



Section 32 Report for the Proposed Waitomo District Plan

Notified Version 20 October 2022

SUMMARY OF ISSUES

The industrial zone chapter addresses the following issues:

- In order to retain capacity for industrial activities it is critically important that industrial zoned land is retained for industrial activities where appropriate.
- Sensitive uses within industrial zones may hinder the development and operation of existing industrial activities because of expectations as to amenity levels for people living in these areas.
- Activities within industrial areas can generate a range of effects that are often greater in character and intensity than other urban activities.
- The appearance of some industrial activities may degrade the visual amenity of an area. In some instances, industrial facilities are difficult to effectively screen or design so as to be visually attractive.
- Industrial areas may adversely affect the level of amenity on adjacent residential activities or commercial facilities especially regarding the emission of noise, glare from security lighting and appearance and result in reverse sensitivity effects.
- Heavy vehicles associated with industrial uses may adversely affect the operation of the District's major transportation routes by reducing pedestrian safety, creating conflict with other vehicle movements and leading to additional maintenance requirements on roads.

OPERATIVE WAITOMO DISTRICT PLAN

The Operative District Plan (ODP) has an Industrial Chapter which contains all the provisions relevant to this zone. The provisions address the following matters:

- a) adverse effects
- infrastructure servicing b)
- reverse sensitivity effects c)
- land instability and nuisance flooding
- traffic effects e)
- ensuring industrial activities can be carried out

The zone is designed to be permissive and all activities that can comply with the conditions are permitted.

RESOURCE MANAGEMENT ACT 1991

Section 5 RMA

Industrial land is an important resource in the District. The use and development of industrial land, and the activities enabled therein, provide economic activity. This in turn enables people and communities to provide for their economic and social well-being. The use of industrial land by activities other than industry can compromise legitimate industrial activities from establishing or continuing through reverse sensitivity. Industrial land must be protected as a valuable resource for industrial activities for future generations.

However industrial activities can give rise to adverse effects, and section 5(2)(c) requires those adverse effects be avoided, remedied or mitigate.

Section 6 RMA

Section 6 is not specifically relevant to the management of industrial land, but there may be areas of industrial land where particular section 6 matters are relevant such as in natural hazard areas or within the coastal environment.

Section 7 RMA

The most relevant parts of section 7 are:

Section 7(b) the efficient use and development of natural and physical resources;

Industrial activities are not appropriate in all areas of the District, so the efficient use and development of the limited physical resource of industrial land is important.

Section 7(c) the maintenance and enhancement of amenity value; and Section 7(f) maintenance and enhancement of the quality of the environment

This is relevant in terms of the potential adverse effects of industrial activities on other activities including those on neighbouring land.

There are areas of industrial zoning that are adjacent to sensitive areas such as waterbodies. The protection of these sensitive areas is an important function of the Proposed District Plan (PDP). Ensuring that the PDP provides for the efficient and effective functioning of industrial activities is vital to the economic and social wellbeing of the district. This of course must be balanced against amenity and reverse sensitivity considerations.

Section 8 RMA

Section 8 is not especially relevant to the management of industrial land, except where these areas are near to culturally significant sites or resources (e.g. streams).

NATIONAL DIRECTION

There are six National Policy Statements (NPSs) currently in place:

- New Zealand Coastal Policy Statement 2010
- NPS for Electricity Transmission 2008
- NPS for Renewable Electricity Generation 2011
- NPS for Freshwater Management 2020
- NPS on Urban Development 2020
- NPS for Highly Productive Land 2022

The National Policy Statement on Urban Development (NPS-UD) was gazetted in August 2020 and aims to support well-functioning urban environments to provide for current and future community well-being. It requires RMA plans to provide opportunities for land development to meet housing and business needs, supported by adequate development capacity.

It is noted that the Waitomo District is not an urban environment as defined in the NPS-UD. However, the NPS-UD provides valuable commentary on land use and development, which has been considered in the development of this chapter.

There are also 8 National Environmental Standards (NESs) currently in place:

- NES for Air Quality 2004
- NES for Sources of Human Drinking Water 2007
- NES for Telecommunication Facilities 2016
- NES for Electricity Transmission Activities 2009
- NES for Assessing and Managing Contaminants in Soil to Protect Human Health 2011
- NES for Plantation Forestry 2017
- NES for Freshwater 2020
- NES for Storing Tyres Outdoors 2021

The NES for Air Quality, which aims to set a guaranteed minimum level of health protection, is relevant to the management of discharges to air, the grouping of compatible activities (and therefore the industrial zone) and the protection of activities that may be sensitive to air quality. Air discharges are managed by regional council's and are therefore not relevant for Waitomo District.

The NES for Assessing and Managing Contaminants in Soil to Protect Human Health 2011 is relevant to consideration of changes of land use. Industrial land has the potential to contain contaminated soils. The NES is intended to ensure that land affected by contaminants in soil is appropriately identified and assessed before it is developed, and if necessary, the land is remediated, or the contaminants contained to make the land safe for human use. The NES is addressed in the Contaminated Land Chapter.

Relevant case law considered

No relevant case law has been found in relation to this chapter.

REGIONAL POLICY STATEMENTS

The Waikato Regional Policy Statement

The Waikato Regional Policy Statement (WRPS)

provides strong direction on industrial land and industrial activities within the Waikato Region.

The WRPS provides an overview of the resource management issues of the region and states the policies and methods to achieve integrated management of the natural and physical resources.

There are provisions such as Objective 3.12 Built Environment which establish outcomes including

- c) integrating land use and infrastructure planning, including by ensuring that development of the built environment does not compromise the safe, efficient and effective operation of infrastructure corridors; and (g) minimising land use conflicts, including minimising
- potential for reverse sensitivity; and k) providing for a range of commercial development to support the social and economic wellbeing of the region

While these are not specific to industrial activities, they are relevant.

The Manawatū-Whanganui One Plan

There are no provisions of relevance. Additionally, the industrial zone identified in the District Plan is not located within the Manawatu-Whanganui regional boundary.

IWI MANAGEMENT PLANS CONT...

The Waikato Tainui Environment Management (WTEP) Plan 2018

The following provision are relevant to the Industrial Zone:

(d) Encourage industry to implement industry best practice or best practicable option for improving air quality.

The matter of air quality is managed by the Regional Council and therefore there are no provisions specifically relevant to activities within the industrial zone. There are provisions which address urban development more generally. These have been identified in the section 32 reports for the other chapters.

IWI MANAGEMENT PLANS

Maniapoto Environmental Management Plan (MEMP)

We are required to take into account planning documents recognised by an iwi authority and lodged with the territorial authority. The following objectives appear in MEMP specific to industrial activities, although they are focused more on the infrastructure to service them e.g:

Objective 22.3.4 To ensure transport infrastructure connects Maniapoto communities and enables industry and businesses to develop while minimising negative impacts on the environment

Objective 22.3.7 To provide telecommunications and ultrafast broadband access to Maniapoto to support them to engage with digital media for work, education and business

It is considered that the proposed provisions take into account the provisions in the MEMP, although these issues are addressed in the network utilities chapter.

OTHER RELEVANT PLANS OR **LEGISLATION**

Hazardous Substances and New Organisms Act 1996 (HSNO Act)

The purpose of the HSNO Act is to protect the environment, and the health and safety of people and communities, by preventing or managing the adverse effects of hazardous substances and new organisms. It is driven by two key principles:

- (a) the safeguarding of the life-supporting capacity of air, water, soil, and ecosystems:
- (b) the maintenance and enhancement of the capacity of people and communities to provide for their own economic, social, and cultural well-being and for the reasonably foreseeable needs of future generations.

Activities anticipated within the industrial zone include those that involve hazardous substances and to which the HSNO Act will apply. Previously, territorial authorities also had a function under the RMA to control any

SCALE & SIGNIFICANCE \$32(1)(c)
The assessment is based on eight factor outlined in Ministry for the Environment' guidance on Section 32 reports. Each factor is scored in terms of its scale an significance (where 1 is low and 5 is high)
Reason for Change: 1 Problem / Issue: 1 Degree of Shift from Status Quo: 2 Who and How Many Affected, Geographi Scale of Effects: 1 Degree of Impact on or Interest from Māori: 1 Timing and Duration of Effects: 2 Type of Effect: 2 Degree of Risk or Uncertainty: 1
Total (out of 40): 11

actual or potential effects of the use, development, or protection of land, including for the purposes of "the prevention or mitigation of any adverse effects of the storage, use, disposal, or transportation of hazardous substances". However, this specific function has been removed through amendments to the RMA. Therefore, the HSNO Act, not the RMA manages the adverse effects associated with hazardous substances. However, at a broader level, the PDP manages where activities are located (including proximity to waterbodies), taking into account the range of effects they may generate, how these relate to the surrounding environment and the sensitivity of some land uses to others.

STRATEGIC DIRECTION

The following objective from the Strategic Directions chapter of the PDP are relevant to this topic:

SD-05: Compatible activities with similar effects and functions are zoned together and new development is directed towards the appropriate zones to ensure that land use and subdivision:

- 1. Are consistent with the anticipated character and amenity values of the areas where they are located; and
- 2. Efficiently use natural and physical resources in order to meet the community's and the environment's needs both now and in the future; and
- 3. Recognise existing lawful activities and protect their ongoing operation from incompatible activities.

SD-06: Promote development within the commercial, industrial and rural production zones that increases the type and range of employment opportunities within the district.

SD-07: Urban development is directed to appropriately zoned areas in and around the existing settlements and townships, and rural residential development is directed to the rural lifestyle zones.

UNCERTAINTIES AND RISKS *s32(2)(c)*

The degree of risk and uncertainty is low as the effects are known and/or can be managed through legislation such as HSNO and/or standards.

OBJECTIVE(S) s32(1)(a)

Relevance – The objectives address relevant resource management issues and ensure an efficient use of the industrial land resource for primarily industrial uses. The objectives recognise that the industrial zone is a significant physical resource that is critical in providing for the social, economic and cultural well-being of people and the community. The objectives recognise that industrial activities need to be serviced by appropriate infrastructure and seek to ensure land use is coordinated with infrastructure. The objectives give effect to the higher order policy documents to provide sufficient business land (which by definition includes industrial activities). The objectives give effect to RPS, in particular objective 3.12 Built Environment dealing with reverse sensitivity and servicing for infrastructure.

Usefulness – The objectives set the overall direction for the activities and issues within industrial zoned areas of the District and provide clear direction for the zone, and decision makers when considering resource consent applications for industrial and non-industrial activities within the zone.

Reasonableness - The objectives will protect industrial activities that are key employment and economic generators. Of particular relevance is the reverse sensitivity aspect, which the objectives seek to control (INZ-01).

Achievability - The approach maintains tangata whenua and community goals for employment whilst managing adverse environmental effects. The approach is well understood and within Council's statutory powers.

Are the objectives the most appropriate way to achieve the Purpose of the Act?

The proposed objectives are considered to meet the tests of relevance, usefulness, reasonableness and achievability. The objectives are the most appropriate way to achieve the purpose of the RMA because they:

- Address the resource management issues identified, particularly by specifying the types of activities which are anticipated within the industrial area, rather than providing for a wider range of activities, and providing greater certainty regarding the role and function of the zone.
- Address the resource management issues identified, particularly by ensuring that adverse effects from activities within industrial zones are appropriately managed in relation to the amenity values of adjoining sites.
- Give effect to relevant sections of the RMA, and in particular section 7(b) in terms of ensuring the efficient use and development of the physical resources that are already established in these industrial areas. The objectives address the requirement to manage resources in a way that avoids, remedies or mitigates adverse effects of those activities on the environment (section 5(2)(c)) and to maintain and enhance amenity values (section 7(c)), particularly in terms of the amenity values of surrounding zones.
- Give effect to the directions in the RPS to use existing industrial areas primarily for that purpose, rather than as a location for new commercial activities, and to enable business activities in appropriate locations, and encourage business opportunities within urban areas. In particular, it enables appropriate types of business activities within the defined industrial zone area.
- Assist with achieving the strategic objectives, in terms of ensuring the efficient use of land and resources within this zone and supporting a prosperous economy.
- Directing industrial activities into the Industrial Zone will also assist with minimising the potential for reverse sensitivity effects.
- While it increases the restrictions on the range of activities that can currently be undertaken in the industrial zone, it will not result in unjustifiably high costs on owners of industrial land, because the activities that reflect the core role of this zone will be retained. Restricting the type of commercial activities anticipated within the industrial zone will also assist in concentrating key commercial activities within town centres, which will in turn assist with realising the benefits of viable and vibrant town centres.
- Will not result in unjustifiably high costs on owners of industrial land to achieve, as while they impose some additional restrictions on the use of industrial land and additional requirements, these are considered necessary to appropriately manage the effects of activities and do not unduly constrain development nor limit the ability to use the land for its intended purpose.

PROVISIONS s32(1)(b)

EFFICIENCY & EFFECTIVENESS s32(1)(b)(ii), 32(2)(a)(i), s32(2)(a)(ii)

Benefits Anticipated

Environmenta

- Directing industrial and other similar activities to defined areas will ensure that the adverse environmental effects associated with these activities are contained within these areas and the activities are either separated or screened from more sensitive activities.
- Limiting activities that are likely to be incompatible with those anticipated in the industrial zone will minimise the likelihood of reverse sensitivity effects arising.
- The landscaping provisions will assist in providing a level of amenity in town entrances and high traffic locations. This outcome was sought in the Town Concept Plan

Economic

- Retains industrial areas for industrial activities and provides a secure location for those activities to be undertaken.
- Enables activities compatible with industrial to locate and operate with certainty, separated from more sensitive activities.
- Reduced pressure on industrial land development capacity from controlling the ability of non-industrial activities to locate in the zone.

 The viability and vitality including economic efficiency, of the town controlling the ability of non-industrial activities within the industrial
- The viability and vitality, including economic efficiency, of the town centres is supported by controlling non-industrial activities within the industrial zone.
 Enables supporting ancillary activities are provided subject to clear and reasonable standards. Resource consent costs are triggered only by activities that warrant case by case assessment.
- Providing for these activities within the district will also assist in encouraging economic self-sufficiency at a district-wide level.

Socia

- Avoids seepage of commercial activities outside the town centres, and therefore retains the centres for people.
- The provisions address the sensitivity and reverse sensitivity effects associated with industrial activities. Incompatible activities are discouraged from locating in close proximity.
- Protecting a local centre of employment within the District reduces the need to have to travel longer distances.
- Supporting the vitality and vibrancy of the town centres and local centres, by restricting non-industrial activities in the industrial zone, retains these centres as places for people to meet, socialise and congregate.

Cultura

No specific cultural benefits have been identified

Costs Anticipated

Environmental

Consolidating industrial activities to only some locations may result in environmental degradation if not well managed.

Economi

· May decrease the value of industrial land due to limiting the range of activities that can establish.

ALTERNATIVES s32(1)(b)(i)

For the purpose of this evaluation, the Council has considered the following potential options:

- 1. The proposed provisions; and
- 2. The status quo.

The ODP provisions are not considered to be efficient or effective in achieving the objectives.

In order to identify other reasonably practicable options, the Council has undertaken the following:

- Reviewed other relevant district plan provisions for industrial activities.
- Sought feedback from Council asset managers in terms of infrastructure.
- Collated feedback from discussions with iwi.

Social

None identified.

<u>Cultural</u>

• None identified.

Economic growth opportunities

The policies and rules enable economic growth through encouraging industrial activities to establish in appropriate locations.

Employment opportunities

Similarly, the policies and rules enable employment opportunities through encouraging industrial activities to establish in appropriate locations.

QUANTIFICATION OF BENEFITS & COSTS s32(2)(b)

Section 32(2)(b) requires that, where practicable, the benefits and costs of a proposal are to be quantified. Given the assessment of the scale and significance of the proposed provisions, specific quantification of the benefits and costs in this report is considered neither necessary, beneficial nor practicable in relation to this topic.

EFFICIENCY & EFFECTIVENESS s32(1)(b)(ii)

Section 32(1)(b)(ii) requires assessing the efficiency and effectiveness of the provisions in achieving the objectives:

Efficience

The efficiency of the proposed provisions is high because the benefits outweigh the costs. There are a number of environmental and economic benefits associated with providing clear direction for industrial areas. Potential environmental costs can be avoided or minimised through appropriate management of activities within the industrial zone. The anticipated benefits will outweigh any more localised economic costs resulting from greater restrictions on specific activities.

The efficiency of the suite of provisions is high many industrial and ancillary activities are provided for as permitted activities subject to clear and reasonable standards.

Effectiveness

The effectiveness of the proposed provisions is high because they will provide a zone and enabling provisions for industrial activities to go about their business, providing employment and contributing to the District's economy.

REASONS FOR PROVISIONS s32(1)(b)(iii)

Section 32(1)(b)(iii) requires a summary of the reasons for deciding on the provisions:

- The proposed provisions are considered to be the most effective means of achieving the objectives as together they will:

 give effect to the RPS to enable business activities in appropriate locations, and to locate and design development so that it functions in a
- way that encourages sustainable economic development.
 gives effect to the higher order policy documents by ensuring there is sufficient business zoned land to meet the need of current and future generations.
- enables the Council to fulfil its statutory obligations, including ensuring the efficient use and development of the existing physical resources within the district's industrial areas.
- avoids reverse sensitivity effects on existing industrial activities and assists in ensuring that potential adverse effects on the function, viability and vitality of town centres are managed appropriately by restricting commercial activities within the industrial zone.
- enables the Council to effectively administer its District Plan and to monitor the outcomes of the proposed provisions in a clear and consistent manner.
- assists in achieving the relevant Strategic Directions, through enabling industrial activities in appropriate locations that ensure the efficient use of land, resources and infrastructure and which will contribute towards a prosperous economy.