

AREA SPECIFIC MATTERS Tourism Zone

Section 32 Report for the Proposed Waitomo District Plan

Notified Version 20 October 2022

SUMMARY OF ISSUES

The Tourism Chapter addresses the following issues:

- The areas have extensive existing physical resources and are sources of key economic activity in the District. These resources are not appropriately recognised within the ODP.
- These areas need comprehensive planning to identify key existing features of the village, present issues and future opportunities.
- The need to provide for the unique tourism opportunities within these identified areas while ensuring that the natural and ecological values of the area are recognised and protected from inappropriate use and development.
- As these areas are iconic, they need to meet the needs of visitors but in a sustainable and well-developed way.
- There is a risk that development exceeds the capacity of infrastructure.
- The zone has to be responsive enough to enable a diversity of supporting activities, such as visitor accommodation and tourism experiences.

OPERATIVE WAITOMO DISTRICT PLAN

The Operative District Plan does not have a tourism zone or specific provisions for these areas.

RESOURCE MANAGEMENT ACT 1991

Section 5 RMA

Section 5 sets out the purpose of the RMA, which is to promote the sustainable management of natural and physical resources. Sustainable management includes managing the use, development, and protection of natural and physical resources to enable people and communities to provide for their social, economic and cultural wellbeing and for their health and safety.

Tourism activities in these locations important for the social, economic and cultural wellbeing of the District, as they provide considerable tourism revenue and employment opportunities. The Waitomo Caves are a nationally renowned tourism attraction. There is the potential for further development in and around these locations, which needs to be appropriately managed. The Waitomo Caves is also a very valuable and sensitive resource. The Waitomo Caves need to be protected for future generations, while enabling visitors to appreciate the unique natural formations.

Section 6 RMA

A number of section 6 matters are relevant to this topic.

- (a) the preservation of the natural character of lakes and rivers and their margins, and the protection of them from inappropriate subdivision, use, and development:
- (b) the protection of outstanding natural features and landscapes from inappropriate subdivision, use, and development:
- (d) the maintenance and enhancement of public access to and along lakes, and rivers:
- (e) the relationship of Māori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga

The karst system and the outstanding natural features located within it, is the subject of other s32 evaluation reports, but the above matters are important considerations in developing the Tourism Zone because these are the very reasons why people visit. The Tourism Zone recognises these aspects as nationally important, while enabling appropriate development so visitors can access them. The karst system is highly important to Māori and the provisions in the chapter recognise this. The caves were discovered in the late 1800s by local Māori chief Tane Tinorau who owned the land that the caves are located within.

Section 7 RMA

The following clauses are relevant in section 7:

- (a) kaitiakitanga
- (aa) the ethic of stewardship
- (b) the efficient use and development of natural and physical resources
- (c) the maintenance and enhancement of amenity values
- (f) maintenance and enhancement of the quality of the environment
- (g) any finite characteristics of natural and physical resources $% \left(1\right) =\left(1\right) \left(1\right) \left($

The Waitomo Caves are a finite resource and development around them needs to respect and protect the characteristics.

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 NPS-UD was gazetted in August 2020. 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 as it aims to support well-functioning urban environments to provide for current and future community well-being.

The NPS for Freshwater Management (NPS-FM) will be relevant given the underground water systems which support the cave system. The key aspects of the NPS for a district council are:

Manage freshwater in a way that 'gives effect' to Te Mana o te Wai:

- through involving tangata whenua
- working with tangata whenua and communities to set out long-term visions in the regional policy statement
- prioritising the health and wellbeing of water bodies, then the essential needs of people, followed by other uses.

Improve degraded water bodies and maintain or improve all others using bottom lines defined in the Freshwater NPS.

An expanded national objectives framework:

 two additional values - threatened species and mahinga kai - join ecosystem health and human health for recreation, as compulsory values

Avoid any further loss or degradation of wetlands and streams, map existing wetlands and encourage their restoration.

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 Freshwater will have some effects, particularly in the upper catchments including stock exclusion requirements, protecting wetlands and protecting streams from infilling.

Relevant case law considered

There is no specific case law relevant to this zone.

REGIONAL POLICY STATEMENTS

The Waikato Regional Policy Statement

The Waikato Regional Policy Statement (WRPS) contains a number of provisions relating to the cave system, and while these are related to the tourism zone, they are covered in other section 32 evaluation reports. Tourism per se is not addressed in the provisions of the RPS, but there are objectives and policies about urban form, such as Objective 3.12 Built Environment which establish outcomes including:

- a) promoting positive indigenous biodiversity outcomes;b) preserving and protecting natural character, and protecting outstanding natural features and landscapes
- from inappropriate subdivision, use, and development; 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;
- d) integrating land use and water planning, including to ensure that sufficient water is available to support future planned growth;

 e) recognising and protecting the value and long-term benefits of regionally significant infrastructure;

- f) protecting access to identified significant mineral resources;
- g) minimising land use conflicts, including minimising potential for reverse sensitivity;h) anticipating and responding to changing land use
- pressures outside the Waikato region which may impact on the built environment within the region;
- j) promoting a viable and vibrant central business district in Hamilton city, with a supporting network of sub-regional and town centres; and
- k) providing for a range of commercial development to support the social and economic wellbeing of the region.

All of these are relevant to the development of the Tourism Zone.

Section 6 relates to the 'Built Environment' and seeks the development of the built environment in an integrated, sustainable and planned manner.

The Manawatū-Whanganui One Plan does not have any relevant provisions to this Chapter, as there are no tourism zone areas within the Manawatu Wanganui Region.

IWI MANAGEMENT PLANS CONT...

The Waikato Tainui Environment Management (WTEP) Plan 2018 addresses tourism specifically in Part 29 as follows:

Objective 29.3.1 Adverse environmental effects of tourism or recreation activities are managed to a level acceptable to Waikato-Tainui

Policy 29.3.1.1 To ensure that adverse environmental effects of tourism or recreation activities are managed to a level acceptable to Waikato-Tainui.

Method:

- (a) Tourism and recreation activities are developed or operated in a manner consistent with this Plan, particularly the sections relevant to the proposed or existing tourism or recreation activity.
- (b) In collaboration with Waikato-Tainui ensure that the activity does not damage or intrude upon customary activities, wāhi tapu, spiritual, or cultural sites.

The cultural significance of the cave system and Tourism Zone is recognised in policies TOUZ-P1. The potential for adverse effects to arise are addressed in TOUZ-P1, TOUZ-P2, TOUZ-P4, TOUZ-P5, TOUZ-P6 and TOUZ-P10.

There are other more general provisions in the WTEP which are relevant such as Objective 26.3.4 requiring transportation infrastructure to be developed and managed to provide for economic needs (among others)

It is considered that the proposed provisions have taken into account the relevant matters from the WTEP.

IWI MANAGEMENT PLANS

We are required to take into account planning documents recognised by an iwi authority and lodged with the territorial authority. A summary of the provisions in the Maniapoto Environment Management Plan (MEMP) 2018 relevant to tourism is outlined below, with section 26 specific to tourism and recreation: Objective 26.3.1: To ensure tourism activities are sustainable and provides for environmental, social,

Policy 26.3.1.1: Tourism in the Maniapoto rohe is operated in a manner that provides for environmental, social, cultural and economic wellbeing of Maniapoto while protecting Maniapoto sites and culture

cultural and economic wellbeing of Maniapoto while

protecting Maniapoto sites and culture

Actions:

OTHER RELEVANT PLANS OR LEGISLATION

There is no other relevant legislation relevant to this zone. However, there are some nonstatutory documents that are of particular relevance to this zone, as set out below.

Waitomo Economic Development Strategy 2016

Within this strategy tourism is identified as a key business in the District. Some of the issues identified in the strategy are addressed by the provisions of this zone. For example, the strategy identifies the provision of accommodation for people working in the tourism sector as being important. The provisions of the zone specifically provide for accommodation for workers. This means if tourism providers seek to provide worker accommodation, then the district plan

Section 8 RMA

Given the cultural significance of the cave system to iwi, section 8 is highly relevant, and has been considered when developing this chapter.

SCALE & SIGNIFICANCE s32(1)(c)

The assessment is based on eight factors outlined in Ministry for the Environment's guidance on Section 32 reports. Each factor is scored in terms of its scale and significance (where 1 is low and 5 is high).

Reason for Change: Problem / Issue: 2 Degree of Shift from Status Quo: 3 Who and How Many Affected, Geographic Scale of Effects: 3 Degree of Impact on or Interest from Māori: 3 Timing and Duration of Effects: 3

Total (out of 40): 17

Degree of Risk or Uncertainty:1

Type of Effect: 2

- Ensure Maniapoto retain priority, undisrupted | framework will be enabling of traditional access to and use of cultural and spiritual resources
- Ensure Maniapoto participate at the highest level of decision-making processes for all proposed tourism and recreation activities and developments and land use changes in the rohe
- Encourage and support protection of Maniapoto sites of significance, wāhi tapu and customary resources

Objective 26.3.2: To ensure recreation use and activities do not adversely affect the environment and facilities are available to provide for the reasonable needs of users, including supporting Maniapoto to restore and maintain their relationships with the environment

Policy 26.3.2.1: Recreation and associated facilities are managed to ensure that the environment is protected, that human health and safety is maintained and that Maniapoto can restore and maintain their relationships with the environment through recreation Actions:

- Ensure recreation activities that may impact on customary resources, practices and uses in the environment are appropriately managed to avoid or suitably mitigate effects
- Encourage the adoption of best practice recreation activities to ensure that:
- activities do not impact on the health and wellbeing of natural resources
- damage or destruction to the environment is prevented
- all waste is removed
- the relationship of Maniapoto with the natural resources in their rohe is not adversely affected
- there is provision, where practical and possible, for the economic wellbeing of Maniapoto.

There are other more general provisions in the MEMP which are relevant such the need for infrastructure to support the development of businesses.

It is considered that the proposed provisions have taken into account the MEMP, as they recognise the potential for adverse effects and recognise the sensitivity of the cave features.

developments

Tere Waitomo Structure Plan 2014 and Waitomo Caves Village Town Concept Plan 2018

These plans provide direction for the development of the Waitomo Caves Village. The 2014 Structure Plan has been incorporated into the 2018 Waitomo Caves Village Town Concept Plan. The Waitomo Caves Village Town Concept Plan was produced in consultation with the New Zealand Transport Agency, community members and tourism operators. It provides a cohesive pattern for future development in the village that has been summarised into four key moves:

- 1. Strengthen the visitor experience for Waitomo Caves Village.
- 2. Establish a distinct character for Waitomo Caves Village that differentiates it from the wider Waitomo district.
- 3. Identify the future land uses and their character to ensure future developments meet the needs of the village as well as reinforcing the identity of the village.
- 4. Improve the pedestrian connectivity within the village to enable safer and more legible connections between activities.

The Proposed District Plan (PDP) seeks to provide for actions and priorities for implementing the key moves from the Waitomo Caves Village Town Concept Plan. The PDP contains policies that encourage the development of the projects identified in the Waitomo Caves Village Town Concept Plan.

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-010: The buildings, structures, sites, areas, ecosystems, natural landscapes and features identified as having special qualities and values and which contribute to the district's sense of place and identity, are protected.

SD-013: The district's communities have access to a diverse and connected network of open spaces which offer a range of recreational experiences while protecting the values of scheduled sites, features and overlays.

			UNCERTAINTIES AND RISKS s32(2)(c) The degree of risk and uncertainty is low as the subject matter and effects are well understood.
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OBJECTIVE(S) s32(1)(a)

Relevance – The objectives address the identified issues and recognise the unique requirements and characteristics of the tourism zone, particularly its social and economic contribution to the Waitomo District and New Zealand as a whole. The objectives are consistent with section 31(1)(a), the management of the effects of use, development or protection of land. The objectives are consistent with the purpose and principles of the RMA as they provide for economic and social well-being which is a component of sustainable management. The objectives give effect to higher order policy documents.

Usefulness – The objectives guide decision making and clearly outline the purpose of the zone.

Reasonableness - The objectives will not impose unjustifiably high costs on the community / parts of the community. They aim to increase development opportunities for these areas, resulting in benefits for the community and the District.

Achievability - The objectives are consistent with SD-O5 and ensure that compatible activities with similar effects and functions are located together and new development is directed towards the appropriate zone.

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 are:

- More effective at managing the use, development, and protection of natural and physical resources within the tourism zone.
- More effective at ensuring the efficient use and development of natural and physical resources within the tourism zone.
- More appropriately safeguards the life-supporting capacity of air, water, soil, and ecosystems within the tourism zone.
- More effective at avoiding, remedying, or mitigating any adverse effects of activities on the tourism zone.
- A more effective and efficient means of addressing the primary resource management issues identified within this section 32 report than the alternative options.
- More appropriately reflect Council's obligations under section 31 of the RMA in being specific to the tourism zone than the alternative options, and gives effect to the relevant Part 2 matters, namely section 7(a), 7(a), 7(b), 7(c), 7(f) and 7(g).
- Gives effect to higher level documents, namely the RPS and the iwi management plans, by recognising and responding to the values of the cave system while also acknowledging that the tourism zone is geographically dependent on the caves.
- Recognises that the provisions are focused on a discrete geographical location and provides the opportunity for more effective management of activities and development.
- Efficiently enables appropriate development
- · Aligns with the Strategic Objectives.
- Recognises the socio-economic benefits to the District of an enhanced tourism zone with the consequential benefits to employment, local, district and regional economies and is more effective at enabling people to provide for their social, economic, and cultural well-being.

PROVISIONS s32(1)(b)			
EFFICIENCY & EFFECTIVENESS s32(1)(b)(ii), 32(2)(a)(i), s32(2)(a)(ii)	ALTERNATIVES s32(1)(b)(i)		
Benefits Anticipated Environmental Potentially inappropriate activities will be managed though the resource consent process to ensure adverse environmental effects are avoided, remedied or mitigated. Recognises the potential for and seek to minimise reverse sensitivity effects through setbacks from sensitive activities. Ensures development is at a density, scale and intensity that maintains the villages character and amenity. Require relevant activities to protect and enhance the natural environment, including the special ecological features of karst systems and the natural landscape setting. Economic Recognising and providing for these areas and their primary activities will result in increased economic growth and employment related benefits. Having bespoke zoning provides certainty. Significant District and national economic benefits, as well as local employment benefits. Reduced consenting costs for landowners as there is more enabling rules around buildings subject to permitted activity effects standards. Enables a wide range of above and below ground tourist facilities. Encourages new and innovative tourism and retail activities, whether these are temporary or permanent. Social Recognising and providing for these facilities and their primary activities will have social benefits due to employment and increased income coming into the District. Explicit recognition of the potential for reverse sensitivity effects. Encourages activities which support enhanced public access to karst features, lakes and river margins as appropriate. Enables a range of housing options. Cultural Explicit consideration of the dark night sky. Protects cultural and heritage features.	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 the management of activities in special tourism zones; - Reviewed the directions in the Waitomo Caves Village Town Concept Plan; - Sought feedback from Council asset managers in terms of infrastructure; - Collated feedback from workshops with iwi; and - Feedback from elected members.		

Costs Anticipated

Environmental

- There will be more enabling rules around land use and built development for the tourism zone (i.e., level of permitted building activity, as well as permitting retail activity and ancillary activities), which may result in some changes to use and development within the Zone and therefore some effect on the adjacent zones.
- Potential for some changes to use and development within the Zone and on adjacent zones.

Economic

There are no economic costs anticipated.

<u>Social</u>

There are no social costs anticipated.

Cultural

• There is the risk of development that compromises the cultural values of the areas.

Economic growth opportunities

Enabling more tourism and associated activities around the Waitomo Caves Village is likely to result in economic growth.

Employment opportunities

Similarly, enabling more tourism and associated activities around the Waitomo Caves Village is likely to result in additional employment opportunities.

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:

Efficiency

The tourism zone enables people and communities to provide for their economic and social well-being through enabling accommodation, recreation and commercial activities that supports tourism, whilst ensuring that effects are managed, including on the surrounding landscape and on ecological values. The proposed provisions consolidate the current provisions in a comprehensive manner.

Effectiveness

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

- Give effect to the RPSs and iwi management plans.
- Enable the Council to fulfil its statutory obligations, including Part 2 of the RMA, most notably section 6 and 7.
- Ensure that adverse effects on the environment are managed appropriately by rule requirements.
- Enable the Council to effectively administer its District Plan and to monitor the outcomes of the proposed provisions in a clear and consistent manner.

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

Section 32(1)(b)(iii) requires a summary of the reasons for deciding on the provisions. The provisions are considered to be the most effective and efficient way to achieve the objectives because they are:

- Efficient in terms of reducing consenting costs for landowners.
- Effective in terms of sustainably managing the finite resources that tourists come to see and experience.
- They enable development and land use in the tourism zone to be effectively managed, recognising amenity and character.
- The policies provide clear direction as to the intent, purpose and character of the zone.
- The rule framework reflects the values of the tourism zone by controlling development through rule requirements.
- The standards are aligned with the anticipated nature and scale of built development in the zone.
- The chapters and definitions align with the National Planning Standards and will allow appropriate activities to establish and operate in the