

Form 18

Notice of Requirement to be Requiring Authority for designation under section 168(2) of the Resource Management Act 1991

To: Palmerston North City Council
Private Bag 11034
Palmerston North

From: KiwiRail Holdings Limited ("**KiwiRail**")
PO Box 593,
Wellington 6140

1. Notice of Requirement

KiwiRail, as requiring authority, gives notice of a requirement ("**NoR**") for a designation in the Palmerston North City Council District Plan in respect of a project, being the construction and operation of a new intermodal rail and freight hub on land between Palmerston North and Bunnythorpe ("**Freight Hub**").

2. The sites to which the requirement applies is:

The designation extent is shown in Appendix 1 to this NoR (Volume 1). The sites identified are located in approximately 177.7 ha of land to the west of Railway Road, between Palmerston North and Bunnythorpe, and includes land that is currently designated for the North Island Main Trunk ("**NIMT**").

The land requirement plans, including the legal description of sites to which this NoR relates and the record of titles, are set out in Appendix 2 to this NoR (Volume 1).

A description of the environment is provided in the Assessment of Environmental Effects ("**AEE**") supporting this NoR contained in Volume 2.

3. The nature of the proposed Project is:

The project involves the construction and operation of the Freight Hub. The activities currently undertaken by KiwiRail at its Tremaine Avenue freight yard ("**Existing Freight Yard**") (apart from the passenger terminal and the network communications centre) will be relocated to the new site and will form part of the Freight Hub.

The Freight Hub will include the following key elements and associated works:

- Marshalling yards
- Container terminal
- Wagon storage
- Maintenance and network services facilities
- Freight forwarding facilities
- Log handling
- Bulk liquid storage
- Operation and administration office areas
- Staff facilities including parking
- Access roads
- Relocation of the NIMT
- Installation of above ground rail infrastructure
- Stormwater management areas with associated planting
- Noise management areas with associated planting
- Buildings and other activities ancillary to the Freight Hub

Further detail on the Freight Hub is provided in the AEE contained in Volume 2 to the NoR.



4. The nature of the proposed conditions that would apply are:

The conditions proposed by KiwiRail are attached as Appendix 3 to this NoR (Volume 1).

5. The effects that the Project will have on the environment, and the ways in which any adverse effects will be mitigated are:

Detail on the effects of the Freight Hub are set out in the AEE in Volume 2. In summary, the Freight Hub will have both positive effects and potential adverse effects on the environment.

Positive effects

Once completed, the Freight Hub will have positive effects for the region and for the national freight network, including:

- Employment opportunities created through both construction and operation of the Freight Hub, contributing to economic growth in Palmerston North and the wider region.
- Assisting in mitigating the causes of climate change through the relative reduction in carbon emissions by reducing reliance on roads for the transport of freight.
- Improved transport safety related to the increased capacity to manage freight through the rail network relative to freight movements on roads, changes to intersections and removal of level crossings.
- Relocation of freight operations from the Existing Freight Yard will release land along Tremaine Avenue for future development and enable the Palmerston North City Council to realise its strategic plans related to encouraging rail and industry locating in the north east of the city.
- Localised benefits in terms of removing noise and vibration in the existing NIMT area south of Bunnythorpe through relocation of the NIMT.
- Stormwater management benefits associated with comprehensive development of the site that will reduce the potential flooding risk to upstream properties and introduce the opportunity to incorporate improved measures for fish passage.
- Opportunities to improve the ecological value of some in-stream habitat.

Potential adverse effects

The Freight Hub will have potential adverse environmental effects, including:

- Temporary adverse effects related to construction associated with construction noise, construction traffic and land disturbance.
- Effects on existing ecology related to the removal of existing vegetation as well as piping and culverting of streams and associated loss of stream beds.
- Noise effects related to both the construction and operation of the Freight Hub.
- Visual and landscape effects related to the changes to the natural and urban landscape, and natural character of the area.
- Transport effects due to increased transport movements and other changes to the roading network to integrate access to the Freight Hub.
- Effects on archaeological or historic heritage within the Designation Extent and to the surrounding area relating to earthworks and the operation of the Freight Hub.
- Effects from stormwater discharge on downstream flooding and water quality.
- Social impacts on local residents, including from land acquisition and a change in the quality and amenity of the environment.

The assessment of effects is contained in the AEE contained in Volume 2 and the Technical Assessments contained in Volume 3.

Proposed conditions to avoid, remedy or mitigate any potential adverse effects are attached as Appendix 3 to this NoR (Volume 1).

6. Alternative sites, routes and methods have been considered to the following extent:

KiwiRail carried out a multi-criteria analysis process to select the preferred location for the Freight Hub. Following the selection of the preferred site location, consideration was given to alternative site layouts and other operational aspects, including roading alignments and areas for stormwater management.

The assessment of alternatives is described in more detail in Volume 2.

7. The Project and designation are reasonably necessary for achieving the objectives of the requiring authority because:

KiwiRail's objectives in developing a rail Freight Hub in or near Palmerston North on the NIMT line are to:

- increase its operational capacity to efficiently accommodate projected regional and national freight growth and support wider regional development;
- enable rail to be integrated with, and connected to, other transport modes and networks; and
- improve the resilience of the regional and national freight transport system over time.

The Freight Hub is reasonably necessary to achieve these objectives:

- The Existing Freight Yard at Tremaine Avenue in Palmerston North is constrained and cannot be efficiently redeveloped to meet the anticipated freight growth and the modal shift.
- The ability to accommodate longer trains as part of the Freight Hub has the benefit of increasing operational capacity and aggregating shipments to make the movement of freight by rail to locations where more efficient and more attractive.
- The Freight Hub will increase the resilience of the regional and national freight transport system as it will enable more freight to be moved by rail and decrease the burden of moving freight on roads across the central North Island and beyond.
- The Freight Hub will provide improved facilities for the transfer of freight between rail and road as well as opportunities for integration with the wider strategic transport network

The designation is reasonably necessary to achieve these objectives:

- The proposed infrastructure is not specifically provided for under the Palmerston North City Council's District Plan's zone-based controls or the specific provisions for infrastructure.
- The use of a designation will provide certainty for the Freight Hub to proceed and ensure that KiwiRail's activities are not affected by future changes to the Palmerston North City Council District Plan or limited by new development on adjacent sites.
- The use of a designation as a planning tool enables an appropriate degree of flexibility for a project of this scale but through its identification on the District Plan's planning maps, it will provide certainty to the public that a public work is intended on this site.

Further detail is contained in the AEE contained in Volume 2.

8. Resource consents needed for the proposed activity:

Regional resource consents are not being sought concurrently with this NoR. However, it is anticipated that regional resource consents will be required for:

- Bulk earthworks.
- Discharges from the disturbance of contaminated soil.
- Stormwater discharged to existing streams from the stormwater management devices.
- Stream works including the diversion of existing watercourses and installation of culverts as existing watercourses will need to be piped.

It is also anticipated that following completion of a Detailed Site Investigation, a resource consent will likely be required pursuant to the National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health for the change in use and volume of land disturbed, and a resource consent will likely be required under the National Environmental Standard for Freshwater Management for works in streams.

9. Consultation with parties that are likely to be affected:

KiwiRail has undertaken consultation with parties that are likely to be affected, including the following:

- Iwi/hapū including Ngāti Kauwhata, Rangitāne ki Manawatu and Ngāti Raukawa ki te tonga
- Waka Kotahi NZ Transport Agency
- Ministry of Transport
- Palmerston North City Council
- Horizons Regional Council
- Manawatū District Council
- Regional Economic Development Agencies
- Private landowners in and around the proposed NoR area
- Freight transport groups
- Local community
- The wider Palmerston North community
- KiwiRail customers
- Utility operators

Further detail on the consultation and engagement is included in Volume 2.

10. Information required:

KiwiRail attaches the following information required to be included in this NoR by a plan or proposed plan, or any regulation made under the Resource Management Act 1991:

- Volume 1: Form 18 Notice of Requirement for a Designation and Appendices
- Volume 2: Assessment of Environmental Effects and Appendices
- Volume 3: Technical Assessments and Appendices

Signed on behalf of KiwiRail Holdings Limited:



Olyvia Poulsen
Executive General Manager Property (Acting)

Dated 23 October 2020