



**QUEENSTOWN LAKES DISTRICT COUNCIL
PLAN CHANGE HEARING COMMITTEE**

PLANNERS' REPORT FOR

PLAN CHANGE 36:

**CREATION OF AN INDUSTRIAL B ZONE AND APPLICATION OF THAT ZONE TO
LAND ADJACENT TO THE BALLANTYNE RD INDUSTRIAL ZONE**

FOR HEARING COMMENCING: 30 March 2011

REPORT DATED: 11 February 2011

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FOR AND ON BEHALF OF THE QUEENSTOWN LAKES DISTRICT COUNCIL

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INTRODUCTION

This report has been written in accordance with Section 42A of the Resource Management Act 1991 (RMA) to consider all submissions and further submissions received following the public notification of Plan Change 36 and to make recommendations on those submissions.

As outlined in further detail below, the Industrial B Zone Plan Change seeks to establish a new, relatively generic industrial zone and to rezone 14.4 hectares of land from Rural General to Industrial B. The new zone will provide for industrial and service activities while preventing sensitive uses, offices, and most retail from locating there.

Although this report is intended as a stand-alone document, a more in-depth understanding of the plan change, the process undertaken, and the issues and options considered can be gained by reading the Section 32 report and associated documentation. These are available on the Council's website: www.qldc.govt.nz.

The relevant provisions in the Queenstown Lakes District Council's District Plan which are affected by the Proposed Plan Change are:

- Part 11 (Business and Industrial Areas) by adding an Industrial B Zone to this section.
- Part 14 (Transport) by applying some of the provisions specifically to the Industrial B Zone
- Part 15 (Subdivision) by adding some specific provisions relating to the Industrial B Zone
- Definitions Section by adding various specific definitions relating to the Industrial B Zone

This report discusses the specific and general points raised by submitters in an effort to assist the Commissioners to reach decisions in respect of each and makes recommendations as to whether these submissions should be accepted (in part or in whole) or rejected.

PROPOSED PLAN CHANGE

The purpose of the plan change is to develop a new Industrial B Zone that can be applied to provide for future industrial and business developments on greenfield sites. This zoning is intended to address a number of issues that exist in the current industrial and business zones. The geographic scope of the notified plan change is limited to the land shown in the map below. This zoning is proposed to be applied to the subject land (as shown in the map below) in order to enable business and industrial uses to be undertaken, whilst avoiding residential, visitor accommodation, office, and most retail uses. Refer to Appendix A (proposed plan change) for detail.

For the purpose of this report, in order to distinguish between the existing and proposed Industrial Zone, the existing industrial Zone is referred to as Industrial (A). It is noted that this minor amendment was not included in the notified version of plan change 36 but is considered to be a reasonable consequential amendment in order to better distinguish between the two industrial zones.

The plan change area (as notified) is shown in figure 1 below:



Figure 1

The proposed zone includes that land adjacent to Frederick Street, which has already been largely developed for industrial purposes, through resource consent. The plan change includes a Structure Plan which identifies the key road and open spaces which need to be provided through the subdivision and development.

Notably, the plan change proposes to establish a landscaped setback (of at least 15 metres) along the western boundary in order to mitigate effects from future residential uses to the west of the plan change area. Also, buildings and excavation are prevented on this or any of the other open space areas. Furthermore, specific height provisions have been proposed to mitigate the visual effects of development, when viewed from public places and residential property.

The plan change proposes the following methods for servicing the area:

1. All wastewater will drain to the Gordon Road Wastewater Pump Station. This is nearing capacity and Council will be required to upgrade this in the next few years.
2. It is currently not envisaged that the QLDC water supply will be able to provide sufficient water pressure or flows to the plan change area until after the Hawthenden Reservoir and associated reticulation has been constructed. This new reservoir is currently programmed to be constructed in 2012/13 with the connecting pipe work to the Gordon Block due for completion in 2017/18. These timeframes may vary due to funding, demand, and land availability.
3. Other than that stormwater derived from lots within the developed part of the Zone (near/ on Frederick Street) which will logically flow to the soakage pit on Ballantyne road, stormwater from any new subdivision will be piped to a single soakage field within the zoned area, near the terminus of Gordon Road. This is shown on the Structure Plan and, as such, is required to be provided through the rules. In addition, the provisions require stormwater treatment devices to be installed on individual allotments to intercept grit and hydrocarbons.

The memorandum relating to servicing and attached to the S 32 report as Appendix B can be obtained on the council's website:

http://www.qldc.govt.nz/plan_change_36_wanaka_industrial_zoning_extension/category/925/

BACKGROUND

Relationship to other documents and Plan Changes

The reports and plan changes referred to below can all be viewed on the council's website: <http://www.qldc.govt.nz/planning>

Wanaka Community Plan (2002)

The Wanaka 2020 community planning exercise provided a blueprint for where the Wanaka community wanted to be in 2020 and what the future of Wanaka might look like. Along with similar exercises in the other communities throughout the district, these plans formed the basis of the Community Outcomes listed in the LTCCP. Of particular relevance are those relating to enabling a diverse community, efficient infrastructure, and a strong and diverse economy.

Growth Options Study (2004) and the Growth Management Strategy (2007)

The Growth Options Study was produced in February 2004. It embodied the conclusions of the Wanaka 2020 process and further investigated the options available to the Council in terms of managing growth. It therefore forms an important part of the Section 32 process that has underpinned this plan change in terms of considering the options at a strategic level. The report gave an overview of the projected land use demands for Wanaka and considered the options (to either slow the rate of growth, grow other settlements, or undertake structure planning and the staged release of land) and tested each option against the Community Outcomes. Leading on from the Growth Options Study, the Growth Management Strategy established policy on how the Council would manage growth in light of the fact that it was expected to continue in the District. Notably, it reaffirmed the need for structure planning (such as the Wanaka Structure Plan) and the importance of containing growth within boundaries identified by Wanaka Structure Plan.

Commercial Land Needs Study (2007)

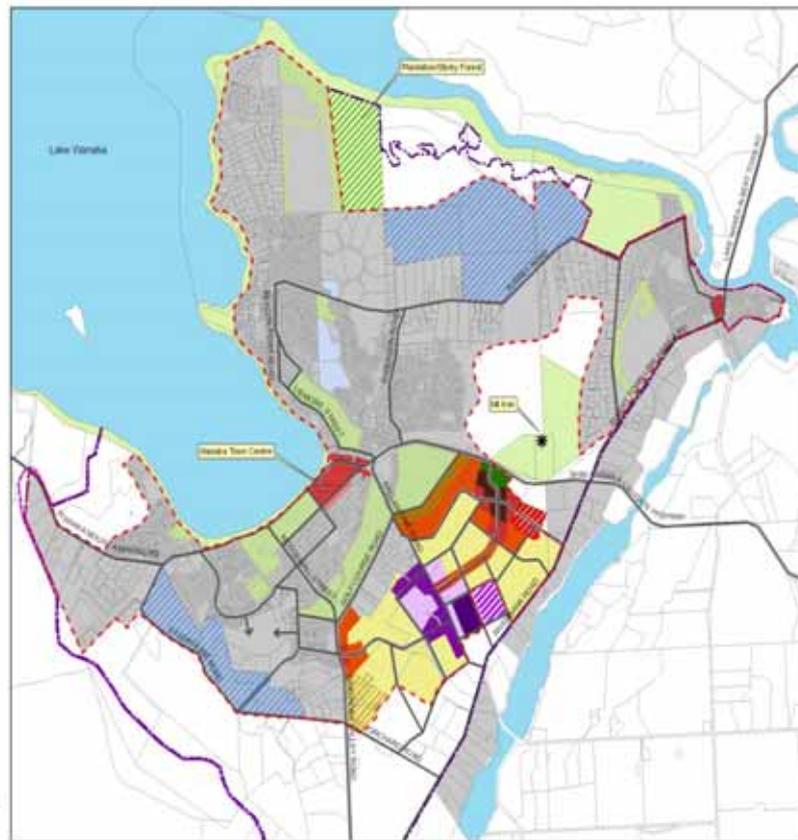
The Council produced a report entitled Commercial Land Needs – Queenstown Lakes District in 2007 in order to better inform its strategic planning. The report summarised the likely needs of Wanaka in terms of business, industrial and retail uses. These went on to provide the basis for the amounts of land for different uses shown in the Wanaka Structure Plan. It is noted that the projections for Wanaka were then updated as a result of work for the 2009 LTCCP and interestingly, the final figures did not change significantly.

The Wanaka Structure Plan (2007)

The Structure Plan is a policy document consistent with the purpose of the Local Government Act 2002, which is intended to provide a framework in order to guide future growth in Wanaka.

Zoning Proposed

- Structure Plan Inner Growth Boundary
- Structure Plan Outer Growth Boundary
- Outstanding Natural Landscape (ONL) Line
- ONL Line Not Confirmed
- Road Network (Indicative)
- Retail Core
- New Open Spaces/Reserves
- Wanaka Town Centre
- Education
- Area Subject to Further Study
- Visitor Accommodation Overlay
- Urban/Landscape Protection
- Existing Open Spaces/Reserves/Golf Club
- Deferred Mixed Business/Office/Technology
- Deferred Future Commercial/Retail
- Commercial/Retail
- Mixed Business
- Existing Business/Industrial
- Industrial Yard based
- Medium/High Density Residential
- Low Density Residential
- Existing Zoned Developed Areas
- Landscape Protection Area
- Mixed Use Zone
- Water



Indicative zone boundaries only, subject to review at implementation stage

The above map shows the proposed new zone changes that may arise out of the Wanaka Structure Plan (2007) project. The existing business and industrial land is shown in dark purple while the light purple depicts possible mixed business zoning. It is noted that the land shown as 'Mixed Business' land was described as providing 'for primarily light industrial, trade, retail-trade, showroom and service related activities but generally excludes residential activities and other retailing'.

Wanaka Transport and Parking Strategy (2008)

Whilst the Transport Strategy does not show Gordon Rd as being connected to the west, more recent discussions with the Council's Infrastructure Strategy Manager (undertaken as part of preparing this plan change) concluded that it would be prudent to ensure this option is not jeopardised in any way.

Plan Change 4 (North Three Parks) and Plan Change 16 (Three Parks)

Together, these two plan changes seek to rezone the majority of land within the inner growth boundary on the eastern side of Ballantyne Rd to provide for a mixed use zone, including commercial, visitor accommodation, recreation, and residential uses. Plan change 16 is operative and plan change 4 is in the process of being prepared.

Plan Change 20 – Wanaka Urban Boundary

The purpose of this plan change is to incorporate the Wanaka Structure Plan's Urban Boundaries into the District Plan, and establish the guiding principles for growth within the boundary. It is currently on hold.

Submissions received and the issues raised

A total of 7 original submissions and 4 further submissions were received. Appendix C contains a summary of the decisions requested, including the further submissions received.

Late submissions

There were no late submissions

Report Format

The Resource Management Act (the Act), as amended in October 2009 no longer requires the report to address each submission point but, instead, requires a summary of the issues raised in submission. Specifically, the Act states:

“To avoid doubt, the local authority is not required to give a decision that addresses each submission individually”

The Act now requires that the submissions are addressed by grouping them according to the provisions of the proposed plan to which they relate or the matters to which they relate. As a result, the individual submission points are not specifically addressed in the following report but, rather, the issues raised are considered. As outlined above, a full list of the submitters, and further submitters, to the plan change is provided in Appendix C. In order to get a more complete understanding of the issues raised, the main body of this report considers the various submissions under the following issues.

1. The visibility/ visual effects of development within the notified plan change area. This includes a specific issue relating to the appropriateness of the provisions concerning the height of buildings, and the height, timing, and landscaping of the bund along the western boundary of the plan change area.
2. Clarification of the provisions relating to the Structure Plan and to the land within the plan change which has already been developed.
3. Possible extensions to the notified plan change area.
4. Whether there is a need for more industrial land.
5. Nuisance and visual effects on residential amenity. (Also see no. 1 above specifically relating to the visual effect of the built form on elevated land)
6. The appropriateness of the provisions relating to heavy industry, residential, offices, airports, offensive trades – with a view to making the zone more conducive to heavy industry.
7. The adequacy of the Section 32 analysis.

For each issue the report is structured as follows:

- Submission Points – general summary of the main points raised in the submissions.
- Discussion – the reporting planner’s consideration of the submission points for this issue.
- Recommendation – the recommended approach to responding to the issue.
- Reasons for the recommendation – the reason why the recommended approach is considered appropriate in relation to the RMA.

DISCUSSION OF THE ISSUES RAISED BY SUBMITTERS

Issue 1 - The visibility/ visual effects of development within the notified plan change area

Three interrelated issues are considered under this heading:

- a) The appropriateness of the building height provisions
- b) The visibility of the Connel Terrace precinct generally and, more specifically, from residential properties
- c) The appropriateness of the provisions relating to the mounding and landscaping of the western open space area

a) The appropriateness of the building height provisions

Issue

Ms Strong suggests that the buildings need to be kept low so that they are not visually polluting and the Wilsons suggest that building height be reduced from 7 metres to 6 metres. Furthermore, whilst not specifically raising the issue of building height, Jim Ledgerwood et al suggest that the land needs to be excavated to the level of Ballantyne Rd so that the buildings are not too visible.

Firth has opposed the Wilson’s suggestion of lowering the height on the basis that this, along with other relief sought, will restrict the industrial activities from establishing in the zone. Peter Gordon opposes the suggestion by Jim Ledgerwood et al on the basis that the earthworks would be impractical, financially unviable, and would have significant environmental effects and opposes those submissions of Ms Strong and the Wilsons on the basis that 7 metres is required in order to meet operational requirements.

The proposed building height rule and the associated definition were notified as follows:

10	<p><i>Building Height for buildings within the Connel Terrace Precinct Structure Plan</i></p> <p><i>The maximum height of any building shall be 7 metres above ground level and, in addition, shall not exceed a height of 334mamsl (metres above mean sea level), except that:</i></p> <p><i>The maximum height of any building within the Special Use Area A identified on the Connel Terrace Precinct Structure Plan shall be 3.5 metres and, in addition, shall not exceed a height of 334mamsl.</i></p> <p><i>Note 1: Refer to the specific definition of “ground level” for the Connel Terrace Precinct within Section D, which sets ground level as that shown on the “Contour Plan for the Connel Terrace Precinct” and dated October 2009.</i></p> <p><i>Note 2: The height of buildings upon any land which is not within the Connel Terrace Precinct shown on the Structure Plan shall be subject to the district-wide definition of ground level.</i></p>	N-C
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<p>GROUND LEVEL (Industrial B Zone – Connel Terrace Precinct)</p>	<p><i>For the Industrial B Zone (Connel Terrace Precinct) the ground level is as shown on the contour plan entitled the “Contour Plan for the Connel Terrace Precinct” and dated October 2009.</i></p>
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Discussion

At the time of preparing the plan change, 7 metres was decided to be an appropriate height. It was considered that this would enable the practical development of the site for a range of industrial uses whilst ensuring adverse visual effects were appropriately mitigated. It was also determined that, in order to be developed, the land would need to be excavated (and filled in some limited areas) to create a relatively flat site. It was determined that whilst variation in roof lines and pitches was visually advantageous there was no need to

necessarily enable or encourage a diversity in building height, as is desirable in the Town Centre, for instance.

In respect of height, the following options were considered in the Section 32 report and the costs and benefits of each were documented:

- (i) Maximum height of 6 metres above ground level, as per the recommendation of the initial landscape report and consistent with the existing industrial zone
- (ii) Maximum height of 7 m above ground level¹
- (iii) Maximum height of 7 m above finished ground level and 334masl
- (iv) Maximum height of 8 m above existing ground level and 334masl, as suggested by the landowner
- (v) Maximum height of 7 m above ground level set by a contour plan referred to in the District Plan (definitions section) and 334 mamsl. You are referred to Attachment 5 of this report, which contains these plans.

That report also noted that preventing residential and office uses would, by implication, reduce the incentive to develop 2 storey buildings, which would otherwise result in building heights being maximised across the entire zone. The conclusions reached in the Section 32 report are adopted for the purpose of this report.

It is the clear intention of the landowner to excavate the site prior to development and a contour plan showing the final levels is included in Appendix D to this report. In order to provide greater certainty as to what would be achieved, it is therefore more appropriate to measure ground level off this contour plan rather than the district-wide ground level. The intention of also requiring buildings to be less than 334 masl is to ensure that an absolute level is not breached. The effect of this is that on the higher parts of the site (i.e. the south-western and north-western corners) buildings will not exceed 6.5 metres above the ground level that exists there today.

In regard to the visual effects of the proposed building height, you are referred to the landscape advice provided by Dr Read dated 23/6/10 and attached to the Section 32 report as Appendix 3. In Dr Read's view the visual effect of complying buildings will be no more than minor provided the mitigation is established within the western open space area, in accordance with the relevant provisions. However, the landowner has raised concerns relating to the extent of mitigation required along the western boundary and the need to establish this prior to building in the zone. As an alternative, submitters may wish to consider the merits of reducing the allowable building height by 0.5m to, say, 6.5 metres and 333.5 masl and, as a consequence, reduce the necessary combined height of the mounding and planting along the western open space area. Submitters may wish to respond to this suggestion at the hearing.

Actual height limits aside, one concern with the current rule is an administrative one, deriving from the fact that the contour plan referred to in the definition does not sit within the District Plan and would need to be made readily available to the public at the council offices in perpetuity. It is considered that to improve the administration of the rule, the contour plan should be included within the District Plan, alongside the Connel Terrace Precinct Structure Plan. In addition, the subdivision provisions should be amended to enable the council to require the RLs to be attached to the individual titles in order to assist the subsequent owners and make administration of the rules more efficient.

Recommendation

¹ "Ground level" as defined in the District Plan would mean that they could choose to retain the higher ground at the subdivision stage and then build down into those sites (by excavating) at the time of building. In the majority of the site, this would result in the same or higher buildings than would be enabled under the proposed rule.

It is recommended that:

- The maximum building height rules be retained unchanged. Alternatively, if favoured by the submitters and commissioners alike, the maximum height could be reduced to 6.5 m and 333.5 masl in combination with lowering the required height of the mounding/ landscaping within the western open space area.
- The contour plan entitled “Contour Plan for Connel Terrace Precinct Oct 2009” be included in the District Plan
- Under the controlled subdivision provisions (15.2.6.1) the following ‘matter of control be added:

“(iv) In the Industrial B Zone, the final land contour (RL’s)”.

- Under the assessment matters for controlled subdivision - design control (15.2.7.1) the following assessment matter be added:

“In the Industrial B Zone, where the final contour levels approved as part of the subdivision are consistent with the plan entitled “Contour Plan for Connel Terrace Precinct Oct 2009” as in section 11 of the District Plan, then these contours should be shown on the individual titles created by the subdivision.”

Reasons for the Recommendation

- The building height is needed to enable the practical use of buildings for industrial activities.
- The rule accepts and anticipates that the land will be more or less, levelled in order to create a flat development site.
- Inclusion of the contour plan in the District Plan and identifying the RLs on the titles at the subdivision stage will simplify the consequent processing of land use consents when assessing proposed building heights.

b) The visibility of the development envisaged by the notified provisions

Various submitters have raised concerns relating to the visibility of the land due to its elevated nature and the height of the buildings. Mr Ledgerwood and Ms Strong do not state whether their concern regarding visibility relates to views from their respective properties or visibility, generally. It would be prudent to clarify this point with the submitters at the hearing. Furthermore, to assist the commissioners, the location of Mr Ledgerwood’s and Ms Strong’s properties has been identified on the map contained in Dr Read’s report (attached to this report as Appendix E). Ms Wallace also opposes the zone, partly on the basis that there should be no industrial buildings on high land. Similarly, it is unclear whether her concern is limited to the effects on her property or whether she has a wider concern. Regardless, Dr Read’s report specifically considers the visibility of the site from properties along both Golf Course Road and within Heritage Park.

Discussion

The visibility of the development and the mitigation of this are addressed through the following provisions:

- Objective 2, which requires the effective mitigation of visual effects;
- External building controls (including building colour and signage)
- Controls on building height
- A requirement that there be no buildings or storage on fixed open spaces
- Requirements to undertake mounding and planting and preventing excavation along the western open space within the Connel Terrace precinct prior to construction
- A requirement to screen all waste storage areas from road frontages

- A requirement to fence along any boundary with a Town Centre or residential zone unless separated by a road or open space area.

Submitters have specifically queried the appropriateness/ effectiveness of the provisions relating to the mounding and landscaping, the screening of waste storage areas, and the fencing along zone boundaries.

In regard to visibility and the visual effects of the development that is enabled by the zone, you are referred to the various landscape reports attached to the section 32 report and also Appendix E to this report. With regard to the visibility of the proposed zone from Heritage Park, Dr Read concludes that whilst the development will adversely affect the visual amenity of the more northern and eastern sites, the proposed mitigation will be effective at reducing this effect to an acceptable level. With regard to visibility from the Rural Residential zone on Golf Course Road, Dr Read concludes that whilst views to the south would be adversely affected, as all properties have been built for the sun and views to the north, most would actually need to go and look to see views to the south. She also notes that many are screened to the south-east by macrocarpa hedges and other amenity planting.

I now turn specifically to the submitter's suggestions that a) waste storage areas be screened from all neighbouring properties (not only those that have road frontages), and b) that the requirement to fence properties should relate to all zone boundaries regardless of the adjoining zone and whether they are separated by a road or open space area.

With regard to outdoor waste storage areas, it is considered appropriate that all outdoor waste storage areas be screened in order to provide greater amenity within the zone itself and when viewed from beyond the zone and, in particular, from residential properties.

Now to the suggestion that all properties should be fenced where they adjoin zone boundaries regardless of the adjoining zone² and even when the industrial property is separated from the adjoining zone by a road or open space area. In response to this, the following comments are made:

- There are assessment matters encouraging landscaping within the buffer areas shown on the Structure Plan (which relates to the two boundaries with the Industrial A Zone) and it is considered that such planting will be more effective at mitigating adverse visual effects along those boundaries than fencing would.
- Continuous solid fencing along road frontages will result in an unattractive streetscape, which is prone to graffiti and is potentially unsafe; especially considering the fact the area will be vacant at night.
- Given the elevated nature of the rural residential sites, it is questionable whether fencing around the boundary of the Industrial B zone will be effective at mitigating adverse visual effects.
- Continuous solid fencing along the length of the open space strip along the western boundary and along the top, elevated boundary of the open space on the eastern side of the zone would be inappropriate. This would be likely to provide a less desirable outlook for heritage park residents than would a landscaped mound. Furthermore, such high solid fencing is considered to be undesirable along the boundary of open spaces due to the safety issues associated with the fact that one cannot see into such spaces and the fact they are a target for graffiti (hence the specific fencing rule (11.5.5.1(8)) relating to open spaces which disallows solid fencing over 1.2 metres).
- If any further development were to occur on the southern boundary, south of Frederick Street, then fencing would be required along the boundary, which is considerably more

² The Connel Terrace precinct is bounded by the Rural General and Industrial zones

elevated than any likely building platform and, which would result in a fence which would be visible from Riverbank Road even if the new building itself were not.

Recommendations

It is recommended that:

- 11.5.5.1(3) relating to the fencing of outdoor waste storage areas be amended as follows:

3	<p>Outdoor waste storage areas:</p> <p><i>i Shall not be located within the building setbacks and</i></p> <p><i>ii Shall be screened from <u>the road or neighbouring properties</u> frontages by either a solid fence and/ or dense planting of at least 1.8 m in height.</i></p> <p><i>Note: The only building setbacks in this zone are setbacks from residential zones.</i></p>	RDIS
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- 11.5.5.1(4) relating to the fencing along zone boundaries be retained, unchanged.

Reasons for the recommendations

The reasons are outlined in full above. In summary, it is considered that the adverse visual effects of development envisaged within the Industrial B Zone and, in particular, in the Connel Terrace precinct is able to be adequately mitigated through the various controls listed earlier in this section of the report, together with the amendment recommended above.

- c) The provisions relating to the height, establishment, and landscaping of the mound along the western boundary of the plan change area

One submitter has raised this issue and made the following specific comments:

- The landscaping rules could create unreasonable delay between the Outline Development Plan (ODP) being granted and being able to subdivide and develop the zone
- That establishment of the bund and the landscaping of the bund as a condition of an ODP should provide sufficient mitigation to enable subdivision to be completed and buildings commenced without having to wait for the landscaping to mature; and.
- That Figure 1 of Rule 11.6.2(ii) be amended so the combined height of bunding and landscaping be 7 metres (rather than 8 -9 metres) and;
- That there is greater flexibility as to the height of vegetation and mounding to achieve the required combined height

Discussion

The establishment of a mound and landscaping along the western boundary is addressed through the following provisions:

- Objective 2, which is aimed at effectively mitigating the effects of development from public and private places through policies such as avoiding building and excavation on open spaces and requiring high quality planting and mounding.
- Any landscaping of the open space (including the mounded area) is a restricted discretionary activity (Ref 11.3.8(13)) and landscaping shall be in accordance with a landscaping plan otherwise it is non-complying (Ref 11.5.5(20)).
- There shall be no excavation and any other earthworks must be in accordance with an approved landscaping plan, otherwise it is non-complying.

- Assessment Matter (11.6.2(ii)(xv) and the associated Figure 1) relating to a restricted discretionary landscape plan (as part of an ODP) state that:

“In respect of the western buffer shown on the Connel Terrace Precinct Structure Plan, the Council expects the mounding and planting to provide effective mitigation in respect of noise attenuation and visual amenity. To achieve this the Council expects either a combination of naturalistic mounding of 2-3 metres in height, and predominantly evergreen planting of around 5-6 metres in height or, in the absence of any mounding, a 30 metre strip of dense predominantly evergreen planting of at least 8 metres in height is required in order to provide effective mitigation”.

- There shall be no building on land with a ground level higher than 323 mamsl until all consent conditions relating to the landscaping of the open spaces have been fulfilled (Rule 11.5.5(22)). Note: it would be expected that such conditions would be expected to specify the minimum period and/ or planting height that is required prior to subdivision or building occurring.
- There shall be no subdivision of the open spaces themselves until the resource consent conditions relating to the landscaping of the open spaces are fulfilled, otherwise it is non-complying (Rule 15.2.8(xiii)). The above note also applies here.

Regarding whether the height of the mounding and landscaping is appropriate you are referred to the report from Dr Read, which is attached to this report. In that report, Dr Read confirms her opinion that the combination of mounding and planting (to a minimum height of 8 metres, as notified) is appropriate. In her view allowing variations in the height of the mounding will not result in any landscape benefits and enabling a higher mound would require it to have steeper sides, which would make it more difficult to establish planting thereon.

Regarding whether the prescribed timing/ level of maturity is appropriate, you are referred to the report from Dr Read, which is attached to this report. Whilst Dr Read agrees that it is important to ensure that the landscaping is undertaken prior to construction in the zone, she agrees that the notified wording (which refers to subsequent resource consent conditions) is uncertain and that the performance standard should be amended to require a certain percentage of planting to have been undertaken and to have reached a certain maturity prior to construction. It is noted that neither this provision nor that relating to subdivision of the open spaces (discussed below) prevent the zone from being subdivided whilst the mounding and landscaping is undertaken and maturing. As such, it is considered reasonable and that this will not impose an undue burden on the developer.

For background, the rule relating to subdivision is intended to ensure that the open space is not subdivided into smaller lots until the landscaping is well established. This is to ensure that the landscape plan is implemented in its entirety and that the planting reaches a level of maturity whilst still in a single ownership. It is considered that the difficulties in achieving successful, comprehensive landscaping once the space is held in multiple ownerships raise considerable issues in terms of whether effective mitigation would result and, as such, justify this additional provision. It is not considered unduly onerous, particularly given that without effective mitigation, much of the site would be unsuitable for development. It is noted that there is a precedent for a similar approach in the Rural General zone in instances where the potential visual effects of development would be significant if it were not for landscape mitigation. In such instances, it is not uncommon for time periods or the maturity of planting to conditions of the approval of a dwelling. The only other effective option for achieving appropriate mitigation is to make any subdivision of the open space areas non-complying or prohibited. Whilst it is recommended that the notified provisions are the most appropriate, the commissioners may wish to consider simply making it non-complying, which has the advantage of being simpler.

Recommendations

It is recommended that:

- Performance standard 11.5.5.1(22) and Rule 15.2.8(xiii) which require a certain maturity of planting to be achieved prior to building within the zone and subdivision of the open spaces themselves be amended as follows in order to increase the certainty of the rule whilst retaining the same principle:

22	Within the Connel Terrace precinct, there shall be no building on land with a ground level higher than 323 mamsl until <u>70% of the western boundary planting in combination with the mounding has reached a minimum combined height of 6 metres and a continuous screen in the horizontal plane</u> all consent conditions relating to the landscaping of the open spaces have been fulfilled. Note: The conditions of the resource consent approving the ODP or landscaping is expected to specify the minimum period and/ or planting height that is required prior to building or subdivision occurring and impose maintenance requirements	N-C
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15.2(xiii) - Industrial B Zone – Any subdivision of the open space areas shown on the Structure Plan prior to 70% of the western boundary planting in combination with the mounding having reached a minimum combined height of 6 metres and a continuous screen in the horizontal plane fulfilling all consent conditions relating to the landscaping of the open spaces in accordance with any approved landscape plan.

~~Note: The conditions of the resource consent approving a Landscape Plan, either as part of the ODP or as a separate consent, would be expected to specify the minimum period and/ or planting height that is required prior to development occurring.~~

- Assessment matter 11.6.2(ii)(xv), which requires a certain minimum height for the mounding and the landscaping along the western open space area, be retained.
- Alternatively, should the Council wish to reduce the maximum building height then, as a consequence, it may be possible to reduce the height of the mounding/ landscaping.

Reasons for the recommendations

The reasons are fully outlined in the discussion above but in summary, it is considered that the rules as amended above are appropriate to ensure effective mitigation of effects on views from public places and residential properties.

Issue 2 - Nuisance effects on residential amenity

Issue

Some submitters support the proposal to enable industrial activities without undue restrictions (and indeed, request that it be more enabling) whilst others consider that the types of industrial activity and the nuisance levels that they cause should be restricted in order to better mitigate effects on residential amenity. Specifically, issues relating to noise, hours of operation, offensive trades, distances to residential properties, and allowing sensitive uses within the zone at all have all been raised.

At the nub of this, is what rules will best achieve the objectives of enabling a range of industrial activities whilst mitigating effects on amenity, acknowledging that a balance between the two must be found.

Discussion

This discussion will address the following interrelated issues, in turn:

- a) The appropriateness of the noise limits
- b) The appropriateness of the hours of operation rules
- c) The appropriateness of the rules relating to offensive trades, factory farming, and the processing of animal and fish products
- d) The appropriateness of the restrictions imposed on sensitive uses within the zone
- e) The distance of the Industrial B Zone from residential properties

Geographic Context

The existing environment needs to be taken into account when considering the additional effects of the proposed Industrial B Zone. It is prudent to also consider the potential future zoning of the land to the west of the plan change area, which is shown in the Wanaka Structure Plan as being within the inner growth boundary and for future residential purposes.

The closest residentially zoned land is the Rural Residential Zone (RRZ) on Golf Course Road, which is around 150 metres from the Industrial B Zone at the closest point, and the Three Parks (Low Density Residential) Zone, which is approximately 260 metres away at the nearest point. The "Heritage Park" development (which is zoned Rural General) is around 750 metres away, at the nearest point. Notably, the RRZ is separated from the proposed Zone by Industrial and Rural General land, the Three Parks (LDR) Zone is separated by Industrial and Three Parks (business) land and Ballantyne Road itself, and Heritage Park is separated by Rural General land. You are referred to Dr Read's report (Appendix E) for more detail on the context of the site.

Policy Context

The following proposed objectives and policies relate to the issue of residential amenity:

11.1.3 Objectives and policies (District Wide Business and Industrial Zone, including Industrial B)

Objective 3 - Effect on Amenities

Minimisation of the effects of business and industrial activities on neighbours, other land use activities and on visual amenities.

Policies:

- 3.1 *To impose performance standards at the interface between the business and industrial areas and residential areas to protect living environments from unacceptable noise, smell, shading, traffic and glare.*

Note: This objective and policy applies to all industrial and business zones in the district and is not subject to this plan change.

11.1.5 - Objectives and policies (Industrial B Zone)

Objective 2

Effective mitigation of a) the adverse visual effects of business and industrial development, when viewed from public and private places and b) the adverse nuisance effects which can arise where business and industrial zones adjoin residential zones.

Policies

2.3 To ensure that the fixed open spaces shown on the relevant Structure Plan are provided in order to separate and partially screen the zone from adjacent existing or future residential zones and to minimise the visual effects of development from both public and private places.

a) Noise

The noise limits proposed for the Industrial B Zone are the same (with a small exception, as underlined below) as in the district-wide Industrial (A) Zone, as recently amended by the recent plan change 27A. There are clear efficiencies of using the same standard as the Industrial (A) Zone in that it avoids drafting and justifying a different standard, avoids confusion amongst users of the plan, and fosters an increasing understanding of what is possible within the constraints. The proposed noise standard is as follows:

11.5.5. Performance Standards

11	<p>Noise</p> <p>(a) <i>Sound from non-residential activities measured in accordance with NZS 6801:2008 and assessed in accordance with NZS 6802:2008 shall not exceed the following noise limits at any point within any site outside this zone (<u>other than the business or industrial zones</u>):</i></p> <p style="padding-left: 40px;">(i) <i>daytime (0800 to 2000 hrs) 60 dB $L_{Aeq(15 min)}$</i></p> <p style="padding-left: 40px;">(ii) <i>night-time (2000 to 0800 hrs) 50 dB $L_{Aeq(15 min)}$</i></p> <p style="padding-left: 40px;">(iii) <i>night-time (2000 to 0800 hrs) 70 dB L_{AFmax}</i></p> <p>(b) <i>Sound from non-residential activities which is received in another zone shall also comply with the noise limits set in the zone standards for that zone.</i></p> <p>(c) <i>The noise limits in (a) shall not apply to construction sound which shall be assessed in accordance with NZS 6803:1999.</i></p> <p>(d) <i>The noise limits in (a) shall not apply to sound from sources outside the scope of NZS 6802:2008. Sound from these sources shall be assessed in accordance with the relevant New Zealand Standard, either NZS 6805:1992, NZS 6807:1994 or NZS 6808:1998.</i></p> <p><u><i>Note: For the purpose of this rule, a road that is located outside this zone is not deemed to be a "site outside this zone" and, as such, the noise levels specified in a) above may be exceeded on road reserves adjacent to this zone.</i></u></p>	N-C
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In the Industrial Zone, part a) of the rule above is, in fact, entirely over-riden by part b) because the levels stated in part a) are, in all instances, higher than those which exist in other zones. In practice, part b) means that within the boundary of the Rural Residential Zone, noise must not exceed the noise levels that are allowed in the Rural Residential Zone itself which are, incidentally, 10dB lower than those set for the industrial zones. Coincidentally, these are also consistent with what is being sought by the submitter with the exception that the submitter does not want any short duration noise instances allowed. It is considered unreasonable to prevent short duration noise instances in the Industrial B Zone as these are consistently allowed elsewhere in the district, including in the Rural Residential Zone. Part b) is an additional safeguard that was included in the rules through plan change 27A and which, once operative, will apply to both the existing Industrial (A) Zone and the proposed Industrial B zones. Part b) of the rule will help control the cumulative effects of

noise generated from within the zone (although it is acknowledged that enforcement and identifying the noise source could be difficult) and will logically encourage heavier, noisier activities to locate away from adjacent residential zones, in order to avoid breaching the rule.

One amendment which would strengthen the noise standard would be to remove the exemption which appears in brackets. That exemption means that noise generated within the Industrial B Zone and received within another business or industrial zone need not meet any noise standard. This means that if there is a potential noise issue within the Industrial B Zone, the noise will not be measured within a site in the adjacent Industrial (A) Zone (even if that is the closest point) but, rather, it would be measured within the Rural General or Rural Residential Zone, which would be the next closest. As noise that is generated within the Industrial (A) Zone would, itself, not need to meet any standard within the zone itself, it is considered appropriate that noise received from a similar adjacent zone (being Industrial B) should also not be constrained.

As the Industrial B Zone does not allow noise-sensitive activities within the zone and, as such, is likely to develop in a more pure industrial/ business form than the Industrial (A) Zone, it is considered appropriate to retain the noise standard, as notified. A more restrictive noise control, as sought by the submitter, would reduce the effectiveness of the zone to achieve its objective of providing for a range of business, industrial, service, and trade-related activities (11.1.5(1)).

b) The hours of operation

It is suggested that in order to alleviate concerns regarding nuisance to nearby residents, the permitted hours of operation should cease at 6 pm (rather than 8 pm) and that it apply to all sites within the zone; not only on sites that adjoin a residential zone. A number of further submitters oppose any reduction in the permitted hours of operation. The original submitter on this point is based on residential amenity whilst the further submitters are concerned with imposing limits on the zone which will make it difficult to undertake many industrial activities.

To provide some context, in comparison, there are no limits on the hours of operation in the existing Business or Industrial zones. Given the noise limits (as outlined above), it is recommended that the standard relating to 'hours of operation' is appropriate and should remain unchanged.

c) The rules relating to offensive trades, factory farming, and the processing of animal or fish products and whether the zone is an appropriate distance from residential properties

The notified plan change proposes that offensive trades and factory farming be non-complying and that, by virtue of not being specifically listed, it is proposed that those aspects of animal and fish processing that are not captured by the offensive trade definition are permitted. The submitter has requested that offensive trades, factory farming, and animal and fish processing all be prohibited uses, rather than non-complying and permitted, respectively. Others have submitted in support of the notified provisions or that they be made more lenient.

The rules currently rely on the definition of "offensive trades" in the Health Act to define various types of industrial activity that are considered potentially inappropriate/ non-complying in the Industrial B Zone. This is consistent with the Industrial (A) Zone. In the Residential and Town Centre zones, along with uses that require an offensive trade licence, general fish and meat processing is also prohibited. The schedule of offensive trades is

attached for your information as Appendix F to this report. To clarify, the definition does not include animal and fish processing beyond those parts of the processing that are listed in the Health Act (i.e. fish cleaning and curing, slaughtering of animals for any purpose other than human consumption, storage, drying, or preserving of bones, hides, hoofs, or skins, blood and offal treating, gut scraping and treating, and bone boiling and crushing).

Assuming the submitter's main concern is odour and, potentially, noise, it is relevant to note that the prevailing wind in Wanaka is north westerly, which would suggest that it would be unusual for any odour from the Industrial B Zone to be blown toward the submitter's property. Rather, it would be blown in the opposite direction toward and over the Ballantyne Mixed Use Zone (i.e. the disused sewage ponds). In this direction, the closest residential land is Three Parks and the Rural Lifestyle zone along Riverbank Rd. which ranges from around 550 to 900 metres away, at the nearest point. This is also of relevance when considering which properties might be most affected by dust or noise generated within the Industrial B Zone.

It is noted that the noise standards and hours of operation should address noise issues and the discharge rules of the Otago Regional Council's (ORC) "Regional Plan: Air for Otago" (hereafter referred to as the Air Plan) should adequately control odour. The Air Plan includes a policy "to avoid discharges to air being noxious, dangerous, offensive or objectionable on the surrounding local environment" and includes rules which allow certain (listed) discharges up to PM₁₀ with other discharges or discharges that exceed this standard being either discretionary or non-complying. In practice, the ORC Air Plan will require a resource consent for any discharge to air which it considers to have an adverse effect on amenity, based on the scientific evaluation done as part of preparing the Air Plan.

Whilst offensive trades can clearly have adverse effects (most obviously those relating to odour, dust, and noise) it is considered important that such activities be enabled in certain zones in the district provided the effects are no more than minor or the objectives are met. As such, the industrial zones are the most obvious location and the non complying status the most appropriate. That said, it is recommended that the objectives be strengthened in order to ensure that inappropriate uses can be declined.

With regard to those aspects of fish and meat processing not considered to be offensive trades it is considered that provided noise and odour controls are met, then these activities should be enabled. However, it is recommended that the objective and policy be amended to replace the words "where business and industrial zones adjoin residential zones" to refer to "residential zones within the vicinity of the Industrial B Zone" and an objective and policies be added specifically in relation to odour.

d) The appropriateness of the restrictions imposed on sensitive uses within the zone

Wanaka Landfill Ltd and Maungatua Contracting Ltd requests that airports and associated activities need not be non-complying and residential activities and offices be prohibited.

It is unclear why the submitter is requesting that airports be prohibited and it would be helpful if the submitter could provide more information on this at the hearing. In the absence of any compelling reasons, it is recommended that the non complying status is appropriate to achieve the objectives and has the added benefit of being consistent with the Industrial (A) Zone.

In regard to the submitter's request that residential activities and offices be prohibited, it is noted that residential activities are already proposed to be prohibited. On the other hand, it is considered to be appropriate that offices (other than those that are ancillary to a permitted use) remain a non complying activity rather than prohibited. The non complying

status acknowledges that there may be instances where some office space is appropriate and that this decision should be determined on the merits of the application. In my opinion, the different rules for offices and residential use are justified on the basis that offices will not cause the same extent of reverse sensitivity issues as residential uses due to the fact that people are not residing, relaxing, and sleeping there, children will not be present (hence avoiding potential safety and wellbeing issues), and there is not the same expectation of a pleasant outdoor living environment as there is with residential activities. That said, in recognition that offices have some reverse sensitivity issues and should be discouraged in order to preserve the land for its intended industrial and business purpose, the proposed non-complying status seems appropriate.

e) The distance of the Industrial B Zone from residential properties

With regard to the submitter’s suggestion that the distance from residential activities may not be sufficient, I have considered the option of specifying minimum separation distances as one form of mitigating against adverse effects. In the absence of any such guidelines in New Zealand, below I have referred to the Western Australia guideline relating to separation distances between industrial and sensitive landuses (No.3) (2005). Based on that document, it appears that distances vary greatly depending on the type of industrial activity (being anything from 100m to 1000-2000m for activities such as aluminium production and composting). Those activities included within the guideline that fall within the definition of offensive trades or factory farming require the following separation distances:

Activity	Buffer distance
Fellmongering	500m
Piggery - intensive	500 (less than 50 pigs) – 5000m (more than 5000 pigs)
Pulp, paper, or paperboard manufacturing (assumes effects are similar to flax or wood pulping)	1000-1500m
Seafood processing	500m
Tannery – using sulphide process	1000-2000m
Tannery – small and non sulphide	200 – 300m
Textile operations (assumes effects are similar to flock manufacturing and teasing of textiles)	200 -1000m depending on solvent used
Landfills	150m– case by case depending on scale and type
Waste depot	200m
Wood board manufacturing (assumes effects similar to wood pulping)	1000-2000m depending on size and location
Wool scouring	500 – 1000m

The above distances, whilst crude, suggest that of the above activities, some textile operations, small and non-sulphide tanneries, and some waste-related activities may be able to be located within the Connel Terrace precinct. The options available to the council in regard to dealing with offensive trades are to:

- Retain the current non complying status
- Make all prohibited
- Make it prohibited to undertake any offensive trade within 200m of any residential property.

In all instances, the proposed zoning is separated from the residential uses by existing industrial (A) zoning, where offensive trades and factory farming are non complying. It therefore makes little sense to impose any greater restriction on the proposed zone, which

is further away from residential uses and therefore must have a lesser effect. Furthermore, if the provisions within the new zone are more restrictive than those applied within the existing Industrial (A) zoning, the choice of suitable sites for heavier/ offensive industry to locate will be further limited. As a consequence, this will only place greater pressure on those sites within the Industrial (A) zone (i.e. those which are closer to residential properties) to be used for heavier/ offensive industry.

Wanaka Landfill Ltd and Maungatua Contracting Ltd also suggest that heavier industry be located together, away from lighter industry. It is unclear whether this last point is intended to mean that heavy industry should all be located on the submitter's site, generally on the corner of Riverbank and Ballantyne roads, and/ or whether a certain area within the Connel Terrace precinct should be set aside only for lighter types of industrial activity. As I recommend later in this report that the re-zoning of the site on the corner of Riverbank and Ballantyne roads as Industrial B is inappropriate (at least as part of this process), I will not consider that option further here.

Whilst it has some merit, the option of splitting the Connel Terrace precinct into heavy and light industrial activity areas is not recommended due to:

- The extra complexity that this would add to what is a relatively small area of rezoning;
- The fact that the developer's proposed subdivision layout (albeit that this may change) proposes the larger lots (which would presumably be more suitable for heavier yard based industrial activities) to be in that part of the site closest to existing and future residential uses;
- The fact that the noise emissions need to meet rural residential/ residential limits at the boundary of those respective zones, which will encourage noisier activities to locate as far away from those zones as possible, without the need to specifically zone a separate area for such activities;
- Potential issues relating to odour and other emissions are primarily regulated by the Otago Regional Council.
- The prevailing wind being north-westerly therefore suggesting that it may not, in fact, be appropriate to locate the heavier industry on the eastern side of the zone closer to Three Parks and further from the Rural Lifestyle Zone.

Recommendations

It is recommended that:

- The rules relating to animal and fish processing, offensive trades and factory farming be retained but that the objectives and policies around nuisance issues be strengthened (as per the below).
- The standards relating to noise and hours of operation be retained
- The zoning as one Industrial B Zone be retained as opposed to creating separate areas for heavy and lighter industrial uses.
- Objective 2 be amended to not only refer to adjoining residential and a new Objective 3 and associated policies relating to odour issues be added, as follows:

Objective 2

Effective mitigation of a) the adverse visual effects of business and industrial development, when viewed from public and private places and b) the adverse nuisance effects on the amenity of residential zones within the vicinity of the Industrial B Zone which can arise where business and industrial zones adjoin residential zones?

Objective 3

Avoid unreasonable and objectionable odour, which will affect amenity in the residential zones in the vicinity of the Industrial B Zone

Policies

2.3 To ensure that the fixed open spaces shown on the relevant Structure Plan are provided in order to separate and partially screen the zone from adjacent existing or future residential zones ~~and in order~~ to minimise the visual and nuisance effects of development from both public and private places.

2.4 To expect the Otago Regional Council's Regional Air Plan standards to be met for all activities within the Industrial B Zone.

Note: Consequential re-numbering of the subsequent objectives will be required as a result.

Reasons for the Recommendation

The reasons are outlined in detail above but, in summary:

- The standards relating to noise and the hours of operation are considered appropriate given the distance of the nearest residential properties, the fact that activities need to meet the RRZ limit within that zone, and the need to not unduly restrict industrial activities from locating in the zone
- The provisions relating to animal and fish processing, offensive trades and factory farming are considered appropriate in order to achieve the objectives of the zone to provide for a range of industrial and business activities on the one hand, whilst mitigating effects on amenity, on the other. Together with the ORC's Air Plan, the non-complying status for offensive trades and factory farming, the inclusion of a buffer along the western edge of the proposed zone, and the standards relating to noise and hours of operation are considered to adequately protect the amenity of residents within the vicinity. Stronger objectives and policies regarding nuisance effects on residents and, in particular, odour, are necessary to provide greater ability to decline inappropriate non-complying resource consent applications.
- It is appropriate to discourage airports and offices and to prevent residential uses within the Industrial B zone in order to minimise reverse sensitivity issues and preserve the zone for its intended purpose.

Issue 3 - Clarification of the provisions relating to the Structure Plan and to the land within the plan change which has already been developed

Issue

Peter Gordon has requested that:

- It be clarified that Standard 11.5.5.1(14) (which states that "an ODP shall include at least all that land contained within a single Structure Plan") relates to the Structure Plan on page 22.
- The Structure Plan includes developed land (i.e. the Frederick Street area) and that it is unclear how the Outline Development Plan would control landuse and development on land already subdivided; and
- The developer should not have to reassess, as part of an Outline Development Plan, how stormwater and other services will be managed for that land which is already developed.

Discussion

Whilst the intention of Standard 11.5.5.1(14) is that it apply to the Structure Plan on Page A-22 entitled "Industrial B Connel Terrace Precinct", the standard is currently worded so that it can also apply (without amendment) to other areas of Industrial B Zoning, as they arise. For example, should the commissioners decide to apply the Industrial B Zone to the Orchard Road Holdings (ORHL) land then that would need to be developed as per a Structure Plan which covers that land. That said, it is recommended that the wording is

improved to clarify the intent. As a consequence it may also be helpful to amend the wording of Activities 2, 4, 6, 10, 11, 13 (within table 11.3.8) in a similar manner.

Now turning to the submitters' concern as to how the land that is already developed will be dealt with through the ODP. If one looks closely at the Structure Plan, there is a zone boundary and a Connel Terrace Precinct boundary; the intention of this being that the developed land would be within the zone but outside of the Connel Terrace Precinct. As such, the intention was that the developed land would not be subject to the ODP requirements. On review, the provisions do not adequately reflect this intention and it is recommended that a number of amendments are made.

Recommendation

1. That the following standards be amended as follows:

11.5.5.1 – Performance Standards

10	<p><u>Building Height for buildings within the Structure Plan entitled “Industrial B Zone - Connel Terrace Precinct” structure plan</u></p> <p><i>The maximum height of any building shall be 7 metres above ground level and, in addition, shall not exceed a height of 334mamsl (metres above mean sea level), except that:</i></p> <p><i>The maximum height of any building within the Special Use Area A identified on the Connel Terrace Precinct Structure Plan shall be 3.5 metres and, in addition, shall not exceed a height of 334mamsl.</i></p> <p><i>Note 1: Refer to the specific definition of “ground level” for the Connel Terrace Precinct within Section D, which sets ground level as that shown on the “Contour Plan for the Connel Terrace Precinct” and dated October 2009.</i></p> <p><i>Note 2: The height of buildings upon any land which is not within the Connel Terrace Precinct boundary shown on the relevant Structure Plan shall be subject to the district-wide definition of ground level.</i></p>	N-C
13	<p><u>Outline Development Plans</u></p> <p>i. <i>All activities and development shall be in accordance with an approved Outline Development Plan; <u>except that:</u></i></p> <ul style="list-style-type: none"> • <i><u>The Outline Development Plan need not include any land outside the Connel Terrace Precinct boundary shown on the Structure Plan entitled “Industrial B Zone - Connel Terrace Precinct”</u></i> • <i>Landscaping of the open spaces identified on the Structure Plan may occur prior to the approval of an Outline Development Plan provided it is in accordance with an approved resource consent for that landscaping.</i> <p><i>Note: ...</i></p>	N-C
14	<p><u>Extent of the Outline Development Plan</u></p> <p><i>An Outline Development Plan shall include at least all that land contained within a single the relevant Structure Plan, as follows:</i></p> <ul style="list-style-type: none"> • <i><u>The Connel Terrace Precinct Structure Plan, except that the Outline Development Plan need not include any land outside the Connel Terrace Precinct boundary shown on the Structure Plan entitled “Industrial B Zone - Connel Terrace Precinct.</u></i> 	N-C

22	<p><u>The timing of building:</u> <i>Within the Connel Terrace precinct boundary shown on the Structure Plan entitled “Industrial B Zone - Connel Terrace Precinct” there shall be no building on land with a ground level higher than 323 mamsl until ...</i></p> <p><i>Note: ...</i></p>	N-C
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It is noted that if the commissioners decide to apply the Industrial B Zone to the other land (as requested by submitters), then a suitably titled Structure Plan will need to be listed in Standard 14 beneath the Connel Terrace one. Similarly, if/ when subsequent plan changes are proposed to apply the Zone to other areas, the additional Structure Plans will need to be added to the list.

Reasons for the Recommendation

- Standard 11.5.5.1(14) is potentially unclear and, therefore inefficient.
- Standards 11.5.5.1(10, 13, 14, and 22) do not specifically exempt the land beyond the Connel Terrace Precinct boundary from the requirement to be included within the ODP provisions. It is considered inappropriate and inefficient to require this largely developed land to be subject to the ODP requirement.

Issue 4 - Possible extensions to the notified plan change area

Issue

Two submitters request that the Industrial B Zone also be applied to land beyond the area shown on the notified plan change.

Discussion

The two potential additional areas of Industrial B zone, as suggested in submissions, are discussed in turn. Before turning to the merits of each, it is noted that the Council has obtained legal advice regarding the jurisdiction of the submitter’s respective requests to extend the Industrial B Zone to the other two areas of land and is satisfied that the requests are ‘on’ the plan change.

a) The land immediately south of the notified plan change area.

The landowner, Orchard Road Holdings Limited (ORHL) requests that the land immediately south of the notified plan change area be included in the Industrial B Zone on the basis that a) it is an appropriate location for such landuse given its proximity to the plan change area and existing industrial and business zones and b) it will enable the interface between the proposed Industrial B Zone and future residential areas to be managed in a comprehensive manner. More specifically, the submitter provides the following reasons in support of extending the zoning to its land:

- There is a need for more industrial land;
- The Ballantyne Road area is set to become the main focus of business and industrial activity;
- Concentrating such activities is efficient, and providing this additional land will ensure that a third industrial/ business area is not required in the future;
- The proposed extension provides a contained area that is buffered from the future residential land (as shown on the Wanaka Structure Plan) and, hence, will safeguard residential amenity. The submitter explains that the existing zoned industrial strip (alongside Ballantyne Rd) enables 6m high buildings to be built to the boundary and up to 75% building coverage and that, as such, there would need to be significant setbacks

and careful boundary treatment from that strip in order to preserve the amenity of the future residential area;

- The proposal provides better integration between the existing industrial land and the Industrial B land;
- The proposal includes the creation of an access road through the industrial land flanked by 10 metre wide bunds, which will create an attractive entrance to the future residential land, rather than driving through an industrial estate (presumably they are referring to Frederick Street).

So, the issues for further consideration are:

- Whether it is appropriate to zone considerably more industrial zoned land
- Whether it is an appropriate location for industrial uses
- Whether it is appropriate from a landscape perspective
- Whether the zoning and Structure Plan proposed by the submitter is a more appropriate way of dealing with the interface between industrial uses and the future residential land, than the status quo.
- Whether this plan change is the most appropriate process for determining the zoning for this land or whether it would be best dealt with as part of a subsequent future plan change that also deals with the adjacent future residential.

It is noted that, at the time of preparing this report (February 2011), ORHL has also applied for a 4 lot subdivision & landuse consent (RM100794) over the industrial strip and extending very slightly over the adjacent Rural General-zoned land. This covers the same land, for which resource consent (RM061149) was previously granted, which allows 50 business/residential units to be erected and subdivided. Of note, the recent application reflects a change in market demand in Wanaka away from small business units and toward larger lot, more traditional, industrial uses.

Whether there is a need for more industrial zoned land

Whilst it is clear that zoning industrial land in excess of demand is not necessarily inappropriate there is an issue of 'degree' in terms of how far ahead of demand the zoning should extend in order to still provide for the efficient use of resources and to ensure an appropriate mix of residential and employment land within the Wanaka area.

The ORHL submission requests that the plan change should rezone an additional 4.49 ha of Rural General land as Industrial B.

The Council produced a report entitled Commercial Land Needs - Queenstown Lakes District in 2007 in order to better inform its strategic planning, which can be viewed on the council's website:

www.qldc.govt.nz/images/Files/Growth_Projections/Commercial_and_Industrial_Land_use.pdf

The report summarised the likely needs of Wanaka in terms of business, industrial and retail uses. These went on to provide the basis for the amounts of land for different uses shown in the Wanaka Structure Plan.

Of relevance, the subsequent Wanaka Land Needs Report (2007) made the following comments and can be viewed in full on the council's website:

www.qldc.govt.nz/plan_change_16_three_parks/category/259/

In terms of future business land, the 2006 Commercial Land Needs Study predicted the need for an additional 30ha of land. This was to be made up of additional 10ha of town centre land, 10ha of mixed business land and 10ha of land for yard-based activities.

There is a need to identify this additional land and bring it onto the land market within the next 3 to 5 years...

The additional mixed business land will provide opportunities for smaller scale workplaces and retail trade type operations, particularly those related to the construction industry. The yard-based area will offer opportunities for activities requiring larger sites, such as transport and freight distribution, car sale and rental yards and construction related yard activities. It can also act as a land bank for more intensive business uses in the future.

As with residential land, there will be a need for the Council to monitor development trends and to assess the rate of uptake of the business areas to be provided. Longer term there will be a need for additional business land. Some additional business land can be accommodated in the lower Ballantyne Road area. Other options include new business areas at Luggate and / or the airport.

...

In relation to business-to-business demands, the Commercial Land Needs Study anticipated that this trade related retail demand will continue to be met by developments at Anderson Heights, the expanded Ballantyne Road area and by the proposed yard-based area (but to a much more limited extent).

The 2007 report predicted that 2 hectares of the 10 hectares of additional mixed business land would be consumed by business-business retail. It should be assumed that very little if any of that will occur within the Industrial B Zone due to the restrictions placed on retail activity. Since that report, some 3 years ago, the Three Parks and Ballantyne Mixed Use Zones (BMU) have become operative. The Three Parks Zone provides 5.3 hectares of mixed business land whilst the Ballantyne Mixed Use Zone provides 1.08 hectares of mixed business and 10 hectares of yard-based industrial land. The BMU Zone also provides a further 10 hectares of deferred employment land; the intention being to uplift this once the operative zones are reaching capacity.

This suggests that it would be sensible to zone at least another 3.6 hectares of mixed business land in the foreseeable future in order to meet projected demands. These figures equate to demand for 0.5 hectare of new mixed business land and 0.5 ha of yard-based industrial land per year, on average.

If approved, the Industrial B land at Connel Terrace will provide a further 9.62 hectares of additional land for industrial and business purposes, albeit that it will only provide for a limited amount of business-business retail. In theory (based on the sort of growth in the construction sector and uptake that was predicted in previous studies in 2006, 2007, and 2009), this should be enough land for 19 years of growth. Also taking into account the operative Three Parks and the BMU zones, there is around 16 ha of land, which will cater for around 30 years demand. If the ORHL land were also re-zoned as per the submission, then a further 4.49 hectares of land would be re-zoned to Industrial B, which would provide for a further 9 years of growth, bringing that the total supply would cater for around 40 years of demand. In my view, this extent of oversupply does not represent an efficient use of land/resources and is therefore not sensible planning.

Location

The extension requested by the submitter is bounded to the north by the proposed Industrial B zone and to the east by a strip of Industrial Zone. As such, whilst it is an outward expansion of the industrial area it is contiguous with the existing zone rather than being a completely separate node of activity. As such, there would be long term efficiencies in terms of infrastructure and trip generation. You are referred to the discussion under landscape effects and residential amenity below for more on this issue. On the basis

of geographic location alone, if and when there is a demand for more industrial land, this may well be an appropriate place for it.

Whether the extension is appropriate from a landscape perspective

A map showing the topography of the subject land is attached to this report (Appendix G). Notably, for over half the length of the boundary with Frederick Street, the existing development is well below the level of the adjoining ORHL land, such that whilst 2 buildings at the start of Frederick Street are highly visible from Ballantyne Rd and other public views, the others are not. A number of photographs showing this are also included as Appendix G. These attachments are included simply to clarify that development on the south side of Frederick Street does not currently create a line of industrial buildings (as one may assume from looking simply at a site plan) and that the topography, which rises up sharply at the back of the Frederick Street sites may in fact provide some logic for a new zone boundary and, in itself, provide some mitigation between the industrial uses and the future residential development that is likely to abut it in the future.

The initial landscape report prepared for the Council by Lakes Environmental made the following comments in response to the proposal suggested by ORHL back in 2009, which was to replace the existing strip of industrial zoning along Ballantyne Rd with a strip of the same area alongside the properties on Frederick Street:

Reconfiguration of the existing strip of industrial zoning along Ballantyne Road would consolidate industrial development into one area, as the new zone boundary would be relatively close to that of the Ballantyne Road Mixed Use Zone on the eastern side of the road. This is likely to have positive effects on the visual amenity and landscape character of the adjoining areas, limiting the length of the interface between industrial and rural (or future residential) land and placing development further from the rural lifestyle zone along Riverbank Road. It would also improve the amenity of the entry to Wanaka via Ballantyne Road, by limiting sprawl of industrial development or 'strip development' along the road (paragraph 4.2).

Notably, now that the strip is no longer being proposed to be removed, the above comments are now of limited relevance. That report also considered alternative locations for an expanded Industrial B Zone; including expanding it in the location now being suggested in ORHL's submission. Paragraph 5.1 makes the following comments:

5.1 Landscape and visual effects of alternative zone extension locations

If the allowable building height was eight metres or less, additional industrial development on the Orchard Road Holdings Ltd property would be less visually prominent within the landscape than development on the upper terrace. The alternative area is between five and six metres lower than the upper terrace and development would therefore be more readily contained by the surrounding landform. However buildings would still be visible from the west and south, albeit lower in the landscape, and the visual and rural amenities of residents along Riverbank Road could be adversely affected. Mounding and landscape screening, similar to that existing on the southern boundary of existing industrial development on Frederick Street would be required to mitigate adverse visual effects. Extension of the reconfigured zone on the Orchard Road Holdings Ltd land also has the disadvantage of creating a longer potential interface between industrial and future residential activities. An open space buffer would be required to separate these activities.

Relevantly, the Landscape Assessment report (2009) raises issues associated with rezoning ORHL's land relating to: Adverse effects on residential amenity along Riverbank Rd; the greater interface that would be created with future residential areas; and the need to provide mounding and landscaping to screen the zone.

All that said, the report still concludes that it is appropriate to re-zone the land between Frederick Street and Gordon Road as shown on the notified plan change (in preference to the other options) due to the fact that the adverse effects can be adequately mitigated and that there is no suitable alternative use for the land given that it is surrounded on 3 sides by industrial uses.

Whether there are any transport/ traffic benefits arising from approving the ORHL Structure Plan

If the commissioners decide to rezone the land, a Structure Plan will need to be included in the District Plan. It is therefore important to understand the quality of the roading layout proposed by ORHL and, as such, some preliminary advice has been obtained from MWH. It is considered important that the submitter also provide detailed evidence on this matter at the hearing.

The advice from MWH is attached as Appendix H but, in summary, it is considered that:

- All roads shown on the ORHL concept Plan should have limited access status in order to protect their intended function.
- Industrial traffic should be restricted from using the road annotated with the words '10 metre wide bunding' (in its current or an amended location) in order to allow residential traffic to be separated from the industrial traffic. It is unclear whether this is the intention of the submitter and, if so, it is unclear how the industrial properties will be accessed.
- Whilst the roading layout shown on the concept plan is not inconsistent with the area-wide plans, it should be amended as follows in order to be more consistent with the Wanaka Transport Study:
 - The southern road which adjoins Ballantyne Road (annotated with the words '10 metre wide bunding' should be deleted and re-located as far south as practicable, say, close to southern boundary line.
 - A 'western connector road' could be added generally in the location of the western-most boundary of the future residential area, connecting (north-south) the realigned road which adjoins Ballantyne Rd and the Frederick Road extension.
 - The road connecting Frederick Street and the proposed road adjoining Ballantyne Rd should be realigned to help to form a buffer between the industrial and residential areas
 - The industrial access road is intended to maximise the use of the land, and could be modified to cater for Ballantyne Road fronting properties.
- More information is required in terms of the proposed form of the road annotated as '10 metre wide bunding' as it is unclear how wide the carriageway is intended to be, whether it is intended to be limited access, and whether there are to be 10 metres of bunding either side of the road or 10 metres of bunding in total. In addition, the internal access / local roading layout should be determined.

In addition to the above comments and those contained in the written advice, it is considered that if the commissioners decide to re zone the land it will need to be proven that the intersection onto Ballantyne Rd is appropriate and input from neighbours will need to be enabled at the ODP stage in respect of the intersection.

Options analysis

Two options are outlined below. It is noted that no submitter has sought for the ORHL land be re-zoned to Industrial B instead of the area of land as notified and, as such, this option is not considered.

Option 1: Retain the notified Industrial B boundaries and do not extend it to include the ORHL land

Benefits

- This option would be consistent with the Wanaka Structure Plan.
- Development on the existing strip adjacent to Ballantyne Rd will very likely screen those buildings that are currently visible along Frederick Street, when viewed from much of Ballantyne Road. This will certainly be the case if the approved business park is given effect to on that land.
- As many of the buildings on Frederick Street sit below the level of the ORHL land, the foreground view from Riverbank Rd and properties thereon will remain rural until a subsequent plan change is undertaken for that land.
- By considering re-zoning options for the land through a separate subsequent plan change process at a later date, the necessary further assessment relating to effects on landscape, residential amenity, traffic, land supply and demand, and stormwater can be undertaken and public input be obtained prior to and following notification.
- The options are relatively neutral as far as managing the interface between the industrial and future residential areas are concerned (in terms of amenity and reverse sensitivity). However, the change in elevation between the sites on Frederick Street and the ORHL to the south is relatively significant and, as such, provides a natural logical zone boundary which will assist in mitigating the effects of the industrial activity on residential uses.
- This option avoids the risk of development leapfrogging the plan change 36 land (which is more readily serviceable and closer to the developed part of Wanaka) and occurring, instead, on the ORHL land, which is on the edge of the inner growth boundary.
- Whereas the owners of the notified land have agreed to make a contribution toward affordable housing and made various commitments relating to open space, reserves, water supply, and stormwater (through an agreement with the Council), such assurances have not been secured with ORHL.

Costs

- If the Council does not extend the zone as requested, then ORHL may appeal this part of the decision to the Environment Court, therefore adding cost and delay to the plan change process. To the contrary if it were approved, it may be appealed by other affected parties.
- ORHL may apply for industrial development of the site through a resource consent and there is a risk that this would be granted and may not include the same degree of mitigation proposed through the submission.

Option 2: Extend the Industrial B zoning to include the ORHL land in the manner proposed in its submission

Benefits

- Any Structure Plan (including that proposed by ORHL) would include areas for landscaping/ mounding aimed at mitigating any conflicts with future residential development. It is noted, however, that even though such mounding/ landscaping is not required by the approved resource consents on the industrial strip along Ballantyne Rd, the landowner will have a vested interest in ensuring a reasonable residential environment in the future residential area through some form of mitigation. Indeed, this would almost certainly be required through any rezoning of the adjoining land, for residential purposes.
- The buildings would screen those that are currently visible along Frederick St (when viewed from Ballantyne Rd) and may, although not necessarily, be more attractive than those that currently exist.

Costs

- The submitter has not provided any information in support of the submission, in relation to effects on the landscape, amenity values (from a visual and nuisance perspective), servicing, and industrial land needs. It is considered inappropriate for the Council to approve such a significant extension of land without similar level of analysis as was undertaken for the notified plan change 36.
- Whilst within scope, the re-zoning of this land in response to a submission raises the issue of whether there are potentially affected people who have not submitted to the plan change and hence, are disempowered from expressing their opinion.
- This option would be inconsistent with the Wanaka Structure Plan which expects the Three Parks and BMU Zones, and the Connel Terrace precinct to be developed and for the 10 hectares of deferred 'employment land' contained within the BMU Zone to then be uplifted and developed.
- The Structure Plan included with the submission proposes considerable buffer reserve areas (3.13 hectares in total), which raises issues in regard to the ownership and maintenance of those areas in the long term. It is noted that the Council will almost certainly not be interested in acquiring or maintaining these unless they are entered into the ETS, in which case it *may* consider it.
- Whilst there are clearly some benefits of connecting roading through this land over time, there are various concerns about the specific layout shown in the ORHL concept plan and the level of information provided by the submitter. Furthermore, there is no urgency for these roads to be provided. It is also noted that enabling the existing industrial strip alongside Ballantyne Rd to be developed in the interim will in no way prejudice the ability to create an appropriate roading layout.

In conclusion, it is recommended that the Industrial B Zone not be extended over the ORHL land in the manner proposed in its submission.

- b) The rezoning of land on the corner of Riverbank and Ballantyne roads, owned and operated on by Wanaka Landfill

The submission does not include a map of legal descriptions clarifying the location of the land. It would be helpful if this could be provided by the submitter at the hearing.

Discussion

The submitter seeks the inclusion of this land and provides the following reasons:

- There is a need for more industrial land;
- Industrial land should be sufficiently distant from residential activities that no adverse effects occur.

Two further submitters oppose the application of the Industrial B land to this land.

The land in question is beyond both the inner and outer growth boundaries as shown on the Wanaka Structure Plan (2007) and is not indicated on that plan as an appropriate place for industrial zoning. Whilst it is acknowledged that industrial activities currently occur on those sites it is understood that this is limited in scale and type by consent conditions and specifically related to the extraction, storage, and processing of materials from the river. Notably, the rezoning of the land to Industrial B is a significant 'shift' from this permitted baseline.

Recommendation

It is recommended to reject the above submissions requesting that the Industrial B Zone be applied to the ORHL land and to the Wanaka Landfill and Maungatua Contracting land, as described in their respective submissions.

Reasons for the Recommendation

Whilst there appears to be legal scope to extend the Industrial B Zone to the ORHL land, for the following reasons it is not recommended:

- There is insufficient information included with the submission to be convinced of the effects of development on this land in relation to effects on the landscape, amenity values, transport, water supply, onsite storm water disposal, and industrial landuse needs.
- It will provide significantly more industrial land, which is well over that which is required in the medium term, or even in the long term;
- It is contrary to the Wanaka Structure Plan which, together with the operative District Plan, provides for industrial and business needs at Three Parks, the plan change 36 land, and then, once those are established, within the Ballantyne Mixed Use Zone.
- It risks development 'leapfrogging' other land zoned for this purpose.
- It could have visual effects on views from roads, the river, and residential properties.
- It could have effects on residential amenity, which could not have been foreseen by anyone looking at the notified plan change;
- The designated site can continue to operate for its intended purpose, regardless of the underlying zoning.
- The rezoning of this land is best considered as part of the District Plan review process, which will consider the issue of gravel extraction and associated activities on a district-wide basis.

Issue 5 - Whether there is a need for more industrial land

The issue

As well as those submitters who support the addition of more industrial land in Wanaka and those who go a step further to suggest that there, indeed, needs to be more land than is being proposed in the notified plan change (i.e. those discussed above), there are some who question whether there is a need for anymore at all.

Discussion

The discussion of this issue is well canvassed above.

Recommendation

It is recommended to reject the submissions opposing the plan change on the basis that there is no need for the land.

Reasons for the Recommendation

Based on the supply and demand information contained in the Commercial Land Needs Study (2006) and reinforced by the Wanaka Land Needs Study and Wanaka Structure Plan (both 2007) and the LTCCP (2009), it is considered appropriate to zone the Connel Terrace Precinct at this stage. Uptake of the zoning should then continue to be monitored and further land zoned as required.

Issue 6 – The adequacy of the Section 32 analysis

Issue

One submitter has commented that the plan change fails to consider the alternative option of extending the plan change 36 boundary over the land to the south of the proposed Industrial B Zone, which is owned by Orchard Road Holdings Limited.

Discussion

Case law has established that the Section 32 process continues through the entire plan preparation process. As such, those areas where issues and options may not have been adequately addressed initially can be more thoroughly assessed through this report, the evidence presented at the hearing, and, most importantly, through the Council's decision.

Recommendations

It is recommended that extending the Industrial B Zone to the ORHL land and/ or to the Wanaka landfill and Maungatua Contracting (Wanaka) land be considered as alternative options and considered in terms of section 32 documented in the Council's decision.

Reasons for the recommendations

These options have now been raised through submissions and therefore need to be considered in terms of Section 32 of the RMA.

Issue 7– consequential amendments

Issue and discussion

Establishing an Industrial B Zone may cause confusion between that zone and the existing Industrial Zone. It is noted that the re-naming of the "Industrial" Zone to "Industrial (A)" was not included in the notified plan change but, particularly in drafting this report it has become apparent that there could be confusion unless this distinction is made clearer. A number of typographical and numbering errors have been noticed and should be rectified at this point.

Recommendation

Should the commissioners be of a mind to approve the Industrial B Zone, then as a consequential amendment it is recommended that the existing Industrial Zone be re-named as Industrial (A) Zone in order to avoid confusion between the two. This is considered to be a reasonable consequential amendment. The various typographical and numbering errors should be rectified at this point.

Reasons for the Recommendation

This amendment is recommended in order to avoid confusion between the existing Industrial Zone and the proposed Industrial B Zone.