# Wairarapa-Wellington-Horowhenua Industrial Land Study

January 2025

Wellington Regional Leadership Committee

The Property Group

## Contents

## GWRC Industrial Land Study

### Quality control

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**Cover photo:** Seaview Industrial Park, Hutt City. Taken from Wainuiomata look out

## Executive summary

This Industrial Land Study (the Study) has been commissioned by the Wellington Regional Leadership Committee to gain a better understanding of the anticipated shortfall in industrial land across the Wairarapa-Wellington-Horowhenua Region over the next 30 years and to identify potential opportunities for accommodating industrial growth needs into the future.

The Housing and Business Development Capacity Assessment (HBA) undertaken for the Region in September 2023 found that while the region has sufficient capacity to meet business land demand generally, demand for industrial land, in particular the availability of vacant large industrial lots, is expected to have a shortfall.

### Understanding the shortfall in industrial land supply

To understand the scale and type of industrial land needed engagement with industry stakeholders and research undertaken as part of this Study. This work has confirmed that the current and future shortfall in supply of vacant industrial land is impacting businesses in the region. The need to identify and safeguard additional land within the region to support our industrial growth needs both in the immediate/short term and the longer term has been identified. This includes areas of greenfield industrial land that can accommodate large industrial sites, with the potential for a new industrial business park, as well as increasing the capacity within mixed use and commercial centres for industrial uses that can locate in these areas.

Engagement with industry has confirmed that a range of affordable sites are required across the region to support the needs of industry and the planning for these areas needs to be integrated regionally with the planning for infrastructure investment, housing supply and approaches to climate adaptation.

### The need to safeguard existing supply and areas with potential for industrial land

The process of reviewing potential areas for large industrial sites has demonstrated that there are challenges in locating areas within the region that are development ready and available for industrial land use and investment is required to ensure we have enough capacity for the current and future needs of this sector. Geographical constraints, coupled with the need to safeguard land for housing and the food producing industries (highly productive soils) mean that available land in resilient locations all require investment in infrastructure to come on stream (development ready).

### Investigation areas for future industrial growth

To identify potential areas that could be investigated for further industrial growth across the region a set of mapping criteria was developed, informed through industry engagement and research. This process identified 15 potential investigation areas which were further refined to 11 areas through an MCA assessment process with the study working group.

The areas recommended for further investigation are shown on the following map.

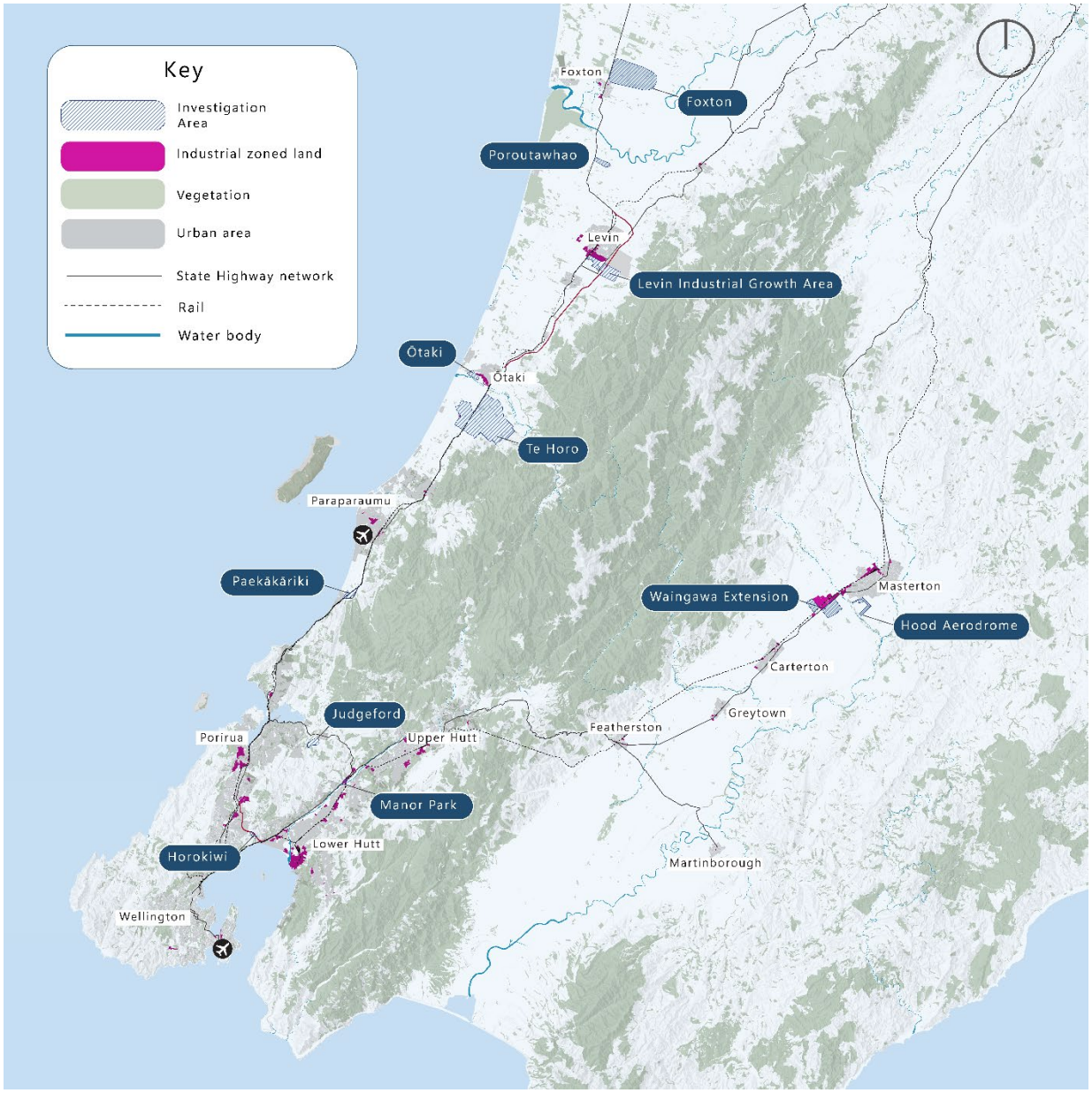



**FIGURE 1: RECOMMENDED AREAS FOR FURTHER INVESTIGATION**

## Recommendations

In addition to progressing the investigation areas, the key recommendations that have been identified to support planning for industrial land needs are summarised below:

### Recommendation 1: Continuing to take a regional approach to planning for industrial land supply

This study has demonstrated that to address the shortfall of industrial land a continued co-ordinated regional approach is required. There are some areas within the region with high demand and limited capacity for industrial growth. Wellington City and Hutt City in particular

have low vacancy rates within existing industrial areas and limited capacity identified for industrial growth. High demand for industrial land in these areas is generated by proximity to the existing customer base and other industrial operators, the proximity to housing for the workforce and key transport nodes, including CentrePort and freight rail facilities at Wellington Railway Station. A regional approach is required to look at how this demand for industrial land can be supplied in other areas which have more potential for growth (such as Horowhenua and the Wairarapa) while continuing to support the needs of the sector. This will be reliant on the investment in the required infrastructure to ensure our industrial areas are well connected across the region.

### Recommendation 2: Industrial land development integration with infrastructure planning

Engagement with industrial businesses has also demonstrated that to support the success of industry in the region, new industrial areas require good connectivity to the state highway network and key freight networks as well as forward planning for future three waters and fuel and electricity supply.

New proposed road connections (such as the Petone to Grenada Link Road) present real opportunities to improve the connectivity of existing industrial areas and open up new potential areas. In light of the shortfall in available industrial land and the importance of this sector for our economy, the realisation of new opportunities for growth in industrial land should form a key part of options analysis for new infrastructure connections.

### Recommendation 3: Work with, and promote opportunities to the private sector (developers and businesses) to ensure planning for new industrial land meets the needs of industry

At a regional level we now have a good understanding of the characteristics of current industrial land and the investigation sites for new industrial land and as we progress the next steps in this report, we will have a good idea of when new industrial land will become available. Whilst increasing supply of industrial land is important, there is a need to ensure that what industrial land is currently available and what industrial land will be available is promoted to both retain current industrial businesses (so they don't leave when they need more space) and to attract new industrial businesses to the region.

### Recommendation 4: Safeguarding our existing industrial land

The engagement with industrial businesses also highlighted that current operators are continuing to face challenges from encroachment of other urban uses into industrial areas (such as residential). This is impacting the availability of land for industrial development but also creates operational issues associated with reverse sensitivity from adjoining land uses and along key transport connections. Alongside identifying areas of industrial growth there is a need to ensure that our existing industrial areas have the right planning framework in place to allow for the on-going efficient operation of industrial activities. Changes have already been made across district plans to reduce the encroachment of other urban development within the Industrial Zone (for example Hutt City) however there is a need to ensure that this is done at a regional scale and also for land adjoining key freight networks.

## Recommendation 5: Adaptation planning for industrial land

A review of the potential resilience risks across our existing industrial land has demonstrated that approaches to regional adaptation planning needs to incorporate consideration of how we can reduce the impact of these on our industrial sector.

Understanding the risks and impacts of existing industrial land can be incorporated into the Regional Adaptation Project being undertaken by the WRLC.

# 1. Introduction

## Background

The Wairarapa-Wellington-Horowhenua Region (the region) makes a significant contribution to the New Zealand economy. This is in the most part through employment in the government, professional services and administration sectors but also through the region's industrial sector which services both the local area and national and international markets.

Industrial land uses located in the region include:

- heavy manufacturing and processing, including aggregate, metal, wood and chemical processing
- light to medium manufacturing of consumer goods and equipment including for the textiles, transport, construction, and engineering sectors
- food and agricultural processing industries including meat, fish and diary processing
- freight and logistics land uses, including storage, warehousing, transport and postal services
- high-value manufacturing in the science and technology sector
- warehousing, studios and workshops associated with the film industry.

These industrial land uses, combined, currently contribute over 12% to the Region's Gross Domestic Product (GDP) (Infometrics, 2023) and are an important part of the local and regional economy. Allowing for continued growth and change in these sectors is not only important for continued resilience of the region's economy but is also essential in supporting other sectors to grow. There is a need to ensure the resources we need to build the infrastructure, required support our communities are available/affordable locally.

Whilst there has been a recent decline in the growth of the traditional manufacturing sector, changes in technology coupled with the broader population growth anticipated means the projected demand for industrial land in the region is expected to continue and to still form an important part of the regional economy.

The Housing and Development Business Capacity Assessment undertaken for the region in September 2023 (the 2023 HBA) found that while the region has sufficient capacity to meet business land demand generally, demand for industrial land, in particular the availability of vacant large industrial lots, is expected to have a shortfall.

## Purpose of the Industrial Land Study

The Wairarapa-Wellington-Horowhenua Industrial Land Study (this Study) has been commissioned to identify potential opportunities for accommodating the anticipated shortfall in industrial land across the Region over the next 30 years and to identify the next

steps/interventions required to support a regional approach to attracting investment by industry. The study aims to ensure sufficient supply to meet growing demands; proactively facilitating and supporting sustainable growth of the industrial sector within the region.

The outputs of the study will be utilised to support future decision-making regarding industrial land re-zoning and infrastructure investment, and feed into the next Future Development Strategy.

In developing the scope of this study, the following objectives were identified:

- To identify key site requirements for industrial growth areas that align with broader strategic principles and requirements of national plans and policies.
- To consider inter-regional influences on industrial land and commercial factors affecting development decisions e.g., development costs, resource availability, locational drivers.
- To undertake meaningful engagement with key industry stakeholders to gather inputs and insights that will help inform and direct the study.
- To Identify suitable investigation areas for industrial growth within the region, considering potential parcels of land that could be utilised for new industries, or relocation of existing businesses.

## The Methodology

The study has been undertaken over a number of stages, as shown below.

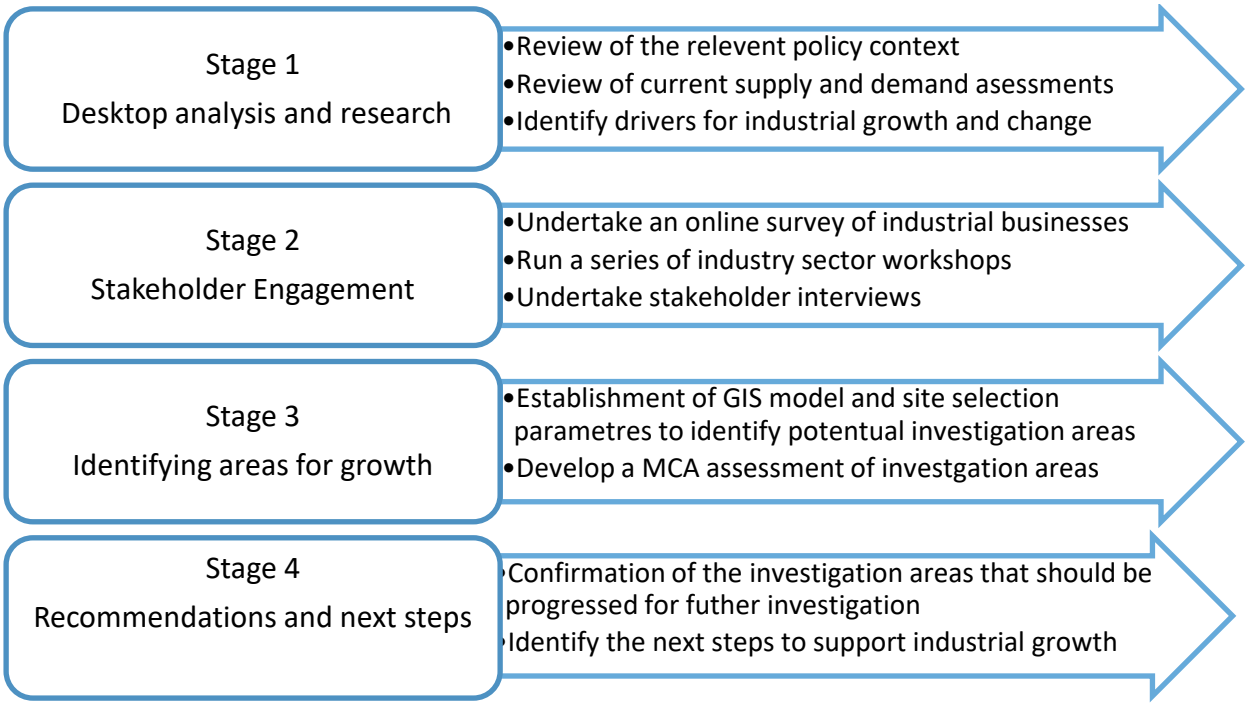



**FIGURE 2: STUDY METHODOLOGY**

## Governance

The study has been commissioned by the Wellington Regional Leadership Committee (WRLC). The WRLC has been set up to take a regional approach to regional spatial planning and regional economic development. The WRLC has produced *Te Rautaki Whanaketanga ki tua a Wairarapa-Wellington-Horowhenua*, the region's Future Development Strategy (FDS).

To guide the development of this study an industry working group was established with representatives from stakeholders across the region including CentrePort, NZ Transport Agency Waka Kotahi, business representative groups (Hutt Valley Chamber of Commerce, WellingtonNZ, The Horowhenua Company and Wellington Chamber of Commerce) and representatives from the Council's located within the region.

## Structure of this report

This draft report provides an overview of analysis that has been undertaken and summarises the outcomes of the study including recommendations for next steps. The structure of the report is as follows:

- Section 2 set the context for the study providing a working definition of industrial land and industrial land uses that have been used in the analysis.
- Sections 3 provides a review of the current supply of industrial land against anticipated demand and confirms the need to plan for additional areas of industrial growth.
- Section 4-5 provides an overview of the process undertaken to identify potential investigation areas that may be suitable for industrial growth
- Section 6 provides recommended next steps.

A detailed overview of the engagement undertaken with industry stakeholders to inform the study is provided at Appendix A. The information gathered through engagement has been used throughout the analysis provided in this report.

## Integration with the Regional Aggregate Supply Study

This draft report is being prepared with a Regional Aggregate Supply Study currently underway with GNS. The purpose of the Aggregate Supply Study is to review locations where there is a good supply of aggregate against criteria that identify land which presents an opportunity for extraction considering surrounding land use. This draft report will be taken into consideration in the Aggregate Study to ensure that the planning for industrial land is integrated with planning for sites of future aggregate supply.

## 2. Defining industrial land and industrial land use for the purposes of this study

### Industrial land

The shortfall of industrial land identified in the 2023 HBA is based on an analysis of the capacity of business areas across the region to meet the projected demand for business land. Business areas assessed in the HBA include the region's commercial centres as well as the other employment areas outside the centres, including areas of mixed use and industrial land use.

Whilst industrial land uses are generally not provided for in the heart of the commercial centres, they are enabled throughout these business areas within a number of different zones under each relevant district plan. This includes in the Light Industrial, General Industrial and Heavy Industrial Zones as well as other zones where some light industrial activities can occur such as the Mixed Use Zone.

The analysis provided in the HBA has confirmed that the anticipated shortfall of industrial land is associated with the difficulty in securing large sites, suitable for industrial land uses within the region's existing business land (refer to Section 5 of this report). Therefore, the scope of this study focuses on locating areas that could accommodate large industrial (over 5ha), outside of existing commercial centres - referred to as investigation areas. Whilst this does not include identifying additional space for light industrial land uses in the region's existing centres or mixed uses areas this is included as a recommendation for further work alongside progressing investigation areas identified.

This study does not recommend the appropriate zoning or boundaries of these areas. Each investigation area identified will need to go through a more detailed site analysis and rezoning process as a next step.

### Industrial land use/activities considered

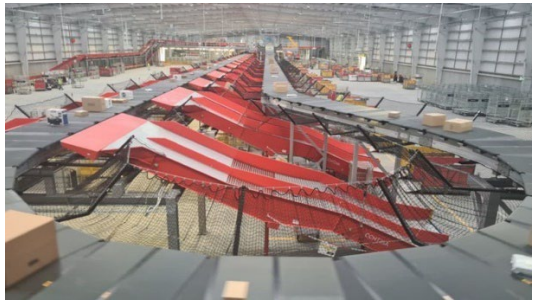
In the National Planning Standards, the Ministry for the Environment defines an 'industrial activity' as *"an activity that manufactures, fabricates, processes, packages, distributes, repairs, stores, or disposes of materials (including raw, processed, or partly process materials) or goods. It includes any ancillary activity to the industrial activity"* (Ministry for the Environment, 2019). The majority of councils in the Wairarapa-Wellington-Horowhenua region have already adopted this definition in their most recent District Plan, with the only councils currently still using different definitions being Hutt City Council and Horowhenua District Council. Therefore, for the purposes of this study the National Planning Standards definition of Industrial activity has been used.

Consideration has also been given to the different types of industrial activities and their land and infrastructure needs. As outlined in the introduction there is a broad range of industrial land uses in the region. For the purposes of this study an overview of the different sectors of industrial land use and their typical land use requirements is provided in the following Table 1. These land use requirements have been tested through industry engagement and have informed the development of site selection criteria discussed later in Section 4 of this report.

**TABLE 1: TYPICAL LAND USE REQUIREMENTS ACROSS THE DIFFERENT SECTORS THAT LOCATE ON INDUSTRIAL LAND**

| Industrial sector | Examples of the type of activity | Typical land uses requirements | Examples |
|---|---|---|---|
| **Heavy Industry** | | | |
| Industrial land use activities that generate potentially significant adverse effects such as objectionable odour, dust and noise emissions. | Chemical processing<br><br>Metal and primary product processing and manufacturing<br><br>Plastic, reinforced plastic and polymer product production<br><br>Bulk fuel and chemical stores<br><br>Wood and paper processing plants | - Sites large enough to accommodate large-scale industrial activities (5-10ha).<br><br>- Sites able to accommodate significant building, and pavement foundation loads and will be constrained by soft or liquefiable soils.<br><br>- Sites able to accommodate containment systems to store hazard goods and prevent breaches resulting in adverse discharges to the receiving environment.<br><br>- 'Flat land' (slopes less than 7%, desirably less than 2% for sites greater than 4 ha)<br><br>- Typically located close to key freight routes.<br><br>- Located away from activities sensitive to air discharges and activities sensitive to noise | Dulux Group Head Office Lower Hutt (5ha)<br><br>  <br><br><br>BP Oil Seaview (10ha site)<br><br>  |

| Industrial sector | Land use/activity | Typical land uses requirements | Examples |
|---|---|---|---|
| **Manufacturing (medium to light)** | | | |
| Industrial activities that are associated with the production of consumer goods, equipment or machinery. | Large scale processing plants and factories<br><br>Smaller scale manufacturing workshops and associated storage space<br><br>Trade retail operations associated with large scale manufactured goods (eg: equipment sales) | - A range of site sizes accommodate large and small industrial warehouses and workshops (2-5ha).<br><br>- Able to be open to the public but not including a large retail component<br><br>- Typically located close to key freight routes.<br><br>- Located away from activities sensitive to air discharges and activities sensitive to noise<br><br>- 'Flat land' (slopes less than 7%, desirably less than 2% for sites greater than 4 ha)<br><br>- Staff car parking and amenities located within close proximity | Alsco Uniforms, Kenepuru (2ha)<br><br>  |

| Industrial Sector | Land use/Activity | Typical land use requirements | Examples |
|---|---|---|---|
| **Food processing industries** | | | |
| Land uses associated with the processing, packaging, storage and processing of food | Cold stores<br><br>Food warehousing and distribution stores<br><br>Food manufacturing plants | - A range of site sizes to accommodate large and small processing plants and stores (2-10ha).<br><br>- Typically located close to key freight routes.<br><br>- Sites with adequate, affordable water supply, effluent and sewerage treatment and acceptable points of effluent and water discharge<br><br>- Located away from activities sensitive to air discharges and activities sensitive to noise | New Foodstuffs distribution centre in Grenada North (9 ha site 3,250 sqm floor area)<br><br>  |
| **Freight and logistics** | | | |
| These include transport and logistics depots and warehousing, storage and distribution depots that need to operate at night and weekends. | Storage units and warehouses<br><br>Packaging plants<br><br>Mail and courier sorting and distribution centres<br><br>Distribution centres | - Sites large enough to accommodate large-warehouses and fleet parking (5-10ha).<br><br>- Typically located with good access to key freight routes and away from activities sensitive to noise and air discharges associated with heavy vehicle movements (24/7).<br><br>- 'Flat land', suitable for larger operations (slopes less than 7%) | New NZ Post Distribution Centre (10ha)<br><br>  |

| Industrial Sector | Land use/Activity | Typical land use requirements | Examples |
|---|---|---|---|
| **Science and technology industries** | | | |
| Research, manufacturing and engineering associated with the science and technology sector (for example bio-medical manufacturing) | Lab and office space<br><br>Research facilities<br><br>Storage units | - Range of sites (500sqm-2ha) that can be accommodated within mixed use areas or science/technology hubs<br><br>- Located convenient to centres able to provide high quality employee 'facilities and amenities',<br><br>- Close to employee residential areas (ideally within easy cycling distance)<br><br>- 'Small, flexible business premises' suitable for research and small 'start-up' businesses close to larger technology businesses | GNS Science facilities Avalon (2ha)<br><br>  |
| **Film industry** | | | |
| Large scale land uses associated with the film industry that locate on industrial land | Film production/sound studios<br><br>Art and set production facilities<br><br>Storage warehouses | - Range of sites (500sqm-5ha) that can be within mixed use or industrial areas<br><br>- Located close to centres able to provide high quality employee 'facilities and amenities',<br><br>- Close to employee residential areas (Ideally within easy cycling distance on dedicated cycle paths). | Stone Street Studios, Miramar (3.5 ha)<br><br>  |

## 3. The current supply and resilience of industrial land

Currently, a total of 1,705ha of land is zoned for industrial land use across the region (including areas zoned Heavy, General and Light Industry), with an additional 90 ha of land within a future urban zone that has been identified specifically for industrial land use (including Judgeford Flats). Areas currently zoned for industrial land uses across the Region are shown in Figure 3 below.

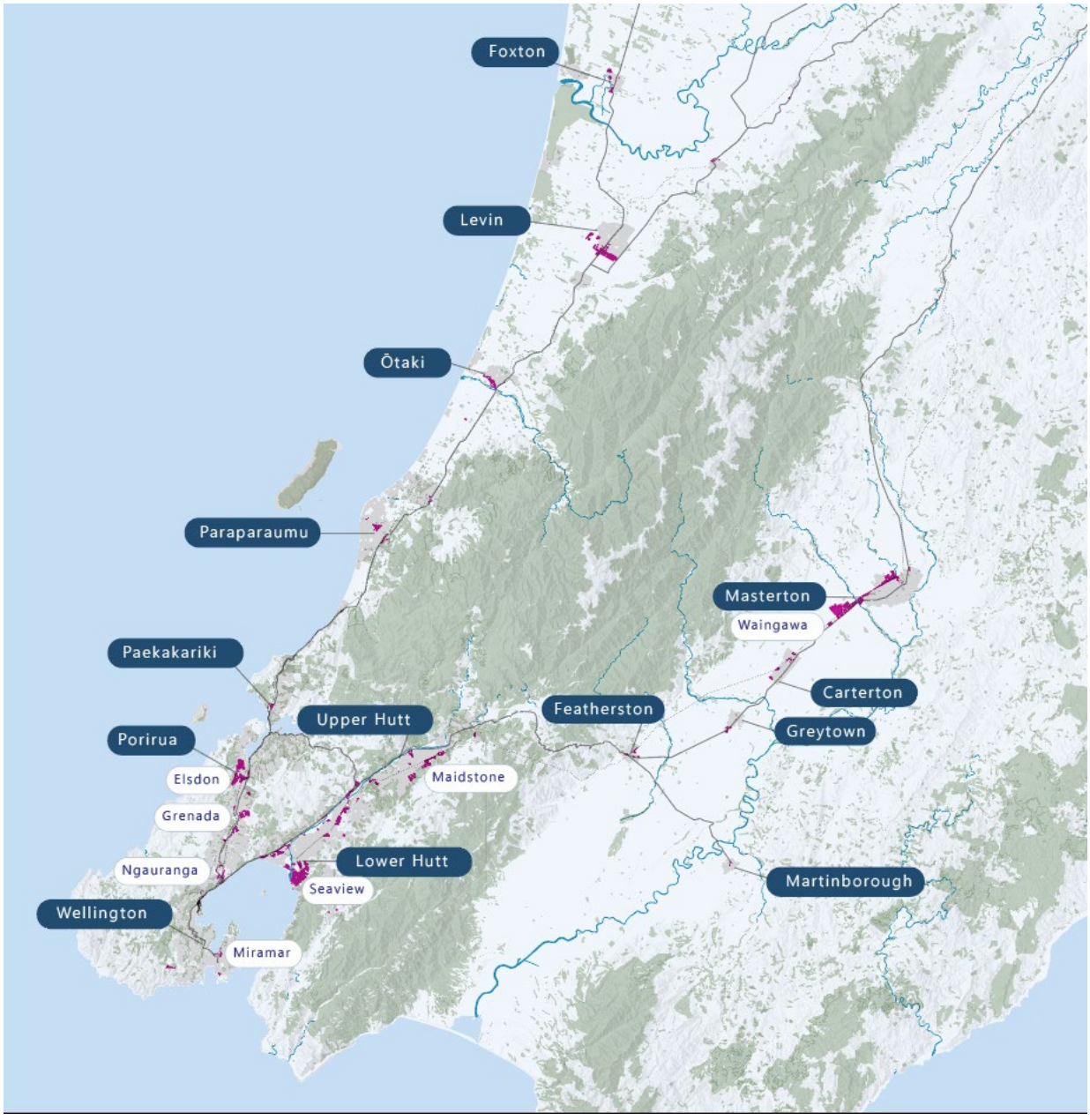



**FIGURE 3: LAND CURRENTLY ZONED HEAVY, GENERAL AND LIGHT INDUSTRIAL**

There is also additional capacity for some light industrial land uses in the regions Mixed Use Zones. Whilst the amount of land used for industrial businesses both within industrial zones and other mixed use areas is difficult to quantify, a review of New Zealand Business Statistics

demonstrates that the majority of industrial businesses are centrally located within Wellington, Hutt and Porirua City (65%).

As shown in Figure 3, the current supply of industrial zoned land is spread across the region, concentrated along the state highway network and within proximity to key transport nodes, including CentrePort. The largest area of industrial zoned land in the region is located at Seaview in Hutt City (300ha), followed by the Waingawa Industrial Estate (196 ha) in the Carterton District and the light industrial land in Porirua City east of the commercial centre.

### Anticipated future demand

The 2023 HBA assessed the future demand for additional business land in the region over the next 30 years. It found that there is an anticipated demand for an additional 9,181,700m$^2$ of business floorspace (or an additional 1,192 ha of land) through to the end of 2051.

The spread of this demand across the different business sectors and over time is shown in the following Table 2. The analysis shows that an additional 698 ha of this land is anticipated for the industrial sector for the next 30 years, with the majority (483 ha) needed in the longer term.

Whilst the breakdown of land requirements by sector shows that majority of the regions business land needs are for the industrial sector (half of the demand for land across the region) this is because industrial activity tends to be more space intensive than other sectors, and requires more land for access, parking, servicing and for separation from sensitive land uses.

**TABLE 2 INCREASE IN HECTARES OF ADDITIONAL BUSINESS LAND REQUIRED BY SECTOR TYPE, INCLUDING UPLIFT REQUIREMENTS (SOURCE: SENSE PARTNERS, 2023, P60)**

| Sector | 2021-2024 | 2024-2031 | 2031-2051 | Total |
|---|---|---|---|---|
| Commercial | 3.75 | 9.09 | 37.30 | 50.14 |
| Government | -0.66 | 4.63 | 15.22 | 19.19 |
| Retail | 24.38 | 35.16 | 102.68 | 162.22 |
| Education | 8.22 | 14.0 | 46.49 | 68.71 |
| Health | 7.27 | 23.12 | 74.00 | 104.39 |
| Industrial | 56.44 | 158.64 | 482.50 | 697.58 |
| Other | 11.63 | 18.14 | 60.21 | 89.98 |
| **TOTAL SECTORS** | **111.03** | **263.17** | **818.40** | **1,192.59** |

The HBA also provides a summary of how this demand for business land was determined across the different districts within the region and this is shown in Table 3. This analysis shows the largest demand for additional business land is being generated from growth in Hutt City and Wellington City, both now and through to 2051.

**TABLE 3: INCREASE IN HECTARES OF ADDITIONAL BUSINESS LAND REQUIRED IN EACH DISTRICT, (SOURCE: SENSE PARTNERS, 2023)**

| District | 2021-2024 | 2024-2031 | 2031-2051 | Total |
|---|---|---|---|---|
| Carterton District | 9.00 | 23.22 | 122.67 | 154.89 |
| Horowhenua District | 7.39 | 17.87 | 36.81 | 62.07 |
| Hutt City | 30.09 | 73.38 | 224.05 | 327.52 |
| Kāpiti Coast District | 14.76 | 20.25 | 72.24 | 107.25 |
| Masterton District | 0.57 | 13.47 | 24.12 | 38.16 |
| Porirua City | 18.39 | 41.06 | 108.60 | 168.05 |
| South Wairarapa District | -0.46 | 3.09 | 7.27 | 9.9 |
| Upper Hutt City | 1.64 | 2.76 | 48.07 | 52.47 |
| Wellington City | 29.63 | 68.06 | 174.58 | 272.27 |
| **TOTAL REGION** | **111.03** | **263.16** | **818.40** | **1,192.59** |

It is important to understand that this demand analysis undertaken within each district (given in Table 3) is driven by employment growth anticipated in these areas and whilst it is presented in a summary table for the Region it has not been assessed at a regional scale. ie. It is assumed where the constrained supply in these when brought together areas means that this demand will be diffused spatially across other parts of the region.

It is for this reason, that the investigation of additional land required is being undertaken at a regional scale and consideration is also being given to the potential supply that may be provided in Palmerston North, being a region to the immediate north.

Sense Partners (2023) emphasise that it is important to understand some of the key assumptions and sensitivities of the forecasts. One is that substitution or competition is not taken into account. This is important, as if land is not as available as assumed, or other locations are more desirable, demand will change and move to reflect this. The forecasts are also sensitive to changes in lighter industrial uses and increasing use of technology and automation, which increases efficiency and will reduce the amount of floorspace used by activities over time.

## Capacity for growth

Alongside the analysis of demand, the 2023 HBA included an analysis of the amount of existing business land that is currently vacant or could accommodate additional commercial floor space through infill or redevelopment. A summary of this assessment is provided in Table 4 below and demonstrates that across the region there is over 6,000 ha of zoned land that has the potential to support business growth.

**TABLE 4: BUSINESS DEVELOPMENT CAPACITY (M2) – PLAN ENABLED (HBA 2023, TABLE 1.22)**

| District | Existing floorspace | Infill floorspace | Redevelopment floorspace | Vacant |
|---|---|---|---|---|
| Carterton District | 137,074 | 2,468,586 | 3,105,306 | 2,551,485 |
| Horowhenua District | 482,770 | 719,632 | 1,457,619 | 372,073 |
| Hutt City | 2,181,429 | 2,437,859 | 5,950,043 | 306,546 |
| Kāpiti Coast District | 465,629 | 1,438,837 | 3,966,144 | 1,655,957 |
| Masterton District | 415,409 | 3,762,147 | 5,183,245 | 1,411,290 |
| Porirua City[1] | 556,778 | 1,960,202 | 4,601,320 | 225,620 |
| South Wairarapa District | 90,758 | 888,719 | 1,188,560 | 324,634 |
| Upper Hutt City | 484,300 | 928,300 | 3,392,200 | 202,300 |
| Wellington City | 1,758,480 | 2,443,528 | 7,837,964 | 50,744- |
| **TOTAL REGION** | **6,572,627** | **17,047,810** | **36,682,401** | **7,100,649** |

On the face of this analysis, it would appear that the region has sufficient business capacity to absorb all of the projected demand for business land over the next 30 years. However, it is important to note that this assessment does not distinguish between how much of this land presents a viable (feasible and infrastructure ready) development opportunity and in particular for this study, how much of this capacity is zoned industrial or is suitable (feasible) for industrial development and also is in the right location for where industrial businesses want to locate.

It is noted in the HBA that the demand for industrial land is not anticipated to be met by this existing capacity as industrial land users typically require larger sites which may not be present in this supply (Sense Partners, 2023 p50).

In order to confirm this shortfall in current supply of land able to provide large industrial sites a review of the current vacancy and turnover rates within existing industrial zoned areas (which is most likely to be able to accommodate large sites that are suitable) has been undertaken alongside consideration of the resilience of current areas and industry engagement. A summary of this analysis is provided in the following sections.

### Undeveloped industrial zoned land

The review of how much of this vacant (undeveloped) land capacity is currently zoned Industrial (including the Heavy, Medium and Light Industrial Zones) has been undertaken using a spatial analysis of current land parcels zoned industrial and information drawn down from the various council rating databases and available building footprint data to determine vacant sites. Whilst this is a high-level assessment (and would benefit from being confirmed through detailed site

inspections) it does provide a useful indication of the shortfall of supply. The results of the analysis are presented in Table 5 below.

**TABLE 5 – VACANT LAND IN THE INDUSTRIAL ZONES (TPG, 2024)**

| City/District | Number of lots | Land area |
|---|---|---|
| Wellington City | 13 | 13 ha |
| Porirua City | 12 | 12 ha |
| Hutt City | 9 | 16 ha |
| Upper Hutt City | 11 | 11 ha |
| Kapiti Coast District | 7 | 17 ha |
| Horowhenua District | 14 | 39.8 ha |
| South Wairarapa District | 1 | 0.7 ha |
| Carterton District | 7 | 98 ha |
| Masterton District | 9 | 12 ha |
| **Total** | | **207.5ha** |

The analysis demonstrates that whilst there is some vacancy across the region's industrial zones it is typically small lots less than 5ha in size. This is consistent with the findings of the 2023 HBA, that, in the most part the current supply of business land development capacity does not meet the needs of industrial land users for large vacant sites appropriately located (zoned) for industrial land use.

The analysis does demonstrate that there is some existing capacity for industrial growth allowed for in the Carterton District at Waingawa Industrial Estate and in the Horowhenua District in Levin. In these locations there are some larger lots available for industrial development however not all of this land is currently serviced with infrastructure.

In Carterton District Council's Ten-Year Plan Te Māhere Ngahurutanga 2021–2031, planning for the servicing of the Waingawa Industrial Estate is provided for over time to accommodate an anticipated shortfall in industrial land. Carterton District Council have determined from the existing pattern of industrial growth that between 10 and 50 new sites could be formed over many years as demand and opportunities present themselves (CDC, 2021). The main aim is to provide for existing and future demand while also being able to accommodate any opportunities.

In 2015 Horowhenua District Council, zoned additional land for industrial activities in Levin within their District Plan (HDC, 2015). At this time the Horowhenua District Council identified an issue of larger areas of vacant industrial land being 'land banked' by their owners, creating a small shortfall in supply which was anticipated to become greater.

Whilst both these areas of supply contribute to meeting some of the demand anticipated over the next 30 years in the 2023 HBA, they do not provide sufficient capacity and are not addressing current levels of demand in the central areas of the region.

## Turnover of existing industrial sites

Another way of understanding how much of the region's existing industrial land can accommodate the current needs of industry and whether there are levels of current unmet demand is to review the vacancy/ turnover rates within existing industrial developments.

A review of available data on vacancy rates across the region has demonstrated that the central areas within the region, including Wellington, Hutt City and Porirua, continue to have very low vacancy rates for industrial floor space and sites. From 2022 to 2023 the vacancy rate within industrial sites in these central districts has been very low, with overall vacancy rates of 2.4% during 2022 (CBRE,2024). Furthermore, Colliers has recently reported that Grade A vacancy is currently at zero, illustrating the high demand for high-quality industrial space.

This low vacancy rate demonstrates that current competition for existing sites suitable for industrial activity will be significant and further highlights the need to locate additional areas for industrial land development. This sentiment was confirmed through engagement with industry stakeholders, in particular noting the limited availability of sites in Seaview.

## Encroachment from other land uses

Another issue currently affecting the availability and suitability of existing industrial land in the region is from the encroachment of other land uses. This is an issue that was reported by industry representatives through engagement (refer to Appendix A) and has started to be addressed by Council's in the region.

Based on a review across the most recent Section 32 analysis undertaken for the relevant district plans it is evident that these existing industrial areas have been encroached on over time by other competing land uses including large format retail and residential land uses.

In the Wellington City Proposed District Plan, it is acknowledged that there are challenges for small to medium sized industrial activities in finding land within the city boundaries and a tightening of supply for industrial land, pushing these industrial activities to outlying areas. The Proposed plan provisions identified a focus on retaining existing land and limiting commercial activities in the General Industrial Zone (WCC, 2023b).

Hutt City Council also addressed this as part of their 2014 district plan review noting that due to a growing demand for industrial land and the restrictions on growth imposed by the district's topography there was a need to protect existing industrial land supply. At this time Council made the industrial zone rules stricter to discourage offices and large retail establishments that are better suited for commercial centres (HCC, 2023).

## Resilience of the region's existing industrial areas

To support the understanding of what our future industrial land requirements may be an analysis of the resilience of existing industrial land has also been undertaken. The result of this analysis is shown in Table 8 below.

**TABLE 6 –AREA OF REGION'S INDUSTRIAL ZONES ARE SUBJECT TO RESILIENCE RISK (TPG 2024)**

| City/District | Industrial zone area | Faultline risk | Tsunami risk | Flood risk | Liquefaction risk | Coastal hazards |
|---|---|---|---|---|---|---|
| Wellington City | 173 ha | 4 ha | 0.4 ha | 8 ha | 2.9 ha | 39 ha |
| Porirua City | 86 ha | 20 ha | - | 0.3 ha | 0.3 ha | - |
| Hutt City | 524 ha | 24 ha | 0.7 ha | 46 ha | 265 ha | 249 ha |
| Upper Hutt City | 103 ha | 4 ha | - | 18 ha | - | - |
| Kapiti Coast District | 124 ha | - | - | 35 ha | 52 ha | - |
| Horowhenua District | 243 ha | 1 ha | 0.3 ha | 1.3 ha | - | - |
| South Wairarapa District | 20 ha | 2 ha | - | - | 6.5 ha | - |
| Carterton District | 263 ha | 48 ha | - | 0.6 ha | 17 ha | - |
| Masterton District | 87 ha | 4 ha | - | 3.6 ha | 36 ha | - |
| **Total** | **1,622 ha** | **107 ha** | **1.4 ha** | **114 ha** | **380 ha** | **288 ha** |

This analysis demonstrates that a significant amount of our existing industrial land is subject to some degree of risk from both natural hazards and extreme weather events. It is important to note that some of these areas have multiple potential hazards identified and further interrogation is required to confirm the full extent of the area subject to risk (i.e. it at this stage is not possible to add the columns together, full interrogation is required to quantify the full extent of land impacted).

Whilst the analysis of the probability of these areas being affected is yet to be determined through the regional adaptation planning currently underway it is a consideration when planning for future industrial land supply.

In planning for future industrial land supply, it is important that future land is not only resilient but also sufficient to provide an option for industries to relocate if necessary. Engagement with the industry stakeholders has confirmed that this identified risk is currently affecting the financial viability of current operations (for example increasing as insurance costs) and is a factor in the decision of new industries locating to the region.

### Supply in Palmerston North

Opportunities to accommodate future industrial land demand also exist outside the region and should be considered in the amount of land supply required.

The new multi-modal distribution hub proposed in Palmerston North, *Te Ututanganui,* will create a new primary distribution and transport hub for central New Zealand. It is expected that associated rezoning (commencing in 2024) will ultimately unlock an additional 260ha of land for large floor plate, freight and distribution focussed industrial activities.

A review of the land supply provided in the proposed freight hub is provided in Table 7 below, showing the timeframes around when this additional supply may become serviced and development ready. This demonstrates that the proposed supply at Te Utanganui will potentially have surplus to the demand anticipated from Palmerston North City and potentially could contribute the unmet demand from the Wairarapa-Wellington-Horowhenua region.

**TABLE 7 – ANTICIPATED SUPPLY IN TE UTANGAUI THAT COULD SUPPORT THE REGION**

| **Timeframe** | **Supply at Te Utanganui (Palmerston North City HBA, 2018)** | | **Anticipated demand for additional land in the Wairarapa - Wellington-Horowhenua Region** |
|---|---|---|---|
| | Infrastructure ready | Surplus to demand from Palmerston North | Total demand |
| 2025/26 | 26 ha | 22 ha | 56.44 ha |
| 2032 | 150 ha | 140 ha | 158.64 ha |
| 2052 | 112 ha | 90 ha | 482.5 ha |
| Total | **288 ha** | | **697.58 ha** |

As shown above, this level of new supply provided at Te Utanganui in Palmerston North could make a significant contribution to the shortfall within the region in the medium term and the anticipated demand from the Region is essential in supporting the infrastructure investment planned.

However, despite the supply anticipated from Palmerston North it is still anticipated that over the long term the Region will still require over 400ha of additional industrially zoned land. Furthermore, engagement with industry stakeholders has clearly identified that location close to central Wellington, providing access to associated supply chains, markets, employees and transport nodes, is important to the viability to some industrial businesses. Whilst some businesses are considering moving out of region to meet their growth needs, there are some that re-location is not an option.

## Summary of land supply considerations

The above review has confirmed that there is currently a significant shortfall in industrial land for new development within the Region and the existing industrial land is under pressure from both other land uses and resilience risk, in particular in the central areas of Wellington, Porirua and Hutt City. The following key considerations have been identified and will be integrated

- The current areas zoned industrial have low levels of vacancy and there is evidence of this land being used for other urban land uses, including residential

- A large part of the region's existing industrial land is located in areas with identified resilience risk. Whilst the demand analysis undertaken for the HBA is based generally on the levels of employment growth anticipated in the sector, to support this level of

growth the availability and suitability of land is an important factor in driving this demand. consideration must be given to

- Whilst there will be a significant amount of capacity in Palmerston North that is anticipated to support , additional industrial land should still be planned for from within the region for the following reasons:

# 4. Identification of Investigation areas

## Development of site selection criteria

To identify potential investigation areas for industrial growth across the region, a set of site selection criteria has been developed. The site selection criteria have been informed through industry engagement and the desktop research outlined in earlier sections of this report and approved by the industry working group overseeing this study.

A summary of the site selection criteria is provided in Table 8 below.

**Table 8: Site Selection Criteria**

| Criteria | Description |
|---|---|
| Site size | Sites able to accommodate lot sizes of 5ha or more |
| Existing use | Zoned rural, rural lifestyle or rural production.<br>Excluding areas:<br>- already zoned for other urban land uses<br>- already identified for future urban growth.<br>- areas of open space. |
| Accessibility | Within 10km of an existing urban area or planned future growth area<br>Within 15 minute drive time from current or proposed state highway network |
| Slope | Sites with a gradient no more than 15% |
| Sites with the following site features excluded: | |
| Environmental Considerations | Significant Natural Areas & Indigenous Biodiversity Sites<br>Special Ecological Areas<br>Wetlands<br>QE II national trust covenants |
| | Outstanding natural features and landscapes (eg ONFLs)<br>DOC land<br>Regional Parks |
| Cultural heritage | Significant Cultural Heritage Sites<br>Significant Māori areas<br>Heritage sites<br>Certain areas with significant mana whenua values and Ngā Whenua Rāhi, as identified in the FDS |

| | |
|---|---|
| Hazard – Coastal Erosion | Open coast coastal erosion<br>Inner harbour coastal erosion |
| Hazard – Flood risk | Coastal inundation<br>Identified as prone to flooding |
| Hazard – Tsunami and ground shaking | Tsunami overlay<br>defined earthquake fault rupture and deformation zones |
| Hazard – Slope stability | 2H:1V upslope, and<br>4H:1V down slope |
| Hazard – Wildfire | Proximity to bush that is known to be susceptible to fire (setback required) |
| Highly Productive Soils | Land Use Capability (LUC) Classes 1 & 2 excluded.<br>Note: Class 3 not excluded |

## GIS model development

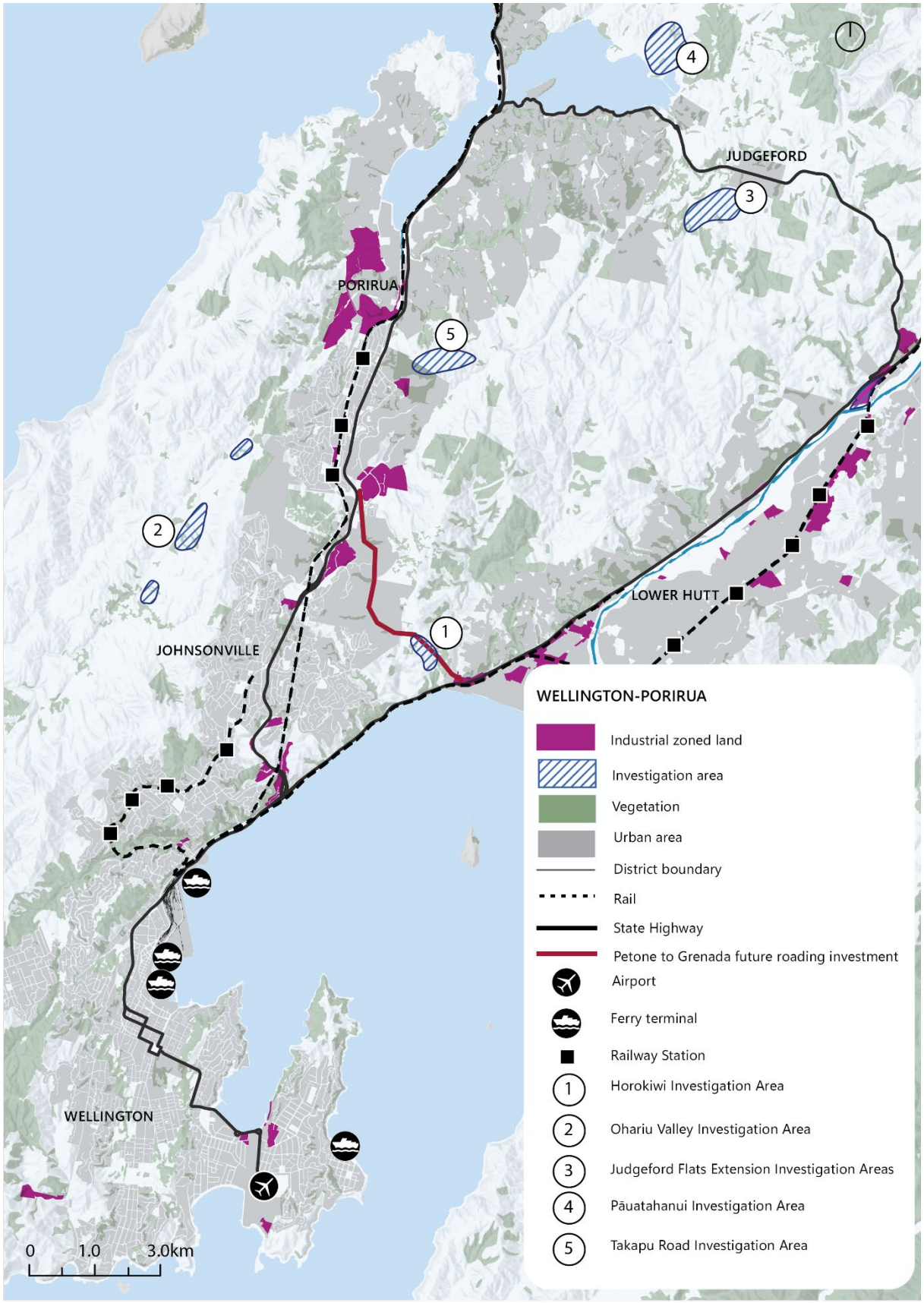
A GIS model was then developed to identify areas with potential for greenfield industrial development at a regional scale. The model maps the spatial extent of known land use constraints and resilience layers, alongside existing urban areas and areas already identified for growth. The site selection criteria were then run through the model to identify potential land to be considered.

The results of this exercise have demonstrated the significant challenge to locating areas suitable for industrial growth across the region.

The modelling identified limited opportunities within the central areas of Wellington, Porirua and Hutt City with the majority of land showing some potential located in the Wairarapa and further north in Kapiti and the Horowhenua Districts.

An overview of the fifteen areas identified through the model is provided in the following sections. A high-level review of each area has been undertaken, including initial input received from the relevant local authority to provide information to support a Multi Criteria Assessment (MCA) process to confirm the sites that should progress for more detailed investigation. It is important to emphasise that the model identifies sites that meet the criteria. Much more work is required to understand the suitability of these sites for industrial uses.

## FIGURE 4 AREAS IDENTIFIED FOR INVESTIGATION IN WELLINGTON AND PORIRUA CITY



## Area 1 – Land adjoining the Horokiwi Quarry

Approximately 30 ha of land on the eastern boundary of the existing Horokiwi Quarry has been identified in the model as a potential area for investigation.

This area is zoned Rural in the Wellington City 2024 District Plan (Appeals Version) and is located on in the Horokiwi Ridgeline Overlay area east of the Lincolnshire Farm Structure Plan area, which allows for residential lifestyle development, and west of an area identified as a special amenity landscape.

It is currently used mostly for rural lifestyle properties with some light industry activities identified on land located close to the quarry. It has not been identified for future urban growth in the Wellington City Spatial Plan. The area falls outside of the coastal natural character areas and special amenity landscapes identified in the 2024 District Plan.

This area has relatively fragmented land ownership with a number of different private landowners including some land owned by Horokiwi Quarry which does not form part of the quarry.

Due to the nature of the fragmented land parcels and connections to local road network (Horokiwi Road), the area is likely to require significant redevelopment to create a large, connected area for industrial growth. Without reconfiguration it could potentially support smaller parcels of industrial land use (1-2ha) that would benefit from proximity to the quarry. A key consideration will be the potential visual impact of a change in land use in this area, although it is noted it is likely to undergo change as a result of surrounding urban development and the proposed Petone to Grenada Link Road.

An extension to this investigation area, may be identified as a result of the land impacted by the proposed Petone to Granada Link Road, which will potentially be located east of the investigation area identified. The construction of this new road may open up further opportunities for industrial growth. In addition, further consideration of the potential expansion of aggregate extraction would be required to assess this area.

The key features and assessment considerations for Area 1 Horokiwi are summarised below.

| | |
|---|---|
| Investigation area size | The investigation area is approximately 30ha |
| Land ownership details | The land is privately held with a high degree of fragmented ownership with over 8 landowners |
| Accessibility | It is accessible via the existing road network - Horokiwi Road to Hutt expressway (State Highway 2) and has the following driving distances to key industrial transport nodes:<br>- 10 km to CentrePort.<br>- 10 km to Wellington Rail CT site,<br>- 117km to Palmerston North Freight hub<br>- 121km to Palmerston North freight airport |

| | |
|---|---|
| Known constraints and potential investment required | Some of the investigation area is undulating and would require further investigation to determine suitability for development. Land undulating and potentially challenging to achieve sites for large industrial uses. |
| Current zoning | The land is currently zoned General Rural and is located in the proposed Horokiwi Ridgeline Overlay. |
| Proximity to urban area | It is within close proximity to Hutt City and existing industrial land at Petone and Seaview as well as the Lincolnshire Farm Structure Plan area. Currently there is no direct public transport connection available to the area. |
| Surrounding land uses | Adjoining areas of general rural and the existing quarry operation. Adjoining existing rural lifestyle properties. |

### Area 2 – Areas of Ohariu Valley

A corridor of land within Ohariu Valley, located west of Wellington was identified in the model as providing potential for industrial growth. Further integration of this land was undertaken to determine sites which potentially provide a site suitable shape for industrial development, and these are shown on the map above at Figure 10.

These areas are currently zoned General Rural in the Wellington City 2024 District Plan (Appeals Version), located just south of the Ohariu Fault Hazard Area. The land is currently used for rural lifestyle living and farmland. The surrounding area is known for its rural amenity values.

The key features and assessment considerations for Area 2 Ohariu Valley are summarised below.

| | |
|---|---|
| Investigation area size | The investigation area has narrowed down to three potential areas totalling 70 ha |
| Land ownership details | The land is privately held |
| Accessibility | The area is accessible via the local road network to Johnsonville. There is no direct access to the state highway network and the local roads may not be suitable for heavy vehicles.<br>The area has the following driving distances to key industrial transport nodes:<br>- 36km to Wellington Rail CT site and CentrePort,<br>- 138km to Palmerston North Freight hub<br>- 143km to Palmerston North freight airport |
| Known constraints | Some of the investigation area is undulating and would require further investigation to determine suitability for development. Located in close proximity to known fault. |

| | |
|---|---|
| Current zoning | The land is currently zoned General Rural |
| Proximity to urban area | Approximately 8 Km from Johnsonville urban centre. |
| Surrounding land uses | Adjoining areas of General Rural zone including lifestyle blocks as well as some rural industry and farmland. |

### Area 3 – An extension of the Judgeford Flats Future Urban Zone

An area of approximately 80 ha directly south of the Judgeford Flats Future Urban Zone was identified in the model as a potential area for investigation.

The Judgeford Flats Future Urban Zone is identified for future industrial land uses in the Porirua City Proposed District Plan (Appeals Version) 2024 and currently includes a number of light industrial uses either side of State Highway 58 as well as the Judgeford Golf Course. The area identified for investigation is located southwest of future Urban Zone accessible via Murphy's Road.

The investigation area is currently used for residential lifestyle purposes and is zoned General Rural. The investigation area is also located north of the Judgeford Hills Future Urban Zone, which is identified for residential land use.

This part of the Judgeford Flats was not originally identified in the earlier Future Urban Zone boundary due to fragmented land ownership and limited infrastructure and capacity of the local road network. The area is also traversed by multiple stream corridors and has the potential for flooding impacts that will require further investigation. Part of the investigation area is identified within a fault hazard area.

The key features and assessment considerations for Area 3 Judgement Flats are summarised below.

| | |
|---|---|
| Investigation area size | The investigation area is approximately 80ha |
| Land ownership details | The majority of land is privately held with a high number of different land owners – a high degree of land ownership fragmentation. |
| Distance to state highway | Accessible via existing road network to SH 58 and will be reliant on the access through the northern structure plan area. Area is generally 1km from SH 58 with a connection to Transmission Gully. |
| Known constraints | Some of the investigation area is potentially undulating and would require further investigation to determine suitability for development. Some presence of overland flow and close proximity to identified fault hazard. |
| Current zoning | The land is currently zoned General Rural and is shown in the proposed District Plan as a potential supply for rural lifestyle development. |
| Proximity to urban area | Within close proximity to the Whitby residential area and town centre and the future new Judgeford residential growth area. |

| | |
|---|---|
| Surrounding land uses | Adjoining areas of general rural and existing industrial land uses. The golf course is located northeast of the area. |
| Infrastructure considerations | The area is identified as having stormwater issues that may constrain its development. This area would potentially require significant investment and an integrated stormwater strategy to accommodate industrial growth and support intensification in the local centre. |

## Area 4 – Pāuatahanui

Some sites with potential for industrial land use were identified located west SH1 and Paekakariki Hill Road in the corridor north of the Pāuatahanui Inlet.

This area is owned by a number of different private landowners and provides access to some community and rural based industries and orchards. It is currently zoned Rural Lifestyle Zone and is used mostly for rural lifestyle properties. This area is known for its rural qualities and has high land values and in close proximity to areas of ecological significance. It would potentially generate some community opposition for a change in land use.

The site is within the Coastal Environment and the Pāuatahanui Special Amenity Landscape (ID: SAL001) and the lower part of the site is subject to coastal hazard overlays as shown in the Porirua City Proposed District Plan. These overlays are more extensive than the resilience layers that were used in the model and have been subsequently identified. As such there are some key issues associated with potential coastal hazard risk and proximity to the sensitive natural landscape of the Pāuatahanui Inlet that will limit the potential of this land for industry.

The key features and assessment considerations for Area 4 are summarised below.

| | |
|---|---|
| Investigation area size | The investigation area is approximately 87ha |
| Land ownership details | The majority of land is privately held with over 30 owners<br>Existing uses include rural lifestyle properties |
| Accessibility | Accessible via the existing road network to Transmission Gully State Highway 1. The area has the following driving distances to key industrial transport nodes:<br>- 29 km to Wellington Rail CT site and 28km to CentrePort<br>- 117km to Palmerston North Freight hub<br>- 125km to Palmerston North freight airport<br>- 13km to existing industrial development and services in Porirua. |
| Known constraints | Some of the investigation area is potentially subject to flooding and is located within a coastal hazard overlay and close to areas of ecological significance. |
| Current zoning | The land is currently zoned rural lifestyle living |
| Proximity to urban area | Within close proximity to the Porirua, Paremata urban areas |
| Surrounding land uses | Adjoining rural residential lifestyle development with some light/rural industrial land uses. |

## Area 5 – Land located close to Takapu Road

A group of sites identified adjoining the Transmission Gully Road corridor within the vicinity of Takapu Road have been identified in the model for investigation. This area directly adjoins the Wellington City boundary and a large lot residential zone.

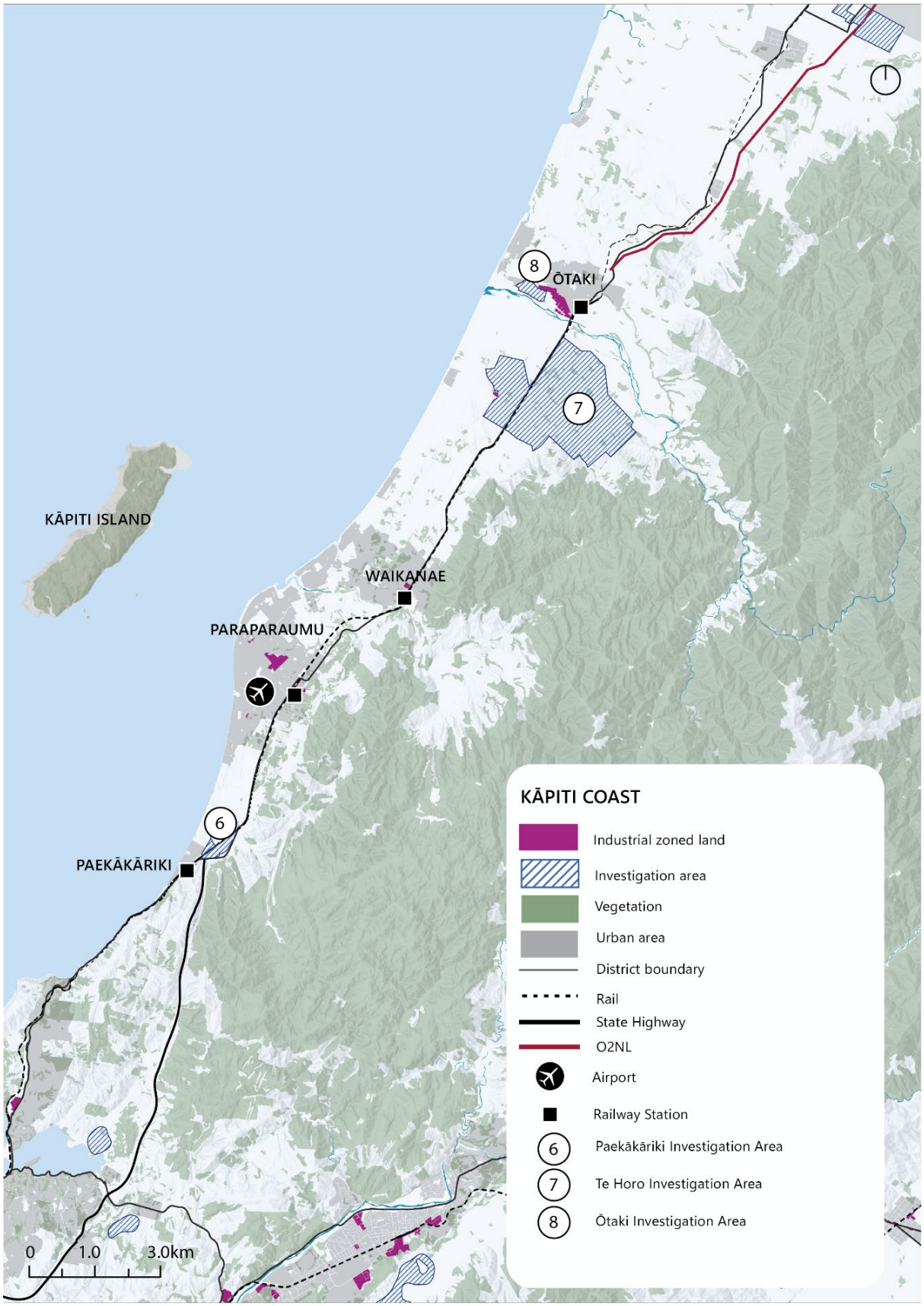
The area has previously been used for construction purposes and includes the Takapu substation owned by Transpower. Further engagement with Transpower would be required to determine if this site should progress for further investigation.

Notably this area does not have direct access to the new State Highway. Access would be achieved via Takapu Road from Tawa, approximately 7 km.

The key features and assessment considerations for Area 5 are summarised below.

| | |
|---|---|
| Investigation area size | The investigation area is approximately 70 ha |
| Land ownership details | Low degree of landowner fragmentation |
| Distance to state highway | Accessible via existing road network to Tawa 7km. No direct connection to the State highway. The area has the following driving distances to key industrial transport nodes:<br>- 22 km to Wellington Rail CT site, 134km to Palmerston North Freight hub<br>- 137km to Palmerston North freight airport 22km to CentrePort |
| Known constraints | Some of the investigation area is potentially undulating and would require further investigation to determine suitability for development. |
| Current zoning | The land is currently zoned General Rural |
| Proximity to urban area | Closest urban area is Tawa and the proposed large lot residential growth area. |
| Surrounding land uses | Adjoining areas of General Rural |

## FIGURE 5 AREAS IDENTIFIED IN THE KAPITI COAST DISTRICT



## Area 6 – Paekākāriki

A potential investigation area identified in Paekākāriki is approximately 69 ha located northeast of the Paekākāriki train station, located between the railway line and State Highway 59 (shown in the blue dashed line in the map below).

The site selection process identified pockets of land through this investigation area that would be suitable for industrial land. Through further interrogation of the land ownership and current land use, a broader investigation area is recommended that covers all of the land currently held by the Crown in this area.

The majority of the area was formerly farmland that was acquired by the Crown to facilitate the construction of the Kāpiti Expressway and Transmission Gully. There is a privately held parcel within the investigation area previously used for a market garden operation and an area of open space located in the northern corner.

Kāpiti Coast District Council have advised that there is some investigation underway regarding the future use of this land for residential purposes. As part of this investigation, it is recommended that consideration is given to the option of industrial land use in this location.

The key features and assessment considerations for Area 6 are summarised below.

| | |
|---|---|
| Investigation area size | The investigation area is approximately 69ha |
| Land ownership details | The majority of land is currently owned by the Crown for use by Waka Kotahi NZTA for State Highway upgrades and has been used for construction storage laydown areas. There is some on-going requirement on this land for planting associated with a mitigation response for the road corridor, but NZTA is currently reviewing Public Work Act requirements for a disposal process.<br>One lot within the investigation area is held privately where a market garden was in operation. |
| Distance to state highway | Direct connectivity onto State Highway 59. The area has the following driving distances to key industrial transport nodes:<br>- 40 km to Wellington Rail CT site,<br>- 100km to Palmerston North Freight hub<br>- 106km to Palmerston North freight airport<br>- 35km to CentrePort |
| Known constraints | The land is low lying with some areas of ponding, in particular in the area north of the rail corridor. There is also a stream corridor that traverses the area. |

| | |
|---|---|
| | The area is also identified as being potentially subject to liquefaction risk. |
| Current zoning | The majority of land is currently zoned General Rural, with a small area of opens space to the North, |
| Proximity to urban area | The land is within close proximity to the Paekākāriki local centre, including areas zoned general residential and medium density. |
| Surrounding land uses | Adjoining areas of general rural to the east. A small area of residential development is located in the southwestern corner and wastewater treatment plant is located on the other side of SH 59. Close proximity to Queen Elizabeth Park |
| Infrastructure considerations | The Paekākāriki local centre and surrounding areas are known for stormwater issues constrain its growth. There is also sewer upgrades required. This area would potentially require significant investment and an integrated stormwater strategy to accommodate industrial growth and support intensification in the local centre. |

### Area 7 - Te Horo

A potential investigation area has been identified in Te Horo located southeast of the existing Te Horo town ship and straddling the Kapiti Expressway State Highway 1.

The site selection process identified pockets of land through this investigation area that may be suitable for industrial land, however some of the area is identified with flooding risk and there are some areas of Highly Productive Land (LUC 2). The recommended investigation area is approximately 2,000 ha however, based on desktop review identifying these constraints, it is unlikely that the entirety of this area would be suitable for development.

It has also been identified as a future urban investigation area in the Kāpiti Coast District Growth Strategy – Growing Well 2022.

Updated modelling received from the Wellington Regional Council in 2024 has however confirmed that this area is potentially in a high risk flood area and further work would be required to understand if this risk could be managed.

The key features and assessment considerations for Area 7 are summarised below.

| | |
|---|---|
| Investigation area size | The investigation area is approximately 2,000 ha |
| Land ownership details | The majority of the land is privately owned – some large lots |
| Distance to state highway | Accessible via the existing road network (SH1),<br>Between 70-75km from the Wellington Railway Station and CentrePort. |
| Known constraints | Some of the investigation area is potentially subject to flooding based on updated modelling received would require further investigation to determine suitability for development. |
| Current zoning | The land is currently zoned general rural |

| | |
|---|---|
| Proximity to urban area | Generally, within a 10 minute drive to the Otaki town centre and Waikanae. |
| Surrounding land uses | Adjoining areas of General Rural. |
| Infrastructure considerations | The area is identified as having stormwater issues that may constrain its development. This area would potentially require significant investment and an integrated stormwater strategy to accommodate industrial growth. |

### Area 8 - Ōtaki

A potential investigation area identified in Ōtaki is approximately 60 ha located southwest of the of Ōtaki town centre. It adjoins existing industrial land located along Riverbank Road and existing stormwater treatment basins owned by Kāpiti Coast District Council. It is currently zoned General Rural and used for general farming activities.

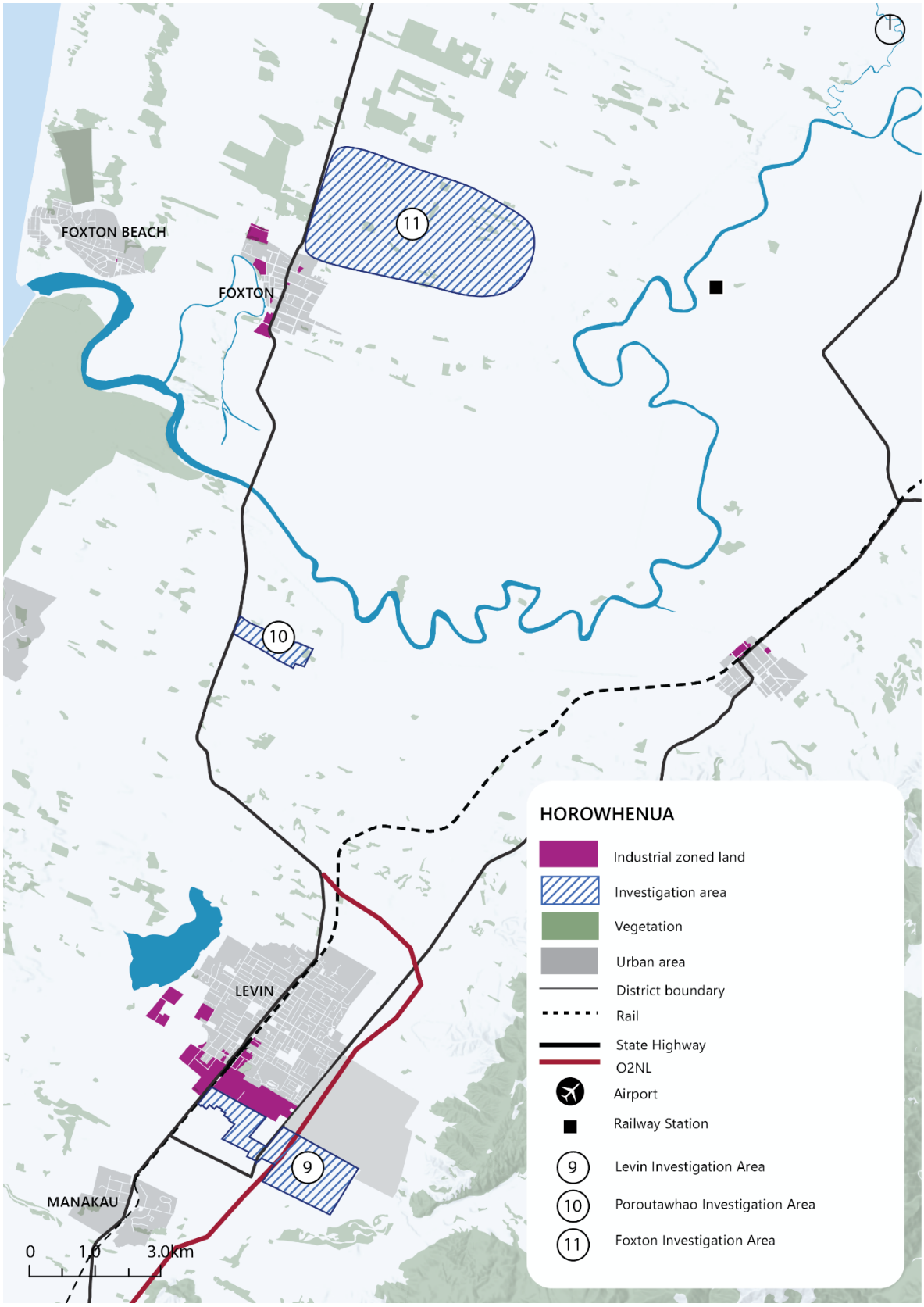
Part of the land identified is owned by Kāpiti Coast District Council and further consultation would be required to determine any future public use intended for this land.

Whilst it is raised well above the adjoining river corridor, updated modelling received from the Wellington Regional Council in 2024 has confirmed that this area is potentially in a high risk flood area and the suitability of this are for development requires further investigation.

The key features and assessment considerations for Area 7 are summarised below.

| | |
|---|---|
| Investigation area size | The investigation area is approximately 60ha |
| Land ownership details | Part of the site is owned by Council. The remaining area of land is privately held. |
| Distance to state highway | Accessible via the existing road network, 2 km to the SH network. The area has the following driving distances to key industrial transport nodes:<br>- 73 km to Wellington Rail CT site<br>- 70km to Palmerston North Freight hub<br>- 75km to Palmerston North freight airport (confirm OTNL improvement)<br>- 72km to CentrePort |
| Known constraints | Some of the investigation area is potentially subject to flooding and would require further investigation to determine suitability for development. Impacts on adjoining stormwater storage would require assessment. |
| Current zoning | The land is currently zoned General Rural |
| Proximity to urban area | Within close proximity to the Ōtaki town centre and existing industrial zone |
| Surrounding land uses | Adjoining areas of general rural, industrial and a Council owned stormwater management area. |
| Infrastructure considerations | The area is identified as having stormwater issues that may constrain its development. This area would potentially require significant investment and an integrated stormwater strategy to accommodate industrial growth. |

## FIGURE 6 AREAS IDENTIFIED IN THE HOROWHENUA DISTRICT



## Area 9 – Levin

A potential investigation area identified in Levin is approximately 250 ha located south of the existing Levin town centre. It adjoins land already zoned industrial and is identified in the Horowhenua Growth Strategy as a future growth area.

The site will benefit from the new Ōtaki to Levin Road connection which will provide a more direct connection to the state highway network from this area and provide better connections to other transport nodes for the industrial sector, including the proposed freight hub at Palmerston North. The sites proximity to the Levin urban area presents an opportunity to support amenity and housing supply for a new industrial workforce.

It is currently zoned General Rural and there are some existing lifestyle residential properties located within and on the border of the investigation area. The remainder of the area is used for farming opportunities. Whilst the site has the presence of some highly productive land (HPL3) as it is already identified in a growth strategy this is not expected to limit its development potential. The site the area is identified with potential flooding risk, and this should be further investigated.

The key features and assessment considerations for Area 9 are summarised below.

| | |
|---|---|
| Investigation area size | The investigation area is approximately 345 ha |
| Land ownership details | The majority of the land is privately owned |
| Distance to state highway | Accessible via the future Otaki to Levin connection.<br>The area has the following driving distances to key industrial transport nodes:<br>- 73 km to Wellington Rail CT site<br>- 70km to Palmerston North Freight hub<br>- 75km to Palmerston North freight airport<br>- 72km to CentrePort |
| Known constraints | Some of the investigation area is potentially subject to flooding and would require further investigation to determine suitability for development. |
| Current zoning | The land is currently zoned General Rural |
| Proximity to urban area | Close to services and existing industrial land in Levin. Identified in the Horowhenua Growth Strategy as a potential industrial growth and future growth area (LS8 and LS7). |
| Surrounding land uses | Adjoining areas of General Rural and Residential. |
| Infrastructure considerations | The area is identified as having stormwater issues that may constrain its development. This area would potentially require significant investment and an integrated stormwater strategy to accommodate industrial growth. Council have also advised that it requires upgrades to the wastewater and water service network to support development. |

## Area 10 – Land located close to Poroutawhao

Areas suitable for industrial development have been identified in Poroutawhao located north of the Lewis Farm site and opposite an existing Mitchpine Sawmill. This area is currently zoned General Rural and used for farming purposes.

Notably the area is located away from other urban areas which may suit some heavier industrial uses which require separation from other sensitive land uses.

The key features and assessment considerations for Area 10 are summarised below.

| | |
|---|---|
| Investigation area size | The investigation area boundary to be confirmed following input from Council but is approximately 50ha |
| Land ownership details | The land is privately owned |
| Distance to state highway | Accessible via the existing road network (State Highway 1), 45km to Palmerston North Freight hub and 103km to CentrePort. |
| Known constraints | Some of the investigation area is potentially subject to flooding would require further investigation to determine suitability for development |
| Current zoning | The land is currently zoned General Rural |
| Proximity to urban area | Approximately 9 km from Foxton and 11km from Levin. |
| Surrounding land uses | Adjoining existing rural lifestyle properties and other industrial businesses – Lewis Farm and Mitchpine. |
| Infrastructure considerations | Would potentially require significant investment in infrastructure to support development as is current y not located close to existing reticulated network. |

## Area 11 – Foxton

A large area identified in the model is approximately 1,200 ha located directly north of the of Foxton town centre and adjoining the greenfield deferred residential zone identified in the Horowhenua Growth Strategy.

The area is approximately a 30-minute drive from Palmerston North and the future freight hub location, which is a key consideration.

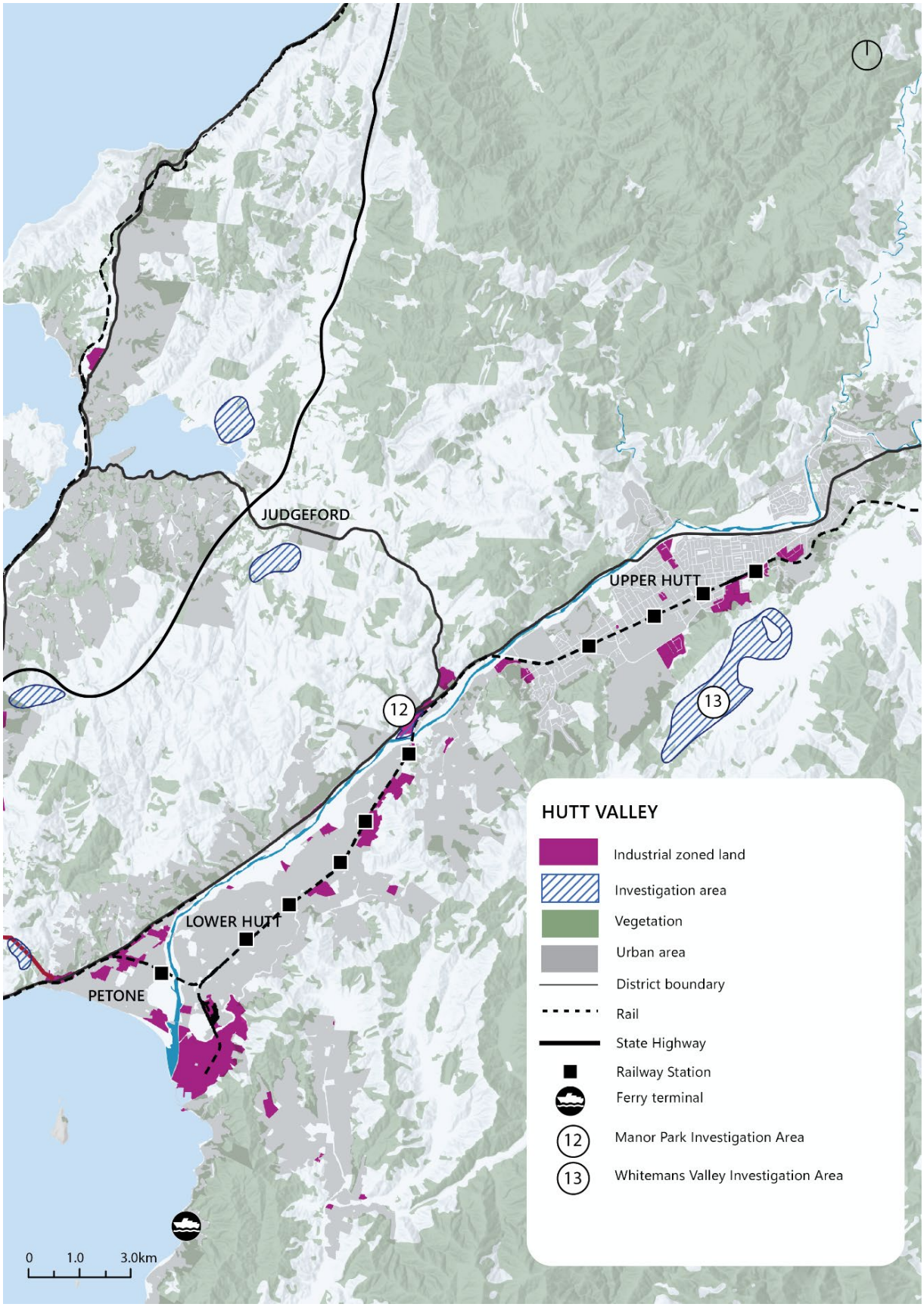
It is currently zoned General Rural and is used for farming and rural productive land uses but is not identified as having any High Productive soils HPL 1 or 2 present. This area would potentially require investment to address stormwater management and access to wastewater and water networks. There is also the potential for some dune lands to be present and therefore the ground conditions would require further investigation.

It is located directly opposite Foxton Racecourse, which has been identified as a growth area (long term) and growth area F2 (intention to upzone indicated)

The key features and assessment considerations for Area 11 are summarised below.

| | |
|---|---|
| Investigation area size | The investigation area is approximately 1,200 ha |
| Land ownership details | The majority of land is privately held with over 52 parcels and 32 owners Some land is held by the racing club. |
| Distance to state highway | Western portion of the investigation area is accessible via State Highway 1 with the need for investment in new internal road connections. |
| Known constraints | Some of the investigation area is potentially subject to flooding (overland flow) and would require further investigation to determine suitability for development. |
| Current zoning | The land is currently zoned General Rural |
| Proximity to urban area | Within close proximity to the Foxton Village centre. |
| Surrounding land uses | Adjoining rural land, lifestyle properties and future industrial development |

## FIGURE 7 AREAS IDENTIFIED IN THE HUTT VALLEY



## Area 12 – Manor Park

Following initial engagement with Hutt City Council's planning team the potential industrial area located at Manor Park has been included in this study. This area did not initially come through the GIS Model exercise due to a number of constraints identified on the site, including the fault line and historic flooding data. It is however understood that remediation works have been undertaken to reduce the flooding risk on this site and further investigation of the potential impact of the fault line hazard has been undertaken.

This area is currently being considered for rezoning to industrial through the District Plan review process and has been included in the Draft District Plan, recently out for public feedback. Council has advised that there have been concerns raised from surrounding residential areas about the impact of industrial land uses on local amenity.

As this site was not included in the 2023 HBA capacity analysis it has potential to provide some additional supply in Hutt City. Including this site in this study provides an opportunity for it to considered from a regional lens, considering the wider shortage of industrial land identified and comparing it to the other areas that potential can provide supply. This will support Council's decision making regarding the importance of the land use change vs the concerns raised by surrounding residential areas.

The key features and assessment considerations for Area 12 are summarised below.

| | |
|---|---|
| Investigation area size | The investigation area is approximately 17.2ha |
| Land ownership details | The majority of the land is privately owned, and the landowner is in support of the change in land use to industrial |
| Distance to state highway | Accessible via direct access to the state highway network.<br>The area has the following driving distances to key industrial transport nodes:<br>- 36km to Wellington Rail CT site<br>- 138km to Palmerston North Freight hub<br>- 143km to Palmerston North freight airport (confirm OTNL improvement)<br>- 36km to CentrePort |
| Known constraints | The site was previously subject to flooding risk and is in close proximity to a fault line hazard. Further investigation has determined the risk is manageable for industrial land use |
| Current zoning | The land is currently zoned General Rural |
| Proximity to urban area | Within close proximity to existing industrial and commercial land at Silverstream, Avalon and Naenae. |
| Surrounding land uses | Adjoining areas of residential with potential reverse sensitivity risk. |
| Infrastructure considerations | Investment has been required to upgrade Stormwater management for the site and also local road network improvements are required |

## Area 13 – Whitemans Valley

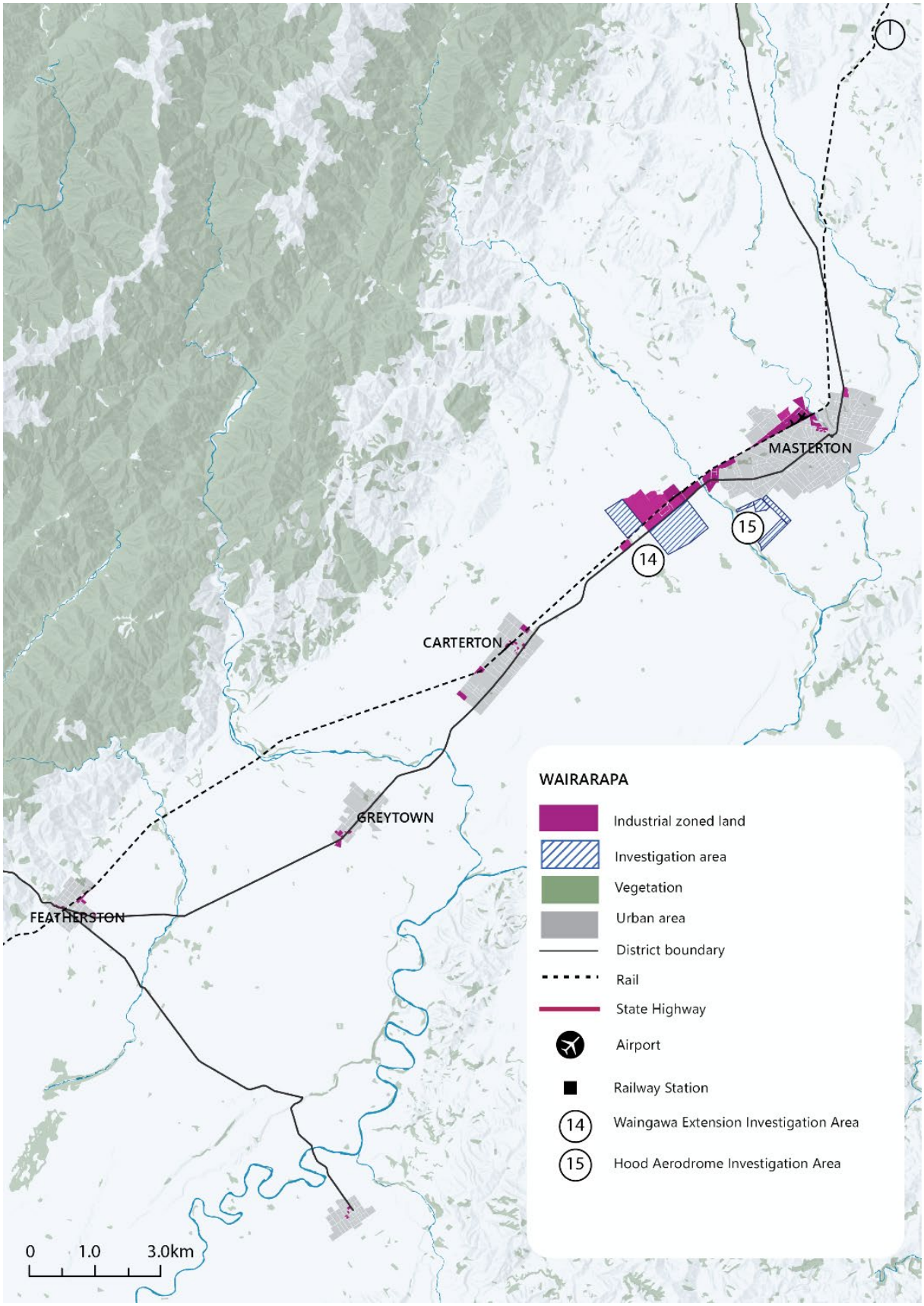
The investigation area identified is approximately 300 ha located in Whitemans Valley. This area is owned by a number of different private landowners and provides access to some community and rural based industries and orchards. It is currently zoned General Rural and is used for rural lifestyle properties. This area is known for its rural qualities and would potentially generate some community opposition for a change in land use.

Following further information received from Upper Hutt City Council the area identified falls within an area identified as having peat soils and subject to liquefaction risk. This would be a further limitation for the use of this land for heavy industrial activities.

The key features and assessment considerations for Area 13 are summarised below.

| | |
|---|---|
| Investigation area size | The investigation area is approximately 300ha |
| Land ownership details | The majority of land is privately held with up to 53 parcels and 43 owners |
| Distance to state highway | Accessible via existing road network, 5km to the state highway network |
| Known constraints | Some of the investigation area is potentially subject to flooding. It is also located within an area identified as having peat soils and subject to liquefaction risk which would potentially limit the capacity for industrial land development. |
| Current zoning | |
| Proximity to urban area | |
| Surrounding land uses | Adjoining areas of residential with potential reverse sensitivity risk. |
| Infrastructure considerations | Would require further investigation to understand infrastructure constraints. |

## FIGURE 8 AREAS IDENTIFIED IN THE WAIRARAPA



## Area 14 – An extension to the Waingawa Industrial Estate

Approximately 3,300 ha of land located within the vicinity of the existing Waingawa Industrial Estate has been identified in the GIS model as providing potential for further industrial growth. For the purposes of this study 350ha of this land has been recommended for further investigation due to its proximity to the State Highway. This area is owned by a number of different private landowners and is currently used for rural lifestyle properties.

The addition of this area to the industrial estate would require significant investment in infrastructure to support this scale of industrial growth. This would include a review of the rail connection to support the connectivity of this land to the Wellington market.

| | |
|---|---|
| Investigation area size | The investigation area is approximately 341ha |
| Land ownership details | The land identified is |
| Distance to state highway | Accessible via local road network to SH2<br>The area has the following driving distances to key industrial transport nodes:<br>- 93 km to Wellington Rail CT site, 99km to Palmerston North Freight hub.<br>- 100km to Palmerston North freight airport<br>- 93km to CentrePort (1 hour 30 min driving time) |
| Known constraints | Proximity to fault line |
| Current zoning | The land is currently zoned Industrial |
| Proximity to urban area | Close to services provided in Masterton |
| Surrounding land uses | Adjoining areas of residential with potential reverse sensitivity risk. |
| Infrastructure considerations | The addition of this area to the industrial estate would require significant investment in infrastructure to support this scale of industrial growth. |

## Area 15 – Hood Aerodrome

Approximately 77 ha of council owned land within the vicinity of the Hood Aerodrome has been identified in the GIS model as providing potential for further industrial growth. The area included in the investigation boundary has been determined through engagement with Masterton District Council, who have advised that there has been some interest in industrial land on this area, however landowners further east would not support a change in land use.

The key features and assessment considerations for Area 15 are summarised below.

| | |
|---|---|
| Investigation area size | The investigation area is approximately 77.6ha |
| Land ownership details | The land identified is Council owned |
| Distance to state highway | Accessible via local road network to SH2<br>The area has the following driving distances to key industrial transport nodes: |

| | |
|---|---|
| | - 29 km to Wellington Rail CT site, 117km to Palmerston North Freight hub. Note potential for rail improvements to enable freight rail access.<br>- 121km to Palmerston North freight airport<br>- 98km to CentrePort (1 hour 30 min driving time) |
| Known constraints | No significant resilience constraints identified. |
| Current zoning | The land is currently zoned General Rural |
| Proximity to urban area | Close to services provided in Masterton and existing industrial land in Waingawa. |
| Surrounding land uses | Adjoining areas of residential with potential reverse sensitivity risk. |
| Infrastructure considerations | Would require further investigation to understand infrastructure constraints. |

## 5. Assessment of the suitability of investigation areas to progress

### Development of assessment criteria

To assess the suitability of the areas identified to be progressed for further investigation, the following assessment criteria has been established and was approved by the industrial working group. The criteria is based on the criteria used to review existing industrial land as part of the 2023 HBA development and have been refined though industry engagement and a review of key land requirements across the different sectors (refer to Section 2).

**TABLE 9: ASSESSMENT CRITERIA**

| Criteria | Brief Description | Scale Applied | | |
|---|---|---|---|---|
| | | 1 | 3 | 5 |
| a) Proximity to major roading transport corridors | Assessment of the areas access to the roading network, including highways and local roads, with a higher score given to those areas with direct connection to the state highway network. | New road connections are required, and area is more than 10km from SH network. | Less than 10km to SH network and local roads are sufficient for heavy vehicles | Directly adjoining the SH network |
| b) Access to rail routes | Assessment of the areas access to key rail nodes for the transport of freight (Wellington and Palmerston North) including the ability to load goods and freight. A higher score given to those sites with good proximity via the state highway network to rail freight hubs. | More than 60km rail freight services | Access to the rail freight network is not via the SH network | Less than 20 km to rail freight services via the SH network |
| c) Access to airport | Assessment of connectivity to freight facilities at the airport (Palmerston North). | More than 100km from PN airport | | Less than 40km to PN Airport via SH network |
| d) Access to port | Assessment of the access to a port for freight purposes. Higher score will be given to those sites with good proximity via the state highway network to the port. | More than 100km from CentrePort | | Less than 40km to CentrePort via SH network |
| e) Land cost and fragmented ownership | Assessment of the potential cost of land as a development cost. Those areas with potentially high land costs associated with high amenity or central location given a lower score. | High number of private landowners/ highly fragmented (small land parcels) | Large parcels with consolidated ownership | Majority government owned land |
| f) Supporting business/s | Assessment of the areas access to other areas of | An isolated area – more than | Within 10km of other industrial | Directly adjoining |

| | | | | |
|---|---|---|---|---|
| ervices in the area (clustering/ conglomeration) | industrial or commercial land use. Recognising the importance of the hub effect of businesses and consequential benefits of incidental business opportunities arising from the clustering or conglomeration of similar activities | 10km from other services | land uses or commercial centre | other areas zoned industrial or commercial |
| g) Resilience to hazards | Assessment of the potential scale of impacts from hazards that may impact the usability of the area. | Significant hazards present | Hazards that can be addressed through investment (eg: stormwater) | No identified hazards impacting site |
| h) Developability and infrastructure investment | Assessment of the ability to develop the site, and includes physical (eg: site size, layout, constraints, continuous ownership) and the level of infrastructure investment required. | High investment required | Medium investment required | Low investment required |
| i) Proximity to worker housing and public transport | Assessment of the site being in good proximity to public transport and housing supply for the workforce. | Isolated site located more than 10km from future housing supply or proposed PT service | | Within 5km to area with future housing supply (feasible capacity) On existing or planed PT route |
| j) Separation from more sensitive activities (reverse sensitivity effects) | Assessment of the potential for industrial land uses to general reverse sensitivity affects from conflict with more sensitive neighbouring land uses, including from transport and access to and from the site. This should include assessment of how the site could accommodate buffer areas to reduce these effects. | Directly adjoining residential or sensitive landscapes | Some sensitive land uses nearby or on key transport route to area | Adjoining existing industrial or rural land with no |

## The evaluation process

The evaluation of each potential investigation area was undertaken by the industrial working group and also took into account feedback from the engagement phase of this study.

Results of the assessment provided in the following Table 10.

**TABLE 10 EVALUATION RESULTS**

| Criteria | Area 1 Horrokiwi | Area 2 Ohariu | Area 3 Judgeford | Area 4 Pauatahanui | Area 5 Takapu Rd | Area 6 Paekākāriki | Area 7 Te Horo | Area 8 Otaki | Area 9 Levin | Area 10 Poroutawhao | Area 11 Foxton | Area 12 Manor Park | Area 13 Whitemans Valley | Area 14 Waingawa | Area 15 Hood Aerodrome |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| a) Proximity to major roading corridors | 3 | 2 | 3 | 3 | 2 | 5 | 5 | 4 | 5 | 5 | 5 | 5 | 2 | 4 | 4 |
| b) Access to rail routes | 2 | 2 | 2 | 2 | 2 | 4 | 3 | 4 | 3 | 3 | 3 | 4 | 2 | 4 | 4 |
| c) Access to airport | 2 | 2 | 2 | 2 | 2 | 3 | 3 | 3 | 4 | 4 | 4 | 2 | 3 | 2 | 2 |
| d) Access to port | 3 | 2 | 3 | 3 | 2 | 4 | 4 | 4 | 4 | 4 | 4 | 2 | 3 | 3 | 3 |
| e) Land cost and landownership risk | 3 | 2 | 3 | 2 | 3 | 4 | 3 | 4 | 3 | 3 | 3 | 5 | 2 | 4 | 5 |
| f) Proximity to supporting business/services | 3 | 2 | 3 | 2 | 2 | 3 | 3 | 4 | 3 | 3 | 3 | 4 | 2 | 4 | 4 |
| g) Resilience to hazards | 3 | 3 | 2 | 3 | 3 | 3 | 1 | 1 | 3 | 3 | 4 | 2 | 3 | 5 | 5 |
| h) Developability and infrastructure investment | 3 | 2 | 3 | 3 | 2 | 2 | 2 | 3 | 3 | 3 | 2 | 3 | 3 | 3 | 3 |
| i) Proximity to worker accommodation | 3 | 3 | 3 | 2 | 2 | 5 | 2 | 4 | 4 | 4 | 2 | 4 | 3 | 4 | 4 |
| j) Proximity to public transport | 2 | 1 | 3 | 2 | 1 | 5 | 1 | 3 | 1 | 1 | 2 | 5 | 1 | 2 | 2 |
| k) Separation from more sensitive activities | 2 | 2 | 4 | 2 | 3 | 3 | 3 | 3 | 3 | 3 | 4 | 2 | 2 | 5 | 4 |
| Total scoring | 29 | 23 | 31 | 26 | 24 | 41 | 30 | 31 | 36 | 36 | 36 | 38 | 26 | 40 | 40 |
| Approx land area (ha) | 30 | 60 | 80 | 90 | 10 | 69 | 2,000 | 60 | 50 | 50 | 1,200 | 17 | | 300+ | |

A

## Summary of the assessment of potential investigation areas

A review of the sites that have been identified through the modelling exercise confirms that there are challenges in identifying land that has potential to support industrial growth. Many of the sites identified have fragmented land ownership and, from a desk top review, have the potential to require significant investment in infrastructure.

Given the shortfall in supply identified across the region it is recommended that further investigation of some of these areas is undertaken to ascertain if infrastructure investment or other government intervention could support the future use of the land for industrial purposes.

The assessment of the potential investigation areas against the established assessment criteria has identified those sites which should be progressed for further investigation.

**TABLE 11 RECOMMENDED AREAS TO BE PROGRESSED FOR FURTHER INVESTIGATION**

| Investigation areas recommended | Key considerations |
|---|---|
| Area 6 - Paekākāriki (MCA assessment = green) | This land presents an opportunity for industrial land use located in a highly accessible location with good access and visibility from the state highway network. The assessment has identified that this area has potential to meet the needs of most industrial sectors. However, further investigation is required to ensure that the ground conditions can accommodate industrial land uses, that stormwater can be managed, and it can be adequately serviced for wastewater.<br>Notably, this area is government owned and The New Zealand Transport Authority Waka Kotahi (NZTA) is currently considering its requirements under the Public Works Act for its disposal, which presents a unique opportunity to provide development potential that is not in fragmented ownership. Kapiti Coast District Council have advised that a range of other future land uses are being considered for this area, including residential development. Further engagement with NZTA and Council is required as a first step to pursue this as an investigation area for industrial land use. |
| Area 14 – Waingawa Extension (MCA assessment = green) | There are considerable opportunities identified for industrial land development within the areas surrounding the existing Waingawa Industrial Estate. Whilst a nominal investigation area has been identified as part of this study (to include areas closest to the state highway and land owned by Centre Point) further work should be undertaken to confirm the boundary. |

| | |
|---|---|
| | It is noted that there is already land zoned General Industrial in Waingawa that has not been developed. This is, in part due to, the need for infrastructure servicing to progress development on this land but also potentially due to locational preferences from industry.<br>Where Where additional land is to be zoned in Waingawa to meet the needs generated more broadly from the region, consideration will be required as to the mechanisms for supporting infrastructure provision to this area and the consideration of infrastructure upgrades needed to improve connectivity of the area to other industrial transport nodes such as Centre Port and the distribution hubs across the region (e.g. improvements to rail network) |
| Area 15 – Hood Aerodrome<br>(MCA assessment = green) | The Masterton District Council owned land identified around the Hood Aerodrome presents an opportunity to create an area of industrial land with good connectivity to transportation infrastructure.<br>It is recommended that this area is investigated further to determine how it could be re-zoned to support attraction of industry in this location. |
| Area 12 – Manor Park<br>(MCA assessment = green) | The Manor Park investigation area is already identified as industrial land in the Draft Hutt City District Plan and this assessment has confirmed that this area presents an opportunity to support the wider industrial land needs of the region.<br>It is recommended that this area is further reviewed for inclusion as a growth area in the review of the FDS following completion of the District Plan review process. |
| Area 9 - Levin industrial growth area<br>(MCA assessment = green) | The land identified in south Levin presents an opportunity for industrial growth to be provided for in an area that will benefit from investment in planned upgrades to the state highway network (Otaki to Levin improvements). The proximity to workforce accommodation and amenities provided at Levin also means it is well positioned to support most industrial sectors.<br>This site meets the characteristics of a new industrial park (as per a review of case studies) including, sufficient size to provide buffer requirements and a range of site sizes.<br>Further work would be required to address infrastructure servicing to this area and establishing how this site could support the development of the Freight Hub in Palmerston North, become a key part of the supply chain. |
| Area 10 – Poroutawhao<br>(MCA assessment = green) | The land identified in north Levin requires further investigation to determine where and how much of this area could support industrial land use and what infrastructure serving would be required. Another |

| | |
|---|---|
| | consideration will be its proximity to Palmerston North and ensuring it does not detract from the investment in the proposed freight hub. |
| Area 11 – Foxton (MCA assessment = green) | The land identified in north Levin requires further investigation to determine where and how much of this area could support industrial land use and what infrastructure serving would be required. Another consideration will be its proximity to Palmerston North and ensuring it does not detract from the investment in the proposed freight hub. |

## 6. Recommendations and next steps

The work undertaken to complete this Study has confirmed there is a need to identify and safeguard additional land within the region to support our industrial growth needs both in the immediate/short term and the longer term. This includes areas of greenfield industrial land that can accommodate large industrial sites, with the potential for a new industrial business park, as well as increasing the capacity within mixed use and commercial centres for industrial uses that can locate in these areas.

Engagement with industry has confirmed that a range of affordable sites are required across the region to support the needs of industry and the planning for these areas needs to be integrated regionally with the planning for infrastructure investment, housing supply and approaches to climate adaptation.

The process of reviewing potential areas for large industrial sites has demonstrated that there are challenges in locating areas within the region that are development ready and available for industrial land use and investment is required to ensure we have enough capacity for the current and future needs of this sector. Geographical constraints, coupled with the need to safeguard land for housing and the food producing industries (highly productive soils) mean that available land in resilient locations all require investment in infrastructure to come on stream (development ready).

To address the anticipated shortfall in supply both in the immediate/short and long term, a range of measures are required to support industrial land uses to stay and locate in the region.

The following section outlines the key recommendations that have been identified to support planning for industrial land needs and the next steps following completion of this study.

**Recommendations**

### Recommendation 1: Continuing to take a regional approach to planning for industrial land supply

This study has demonstrated that to address the shortfall of industrial land a continued co-ordinated regional approach is required. There are some areas within the region with high demand and limited capacity for industrial growth. Wellington City and Hutt City in particular have low vacancy rates within existing industrial areas and limited capacity identified for industrial growth. High demand for industrial land in these areas is generated by proximity to the existing customer base and other industrial operators, the proximity to housing for the workforce and key transport nodes, including CentrePort and freight rail facilities at Wellington Railway Station. A regional approach is required to look at how this demand for industrial land can be supplied in other areas which have more potential for growth (such as Horowhenua and the Wairarapa) while continuing to support the needs of the sector. This will be reliant on the investment in the required infrastructure to ensure our industrial areas are well connected across the region.

### Recommendation 2: Industrial land development integration with infrastructure planning

Engagement with industrial businesses has also demonstrated that to support the success of industry in the region, new industrial areas require good connectivity to the state highway network and key freight networks as well as forward planning for future three waters and fuel and electricity supply.

New proposed road connections (such as the Petone to Grenada Link Road) present real opportunities to improve the connectivity of existing industrial areas and open up new potential areas. In light of the shortfall in available industrial land and the importance of this sector for our economy, the realisation of new opportunities for growth in industrial land should form a key part of options analysis for new infrastructure connections.

### Recommendation 3: Work with, and promote opportunities to the private sector (developers and businesses) to ensure planning for new industrial land meets the needs of industry

At a regional level we now have a good understanding of the characteristics of current industrial land and the investigation sites for new industrial land and as we progress the next steps in this report, we will have a good idea of when new industrial land will become available. Whilst increasing supply of industrial land is important, there is a need to ensure that what industrial land is currently available and what industrial land will be available is promoted to both retain current industrial businesses (so they don't leave when they need more space) and to attract new industrial businesses to the region.

### Recommendation 4: Safeguarding our existing industrial land

The engagement with industrial businesses also highlighted that current operators are continuing to face challenges from encroachment of other urban uses into industrial areas (such as residential). This is impacting the availability of land for industrial development but also creates operational issues associated with reverse sensitivity from adjoining land uses and along key transport connections. Alongside identifying areas of industrial growth there is a need to ensure that our existing industrial areas have the right planning framework in place to allow for the on-going efficient operation of industrial activities. Changes have already been made across district plans to reduce the encroachment of other urban development within the Industrial Zone (for example Hutt City) however there is a need to ensure that this is done at a regional scale and also for land adjoining key freight networks.

### Recommendation 5: Adaptation planning for industrial land

A review of the potential resilience risks across our existing industrial land has demonstrated that approaches to regional adaptation planning needs to incorporate consideration of how we can reduce the impact of these on our industrial sector.

Understanding the risks and impacts of existing industrial land can be incorporated into the Regional Adaptation Project being undertaken by the WRLC.

## Next steps/actions

This study has identified a range of areas (investigation areas) within the region that have potential opportunities for industrial growth. The following next steps are recommended to progress this work:

**TABLE 12 RECOMMENDED NEXT STEPS**

| Actions | | Owner/timeframe considerations |
|---|---|---|
| **Take a regional approach to planning for industrial land supply** | | |
| 1. Establish a governance structure for progressing the planning of industrial land supply across the region. | To promote a regional approach to the planning for future industrial land needs and to realise any potential fast tracking opportunities it is recommended a governance structure is established to progress the next steps of this study, such as the establishment of a representative Industrial Land Steering Group (ILSG).<br><br>Establishment of the ILSG should include-consideration of how WRLC iwi partners, Councils, infrastructure providers (including NZTA, KiwiRail, CentrePort and Transpower), Wellington NZ and the private sector can be represented in this process moving forward.<br><br>The ILSG would be responsible for overseeing the work programme as outlined below and reporting back to WRLC. | WRLC<br>Short term<br>2024-2027 |
| 2. Further constraints and capacity analysis | For those investigation areas that have ranked highly on the multi-criteria analysis assessment (recommended sites to be progressed detailed in the previous Section 8) it is recommended that further work is undertaken to interrogate the capacity for industrial growth in these locations and a "light touch" evaluation of the site constraints and opportunities to enable the investigation are boundary to be refined. The | ILSG<br>Short term<br>2024-2027 |

| | | |
|---|---|---|
| | purpose of this assessment is to take this evaluation to the next stage and evaluate the opportunities from a regional scale so that investigation areas can be incorporated into the FDS to be further explored through a rezoning process.<br><br>The further analysis should include:<br>• "Light touch" site investigation including high level geotechnical investigations, stormwater assessments, traffic impact assessments and identification of any sensitive landscapes.<br>• Identification of the infrastructure investment required (at a hight level) in these locations to both address capacity constraints identified and ensure connectivity to other urban areas and freight networks. Including engagement with key service providers, including those in the energy sector.<br>• Land ownership considerations, including interventions required to reduce the impact of fragmented ownership and mechanisms to support the affordability of industrial land.<br>• Identification of what sector of industrial land uses could potentially locate in these areas based on current and future market conditions.<br>• Evaluation of what the capacity for growth would be (density) and is there sufficient housing opportunities in close proximity to support this growth capacity | |

| | | |
|---|---|---|
| Readiness and sequencing assessment | Across the range of opportunity areas identified in Section 8 there is a scale of how fast each site could be considered for re-zoning and how ready it is for development. This includes whether the area is already identified in a growth strategy or spatial plan (such as the Levin site), whether infrastructure investment needed is already in the planning phase, and the level of support from Council. Further work is recommended, working alongside each Council, to understand the level of support from Council and the steps/lead times required to bring each investigation area onstream. This process may also identify where there are quick wins or a way of prioritising investment. This should also then be used to feed into an analysis of how these areas could meet our demand over the short, medium and long term to understanding any sequencing requirements and to feed into the next version of the Regional Housing and Business Capacity Assessment. This work would also support future business cases for infrastructure investment and option analysis for new investment. | ILSG<br>Short term<br>2024-2027 |
| Integrated into Future Development Strategy review | As part of the 3-yearly required review of the Future Development Strategy it is recommended that the outcomes of the further assessment outlined above and the refined list of investigation areas in Section 8 are fed into the review of next FDS. | WRLC<br>Medium term<br>2027-2030 |
| **Industrial land development integration with infrastructure planning** | | |
| Explore potential alternative pathways for fast tracking infrastructure investment and rezoning | Establishing a recommended planning pathway for rezoning of the potential growth area identified as part of the assessments undertaken above. | ILSG<br>Short term<br>2024-2027 |

| | | |
|---|---|---|
| | Given the shortfall of industrial land identified it is recommended that consideration is given to the potential pathways for both prioritising required investment and fast tracking of the required rezoning process. As an initial first step, it is recommended that a workshop is held with potential government partners to explore potential funding and planning pathways. This should include consideration of:<br>• Potential funding and financing tools, including value capture methodologies and the use of the use of city and regional deals.<br>• Use of the Urban Development Act provisions to identify the potential for a Specified Development Project for industrial land, including consideration of incorporating a number of the different investigation areas into one project and any supporting area/land required to ensure efficiencies in the wider infrastructure investment can be identified and consideration is given to the importance of supply networks and connectivity. | |
| Integration of the study and future phases into the Energy Road Map workstream. | The need for security of energy supply and new infrastructure investment needed to support growth has been identified as important to support the needs of industrial land users. It is recommended that the ILSG proactively ensures that the needs of industry and the future growth areas are incorporated into the development of the Energy Road Map being commenced. | ILSG and WRLC<br>Short term<br>2024-2027 |
| **Work with, and promote opportunities to the private sector (developers and businesses) to ensure planning for new industrial land meets the needs of industry** | | |

| | | |
|---|---|---|
| Engagement with the private sector and investigation of partnership opportunities | Due to the level of investment needed and the potential scale of the areas that would be looked at for redevelopment for a new industrial business park it is recommended that early engagement with potential developers and the private sector is undertaken. For example, engagement with large scale business and industrial land developers to understand what mechanisms and planning frameworks would encourage investment in the region. | Wellington NZ and WRLC/Council's<br><br>Short to medium term<br>2024-ongoing |
| **Promote our industrial land opportunities at a regional level** | To ensure the benefits of new infrastructure to support the readiness of new industrial land is realised and to support the business case process it is recommended that engagement with future tenants and businesses is undertaken alongside the planning process. | Wellington NZ and WRLC/Council's<br><br>Short to medium term<br>2024-ongoing |
| **Adaptation planning for industrial land** | | |
| Integration of industrial land requirements in Adaptation Planning and approaches | It is recommended that the ILSG proactively ensures that the needs of industry and the future growth areas are incorporated into the development of the Regional Adaptation Project currently underway. | ILSG and WRLC<br>Short term<br>2024-2027 |
| **Safeguarding our existing industrial land** | | |
| Increasing the capacity of existing industrial activity and mixed use areas | Alongside the investigation of future growth, it is recommended that a review of existing industrial and mixed use zones provisions and areas is undertaken to determine the extent to which these areas could accommodate increased intensification of industrial land use. This should incorporate consideration of how to address reverse sensitivity issues. | Councils<br>Short term<br>2024-2027 |

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# Appendix A: Relevant Policy Context

## THE RELEVANCE OF NATIONAL POLICY TO THIS STUDY

| National Policy or Plan | Application to this Study |
|---|---|
| **National Policy Statement of Urban Development**<br><br>Planning for an adequate supply of industrial land in the region is required by the National Policy Statement on Urban Development (NPS-UD). Under the provisions of the NPS-UD Tier 1 and 2 councils are required to provide sufficient development capacity for business land in the short to long terms. | This study is being prepared in direct response to the requirements of the NPS-UD. The 2023 HBA has identified insufficient development capacity in the region to meet demand for industrial business land in the next 30 years. Under the requirements of the NPS-UD, the FDS must identify where and when this capacity will be located and the extent to which RMA planning documents, and infrastructure contribute to the sufficiency of the supply. |
| **National Policy Statement for Highly Productive Land 2022**<br><br>The National Policy Statement for Highly Productive Land (NPS-HPL) objective is to enhance protection for New Zealand's most productive land, providing security for both domestic food supply and primary exports. Tier 1 and 2 council can only allow urban rezoning of highly productive land (HPL 1-3) if certain qualifiers are met like: the rezoning is required to meet demand for housing under the NPS-UD or the benefits or rezoning outweigh the costs associated with the loss of productive land. | This Study takes into consideration the requirements of NPS-HPL. In particular the site selection parameters used in the GIS model exclude areas identified as HPL 1 or 2. Land identified as HPL 3 has not been excluded from the site selection process on the basis of recent government direction that allowing urban development on HPL 3 is being reviewed as part of RMA reform (MfE 2024). For investigation areas which include HPL 3 it is recommended that further analysis of the suitability of this land for development is taken into consideration as a future stage (refer to Section 8 of this report). |
| **National Policy Statement for Freshwater Management 2020**<br><br>The NPS-FM is implemented via regional and district plans and can affect land use, water allocation permits, and discharge consents for example. The National Policy Statement for Freshwater Management (NPS-FM) requires councils to | This Study takes into consideration the requirements of NPS-FM. In particular the site selection parameters used in the GIS model exclude areas identified |

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| manage freshwater in a way that 'gives effect' to Te Mana o te Wai, improves degraded water bodies and maintains or improves other water bodies using bottom lines set by the NPS. | as wetlands. Where investigation areas include water bodies this is identified, and recommendations are made to ensure future investigation |
| **New Zealand Coastal Policy Statement 2010**<br><br>The New Zealand Coastal Policy Statement (NZCPS) guides councils in their management of the coastal environment. The NZCPS includes policies that deal with identifying coastal hazards, natural defences against coastal hazards, and the subdivision, use and development in areas of coastal hazard risk. It also includes strategies to protect significant existing development from coastal hazard risk. | The objectives of the NZCPS have been used to guide development of the site selection criteria to ensure that areas identified for industrial growth avoid areas subject to potential coastal hazards and avoid changes in land that increase the risk of adverse effects from coastal hazards. |
| **National Adaptation Plan**<br><br>Aotearoa New Zealand's First National Adaptation Plan (NAP) sets out the country's long-term strategy and national climate change adaptation plan. The first actions to address the risks associated with climate change were reforms of the resource management system, emergency management system and three waters services, and reviewing the future of local government. The new government has already repealed resource management reforms, and it is anticipated that the future of three waters will change. But one of the purposes of the reforms is to keep systems responsive to the future of climate change (MfE, 2022).<br><br>The Plan states "The way we design and grow our places today will affect our ability to withstand the impacts of climate change over the coming decades – and influence patterns of exposure and vulnerability. New development provides opportunities to transform our built environment and ensure our communities and infrastructure are resilient, well located and use best-practice adaptive design" (MfE, 2022 b, p. 65). | The outcome of this study aims to support adaptation planning for the regions existing and future industrial land. The analysis demonstrates that there is a need to improve the resilience of our existing industrial areas and provide new areas of industrial land that are climate-resilient developments in appropriate locations.<br><br>To achieve this the location of new industrial land will need to consider how it can support resilience to potential for disruption to supply chains from extreme weather events. |

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| **Aotearoa's Emissions Reduction Plan: Energy and Industry**<br><br>Chapter 11 of the National Emissions Reduction Plan (ERP) focuses on 'Energy and Industry'. These two sectors "make up just over a quarter of our total greenhouse gas emissions" (MfE, 2022, p. 201) and therefore represent a significant opportunity to contribute to emissions reduction.<br><br>Key actions in the ERP that are relevant to industry and may be contribute to future land supply include:<br><br>• Reducing barriers to developing and efficiently using electricity infrastructure, including transmission and distribution networks.<br><br>• Reduce reliance on fossil fuels and exposure to global fuel<br><br>• Reduce emissions and energy use in | The outcome of this study aims to support the Emissions Reduction Plan by considering how the region's future industrial land can be located to enable businesses to achieve efficiencies in connecting to infrastructure. |

## THE RELEVANCE OF REGIONAL STRATEGIES AND PLANS TO THIS STUDY

| Regional Plan or Strategy | Application to this Study |
|---|---|
| **Regional Policy Statement/s**<br><br>The Regional Policy Statement (RPS) sets out the framework and priorities for resource management in both the Horizons and the Greater Wellington region. The RPS identifies the regionally significant issues around the management of the regions natural and physical resources and sets out what needs to be achieved. The Objectives and Policies set out in the RPS are relevant to the management of the effects of industrial on the surrounding natural environment. | This Study takes into consideration the objectives of both of the RPS's. In particular the site selection parameters used in the GIS model exclude areas identified as sensitive environments (refer to Section 7) |

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| **Regional Land Transport Plan/s 2021**<br><br>The Regional Land Transport Plan (RLTP) is the blueprint for the region's transport network (both Horizons and Greater Wellington). It aims to enable a connected region, with safe, accessible and liveable places. The RLTP sets the direction for transport in the region for the next 10-30 years. It identifies regional priorities, and includes the list of transport projects the region intends to deliver. | This Study takes into consideration the newly planned infrastructure investment in the wider region. Those projects that are provided by the updated programme provided by the mid-term review 2024 of the RLTP have been included in the assessment (refer to Section 5). Consideration of improvements to land transport throughout the region may make some areas in the region more suitable for industrial land. New infrastructure connections have been mapped in the GIS model to ensure these are considered in the identification of potential investigation areas. |
| **Wellington Regional Economic Development Plan**<br><br>The Wellington Regional Economic Development Plan (REDP) sets a vision for economic development in the region that "is to build a future-focused, creative, sustainable and thriving region for all to be proud of" (WRLC, 2024). The plan aims to help create some of the 100,000 jobs needed in the region over the next 30 years and improve the quality of life by supporting the region to be more productive, resilient, inclusive and sustainable – with thriving Māori and Pasifika communities. The plan is to focus on accelerating the following sectors:<br><br>- Screen, creative and digital.<br>- Science, technology, engineering and high-value engineering.<br>- Visitor economy.<br>- Primary sector, food and fibre. | This Study is part of progressing the intentions of the REDP, in particular by supporting the future land requirements of the science, technology, engineering: food and fibre; and film sectors to ensure the creation of jobs target can be met. |

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| **The Regional Emissions Reduction Plan 2024-2030**<br><br>The focus of the Regional Emissions Reduction Plan is on sectors and areas that provide significant opportunities for regional approaches to emissions reduction. Transport and urban form is a area identified in the plan, which notes that planning for sustainable transport and urban form on a regional level is necessary. Local government has significant levers available to make the key shifts we need to reduce emissions. Transport is the second largest source of emissions in our region and has the highest potential for co-benefits to our health and well-being through cleaner air, more liveable cities and healthier communities. | The location of industrial land has the potential to support industries to work towards reducing emissions. This includes ensuring that consideration is given to considering how the region's future industrial land can be located to enable businesses to achieve efficiencies in connecting to infrastructure. |
| **Regional Food System Plan**<br><br>Te Whatu Ora is currently undertaking work in alignment with the WRLC to develop a Regional Food System Plan with the aim of fostering a sustainable, locally based, and equitable food system. | The food processing industries (including processing plants, cold stores and distribution centres) are a key user of industrial land. The location of land for these industries will be a key factor on providing a sustainable and efficient food system in the region. For example, enabling a cold store to locate in the region rather than transporting food products north to supply south. |
| **Regional Climate Change Impact Assessment and Regional Adaptation Plan**<br><br>The development of the Wellington Regional Climate Change Impact Assessment (WRCCIA) bought together a consistent regional evidence base of the climate change risks and impacts over the next century. This Assessment identified there was potential for the region's existing industrial land to be affected and this would | **ADD** |

## Appendix B: Stakeholder Engagement Report