



**QUEENSTOWN LAKES DISTRICT COUNCIL**

**PLAN CHANGE 36:**

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

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**REPORT, REASONS, AND RECOMMENDATIONS OF L COCKS AND J  
BATTSON, ACTING AS INDEPENDENT COMMISSIONERS APPOINTED BY  
THE QUEENSTOWN LAKES DISTRICT COUNCIL PURSUANT TO SECTION  
34A OF THE RESOURCE MANAGEMENT ACT 1991**

**FOR HEARING COMMENCING: 30 MARCH 2011**

**REPORT DATED: 24 FEBRUARY 2012**

**SUBMITTED BY: Commissioners Lyal Cocks and Jude Battson**

**RATIFIED BY STRATEGY COMMITTEE: 13 MARCH 2012**

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## INTRODUCTION

The hearing commenced on 30<sup>th</sup> March 2011, was adjourned on 30<sup>th</sup> March, and closed on 24 February 2012. We heard from six of the submitters at the hearing and found their personal insights and expert evidence extremely useful.

Three main issues emerged from the hearing. The first concerns the potential effects on neighbouring residents that may result from the visibility of buildings on the relatively elevated land proposed to be rezoned (i.e. the land between Frederick Street and Gordon Road). The second issue relates to the nuisance effects that may arise as a result of the proximity of the proposed Industrial B Zone to existing residential areas. The third issue was whether the Industrial B Zone should be extended to two additional areas of land, as requested by various submitters. Whilst our report deals with all eight issues that were outlined in the S 42A Report, the bulk of our discussion focuses on the three key issues stated above.

During the hearing, and in the following weeks, we visited the Plan Change site (as notified), the Orchard Road Holdings (ORHL) site, and the Wanaka Landfill and Maungatua Contracting (hereafter referred to as 'Wanaka Landfill') site. We also took care to view the Plan Change area (as notified) and the ORHL site from various vantage points, including from various private properties as had been suggested to us by Golf Course Road residents/ submitters and Mr Ledgerwood.

At the hearing we heard concerns from various neighbours in regard to the effect that the rezoning would have on their visual amenity and quality of living as a result of industrial buildings being built on relatively elevated land and the possible noise and odour that may result from activities within the zone.

Whilst we acknowledged the expert landscape advice of Dr Read, (which concluded that, with mitigation, the site could absorb the type of development envisaged by the zone), we also accepted the concerns expressed by the submitters in relation to the visibility of development and activity generally on the site. As such, we have recommended that the finished ground levels shown on the contour plan (and from which building height is measured) be lowered. The effect of this is that buildings will be between 0.5 metre and 1.2 metre lower than was notified. We are confident that this will address the concerns of the submitters specifically concerned about the height of development and who sought that either the land itself or the allowable building height be lowered.

We have carefully considered the concerns that were expressed relating to noise, odour, and to a lesser, extent dust. However, in our view the Connell Terrace Precinct is an appropriate location for the Industrial B Zone and such effects will be avoided or appropriately managed through the non complying status of the heavier types of industrial uses and by requiring compliance with the various performance standards for the other uses. Whilst we have bolstered the objectives and policies to more explicitly address nuisance effects (which were relatively weak in this respect in the notified version) we do not consider it appropriate to impose a blanket prohibition on all factory farming, animal and fish processing, and offensive trades. Further, we do not consider it appropriate to allow more sensitive uses within the zone as an indirect way of discouraging the heavier uses. In reaching the conclusion not to prohibit the likes of offensive trades, we stress two points; firstly, very few if any of these uses are likely to be established in Wanaka and secondly, very few would be able to meet the objectives, policies, and standards relating to nuisance effects.

The third issue related to whether to extend the Industrial B Zone to two additional areas of land. Whilst we acknowledge the thorough submissions of Ms Jan Caunter, on behalf of Wanaka Landfill, we were not convinced that rezoning the Wanaka Landfill site as Industrial B would be the most appropriate option of achieving the objectives of the District Plan. We were however, convinced by the submissions and evidence presented to us on behalf of ORHL that it would be appropriate to re-zone that land as Industrial B as part of this process.

The reasons for these recommendations and decisions are detailed later in this report.

## BACKGROUND

As notified, the Industrial B Zone Plan Change sought to establish a new, relatively generic industrial zone and to rezone 14.4 hectares of land from Rural General to Industrial B. The zone is intended to address a number of issues that exist in the current industrial and business zones. Specifically, it is proposed to enable business and industrial uses to be undertaken, whilst avoiding residential, visitor accommodation, office, and most retail uses.

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

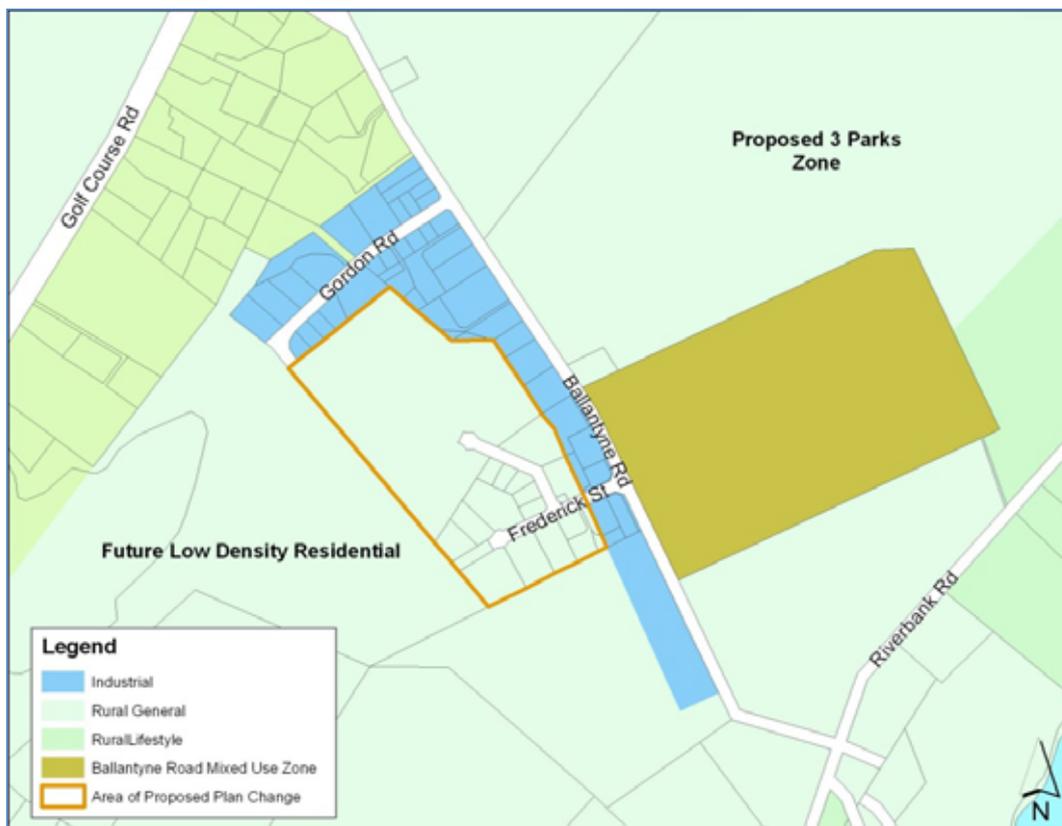


Figure 1

The proposed zone includes the 5.5 ha of 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<sup>1</sup> have been proposed to mitigate the visual effects of development when viewed from public places and residential property. It is noted there are no issues relating to servicing the site. The memorandum relating to servicing attached to the Section 32 report as Appendix B can be obtained from the Council's website:

[http://www.qldc.govt.nz/plan\\_change\\_36\\_wanaka\\_industrial\\_zoning\\_extension/category/925/](http://www.qldc.govt.nz/plan_change_36_wanaka_industrial_zoning_extension/category/925/)

The two areas sought to also be re-zoned to 'Industrial B' through submissions are shown in the maps below:

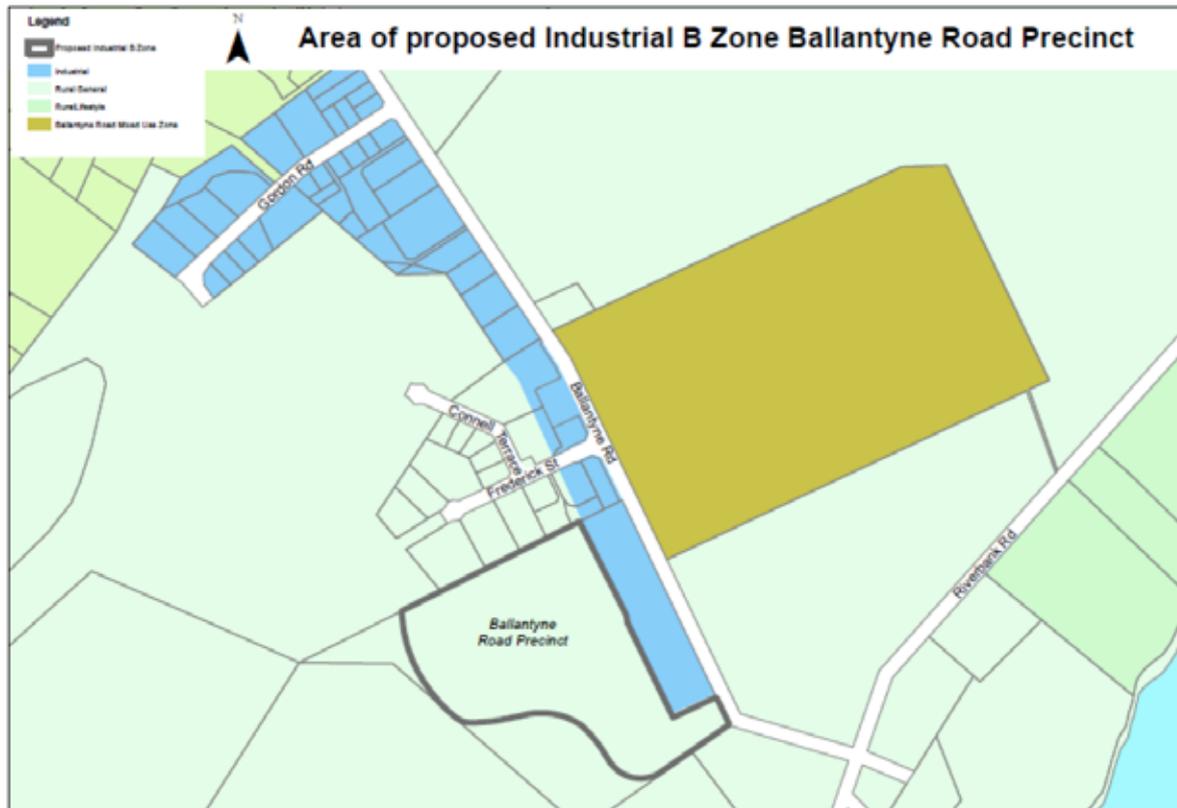


Figure 2 – The land that is sought to be re-zoned in the submission from ORHL

<sup>1</sup> As amended through our recommendations contained in this report

Rezoning sought by Wanaka Landfill submission for the land covered by Designation 50 and Lot 2 DP406972



Figure 3 – Designation 50 and Lot 2 DP406972 – The Wanaka Landfill site

### 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 Long Term Plan (LTP). 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)

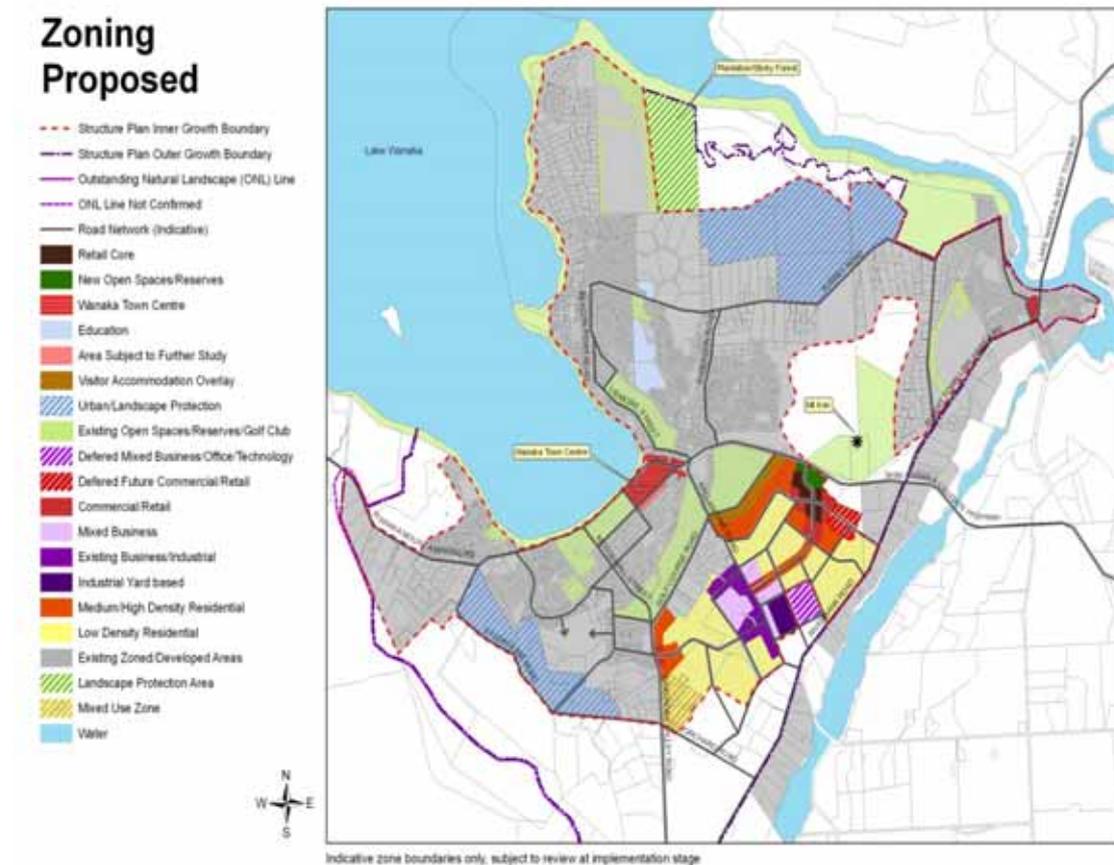
The Growth Options Study was produced in February 2004. It embodied the conclusions of the Wanaka 2020 process and further investigated the options available to the Council in terms of managing growth. It therefore forms an important part of the Section 32 process that has underpinned this plan change 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 LTP 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 guide the future growth in Wanaka.



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)

The Wanaka Transport and Parking Strategy is intended as a guiding over-arching policy document, which will be further refined through more specific analysis as part of rezoning and resource consent proposals. This project has been an example of how this works in practice, whereby whilst the Transport Strategy does not show Gordon Rd as being

connected to the west, 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. More recently, in coming to our recommendation to include the ORHL land in the Industrial B Zone, we have determined that the roading layout proposed to us as a subsequent stage 2 to the project would provide a better east-west connection across South Wanaka than that shown in the Transport Strategy. There is more detail on this matter later in this report.

#### 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 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.

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](http://www.qldc.govt.nz).

The relevant provisions in the 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 various points raised by submitters and, based on what was sought and the evidence that was presented, recommends that the Plan Change be accepted with amendments in order to more effectively and efficiently meet the purpose of the Act and the relevant objectives of the District Plan.

#### **Submissions received and the issues raised**

A total of 7 original submissions and 4 further submissions were received. Appendix A contains a summary of the decisions requested, including the further submissions received. There were no late submissions

#### **The hearing process**

We have been appointed by the Council as commissioners to hear the submissions and make a recommendation on Plan Change 36 to the Queenstown Lakes Operative District Plan. It is our role to recommend whether the Plan Change be accepted in its entirety, accepted with amendments or rejected in its entirety. It is the Council's role to then make

the final decision as to whether the Plan Change should be accepted and, if so, in what form.

In addition to considering the written submissions received, we heard from the following submitters at the hearing:

- Shona Wallace
- Wanaka Landfill
- Raewyn and David Wilson
- ORHL
- Jim Ledgerwood
- Peter and Dee Gordon.

Peter and Dee Gordon called Mr White to provide planning evidence. ORHL called Mr Baxter to provide landscape evidence, Ms Noble to provide planning evidence, and Mr Dippie in his capacity as a Director of ORHL. We were grateful for all their input into the process.

We also received a written statement from Firth Industries, in lieu of making an appearance.

The Council's planner prepared a Section 42A (Planners) Report (hereafter referred to as the S 42A Report) and was in attendance at the hearing. We have also considered the Section 32 documentation and all other documents referred to and/ or relied upon in those reports.

This report discusses the specific and general points raised by submitters and recommends that a number of amendments be made to the Plan Change in response to the issues raised in submissions.

### **The structure of this Report**

In this report, we first clarify our over-arching recommendation to the Council (i.e. whether to accept the Plan Change in its entirety, in part, or reject it).

Then, in accordance with the recent amendments to the Resource Management Act (RMA) the substance of the submissions are addressed by grouping them according to the matters to which they relate. The individual submission points are not specifically addressed or responded to in this report but, rather, the following issues are considered and recommendations are made:

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. Nuisance effects on residential amenity. (Also see no. 1 above specifically relating to the visual effect of the built form on elevated land)
3. Clarification of the provisions relating to the Structure Plan and to the land within the plan change which has already been developed.
4. The possible extension of the Industrial B Zone to the ORHL land to the immediate south of the notified Plan Change area
5. The possible extension of the Industrial B Zone to the land on the corner of Ballantyne and Riverbank roads.
6. Whether there is a need for more industrial land.
7. The adequacy of the Section 32 analysis
8. Consequential amendments

Our consideration of each issue is structured as follows:

- The Issue
- Discussion of the points raised in submissions and our assessment of those
- 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.

## SUMMARY OF OUR RECOMMENDATIONS AND OUR REASONS

It is recommended that the Queenstown Lakes District Council **accept in part** proposed Plan Change 36, subject to the amendments discussed in the following section of this report.

We recommend this because it will help achieve sustainable management of the district's resources by providing a consolidated industrial area which will meet long term demand for industrial activities in a convenient location, within the urban growth boundary designated in the Wanaka Structure Plan. This zoned land will enable the community to provide for its economic and social wellbeing by enabling a more diverse economy and hence, more diverse community.

Appendix **B** contains the proposed set of amended District Plan provisions which include an amended Structure Plan for the Connell Terrace Precinct, an amended Contour Plan for the Connell Terrace Precinct, and a new Structure Plan entitled "Industrial B Zone – Ballantyne Road Precinct" for the ORHL land. Where there is any inconsistency between the provisions contained in Appendix **B** and any reference made in the body of this report, then the provisions in Appendix **B** shall take precedence.

## DISCUSSION OF THE ISSUES RAISED BY SUBMITTERS, RECOMMENDATIONS, AND REASONS

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

The three aspects of this issue are discussed in turn and it is noted that the first two are closely inter-related:

- a) The appropriateness of the building height provisions and the visibility of the development

#### The Issue

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

10	<p><b><i>Building Height for buildings within the Connell Terrace Precinct Structure Plan</i></b></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 Connell Terrace Precinct Structure Plan shall be 3.5 metres and, in addition, shall not exceed a height of 334mamsl.</i></p>	N-C
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	<p><i>Note 1: Refer to the specific definition of “ground level” for the Connell Terrace Precinct within Section D, which sets ground level as that shown on the “Contour Plan for the Connell Terrace Precinct” and dated October 2009.</i></p> <p><i>Note 2: The height of buildings upon any land which is not within the Connell Terrace Precinct shown on the Structure Plan shall be subject to the district-wide definition of ground level.</i></p>	
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<b>GROUND LEVEL (Industrial B Zone – Connell Terrace Precinct)</b>	For the Industrial B Zone (Connell Terrace Precinct) the ground level is as shown on the contour plan entitled the “Contour Plan for the Connell Terrace Precinct” and dated October 2009.
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Various submitters raised concerns relating to the visibility of development due to the elevated nature of the site and the 7 m building height limit. Mr Ledgerwood, the Wilsons, Ms Wallace, and Mr Gordon addressed this issue at the hearing. Whilst it was not clear from the submissions whether the residents that submitted were concerned about visibility generally or specifically from their respective properties, it seemed from what we heard at the hearing their concern (understandably) was predominately the effect that the development would have on their own private views. We used the visual assessment provided by Dr Read in the S 42A report and undertook site visits to the respective properties to help us decide on this issue.

Whilst Mr Gordon lodged a further submission opposing Mr Ledgerwood’s submission that the site be lowered to the level of the surrounding roads (on the basis that it would be impractical, financially unviable, and would have significant environmental effects), he moderated this position at the hearing, stating that some degree of further excavation could well be possible subject to further investigation.

## Discussion

The visual effects of the development and the mitigation of these effects are addressed through the following provisions:

- (i) Objective 2, which requires the effective mitigation of visual effects;
- (ii) controls on building height and reference to a fixed contour plan, from which building height would be measured;
- (iii) external building controls (including building colour and signage);
- (iv) a requirement that there be no buildings or storage on fixed open spaces;
- (v) requirements to undertake mounding and planting and preventing excavation along the western open space within the Connell Terrace precinct prior to construction;
- (vi) a requirement to screen all waste storage areas from road frontages; and
- (vii) a requirement to fence along any boundary with a Town Centre or residential zone unless separated by a road or open space area.

Point ii) above is the subject of the following discussion, whilst points (v), (vi), and (vii) are discussed in the following section. It is noted that points (i), (iii) and (iv) are included above for completeness but were not themselves submitted on.

Various submitters requested buildings be lower to be less obtrusive; some specifying they not be more than 6 m high. We are convinced by the Section 32 report<sup>2</sup>, the S 42A Report,

<sup>2</sup> 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 level<sup>2</sup>
- (iii) Maximum height of 7 m above finished ground level and 334masl

and the submission from Firth Industries that a 7 metre maximum building height is necessary in order to enable the practical development of the site for a range of industrial uses.

Having established that, we then considered whether the adverse visual effects are sufficiently mitigated or whether further mitigation is appropriate. Mr Ledgerwood sought the site be excavated to the level of the adjacent roads to lower the overall development and make it less visible. The Gordons, through Mr White advised they would consider lowering the land more than had been shown on the Contour Plan (as notified) to alleviate concerns of the submitters. This indication gave us confidence that undertaking some additional earthworks was a realistic proposition and would not necessarily render the site too costly to develop. We acknowledge that although lowering the buildings further into the landscape (through excavating the site to a greater degree) will not completely alleviate the visual effect, it will reduce them considerably.

Although beyond the scope of our role, we note that it would be relatively simple to allow existing hedging to grow and/ or to plant additional vegetation along the boundaries of the Wilson's and Wallace's properties to effectively screen development within a relatively short timeframe. We also note that this was raised as a possibility by Mr White at the hearing when responding to various issues that had arisen throughout the day. We also note that Mr Gordon is the current owner of this undeveloped land which is immediately to the south of and abuts the Wilson and Wallace properties.

With respect to views from Heritage Park; Mr Ledgerwood's property (Lot 2 DP301095) north of Heritage park; the Cardrona Valley Road; and from the Three Parks Zone, we are satisfied that lowering the buildings into the site will lessen the visual effects of development from those vantage points.

Whilst we respect Dr Read's opinion<sup>3</sup> that the visual effect of 7 m high buildings, measured from the notified finished ground levels, will be no more than minor given the level of mitigation required, we prefer to take the more cautious approach of also requiring the development to be further lowered into the ground in case the screening is not as effective as anticipated.

When visualising the likely outcome on the site, we were also influenced by the comment in the Section 32 report that preventing residential and office uses will significantly reduce the incentive to develop 2 storey buildings, which could otherwise result in building heights being maximised across the entire zone.

In considering the costs and benefits of further excavating the site to lower the buildings into the landscape, the costs<sup>4</sup> become increasingly significant for the area of higher ground in the south-western part of the site. In our view, the cost of requiring additional excavation over the site as shown in the plan entitled Contour Plan and attached as Appendix C is justified by the fact that it enables an efficient use of the land and a superior outcome in terms of visual amenity, as compared to the notified version. To the contrary, the extent of additional excavation that would be required to satisfy our concerns in the most south-western part of the site is significant and therefore, it is recommended that this land be included in the open space area rather than requiring such excavation in order to enable appropriate development. Amending the Structure Plan in this manner has the added

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- (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.

<sup>3</sup> As contained in the landscape advice provided by Dr Read dated 23/6/10 and attached to the Section 32 report as Appendix

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<sup>4</sup> Being the economic and environmental costs of excavation and associated site works

advantage of increasing the separation distance between the Industrial B Zone and the future residential areas adjacent to the south-west part of the site. This matter is discussed in more detail under Issue 2.

The finished contour plan we recommend shows the finished ground level (from which building height is measured) significantly lower overall than was notified. With the exception of the finished ground level of those lots adjacent to Gordon Rd<sup>5</sup>, the rest of the site will be lower than was notified, with the finished ground around 0.5 metre lower through the middle of site and up to 1.2 metres lower in the south and south-western parts of the site. Whilst the developer is not required to excavate to those contours, building height will be measured from them and therefore, if they don't excavate to that extent, the building itself will simply need to be lower. If the developer does opt to maximise building height by undertaking earthworks in accordance with the contour plan, then the land will generally be between 0.5 metre and 3.5 metres lower than the current ground level.

Given the lower finished ground level it is considered unnecessary to retain the second part of the height rule (i.e. that which relates to a maximum RL). It is therefore recommended that this be removed. This has the added benefit of simplifying the rule, therefore making it more efficient for users.

We concur with the recommendation made in the S 42A Report that, in order to improve the administration of the height rules, the contour plan (from which building height is measured) should be included within the District Plan alongside the Connell Terrace Precinct Structure Plan. Again on an administrative matter, we heard from Mr White at the hearing in relation to the suggestion made in the S 42A Report that the subdivision provisions should be amended to enable the Council to require the RLs to be attached to the individual titles. On this matter we concur with the view expressed by Mr White that it would be ultra vires to attach such information on the titles and, as such, we do not recommend amending the provisions in this manner.

### Recommendation

It is recommended that:

- The maximum building height rule be amended as follows:

10	<p><b><i>Building Height for buildings within the Connell Terrace Precinct Structure Plan</i></b></p> <p><i>i The maximum height of any building shall be 7 metres above ground level <del>and, in addition, shall not exceed a height of 334mamsl (metres above mean sea level)</del>, except that:</i></p> <p><i>a) The maximum height of any building within the Special Use Area A identified on the Connell Terrace Precinct Structure Plan shall be 3.5 metres <u>above ground level</u> <del>and, in addition, shall not exceed a height of 334mamsl.</del></i></p> <p><i>Note 1: Refer to the specific definition of "ground level" for the Connell Terrace Precinct within Section D, which sets ground level as that shown on the "Contour Plan for the Connell Terrace Precinct" and dated <del>July 2011-October 2009</del>.</i></p> <p><i>Note 2: The height of buildings upon any land which is not within the Connell 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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Note: Further changes to this rule are recommended elsewhere in this report in response to other submissions.

<sup>5</sup> The ground level on the boundaries of those sites is proposed to be same as was notified although in a small part of the site(s), the level is 0.5 m higher than was notified as it was shown as sunken in the notified plan but will need to be filled in order to enable development.

- The contour plan entitled “Contour Plan for Connell Terrace Precinct Oct 2009” be amended and included in the District Plan; having the effect of lowering the finished ground level of most of the site by a further 0.5 – 1.2 metres from that which was notified. It is also recommended that a note be added to the contour plan advising that those using the plan to undertake development should obtain a detailed digital version from the Council’s GIS department.
- The Connell Terrace Precinct Structure Plan be amended to:
  - Remove development rights from the highest part of the zone, being that in the south western corner and, instead, including this land in the open space area.
  - Explicitly show the “western buffer/ boundary planting area”

#### Reasons for the Recommendation

- Enabling buildings up to 7 metres high is necessary in order to enable the practical use of buildings for a wide range of industrial activities.
- The rule accepts and anticipates that the land will be more or less, levelled in order to create a flat development site.
- The amended contour plan will require buildings to be no more than 7 metres in height above the specified ground level, which will lower the buildings 0.5 - 1.2 metres from what was allowed in the notified version. This will further mitigate any visual effects of buildings that are not already screened by existing plantings and the planted buffer along the western boundary.
- Inclusion of the contour plan in the District Plan will simplify the consequent processing of land use consents when assessing proposed building heights.
- The inclusion of a second part to the building height rule, which relates to a maximum RL beyond which buildings shall not encroach, is considered unnecessary due to the lowering of the specified ground level.
- Identifying the “western buffer/ boundary planting area” on the Connell Terrace Structure Plan will avoid confusion and inefficiencies when interpreting the provisions.

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

In relation to this matter, Mr Gordon submitted that:

- The landscaping rules could create unreasonable delay between the Outline Development Plan (ODP) being granted and being able to subdivide and develop the zone;
- 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.
- Figure 1 of Rule 11.6.2(ii) could be amended so the combined height of bunding and landscaping be 7 metres (rather than 8-9 metres) and;
- There be greater flexibility as to the height of vegetation and mounding to achieve the required combined height

#### Discussion

As notified, 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 11.5.5(13)) and landscaping shall be in accordance with a landscaping plan otherwise it is non-complying (Ref 11.5.6(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 Connell 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 11.5.6(22)).
- 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)).

Regarding whether the height of the mounding and landscaping is appropriate, Dr Read confirms in the s42A Report 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. Whilst the buildings will now be approximately 1 m lower in the highest and arguably most visible parts of the site, we still consider mounding and vegetation to the heights prescribed in the notified Plan Change are appropriate.

With regard to whether the prescribed timing/ level of maturity of the planting is appropriate, Dr Read states in the S 42A Report that it is important to ensure 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 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. In turn, Dr Read suggested some amended wording. We heard from Mr White that the amended wording recommended in the Council’s S 42A report resolves the Gordons’ concerns on this matter and they support the amendment. It is noted that neither this provision (as amended) 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, we concur with the conclusions of the S 42A Report that the landscaping requirement is reasonable and will not impose an undue burden on the developer.

### Recommendations

It is recommended that:

- Performance standard 11.5.6(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:

11.5.6(22)	<u>Staging of Building:</u> Within the <u>Structure Plan entitled Industrial B Zone - Connell Terrace precinct</u> , there shall be no building on land with a <u>finished</u> ground level	N-C
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	<p><del>higher than <u>323 323.5</u> mamsl until <u>all consent conditions relating to the landscaping of the open spaces have been fulfilled</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'</del></p> <p><del>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.</del></p>	
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Note: Further changes to this rule are recommended elsewhere in this report in response to other submissions.

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.~~

- The flow diagram outlining the anticipated resource consent process (11.3.4) be amended to reflect the above changes in the provisions.
- 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.

#### Reasons for the recommendations

The reasons are fully outlined in the discussion above. In summary, it is considered the rules as amended above are appropriate to ensure the effective mitigation of effects on views from public places and residential properties and that the re-wording provides greater certainty and clarity to users of the Plan. It is considered appropriate to enable the lowest lying parts of the site to be built on prior to the vegetation being established (i.e. that land with a finished ground level lower than 323.5 masl) as it appears from the contour information that buildings on such low-lying sites will not protrude above the western mound, even without established planting.

- c) The visual effects of outdoor waste storage and the appropriateness of the provisions relating to fencing.

The Wilsons submitted that a) waste storage areas be screened from all neighbouring properties (not only those that have road frontages) and b) 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. At the hearing we also heard from Mr White, who advised that the Gordons supported the screening of outdoor waste storage areas from roads and property boundaries and supported the additional controls recommended in the S 42A report.

We consider it 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.

In response to the submission that all properties should be fenced where they adjoin zone boundaries regardless of the adjoining zone<sup>6</sup>, including when the industrial property is separated from the adjoining zone by a road or open space area, our comments are as follows:

- There is an assessment matter (11.6.1(ii)(c)) encouraging tree planting along the rear boundaries of some sites (which were to be indicated on the Structure Plan). It was considered that such planting would be more effective at mitigating adverse visual effects along those boundaries than fencing. In response to the submission received, we recommend that this assessment matter specifically refer to the northern boundary of the zone (as well as the eastern and southern boundaries) so that the built form along that boundary will be ‘broken up’ by planting, when viewed from the properties on Golf Course Road.
- Continuous solid fencing along road frontages will result in an unattractive streetscape, which is prone to graffiti and is potentially unsafe; especially considering the area will be vacant at night.
- Given the elevated nature of the rural residential sites along Golf Course Road, 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 provide a less desirable outlook for heritage park residents than a landscaped mound. Furthermore, such high solid fencing is considered undesirable along the boundary of open spaces for safety reasons and the fence will be a target for graffiti (hence the specific fencing rule (11.5.6(8)) relating to open spaces which disallows solid fencing over 1.2 metres).

Recommendations

It is recommended that:

- Performance Standard 11.5.6(3) relating to the fencing of outdoor waste storage areas be amended as follows:

3	<p><b>Outdoor waste storage areas:</b></p> <p>i Shall not be located within the building setbacks and</p> <p>ii Shall be screened from <u>the road and neighbouring properties</u> <del>frontages</del> by either a solid fence and/ or dense planting of at least 1.8 m in height.</p> <p><i>Note: The only building setbacks in this zone are setbacks from residential zones.</i></p>	RDIS
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- Performance Standard 11.5.6(4) relating to the fencing along zone boundaries be retained, unchanged
- Assessment matter 11.6.1(ii)(b) relating to controlled buildings be amended as follows to encourage planting on all boundaries of the zone:

Whether, in the Connell Terrace Precinct, tree planting has been proposed along the rear boundary of those sites which adjoin the northern, eastern and southern boundaries of the zone in a manner that will effectively ‘break up’ the built form within the zone. ~~within the landscape buffer areas shown on the Structure Plan which will~~

Reasons for the recommendations

<sup>6</sup> The Connell Terrace precinct is bounded by the Rural General and Industrial zones

The reasons are outlined in full above. In summary, it is considered that outdoor waste storage does need to be screened as it is often unsightly but that the adverse effects of fencing along all open space and road boundaries are significant and can only be justified where they are necessary in order to screen outdoor waste storage.

## **Issue 2 - Nuisance effects on residential amenity**

### Issue

Some submitters support the proposal to enable industrial activities without undue restrictions (and indeed, request it be more enabling) whilst others consider the types of industrial activity and the nuisance levels they cause should be restricted to protect residential amenity. Specifically, issues relating to noise, hours of operation, offensive trades, distances to residential properties, and the allowance of sensitive uses within the zone have been raised by various submitters.

Ms Wilson outlined their concerns that allowing heavy industry and consciously not allowing sensitive uses such as residential use and offices may encourage the Industrial B Zone to become 'heavier' than the existing industrial Zone and would have an adverse effect on nearby neighbours. She raised the issue that the initial brochure distributed by the Council seeking informal feedback on the re-zoning suggested that the land would be rezoned as Industrial, the same as that which already exists on Ballantyne Rd and that, on the assumption that this would result in a mix of uses, including residential, she and others initially supported the proposal. Ms Wilson also raised the issue that the noise and odour restrictions were likely to prevent many of the heavier industries from locating in the zone and hence, suggested that it was sensible to prohibit uses such as those requiring an offensive trade licence. The specific points raised by Ms Wilson are discussed in more detail below under the relevant sub-headings.

On this matter we also heard from Ms Caunter on behalf of Wanaka Landfill. Whilst their submission was in favour of enabling heavy industry she cautioned against locating such uses in close proximity to sensitive uses, citing from case law in order to illustrate the problems that can result. As such, her client sought that sensitive uses including offices, be prohibited.

### Discussion

This discussion will first provide some context and then address the relevant inter-related issues.

#### *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 to the Industrial B Zone is the Rural Residential Zone (RRZ) on Golf Course Road, which is around 150 metres at the closest point, and the Three Parks - Low Density Residential (Three Parks LDR) Zone, which is around 260 metres at the closest point. The "Heritage Park" development (which is zoned Rural General) is around 750 metres away, at the closest 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, and

Heritage Park is separated by Rural General land. Dr Read’s report in the S 42A report provides 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 as for the district-wide Industrial (A) Zone, as recently amended by the recent plan change 27A, but with a small exception, as underlined below. By using the same standard as the Industrial (A) Zone it avoids drafting and justifying a different standard, avoids confusion amongst users of the plan, and helps to develop an increasing understanding of what is possible within the constraints. The proposed noise standard is as follows:

**11.5.6 Performance Standards**

11	<p><b>Noise</b></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>(i) <i>daytime (0800 to 2000 hrs) 60 dB L<sub>Aeq(15 min)</sub></i></p>	N-C
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	<p>(ii) night-time (2000 to 0800 hrs) 50 dB <math>L_{Aeq(15 min)}</math></p> <p>(iii) night-time (2000 to 0800 hrs) 70 dB <math>L_{AFmax}</math></p> <p>(b) 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.</p> <p>(c) The noise limits in (a) shall not apply to construction sound which shall be assessed in accordance with NZS 6803:1999.</p> <p>(d) 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.</p> <p><u>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.</u></p>	
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In the Industrial zones, part a) of the above rule is entirely over-ridden 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, which are 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 Zone. Part b) of the rule will help control the cumulative effects of noise generated from within the zone and will logically encourage heavier, noisier activities to locate away from adjacent residential zones to avoid breaching the rule.

On this matter, we heard from both the Wilsons and Mrs Wallace. Mrs Wallace commented there is starting to be some noise effects from the existing industrial zone and that any noise on the proposed Industrial B land would 'really carry' due to its elevated nature. Ms Wilson concurred with this latter point and also commented that industrial activities often emit a continual low frequency noise, which whilst below the allowable decibel limit, would subject them to a constant drone. She usefully cited guidance from the World Health Organisation which suggested that such low frequency noise can affect sleep and have health effects that are estimated to be "more severe than the community noises in general". She also noted that there is no noise attenuation proposed along the northern boundary of the site.

The Council's planner reported in the S 42A report that the noise standard could be made stricter by removing the exemption that appears in brackets. The effect of the exemption is 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 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 permit 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. We concur with the conclusion reached by the Council's planner that a more restrictive noise control, as sought by the Wilsons, 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)). Associated issues of whether the full range of industrial activities should necessarily be enabled in the Industrial B Zone and whether the sensitive uses such as residential should be allowed are discussed respectively in c) and e) below.

b) The hours of operation

The Wilsons have requested 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 the rule should 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's concern relates to residential amenity whilst the further submitters are concerned with imposing limits on the zone which will make it difficult to undertake many industrial activities. This particular matter was not specifically advanced any further at the hearing.

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), we recommend 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

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 be permitted. The Wilsons have 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 to the S 42A report as Appendix F. 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).

In contrast to the view expressed by the Wilsons, we heard from a number of submitters who supported enabling offensive trades and animal and fish processing. We heard from Mr White on behalf of the Gordons and Ms Caunter on behalf of Wanaka Landfill in regard to the importance of enabling such uses. Mr White highlighted that provided the tests of the RMA can be satisfied then such uses were appropriate but also highlighted that the small size of the local market and its isolated location made it unlikely that many of these

activities would locate in Wanaka. Whilst offensive trades can clearly have adverse effects (most obviously those relating to odour, dust, and noise) we consider it 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. We concur with Mr White's comments that many of these activities are unlikely to locate in Wanaka, in any event. That said, we recommend the objectives be strengthened in order to ensure that inappropriate uses (with more than minor effects) can be declined.

The recommended separation distances provided to us as part of the S 42A report, whilst crude, suggested that some textile operations, small and non-sulphide tanneries, and some waste-related activities may be too close to residential areas if located within the Connell Terrace precinct. The options available to the Council to deal with offensive trades are to:

- retain the current non-complying status,
- make all prohibited, or
- make it prohibited to undertake any offensive trade within 200m of any residential property.

It appeared from the hearing, that the Wilsons' main concern of allowing such uses is odour and potentially noise. In considering the significance of such effects, we accept the Council planner's comment 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. We agree with the Wilsons that, whilst not the predominant wind, southerlies do occur and in such instances, any odours and noise from the zone would be blown toward their property. However, we accept that the predominant wind would blow such airborne nuisances in the opposite direction toward 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 that 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 PM<sub>10</sub> 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.

With regard to those aspects of fish and meat processing not considered to be offensive trades, we consider that provided noise and odour controls are met, then these activities should be enabled. In saying that, we concur with the comments of Ms Wilson that in most instances, the standards (and other regulations) relating to noise and odour would prevent such activities from locating in this zone. Our view is the effects-based standards are the most appropriate way to regulate such uses, rather than simply prohibiting all such uses when potentially, a small scale business (for example) may in fact have no adverse effects.

However, in order to strengthen the Council's ability to decline inappropriate offensive trades and factory farming activities, we recommend 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 that a new objective and policies be added specifically in relation to odour.

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

With regard to the submitters' suggestion that the distance from residential activities is insufficient, we considered the option of specifying minimum separation distances from residential zones for various activities outlined in the S 42A Report. We support the conclusions of that report that it should not be pursued. Our reasons include the fact that it would be difficult and costly to determine the minimum separation distance required with sufficient certainty and that we are unaware of this approach being used elsewhere in NZ. With specific regard to the Connell Terrace Precinct land, whilst we heard concerns from the Wilsons and Wanaka Landfill that the land is/ may be too close to residential areas, we heard nothing that convinced us that this was the case, provided the industrial activities met standards and other regulations regarding noise, odour, and hours of operation.

We also noted the proposed zoning is separated from the residential uses by existing industrial (A) zoning, where offensive trades and factory farming are also 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 place greater pressure on those sites within the Industrial (A) zone to be used for heavier/ offensive industry which is closer to the residential properties at issue.

There was some discussion about the relatively narrow width of the western open space buffer. Although no submitter specifically sought that it be widened and we are generally satisfied that it provides sufficient mitigation of nuisance effects as well as visual effects, we consider this to be a minimum in terms of what is acceptable (from the perspective of screening and separation distances between industrial and future residential uses). In this respect, we wish to record that:

- our recommendation to widen the open space area in the south western part of the site (as detailed under Issue 1a) will significantly widen the separation distance between the two uses in that part of the site; and
- we anticipate that the provision of a greater separation distance will be further considered as part of any subsequent future Plan Change for the land to the immediate west of the buffer area.

Wanaka Landfill also suggests that heavier industry be located together, away from lighter industry because not only can industry affect other uses but that heavy industry can also impact on lighter industries. We are unclear whether this last point is intended to mean that heavy industry should all be located on the submitter's site on the corner of Riverbank and Ballantyne roads, and/ or whether a certain area within the Connell Terrace precinct should be set aside only for lighter types of industrial activity. As we recommend later in this report that the re-zoning of the Wanaka Landfill site on the corner of Riverbank and Ballantyne roads as Industrial B is inappropriate (at least as part of this process), we will not consider that option further here.

So, whilst it has some merit, the option of splitting the Connell 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 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; and
- the prevailing wind is north-westerly and therefore it may be inappropriate to locate the heavier industry on the eastern side of the zone closer to the Three Parks.

e) The appropriateness of the restrictions imposed on sensitive uses within the Zone

Wanaka Landfill requests airports and associated activities need not be non-complying and residential activities and offices both be prohibited.

At the hearing, Ms Jan Caunter, on behalf of Wanaka Landfill, clarified the reason for requesting airports should be classified as prohibited is that there seems to be no purpose for airports in this zone. Alternatively if there is some intention to have airports developed in the zone, then Wanaka Landfill submits that this should be clearly stated. The argument that the non complying status will not 'avoid' or 'prevent' such uses, as sought in the objectives, was interesting but we have a more moderate view and consider that non complying activities can be avoided. We also hold the view that airports fall into the same category as the offensive trades and factory farming in that whilst such activities are to be generally avoided (via the non complying status) there may be certain instances (be it due to its small scale or the particular process being undertaken, for example) when they are appropriate. We note that this may not be the case within the Connell Terrace Precinct but may be relevant in other areas of Industrial B zoning, in the future. Furthermore, we are comfortable that the non complying status is appropriate to achieve the objectives and has the added benefit of being consistent with the Industrial (A) Zone.

With 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, offices (other than those that are ancillary to a permitted use) are a non complying activity, on the basis that offices will not cause the same extent of reverse sensitivity issues as residential uses. We heard from Ms Caunter about various examples where allowing sensitive uses within industrial zones had compromised the ability of industrial activities to operate and have been convinced to also make offices prohibited, in line with the status of residential uses.

### Recommendations

We recommend that:

- animal and fish processing, offensive trades and factory farming be retained as non complying activities 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 as notified;
- the Industrial B Zone be retained as one single zone as opposed to creating separate areas/ subzones within it for heavy and lighter industrial uses;
- the status of offices be amended from non complying to prohibited;
- Objective 2 be expanded to not only refer to adjoining residential zones and that a second part be added to Objective 2, along with associated policies, which specifically relate to odour issues, as follows:

#### *Objective 2*

*Effectively mitigate ~~in~~ 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; and ~~which can arise where business and industrial zones adjoin residential zones?~~*

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, noise, dust, and odour effects of development from both public and private places.

2.4 To avoid industrial activities that create objectionable and unreasonable odour.

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

- the Structure Plan be amended to enlarge the open space area in the south west corner of the zone to serve the dual function of a) removing development from high land and b) increasing the separation distance between industrial and future residential uses in this part of the site.

Reasons for the Recommendations

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 restrict industrial activities from locating in the zone unless there is a clear adverse effect.
- The provisions relating to animal and fish processing, offensive trades and factory farming are considered appropriate to achieve the objectives of the zone combined 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, will 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 that the status of offices within the Industrial B zone be changed to 'prohibited' to be consistent with residential activities.
- It is considered appropriate that an airport<sup>7</sup> remains a non-complying activity in order to be consistent with the existing Industrial (A) Zone. Whilst it is acknowledged that there are no objectives in the zone relating specifically to the establishment of airports, we consider it unnecessary to specifically address every non complying activity within an objective and that this is not reason in itself for the activity to be prohibited.

**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

Mr Gordon has submitted that:

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<sup>7</sup> An airport aerodrome is defined as "Means any defined area of land or water intended or designed to be used whether wholly or partly for the landing, departure, movement or servicing of aircraft" in the District Plan

- It be clarified that Standard 11.5.6(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) yet 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.

Wanaka Landfill Ltd also sought greater clarity in regard to what the relevant Structure Plan is and what it means.

### Discussion

The S 42A report suggested a number of amendments to the Plan Change to clarify its intent and so address the above submissions. In his evidence presented on behalf of the Gordons, Mr White stated they support the suggested changes. We support the changes suggested by the Council’s planner and also recommend some further minor amendments in order to clarify various other provisions which refer generically to ‘the Structure Plan’ in the notified version of the Plan Change.

### Recommendation

- That the following amendments be made to the activity table:

#### **11.5.5 – Activity Table**

<u>2</u>	<b><u>Any activity other than car parking (which excludes the storage of cars for sale or rent) within the Special Use Area B shown on the Structure Plan entitled Industrial B Zone - Connell Terrace Precinct</u></b>	<u>PRO</u>
<u>4</u>	<b><u>Buildings, except any building located on the fixed open space areas or on the Special Use Area B identified on the Structure Plan to which the application relates</u></b>  <i>Note: Buildings within the open space areas are prohibited</i>	<u>CON</u>
<u>6</u>	<b><u>Buildings within Special Use Area B or Special Use Area C shown on the Structure Plan entitled Industrial B Zone -- Connell Terrace Precinct</u></b>	<u>PRO</u>
<u>10</u>	<b><u>Food and beverage outlets within Special Use Area A identified on the Open Spaces on the Structure Plan entitled Industrial B Zone -- Connell Terrace Precinct</u></b>  <i>Refer to Section D for the Definitions of “food and beverage outlets”.</i>	<u>PERM</u>
<u>11</u>	<b><u>Garden and patio suppliers within Special Use Area A identified on the Structure Plan entitled Industrial B Zone -- Connell Terrace Precinct.</u></b>  <i>Refer to Section D for the Definitions of “garden and patio suppliers”</i>	<u>PERM</u>
<u>13</u>	<b><u>Landscaping of the fixed open spaces shown on the Structure Plan to which the application relates, unless such landscaping has been approved as part of an approved ODP.</u></b>  <i>Note: The intent of this rule is that a consent can be sought for the landscaping of the open spaces either as part of the ODP application or</i>	<u>RDIS</u>

	<u>as a separate individual application prior to applying for the ODP; thus enabling the planting to mature ahead of development.</u>	
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- That policies 11.1.5(1.9) and 15.1(8.9) be amended to make them clearer.

As outlined later in this report, we are recommending the ORHL land be re-zoned as Industrial B generally in the form sought in its submission and a suitably named Structure Plan has been prepared and will need to be listed in Standard 14 beneath the reference to the Connell Terrace Precinct Structure Plan. This further amendment is included in a subsequent recommendation in this report.

- That the following amendments be made to the performance standards:

### 11.5.6 – Performance Standards

5	<p><b>Hours of operation</b></p> <p>The hours of operation for any activity on a site which adjoins a Residential zone shall be limited to between: 0730 – 2000.</p> <p>Note: A site shall still be deemed to be “adjoining” where a road separates the site from the Residential Zone but shall not be deemed to be “adjoining” where an open space of at least 15 metres in width separates the two zones. The open space must either be shown on the <u>relevant Structure Plan</u> or approved as part of an approved ODP.</p>	RDIS
10	<p><del><b>Building Height for buildings</b></del></p> <p>a) <b>Within the Structure Plan entitled “Industrial B Zone - Connell Terrace Precinct”</b> <del>structure plan</del> the maximum height of any building shall be 7 metres above ground level...</p> <p>Note 2: The height of buildings upon any land which is not within the Connell Terrace Precinct <u>boundary</u> shown on the Structure Plan <u>entitled “Industrial B Zone - Connell Terrace Precinct”</u> shall be subject to the district-wide definition of ground level.</p>	N-C
13	<p><b>Outline Development Plans</b></p> <p>All activities and development shall be in accordance with an approved Outline Development Plan; <u>except that:</u></p> <p><u>The Outline Development Plan need not include any land outside the Connell Terrace Precinct boundary shown on the Structure Plan entitled “Industrial B Zone - Connell Terrace Precinct”</u></p> <p>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.</p> <p>Note: ...</p>	N-C
14	<p><b>Extent of the Outline Development Plan</b></p> <p>An Outline Development Plan shall include at least all that land contained within <del>a single</del> <u>the relevant Structure Plan</u>, as follows:</p> <p><u>The Structure Plan entitled “Industrial B Zone - Connell Terrace</u></p>	N-C

	<b><u>Precinct</u></b> , <i>except that the Outline Development Plan need not include any land outside the Connell Terrace Precinct boundary shown on that Structure Plan.</i>	
18	<b><u>Building coverage within the Special Use Area A identified on the Structure Plan entitled 'Industrial B Zone - Connell Terrace Precinct':</u></b>  <i>The maximum building coverage shall be 30%</i>	N-C
19	<b><u>Earthworks in the fixed open space areas</u></b> i. <i>There shall be no excavation within the fixed open space areas identified on the Structure Plan entitled 'Industrial B Zone - Connell Terrace Precinct':</i>  <i>Note: Any ODP or Landscape Plan which proposes excavation will become non complying.</i>  ii. <i>All earthworks within the fixed open space areas identified on the relevant Structure Plan shall be in accordance with an approved ODP or Landscape Plan.</i>	N-C
22	<b><u>The timing of building:</u></b> <i>Within the Connell Terrace precinct boundary shown on the Structure Plan entitled "Industrial B Zone - Connell Terrace Precinct" there shall be no building on land with a ground level higher than 323.5 mamsl until ...</i>  <i>Note: ...</i>	N-C

Note: Further changes to standards 10 and 22 are recommended elsewhere in this report in response to other submissions.

#### Reasons for the Recommendation

- Standard 11.5.6 (14) is potentially unclear and inefficient. As notified the standard was worded so that it could apply (without amendment) to other areas of Industrial B Zoning, as they are added. However, we recommend the wording is amended by listing the various Structure Plans individually within the rule as they are added to the zone. We also recommend the wording of Activities 2, 4, 6, 10, 11, and 13 (within table 11.5.5) be amended in a similar manner.
- Standards 11.5.6 (10, 13, 14, and 22) do not specifically exempt the land beyond the Connell Terrace Precinct boundary from the requirement to be included within the ODP provisions or from the staging of building. It is also potentially unclear in the notified version whether the land beyond the Connell Precinct boundary is subject to the site-specific ground level definition. It is considered inappropriate and inefficient to require this largely developed area to be subject to an Outline Development Plan, a specific ground level, or the establishment of the western buffer and, as such, we recommend that it be exempt.
- Activities 2, 4, 6, 10, 11, and 13 listed in Activity Table 11.5.5 all refer to the Structure Plan and therefore, particularly with the addition of the Ballantyne Road Precinct it is considered useful to better clarify the reference to 'the Structure Plan' particularly where the Activity is only relevant to the Connell Terrace Precinct.

#### **Issue 4 - Possible extension of the Industrial B Zoning to the ORHL land immediately south of the proposed zone**

## Issue

The landowner, ORHL, has requested the land immediately south of the notified plan change area be included in the Industrial B Zone. Refer to Figure 2 in the Introduction of the report for a plan showing the land.

## Discussion

Before turning to the merits of this rezoning, it is noted that the Council has obtained legal advice regarding the jurisdiction of the submitter's request to extend the Industrial B Zone to the area of land shown in the submission and is satisfied that the request is within scope of the plan change. ORHL also presented a plan (entitled scheme 3) at the hearing which proposed a possible future further expansion of the Industrial B Zone beyond that sought in the submission. ORHL stated that this was beyond the scope of the submission and we concur with that view.

ORHL has requested the rezoning of the land shown in Figure 2 generally 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 written submission provided 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 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 bunding, 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).

In support of this submission, we heard from Mr Allan Dippie (a Director of ORHL), Ms Alison Nobel (a planner for ORHL), and Mr Paddy Baxter (a landscape architect for ORHL).

By way of background, we note that ORHL has obtained approval in January 2011 for a 4 lot subdivision & landuse consent (RM100794) over the industrial strip of land which runs between Ballantyne Rd and the land for which it is seeking Industrial B zoning. There is also another existing resource consent (RM061149) for this strip of land, which allows 50 business/residential units to be built and subdivided. Subdivision of that land is currently underway.

*Is it appropriate to zone more land for industrial purposes?*

Firstly it is useful to confirm the amount of additional developable new industrial B zoned land that is being recommended through this Report. This information is outlined in the tables below:

<b>Connell Terrace Precinct</b>	<b>Area</b>
Area A	0.19
Area B	0.28
Area C	0.04
Fixed Road	0.63
Industrial B (within the Connell Terrace Precinct boundary. I.e. excluding Frederick St area).	5.47
Open Space (Total)	1.72
<b>Total</b>	<b>8.33 ha</b>

<b>ORHL land/ Ballantyne Road Precinct</b>	<b>Area</b>
Stage 1 Industrial B	3.63
Stage 2 Industrial B	1.16
Open Space	2.54
Fixed Road	0.42
<b>Total</b>	<b>7.75 ha</b>

Re-zoning the ORHL land in addition to the Connell Terrace Precinct will result in a total of 10.25 hectares<sup>8</sup> of new industrial land in Wanaka. Around 5.5 hectares of this newly zoned development land would be within the Connell Terrace Precinct and 4.8 hectares would be within the ORHL land. Whilst we accept the figures provided in the S 42A report<sup>9</sup>, which identified that around 4 hectares of such land should be rezoned now in order to cater for projected medium term demand, it is our view that this is not sufficient reason to decline the rezoning sought by ORHL and that there are benefits in taking a longer term view. We note at this point that the RMA no longer requires the Council to determine whether the Plan Change is 'necessary' and, as such, we turn, instead to the actual effects of zoning this extra land.

Whilst the Wanaka Structure Plan anticipates the Connell Terrace, Three Parks, and Ballantyne Mixed Use zones will be developed ahead of the ORHL land we acknowledge that the Wanaka Structure Plan is an overarching strategic guiding document rather than a prescriptive document which must be followed 'to the letter'. As such, in our view the pattern of growth that is enabled by the rezoning of the ORHL land is in keeping with the objectives of the Structure Plan of gradual outward expansion in a manner which encourages cost effective servicing and results in sensible landuse patterns.

*Is it an appropriate location for industrial uses?*

<sup>8</sup> Based on the Structure Plans recommended in this report and excluding the open spaces, fixed roads, and special use areas.

<sup>9</sup> The S 42A Report relied primarily on the Council's Wanaka Land Needs Report (2007) and a report entitled Commercial Land Needs – Queenstown Lakes District (2007)

The extension requested by the submitter is bounded on two sides by industrial land and, therefore, 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 are reverse sensitivity benefits in rezoning it in the manner proposed and there will be long term efficiencies in terms of infrastructure and trip generation. Refer to the discussion under landscape effects and residential amenity below for more detail on this issue.

*Is the extension appropriate from a landscape perspective?*

The area of land covered by the submission is shown in Figure 2 in the Introduction of this report and the Concept Plan included with the submission is reproduced as Figure 4 below:

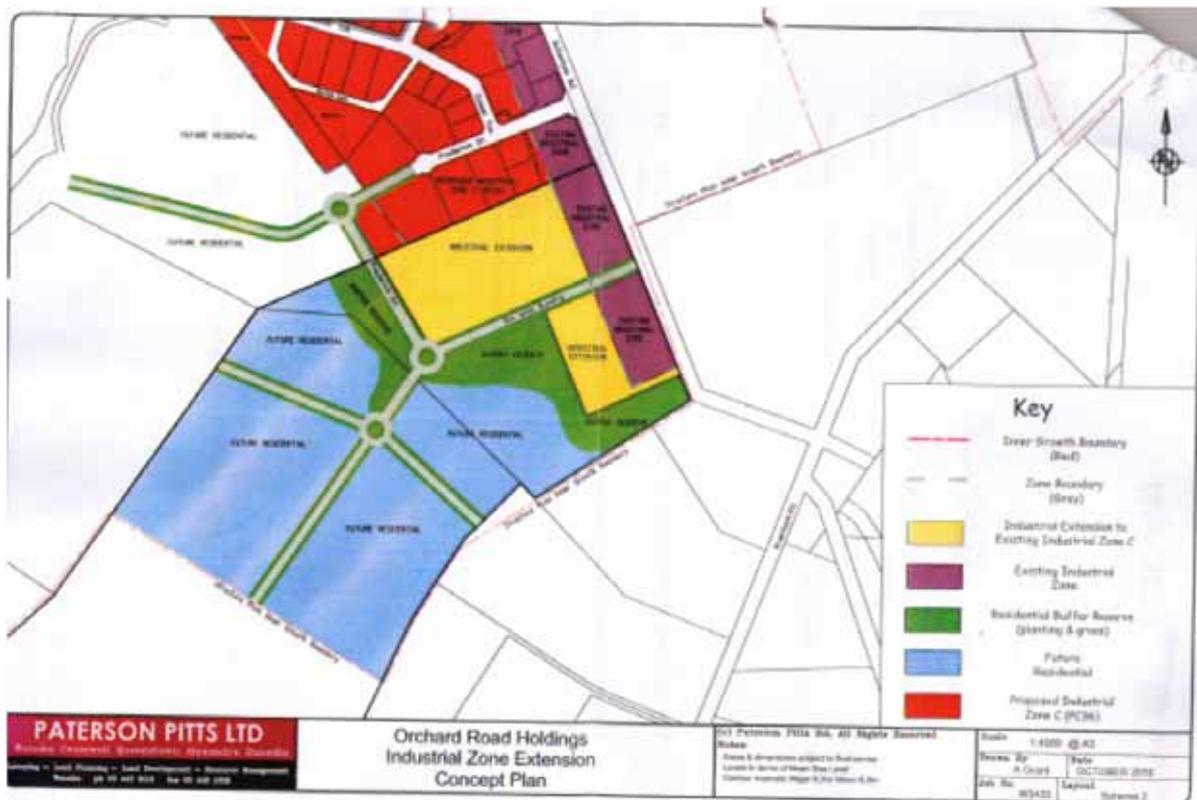


Figure 4 – Concept Plan attached to the submission from ORHL

Notably, rather than simply seeking re-zoning over the subject land, the submitter proposed a 'concept plan' which, in our view, could readily form the basis of a Structure Plan for inclusion in the District Plan. This concept plan was explained to us in some detail at the hearing by Mr Baxter, a Landscape Architect for the submitter. We accepted the opinion of Mr Baxter that the buffer reserve area (as shown on the plan), once fully landscaped, would provide effective mitigation of any visual or nuisance-related effects arising from the industrial development, when viewed from the west and south. We were also influenced by the presence of the strip of existing industrial zone along Ballantyne Rd which, once developed, would at least partly screen the Industrial B zone behind it, when viewed from Ballantyne Rd and generally from the south-east, and east. So, whilst we accept the comments made in the S 42 A report relating to the ORHL land being elevated above the Frederick Street development, we are conscious that the land is more or less of a similar elevation to the land surrounding it on the other 3 sides and that the effects of industrial development could be mitigated by careful landscaping of the generous buffer reserve being offered.

The initial landscape report prepared for the Council by Lakes Environmental<sup>10</sup> 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 of that report 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 (October 2009) raises issues associated with rezoning ORHL's land relating to adverse effects on residential amenity along Riverbank Rd; the longer interface that would be created with future residential areas; and the need to provide mounding and landscaping to screen the zone. When this report was later reviewed by Dr Marion Reid she offered no contrary opinion to that which is stated above. In our view, the 'concept plan' proposed as part of the ORHL submission addresses those concerns though the provision of the buffer reserve area, which is 2.5 hectares in area and ranges in width from around 30 metres to 100 metres.

The submitter also presented a plan entitled 'Scheme 3' at the hearing which would add more industrial land in the future along with a 'ring road' which would serve the function of a) providing access to the future residential land and through to Cardona Valley Rd without having to travel through the industrial area and b) creating a logical separation between the industrial and future residential land. Whilst beyond the scope of the submission to this Plan Change and this decision making process we wish to record that the long term landuse and roading pattern shown in Scheme 3 appears sensible and preferable to that which is shown for this area in the Wanaka Structure Plan and Wanaka Transport Study. In saying this, we are not criticising those documents, but rather suggesting that with the benefit of specific proposals being put forward, there may well be room for improvement.

*Are there any transport/ traffic benefits arising from approving the ORHL Structure Plan?*

On the matter of transport and traffic, we received good advice from Mr Oliver Brown of MWH attached to the Section 42A report as Appendix H. In summary, the advice from MWH was as follows:

- 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

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<sup>10</sup> This report is entitled "Proposed Wanaka Industrial Extension Landscape Assessment – October 2009" and is attached to the Section 32 report for this Plan Change and is available on the Council's website.

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 to be more consistent:
  - 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.

Whilst no traffic evidence was presented at the hearing by ORHL, the suggestions of Mr Brown formed the basis of Scheme 3 presented by ORHL. Based on the comments of Mr Brown, in our view the roading pattern for the ORHL land would be improved by removing the connection from the Industrial B land through to the future residential land to the west of the site (refer Figure 4 above). Rather, we prefer that the roading be kept internal to the industrial zones and that access to the future residential land be gained via a road which would intersect with Ballantyne Rd immediately south of the existing industrial strip along Ballantyne Rd. Whilst there is no scope to require such a road through this process, we are confident that there will be ample opportunity for this either through a subsequent industrial Plan Change (along the lines of that presented to the hearing as Scheme 3) or through a Plan Change in the future to rezone the future residential land to the south and west.

Due to the significance of our recommendation to extend the Industrial B Zone in response to the submission, an analysis of the three options is outlined below, in accordance with our Section 32 obligations.

#### Section 32 analysis of the options

*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.
- As many of the buildings on Frederick Street sit below the level of the ORHL land, the foreground view from Riverbank Rd and properties along that road and within Heritage Park will remain rural until a subsequent plan change is undertaken for that land.
- This option avoids the risk of development leapfrogging the proposed Industrial B land within the Connell Terrace precinct land and occurring, instead, on the ORHL land, which is on the edge of the inner growth boundary.

##### *Costs*

- If the Council does not extend the zone as requested, then ORHL may appeal this part of the decision to the Environment Court, adding cost and delay to the plan change process.
- 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.
- If the subject land is developed instead for residential uses in the future, the opportunity to locate additional industrial land if required adjacent to the existing area will have been lost. In turn, such new zoning would either a) occur in relatively isolated locations beyond the urban growth boundaries or b) would be located within it but with limited ability to mitigate the effects from nearby residential areas or c) would not 'find a home' at all within the Upper Clutha and, therefore, such uses would establish elsewhere (e.g. Cromwell). In our view, all of these alternative scenarios could have quite significant adverse consequences.

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

#### *Benefits*

- The concept plan proposed by ORHL includes generous buffer reserve areas to provide landscaping, public amenity, pedestrian connections, and mitigation of any conflicts with existing and future residential activities in the vicinity.
- The buildings would screen those that are currently visible along Frederick Street and may, although not necessarily, be more attractive than those that currently exist.
- The interface between the industrial zone and future residential areas (and the associated amenity and reverse sensitivity issues) is likely to be better managed through rezoning in accordance with the concept plan than might otherwise be the case, due to the generous buffer reserve being offered
- Without pre-empting any future decisions that might be made in regard to Plan Changes that would enable the longer term Scheme 3 to be developed, enabling Scheme 2 to proceed (by accepting this submission) provides a first step to what we consider to be a logical landuse and roading pattern for this part of South Wanaka.
- We heard from ORHL at the hearing that the land can be readily serviced for water, wastewater, and roading.
- The submitter provided additional information at the hearing, in relation to effects on the landscape, amenity values (from a visual and nuisance perspective), and servicing, which, together, give us confidence that the effects of the rezoning are acceptable.
- The rezoning being sought in the submission is within scope of the notified Plan Change.

#### *Costs*

- Whilst there are clearly some benefits of connecting roading through this land over time, there are various concerns about the road shown in the ORHL concept plan which provides access through the Industrial B zone to the future residential land beyond.
- The inclusion of this land could be appealed, therefore adding cost and delay to the plan change process.
- This option does not provide any requirement for the ORHL development to be staged which could result in pockets of isolated development, particularly if it is subdivided to separate developers.

*Option 3: Extend the Industrial B zoning to include the ORHL land generally in the manner proposed in the submission but with some staging built into the rules and some minor amendments to the roading layout.*

**Costs and Benefits:**

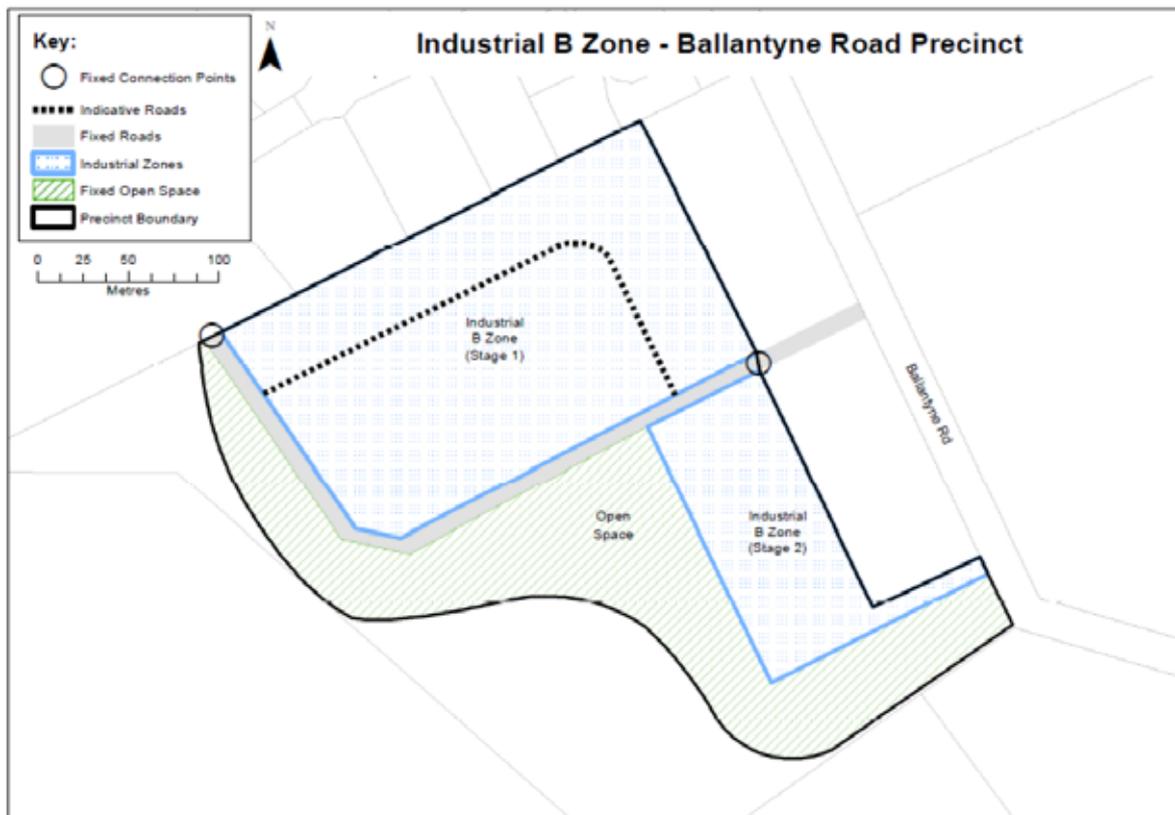
As for Option 2 above with the exception that:

- The staging recommended in this report will help to ensure that the ORHL land is developed in an orderly and logical manner and that the first stage (being that area closest to Frederick Street) is largely established before moving onto the second stage.
- The amended roading layout recommended in this report will ensure that the new road<sup>11</sup> through the middle of the Industrial B (Ballantyne Road Precinct) will not connect through to the future residential land but, rather, that some form of link road established to the south of the Industrial B zone will provide access to this area.

**Recommendation**

It is recommended that:

- The area of land shown in Scheme 2 as attached to the submission be rezoned as Industrial B (Ballantyne Rd Precinct) and the following Structure Plan be included in the District Plan:



- Performance Standard 14 be amended as follows to list the Ballantyne Road Precinct:

11.5.6 (14)	<b>Extent of the Outline Development Plan</b>  <i>An Outline Development Plan shall include at least all that land contained</i>	N-C
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<sup>11</sup> Being the road marked "10 m wide bunding" on the plan shown in Figure 4 of this report

	<p>within <del>a single</del> <u>the relevant</u> Structure Plan, as follows:</p> <p>i. <i>The Connell Terrace Precinct Structure Plan, except that the Outline Development Plan need not include any land outside the Connell Terrace Precinct boundary shown on the Structure Plan entitled "Industrial B Zone - Connell Terrace Precinct."</i></p> <p>ii. <u><i>The Industrial B Zone - Ballantyne Road Precinct Structure Plan.</i></u></p>	
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Note: Further changes to this Standard are recommended elsewhere in this report in response to other submissions.

- The following provisions be amended in order to ensure that they apply only to the Connell Terrace Precinct:
  - Timing of building (relative to the maturity of the landscaping) (Activity 11.5.6(22))
  - Restrictions on uses in Special Use Areas A, B, and C (Standards 11.5.5 - 2, 6, 10, 11)
  - Building coverage in Special Use Area A (11.5.5 (18))
  - Prevention of any excavation in the open space areas (11.5.5 (19))

Our recommended amendments to these provisions are provided in full in the previous section under Issue 3.

- Building Height (Activity 11.5.6 (10) be amended as follows, such that building height in the Ballantyne Road precinct will be measured from ground level as per the existing District Plan definition:

<u>10</u>	<p><b><u>Building Height for buildings</u></b></p> <p>(a) <i>Within the <u>Structure Plan entitled "Industrial B Zone - Connell Terrace Precinct"</u>, the maximum height of any building shall be 7 metres above ground level <del>and, in addition, shall not exceed a height of 334mamsl (metres above mean sea level)</del>, except that: ...</i></p> <p>(b) <u><i>Within the Structure Plan entitled "Industrial B Zone – Ballantyne Road Precinct", the maximum height of any building shall be 7 metres above ground level.</i></u></p>	<u>N-C</u>
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- A Performance Standard be added, which requires stage 1 of the Ballantyne Road Precinct to be 75% complete prior to commencing with the development of stage 2.
- Assessment Matter 11.6.2(ii)(a)(ix) be amended to acknowledge that links through the open space area of the Ballantyne Road Precinct need not be straight or limited in length.

#### Reasons for the Recommendation

- Sufficient information was included in the submission and in supporting evidence at the hearing to convince us that the overall effect of this rezoning (in relation to amenity values, transport, water supply, and onsite stormwater disposal) would be positive and is an appropriate way of achieving the objectives for the zone and for Wanaka as a whole.

- It will provide for long term demand for industrial land, which will ensure that industrial activity will be clustered in the Ballantyne Rd area, thus avoiding the need to find additional sites for such uses in the future.
- It is noted that the Wanaka Structure Plan (WSP) states that “The (Wanaka) Structure Plan will not incorporate a detailed ‘staging plan’, but will consider preferred staging principles when the structure plan is implemented into the District Plan.” As such, the staging of development enabled by this rezoning is considered to be consistent with the overall intent of the WSP, to cater for the next 20 years of growth in a logical pattern and wholly within the inner growth boundary. (Refer Page 10 of the WSP). It is noted that the ORHL land subject to the submission is wholly within the inner growth boundary as shown on the WSP.
- In keeping with the comments made in the WSP (page 8), rezoning this land will ensure that there is competition in the market for Industrial B zoned land as it is in different ownership to the Connell Terrace precinct.
- The risks of development ‘leapfrogging’ other land zoned for industrial uses is considered to be of minor consequence considering the industrial-zoned strip along the southern part of the Ballantyne Rd already exists and is currently being developed.
- We are satisfied that the visual effects on views from roads, the river, and residential properties will be appropriately mitigated by the generous open spaces shown on the Structure Plan.

### **Issue 5 - Possible extension of the Industrial B Zoning to the land on the corner of Riverbank and Ballantyne roads**

#### This issue

The landowners, Wanaka Landfill Limited, along with a user of the site, Maungatua Contracting Limited submitted that the land on the corner of Riverbank and Ballantyne roads designated as Designation 50 and legally described as Lot 2, DP406972, be re-zoned Industrial B in this Plan Change. The land is shown as Figure 3 in the Introduction of the S42 A report. Two further submitters opposed the application of the Industrial B zone to this land on the basis it has not been consulted on; is isolated; will have different environmental effects; and is better dealt with through a separate Plan Change process.

#### Discussion

The submitter seeks the inclusion of this land and makes the following relevant points in the written submission:

- There is a shortage of good industrial land in Wanaka;
- Industrial land should be sufficiently distant from residential activities so no adverse effects occur.

Legal submissions presented at the hearing addressed the historical use of the site, the existing designations and resource consents for the site (and the costs incurred in obtaining the latter), and reverse sensitivity issues.

The driver for this submission seems to be the desire of the landowner to secure long term certainty to continue its operations on the site. Whilst we understand that relying on discretionary resource consents to undertake one’s business (as opposed to being zoned for that specific use) is not necessarily desirable, there are a number of reasons why we favour the status quo in this instance. We outline these as follows:

- The resource consent(s) and designation(s) provide far greater certainty as to what can occur on the land, in contrast to the Industrial B Zoning, which could result in intensive industrial development along the river bank, for example. The size of the subject site makes this risk all the greater.
- Given that the applicant simply wants to continue its current uses on the site, the Industrial B zoning does not appear to be the most suitable zoning, and it is suggested that yard based industrial and/ or a zone specifically related to gravel extraction would be more appropriate.
- The land 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 the scale and type of use is limited by consent conditions. Notably, the rezoning of the land to Industrial B would enable a significant 'shift' from this permitted baseline. If we were of a mind to rezone the land, an alternative would be to zone it Industrial B but with site-specific rules limiting activities and the scale of development only to that enabled by the resource consents and designation. In our view, this would unnecessarily further complicate the District Plan.
- We concur with the submitter that there are a range of non rural uses occurring around and to the south of the Riverbank Road/ Ballantyne Road intersection and this should be further considered by the Council. However, we recommend that the more appropriate process to undertake this is through the review of the District Plan (currently underway) and the review of the Wanaka Structure Plan (due 2012).
- We agree with the submitter that the activities being undertaken on the subject site do provide clear positive benefits to the Wanaka community.
- Whilst we are not suggesting that the existing activities should move from their current location, we do not agree that the site cannot be used for any other sensible purpose due to the existence of the closed landfill.

### Recommendation

It is recommended that the Industrial B Zone not be applied to the Wanaka Landfill land (land designated as Designation 50 and land legally described as Lot 2 DP 406972).

### Reasons for the Recommendation

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

- It is contrary to the fundamental principles of the Wanaka Structure Plan which is focused on keeping all development within the inner growth boundary in order to logically provide for growth over the next 20 years.
- Whilst gravel extraction, for example, is clearly an example of industry which cannot occur within the growth boundary and must be located at/ adjacent to the source, rezoning the land as Industrial B is not considered the most appropriate method of providing for this use.
- It risks industrial development 'leapfrogging' other land within the inner growth boundary that is already 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 may not have been foreseen by prospective submitters considering 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.
- Unless use on the site were limited only to that which currently exists, 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.

## **Issue 6 - Whether there is a need for more industrial land**

### The issue

Some submitters questioned the need for more land to be zoned industrial.

### Discussion

The discussion of this issue is well canvassed above and in the Section 32 Report prepared for this Plan Change.

### Recommendation

It is recommended that the land shown in the Connell Terrace Precinct and Ballantyne Road Precinct is re-zoned to Industrial B Zone.

### Reasons for the Recommendation

We consider there is a need to zone more industrial land to provide for growth and demand in the short to medium term and future proof the availability of industrial land in the right location for the long term. We acknowledge we are recommending more industrial land be zoned than will be needed in the medium term, but there are no apparent disadvantages in doing so, in our view. Rather, we believe there will be long term advantages for future communities if land is zoned industrial in the appropriate place now.

## **Issue 7 – 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 ORHL.

### 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 the S 42A report, the evidence presented at the hearing, and, perhaps most importantly, through the Council's decision.

### Recommendations

Whilst no recommendation is required as such, it is considered that, together, the analysis included within the S 42A report, the additional information presented at the hearing by ORHL, and the analysis contained in this report meet the requirements of Section 32 in terms of fully considering the option of extending the Industrial B zoning to the ORHL land.

### Reasons for the recommendations

These options have now been raised through submissions and have, in response, been fully considered in terms of Section 32 of the RMA through the S 42A report and this report.

### **Issue 8 – 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 when drafting the S 42A Report it became apparent to the reporting planner that there could be confusion unless this distinction is made clearer. A number of typographical and numbering errors were also noticed by the reporting planner and we concur that these should be rectified in the Council’s decision.

In addition, since notification of Plan Change 36, Plan Change 16 (Three Parks) has become operative. The Three Parks and Industrial B zones rely on many of the same definitions but as the Three Parks Zone was not operative at the time of notification, these definitions needed to be duplicated in the District Plan. The effect of this is that the District Plan contains a definition for ‘Building supplier – Industrial B Zone’ and then immediately underneath, this is duplicated by “Building supplier – Three Parks Zone’, to cite just one of many examples. Now that Three Parks is operative, there is no reason why the definition cannot be stated once and apply to both zones, thereby avoiding the duplication. It is noted that no one has submitted in respect of the definitions, and therefore, there is considered no scope for these to change through the appeal process.

#### Recommendation

It is recommended that

- The existing Industrial Zone be re-named the “Industrial (A) Zone” in order to avoid confusion. This is considered to be a reasonable consequential amendment. Various typographical and numbering errors that existed in the notified version should also be rectified at this point.
- Where the definitions are identical for the Three Parks and Industrial B zones, these should be amalgamated to read, for example, “Building supplier – Industrial B and Three Parks zones”.

#### Reasons for the Recommendation

These amendments are recommended in order to avoid confusion, duplication, and inefficiencies in the on-going administration of the District Plan.