

RESOURCE MANAGEMENT ACT 1991

FORM 5

SUBMISSION ON NOTIFIED PROPOSED PLAN CHANGE TO CENTRAL OTAGO DISTRICT PLAN

Clause 6 of Schedule 1, Resource Management Act 1991

To: Central Otago District Council
PO Box 122
ALEXANDRA 9340



Name of Submitter: Horticulture New Zealand (Full name)

This is a submission on proposed Plan Change 13 to the Central Otago District Plan (the proposal).

I could/could not* gain an advantage in trade competition through this submission. (* Select one)

I am/am not* directly affected by an effect of the subject matter of the submission that-

- (a) adversely affects the environment; and
(b) does not relate to trade competition or the effects of trade competition.
(Delete entire paragraph if you could not gain an advantage in trade competition through this submission)
(* Select One)

The specific provisions of the proposal that my submission relates to are:

PC13 in its entirety. Please refer to enclosed submission.

(Please give details and continue on additional page if necessary)

My submission is:

Please refer to enclosed submission.

(Please include:

- whether you support or oppose the specific provisions or wish to have them amended; and
reasons for your views;
and continue on additional page if necessary)

I seek the following decision from the local authority:

Decline PC13 in its entirety.

(Please give precise details)

I wish/do not wish to be heard in support of my submission.

(Please strike out as applicable)

If others make a similar submission, I will consider presenting a joint case with them at a hearing.
(Please delete if you would not consider presenting a joint case)

R McClung
.....

Signature of Submitter

(or person authorised to sign on behalf of submitter)

(A signature is not required if you make a submission by electronic means)

18/06/2018
.....

Date

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(name & designation, if applicable)

SUBMISSIONS CLOSE IN RESPONSE TO PROPOSED PLAN CHANGE 13 ON
WEDNESDAY 20 JUNE 2018

Note to person making submission

If you are a person who could gain an advantage in trade competition through the submission, your right to make a submission may be limited by clause 6(4) of Part 1 of Schedule 1 of the Resource Management Act 1991.

Please note that your submission (or part of your submission) may be struck out if the authority is satisfied that a least 1 of the following applies to the submission (or part of the submission):

- it is frivolous or vexatious;
- it discloses no reasonable or relevant case;
- it would be an abuse of the hearing process to allow the submission (or the part) to be taken further;
- it contains offensive language;
- it is supported only by material that purports to be independent expert evidence, but has been prepared by a person who is not independent or who does not have sufficient specialised knowledge or skill to give expert advice on the matter.

SUBMISSION ON PLAN CHANGE 13 – RIVER TERRACE TO THE CENTRAL OTAGO DISTRICT PLAN

TO: CENTRAL OTAGO DISTRICT COUNCIL

SUBMISSION ON: CENTRAL OTAGO DISTRICT PLAN – PC13 RIVER TERRACE

NAME: HORTICULTURE NEW ZEALAND

POSTAL ADDRESS: PO BOX 10 232
WELLINGTON

1. **Horticulture New Zealand (HortNZ) submits in opposition of PC13 River Terrace in its entirety.**
2. **Background to HortNZ and its RMA involvement**

HortNZ was established on 1 December 2005, combining the New Zealand Vegetable and Potato Growers' and New Zealand Fruitgrowers' and New Zealand Berryfruit Growers Federations.

The horticulture industry value is \$8.8 billion and is broken down as follows:

Industry value	\$8.8bn
Fruit exports	\$4.39bn
Vegetable exports	\$617m
Other Horticulture	\$140m
Total exports	\$5.1bn
Fruit domestic	\$1.8bn
Vegetable domestic	\$1.27bn
Other horticulture	\$610m
Total domestic	\$3.7bn

It should be acknowledged that it is not just the economic benefits associated with horticultural production that are important. The industry employs approximately 60,000 people across New Zealand. The rural economy supports rural communities and rural production defines much of the rural landscape. Food production values provide a platform for long term sustainability of communities, through the provision of food security.

On behalf of its 5,500 active grower members HortNZ takes a detailed involvement in resource management planning processes as part of its National Environmental Policies. HortNZ works to raise growers' awareness of the RMA to ensure effective grower

involvement under the Act, whether in the planning process or through resource consent applications.

The principles that Horticulture New Zealand considers in assessing the implementation of the Resource Management Act 1991 (RMA) include:

- The effects based purpose of the Resource Management Act
- Non-regulatory methods should be employed by councils
- Regulation should impact fairly on the whole community, make sense in practice and be developed in full consultation with those affected by it
- Early consultation of land users in plan preparation
- Ensuring that RMA plans work in the grower's interests both in an environmental and sustainable economic production sense.

3. Horticulture in the Central Otago District

There are approximately 76 growing operations in the Central Otago District. These include a wide variety of crops as identified in the Census tables below. The combination of soil and climate means that Central Otago is especially suited to growing high quality crops. Stone fruit such as; cherry, apricots, peaches and nectarines, and pipfruits (predominantly apples) are dominant crops.

Census Statistics

The Agriculture Census provides a level of insight into the amount of land in horticultural production (Fruit and Vegetables).

While this data¹ is of interest, it has limitations due the age² of the census data and the fact that a number of growers requested information they provided to remain confidential. Therefore, this data should not be relied upon to define the full extent of horticulture within the Region. It does however highlight the extensive range of fruits and vegetables grown in Otago. Section 6 of this submission provides greater detail of horticulture in the immediate PC13 area.

Please note that HortNZ do not represent wine grapes, mushrooms or walnuts; however, they have been included in the tables below for completeness.

Figures 1, 2a, 2b and 3 below summarise the 2012 census findings for Otago, the South Island and New Zealand

¹ http://www.stats.govt.nz/browse_for_stats/industry_sectors/agriculture-horticulture-forestry/2012-agricultural-census-tables/horticulture.aspx

² While the latest Agriculture Census was in 2017, this data is not yet available so the following is based on the previous Agricultural Census in 2012.

Figure 1: Area in indoor vegetables harvested by region and type

Year to 30 June 2012

Region	Capsicum	Cucumber	Cooking herbs	Lettuce/salad greens	Mushrooms (Cased)	Tomatoes (Indoor)	All other vegetables and herbs grown indoors
	Square metres						
Otago	0	0	C	C	C	600	0
TOTAL South Island	74,175	53,280	27,450	64,008	C	182,110	87,978
TOTAL New Zealand	571,782	268,525	90,390	238,103	151,962	1,180,883	269,331

Source: Statistics New Zealand

Symbol: C confidential

Figure2a: Area planted in outdoor fruit by region and type

At 30 June 2012

Region	Kiwifruit (green)	Kiwifruit (gold)	Kiwifruit (other)	Total kiwifruit	Wine grapes	Table grapes	Apples	Pears	Nashi (Asian) pears	Peaches	Apricots	Nectarines	Cherries	Plums	Avocados	Feijoas	Tamarillos	Passionfruit
	Hectares																	
Otago	0	0	0	0	1,577	C	459	16	0	81	269	143	499	54	C	C	0	0
TOTAL South Island	398	C	C	501	26,613	14	3,224	304	13	95	321	151	595	85	9	36	C	C
TOTAL New Zealand	9,500	3,070	187	12,757	34,562	43	8,845	617	76	452	434	409	619	362	4,149	238	106	31

Source: Statistics New Zealand

Symbol: C confidential

Figure 2b: Area planted in outdoor fruit by region and type

At 30 June 2012

Region	Persimmons	Blackcurrants	Blueberries	Boysenberries	Raspberries	Strawberries	Oranges	Grapefruit/ goldfruit	Lemons	Mandarins	Tangelos	Olives	Chestnuts	Hazelnuts	Macadamia	Walnuts	Other fruits
	Hectares																
Otago	0	C	6	5	10	6	0	0	0	0	0	22	C	62	C	54	13
TOTAL South Island	1	1,407	149	221	102	26	1	C	5	C	C	525	41	376	5	477	210
TOTAL New Zealand	154	1,408	579	259	132	220	696	32	371	691	67	1,657	142	433	195	574	396

Source: Statistics New Zealand

Symbol: C confidential

Figure 3: Outdoor vegetables harvested by region and type

Year to 30 June 2012

Region	Asparagus	Broccoli	Cabbage	Carrots	Cauliflower	Cooking herbs	Green beans	Kumara	Lettuce	Melon (water/rock)	Onions	Peas (fresh / processed)	Potatoes	Pumpkin	Squash	Sweet corn	Tomatoes (outdoor)	Other
	Hectares																	
Otago	C	77	35	C	37	1	C	0	25	0	4	C	153	1	C	C	C	C
TOTAL South Island	43	429	188	1,189	235	178	741	C	184	28	1,108	4,175	6,136	254	C	894	7	629
TOTAL New Zealand	820	1,977	793	2,047	852	314	1,186	1,228	1,250	273	5,718	6,672	11,578	1,048	6,837	4,664	669	1,781

Source: Statistics New Zealand

Symbol: C confidential

4. The future for horticulture in New Zealand

In 2017, HortNZ released a report³ on domestic vegetable production in New Zealand to help educate and inform New Zealanders of the issues facing horticulture. The report highlights that there is a general assumption that New Zealand is the land of plenty and we will always have enough locally-grown food to feed our population, supplemented by imported food where there is demand. But things are changing fast.

Prime fruit and vegetable growing land is being squeezed by rapid growth in towns and cities and high demand for new housing. When supply is short and demand high, prices are subject to wide variations. This can potentially put healthy food out of some peoples reach. We need to look closely at our domestic food supply and be sure that planning decisions are seen in the context of impacting the whole of New Zealand's food supply.

HortNZ have made projections around annual food volumes available for consumption in New Zealand³. With New Zealand's population expecting to reach 5,045,000 by 2020 (based on annual growth between 1.5-2%), domestic food supply will not be able to sustain our future population consumption needs. This highlights the importance of food security, land production and future-proofing the availability of resources to supply our growing population.

Production of quality fresh produce requires access to versatile rural production land. There are a number of factors that contribute to versatile land including soil quality, climate, access to water, access to transport linkages, labour and markets and an enabling regulatory framework.

The supply and use of land suitable for quality horticultural production is under pressure from urban development across New Zealand. Land fragmentation and reverse sensitivity issues are inhibiting horticultural operations. Where horticulture is established on production land, a considerable limiting factor to high production of quality fresh produce are the reverse sensitivity effects of urban encroachment.

Accordingly, the Central Otago District Council must consider and provide for appropriate planning provisions that will be necessary to continue production to meet current and future food demand. As well as a high demand export market, Horticultural production within the Central Otago District contributes to the food supply for local communities and the rest of New Zealand.

³ <http://www.hortnz.co.nz/assets/Media-Release-Photos/HortNZ-Report-Final-A4-Single-Pages.pdf>

5. Urban encroachment and Horticulture

HortNZ is at the forefront of discussion and planning processes around New Zealand that are considering urban intensification and land supply issues to ensure a sustainable response to urban growth pressures. It is our experience that a key planning consideration that is often overlooked is the reverse sensitivity effects on horticulture from urban encroachment. Reverse sensitivity occurs when occupants of a new activity or use (for example, a lifestyle block or new urban neighbourhood) complain about the effects of an existing, lawfully established activity or use (for example, noise or smell from industry or farming). This can have the effect of imposing economic burdens and operational limitations on the existing activity or use thereby reducing their viability.

Land is being developed for housing, to the detriment of viable horticultural operations. This issue has been identified by Minister David Parker, Minister for the Environment. The *Our land 2018* report⁴, released by the Ministry for the Environment and Stats NZ confirms the need for more action to improve land management. This report on the state of the country's land has highlighted the impact of urban sprawl.

In a recent media release, Minister Parker stated that he is particularly troubled by how much of our urban growth is occurring in our irreplaceable highly productive land. He also stated that he is taking steps to address issues such as the loss of prime horticultural land, as well as the impact of urban development on our most productive land. Minister Parker has directed officials to start work on a National Policy Statement (NPS) for Versatile Land and High Class Soils. The NPS will ensure there is enough land to build the houses people need, while protecting our most productive areas as well.

District Plans often lack appropriate separation distances between urban and rural activities, forcing growers to then create a buffer within their own productive land due to continual complaints from urban dwellers who do not understand that the rural environment is a productive working environment.

Horticulture is labour intensive and New Zealand growers work hard to grow the best produce in the world. Producing the best fruits and vegetables means long hours, many workers, loud noise and sometimes chemical sprays. These effects are acceptable within a rural environment and Plan provisions generally provide for them. Unfortunately, reverse sensitivity issues arise when urban dwellers expect a different level of amenity to what they experience when living on the urban- rural interface. This is a result of both inappropriate development and the interface not being managed appropriately.

It should be noted that the Central Otago climate with cold winters means that chemical sprays can sometimes be avoided, as bugs and disease are killed in heavy frosts and long cold winters.

HortNZ are of the view that appropriate reverse sensitivity mitigation should be created within the urban land being developed, and not within the productive rural land.

⁴ <http://www.mfe.govt.nz/publications/environmental-reporting/our-land-2018>

6. PC13 and Horticulture

The land subject to PC13 is bordered by the Ripponvale horticulture area, as can be seen in Image 1 and 2 below. PC13 directly impacts 20 growing operations.

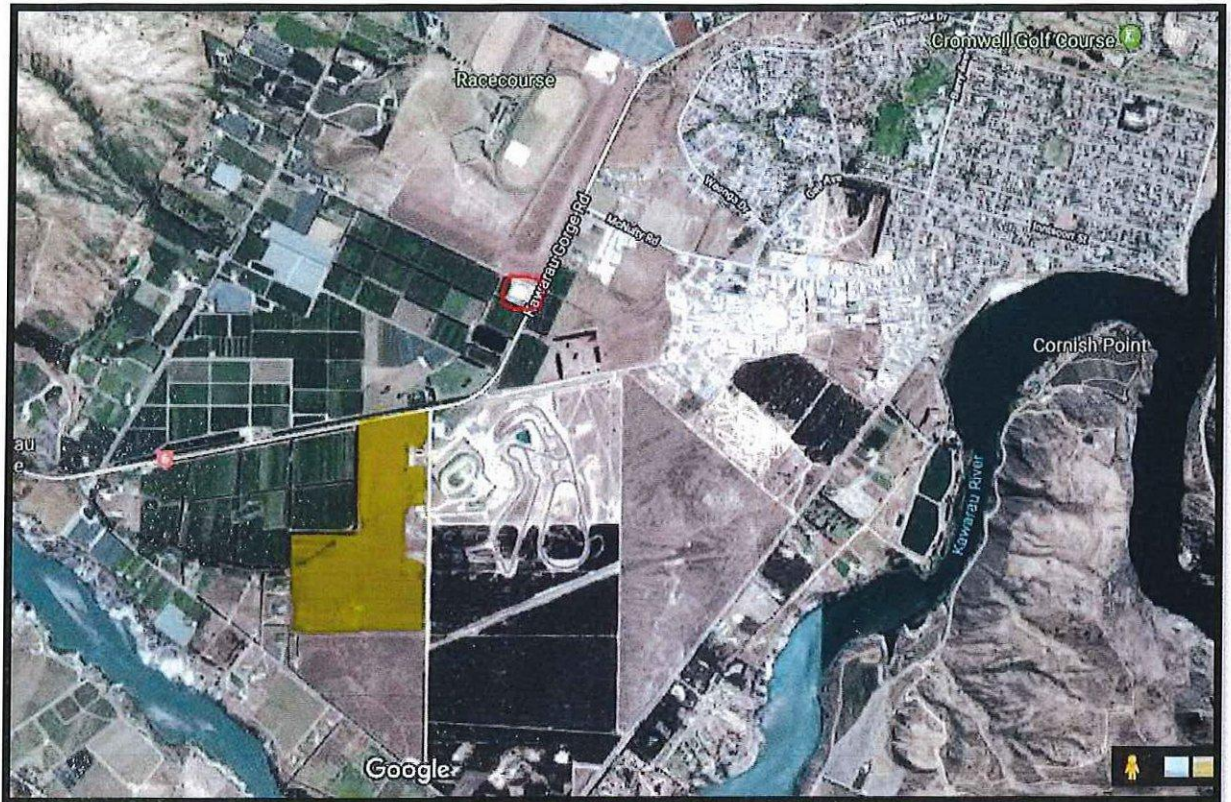


Image 1 – Google image: Wider PC13 environment

The approximate plan change site is highlighted in yellow and the 45 South regional packhouse is circled in red in Image 1. This packhouse is within a short distance of the PC13 site. It was established in 1984.

More than 30 varieties of cherries and small amounts of plums are grown and packed for both the export and domestic markets in the Ripponvale area. Annually, approximately 1860 tonne of cherries are packed in the 45 South packhouse. This will increase with additional cherry trees being planted and further planting planned in the wider Cromwell area.

45 South is New Zealand's largest cherry exporter and sends its finest fruit all over the world.

There is approximately 217ha of orchards in the Ripponvale area. This includes 82ha of cherries and 135ha of other fruit namely; cherry plums, plums, peaches, nectarines, apricots, apples and pears. Image 2 below shows the location of orchard types within the Ripponvale area. The value of the fruit produced in the Ripponvale area in the last season was approximately \$19.2 million.

In addition to cherry's grown in Ripponvale, the 45 South regional packhouse supports a further 147ha of cherry plantation within the wider Cromwell growing area. The value of last

season's crop for these orchards was approximately \$7 million. Therefore, the Ripponvale horticultural area produced and/or packed a \$26.2 million crop last season.



Image 2 – Horticultural use in immediate environment of PC13

Many of the 45 South seasonal workers return year after year. Workers start work early (6.00am) and finish around 3.00pm most days in the orchard. People in the packhouse are more likely to work from 7.00am until 6.00pm (although this is subject to fruit volumes).

Orchard Fresh is the 45 South local mail order business which delivers fresh export quality fruit overnight to NZ customers - www.orchardfresh.co.nz.

Reverse sensitivity from the urban encroachment proposed by PC13 will have a significant impact on the future potential of crops, both grown and packed in the Ripponvale area. As the Ripponvale orchards employ many workers and are a strong contributor to the local economy, this will impact the wider community.

The PC 13 evaluation does not adequately assess the actual and potential adverse effects on the significant horticultural operations in the immediate environment – including the environmental, economic and social impacts on horticulture.

7. HortNZ submission

HortNZ oppose PC13 – River Terrace for the reasons outlined above and for following reasons:

- i. PC13 does not meet the sustainable management purpose or principles of the RMA.
- ii. PC13 gives inappropriate weight to the importance of the NPS on Urban Development Capacity. Central Otago is not a medium or high urban growth district and therefore the NPS is not relevant.
- iii. PC13 does not give effect to the relevant Objectives and Policies of the Otago Regional Policy Statement; in particular – Objectives 5.4.1, 5.4.2, 9.4.1 and 9.4.3 and supporting Policies 5.5.2, 5.5.3, 5.5.4, 9.5.1 and 9.5.5.
- iv. PC13 is inconsistent with the relevant Objectives and Policies of the proposed Otago Regional Policy Statement; in particular – Objectives 3.1, 4.5, 5.3 and supporting Policies 3.1.7, 3.2.17, 3.2.18, 4.5.1, 4.5.2, 4.5.3 and 5.3.1.
- v. PC13 is contrary to the relevant Objectives and Policies of the Central Otago District Plan; in particular – Objectives 4.3.1, 4.3.3 and 4.3.7 and supporting Policies 4.4.2, 4.4.6, 4.4.8, 4.4.9 and 4.4.10.
- vi. The assessment of environmental effects does not adequately assess the actual and potential reverse sensitivity effects on horticulture and fails to adequately assess the environmental, economic and social impact on significant horticultural operations as a result of the proposal.
- vii. A no complaints covenant is not appropriate mitigation or sustainable management for a development of this scale. It will not result in the adverse effects of adjoining rural activities being avoided or mitigated. To say that people can choose not to live here is an unacceptable mitigation measure to avoid reverse sensitivity. HortNZ strongly believes that reverse sensitivity effects on Horticulture will not be avoided or mitigated by PC13.
- viii. The disconnection from Cromwell Town Centre and promoting a new neighbourhood centre will be to the detriment of Cromwell Town, particularly the retail centre of the town. High density living and retirement living should be located close to the existing town centre, not within the rural environment. This location is inappropriate and does not represent good urban design.

Decision Sought

Decline Plan Change 13 in its entirety.

We wish to present our submission at the hearing. Please do not hesitate to contact us if you have any queries.



Rachel McClung
Environmental Policy Advisor – South Island
Horticulture New Zealand

Dated: 18 June 2018

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