SUMMARY STATEMENT AND REBUTTAL EVIDENCE OF JAMES ALLEN ON BEHALF OF WELHOM DEVELOPMENTS LIMITED

LAND USE CAPABILITY AND SOIL EVIDENCE

1. SUMMARY OF KEY CONCLUSIONS

1.1 AgFirst has identified the Land Use Capability (LUC) of the Site as 3w1, based on the New Zealand Land Use Resource Inventory (NZLRI), which is technically deemed to be highly productive land under the National Policy Statement for Highly Productive Land ("**NPS-HPL**"), although the soils and other physical characteristics of the Site place major constraints on its ability to be utilised for rural land uses.

1.2 The Site is located in the rural zone, although the residential zone borders the property to the south. The Site is approximately 14.78 hectares in size, of which approximately 14.3 hectares are effective in terms of agricultural production. The summers are dry and winters are wet, and the soil has a considerable wetness limitation without artificial drainage. A train track runs along the western border and “life style” blocks are adjacent to the northern and eastern border. Water is sourced from the town supply and is reticulated around the farm through troughs. From soil tests, the soils are deemed to be of suboptimal fertility for both pastoral and agricultural production.

1.3 From the AgFirst assessment on the Site, our key conclusions are that:

(a) the size of the Site is not large enough to sustain a pastoral agricultural use of any significance, and its fragmentation from other productive sites mean it cannot be amalgamated to realise economies of scale due to incompatible surrounding land uses;

(b) soil fertility is poor and to correct this fertility issue would require major investment; and

(c) the soil has poor drainage and would require significant drainage upgrades. This limitation impedes the soil’s versatility and inhibits the production of higher value crops which are generally associated with highly productive soils. Arable, considered a less valuable enterprise, has been trialled on the farm with little success.

1.4 While pastoral agriculture is considered the best use for the Site, this has limitations due to its small size and fragmentation. The operation has an

approximate economic contribution of $560 – 700 per hectare, well below most operations which occur on highly productive land.

1.5 For higher value land use, specifically horticulture, a water source would also need to be established, as well as possible irrigation infrastructure, and the soil would need to have its fertility improved. This would be a costly exercise.

1.6 The potential for reverse sensitivity effects from any rural use are considerable due to the proximity of the urban boundary.

1.7 The block currently contributes very little to the economy and the wider pastoral agriculture sector. The loss of this production would not have a considerable impact on the agricultural sector.

1.8 As part of consideration of matters under the NPS-HPL, I have also assessed the productive viability of other sites considered by Summerset and Mr Heath. Of the other sites considered, they were of similar LUC classification or were not appropriate to accommodate a retirement village.

2. MATTERS OF AGREEMENT

2.1 The statement of evidence by Ian Millner for the Masterton District Council largely confirms my conclusions around limitations of the Site. Although our LUC classifications are slightly different, we are aligned that there are substantial limitations to the Site for rural uses. The slight difference in classification does not make a material difference – the land is technically classed as highly productive land, but is at the lower end of what is considered highly productive.

2.2 I agree with Mr Millner that the limitations to the land are both permanent and unavoidable.

2.3 In regard to scale, Mr Millner noted that there were few successful highly productive units within the area due to the presence of lifestyle blocks. I agree with this assessment.

2.4 In regard to soil fertility, I note that to address the fertility problem would be expensive and potentially add to reverse sensitivity, especially given the proximity to the residential boundary. This was noted to be impractical, especially given the current performance of the block and land use limitations.

James Allen

8 March 2023