

## **Application for Existing Use Certificate**

### **under Section 139A of the Resource Management Act 1991**

To: The Chief Executive  
Rotorua District Council  
Private Bag 3029  
Rotorua 3046

Applicant: Pedersen Group Ltd

Site Location: 79 and 87 Vaughan Road, Rotorua

Legal Description: Lot 2 DPS 44114 contained in CT SA 43C/267  
Lot 2 DP435111 contained in CFR SA 531784

Address for Service: Pedersen Group Ltd  
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## 1. Introduction

Pedersen Group Ltd has an agreement to purchase the properties located at 79, 85 and 87 Vaughan Road, Rotorua. The properties are the site of the former Tachikawa sawmill, which ceased operations at the end of October 2013.

Pedersen Group is intending to continue with the sawmilling activity, although a number of changes are proposed to the operations from those undertaken by Tachikawa. The proposed changes reflect current market considerations for the processing of timber, will improve site layout and logistics, and will not increase the scale and intensity of the overall sawmilling use. The proposed changes are set out below.

Rotorua District Council has notified a Proposed District Plan that could impact on the Resource Management Act status of the sawmill use.

To ensure there is certainty for the continuation of the sawmill use, Pedersen Group is seeking an existing use certificate under section 139A of the Resource Management Act 1991.

This application for an existing use certificate relates only to the land use activity that is within the jurisdiction of Rotorua District Council. Pedersen Group recognises that the on-going operation of the sawmill activity is dependent on obtaining a stormwater discharge consent from Bay of Plenty Regional Council.

## 2. Resource Management Act Requirements

Section 139A of the RMA provides that a request may be made to a consent authority to issue an existing use certificate. If the consent authority is satisfied that the use identified is an (existing) use allowed by section 10 of the RMA the certificate must be issued.

The certificate is required to:

- describe a use of land in a particular location.
- state that the use of the land was a use allowed by section 10 of the RMA on the date the consent authority issues the certificate.
- specify the character, intensity and scale of the use on the date the consent authority issues the certificate.

There are two essential requirements for a use to qualify as an existing use allowed by section 10. That is:

- the use was lawfully established before the proposed plan was notified;  
and
- the effects of the use are the same or similar in character, intensity, and scale to those which existed before the proposed plan was notified.

An existing use will expire if the use has been discontinued for a continuous period of more than 12 months after the proposed plan was notified, unless an application is made for an existing use certificate within 2 years of the activity first being discontinued.

The Proposed Rotorua District Plan was notified on 31 October 2013 so the existing use has not expired at the time of this application, and the application is made within the qualifying period.

### **3. Description of Existing Use**

The Tachikawa sawmill operation processed raw logs into sawn timber of various grades for export. The basic components comprising the “bundle of activities” undertaken on site were (refer to attached Existing Site Layout Plan):

- Inward log delivery.  
Logs were delivered to the site on logging trucks with access via Vaughan Road. Logging truck entry and exit was via No. 79 Vaughan Road. Logs were held in the log store prior to processing.
- Debarking.  
Logs were debarked before milling. Bark was held in a hopper for use in the boiler or delivery off-site as secondary product. Truck ingress and egress for bark pick-up was via the access at 87 Vaughan Road.
- Milling.  
Logs were milled in either Sawmill 1 or Sawmill 2 to reduce to the required grades of sawn timber. Sawdust was held in a hopper for delivery off-site as secondary product. Truck ingress and egress for sawdust pick-up was via the entrance at 87 Vaughan Road.
- Timber Treatment.  
Antisapstain treatment of sawn timber was undertaken by spraying (adjacent to Sawmill 2) and by dip tank (treatment plant). The fungicide used was Antiblu 375 and Antiblu CC.
- Timber Drying.  
Five kilns were used to dry timber. The kilns were heated by a boiler fuelled by sawdust, shavings, woodchip and bark.
- Packaging.  
Timber was strapped and packaged to customer needs prior to storage and export.

- Timber Storage.  
Sawn timber was stockpiled in timber stores awaiting transport off-site. Truck ingress and egress for timber product was via the north access at 87 Vaughan Road.
- General activities.  
General activities include a site office, workshop, plant and vehicle maintenance, chemical storage, and other activities associated with a timber processing operation.

Tachikawa Mill operated in accordance with the requirements of the Industrial zone standards, or for those components that required resource consent in accordance with the consent requirements. The resource consents do not contain operational limits on the sawmill activity and the zone provisions similarly do not restrict the scale of the activity other than through compliance with noise standards.

It is therefore to be expected that there could and would be operational changes over time to the sawmill activity without affecting the ability to operate under existing use rights.

To establish that the existing activity is a use allowed by section 10 of the RMA, it is necessary to identify core elements of the existing operation to enable a baseline assessment of the character, scale and intensity of the activity. Information in respect of the Tachikawa Mill indicates a number of elements of the “existing use” operation prior to the plant closing.

- two 10-hour mill shifts per day.
- mill operating hours: 5 am – 2.15 am the following day, 6 days / week.
- kiln operating: 24 hours / 7 days.
- staff numbers: 240 (140 / 100).
- Inward logs /outward product: operating hours.
- log volume in: 500,000 m<sup>3</sup> / annum.
- log trucks in: 45 / day.
- timber trucks out: 36 / day.
- chip trucks out: 19 / day.
- bark residue trucks out: 6 / day.
- 400 staff, visitor and sundry light vehicle movements / day.

#### **4. Pedersen Group Intended Activity**

Pedersen Group intend making a number of changes to the sawmill operation. (Refer to attached Proposed Site Layout Plan). Existing use rights to allow the continued operation of the sawmill can be retained even though the actual use or the

bundle of activities comprising the overall use will change. The issue is not the changes themselves but the character, scale and intensity of the operation.

The sawmill activity will be undertaken in one of the existing mill buildings only (Sawmill 2). Up to date plant and technology will ensure that greater productivity and throughput can be achieved. The process will be automated to the extent that the number of staff required for the operation will be significantly reduced.

Treatment by dip tank will not be carried out and the building at 85 Vaughan Road will not be utilised for the Pedersen sawmill activity. Antisapstain treatment will continue in the spray tunnel adjacent to Sawmill 2.

Kiln drying of timber will not be undertaken. The boiler and kilns are not required and will be removed from the site.

A number of buildings are not required and will be demolished: the packaging shed, the finishing line building adjacent to Sawmill 1, and the covered timber store near the northern boundary.

For logistics purposes the site layout will remain essentially as per the existing operation. That is log storage and timber product storage will remain in their existing locations. Truck movements for inward logs, outward bark and sawdust movements and outward timber product movements will continue as previously and will utilise the same ingress / egress points onto Vaughan Road.

Core elements of the Pedersen Group intended sawmill operation are:

- 1 11-hour shift.
- mill operating hours: 6 am – 5 pm, 5 days /week.
- staff numbers: 31.
- Inward logs / outward product: 24 hours, 7 days.
- log volume in: 1, 200,000 m<sup>3</sup>
- log trucks in: 125 / day.
- timber trucks out: 60 / day.
- chip trucks out: 28 / day.
- bark residue trucks out: 4 / day.
- 80 staff, visitor and sundry light vehicle movements / day

## 5. Consents

Information in relation to consents was obtained from Rotorua District Council's property files.

The majority of the site of the Tachikawa Mill is currently zoned Industrial B under the operative Rotorua District Plan. A similar zoning applied under the prior Rotorua

District Scheme. The operative zoning and the prior zoning generally allowed for the sawmill activity as a listed permitted activity.

The northern portion of the site was purchased from the adjoining land in 1989 to provide for a buffer for the sawmill. This land is zoned Residential under the operative District Plan and had a similar zoning under the prior District Scheme. Following the land purchase, provision was made under the operative District Plan to allow for the storage of timber products within the Residential zoned land of the Tachikawa site.

Under these zonings, resource consents were required for some elements of the overall operation:

- Consent to provide for dispensation from the required yard set-back for part of Sawmill 1 building and the office was granted in September 1989. Conditions were imposed, only to ensure compliance with the plans submitted.
- Consents as discretionary activities to provide for timber storage near to, over the residential boundary and within the residential zoned land were granted in May 1994 (Drystore 1), February 1997 (Drystore 2), and July 1998 (Drystore 3). Conditions attaching to the latter two consents, limit the operating hours for timber storage to 7 am – 5 pm Monday – Saturday. Other conditions required the provision of landscaping strips around the north and east boundaries of the site (undertaken), and compliance with zone noise standards. Some acoustic treatment of the Sawmill 2 building was required and undertaken.
- Discretionary activity consent for the decommissioning of the original treatment plant, in what is now the packaging shed, and its replacement by the antisapstain drip tank within the treatment building at 85 Vaughan Road. The conditions of consent relate to the storage and use of the hazardous substances.

Where components of the Tachikawa activity were subject to resource consents, the activities have operated in accordance with the consents and will continue to comply. Other components are consistent with the zone provisions and will continue to comply with zone standards.

In addition to the above resource consents, building consents were obtained for buildings existing on site. The RDC property file has numerous recorded building consents in relation to building and plant alterations, but the main consents were issued for Sawmill 1 in 1989, Sawmill 2 in 1993, and storage buildings in 1995, 1996 and 1999. Other than those buildings that required resource consent, all buildings comply with zone bulk and location performance standards.

In addition, the activity has been subject to annual Building Compliance Schedules, annual Building Warrant of Fitness, and annual Trades Waste Certificates. The latest Building Warrant of Fitness expired in February 2014 and the latest Trades Waste Certificate has just expired (31 August 2014). These certificates have annually recorded the “Current Lawfully Established Use” as “Timber Mill / Office”.

Council records confirm that Council accepts that the timber mill use and the bundle of activities comprising the overall use have been lawfully established.

## **6. Character, Intensity and Scale of Use**

As set out above Pedersen Group propose a number of changes to the sawmilling operation. The activity does not have to be the same in all respects as the Tachikawa activity. Changes can be made to an existing use subject to the effects being the same or similar in character, intensity and scale.

The Pedersen operation will have the same character as the Tachikawa sawmill activity. That is logs will be delivered to the site, stored on site prior to processing, timber will be milled and treated and stored on site, and timber and other secondary products will be dispatched from the site.

The sawmill operation is located in an area with the appropriate district plan zoning that provides for the activity. In this context, progressive changes are anticipated subject to compliance with the requirements of any consents required and the zone standards. Beyond these requirements, it is the practical limitations of the site that will define the intensity and scale of the activity. That is, the site's capacity to provide the necessary space for plant and equipment, log storage, product storage and access and manoeuvring.

The scale and intensity of various components of the proposed activity versus the existing use is summarised, as follows.

### **Mill Operating Hours**

The Tachikawa activity operated from 5am to 2.15 am the following day for 6 days of the week. That is the mill operated 139.5 hours per week or approximately 83% of the week. The Pedersen activity is proposed to operate with 1 shift of 11 hours for 5 days of the week, a total of 55 hours or approximately 32% of available weekly hours. With respect to the saw-milling activity the Pedersen proposal will clearly be a much less intense operation.

### **Staff**

The Tachikawa operation comprised two 10 hour shifts per day. Staff numbers were 140 for the day shift and 100 for the night shift. Pedersen is proposing to operate with one 11 hour shift per day and 31 staff. The staff numbers and associated traffic movements will be of a significantly lesser scale than the existing use.

### **Activity**

The Pedersen proposal will establish a modern milling operation subject to current best international practices. The operation will involve one timber treatment process through a fully enclosed and banded new spray treatment system. The Tachikawa activity involved 2 separate treatment systems including spray treatment and dip tank

treatment. In addition the Pedersen operation will not involve a timber drying process as undertaken by Tachikawa. There is therefore no requirement for a boiler and kilns and these components of the Tachikawa operation will be removed. The scale and intensity of the Pedersen activity will therefore be reduced when measured against discharge outputs and the overall actual and potential effects on the environment.

#### Log deliveries / Timber Despatch

The Tachikawa activity was never limited or monitored with respect to the delivery of logs to the site or the dispatch of timber from the site. For logistical purposes these components occurred within the mill operating hours. The Pedersen proposal intends to allow for inward log deliveries and outward timber dispatch at any time. In effect the Pedersen activity could occur for 100% of the available weekly time compared with Tachikawa's 83%. This is not a significantly greater scale or intensity. In addition, although deliveries and dispatch would be allowed at any time throughout the day, for practical reasons again the majority of inward and outward movements are expected to occur at similar times as the Tachikawa activity.

#### Traffic Movements

Tachikawa log trucks in and timber trucks out were approximately 45 / 36 per day. Pedersen is predicting the productivity of the mill operation to increase whereby the truck movements in/out will be approximately 125/60 per day. Although this represents a change in the number of movements it equate to approximately 5 / 2.5 inward /outward movements per hour which is not a significant change in scale or intensity in terms of an industrial activity of this nature. In addition, the change will occur in the context of industrial zoning where the District Plan identifies "high levels of traffic movement being a feature of the Heavy Industrial Zone". The zone imposes no limitation on traffic movements and the local road network and its connections to the State Highway are appropriately configured to take the additional volume. The number of anticipated truck movements associated with the removal of bark and chip residue from the site will be similar in scale to the Tachikawa operation. Overall the increase in traffic volume can be expected and is well catered for in this locality, such that the change in numbers will not create any change in scale or intensity of adverse effects and will not be noticeable to the casual observer.

Overall, the intensity and scale of changes should be considered in the context of the amenities of the neighbourhood. The site is within an industrial area that has other heavy industries and heavy transport operations in the locality. The industrial zoning does not impose limitations on hours of operation or vehicle movements, (subject to compliance with noise standards). No consents are required to provide for the additional truck movements or the timing of deliveries to or from the site. The changes Pedersen Group is proposing could have occurred within the zone under the Tachikawa operation.

While there will be additional traffic movements with the Pedersen Group proposals other operational aspects will reduce in scale and will have lesser effects than the



existing use. The additional traffic movements should be considered in the context of the roading network that is intended to provide for high volumes of heavy traffic and has more than sufficient capacity to cater for the increase. In this context, the character, intensity and scale of the activity overall will be the same or similar to the existing use established by the Tachikawa operation. Having regard to the ability for progressive changes to occur for an existing use and within the zone; the non-limitation on production, hours of operation and traffic movements for industrial activities within the District Plan; the significant separation of the zone from other sensitive land uses which has provided the basis for establishing industrial zoning at this locality; and the very limited effect on the amenities of the neighbourhood, the character, scale and intensity will be similar to the existing activity.

## 7. Conclusions

While the Tachikawa activity is not currently operating on site, the existing use has not expired. The RMA provides for certification of an existing use regardless of whether it is actually being conducted at the certification date.

The Tachikawa operation establishes a baseline of effects to compare the character, intensity and scale of the existing use and the intended use. The activity does not have to be the same in all respects to be consistent with existing use rights.

A review of Rotorua District Council property files records that the activity has been lawfully established, either through meeting the zone requirements or by resource consents where required.

Intended changes to the activity will not increase the degree to which the activity fails to comply with any rules of the operative District Plan.

The zone standards do not limit operating hours or traffic movements associated with the industrial activity, and an increase in these components over time can therefore be anticipated.

Overall, the character, intensity and scale of the Pedersen Group operation will be the same or similar to the current use and existing use rights apply.

In accordance with section 139A of the Resource Management Act 1991 the Council can be satisfied that the activity is an activity allowed by s.10 on the date that the certificate issues.



C.I.Kemeys  
24 September 2014.