BEFORE THE HEARINGS PANEL

IN THE MATTER OF the Resource Management Act 1991

AND

IN THE MATTER OF the Proposed Queenstown Lakes District Plan – Stage 3

Statement of Evidence of Hayley Jane Mahon for

J C Breen Family Trust (submitter #3235)

The Breen Construction Company Limited (submitter #3234)

Alpine Nominees Ltd (submitter #3266)

86 Ballantyne Road Partnership (submitter #3286)

NPR Trading Limited (submitter #3298)

Dated: 29 May 2020



Table of Contents

INTRODUCTION3
Qualifications and Experience3
Code of Conduct3
SCOPE OF EVIDENCE
EXECUTIVE SUMMARY4
RELIEF SOUGHT IN SUBMISSIONS5
BACKGROUND6
Receiving Environment6
Operative District Plan7
Proposed District Plan9
NOTIFIED GENERAL INDUSTRIAL ZONE10
STATUTORY CONSIDERATIONS11
National Policy Statement on Urban Development Capacity 201611
Partially Operative Otago Regional Policy Statement 201911
Strategic Directions Policies, Proposed District Plan14
EVALUATION21
Examination of extent to which the objectives of the proposal are the most appropriate way to achieve the purpose of the Act s.32(1)(a)21
Identification of other reasonably practicable options for achieving the objectives s.32(1)(b)(i)22
RESPONSE TO SECTION 42A26
CONCLUSION28
ANNEXURE A – RELIEF SOUGHT29
ANNEXURE B – EXISTING AND CONSENTED CHARACTER OF BALLANTYNE

INTRODUCTION

Qualifications and Experience

- 1. My full name is Hayley Jane Mahon.
- I hold the position of planner at John Edmonds and Associates. I am based in Wanaka but grew up in Queenstown and have lived in the District on and off throughout my life. I have been employed by John Edmonds and Associates since November 2019. I hold the qualifications of a Bachelor of Laws and a Bachelor of Science majoring in Land Planning and Development from Otago University. I have 5 years' experience as a property lawyer employed in Queenstown, Invercargill and the United Kingdom and 1 years' experience as a resource management lawyer in Queenstown. I have 2 years' experience as a planner.

Code of Conduct

- 3. I confirm that I have read the Code of Conduct for Expert Witnesses contained in the Environment Court Practice Note 2014 and have complied with it in preparing this evidence. I confirm that the issues addressed in this evidence are within my area of expertise and I have not omitted material facts known to me that might alter or detract from my evidence.
- 4. The key documents I have referred to in drafting this brief are:
 - (a) The Section 32 Evaluation for Chapter 18A the General Industrial Zone including appendices;
 - (b) The QLDC Business Development Capacity Assessment 2017;
 - (c) The Section 42A Report for Chapter 18A General Industrial Zone by Mr Place;
 - (d) Economic Assessment of Queenstown Lakes District's Industrial Zones Stage 3 District Plan Review dated 22 May 2019 by M.E Consulting; and
 - (e) The Otago Regional Council Partially Operative Regional Policy Statement dated 14 January 2019.

SCOPE OF EVIDENCE

- I have been engaged by J C Breen Family Trust, The Breen Construction Company Limited, Alpine Nominees Ltd, 86 Ballantyne Road Partnership and NPR Trading Limited (Submitters) to provide evidence on the Proposed Queenstown Lakes District Plan – Stage 3 (PDP).
- 6. The following evidence covers the Submitters' submissions that relate to the notified zoning of the Submitters' properties. The Submitters own or have an interest in the following properties:

- (a) J C Breen Family Trust owns 92 Ballantyne Road (Lot 2 DP 26235);
- (b) The Breen Construction Company Limited are the tenants of 92 Ballantyne Road (Lot 2 DP 26235);
- (c) Alpine Nominees Ltd owns 8 Connell Terrace (Lot 1 DP 372157);
- (d) 86 Ballantyne Road Partnership owns 86 Ballantyne Road (Lot 1 DP 26235); and
- (e) NPR Trading Limited owns 15 Gordon Road (Lot 1 DP 27842).
- 7. These sites have been notified as General Industrial Zone (GIZ). The Submitters oppose the strict provisions the GIZ zoning provides for their sites and others in the surrounds, and instead seek a relaxation of the rules relating to commercial, office and retail activities that are not ancillary to industrial or service use; or, as an alternative relief, a rezoning of some of the land in the area to Business Mixed Use Zone (BMU).
- 8. The evidence is provided in the following parts:
 - (a) Executive Summary;
 - (b) Relief Sought in Submissions;
 - (c) Background;
 - (d) Notified General Industrial Zone;
 - (e) Statutory Considerations;
 - (f) Evaluation;
 - (g) Response to Section 42A; and
 - (h) Conclusion.

EXECUTIVE SUMMARY

- 9. This evidence has been prepared to address the most appropriate zoning and activity status for the area proposed to be zoned GIZ around Ballantyne Road and Gordon Road area in Wanaka as part of Stage 3 of the PDP Review.
- 10. The evidence sets out that the current use of the ODP Industrial A zoning in the Ballantyne Road which forms part of the legal environment is used for very little industrial activity (only 8% of use in the area)¹; it is largely serviced based with light

JEA19230

¹ Section 32 Report – General Industrial Zone, Page 41

industry, commercial and office use dominating the area. This influences the environment anticipated by people in the area. The proposed GIZ zoning with the prohibitive approach to any non-industrial or service activities does not most appropriately fit the existing environment around Ballantyne Road or Gordon Road and will constrain opportunities for existing landowners.

- 11. I consider the most appropriate zoning to be GIZ with modification to allow for commercial, office and retail activities that are not ancillary to industrial or service use. This would best achieve the purpose of the Act and the Strategic Direction of the PDP and best provides for the existing activities occurring and anticipated by people within the area and is the most efficient use of the land.
- 12. In coming to this conclusion, I have considered the proposal to amend the proposed GIZ rules to allow for commercial, office and retail activities against the relevant statutory considerations including the National Policy Statement on Urban Development Capacity, Regional Policy Statement and Objectives of the Proposed District Plan.
- My evidence considers the options available for the area including: amending the GIZ provisions to allow for office, commercial and retail activities which are not ancillary to industrial or service activities; an amended GIZ which restricts new non-industrial activities along the Ballantyne Road corridor and Gordon Road; a BMU corridor along Ballantyne Road and Gordon Road; or retaining the PDP as notified, being GIZ.
- 14. In analysing the options against the relevant statutory considerations, I consider that a modified GIZ to allow for commercial, office and retail activities is the most appropriate zoning for the land.

RELIEF SOUGHT IN SUBMISSIONS

- 15. The Submitters sought the following relief:
 - (a) Amend the GIZ provisions to allow for office, commercial and retail activities not ancillary to industrial or service activity use; or
 - (b) If the relief sought in (a) is not allowed across the entire GIZ zone, allow office, commercial and retail activities along the Ballantyne Road corridor and Gordon Road. This area is shown below outlined in red.

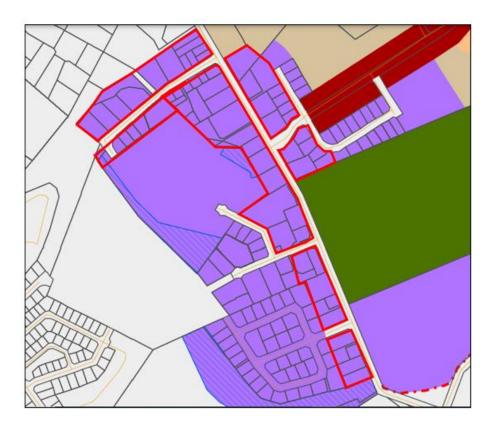


Figure 1: The corridor identified by the Submitters as being suitable for the secondary relief of a modified GIZ.

16. As secondary relief, the Submitters seek the Ballantyne Road corridor and Gordon Road to be rezoned either to Business Mixed Use (BMU) or a modified BMU with the provision for residential and visitor accommodation limited/controlled with high acoustic protection where those sites adjoin the GIZ.

BACKGROUND

Receiving Environment

17. The land owned by J C Breen Family Trust and occupied by The Breen Construction Company Limited at 92 Ballantyne Road (Lot 2 DP 26235) contains an existing civil construction yard and some small office buildings. J C Breen Family Trust have recently been granted two resource consents² on the 4th May 2020 (since notification of the GIZ) to develop the land into a staged commercial and office development. The two consents provide an option for intensity of development on the sites, depending on the growth of the company and the market requirements. Neither of these consents have been implemented.

² QLDC References: RM200065 and RM200066

JEA19230

- 18. The site owned by Alpine Nominees Ltd at 8 Connell Terrace contains a large building that was purpose-built and currently occupied by PlaceMakers, who would be considered a 'Trade Supplier'- a prohibited activity in the proposed GIZ provisions, as amended to discretionary in the s.42A Report³. The PlaceMakers building was lawfully constructed in 2006⁴.
- 19. The land owned by 86 Ballantyne Road Partnership at 86 Ballantyne Road currently contains a relatively small building occupied by a well-known construction firm used for office and storage. A resource consent was granted to redevelop the site on 16th August 2017⁵ and building consent granted on 7 March 2018⁶ to enable the construction of ten office units within three buildings, associated parking, access, services and signage. The consent has not yet been implemented, however the right to proceed with the redevelopment remains.
- 20. The land owned by NPR Trading Limited is located at 15 Gordon Road, and contains a shed currently used as a CrossFit gym, offices, storage and treatment rooms at ground floor level, and a residential unit at first floor level. This use was lawfully established through a resource consent granted 7 September 2016⁷.
- 21. The area surrounding the notified Ballantyne Road and Gordon Road GIZ consists of:
 - (a) A Special Housing Area identified by the Government to the west of the industrial area;
 - (b) The undeveloped residential zones of the Three Parks Zone to the east;
 - (c) The rural residential environment along Riverbank Road to the south; and
 - (d) The rural residential/Large Lot residential environment of Golf Course Road to the north.

Operative District Plan

22. The land fronting Gordon Road and the western side of Ballantyne Road was zoned as Industrial A Zone under the ODP, within the Urban Growth Boundary. 92 Ballantyne Road and 8 Connell Terrace have a building restriction area covering the front portion of the site resulting from the (now) decommissioned sewerage ponds on the eastern side of Ballantyne Road. There is a small designated strip of land at the front of 8 Connell Terrace (designation #303) whose purpose is 'Segregation Reserve'.

³ Section 42A Report – General Industrial Zone, Paragraph 5.74

⁴ QLDC References: RM050181, Varied by RM050840

⁵ QLDC Reference: RM161249

⁶ QLDC Reference: BC171656

⁷ QLDC Reference: RM160632

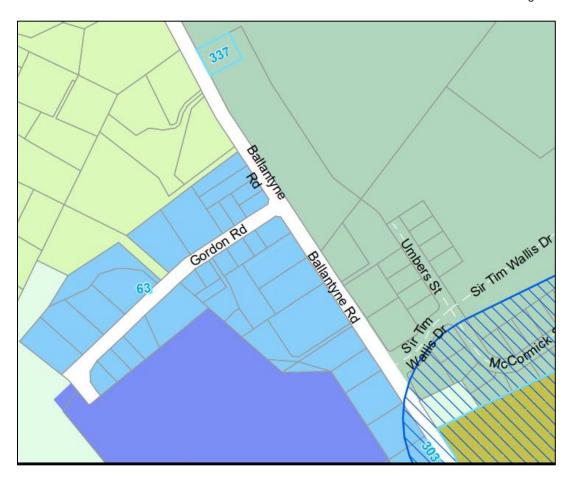


Figure 2: Industrial A zoning of Gordon Road and Ballantyne Road frontage in light blue from ODP Map 21.

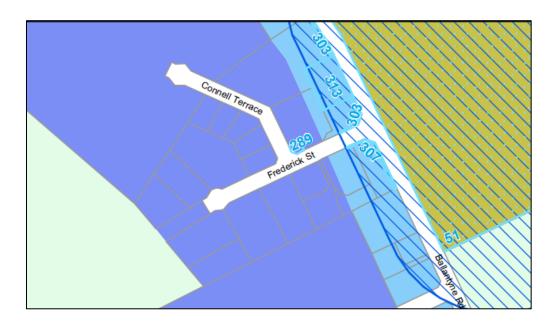


Figure 3: Industrial A zoning Ballantyne Road frontage in light blue, from ODP Map 23.

Proposed District Plan

23. To the north of the land zoned as GIZ in the PDP is land zoned Large Lot Residential A. To the west of the GIZ is Low Density Suburban Residential zoned land. To the south-west of the land zoned GIZ is land subject to Plan Change 46- Ballantyne Road Industrial and Residential Extension under the ODP which contains a mix of Rural General, Low Density Residential and Industrial B zone - this area has not progressed through the PDP review yet. To the south of the land zoned GIZ is an area of Rural and Rural Lifestyle zoned land, which lies just outside the Urban Growth Boundary. To the east of Ballantyne Road is Three Parks, which under the ODP has its own Three Parks Special Zone, however the QLDC is seeking to rezone this land to align with the other established PDP zonings, to incorporate a mix of GIZ, BMU, Low, Medium and High Density Suburban Residential zone, Open Space, and Three Parks Commercial zone.

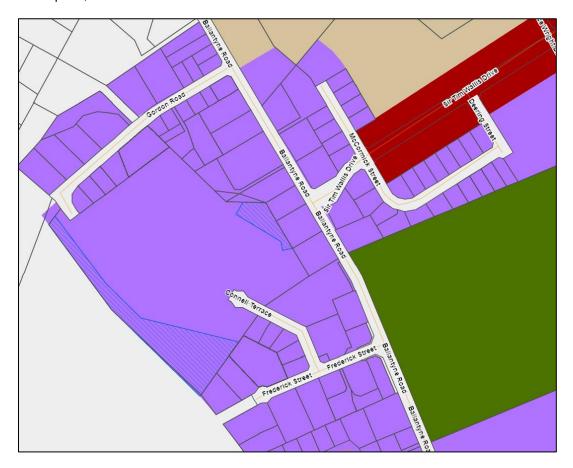


Figure 4: Notified zoning of Gordon Road, Ballantyne Road as GIZ and surrounding Stage 3 PDP zoning, from QLDC PDP Stage 3 and 3b Webmap accessed 27 May 2020.

NOTIFIED GENERAL INDUSTRIAL ZONE

- 24. The proposed GIZ has objectives, supporting policies and several rules relating to the outcomes sought for this area. The four objectives for the zone are:
 - 18A.2.1 Industrial and Service activities are enabled within the Zone and their longterm operation and viability is supported.
 - 18A.2.2 The establishment, operation and growth of Industrial and Service activities within the Zone is not undermined by incompatible land uses.
 - 18A.2.3 Activities and development within the Zone provide a level of amenity which make it a pleasant, healthy and safe place to work in and visit.
 - 18A.2.4 Activities and development within the Zone are undertaken in a way that does not adversely affect the amenity of other zones.
- 25. These objectives are supported by a number of policies that seek to enable office, retail and commercial activities which are ancillary to industrial or service activities; enable small-scale food and beverage retail activities; recognise that industrial and service activities may have incompatible effects with activities in adjoining zones; avoid any other activities that are not industrial or service activities so as not to displace industrial activities in the future; avoid activities that may undermine the role of town centres and other business areas; managing activities to ensure pleasant amenity is maintained; and ensuring amenity of neighbouring zones and gateway routes is not adversely affected.
- 26. A summary of the activity rules notified in the GIZ is as follows:
 - (a) Industrial activities and Service activities are permitted;
 - Office, Retail and Commercial activities that are ancillary to Industrial or Service activities are permitted;
 - (c) Commercial sale of food and beverages is permitted where the size is limited to 60m²;
 - (d) Outdoor storage is permitted where it is not located in the road boundary setback and screened in most areas;
 - (e) Buildings are a restricted discretionary activity;
 - (f) Commercial Recreation and Recreation activities are non-complying;
 - (g) Trade suppliers and Large Format Retail activities are prohibited;
 - (h) Office, Retail and Commercial activities which are not ancillary to any Industrial or Service activities are prohibited;
 - (i) Residential Activities, Residential Units and Residential Flats are prohibited;
 - (j) Visitor Accommodation is prohibited.

STATUTORY CONSIDERATIONS

National Policy Statement on Urban Development Capacity 2016

27. As QLDC is classified as a high growth urban area under the NPS-UDC, a Business Development Capacity Assessment has been provided by Council.⁸ I have reviewed this report as part of drafting this brief of evidence. Matters relating to industrial development and the supply of industrial land have been considered later in this brief of evidence.

Partially Operative Otago Regional Policy Statement 2019

- 28. In reviewing the District Plan, Council is required to "have regard to" any proposed regional policy statement.⁹
- 29. The Otago Regional Council has released its appeals version of the Regional Policy Statement (**RPS**).
- 30. The provisions of the RPS of most relevance to this area relate to urban growth and development. The relevant provisions of the RPS are contained within **Appendix 1**.
- 31. Particularly relevant is Policy 5.3.3:

Policy 5.3.3 Industrial Land

Manage the finite nature of land suitable and available for industrial activities, by all of the following:

- a) Providing specific areas to accommodate the effects of industrial activities;
- b) Providing a range of land suitable for different industrial activities including landextensive activities;
- Restricting the establishment of activities in industrial areas that may are likely to result in:
 - i. Reverse sensitivity effects; or
 - ii. Inefficient use of industrial land or infrastructure.
- 32. The above policy directs territorial authorities to provide specific areas to accommodate the effects of industrial activities. It should be noted that the Section 32 Report for the GIZ shows that the current Wanaka Industrial area has very little

⁸ Business Development Capacity Assessment 2017, produced by M.E Consulting

⁹ Section 74(2), Resource Management Act 1991

heavy industrial activity taking place within it; only 5.2% of the predominant activities are industrial and 2.6% of predominant activities are yard-based industrial. The three activity types which make up the largest proportion of activities within these areas are service activities (29.9%), light industrial¹⁰ (23.4%) and office (20.8%). See below Figure 15 and Table 4 taken from the Section 32 Report¹¹:

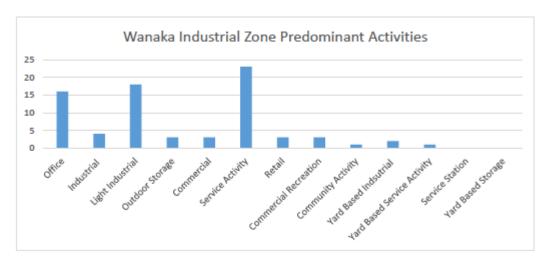


Figure 15 - Predominant activates within the Wanaka Industrial Zone

Table 4 - Predominant activates within the Glenda Drive Industrial Zone			
Activity	Total	%	
Office	16	20.8	
Industrial	4	5.2	
Light Industrial	18	23.4	
Outdoor Storage	3	3.9	
Commercial	3	3.9	
Service Activity	23	29.9	
Retail	3	3.9	
Commercial Recreation	3	3.9	
Community Activity	1	1.3	
Yard Based Industrial	2	2.6	
Yard Based Service Activity	1	1.3	
Service Station		0.0	
Yard Based Storage		0.0	
Totals	77	100.0	

Figure 5: Figure 15 and Table 4 from Wanaka Industrial Zone analysis in Section 32 Report – General Industrial Zone. It is noted Table 4 refers to 'Glenda Drive', however this is incorrect and should be noted to be 'Wanaka Industrial Zone'

¹¹ Section 32 Report General Industrial Zone, Pages 40-41

1

¹⁰The ODP defined Light Industrial Activities as Means the use of land and building for an industrial activity where that activity, and the storage of any material, product or machinery (including waste storage) incidental to the activity occurs wholly indoors, within and enclosed by a building. The requirement for the activity to occur indoors does not apply to required car parking and manoeuvring areas. These activities will not require the use, storage or handling of large quantities of hazardous substances nor require air discharge consents.

33. There are no ancillary industrial or yard based industrial activities occurring in the current Wanaka Industrial Zone. By far the biggest proportion of ancillary activities are office, commercial and service activities. See below Figures 16 and 17 taken from the Section 32 Report¹²

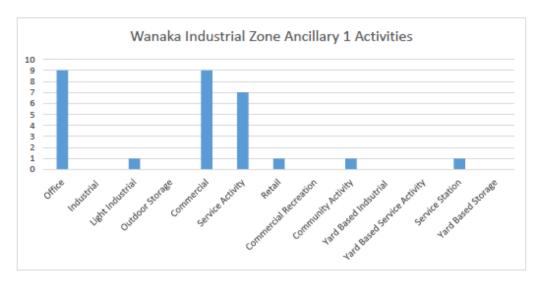


Figure 16 - First level ancillary activities within the Wanaka Industrial Zone

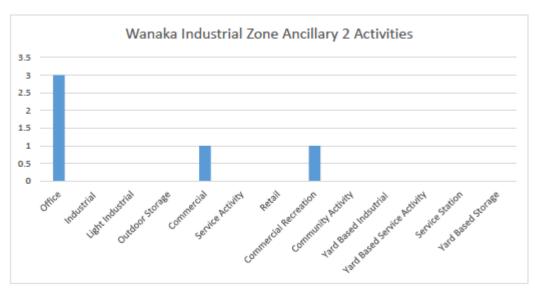


Figure 17 - Second level ancillary activities within the Wanaka Industrial Zone

Figure 6: Figures 16 and 17 from Wanaka Industrial Zone analysis in Section 32 Report – General Industrial Zone.

JEA19230

¹² Section 32 Report General Industrial Zone, Pages 41-42

- 34. If only 7.8% of activities taking place in the Wanaka Industrial area are heavy industrial activities (industrial and yard-based industrial), then this is an area that should not be specifically provided to accommodate the effect of industrial activity. This is currently predominantly an area used for service, light industrial and office activities with ancillary office, commercial and service activities.
- 35. The finding that there are very little heavy industrial activities taking place within the Wanaka Industrial area supports the case for amending the GIZ provisions to allow for office, commercial and retail activities which are not ancillary to industrial or service activity use. This will provide more flexibility than the proposed GIZ for the existing uses taking place in the area such as light industrial, office, food and beverage and commercial activities.
- 36. RPS Policy 5.3.3 directs territorial authorities to restrict the establishment of activities in industrial areas that are likely to result in inefficient use of industrial land. In other words, activities can be established in industrial areas if it can be shown that the proposed activity is not likely to result in the inefficient use of industrial land. Further will be built on this later in this brief of evidence.

Strategic Directions Policies, Proposed District Plan

37. The proposed rezoning is to be assessed as to whether it will give effect to relevant objectives of the plan.¹³

Chapter 3 Strategic Direction

- 38. The objectives within Chapter 3 provide overall strategic direction for the management of district wide issues relating to the management of land within the Queenstown Lakes District.
- 39. Strategic Policy 3.2.1.5 directs that local service and employment functions served by commercial and industrial areas outside of the Queenstown and Wanaka town centres, Frankton and Three Parks are sustained. By amending the GIZ provisions to allow for office, commercial and retail activities which are not ancillary to industrial or service activity use, currently local service and employment functions (which are not largely classified as industrial)¹⁴ could continue to be sustained in the Wanaka Industrial area.

¹³ Section 32(1) Resource Management Act 1991

¹⁴ Section 32 Report General Industrial Zone, Pages 40-42

- 40. Strategic Policy 3.2.1.6 directs that there should be diversification of the District's economic base and creation of employment opportunities through the development of innovative and sustainable enterprises. By amending the GIZ provisions to allow for office, commercial and retail activities which are not ancillary to industrial or service activity use, more diversification of the District's economic base could be achieved allowing a combination of activities in the area rather than strictly industrial activity. This is particularly relevant now following the need to diversify the District's economy as a result of the tourism collapse with Covid-19.
- 41. Strategic Objective 3.2.3 is a direction towards a quality built environment taking into account the character of individual communities. The character of the Ballantyne Road and Gordon Road area is largely service, light industry and office based with a mix of building types and complexes from large-format retail, storage sheds, workshops and business parks. A strict industrial activity approach ignores the current character and built environment of the Ballantyne Road and Gordon Road area.
- 42. Strategic Policy 3.3.2 directs that commercial zoning that could undermine the role of Queenstown and Wanaka town centre as the primary focus for the District's economic activity be avoided. A modified GIZ zoning to allow for office, commercial and retail activities which are not ancillary to industrial or service activity use is going to better reflect the reality of what is in place in the area now very little heavy industry and predominantly service, light industry and office activities with ancillary office, commercial and service activities. The current character of the Wanaka Industrial area is made up of only a small proportion of commercial activities (only 3.9%¹⁵) with the existing pattern trending towards larger proportions of service, light industrial and office activities.
- 43. The kinds of existing retail activities which exist in the Ballantyne Road and Gordon Road area are generally related to the construction industry rather than the retail which occurs in Wanaka town centre such as clothing stores, sports stores, bookstores, tourism offerings and the like- more targeted at foot traffic and tourists. The kinds of existing office activities occurring in the Ballantyne Road, Gordon Road area are generally related to construction and development industry like quantity surveyors, geotechnical engineers, building firms and the like. These are offices that may want to be logically located near construction workshops and service activities which they regularly work with. These kinds of offices also have a need for more immediately available parking due to their requirement to store related equipment and vehicles associated to their office use. These are not the kinds of offices and that are available or suitable in Wanaka Town Centres given the size of offices and

¹⁵ Section 32 Report General Industrial Zone, Page 41

lack of car parking¹⁶ and storage areas. There is a difference between the use of retail and office activities which are going to gravitate towards the Wanaka Town Centre compared to Ballantyne Road/Gordon Road, dependent on their target market and needs. I do not consider that continuing to enable office, commercial and retail in the Ballantyne Road, Gordon Road area will undermine the viability of Wanaka Town Centre as the key commercial, civic and cultural hub of the area given the different target markets.

44. Strategic Policy 3.3.8 reads as follows:

Avoid non-industrial activities not ancillary to industrial activities occurring within areas zoned for industrial activities.

45. Mr Place, as the author of the s42A Report, discusses how the word "avoid" is now to read as "not allow" or "prevent the occurrence of" due to the King Salmon¹⁷ decision and this gives justification to the prohibited activity status for commercial, office and retail uses within the GIZ.¹⁸ Mr Place is also of the opinion that Strategic Policy 3.3.8 gives effect to the RPS Policy 5.3.3:

Policy 5.3.3 Industrial Land

Manage the finite nature of land suitable and available for industrial activities, by all of the following:

- a) Providing specific areas to accommodate the effects of industrial activities;
- b) Providing a range of land suitable for different industrial activities including land-extensive activities;
- c) Restricting the establishment of activities in industrial areas that are likely to result in:
 - i. Reverse sensitivity effects; or
 - ii. Inefficient use of industrial land or infrastructure.
- 46. Mr Place discusses the Hearings Panel in Stage 1 stating that the wording of Strategic Policy 3.3.8 is guided by the Proposed RPS.¹⁹
- 47. Given that the RPS Policy 5.3.3 allows for the establishment of activities in industrial areas which can be shown are not likely to result in reverse sensitivity effects or

¹⁶ Rule 29.8.1 of the PDP requires no car parking for 'all activities' in the Wanaka Town Centre

¹⁷ Environmental Defense Society Inc. v New Zealand King Salmon Company Limited [2014] NZSC 38

¹⁸ Section 42A Report – General Industrial Zone, Paragraphs 5.7 to 5.11

¹⁹ Section 42A Report – General Industrial Zone, Paragraph 5.8

inefficient use of industrial land or infrastructure, I consider that the use of the word "avoid" in Strategic Policy 3.3.8 with the *King Salmon* reading of "prevent the occurrence of" to justify the prohibited activity status in the GIZ for commercial, office and retail activities goes too far beyond the RPS Policy 5.3.3.

- 48. The application of the precautionary principle is contrary to case law which suggests that a precautionary approach is inappropriate where there is sufficient information about the effects of a proposal in determining what activity status should be applied²⁰. The RPS Policy 5.3.3 supports this with its requirement to prove whether non-industrial activities will actually have reverse sensitivity effects or will result in inefficient use of industrial land. I consider that the effects of proposals to establish non-industrial activities in the area that are not ancillary can be determined and assessed through resource consent applications and so the precautionary principle used to justify a prohibited activity status is inappropriate.
- 49. If the Panel makes the decision that the zoning around the Ballantyne Road, Gordon Road area is to remain as the notified GIZ, then I consider that Strategic Policy 3.3.8 should be amended to align with RPS Policy 5.3.3 to allow for other activities to occur in Industrial Areas provided assessments at the time of resource consent applications demonstrate that they are not likely to result in reverse sensitivity effects or inefficient use of the industrial land or infrastructure.
- 50. Even though Strategic Policy 3.3.8 was considered as part of Stage 1 of the PDP review, decisions made, and the policy is not subject to appeal, the wording of the policy can be reopened for consideration. Council released a practice note²¹ stating that it is possible to make submissions on any district-wide provisions that apply to a notified zone provided your submission focuses on the interplay between the proposed PDP zone applying to land in the notified zone and the relevant district-wide provisions.
- 51. When considering Policy 3.3.8 in Stage 1, the Hearing Panel accepted that "non-industrial activities in industrial zones should be tightly controlled" taking into account "the guidance provided by the Proposed RPS, the lack of land available for industrial development, and the general unsuitability of land zoned for other purposes for industrial use."²²

²⁰ Coromandel Watchdog of Hauraki Inc v Chief Executive of the Ministry of Economic Development [2007] NZCA 473 at [34]

²¹ QLDC Practice Note 2/2019 available from https://www.qldc.govt.nz/services/resource-consents/practice-notes-and-guidance - accessed 27/05/2020

²² Report 3 Report and Recommendations of Independent Commissioners, Paragraph 530, Regarding Chapter 3, Chapter 4 and Chapter 6; Section 42A Report – General Industrial Zone, Paragraph 5.8.

- 52. Since Policy 3.3.8 was considered in Stage 1, the *Bunnings Limited v QLDC*²³ decision from the Environment Court has been released. Judge Jackson specifically discusses the RPS Policy 5.3.3 (then known as 5.3.4) and what constitutes the "inefficient use of industrial land"²⁴.
- 53. Judge Jackson opines: "what is an inefficient use of industrial land? In particular is it "inefficient" to use land zoned industrial for some other business activity if the landowner can obtain higher rents for it? It appears not, provided that there is zoned capacity elsewhere in the region (or market) and there is no externality which needs to be taken into account and which, if uncosted, would lead to inefficiency."²⁵
- 54. In other words, when interpreting RPS Policy 5.3.3 and the word "inefficient", other business activities are appropriate in industrial zoned areas so long as there is zoned capacity elsewhere in the region.
- 55. Judge Jackson accepted that when considering whether there is zoned industrial capacity throughout the region, Cromwell should be included along with Wanaka and the Wakatipu as there is "no relationship between market efficiency and ward boundaries". 26 QLDC's Business Development Capacity Assessment (BDCA) does not include data on Cromwell because Central Otago District Council (CODC) is not currently required to provide a BDCA. 27 However, the NPS-UDC does "seek to achieve better integration across local and regional markets through collaboration across administrative boundaries" 28 and given that the Bunnings decision points to Cromwell being considered in the network of industrial areas with Wakatipu and Wanaka, the next BDCA which is prepared should take into account the industrial land that Cromwell can supply. This is supported by the relevant RPS and associated policies incorporating Cromwell area.
- 56. Additionally, in the *Bunnings* decision, Judge Jackson opined that the Bunnings proposal (a trade supply activity) only reduced the quantity of industrial land capacity by 16% and this was a minor effect.²⁹
- 57. If data is taken from the BDCA 2017-2019, the Wanaka Ward has 37.8ha of potential industrial use land³⁰. Using Judge Jackson's method of establishing whether it is efficient or not to take land out of industrial use, proposals for non-industrial activities occurring in the GIZ could be assessed against the available industrial land. Also, if

²³ Bunnings Limited v Queenstown Lakes District Council [2019] NZEnvC 59

²⁴ RPS Policy 5.3.3

²⁵ Bunnings Limited v Queenstown Lakes District Council [2019] NZEnvC 59 at [61].

²⁶ Bunnings Limited v Queenstown Lakes District Council [2019] NZEnvC 59 at [129].

²⁷ QLDC Business Development Capacity Assessment 2017-2019, Page 33

²⁸ QLDC Business Development Capacity Assessment 2017-2019, Page 33

²⁹ Bunnings Limited v Queenstown Lakes District Council [2019] NZEnvC 59 at [95].

³⁰ QLDC Business Development Capacity Assessment 2017-2019, Pages 13-14

the next BDCA considered available industrial land in Cromwell, the changes of use would be at a far lesser proportion.

- I also consider that when assessing whether non-industrial activities are an efficient use of land which can be established in industrial area under RPS Policy 5.3.3, the existing structures and infrastructure on that land should be considered. For example, there are some reasonably sized business parks within the Ballantyne Road, Gordon Road area either established or consented. If the owner of one unit sought to change their tenant from an office use to a retail use, they could not rely on existing use rights because they could not meet the tests under Section 10³¹-under the proposed provisions, it would be a prohibited activity. An industrial activity is unlikely to be able to be a tenant in this case because of the constraints of the building in the business park and reverse sensitivity effects on neighbouring tenants. It would not be an efficient use of their land to knock down a reasonably modern building and construct a new industrial building. It is more efficient to change the use to suit a new tenant, however this would be a prohibited activity.
- Mr Place in the s42A report considers that the Strategic Policy 3.3.8 and its requirement to *avoid* non-industrial activities occurring in industrial zoned areas justifies the use of the prohibited activity status. Given that Strategic Policy 3.3.8 requires amendment because it goes beyond the RPS parent policy 5.3.3 and can be amended because the panel can reopen strategic district-wide policies once a later zoned piece of land comes up in the later stages of the district plan review, I consider that the prohibited activity status is inappropriate and should be changed. This is supported by the Coromandel Watchdog case referred to above. I consider a restricted discretionary activity status would be more appropriate for commercial, retail, office uses that are not ancillary to an industrial use, with the matters of discretion listed to reflect those outlined in the RPS policy 5.3.3, being (amongst others) reverse sensitivity effects and the efficient use of land.
- 60. Strategic Objective 3.3.10 directs an avoidance of commercial rezoning that would undermine the key local service and employment functions that the centres outside of Wanaka Town Centre and Three Parks fulfil. The Ballantyne Road, Gordon Road area is outside of Wanaka Town Centre and is not included in the Three Parks zone. The Ballantyne Road, Gordon Road area is an already existing centre of key local service and employment function. The amendment of the GIZ to include office, commercial and retail activities not ancillary to industrial or service activities will add to the key local service and employment functions that this area provides.
- 61. Strategic Objective 3.3.11 directs the provision for a wide variety of activities and sufficient capacity within commercially zoned land to accommodate business growth and diversification. The GIZ within its prohibitive stance on non-industrial activities

³¹ Section 10, Resource Management Act 1991

(not ancillary) is not going to provide for a wide variety of activities and diversification, and therefore the current GIZ provisions are contrary to this objective. The amendment of the GIZ to include office, commercial and retail activities not ancillary to industrial or service activities assists in achieving this Strategic Objective because of the greater flexibility for different activities to accommodate business growth and diversification.

Chapter 4 Urban Development

- 62. The objectives and policies within Chapter 4 manage the spatial location and layout of urban development within the District.
- 63. Policy 4.2.1.3 requires urban development to be contained with the defined Urban Growth Boundaries. The proposed GIZ is within the PDP Urban Growth Boundaries.
- 64. Policy 4.2.2.1 requires urban development to be integrated with the capacity of existing or planned infrastructure. Given that there are already established service, office and commercial activities on the site, I consider that the existing infrastructure has the capacity for the Submitter's relief to amend the GIZ provisions to include office, commercial and retail activities not ancillary to industrial or service activities.
- 65. Policy 4.2.2.2 requires the allocation of land within UGBs into zones which are reflective of the appropriate land use having regard to:
 - (a) Topography;
 - (b) Ecological, heritage or cultural or landscape significance;
 - (c) Any risk of natural hazards;
 - (d) Connectivity and integration with existing urban development;
 - (e) Convenient linkages with public transport;
 - (f) Provide a mix of housing densities and forms;
 - (g) ...
 - (h) ...
 - (i) The function and the role of town centres and other commercial and industrial areas as provided for in the Chapter 3 Strategic Objectives 3.2.1.2
 3.2.1.5 and associated policies;
 - (j) ...

66. Given that the Submitters are requesting relief which is consistent with what already exists in the area, the relief is appropriate considering all of the factors listed in Policy 4.2.2.2. As mentioned above at [43] and [60], the relief sought is not going to undermine the function and role of town centres, or other commercial and industrial areas.

EVALUATION

Examination of extent to which the objectives of the proposal are the most appropriate way to achieve the purpose of the Act s.32(1)(a)

- 67. The following is my examination of the objectives of the proposal to amend the notified GIZ provisions to include office, commercial and retail activities not ancillary to industrial or service activities and whether this is the most appropriate way to achieve the purpose of the Act and higher order strategic direction.
- As covered above, Strategic Direction 3.2.1.5 has the aim of keeping service and employment functions which are outside of the Wanaka Town Centre and Three Parks area sustained. If the amended GIZ provisions are applied to the area, the existing local service and employment functions which already take place within the area can continue to be sustained. If the notified GIZ provisions were applied with the prohibited activity status for non-industrial activities, the current activities taking place in the zone would be phased out to introduce industrial activities. If GIZ was applied to the zone, the current employment function could be maintained.
- 69. Strategic Policies 3.3.2 and 3.3.6 are aligned in trying to prevent commercial zoning which would undermine the role of town centres. An amended GIZ zoning is going to better reflect the reality of what is in place in the area now being mostly service, light industrial and office activities with some commercial and retail activities. Allowing retail, office and commercial activities in this area is not going to undermine the role of the town centre with its hospitality and day-to-day shopping base. The kinds of retail, office and commercial activities which gravitate to an area like Ballantyne Road and Gordon Road are locating there for a need to be around other businesses which they work with closely and for larger site requirements like car parking and storage. I do not consider that continuing to enable office, retail and commercial activities not ancillary to industrial/service use within the Ballantyne Road/Gordon Road area will undermine Wanaka Town Centre as the key commercial, civic and cultural hub of the area.
- 70. Strategic Policy 3.3.8 seeks to avoid non-industrial activities taking place in an industrial area. As covered above at [44] [61], I consider that Strategic Policy 3.3.8

goes far beyond the parent RPS Policy 5.3.3 and should be amended to provide flexibility for activities which are not an inefficient use of industrial land.

- 71. Amendment of the GIZ provisions to allow for retail, office and commercial activities which are not ancillary to industrial activities would allow flexibility for the activities already taking place in the zone (service, light industrial, office, commercial, retail) as compared to the notified GIZ zoning which will slowly phase out other activities with a prohibited activity status for non-industrial activities. I have included an amended GIZ chapter and provisions at **Annexure A** which introduces this flexibility for activities to establish if it is demonstrated they are not an inefficient use of the land.
- 72. I consider that amended GIZ provisions to allow for retail, office and commercial activities which are not ancillary to industrial activities is the most appropriate way to achieve the Section 5 purpose of the Act³² being in this case the development of physical resources in a way which enables people and communities to provide for their social, economic and cultural well-being while avoiding, remedying or mitigating the adverse effects on the environment.
- 73. The already existing activities in the area (only of which 8% are industrial or yard-based industrial)³³ can continue with greater flexibility under an amended GIZ zoning with provision for non-ancillary office, commercial and retail activities providing a more efficient economic use of existing structures, uses and infrastructure in the area. Amended GIZ provisions will still allow decision makers to avoid, remedy or mitigate adverse effects by retaining discretion on external appearance, location and amenity so that reverse sensitivity effects between non-industrial and industrial activities are reduced.

Identification of other reasonably practicable options for achieving the objectives s.32(1)(b)(i)

- 74. I consider the reasonably practical options to maintain the use and development of the area to include:
 - (a) Option 1 An amended GIZ which allows for office, commercial and retail activities which are not ancillary to industrial activities;
 - (b) Option 2 An amended GIZ which allows office, commercial and retail activities which are not ancillary to industrial activities along the Ballantyne Road corridor and Gordon Road;

³² Section 5, Resource Management Act 1991

³³ Section 32 Report – General Industrial Zone, Page 41

- (c) Option 3 The Ballantyne Road corridor and Gordon Road to be rezoned either to Business Mixed Use (BMU) or a modified BMU with the provision for residential and visitor accommodation limited/controlled with high acoustic protection where those sites adjoin the GIZ.
- (d) Option 4 Retain the PDP as notified, as being GIZ.
- 75. Option 1 to apply an amended GIZ which allows for office, commercial and retail activities which are not ancillary to industrial activities would be aligned with Strategic Objective 3.2.1.5 in sustaining local service and employment functions served by commercial areas outside of town centres and Three Parks. The current activity on the site being service, light industrial and office activities with ancillary office and commercial activities³⁴ can be sustained under an amended GIZ. The current varied trade, office and commercial service and employment would slowly be lost under the notified GIZ due to its prohibitive status on non-industrial activities.
- 76. This option would also assist in achieving the Strategic Policy 3.2.1.6 around the diversification of the District's economic base and creation of employment opportunities by allowing a combination of activities within the area rather than one strict industrial and service activity.
- 77. Option 1 would also contribute to Strategic Objective 3.2.3 which seeks to have a quality built environment taking into account the character of individual communities. The character of the current Ballantyne Road and Gordon Road area is largely service, light industrial and office based with both primary and ancillary commercial and office activities taking place. A strict industrial activity approach will ignore the current character and uses of the Ballantyne Road and Gordon Road area.
- 78. The notified GIZ contains Policy 18A.2.4.2 which directs decision makers to manage adverse effects of activities on the visual amenity of main gateway routes into Wanaka. I consider that only strictly allowing industrial activities in the area will result in less visual amenity along the Ballantyne Road area than if a mix of industrial as well as office, service, retail and commercial uses were allowed which naturally engage with the street frontage more than solely industrial activities would.
- 79. I have covered the policies above that are aimed around avoiding undermining the Wanaka Town Centre. I consider that the Wanaka Town Centre and the Ballantyne Road/Gordon Road area are going to attract different kinds of businesses which are more appropriate to each of their settings. Retail, some office and commercial businesses like hospitality, tourism businesses and shopping boutiques are attracted to the town centre with its foot traffic and visual amenity by the lake. Retail, office and commercial businesses which are attracted to areas like Ballantyne Road

³⁴ Section 32 Report General Industrial Zone, Pages 40 - 42

/ Gordon Road generally purposely choose those areas for their proximity to other businesses or services that they frequently work with or the facilities like parking and storage in these areas. These are often businesses aligned with engineering, construction and trades, automotive businesses and the like. I do not consider the amendment of the GIZ to allow for office, commercial and retail which is not ancillary to industrial activities will undermine the Wanaka Town Centre.

- 80. Option 1 will assist in achieving Strategic Policy 3.3.11 in providing for a wider array of activities and sufficient capacity within commercially zoned land to accommodate business growth and diversification over a prohibitive broad-brush industrial only zoning.
- 81. Option 1 best fits all of the activities already existing in the Ballantyne Road and Gordon Road area being service activities, light industrial, office, retail and the existing small volume of industrial businesses rather than prohibiting anything other than industrial activities through the notified GIZ zoning. The amended GIZ zoning could allow the Council to continue to provide for industrial activities whilst balancing the effects of other activities in the area using the reverse sensitivity policies in the GIZ.
- 82. Option 1 is the most appropriate option in terms of aligning with the enabling purpose of the RMA under Section 5 in allowing people to provide for their economic well-being while avoiding adverse effects and still provide land for industrial activities. I consider that the prohibitive status of the notified GIZ zone does not fit with the enabling purpose of the RMA.
- 83. Option 2 with an amended GIZ along the Ballantyne Road corridor and Gordon Road will allow for Council to continue to apply its prohibitive status on non-industrial uses within the undeveloped GIZ zone in Three Parks, but would enable commercial, retail and office activities along the Ballantyne Road corridor and Gordon Road, particularly where these uses already exist. This would provide for the service, office, commercial and light industrial activities occurring in the area to make use of the existing structures and infrastructure on sites and for new activities to better engage with the Ballantyne Road and Gordon Road street frontage rather than solely industrial activities.
- 84. Option 2 would meet and contribute to the same objectives and policies as Option 1 but would limit the area with non-industrial activities having a prohibited activity status. I consider that Option 2 is less appropriate when compared with Option 1 because it does not align as well with the enabling purpose of Section 5³⁵ in prohibiting the activity status of non-industrial activities.

³⁵ Section 5, Resource Management Act 1991

- 85. Option 3 in rezoning the Ballantyne Road Corridor and Gordon Road area to Business Mixed Use would allow the existing office, commercial, service and retail activities to continue in along these roads but would limit the ability to introduce new industrial activities along these roads with its non-complying activity status for industrial activities.
- 86. Business Mixed Use zoning does allow for greater residential and visitor accommodation use and so this may be incompatible with existing industrial activities in the area. A variation on a full BMU zoning could be to limit or require strict acoustic protection for those residential or visitor accommodation uses where they adjoin the GIZ.
- 87. If a BMU Zone was applied to the Ballantyne Road corridor and Gordon Road area this would result in positive urban design outcomes due to its focus on compatibility between sites and integration of public spaces. A Business Mixed Use zoning would assist in achieving the Strategic Directions around diversification of economic bases and creation of different employment opportunities.
- 88. However, I consider that if the entire area was rezoned in full as BMU and eventually this resulted in the aimed positive urban design outcomes, this may start to attract other businesses which would usually be located in the town centre. There could be a small risk of undermining the Wanaka Town Centre, and therefore there would be a balance to be had for the amount of land to be rezoned.
- 89. Option 4 would be to retain the notified PDP GIZ zoning across the Ballantyne Road area with its prohibitive status on any activities other than industrial activities. I do not consider this zone to be appropriate as the traditional industrial activities currently taking place in the area only make up 8% of total businesses³⁶, with the dominant activities in the area being service, office and light industrial activities with ancillary office and commercial activities. A GIZ in this area is less able to achieve the Strategic Directions of the PDP around diversifying the economic base and achieving a quality environment taking into account the character of existing communities. I also consider that Option 4 will not achieve the purpose of the Act under Section 5 as it is not consistent with enabling activities while avoiding, remedying or mitigating adverse effects on the environment.
- 90. Of all of the options assessed above, I consider that Option 1 in applying an amended GIZ in the Ballantyne Road and Gordon Road area to allow for office, commercial and retail activities which are not ancillary to industrial activities is the most appropriate option to apply. The modified GIZ would consider the existing character of the area being largely office, light industrial and service with commercial, retail activities existing in this area. The modified GIZ zoning would still

³⁶ Section 32 Report – General Industrial Zone, Page 41.

allow Council to provide for industrial activities but enables the most efficient outcomes for landowners and the area through use of existing structures and infrastructure on site. The modified GIZ best achieves the purpose of the Act in enabling people to provide for their economic wellbeing while still giving the Council discretion on the avoidance of adverse effects of activities. The GIZ and its prohibitive stance on non-industrial activities does not give effect to the enabling purpose of the Act.

91. I conclude that Option 1 with the modified GIZ zone to allow for office, commercial and retail activities that are not ancillary to industrial activities best achieves the purpose of the Act, the RPS and Strategic Direction of the PDP and best takes into account the existing character of the area.

RESPONSE TO SECTION 42A

- 92. The evidence of Mr Place recommends that the Submitters' relief in amending the GIZ to allow for office, commercial and retail activities which are not ancillary to industrial activities be rejected.
- 93. Mr Place refers to the RPS Policy 5.3.3³⁷ and its aim to restrict the establishment of industrial areas that are likely to result in reverse sensitivity effects or the inefficient use of industrial land or infrastructure as the basis for the PDP Policy 3.3.8 which states that non-industrial activities in industrial zones must be avoided. Mr Place refers to the *King* Salmon³⁸ definition of 'avoid' meaning to 'not allow' or 'prevent the occurrence of' and this therefore is the justification for the prohibited activity status for non-industrial activities in the GIZ.
- 94. I have covered this in more detail at [44] [61] above, but I consider that a *Bunnings*³⁹ reading of the RPS Policy 5.3.3 must be applied to the word "inefficient". Judge Jackson interpreted this policy in meaning that non-industrial activities may be appropriate in an industrial area so long as there is zoned capacity elsewhere in the region and used a proportional basis of what land area the new activity will occupy compared to the industrial land available to determine whether the activity is appropriate.
- 95. I consider that as this is the latest case law on the RPS Policy 5.3.3 in the context of industrial land in the Wakatipu, the ability to have non-industrial activities within a non-industrial area cannot be prohibited. This is supported by the *Coromandel*

³⁷ Section 42A Report – General Industrial Zone, Paragraph 5.16

³⁸ Environmental Defense Society Inc. v New Zealand King Salmon Company Limited [2014]

³⁹ Bunnings Limited v Queenstown Lakes District Council [2019] NZEnvC 59

Watchdog case which suggests that a precautionary approach is inappropriate where there is sufficient information about the effects of a proposal in determining what activity status should be applied⁴⁰.

- 96. The PDP Policy 3.3.8 must be amended to better reflect the RPS Policy to allow for situations where non-industrial activities can be assessed as not being an inefficient use or they are not likely to result in reverse sensitivity effects.
- 97. Mr Place considers that allowing non-industrial activities in industrial zones could perpetuate reverse sensitivity effects. I respond with the figures quoted in the Section 32 Report as stating that only 8% of activities in the area are traditional industrial activities, with the rest of the use predominantly light industrial (which is defined as having to occur wholly indoors), office use and service activities. The kinds of tenants that generally gravitate to this area alongside these already existing activities are tenants who are located here for their proximity to other businesses in the same field or the facilities that can be provided on site like parking and storage.
- 98. Mr Place and Ms Hampson consider that allowing new office, retail and commercial activities may displace industrial and service activities and therefore result in negative economic outcomes. I consider that we must take into account again the RPS Policy 5.33 which allows for non-industrial activities to be located in industrial areas if they are not an inefficient use of land. I consider that removing the ability for landowners to change the use of their existing structures or use on their land where they cannot rely on existing use rights is economically inefficient. There are various buildings and business parks around the site which could transition between uses with minor alterations or additions and to take that ability away does not reflect the sustainable management purpose of the Act⁴² in which people's economic wellbeing should be enabled while managing adverse effects on the environment. Council is still able to retain the ability to use their discretion to avoid, remedy or mitigate the effects of the use of non-industrial land on industrial activities through site standards like setbacks, bulk and location requirements, reverse sensitivity considerations and noise insulation requirements.
- 99. I support Mr Place in removing the prohibitive activity status from the Trade Supplier activity in the GIZ zone, however I consider the activity status of restricted discretionary is more appropriate than the discretionary activity Mr Place has recommended in his s.42A analysis⁴³. The Trade Supplier activity is most appropriate in the GIZ given larger sites required, the need for outdoor and indoor yard storage, larger areas for on-site car parking and the support they provide to

⁴⁰ Coromandel Watchdog of Hauraki Inc v Chief Executive of the Ministry of Economic Development [2007] NZCA 473 at [34]

⁴¹ Section 42A Report – General Industrial Zone, Paragraph 5.40

⁴² Section 5, Resource Management Act 1991

⁴³ Section 42A Report – General Industrial Zone, Paragraph 5.74

industrial/service activities. This use aligns appropriately with both the proposed industrial and non-industrial uses. Specific matters of discretion can be listed to control the effects of concern, such as car parking and manoeuvring, location of storage of materials.

CONCLUSION

On the basis of the assessment above, I consider the most appropriate zoning to be GIZ with modification to allow for commercial, office and retail activities that are not ancillary to industrial or service use. This would best achieve the purpose of the Act and the Strategic Direction of the PDP and best provides for the existing activities occurring and anticipated by people within the area and is the most efficient use of the land. Therefore, the Submitters' relief should be granted.

ANNEXURE A – RELIEF SOUGHT

ANNEXURE B – EXISTING AND CONSENTED CHARACTER OF BALLANTYNE ROAD

Appendix A – Detailed Relief Sought

Provision	Support/Oppose	Reasoning	Decision sought (new text shown as <u>underlined italics</u> and deleted text shown as italics struck through
	Oppose in part	The very restrictive General	deleted text shown as names struck through
10A 1 Dumana	Oppose in part	Industrial provisions are not	18A.1 Purpose
18A.1 Purpose The purpose of the Consul Indicatorial Zone into acquire fourth a		appropriate for the proposed	•
The purpose of the General Industrial Zone is to provide for the		General Industrial sites	The purpose of the General Industrial Zone is to provide for
establishment, operation and long term viability of Industrial		fronting Ballantyne Road, or	the establishment, operation and long term viability of
and Service activities. The Zone recognises the significant role		those adjoining	Industrial and Service, Office, Commercial and Retu
these activities play in supporting the District's economic and		residential/rural residential	activities. The Zone recognises the significant role the
social wellbeing by prioritising their requirements, and zoning		land.	activities play in supporting the District's economic and soc
land to ensure sufficient industrial development capacity.		iailu.	wellbeing by prioritising their requirements, and zoning la
		The current zoning is	to ensure sufficient industrial development capacity.
The Zone seeks to ensure a range of site sizes are available,		The current zoning is Industrial A Zone in the ODP	
including for those Industrial and Service activities which			The Zone seeks to ensure a range of site sizes are available
require larger buildings and more space for the purpose of		which currently provides for a	including for those Industrial, and Service, Office, Commerce
outdoor storage, manoeuvring and parking vehicles including		range of activities including	<u>and Retail</u> activities which require larger <u>a range of</u> buildin
heavy vehicles. The role that ancillary Office, Retail and		offices not ancillary to industrial use and	and site sizes for a range of activities. more space for the
Commercial activities play in supporting Industrial and Service		commercial/business uses in	purpose of outdoor storage, manoeuvring and parking
activities is recognised and provided for. Activities and		addition to industrial and	vehicles including heavy vehicles. The role that ancilla
development that would not primarily result in sites being			Office, Retail and Commercial activities play in supporting
used for Industrial and Service activities are avoided.		service activities.	Industrial and Service activities is recognised and provide
		Consilion offices and	for. Activities and development that would not primari
While the Zone seeks to provide for land uses more commonly		Smaller offices and	result in sites being used for Industrial and Service activities
associated with noise, glare, dust, odour, shading, visual and		commercial/businesses should	are avoided.
traffic effects and other similar effects, it also seeks to manage		not be prohibited in this zone	
activities and development to ensure that appropriate levels of		as many are already	While the Zone seeks to provide for land uses mo
amenity are achieved for people who work within and visit the		established with the buildings	commonly which may be associated with noise, glare, due
Zone, and to avoid adverse amenity effects on land located		constructed and on site.	odour, shading, visual and traffic effects and other simil
outside of the Zone.		When current business	effects, it also seeks to manage activities and development
		owners leave and a new	ensure that appropriate levels of amenity are achieved f
		owner wants to make	people who work within and visit the Zone, and to avo
		alterations to already	adverse amenity effects on land located outside of the Zon
		established building, their	
		activities would be prohibited.	
		Landowners will be required	
		to move their businesses from	
		their current location and	
	1	then there is a lack of other	

appropriate zoning for small business and commercial activities in Wanaka. Smaller lot sizes have already been created in this area and developed. These smaller lot sizes (ranging around 700m² to 1000m²) are not suitable for the larger space that many 'true' industrial activities require. A zone which allows commercial, office and smaller business use will provide a buffer from the surrounding established or approved residential land (there are many approved

This zone should allow commercial, retail and office activities.

Road.

residential subdivisions consents which are approved surrounding this zone) and create less reverse sensitivity issues than an industrial zone would. It will also provide a more attractive entry into Wanaka along Ballantyne

18A.2.1 Objective - Industrial and Service activities are enabled within the Zone and their long-term operation and viability is supported.	Oppose in part	Non-ancillary Office, Commercial and Retail activities of varying sizes should be enabled along with Industrial and Service activities.	18A.2.1 Objective - Industrial, and-Service, Non-Ancillary Office, Commercial and Retail activities of varying sizes are enabled within the Zone and their long-term operation and viability is supported.
18A.2.1.x {added through Section 42A) Recognise and provide for Trade Suppliers within the Zone only where the following can be demonstrated: a. the activity plays a role in supporting the establishment, operation and long term viability of Industrial or Service activities; b. the activity is primarily involved in wholesaling related trade comprising the storage, sale and distribution of goods to other businesses and institutional customers, including trade customers; and c. the activity has an operational need to be located within the Zone due to space requirements for buildings, storage and loading of materials, and for the manoeuvring and parking of heavy vehicles.	Support in part	Trade Suppliers should be enabled in this zone- this should carry the activity status of restricted discretionary activity rather than discretionary activity- the policy should reflect this.	18A.2.1.x Recognise and provide for Trade Suppliers within the Zone only where the following can be demonstrated: a. the activity plays a role in supporting the establishment, operation and long term viability of Industrial or Service activities; b. the activity is primarily involved in wholesaling related trade comprising the storage, sale and distribution of goods to other businesses and institutional customers, including trade customers; and c. the activity has an operational need to be located within the Zone due to space requirements for buildings, storage and loading of materials, and for the manoeuvring and parking of heavy vehicles.
18A.2.1.1 Enable a diverse range of Industrial and Service activities that provide benefit in the form of economic growth and skilled employment opportunities.	Oppose in part	Office, Commercial and Retail activities should be enabled along with Industrial and Service activities.	18A.2.1.1 Enable a diverse range of Industrial-and, Service, Office, Commercial and Retail activities that provide benefit in the form of economic growth and skilled employment opportunities.
18A.2.1.5 Manage subdivision and development within the Zone to ensure that sites are well suited to serving the needs of a diverse range of Industrial and Service activities now and into the future.	Oppose in part	Office, Commercial and Retail activities should be enabled along with Industrial and Service activities.	18A.2.1.5 Manage subdivision and development within the Zone to ensure that sites are well suited to serving the needs of a diverse range of Industrial, and Service, Commercial and Retail activities now and into the future.
18A.2.2 Objective – The establishment, operation and growth of Industrial and Service activities within the Zone is not undermined by incompatible land uses.	Oppose in part	Office, Commercial and Retail activities should be enabled along with Industrial and Service activities.	18A.2.2 Objective – The establishment, operation and growth of Industrial, and Service, Office, Commercial and Retail activities within the Zone is not undermined by incompatible land uses.

18A.2.2.1 Avoid the following activities that are not compatible with the primary function of the Zone and have the ability to displace or constrain the establishment, operation and long term viability of Industrial and Service activities: a. Office, Retail and Commercial activities that are not ancillary to Industrial or Service activities b. Trade Suppliers	Oppose in part	Office, Commercial, Retail and Trade Suppliers activities should be enabled and not restricted along with Industrial and Service activities.	18A.2.2.1 Avoid Restrict the following activities that are not compatible with the primary function of the Zone and have the ability to displace or constrain the establishment, operation and long term viability of Industrial, and Service, Office, Commercial and Retail activities: a. Office, Retail and Commercial activities that are not ancillary to Industrial or Service activities b. Trade Suppliers
 c. Large Format Retail d. Residential Activity, Residential Units and Residential Flats, and e. Visitor accommodation, Residential Visitor accommodation and Homestay activities. 			c. Large Format Retail d. Residential Activity, Residential Units and Residential Flats, and e. Visitor accommodation, Residential Visitor accommodation and Homestay activities.
18A.2.2.2 Avoid the cumulative establishment of activities and development within the Zone that would undermine the role played by town centre and other key business zones as the District's strategic hubs of economic activity.	Oppose	Office, Commercial and Retail activities should be enabled and not restricted along with Industrial and Service activities. There is a lack of other appropriate zoning within Wanaka to establish office, commercial and retail businesses.	18A.2.2.2 Avoid the cumulative establishment of activities and development within the Zone that would undermine the role played by town centre and other key business zones as the District's strategic hubs of economic activity.
18A.2.2.3 Limit the scale, location and function of Office, Retail and Commercial activities to ensure they are ancillary to Industrial or Service activities.	Oppose	Office, Commercial and Retail activities should be enabled and not restricted along with Industrial and Service activities.	18A.2.2.3 Limit the scale, location and function of Office, Retail and Commercial activities to ensure they are ancillary to Industrial or Service activities.

18A.2.2.4 Ensure all Office, Retail and Commercial activities are constructed and operated to mitigate adverse reverse sensitivity effects to Industrial or Service activities.	Oppose	Office, Commercial and Retail activities should be enabled and not restricted along with Industrial and Service activities. There are already many subdivided lots in this area which are more suited to Office, Retail and Commercial businesses with many businesses established and operating. These established uses should not be limited or restricted in their operation.	18A.2.2.4 Ensure all Office, Retail and Commercial activities are constructed and operated to mitigate adverse reverse sensitivity effects to Industrial or Service activities.
18A.2.2.5 Limit the scale, location and function of food and beverage related commercial activities within the Zone to ensure they serve the direct needs of workers and visitors to the Zone or directly relate to and support the operation of an Industrial activity.	Oppose in part	Food and beverage should not be limited to small scale outlets to only serve the industrial activities. Some food and beverage entities are appropriate in such a zone, especially where they a larger scale, ie. a brewery with bar and food.	18A.2.2.5 <u>Limit Manage</u> the scale, location and function of food and beverage related commercial activities within the Zone to ensure they serve the direct needs of workers and visitors to the Zone or directly relate to and support the operation of an Industrial activity.
18A.2.3.2 Control the location of ancillary Office, Retail and Commercial activities and encourage them to actively engage with the street frontage and public places.	Oppose in part	Office, Commercial and Retail activities should be enabled and not restricted along with Industrial and Service activities. Reword to encourage Office, Commercial and Retail activities to actively engage with the street frontage and public places.	18A.2.3.2 Control the location of ancillary Office, Retail and Commercial activities and encourage them to actively engage with the street frontage and public places. 18A.2.3.2 Encourage Office, Retail and Commercial activities to actively engage with the street frontage and public places.

18A.2.3.3 Control the bulk, location, design, landscaping, screening and overall appearance of sites and buildings, incorporating where relevant, the seven principles of Crime Prevention through Environmental Design (CPTED) to ensure they contribute to a quality, healthy and safe built environment while meeting the functional needs of Industrial and Service activities.	Oppose in part	Office, Commercial and Retail activities should be enabled and not restricted along with Industrial and Service activities.	18A.2.3.3 Control the bulk, location, design, landscaping, screening and overall appearance of sites and buildings, incorporating where relevant, the seven principles of Crime Prevention through Environmental Design (CPTED) to ensure they contribute to a quality, healthy and safe built environment while meeting the functional needs of Industrial, and Service, Office, Retail and Commercial activities.
18A.4.2 Office, Retail and Commercial activities that are ancillary to Industrial or Service activities: Permitted	Oppose in part	Office, Retail and Commercial activities should be permitted regardless of whether they are ancillary to an Industrial or Service activity or not.	18A.4.2 Office, Retail and Commercial activities that are ancillary to Industrial or Service activities: Permitted
18A.4.12 Trade Suppliers and Large Format Retail: Discretionary	Oppose in part	The effects of trade suppliers on surrounding uses can be managed through RD matters of control to reduce reverse sensitivity effects.	18A.4.12 Trade Suppliers and Large Format Retail: Restricted Discretionary where discretion is limited to: Car parking and manoeuvring Location of storage of materials Visual effects of the height, scale, location and appearance of the built form when viewed from adjacent sites, roads and public places;
18A.4.14 Office, Retail and Commercial Activities not otherwise identified: Prohibited	Oppose	Office, Commercial and Retail activities should be enabled along with Industrial and Service activities.	18A.4.14 Office, Retail and Commercial Activities not otherwise identified: Prohibited

Oppose Office. Retail and Commercial 18A.5.1 Ancillary Office, Retail and Commercial activities 18A.5.1 Ancillary Office, Retail and Commercial activities activities should be permitted a. The total area used for the activity within a building a. The total area used for the activity within a building regardless of whether they shall not exceed 50m², excluding any outdoor area shall not exceed 50 m2, excluding any outdoor area are ancillary to an Industrial or provided for in d. below; provided for in d. below; Service activity or not. b. The activity shall occur within the same building as b. The activity shall occur within the same building as the associated Industrial or Service activity, except the associated Industrial or Service activity, except where provided for in d. below; where provided for in d. below: C. For Retail and Commercial activities, only goods C. For Retail and Commercial activities, only goods manufactured, fabricated, processed, packaged, manufactured, fabricated, processed, packaged, distributed, maintained or repaired in association distributed, maintained or repaired in association with an Industrial or Service activity may be sold with an Industrial or Service activity may be sold from the site; from the site: d. Any part of the activity which stores, displays or d. Any part of the activity which stores, displays or otherwise operates outside a building shall be otherwise operates outside a building shall be contained within a single area not exceeding 10 m2 contained within a single area not exceeding 10m² that directly adjoins and can be directly accessed that directly adjoins and can be directly accessed from the building: from the building; e. Where the activity fronts the street and is located on e. Where the activity fronts the street and is located the ground floor, there shall be visually transparent on the ground floor, there shall be visually glazing on the elevation facing the street for a transparent glazing on the elevation facing the minimum of 20% of that elevation. street for a minimum of 20% of that elevation. Note: Any Critical Listening Environments will be assessed Note: Any Critical Listening Environments will be assessed against those noise insulation and ventilation requirements against those noise insulation and ventilation requirements set out in Table 5 of Chapter 36 (Noise). set out in Table 5 of Chapter 36 (Noise). Non-compliance status: Non-compliance status: Standard 18A.5.1a 50 - 100 m² RD Standard 18A.5.1a 50 - 100 m2 RD >100 m2 NC >100 m2 NC Standards 18A.5.1b to 18A.5.1e RD Standards 18A.5.1b to 18A.5.1c RD

For RD non-compliance discretion is restricted to:

For RD non-compliance discretion is restricted to:

a. the relationship of the activity to Industrial or Service	a. the relationship of the activity to Industrial or Service
activities operating on the site;	activities operating on the site;
b. reasons why the activity could not reasonably locate in	b. reasons why the activity could not reasonably locate in
another zone;	another zone;
c. cumulative effects on industrial development capacity;	c. cumulative effects on industrial development capacity;
d. reverse sensitivity effects on surrounding Industrial and	d. reverse sensitivity effects on surrounding Industrial and
Service activities;	Service activities;
e. the scale of the activity in terms of the total indoor and	e. the scale of the activity in terms of the total indoor and
outdoor area required, the number of staff and anticipated	outdoor area required, the number of staff and
number of customers;	anticipated number of customers;
f. the effect of the activity on access, parking and onsite	f. the effect of the activity on access, parking and onsite
manoeuvring and loading;	manoeuvring and loading;
g. the location of the activity on the site and within the	g. the location of the activity on the site and within the
building or unit; and	building or unit; and
h. visual effects including any signage, colour, materials,	h. visual effects including any signage, colour, materials,
outdoor storage and other outdoor area associated with	outdoor storage and other outdoor area associated with
the activity.	the activity.

18A.5.2 Commercial sale of food and beverages including	Oppose in part	In some instances,	18A.5.2 Commercial sale of food and beverages including
restaurants, takeaway food bars and Licenced Premises		commercial sale of food and	restaurants, takeaway food bars and Licenced Premises
(excluding sale of liquor)		beverage would be	(excluding sale of liquor)
		appropriate. Reverse	
Non-compliance status: Non-complying		sensitivity can be managed	Non-compliance status: Non-complying Discretionary
1 7 5		through design.	1, 0
		Most food and beverage are	
The total area used for the activity shall not exceed 60m ² .		larger than 60m ² . There	The total area used for the activity shall not exceed 60m ² .
This includes any area contained within a building and any		should not be a control on the	This includes any area contained within a building and any
area located outside of a building used for storage, display,		size of food and beverage	area located outside of a building used for storage, display,
seating or otherwise associated with the activity;		activity.	seating or otherwise associated with the activity;
Any outdoor area used for the activity shall be directly accessible from and adjoin the building containing the activity;			Any outdoor area used for the activity shall be directly accessible from and adjoin the building containing the activity;
Any Licensed Premises shall be ancillary to an Industrial			Any Licensed Premises shall be ancillary to an Industrial or
activity; and			Commercial activity; and
Any part of a building used as a public entry, or as outdoor			Any part of a building used as a public entry, or as
seating or display, for the activity shall be landscaped to			outdoor seating or display, for the activity shall be
distinguish its function from other activities operating on the			landscaped to distinguish its function from other activities
site.			operating on the site.

18A.5.3 N	linimum Boundary Setbacks	Oppose in part	5m setback from all roads is	18A.5.3 N	Minimum Boundary Setbacks
a.	Road Boundary Setbacks		reasonably large. A 3m setback still provides for a	a.	Road Boundary Setbacks
	Fronting any residential zone (including the		reasonable landscaped and		Fronting any residential zone (including the
	Meadow Park Special Zone and the Large Lot		circulation area.		Meadow Park Special Zone and the Large Lot
	Residential Zone) – 7m				Residential Zone) – 7m
	All other road and State Highway Boundaries – 5m				All other road and State Highway Boundaries – 5m-3m
b.	Internal boundary setbacks				<u> </u>
				b.	Internal boundary setbacks
	Where a site adjoins any other zone outside of the				
	General Industrial Zone – 7m				Where a site adjoins any other zone outside of
					the General Industrial Zone – 7m
	No minimum internal setbacks are required where				
	a site adjoins other sites within the General				No minimum internal setbacks are required
	Industrial Zone.				where a site adjoins other sites within the
Non com	pliance status, Bostvietod Discretionery				General Industrial Zone.
Non-com	pliance status: Restricted Discretionary			Non com	nliance status: Postricted Discretionary
a.	visual effects of the height, scale, location and			Non-com	pliance status: Restricted Discretionary
	appearance of the built form when viewed from			a.	visual effects of the height, scale, location and
	adjacentsites,roadsand public places;			a.	appearance of the built form when viewed from
	the nature of the activity, including any noise,				adjacent sites, roads and public places;
	vibration, odour, dust, glare,trafficor anyother			b.	the nature of the activity, including any noise,
	nuisance effects;			D.	vibration, odour, dust, glare, traffic or any
	,				other nuisance effects;
	landscaping and screening; and			c.	landscaping and screening; and
	compatibility with the appearance, layout and scale of surrounding sites.				compatibility with the appearance, layout and
	orsurroundingsites.			u.	scale of surrounding sites.

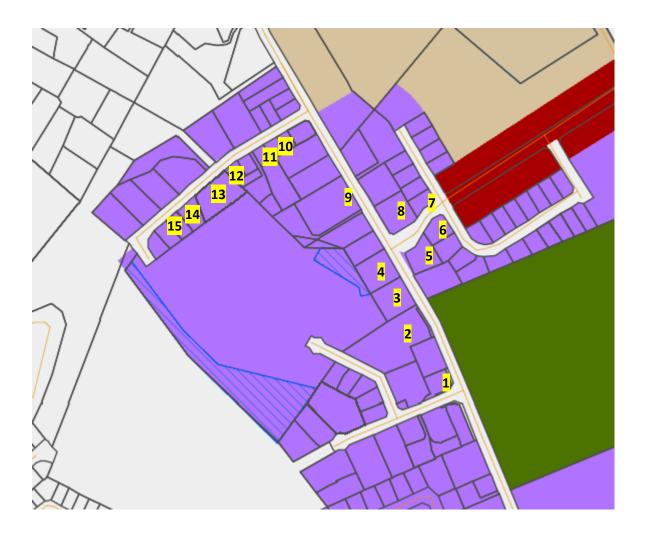
18A.5.4 Building Coverage			18A.5.4 Building Coverage
Maximum building coverage of 75%			Maximum building coverage of 75%
Non-compliance status: Restricted Discretionary			Non-compliance status: Restricted Discretionary
Discretion is restricted to:			Discretion is restricted to:
a. site layout and the location of buildings;			 a. site layout and the location of buildings;
 traffic effects of additional building coverage including adequate provision of access, onsite parking, loading and manoeuvring; 			 traffic effects of additional building coverage including adequate provision of access, onsite parking, loading and manoeuvring;
c. visual effects of the height, scale, location and appearance of the built form when viewed from adjacent sites, roads and public places;			c. visual effects of the height, scale, location and appearance of the built form when viewed from adjacent sites, roads and public places;
d. landscaping and screening; and			d. landscaping and screening; and
adequate provision and location of outdoor storage space, including waste and recycling storage and servicing areas.			adequate provision and location of outdoor storage space, including waste and recycling storage and servicing areas.
18A.5.5 Building Height Maximum building height of 10m except where specified in Rule 18A.5.6 below. Non-compliance status: Non-complying	Oppose in part	A 12m height allows for three storey buildings. This would be appropriate in some areas, including along the Ballantyne Road frontage.	18A.5.5 Building Height Maximum building height of 10m 12m except where specified in Rule 18A.5.6 below.
Tron compliance states. From complying		<u> </u>	Non-compliance status: Non-complying
Variation to Chapter 27 – Subdivision and Development			
27.3.13 Objective – Subdivision within the General Industrial Zone enables the establishment, operation and long term viability of Industrial and Service activities which cannot locate elsewhere in this District, including those Industrial and Service activities which require larger buildings and more space for the purpose of manoeuvring, loading and vehicle parking.	Oppose in part	Office, Commercial and Retail activities should be enabled and provided for along with Industrial and Service activities.	27.3.13 Objective – Subdivision within the General Industrial Zone enables the establishment, operation and long term viability of Industrial, and Service, Office, Retail and Commercial activities, which cannot locate elsewhere in this District, including those Industrial and Service activities which require larger buildings and more space for the purpose of manoeuvring, loading and vehicle parking.

27.3.13.1 Enable subdivision and development within the General Industrial Zone that provides for the establishment, operation and long-term viability of Industrial and Service activities by ensuring any new lots are capable of accommodating activities and development that is anticipated by the Zone standards.					Oppose in part	Office, Commercial and Retail activities should be enabled and provided for along with Industrial and Service activities.	General Inc establishme Industrial, a activities by accommod	nable subdivis dustrial Zone t ent, operation and Service, O y ensuring any ating activities by the Zone s	hat provide and long-t ffice, Retai new lots a and devel	es for the term viabili I and Comn are capable	ty of <u>nercial</u> of
27.3.13.2 Recognise and provide for subdivision activities which create smaller lot sizes than anticipated within the General Industrial Zone where there is a demonstrated need for Industrial and Service activities on lots of that size and where it can be shown that the lots could viably provide for their long term functional needs.					Oppose in part	Office, Commercial and Retail activities should be enabled and provided for along with Industrial and Service activities.	27.3.13.2 Recognise and provide for subdivision activities which create smaller lot sizes than anticipated within the General Industrial Zone where there is a demonstrated need for Industrial, and Service, Office, Commercial and Retail activities on lots of that size and where it can be shown that the lots could viably provide for their long term functional needs.				
27.3.13.6 Avoid subdivision that creates lots of a size and layout that limit the intended function of the General Industrial Zone to provide for the long term establishment, operation and long term viability of Industrial and Service Activities.				General tablishment,	Oppose in part	Office, Commercial and Retail activities should be enabled and provided for along with Industrial and Service activities.	27.3.13.6 Avoid subdivision that creates lots of a size and layout that limit the intended function of the General Industrial Zone to provide for the long term establishment, operation and long term viability of Industrial, and Service, Office, Commercial and Retail Activities.				General ty of
Minimum Lot Area Standards 27.6 General Industrial: Minimum Lot Area = 1000m². Except: Subdivision of lots between 1000m² and 500m² shall be a discretionary activity. Subdivision of lots less than 500m² shall be a non-complying activity.		Oppose in part	To reflect existing development patterns in Wanaka, and other appropriate uses in this zone, flexibility in lot sizes should be enabled. The size of the lots will be managed by the size of buildings and car parking requirements.	Minimum Lot Area Standards 27.6 General Industrial: Minimum Lot Area = 1000m². Except: Subdivision of lots less than between 1000m² are 500m² shall be a restricted discretionary activity. Subdivision of lots less than 500m² shall be a non-complying discretionary activity.			000m² and ty.				
Variation t	o Chapter 36	Noise						_			
Activity or sound source	Assessment location	Time	Noise Limits	Non- compliance status	Support rule with additional text	Add in specific controls around acoustic protection in offices within the General	Activity or sound source	Assessment location	Time	Noise Limits	Non- compliance status
36.5.15 Sound	At any point	Refer to standard	Refer to the	NC		Industrial Zone	36.5.15 Sound	At any point	Refer to standard	Refer to the	NC

from	within any	relevant	standard		from		within any	relevant	standard	
activities	site located	to the	relevant		activi	ties	site located	to the	relevant	
in the	in any	zone in	to the		in the	9	in any	zone in	to the	
General	other zone.	which	zone in		Gene	ral	other zone.	which	zone in	
Industrial		noise is	which		Indus			noise is	which	
Zone		received	noise is		Zone			received	noise is	
Note: For		received	received		Note:			received	received	
the			received		the	. 1 01			received	
					purpo	2000				
purposes of this					of thi					
rule, a					rule,					
road that					road					
is located					is loca					
outside					outsi					
this zone					this z					
is not					is not					
deemed					deem	red				
to be a					to be	a				
"site					"site					
outside					outsi	de				
this					this					
zone"					zone'	,				
and, as					and, a					
such, the					such,					
noise					noise					
levels					levels					
specified					speci					
in a					in a	iicu				
above					above	0				
may be					may l					
exceeded					excee					
on road					on ro					
reserves					reser					
adjacent					adjac					
to this					to thi	S				
zone					zone					
				 -	1					
					Offices	withir	n the General I	ndustrial 7or	a chall ho a	coustically
							achieve intern			
					protect	eu to	acmeve intern	ai acoustic st	anuarus as 1	UIIUWS:
					0700	h to 22	200h 55	dB_Aeq(15 min)	RD	
										etion is
					2200	h to 07		dB Aeq(15 min)		
							70	dB _{AFmax}		cted to the
									exter	t of effects of

		noise generated on adjoining zones.	

Annexure B – Existing and Consented Character of Ballantyne Road and Gordon Road



1. Corner of Frederick Street and Ballantyne Road

Office Space



2. 8 Connell Terrace

Placemakers – Large Format Retail



3. 92 Ballantyne Road

Breen Construction - Workshop/Office/Yard



Recent consents granted for 3-stage office development consisting of four office buildings at 92 Ballantyne Road (RM200065 and 200066)



4. 86 Ballantyne Road

Construction Business as current tenant



RM161249 – approved at 86 Ballantyne Road – 10 office units within 3 buildings.



5. 2 Sir Tim Wallis Drive – Office Building



- 6. 2 McCormick Street Vet
- 7. 1 Umbers Street Office Building



8. 1 Sir Tim Wallis Drive – Retail, Office, Commercial building



9. 78 Ballantyne Road – Upper Clutha Transport Site



10. 5 Gordon Road – CrossFit Gym



11. 7-9 Gordon Road – Offices/Commercial/Automotive Workshop



12. 15 Gordon Road – Commercial Recreation/Crossfit Gym/Physiotherapist/Office/Res Unit



13. 21 Gordon Road – Business Park





14. 23 Gordon Road – Electricians Workshop



15. 25-27 Gordon Road – Commercial/Retail/Office – Geotech Engineer/Automotive Workshop

