure networks of appropriate capacity;
- (e) recognising the benefits of enabling the co-location of regionally significant industry to support efficient use of infrastructure, and minimise transportation requirements;
- (f) recognising and balancing the competing demands for resources between regionally significant industry, primary production and other activities;

- (g) ensuring the adverse effects of regionally significant industry and primary production are avoided, remedied or mitigated; and
- (h) promoting positive environmental outcomes.

4.6 The objectives and policies in the Waikato RPS discussed above must be given effect to in determining PC13 as required by s 75(3) of the RMA.

#### **Hamilton City District Plan**

4.7 Objective 9.2.5 (and associated Policies 9.2.5a, 9.2.5b and 9.2.5c) of the Hamilton City District Plan directly give effect to the provisions of the Waikato RPS, identifying the "freight village facility at Crawford Street" as regionally significant, and requiring that:

- (a) Logistics, freight-handling services and supportive activities and infrastructure are provided for within Crawford Street Freight Village; and
- (b) Activities sensitive to the adverse effects of logistics and freight-handling facilities avoid locating in proximity to the Crawford Street Freight Village.

4.8 The explanation for these provisions sets out that:

The Crawford Street Freight Village is a key regional facility, because it provides connectivity between dairy manufacturing facilities in the region and further afield with the Auckland and Tauranga ports. The facility is a critical component in ensuring the efficiency of dairy manufacturing and export within the region.

The freight village is designed and operated to achieve the seamless transfer of products from road to rail and includes major storage facilities and infrastructure. Measures designed to address amenity issues at the interface with the Mangaharakeke Drive corridor need to recognise the existing amenity of the area which is dominated by rail facilities on one side and a major arterial route on the other.<sup>7</sup>

4.9 The Crawford Street Freight Village is shown in Figure 1 below.

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<sup>7</sup>

Objective 9.2.5 Hamilton City District Plan.





**Figure 1: Crawford Street Freight Village (from HDP Planning Maps – orange / yellow check area)**

- 4.10 Given the policy context set out above, the area around the Crawford Street Freight Village needs to be strategically planned into the future. In particular, it is important to ensure that the integrity of the planning provisions that provide for, and supposedly protect, Fonterra's major industrial activities in Hamilton City are not eroded.

## **5. IMPLICATIONS FOR STRATEGIC PLANNING**

- 5.1 Objective UFD-O1 of the Waikato RPS requires that development of the built environment and associated land use occurs in an integrated, sustainable and planned manner. Policy UFD-P1 of the Waikato RPS follows this theme, requiring subdivision, use and development to occur in a planned and coordinated manner which (among other matters):
- (a) recognises and addresses potential cumulative effects of subdivision, use and development;
  - (b) is based on sufficient information to allow assessment of the potential long-term effects of subdivision, use and development; and
  - (c) has regard to the existing built environment.
- 5.2 I acknowledge the point made by Mr Olliver that there are existing residential activities (i.e. the two retirement villages) which are closer to the Crawford

Street Freight Village than the PC13 land.<sup>8</sup> However, the objective and policy referred to above (in combination with the other objectives and policies discussed in the previous section of my evidence) require an assessment of PC13 taking into account a wider range of considerations than undertaken in the evidence on behalf of the applicant. Specifically, in my opinion, the Hearing Panel needs to consider the long-term and cumulative effects of PC13 if approved. In particular, there needs to be an understanding as to what it means for the future use of the balance of the land owned by the Waikato Racing Club.

- 5.3 By way of background, in July 2018, the New Zealand Government released the Messara Report which was commissioned by the then Minister of Racing, the Rt. Hon. Winston Peters. The Messara Report concludes that:

...on any test, the thoroughbred racing industry in New Zealand today is in a state of serious malaise.

- 5.4 To address this situation, one of the recommendations made in the Messara Report is to reduce the number of racetracks from 48 to 28. This includes the recommended closure of the Te Rapa Racecourse following the development of a new Waikato Greenfield racing and training venue. The Messara Report states (at pages 59 and 52):

We recommend that the proposed new Waikato Greenfields racing and training facility be supported and be established with both grass and synthetic track racing and training, and that it be fully operational within 8 to 10 years. At that time, racing and training should cease at Te Rapa, Te Awamutu and on the proposed synthetic track at Cambridge, and all three freehold sites should then be sold.

We believe that the cost of a Waikato Greenfields site could be covered by the sale of Cambridge (then both a racing and training venue), Te Rapa and Te Awamutu racecourses.

- 5.5 The Messara Report (at page 68) also states:

... the commercial value of some of these racecourses could be 5 to 10 times or more their rateable land value with new zoning.

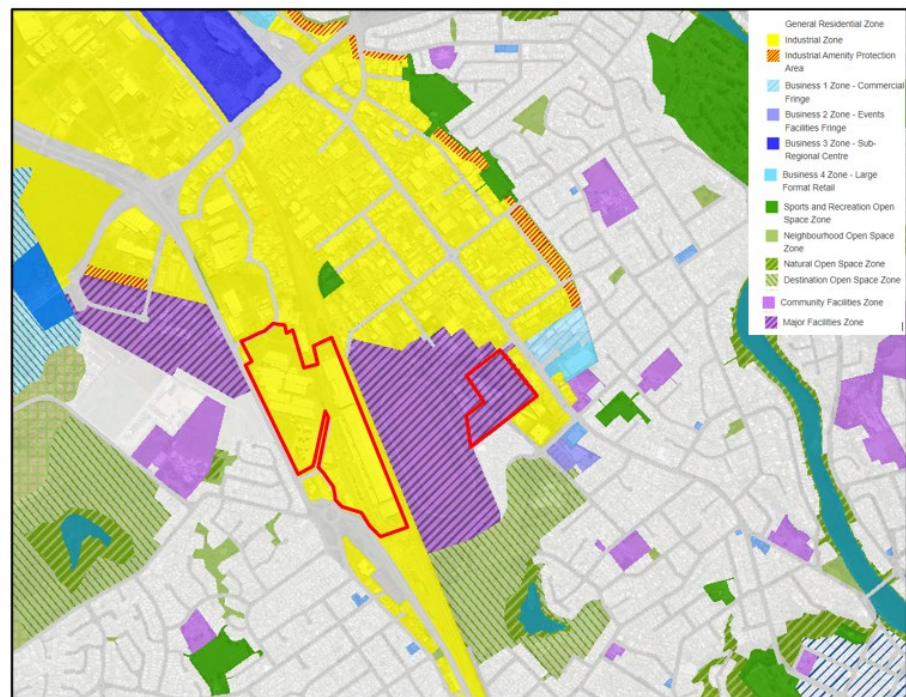
- 5.6 Mr John Olliver's evidence at [17] says that following consideration of the Messara report, "WRCI concluded that the Te Rapa Racecourse will continue to operate for the foreseeable future." It is unclear as to how far into the future

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<sup>8</sup> Evidence of John Olliver at [97], noting that these retirement village sites represent earlier divestments by WRCI as explained in the evidence in chief of Andrew Castles at [12].

that outcome will continue to be the case. The evidence of Mr Andrew Castles does not discuss the future of the Te Rapa Racecourse other than to note that WRCl has now merged with Cambridge Jockey Club and Waipa Racing Club. However, any future change in land use, whether it is in response to the Messara Report or other initiatives advanced by the racing industry, will be influenced by the outcome of PC13.

- 5.7 As depicted on Figure 2 below, the PC13 area and balance of the Te Rapa Racecourse are located within, and largely surrounded by, a wider industrial environment (shown in yellow), effectively forming the interface and a land use buffer between the Te Rapa industrial area to the north, and the residential areas to the south beyond the Destination Open Space Zone (comprising Lake Rotokaeo, Lake Rotokaeo playground, Minogue Park and Waterworld).



**Figure 2: HDP Planning Map - Crawford Street Freight Village and the PC13 Area Shown in Red Outline**

- 5.8 The exception to this general zoning pattern is the Metlifecare Forest Lake Gardens Retirement Village (zoned General Residential Zone) which 'leap-frogs' the Destination Open Space Zone forming a residential pocket amongst the Industrial Zone and Major Facilities Zone. The other anomaly is the Bupa Foxbridge Retirement Village which is located to the south of the racetrack, on land zoned Major Facilities Zone.

- 5.9 Looking at Figure 2 above and considering the future use of the Te Rapa Racecourse land if it was not to be used as a racecourse, and in the absence of PC13 as currently proposed, the logical zoning of the PC13 land would, in my opinion, be Industrial Zone. This is on the basis that the land is surrounded by Industrial Zone on three sides and such an outcome would be in accordance with the strongly worded policy regime previously discussed in my evidence which seeks to avoid the establishment or expansion of incompatible activities and reverse sensitivity effects.
- 5.10 PC13, and the proposal to rezone the PC13 land to Medium Density Residential Zone, is likely to have implications for the long-term strategic planning of this area as it would limit the ability for the balance of the Te Rapa Racecourse to be re-zoned to Industrial Zone in the future (should the racecourse cease operating in this area). That outcome is likely to cause significant difficulties for the ongoing operation of the Crawford Street Freight Village.
- 5.11 Pursuing avenues available under the RMA to achieve land use change and good planning outcomes are not necessarily the same thing. There is a developing and concerning pattern of *ad hoc* development around the Te Rapa Racecourse with:
- (a) The consenting and subsequent rezoning of racecourse land to residential in the southeastern area (for the Metlifecare Forest Lake Gardens Retirement Village); and
  - (b) The development of the Bupa Foxbridge Retirement Village which is located to the south of the racetrack, on land zoned Major Facilities Zone.
- 5.12 Both of the above have introduced residential activities which have leapfrogged the Destination Open Space Zone which otherwise formed a sensible and effective land use buffer between residential land to the south and the Industrial Zone and Major Facilities Zone to the north, including the Crawford Street Freight Village to the northwest.
- 5.13 PC13 now proposes to continue this piecemeal approach by rezoning land for up to 200 residential properties.
- 5.14 As previously noted, it is important to ensure that the integrity of the planning provisions that provide for, and supposedly protect, Fonterra's major industrial activities in Hamilton City are not eroded, as has occurred elsewhere. For example, the Te Rapa Dairy Factory is the heaviest industrial site in Hamilton

City. The rezoning of the land 300m north of the Te Rapa Dairy Factory for residential purposes within a Strategic Industrial Node has significantly undermined the integrity of the policy and planning provisions relating to the Te Rapa North area which sought to preserve the area for industrial activities. It is important to ensure that the same situation does not occur in relation to the Crawford Street Freight Village.

- 5.15 A more comprehensive approach is required including an understanding as to the long-term outcome for the racecourse land. The approval of PC13 significantly increases the risk of further residential development being proposed closer to Crawford Street in the future whereby the slippery slope continues to occur and the integrity of the Hamilton City District Plan is undermined.

**Mark Chrisp**  
**9 August 2023**