PUTAUAKI TRUST LAND REZONING, KAWERAU

PLAN CHANGE TO THE OPERATIVE KAWERAU DISTRICT PLAN

Prepared for

Kawerau District Council

By

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EXECUTIVE SUMMARY

- 1. Kawerau District Council proposes to rezone an area of approximately 171 hectares of land located to the north east of the township of Kawerau. The purpose of the Plan Change is twofold; firstly it is to provide additional industrial land to address a shortage of industrial land supply in the Kawerau area, and secondly it is a statutory requirement as a consequence of a recent boundary alteration between Kawerau District Council and Whakatane District Council.
- 2. As part of the Plan Change, a total of approximately 112 hectares of land is proposed to be rezoned to 'Industrial'. In addition, approximately 59 hectares of land is proposed to be rezoned to 'Rural Lifestyle'. Both of these zones already exist in the Operative Kawerau District Plan. However, the land is also proposed to be subject to additional site specific standards which reflect a Structure Plan which has been developed for the area as well as sensitivities of parts of the site in terms of established adjacent industrial uses.
- 3. In order to enable the land subject to the Plan Change to be developed efficiently and effectively, a boundary alteration was progressed between Kawerau District Council and Whakatane District Council. As a result, the land that is the subject of this Plan Change is now located wholly within Kawerau District. This has the advantage of ensuring that activities within the Plan Change area can be managed by a single territorial authority under a single District Plan.
- 4. As a consequence of the recent boundary alteration, some of the land that is subject to this Plan Change remains subject to a Rural 1 zoning under the Operative Whakatane District Plan. Section 81 of the Resource Management Act 1991 (RMA) requires that the provisions of this zone must continue to apply to the area and that those provisions must be deemed to be part of the Kawerau District Plan. It also requires that Council must prepare and publicly notify new District Plan provisions for that area within a two year period.
- 5. Approximately 25.5 hectares of the land that is the subject of this Plan Change is currently zoned Industrial under the Operative Kawerau District Plan.
- 6. The main features of the Plan Change are as follows:
 - Rezone 112 hectares of land as Industrial Zone; and
 - Rezone 59 hectares of land as Rural Lifestyle Zone; and
 - Establish fixed points of access between State Highway 34 and the Industrial zoned land and specify the required upgrade standards for the access; and
 - Establish a future crossing place within the site over the existing rail siding which connects the Tasman Mill with the 'Super Skid' logging yard; and
 - Provide for the future extension of wastewater and water supply infrastructure by the developer to service future land use activities within the Industrial Zone; and
 - Establish appropriate objectives, policies, rules and assessment criteria for future development within the Industrial Zone and the Rural Lifestyle Zone.
- 7. A range of environmental effects are relevant for consideration in respect of the Plan Change proposal. Traffic effects have been considered in detail and issues relating to access have been discussed extensively with a range of stakeholders including the NZ Transport Agency, Kiwirail and neighbouring landowners and occupiers.
- 8. Other environmental effects assessed are effects relating to provision of services and on-site disposal of stormwater, visual and landscape effects, ecological effects, noise effects on

the rural soil resource and cultural and archaeological effects.

- 9. It is considered that any adverse effects of the proposal on the environment can be satisfactorily avoided, remedied or mitigated. The rezoning of additional Industrial zoned land will also have positive economic effects for Kawerau as it has the potential to attract new businesses to the District. This in turn will enhance the social, economic and cultural well being of the local community.
- 10. It is concluded that the Plan Change will promote the sustainable management of natural and physical resources and will accordingly be consistent with the purpose and principles of the RMA.

1 Introduction

1.1 Purpose of this Report

This report has been drafted in accordance with the information and process requirements of the Resource Management Act 1991 ("RMA") as the provisions relate to Plan Changes to operative District Plans. In particular Section 32 and the First Schedule of the Act have been considered in detail in the preparation of this assessment report.

The land affected by the Plan Change is located wholly within the Kawerau District. The Whakatane District boundary is located immediately adjacent to the east.

The purpose of this report is to describe and assess the matters subject to the proposed Plan Change in accordance with the statutory framework.

1.2 Report Structure

The report is comprised of the following:

Background (Section 2): Background to this report, including the relationship of this Plan Change to previous investigations relating to industrial land supply and detail of the boundary alteration process.

The Locality (Section 3): a description of the site and its surrounds.

The Plan Change Proposal (Section 4): a description of the proposed rezoning as well as a description of the proposed means of access and provisions for servicing of the future development areas. Detail is also provided of the reasoning behind the proposed changes.

Existing District Plan Provisions (Section 5): an analysis of existing planning provisions contained in the Operative Kawerau District Plan.

Proposed Amendments to the Operative Kawerau District Plan (Section 6): an overview of the proposed changes to the Operative Kawerau District Plan, including details of the Putauaki Structure Plan.

Statutory Framework (Section 7): an overview of the statutory framework for the Plan Change in terms of the First Schedule and Section 32 of the Resource Management Act 1991.

Relevant Planning Documents (Section 8): an assessment of the proposal against the Regional Policy Statement, Regional Land Transport Strategy, relevant Regional Plans, and the Long Term Council Community Plan.

Assessment of Effects on the Environment (Section 9): an assessment of the effects on the environment resulting from the proposed Plan Change.

Part II – Resource Management Act 1991 (RMA) (Section 10): detailed analysis the Plan Change in terms of the matters set out in Part II of the RMA.

Consultation (Section 11): an overview of the consultation strategy adopted in preparing the plan change, and results of consultation undertaken with various stakeholders prior to notification of the Plan Change.

Section 32 Analysis (Section 12): an assessment of relevant matters pursuant to Section 32 of the RMA, including consideration and identification of alternatives, benefits and costs.

Conclusion (Section 13): a summary of the overall outcome of the report.

A number of technical reports are included as appendices and form part of this Plan Change proposal. Those technical reports are relied on for the purposes of the assessment contained in this report and should be read in conjunction with the sections of the report outlined above.

BACKGROUND

2.1 **Background Information**

This Plan Change follows a process of extensive investigation of issues and options for future industrial land supply to service an identified demand in the Kawerau and Whakatane District territorial authority areas. The process was initially reflected in the development of a Business Land Demand Report (Property Economics, August 2008) which was followed by an Industrial Land Strategy Scoping Report (Bloxam Burnett and Olliver, September 2008). Both of those reports were jointly commissioned by Kawerau District Council and Whakatane District Council.

The purpose of the Business Land Demand Report was to identify business land supply issues in the Kawerau / Whakatane catchment.

The Business Land Demand Report identified a shortage of industrial land supply in Kawerau on the basis of low levels of industrial land vacancy and a high proportion of land intensive industrial activity. In this regard, the Report states¹:

"A 10% industrial land vacancy rate in Kawerau is at the low end of what is considered an appropriate buffer, especially when Kawerau is susceptible to large industrial businesses (such as sawmills, paper mills, etc) absorbing large tracts of industrial land in one application. In this regard, it is considered prudent for Kawerau District Council to start considering rezoning additional industrial land to increase this buffer and formalize a long term plan for where future industrial activity should locate."

Following from this recommendation, the Industrial Land Strategy Scoping Report set the foundations for further consultation and provided direction to the Council regarding the subsequent preparation and finalisation of the Putauaki Structure Plan. The Industrial Land Strategy Scoping Report also identified the statutory processes to be followed in terms of implementing the preferred options. This Plan Change is made as a follow on from the recommendations of the Industrial Land Strategy Scoping Report.

This Plan Change also follows an alteration to the Kawerau District and Whakatane District boundaries which resulted in all of the land that is the subject of this Plan Change being included within the Kawerau District. The boundary change was agreed by both Councils and was put forward by a joint committee made up of Councillors from both Districts. The boundary alteration officially took effect on 9 March 2011. As consequence of that alteration process, Section 81 of the Resource Management Act 1991 (RMA) requires Council to prepare and publicly notify new

¹ Business Land Demand Report (Property Economics Ltd, August 2008) Putauaki Trust Land Rezoning Plan Change Report

District Plan provisions within a two year period. **Diagram 1** below shows the alterations made to the territorial authority boundaries.

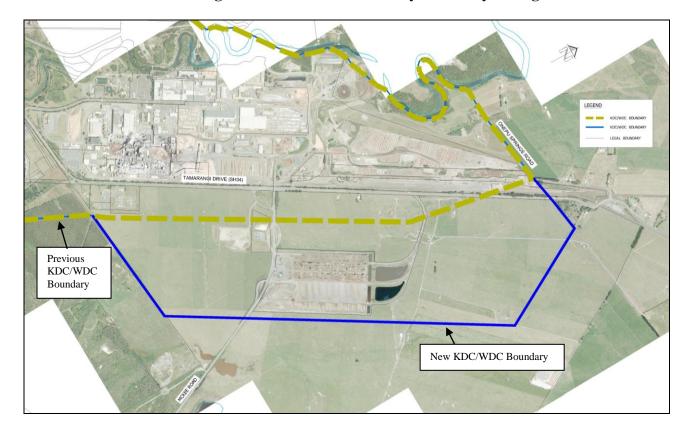


Diagram 1: Territorial Authority Boundary Change

The process of preparing this Plan Change has involved the input of various consultants and Council staff experienced in the fields of statutory planning, transportation and traffic engineering, civil design engineering, environmental health and property economics planning. The Kawerau community, elected Council members, tangata whenua, the Regional Council, and various other organisations with a vested interest have also been engaged and consulted in relation to the identification of issues and options, and in the preparation of the Plan Change.

3 THE LOCALITY

3.1 Plan Change Land

This Plan Change relates to an area of approximately 171 hectares of land which is located to the north east of the Kawerau township and to the east of Tamarangi Drive (State Highway 34). All of the land is classified as Maori Freehold Land.

Approximately 140 hectares of the land forms part of a large title which consists of 1,156.69 hectares legally described as Lot 3 DP 308053 (Certificate of Title 31322). A further 28 hectares of land that is subject to this Plan Change is comprised in Lots 1 and 2 DP 308053 (Certificate of Title 31321). That land is currently leased for a log skidding operation known as 'Super Skid'. All of the land is vested in the following Trustees to manage on behalf of multiple Maori shareholders; Anaru Ririwai Rangiheuea, Beverley Hughes, Charlie Elliot, Tamaoho Waaka Vercoe and Tiaki Hunia, all of whom are trustees of the Putauaki Trust.

The Plan Change also relates to 2.4 hectares of land held within Lot 1 DPS 63847 (Certificate of Title SA51D/2). That land is owned by Anaru Ririwai Rangiheuea, Tamaoho Waaka Vercoe, Keith Cameron, Tiki Hunia, John Hunia and Charlie Elliot. Again, those persons are all trustees of the Putauaki Trust.

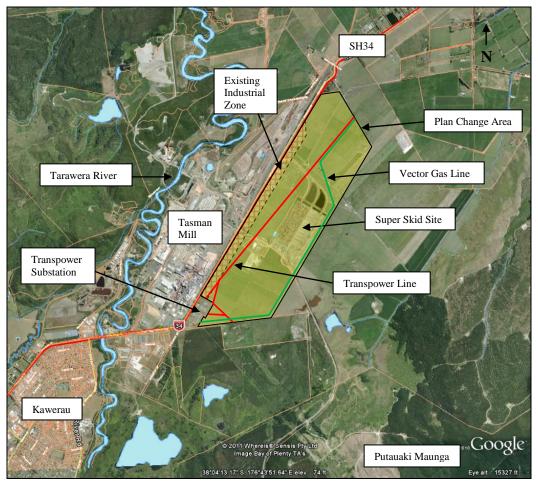
Certificates of title for the land that is subject to the Plan Change are included in **Appendix 1**.

The land is generally flat and is currently utilised by the Putauaki Trust predominantly for beef drystock farming, for the growing of maize and as a support block for nearby dairy land. Other notable site features are as follows:

- A private road (McKee Road) runs through the land providing access from State Highway 34 to forestry land located further to the east. The Trust owns the portion of the road which bisects their land and allows other organisations such as forestry interests to utilise the private road for a fee.
- The land is bisected by the Edgecumbe Kawerau A and B 110kv lines which are owned and maintained by Transpower. These are parallel lines which run through the site supported predominantly on pole towers. One lattice tower is located adjacent to McKee Road, providing additional vertical clearance to the electricity lines in this location.
- A Vector high pressure gas main is located within the site. The gas main passes to the east of the Super Skid site before crossing to run within the Transpower line corridor. The pipeline is covered by a 12 metre wide easement which requires that no buildings, fences or plantings may be established and that no land disturbing works below a depth of 0.4m may be carried out within the area covered by the easement without the approval of the grantee (i.e. Vector).
- Mighty River Power undertakes exploration drilling within the Plan Change land and holds resource consents to do so. That drilling is currently undertaken from a monitoring well located immediately to the west of the Super Skid log yard. There are no interests on the title that relate to these activities.
- Stormwater ponds are located immediately to the north of the Super Skid log yard.
- Immediately adjacent to McKee Road are two truck pull off bays. One of these areas includes a diesel refuelling facility for use by logging trucks and a trailer hoist is located within the other area.
- Various other easements exist for rights of way and conveyance of services.
- The land currently contains two existing dwellings, both of which are located on Lot 3 DP 308053.

The land that is the subject of the Plan Change is shown on the Locality Map below (**Diagram 2**).

Diagram 2: Locality Map



3.2 Existing Zoning

Approximately 25.5 hectares of the land that is the subject of this Plan Change is currently zoned Industrial under the Operative Kawerau District Plan. That zoning applies to a 100 metre wide corridor of land located immediately adjacent to State Highway 34. The extent of the existing Industrial zoning is shown on **Diagram 2** above.

As a consequence of the recent boundary alteration, the balance of the Plan Change land is currently zoned Rural 1 under the Operative Whakatane District Plan. Section 81 of the RMA requires that the provisions of this zone must continue to apply to the area and that those provisions must be deemed to be part of the Kawerau District Plan.

3.3 Surrounding Locality

The Plan Change land is located immediately to the east of Tamarangi Drive which is also known as State Highway 34 (SH34). Access to the land from SH34 is generally limited to a single main crossing place with access provided from McKee Road. Other farm accesses also exist. McKee Road is a private road which is developed to a high standard and provides access to the Super Skid site as well as to large areas of plantation forestry. A direct linkage is also provided to the Tasman Mill from McKee Road via an overbridge which crosses over the state highway.

The East Coast Main Trunk Railway (ECMT) is located to the west of SH34 and provides direct service to the Tasman Mill. The rail siding which services the Super Skid site is located on private

land within Lot 1 DP 308053. The rail siding passes under SH34 via an underpass beneath the State Highway. It is used approximately three times per day for the loading of processed logs.

Utility services in the area include Transpower high voltage electricity lines and a Vector gas main, both of which are located within the Plan Change land. These services provide vital contributions towards industry in Kawerau. The Transpower high voltage lines include the Edgecumbe – Kawerau A and Edgecumbe – Kawerau B 110 kilovolt transmission lines. A Transpower substation is also located on land immediately to the south of the Plan Change area. The approximate location of all of these features is shown on **Diagram 2**.

The area is strongly characterised by established industrial land uses, particularly the Tasman Mill. The Mill site is a pulp and paper mill which occupies a total area of approximately 150 hectares. Tasman Mill is the largest employer in the Eastern Bay of Plenty, and is reported to contribute more than \$1 billion to the New Zealand economy per annum. Three separate companies operate within Tasman Mill including Norske Skog, who operate the paper mill, Carter Holt Harvey, who operate the pulp mill, and SCA Hygiene who manufacture tissue and base paper.

Major natural features in the locality include the Putauaki Maunga (Mount Edgecumbe) and the Tarawera River, both of which hold special significance to local Maori. Putauaki is a dormant conical volcano which rises to approximately 822 metres above sea level. It is a highly prominent landmark which is visible both from the township of Kawerau as well as from the wider Rangitaiki Plains area surrounding Whakatane and Edgecumbe. Putauaki is an important symbol of identity for local Maori.

The Tarawera River flows from Lake Tarawera and through the township of Kawerau. It passes to the west of the Tasman Mill site before eventually reaching the Bay of Plenty coast, approximately nine kilometres to the north-west of Edgecumbe. The river also has special significance to local Maori and has been the subject of recent policy efforts intended to manage the effects of the discharges of the large pulp and paper mills sited near Kawerau township by managing water quantity and water quality in the river catchment. This resulted in the preparation of the Tarawera River Catchment Plan by Environment Bay of Plenty.

The general layout and surrounding features of the proposed Plan Change area are shown on **Diagram 2**. The location of the Whakatane District and Kawerau District territorial authority boundary in this locality is shown on **Diagram 1**.

3.4 Historical Context

The land that is the subject of this Plan Change forms part of a much larger block of land that is owned and managed by the Putauaki Trust. The Putauaki Trust is a Maori Land Trust based in Kawerau. The Trust was formed on 3rd June 1981 and is currently owned by approximately 700 shareholders. The shareholders are all descendants of the Pahipoto Hapu of Te Teko. The principal activities of the Trust comprise dairy and cattle farming, cropping, forestry, geothermal development, leases and tourism.

The core purpose of the Trust is to grow the value of the Trusts' Assets for the benefit of all the Shareholders taking into account sustainability and protection of its land. The Trust is governed by a Board of Trustees and has an Administration base in Kawerau.

A brief overview of the history of the land assets which are currently owned and managed by the Trust follows:

1870's	The Crown began returning confiscated lands back to Ngati Awa and created memorial		
	titles through the Native Land Court with owners listed against each block.		
1880's	Kokohinau Pa was located on the site of the Putauaki Farm. Most of the owners were		
	from Pahipoto.		
Early	The Government introduced a Maori Land Development policy and the		
1930's	Putauaki/Kawerau lands were included as part of the programme to develop Ngati		
	Awa lands.		
1936	65 Blocks were combined to form the Main Putauaki Development Scheme and		
	Putauaki was only a small part of the main development scheme.		
1939	Parish of Matata 59Y was created with a total area of 2924 acres. Putauaki Block was		
	managed by the Maori Land Board on behalf of the Owners until such time that they		
	would be able to manage it themselves.		
1981	The Block was re-vested back to the Owners under the Trusteeship of Dick Hunia,		
	Kakaho Teua, Land Grace and Anaru Rangiheuea who were appointed by the Maori		
	Land Court.		

3.5 Population

Property Economics Limited has identified an economic catchment based on geospatial proximity to centres as the basis for consideration of industrial land demand in the wider Kawerau / Whakatane area. The catchment covers land located within both the Kawerau and Whakatane Districts and has a total resident population of approximately 40,000 people.

Population projections undertaken by Property Economics show that the catchment is expected to grow over the period to 2046, with an approximate increase of 2,150 households under a medium growth scenario and an approximate increase of 3,800 households under a high growth scenario.

The Structure Plan and detail in this Plan Change report has therefore been based on determining future land requirements for the Kawerau and Whakatane catchments in terms of the above population projections. In assessing future land requirements and potential development areas, Council has taken into account factors such as existing land use patterns, infrastructure, natural and man made hazards, road access and general ground conditions. This is set out in further detail in the remaining sections of this report.

3.6 Infrastructure

Kawerau has fully reticulated services including water, wastewater and stormwater infrastructure systems. However, these reticulated networks currently do not extend to the Plan Change land. The nearest water supply and wastewater lines are located within Kawerau on Fletcher Avenue.

Generally stormwater is managed at the present time in Kawerau by directing stormwater flows from road pavements to the Tarawera River, while existing small industries utilise soakage devices located on each individual property. The existing soakage rates to ground are generally very good in the Kawerau area.

It is intended that stormwater from the proposed Industrial zoned land will be managed via on-site soakage. Extensions to the existing reticulated mains will be required in respect of water supply and wastewater services. This is discussed in further detail in later sections of this report and in the Engineering Services Report and the Geotechnical Site Suitability Report in **Appendix 3**.

The locality is well serviced for transportation infrastructure, being adjacent to both SH34 and the ECMT.

SH34 is classified as a Primary (Regional) Arterial in the Operative Whakatane District Plan. A weekly traffic count in September 2009 of traffic along SH34 at the site of the proposed industrial area identified daily weekday flows of 6,104 to 7,079 vehicles per day (vpd) and weekend flows of 3,632 to 4,180 vpd.

The ECMT is regularly used in association with the existing mill activities and provides a direct link to the port facilities in Tauranga. A small siding of the railway line extends to the Super Skid site to the east of SH34 via an underpass beneath the State Highway.

4 THE PLAN CHANGE PROPOSAL

4.1 Overview of the Plan Change

The Plan Change seeks to rezone the land within the Plan Change area to a mix of Industrial Zone and Rural Lifestyle Zone. The northern most portion of the land (approximately 112 hectares) will be zoned Industrial while the southernmost area of land will be rezoned Rural Lifestyle (approximately 59 hectares). A range of specific standards are proposed for each area in response to identified site specific issues. A Putauaki Structure Plan is also proposed which will be reflected in new rules for the Industrial and Rural Lifestyle Zones.

A range of factors make the northern most area suitable for future industrial development. This includes its flat topography, availability of access to SH34 and the ECMT and the ability for the land to be serviced with all necessary reticulated urban services. The land has also been shown to have good soakage characteristics which will ensure that on-site soakage is a feasible means of stormwater disposal. The proximity of the land to existing established industry also will ensure a grouping of activities with like character and expectations of amenity. In addition, the land is owned by a single landowner who has expressed a willingness to develop the site. This will assist in facilitating the development of the land in accordance with the proposed zoning. It will also make for ease of servicing the site, as the financial costs of extending the infrastructure will be borne by the single landowner without the need for cost share agreements between various parties which may otherwise have been required if multiple landowners were involved.

The southern area of the site is less suited to industrial development and is therefore proposed to be rezoned to Rural Lifestyle. The reason for industrial development not being progressed on this site is that the land forms part of an area which could be subject to inundation in the event of a chemical spill at the Tasman Mill site. Avoiding urban development on that part of the site will therefore assist in avoiding potential effects associated with a chemical spill along with other reverse sensitivity issues.

Schedule 1 contains a schedule of amendments to the Operative Kawerau District Plan. **Schedule 2** contains a copy of the Putauaki Structure Plan. These matters are discussed further in section 6 of this report which sets out the proposed amendments to the District Plan.

4.2 Purpose of the Plan Change

The rezoning is proposed to be achieved by a Plan Change to the Operative Kawerau District Plan. The Plan Change serves two main purposes. They are:

- To provide additional industrial land to address an identified shortage of available industrial land supply in the Kawerau area; and
- To meet Kawerau District Council's statutory requirement under Section 81 of the RMA to make necessary changes to its District Plan relating to the land included within Kawerau District as a consequence of a recent boundary alteration between Kawerau District Council and Whakatane District Council.

The provision of additional industrial land supply is being addressed through this Plan Change in response to the findings and recommendations of two reports which were jointly commissioned by the Kawerau District Council and the Whakatane District Council. Those reports were the Business Land Demand Report (Property Economics, August 2008) and the subsequent Industrial Land Strategy Scoping Report (Bloxam Burnett and Olliver, September 2008). They are attached in **Appendix 5** and **Appendix 6** respectively. Further reporting on industrial land supply has been undertaken by Property Economics to form part of this Plan Change report. The resultant Kawerau District Industrial Land Assessment (Property Economics, April 2010) is included in **Appendix 7**.

The outcome of the reporting is that while land demand estimates projected industrial growth to 2046 of some 11 hectares (net) for the entire Kawerau and Whakatane area, there are a number of factors which result in the provision of a theoretical 'over supply' of industrial zoned land in Kawerau being desirable and economically beneficial. In this regard, the Kawerau District Industrial Land Assessment prepared by Property Economics states²:

"... the supply of appropriate industrial (or in general business land) land in Kawerau is now, more than ever, crucial in its maintenance of a competitive economic environment. Given the fickle nature of the agricultural market, Kawerau is required to facilitate the entry and retention of 'value added' industries utilizing the forestry and other primary markets as catalysts for creating a competitive advantage as an industrial location. Given this requirement the general analysis of business land demand outlined in the Whakatane report is less relevant to the Kawerau District.

The demand for industrial land is less likely to be driven by conventional economic factors. This market demand is potentially driven by the environment that the land availability itself creates. In simple terms the Kawerau economy, more so than most economies, will be driven by the provision of industrial land rather than the need to provide business land for expected growth."

This Plan Change seeks to rezone approximately 112 hectares of land to Industrial to provide for future industrial land use. The new zoning will enable the provision of a sufficiently large area of land to facilitate a range of industrial business opportunities.

Section 81 of the RMA relates to boundary alterations undertaken between two (or more) territorial authorities. It is relevant in this instance as a consequence of the boundary alteration undertaken between Kawerau District Council and Whakatane District Council which was completed on 9 March 2011.

Section 81 of the RMA states:

"81 **Boundary** adjustments

(1) Where the boundaries of any region or district are altered, and any area comes within the jurisdiction of a different local authority,—

² Kawerau District Industrial Land Assessment (Property Economics Ltd, April 2010) Putauaki Trust Land Rezoning Plan Change Report Page 11

- (a) the plan or proposed plan that applied to the area before the alteration of the boundaries shall continue to apply to that area and shall, in so far as it applies to the area, be deemed to be part of the plan or proposed plan of the different local authority:
- (b) any activity that may, before the alteration of the boundaries, have been undertaken under section 19 may continue to be undertaken as if the alteration of the boundaries had not taken place.
- (2) Where the boundaries of any district are altered so as to include within that district any area not previously within the boundaries of any other district, no person may use that land unless expressly allowed by a resource consent, until a district plan provides otherwise.
- (3) A territorial authority shall, as soon as practicable but within 2 years, make such changes to its district plans as it considers necessary to cover any area that comes within its jurisdiction, and, after the changes are made, this section shall cease to apply."

This Plan Change is therefore necessary to meet the requirements of Section 81(3) of the RMA. As the Plan Change will be notified within 2 years of the boundary alteration, the timing requirements of Section 81(3) will be met.

4.3 Effect of Maori Freehold Land Classification

Section 11(2) of the RMA exempts Maori land from the subdivision provisions of the Act. As the land that is the subject of this Plan Change is classified as 'Maori Freehold Land', the process for any future subdivision will therefore require the prior approval of the Maori Land Court.

Section 108(9)(b) of the RMA also exempts Maori land for the purposes of requiring land (e.g. reserve or road) as a financial contribution. This also means that Maori land subdivision is not subject to the same assessment as a 'normal' subdivision being assessed by a council, particularly regarding size, shape, area, access, infrastructure and servicing. However, the Maori Land Court has the discretion to address those issues, and commonly does take these matters into account. It usually does so by requesting Applicants to submit comments from the relevant local authority which it then takes into account in determining the application.

Nevertheless, the activities that establish on the land will also be subject to a requirement to comply with the District Plan land use standards. Therefore the zone rules will continue to control the land use activities that establish on the land that forms part of the Plan Change area, including requirements for infrastructure servicing, access, compliance with the structure plan etc.

It is noted that the Maori landowners, as represented by the Putauaki Trust, have expressed a willingness to develop the land. The Trust has been extensively engaged during the preparation of this Plan Change.

5 EXISTING DISTRICT PLAN PROVISIONS

5.1 Operative Kawerau District Plan

The Kawerau District Plan was made operative on 1st May 2012. The Operative Kawerau District Plan does not provide a sufficient area of zoned industrial land to accommodate the recommended 'over-supply' of industrial land discussed in the Kawerau District Industrial Land Assessment prepared by Property Economics (see **Appendix 7**). Furthermore, the land located to the east of

SH34 that is already zoned Industrial under the Operative District Plan is of a shape and area such that it would not be an attractive option for industrial development. This is because it comprises a long and thin section of land which is unlikely to be economic or practical to develop.

Objectives and Policies

The relevant objectives and policies of the Operative Kawerau District Plan are set out in **Appendix 8** of this report and cover a broad range of issues. However, all provide useful direction for the consideration of future industrial development in Kawerau. As a general comment, the objectives and policies seek to ensure that industrial development is undertaken in a manner that ensures that adverse effects are mitigated to the greatest extent practicable in order to ensure that a reasonable level of amenity is maintained for adjoining properties.

Of particular relevance in terms of this proposal are the objectives and policies relating to servicing requirements. Careful consideration has been given in the development of the Putauaki Structure Plan to the capacity of existing infrastructure, and where necessary to the ability for this infrastructure to be extended to service the new industrial area. It will be necessary to provide appropriate reticulated urban wastewater and water supply services to the new growth area, with sufficient design capacity to accommodate the projected demands in terms of use of this infrastructure. It will also be necessary to provide suitably designed roading infrastructure to ensure safe and efficient access to the new industrial area from SH34. The Transportation Assessment in **Appendix 2** and the Engineering Services Report in **Appendix 3** take account of these matters.

All of the relevant existing objectives and policies in the Operative Kawerau District Plan have been taken into account in the development of the Structure Plan. The objectives and policies will remain relevant following incorporation of the Structure Plan into the District Plan and require no obvious amendments.

Industrial Zone Description

The existing Industrial Zone description in C2.1 of the Operative Kawerau District Plan clearly describes the purpose and intent of the Industrial Zone. It states:

"The Industrial Zone is characterised by activities utilising extensive buildings and structures of irregular shape and considerable height. This form of development is mainly as a result of the established wood processing industries located in this zone.

Activities within the Industrial Zone contribute to the social and economic well-being of the people of the district, wider region and New Zealand. The major industries are recognised as significant resource (in terms of structures) and major sources of employment in both Kawerau district and the wider region.

Geothermal Energy is currently being produced in the district and there is potential for further development. The most likely location for electricity generation activities is within the Industrial Zone. However, further expansion is dictated by where the resource is located.

Industrial activities may have adverse effects on the visual quality of the environment. To address these effects, landscaping, signage, and bulk and location standards have been included in the district plan. A generally large separation distance between activities in the Industrial Zone and adjoining zones significantly mitigates the adverse effects of these industries.

The continued successful operation of these industries is essential to the community's ability to provide for its social, economic, and cultural well-being, provided set standards are met that avoid, remedy, or mitigate any adverse effects on the environment."

Industrial Zone Rules

The existing Industrial Zone rules provide for any activity as a permitted activity where it meets the standards for the zone. Where an activity cannot meet the zone standards, resource consent is required as a Restricted Discretionary Activity with assessment restricted in terms of the standard which cannot be met. The standards for the Industrial Zone relate to height, yards and landscaping, signs, traffic management, natural, cultural and heritage features, noise, and transmission lines. Some different standards apply between different sites within the Industrial Zone. This is achieved by the classification of Industrial zoned sites into two categories labelled as 'Industrial Area 1' and 'Industrial Area 2'. The Industrial Area 1 zoning applies to the Tasman Mill site.

The relevant standards are summarised in **Table 1** which follows:

Table 1: Summary of Industrial Zone Land Use Standards

Rule Number	Summary of Rule	
	Industrial Area 2	Industrial Area 1
C2.4.1 Height	Maximum height of 20 metres. Also	No maximum height. Where a site
_	where a site adjoins a Residential	adjoins a Residential Zone no part of
	Zone no part of any building or	any building or structure shall exceed
	structure shall exceed a height equal	a height equal to the shortest distance
	to the shortest distance between that	between that part of the building or
	part of the building or structure and	structure and the residential zone
	the residential zone boundary.	boundary.
C2.4.2 Yards	6m building setback to a front	The same standards as the Industrial
and	boundary.	Area 2 apply.
Landscaping	3m deep landscaping strip adjacent	
	to SH34 and adjacent to the district	
	boundary along the entire site	
	boundary except within 3m of	
	vehicle access points.	
	Where a site adjoins the district	
	boundary east of SH34 no part of any	
	building or structure shall exceed a	
	height equal to the shortest distance	
	between that part of the building or	
G2 + 2 G:	structure and the district boundary.	
C2.4.3 Signs	Max. area of signage on a site $=$	The same standards as the Industrial
	12m ²	Area 2 apply.
	Max. height above ground level of	
	lowest point of a sign = 5m	
	Any sign viewed from the state	
	highway shall meet the following:	
	Must be located in a position that	
	will not distract the driver of a	
	vehicle from having a clear view	
	along the state highway.	

	Τ	T
	The message must be clear, concise	
	and easy to read.	
	Minimum lettering no less than	
	160mm for a 70km/h speed limit or	
	greater. 120mm minimum for under	
	70km/h.	
	No more than 6 words/symbols and	
	max. 40 characters.	
	Colours not similar to those used for	
	traffic signs.	
	No reflective materials or flashing	
	illumination.	
	The sign shall not be an aerial	
	display, animated display, moving	
	display or any other non-static 2 or 3	
	dimensional mechanism designed.	
	Shall comply with wind load criteria.	
	Signs within 9m of a state highway	
	shall comply with road safety	
	criteria.	
C2.4.4 Traffic	Subject to standards in C10. C10 sets	The same standards as the Industrial
Management	out requirements for parking,	Area 2 apply.
	loading, and access to local roads	
	and state highways.	
C2.4.5 Natural,	Subject to standards in C8. Relates to	The same standards as the Industrial
Cultural and	sites and places scheduled in	Area 2 apply.
Heritage	Appendix C.	
Features		
	NB. There are no scheduled sites on	
	the land subject to the Plan Change.	
C2.4.6 Noise	No specific noise standard in the	
	industrial zone. Noise is managed	Area 2 apply.
	through the excessive noise	
	provisions in the RMA.	
C2.4.7	No buildings/structures within 32m	The same standards as the Industrial
Transmission	of the centreline of a high voltage	Area 2 apply.
Lines	electricity transmission line.	
	No vegetation over 2m high at	
	maturity within 12m of the centreline	
	of a high voltage transmission line.	
	No earthworks within 12m of the	
	closest visible edge of the foundation	
	of a high voltage transmission line	
	support structure.	
	No earthworks within 12m of the	
	centreline of a high voltage	
	electricity transmission line that	
	results in an increase in ground level.	

Any subdivision of land in the District is generally provided for as a Controlled Activity, with no minimum lot size prescribed. However, lots are required to meet some design standards and minimum lot sizes can be imposed as a condition of consent where it is necessary to ensure that

other standards of the District Plan can be met. Furthermore, all lots intended to be used for industrial activity must be of a shape capable of containing a rectangle equal to half the site area and with sides in proportion of not more than 2:1 without encroaching on any specific yard spaces. There are no minimum frontage widths in the Industrial Zone, however, minimum access widths are specified for rear sites in the Industrial Zone.

New subdivision and development which gains direct access off SH34 is also classified as a Restricted Discretionary Activity. For these applications discretion is restricted to the adverse effects of the proposal on the safe and efficient operation and function of the state highway and adjoining road connections.

5.2 Operative Whakatane District Plan

The provisions of the Operative Whakatane District Plan are relevant insofar as they relate to the land formerly located within Whakatane District which is now within the Kawerau District. As a consequence of the boundary alteration, some of the land that is subject to this Plan Change remains subject to a Rural 1 zoning under the Operative Whakatane District Plan. Section 81 of the Resource Management Act 1991 (RMA) requires that the provisions of this zone must continue to apply to the area and that those provisions must be deemed to be part of the District Plan of Kawerau District Council.

Consideration of the Operative Whakatane District Plan is also necessary in terms of Section 74(2)(c) of the RMA. That section of the Act requires that when preparing or changing a district plan, a territorial authority shall have regard to the extent to which the district plan needs to be consistent with the plans or proposed plans of adjacent territorial authorities.

Objectives and Policies

The objectives and policies of the Operative Whakatane District Plan cover a broad range of issues, and provide a particular focus in terms of avoiding reverse sensitivity issues relating to the siting of sensitive activities adjacent or within close proximity to industrial areas. The objectives and policies recognise that the level of amenity and the overall quality of the environment in business areas accommodating industrial uses is generally lower than in other zones, because those activities singularly or cumulatively generate greater adverse effects.

The objectives and policies also address issues of servicing of new areas in terms of wastewater and stormwater disposal, and further address issues related to the development and operation of network utilities. The objectives and policies recognise the need for these services and the associated benefits, whilst also ensuring that they should be provided in a manner to ensure that the effects of their development and use are avoided, remedied and mitigated.

Of particular significance to this site are the objectives and policies relevant to the protection of the natural character of the District's outstanding natural features and landscapes. Among the natural features and landscapes identified in the Whakatane District Plan as being 'outstanding' is Mount Putauaki (also known as Mount Edgecumbe) which is located approximately four kilometres to the south of the Plan Change site. The District Plan seeks to recognise, protect and enhance the visual quality and natural character of such features and landscapes.

Rural 1 (Plains) Zone Rules

The Rural 1 (Plains) Zone applies to the land within Whakatane District that is subject to the proposed rezoning, as well as land within Whakatane District in the immediate surrounds. The

Rural 1 Zone includes areas that are comprised of high quality soils, with the purpose of the zone being to retain the characteristics of the soil resource.

The Rural 1 Zone provides for activities of a rural nature as well as some commercial type activities of low intensity and scale. The following are examples of activities permitted in the Rural 1 Zone subject to the 'general provisions' and 'performance standards' specified in the District Plan:

- Rural production;
- One dwelling per title plus one accessory building for habitation;
- Home occupations;
- Places of assembly designed to have a maximum occupancy or attendance of 50 people at any one time;
- Educational facilities designed to have a maximum occupancy or attendance of 50 students and full time equivalent staff at any caregiving or education session;
- Cemeteries and urupa;
- Retail activity less than 30m² ground floor area;
- Accommodation facilities for a maximum of 5 guests at any one time.

6 PROPOSED AMENDMENTS - OPERATIVE KAWERAU DISTRICT PLAN

6.1 Chapter C2: Industrial Zone

The Plan Change seeks to adopt an Industrial zoning over approximately 112 hectares of land. It is proposed to incorporate a number of different standards for that land in response to feedback provided by the landowner and local community and in response to local site constraints. This will be achieved through the introduction of a new 'Industrial Area 3' overlay.

Full details of the amendments to chapter C2 of the Operative Kawerau District Plan are set out in **Schedule 1**. A summary of the changes follows.

Objectives and Policies

It is proposed to retain all of the objectives and policies of the Industrial Zone. In addition, it is proposed to introduce two new policies which relate specifically to the Plan Change area. The new policies fit well within the existing framework of objectives. They relate particularly to objective C2.2.1.1. The policies also reflect the introduction of specific standards for the Industrial Zone Area 3. They are set out and commented on below:

Policy C2.2.2.1B Maintain control over noise between sites in the Industrial Zone Area 3 to provide a reasonable level of amenity whilst also taking into account existing ambient noise levels resulting from lawfully established industries.

Comment:

This policy reflects the inclusion of a new noise standard to control noise levels between sites in the Industrial Zone Area 3. The noise level which is proposed to be included takes account of existing ambient noise levels which are relatively high due to the presence of existing lawfully established activities. The noise levels also seek to ensure that a range of industrial uses could be practically accommodated, whilst also ensuring that noise from within the Industrial Zone Area 3 does not cumulatively impact on amenity values of the locality.

Development in the Putauaki Structure Plan area should be undertaken in accordance with the Structure Plan so that it does not compromise future development potential.

Comment:

This policy reflects the adoption of the Putauaki Structure Plan and the requirement of a proposed new rule which sets out that all development must be undertaken in accordance with the Structure Plan. The purpose of the Structure Plan is to enable identified fixed constraints on and around the Plan Change land to be clearly communicated to prospective developers. Adherence to the Structure Plan will ensure that initial development of the Industrial Zone Area 3 takes account of the need to provide for future development potential of remaining undeveloped land. The above policy reflects this.

Rules and Standards

The amendments to the Industrial Zone land use standards are summarised in **Table 2** below. In general, it is proposed to retain the majority of the Industrial Zone standards, with some exceptions.

Table 2: Summary of Amendments to Industrial Zone Land Use Standards

Rule Number	Summary of Amendment	Comments / Reasons for Change
C2.4.1 Height	Amend this rule to identify that the maximum height of any building or structure in the Industrial Zone Area 3 shall be 20.0m.	This standard is the same standard as applies in the Industrial Area 2. The 20.0m height will enable sufficient scope for a range of industrial activities to establish on the site.
C2.4.2 Yards and Landscaping	Add new standards to require the following within the Industrial Zone Area 3: The site boundary within the Industrial Zone Area 3 shall be landscaped to a minimum depth of 10.0m. The landscaping must comprise shrubs and trees which have a mature trunk size of less than 100mm at 150mm above ground level and must include (as a minimum) one tree with a mature height of at least 2 metres every 10 metres of site frontage. The landscaping shall also be designed so that it does not obscure driver visibility at any road intersection. The minimum distance between any building or structure and the boundary of State Highway 34 must be 13.0 metres. No part of any building or structure shall exceed a height	These standards respond to matters raised during consultation in relation to the enhancement of the corridor into the Kawerau township through the provision of a landscaped buffer. The landscaped buffer will be required within the site and will need to be maintained by the landowner or occupier. It will serve to soften and partially screen the future industrial activities within the Industrial Zone Area 3. The setback distance for buildings and structures to the State Highway road frontage reflects that an increased setback will be required to accommodate the required 10m landscaped buffer. The height in relation to boundary requirement will provide for separation between activities in the Industrial Zone Area 3 and activities

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	equal to the shortest distance between that part of the building or structure and any site zoned Rural Lifestyle.	on adjacent non-Industrial sites.
C2.4.3 Signs	No changes.	
C2.4.4 Traffic Management	No amendments are proposed to this rule. However, changes are proposed to the standards in Section C10: Traffic Management which Rule C2.4.4 refers to. The changes in Section C10 relate to provision of access to the Putauaki Structure Plan land.	The changes are required to specify the timing and requirements for provision of access to the industrial zoned land within the Structure Plan area.
C2.4.5	No changes.	
Natural, Cultural and Heritage Features		
C2.4.6 Noise	Amend this rule by adding the following additional requirement: Within the Industrial Zone Area 3 any	This new standard responds to feedback provided during consultation which indicated a strong desire to avoid cumulative noise effects from
	activity shall be designed and conducted so that noise from the activity measured at any other site does not exceed the following levels:	contributing to an excessively high noise environment. The noise levels have been established taking into account ambient noise monitoring in the surrounding area and set out in the Acoustic Assessment Report (see
	 70dBA (L_{Aeq15min}) at any site zoned Industrial at any time; and 55dBA (L_{Aeq15min}) between 7am and 10pm, seven days at any other site; and 45dBA (L_{Aeq15min}) and 75dB (L_{AFmax}) between 10pm and 7am, seven days at any other site. 	Appendix 4). The prescribed noise levels will ensure sufficient scope for a range of industrial activities to establish and will ensure that individual businesses are required to maintain noise from their own sites to levels deemed to be reasonable. It will therefore allow for cumulative noise
		effects from activities in the Industrial Zone Area 3 to be controlled to appropriate levels.
C2.4.7	No changes.	
Transmission		
Lines		
C2.4.8	New Rule:	This rule will ensure that the
Putauaki	All new development must be	progressive development of the site
Structure Plan	undertaken in accordance with the Putauaki Structure Plan.	takes account of identified constraints. Adherence to the Structure Plan will
	Futauaki Structure Flan.	also ensure that initial development of
		the Industrial Zone Area 3 takes
		account of the need to provide for
		future development potential of remaining undeveloped land.

6.2 Chapter C6: Rural Lifestyle Zone

The Plan Change seeks to adopt a Rural Lifestyle zoning over approximately 59 hectares of land. It is proposed to incorporate a number of different standards for that land in response to matters raised during consultation, particularly relating to the need to maintain a low density of development adjacent to part of the Tasman Mill to provide a spillway for a contamination spill. Although such an event has a low probability of occurrence, it has a high potential impact particularly if land use in the direction of any such spill was developed to an urban density.

Although the 'Rural Lifestyle Zone' is somewhat of a misnomer in terms of the zoning of the site, additional rules are proposed to maintain a low density of development in this area. These additional rules will be imposed both through amendments to the Rural Lifestyle Zone standards and through amendments to the 'Subdivision and Development' standards in Chapter C7 (see part 6.3 below).

Full details of the amendments to chapter C6 of the Operative Kawerau District Plan are set out in **Schedule 1**. A summary of the changes follows.

Objectives and Policies

It is proposed to retain all of the objectives and policies of the Rural Lifestyle Zone. In addition, it is proposed to introduce a new objective and a new policy, both of which relate specifically to the Plan Change area. The objective and policy reflect the need to avoid the potential for activities to establish in the vicinity of the Tasman Mill which may unduly constrain the Mill's activities. In particular, an issue raised during consultation by the Mill companies was the need to maintain a low intensity of development and occupation immediately adjacent to the mill site in case of a chemical spill.

The proposed new objective and policy are set out and commented on below:

- Objective C6.2.2.3 To avoid the intensive development of buildings and to avoid activities involving large numbers of people from establishing on land within the Putauaki Structure Plan rural area adjacent to the Tasman Mill.
- Policy C6.2.3.4 Ensure that a low intensity of use and development is maintained within the Putauaki Structure Plan rural area to avoid as far as practicable the potential for adverse effects in the event of a chemical spill at the Tasman Mill.

Comment:

These objectives and policies reflect the need to avoid intensive development in the Rural Lifestyle zoned part of the Plan Change area. Development in this area would give rise to potential effects of high consequence in the event of a chemical spill at the Tasman Mill site.

Rules and Standards

The amendments to the Rural Lifestyle Zone land use standards are summarised in **Table 3** below. In general, it is proposed to retain the majority of the Rural Lifestyle Zone standards, with some exceptions.

Table 3: Summary of Amendments to Rural Lifestyle Zone Land Use Standards

Rule Number	Summary of Amendment	Comments / Reasons for Change
C6.3.1 Permitted Activities	Within the Rural Lifestyle Zone in the Putauaki Structure Plan area the following activities only will be permitted activities: Farming Activities; Network Utilities; Accessory Buildings to the activities above.	This amendment will restrict the nature of activities able to establish as permitted activities within the Rural Lifestyle Zone in the Putauaki Structure Plan area to low intensity and low occupation uses to avoid reverse sensitivity effects. These activities will remain subject to compliance with the various other rules for the zone. A new definition is required for 'Farming Activities' (see part 6.5 of this report).
C6.3.2 Restricted Discretionary Activities	Within the Rural Lifestyle Zone in the Putauaki Structure Plan area Log Storage Activities will be Restricted Discretionary Activities with the subject of the discretion limited to traffic effects on the State Highway network.	A new definition is required for 'Log Storage Activities' (see part 6.5 of this report).
C6.3.3 Discretionary Activities	New Rule: Within the Rural Lifestyle Zone in the Putauaki Structure Plan area all activities other than those listed as permitted activities in Rule C6.3.1 or Restricted Discretionary Activities in Rule C6.3.2 will be Discretionary Activities. Discretionary activities must be assessed in accordance with Section 104 of the RMA. Regard will also be had to the relevant assessment criteria in Rule C6.5.	This rule will apply to all activities other than farming activities, network utilities, accessory buildings and log storage activities. By classifying any other activity as a discretionary activity, Council will be able to consider a range of effects to determine the suitability of the activity for the site.
C6.4.1 Height	This rule contains an existing error as it refers to "the maximum height of any building or structure in the residential zone". It is proposed to amend this rule to refer instead to the Rural Lifestyle Zone. The rule will otherwise remain unchanged.	This amendment will correct a drafting error.
C6.4.2 Yards	No changes.	
C6.4.3	No changes.	
Density/Coverage		
C6.4.4 Signs	No changes.	
C6.4.5 Traffic Management	No changes.	

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C6.4.6	No changes.	
Appearance of		
Buildings	N1	
C6.4.7 Natural,	No changes.	
Cultural and		
Heritage Features		
C6.4.8 Noise	No changes.	As the types of activities able to
		establish in the Rural Lifestyle Zone
		will be generally limited to farming
		and other low intensity activities, it
		is not necessary to make any
		changes to the existing standards
		relating to the Rural Lifestyle zoned
G		part of the Plan Change land.
C6.4.9 Putauaki	New Rule:	This rule will ensure that the
Structure Plan	All new development must be	progressive development of the site
	undertaken in accordance with the	takes account of identified
	Putauaki Structure Plan.	constraints and of the need to
		provide for future development
		potential of remaining undeveloped
		land.
C6.5.2 Yards	Add a new assessment criterion	Reverse sensitivity refers to the
(Assessment	relating to "the potential for reverse	effect that development of one kind
Criteria)	sensitivity effects to arise".	may have on activities already
		occurring in an area. It usually
		results from the people involved in
		an activity that is newly established,
		complaining about the effects of
		existing activities in an area.
		Reverse sensitivity effects are a
		relevant consideration in respect of
		yards and proximity of dwellings to
		adjacent industrial areas, whereby
		the occupants of those dwellings
		may be affected by lawfully
		established activities within the
		adjacent Industrial Zone.
C6.5.9 Log	New assessment criteria for	
Storage Activities	activities that require resource	that Log Storage Activities will
(Assessment	consent under rule C6.3.2.	generally be allowed within the
Criteria)		Rural Lifestyle Zone in the Putauaki
	In assessing an application for Log	Structure Plan area, subject to
	Storage Activities the Council will	consideration of traffic effects.
	restrict the exercise of its discretion	
	to the following matters:	
	- The adverse effects of the	
	proposal on the function, and	
	safe and efficient operation of	
	the state highway and adjoining	
	transport network and any	

measures to avoid, remedy or	
mitigate these effects.	

6.3 Chapter C7: Subdivision and Development

Chapter C7 sets out the rules for 'subdivision and development'. The Plan Change involves several changes to these rules. In particular it is proposed to include additional standards to restrict the further subdivision of land within the area identified as being a potential chemical spill location (Rural Lifestyle Zone within the Putauaki Structure Plan). It is also proposed to insert a new requirement that all subdivision of land within the Putauaki Structure Plan area must take account of the Structure Plan in terms of the subdivision design.

Full details of the amendments to chapter C7 of the Operative Kawerau District Plan are set out in **Schedule 1**. A summary of the changes follows.

Objectives and Policies

It is proposed to retain the objectives and policies of the Subdivision and Development section of the District Plan generally without amendment. The only exception to this is in relation to a further policy which is proposed to be added to reflect the need for subdivision and development to be undertaken in accordance with the Putauaki Structure Plan. The new policy is as follows:

C7.2.2.10 Subdivision and development in the Putauaki Structure Plan area should be undertaken in accordance with the Structure Plan so that it does not compromise future development potential.

Comment:

This policy reflects the adoption of the Putauaki Structure Plan and the requirement of a proposed new subdivision rule which requires that all subdivision and development must be undertaken in accordance with the Structure Plan. The purpose of the Structure Plan is to enable identified fixed constraints on and around the Plan Change land to be clearly communicated to prospective developers. Adherence to the Structure Plan will ensure that initial subdivision and development of the Industrial Zone Area 3 takes account of the need to consider issues such as infrastructure servicing and access and roading requirements for all of the land that is the subject of the Structure Plan. The above policy reflects this.

The remaining existing objectives and policies satisfactorily address the issues relating to subdivision and development of the land which is the subject of this Plan Change.

Rules and Standards

The amendments to the Subdivision and Development standards are summarised in **Table 4** below. In general, it is proposed to retain the majority of the Subdivision and Development standards, with some exceptions. The following table only addresses rules which are subject to amendment as part of this Plan Change. All other rules not set out in **Table 4** will remain unchanged.

Table 4: Summary of Amendments to Subdivision and Development Standards

Rule Number	Summary of Amendment	Comments / Reasons for Change
C7.7.1	This rule is proposed to be amended	
Subdivision to	to classify any subdivision of land to	intensity of activities able to
Create Separate	create separate titles in the Rural	establish as permitted activities
Titles	Lifestyle Zone in the Putauaki	within the Rural Lifestyle Zone in
	Structure Plan area as a	the Putauaki Structure Plan area to
	Discretionary Activity. The	maintain a low intensity of
	exception will be utility lots which	development and occupation.
	will continue to be subject to Rule	
	C7.6.2.	
	Discretionary activities must be	
	assessed in accordance with Section	
	104 of the RMA.	
C7.7.6	Amend the rule by adding a new	This rule will ensure that the
Subdivision	provision (h) requiring subdivision	progressive subdivision of the site
Design	design to be consistent with the	takes account of identified
	Putauaki Structure Plan.	constraints and the need to provide
		for future development potential of
		remaining undeveloped land.

6.4 Chapter C10: Traffic Management

Chapter C10 sets out provisions relating to Traffic Management, including access, parking and loading. The Plan Change seeks to amend the Traffic Management provisions to restrict access to the locations shown on the Putauaki Structure Plan and to specify requirements for timing for construction and the design of the intersections.

Full details of the amendments to chapter C10 of the Operative Kawerau District Plan are set out in **Schedule 1**. A summary of the changes follows.

Objectives and Policies

It is proposed to retain all of the objectives and policies contained in the Traffic Management section of the District Plan. The existing objectives and policies are consistent with the proposed new rules for access.

Rules and Standards

The amendments to the Traffic Management standards are summarised in **Table 5** below. It is proposed to retain all of the existing Traffic Management standards, and add several new standards relating to access to the Industrial Zone Area 3. The following table only addresses rules which are subject to amendment as part of this Plan Change. All other rules not set out in **Table 5** will remain unchanged.

Table 5: Summary of Amendments to Traffic Management Standards

Rule Number	Summary of Amendment	Comments / Reasons for Change
C10.4.6 Access to Putauaki Structure Plan Land	Add new rules C10.4.6.1 to C10.4.6.5 relating to access to the Putauaki Structure Plan land. The rules require that: - Vehicle access to the Industrial Zone Area 3 land must be located in general accordance with the positions shown on the Structure Plan. - No vehicle access shall be provided to the Industrial land from McKee Road. - No vehicle access shall be provided to the Rural Lifestyle Zone from State Highway 34. - No vehicle access shall be provided between the Rural Lifestyle Zone and the Industrial Zone Area 3 over, under or across McKee Road. - The timing for the construction of the accesses.	The new rules are required to ensure that the provision of access is consistent with the recommendations of the Transportation Report. In particular, the new rules will ensure that the land is provided with a safe and efficient means of access and that the intersection designs reflect their capacity to operate safely, efficiently and without compromising the function of State Highway 34.
C10.5.4	Add new assessment criteria under a	This rule will ensure that the matters
Restricted	new rule C10.5.4 relating to	over which discretion has been
Discretionary	activities which do not comply with	restricted are clearly communicated.
Activities Traffic	the new rules C10.4.6.1 to C10.4.6.5	The criteria relate to impacts on the
Management	in terms of access to the Putauaki	function, and safe and efficient
	Structure Plan land.	operation of the state highway and
		adjoining transport network.

6.5 Putauaki Structure Plan

A structure plan is a framework to guide the development or redevelopment of a particular area by formulating and establishing matters such as the future development and land use patterns, the layout and nature of infrastructure (including transportation links), and other key features for managing the effects of growth. Structure planning is a useful tool for managing the effects and demands of development or redevelopment in an integrated, holistic and orderly way.

The preparation of a structure plan in relation to the Putauaki Trust land has been desirable to enable identified fixed constraints on and around the Plan Change land to be clearly communicated to prospective developers. In doing so, the structure planning process will ensure that growth is responsive to the existing environment and takes account of the site's sensitivities and limitations.

The proposed Putauaki Structure Plan has been developed following an extensive process of issue and cost identification in conjunction with identification of community and landowner aspirations. The proposed Structure Plan provides a holistic framework for the development of the site and facilitates the provision of industrial land supply to avoid the possibility of ad hoc development

occurring in the event that sufficient zoned land isn't provided within the catchment for this purpose.

The Putauaki Structure Plan is contained as **Schedule 2** to this application. The detail of the Structure Plan is reflected in proposed amendments to rules of the Operative Kawerau District Plan which are set out in **Schedule 1**.

The key features of the Structure Plan are as follows:

- 112 hectares of the Structure Plan area will be included within the Industrial Zone (Industrial Area 3).
- 59 hectares of the Structure Plan area will be included within the Rural Lifestyle Zone.
- Defined access points are shown to SH34 to provide access to all new activities within the Industrial zoned part of the Structure Plan area. McKee Road will remain open to provide access to existing established activities, including Super Skid, forestry interests to the east of the Plan Change land, the Tasman Mill (via the existing overbridge) and activities within the Rural Lifestyle Zone. All other access to and from SH34 will be restricted to the location of the access points defined on the Structure Plan.
- A defined level crossing location is identified to provide access across the railway siding which serves the Super Skid site. The rail crossing will be an 'at grade' crossing which will be controlled by a light and barrier system. All future development will need to take account of the maintenance of this connection.
- Establishment of a landscaped buffer area along the State Highway frontage and along external boundaries of the Structure Plan site to maintain a high standard of visual amenity from outside of the Structure plan area, particularly from the State Highway.

Compliance with the Structure Plan will be a requirement imposed through new rules included within the Industrial Zone (Chapter C2), the Rural Lifestyle Zone (Chapter C6) and the Subdivision and Development chapter (Chapter C7) of the District Plan as described in sections 6.1, 6.2 and 6.3 of this report. It is proposed to insert the Putauaki Structure Plan as a new appendix (Appendix E) to the District Plan.

The Structure Plan also includes diagrams which demonstrate the conceptual form of the two new SH34 intersections that will provide vehicular access to the Industrial Zone.

6.6 Appendix A: Definitions

The changes proposed to Rules C6.3.1 and C6.3.2 result in the need for a new definition of the terms 'Farming Activities' and 'Log Storage Activities'. The following definitions are proposed to be adopted:

Farming Activities means an activity, whether land based or otherwise, having as its primary purpose the commercial production of any livestock or vegetative matter, and includes forestry and the raising or keeping of plants and animals within buildings or outdoor enclosures.

Log Storage Activities means the storage of logs prior to any added value activities such as processing and excluding ancillary administration buildings or offices.

6.7 Planning Maps

It is necessary to amend the planning maps included in the Operative Kawerau District Plan to reflect the proposed rezoning which is outlined in sections 6.1 and 6.2 of this report. Amendments to planning maps 12, 13 and 16 are required. In addition, new planning maps are required.

These amendments will be consequential to the Plan Change and the planning maps will therefore be updated following the determination of the Plan Change.

7 STATUTORY FRAMEWORK FOR THE PLAN CHANGE

7.1 General

It is proposed to undertake a Plan Change to the Operative Kawerau District Plan in order to rezone the land and to implement the Putauaki Structure Plan. This involves changes to the relevant planning maps to amend the zoning of some sites, as well as the establishment of new rules.

The proposed changes to the District Plan are set out in **Schedule 1** to this report.

7.2 Statutory Framework

The preparation of this Plan Change report has been conducted in accordance with the First Schedule of the RMA. Clause 16A of the First Schedule of the Act sets out that a local authority may initiate a plan change at any time. In doing so, the provisions of the First Schedule apply.

The provisions of Part I as they relate to 'Preparation and change of policy statements and plans by local authorities' provide the relevant procedures to be adhered to for a plan change such as the one proposed. Part I of the First Schedule consists of Clauses 1 to 20A. It is these provisions that are therefore relevant to the procedures which must be followed in seeking and determining this Plan Change proposal.

Clauses 3 and 3B set out the relevant procedures for consultation. With regard to this Plan Change proposal, the provisions of these clauses require that Council must consult the Minister for the Environment, other Ministers of the Crown who may be affected by the Variation, local authorities who may be so affected, the tangata whenua of the area who may be so affected through iwi authorities, and the board of any foreshore and seabed reserve in the area. Clause 3(2) also sets out that "a local authority may consult anyone else" in preparing a Plan Change, subject to Clause 3(4) which requires that this consultation must be undertaken in accordance with Section 82 of the Local Government Act 2002. Clause 3B sets out the way in which consultation must be undertaken with iwi authorities.

Details of consultation undertaken are provided in part 11 of this report. The consultation meets the requirements of the First Schedule.

Clauses 5 to 11 of the First Schedule set out procedures for notification, receipt of submissions, hearings and notification of decisions in relation to plan changes. In processing the Plan Change, it will be necessary for compliance to be achieved with the requirements of these provisions.

The Plan Change has been made in accordance with the First Schedule of the Act. A comprehensive analysis has been undertaken in accordance with Section 32 of the Act (refer to part 12 and **Appendix 9**) and a thorough assessment of environmental effects has been made (refer to part 9).

8 RELEVANT PLANNING DOCUMENTS

8.1 Bay of Plenty Regional Policy Statement

A district plan is required to give effect to any relevant regional policy statement in accordance with Section 75(3)(c) of the RMA. Council must also have regard to any proposed regional policy statement when preparing or changing a district plan in accordance with Section 74(2)(a)(i) of the RMA.

Operative Regional Policy Statement

The RPS was made operative in December 1999, and provides an overview of resource management issues in the Bay of Plenty Region. It provides objectives and a range of policies and methods to achieve integrated management of natural and physical resources across different resources, jurisdictional boundaries and agency functions, and guides the development of subordinate plans (Regional as well as District) and the consideration of resource consents.

The RPS identifies the significance of major industry in and around Kawerau to the regional economy, however, also acknowledges the environmental effects in terms of air and water quality that are generated from some of these activities.

Other issues discussed in the RPS traverse a broad range of matters. These include recognition of Maori and their culture and traditions, land, air, water, geothermal resources, natural hazards, hazardous substances and waste disposal, physical resources and the built environment, natural features and landscapes and historic heritage, natural character and indigenous ecosystems and growth management. All of these matters have been given consideration in the preparation of this Plan Change.

The Plan Change is considered to be consistent with the objectives and policies of the RPS because it has involved a process of consultation and particular recognition of Maori values, and because it will provide a managed direction for industrial growth in the Kawerau / Whakatane business catchment. The rules proposed for the new zone will ensure that a built environment results that is responsive to the constraints and limitations of the existing environment, including the valued nearby natural features of Mount Putauaki and the Tarawera River. The proposed rules, objectives and policies will ensure that the land can be developed in an efficient manner whilst also ensuring that due regard is given to appropriate means of avoiding, remedying and mitigating adverse effects on the environment.

The proposal to establish a common set of rules will ensure that an appropriate cross boundary approach is maintained as supported by the provisions of the RPS. The proposed Structure Plan will ensure that the provisions of the RPS are carried through into the District Plan, consistent with the hierarchical process provided for in the RMA.

Proposed Regional Policy Statement

The RPS is currently subject to a review being undertaken by the Bay of Plenty Regional Council (BOPRC). The Proposed Bay of Plenty Regional Policy Statement 2010 (PRPS) was released on 9th November 2010 and the period for making submissions ended on 8th February 2011. The period for making further submissions ended on 19th May 2011. Hearings on the RPS were held in September and October 2011. Council released its decisions on the coastal environment and water quality and land use provisions of the RPS on 27th March 2012 and decisions on the remainder of the Proposed

RPS will be released later this year. The appeal period for the initial decisions closes on 9th May 2012.

Similar to the Operative RPS, the Proposed RPS (PRPS) also recognises the contribution of industry to the regional economy. It identifies the importance of strategic linkages, including road and rail, and the significance of the Port of Tauranga to the region's industry. It further identifies some of the potential issues associated with industrial development, including air quality issues and increased pressure on services, particularly relating to demand for water resources.

The PRPS emphasises the importance of co-ordination of urban development and infrastructure provision and identifies that the rezoning of land for urban development should take into account factors including sustainable rates of land uptake and the reasonably foreseeable requirements of present and future generations, sustainable locations for urban development, sustainable provision and funding of existing and future infrastructure, and efficient use of local authority and central government financial resources.

The Property Economics reporting (refer to **Appendices 5 and 7**) has addressed issues relating to business demand in Kawerau. It identifies that the proposed provision of industrial land is an efficient allocation of land resources to maintain a competitive economic environment, particularly as Kawerau is likely to attract large businesses which have large land requirements.

Matters relating to provision of infrastructure to service this growth are set out in the Engineering Services Report in **Appendix 3**. As set out throughout this Plan Change document, because the Plan Change relates to land under the ownership of a single landowner, the Plan Change is being put forward on the basis that all necessary infrastructure will be required to be funded by the developer and installed prior to the development of the land. This addresses the provisions in the PRPS relating to efficient use of local authority financial resources, as the bulk of the 'up front costs' associated with infrastructure provision will be passed on to those who will ultimately benefit from the development of the land.

Integration of future land uses with transportation infrastructure is addressed in the Transportation Report which is included in **Appendix 2**. The process followed in relation to this Plan Change has included consideration of the likely future demand for services which may arise from the rezoning of the land, as well as ways in which the site can be efficiently linked and serviced with respect to transportation infrastructure. Again, it will be necessary for the developer of the land to finance all required transport infrastructure at the time that the land is developed.

Growth areas and allocation of business land provisions which are included in the PRPS relate to the Western Bay of Plenty sub-region. Therefore the references to documents included in Appendices C, D and E of the PRPS are not relevant to this Plan Change.

Overall the Plan Change is considered to be consistent with the PRPS.

8.2 Bay of Plenty Regional Land Transport Strategy

Operative Regional Land Transport Strategy 2011-2041

The RLTS has recently been reviewed and was adopted by the Bay of Plenty Regional Council in November 2011.

The RLTS identifies the significance of the timber processing and manufacturing industry in Kawerau. It also recognises the reliance of this type of industry on road and rail links, particularly between Kawerau and the Port of Tauranga.

The RLTS promotes an integrated approach to planning for business and industry growth, identifying that a key consideration must be the integration of business areas with the region's transport system. This is particularly necessary to ensure the more efficient movement of people and goods. The RLTS also seeks to provide increased opportunities for the use of rail for shipping of bulk products. These factors have been given due consideration in respect of this Plan Change, particularly through site selection. The land that is the subject of this Plan Change is located adjacent to the ECMT and State Highway 34, thereby ensuring that excellent connections will be available to both rail and road transport for the movement of freight.

The RLTS also seeks protection of key transport corridors. Effects on State Highway 34 have been given due consideration as part of the Plan Change. The consolidation of access to the state highway and requirements for a deep landscaped buffer along the State Highway 34 boundary adjacent to the industrial area will both afford degrees of protection to the roading network.

Overall, the Plan Change is consistent with the RLTS.

8.3 Bay of Plenty Regional Plans

In accordance with Section 74(2)(a)(ii) of the RMA, when preparing or changing a district plan a territorial authority must have regard to the regional plan of its region in regard to any matter of regional significance or for which the regional council has primary responsibility.

The Regional Plans most relevant to this Plan Change are the Regional Air Plan, the Regional Water and Land Plan and the Tarawera River Catchment Plan. The relevant aspects of each are summarised as follows.

Regional Air Plan

The Bay of Plenty Regional Air Plan is an operative document that sets out rules, objectives and policies relating to discharges to air in the Bay of Plenty region. The Regional Air Plan seeks to maintain and protect high air quality in the region and emphasises the importance of avoiding, remedying and mitigating potential effects associated with air discharges.

Amongst other things, the Regional Plan addresses issues of sensitivity in regard to incompatible activities locating alongside one another. In this case it is recognised that adjoining sites in the vicinity of the proposed Industrial Zone contain heavy industries that do on occasion generate air discharges. The proposed location of activities of an industrial nature adjacent to these established industries is not considered to be incompatible and indeed such land use is appropriate given the sensitivity of other forms of development such as residential dwellings.

The Regional Air Plan also contains rules which generally require air discharges to be avoided. In cases where activities are likely to generate an air discharge, the rules of the Plan dictate any associated resource consent requirements depending on the type and the characteristics of the discharge. In the event that any activity establishing on the site will have the potential to create an air discharge then the rules of the Regional Air Plan will need to be considered by the person seeking to establish the activity.

Regional Water and Land Plan

The Bay of Plenty Regional Water and Land Plan addresses issues relating to management of the environmental effects of the use and development of land, water and geothermal resources. The Plan was made operative in December 2008.

Of particular relevance to the future development of the Plan Change land are issues in the Regional Plan relating to the quality of surface and ground water resulting from land use that is inappropriate to the characteristics of the site. On this basis the Regional Water and Land Plan seeks the integrated management of land and water resources and also identifies that land use and management should be appropriate to the characteristics and limitations of the site on which they establish.

The Regional Water and Land Plan sets out rules which relate to a broad range of water and land matters including disturbance of land and soil, vegetation clearance, structures in and around water bodies, discharges to water and land, taking, damming, diverting, discharge and use of water, and waste disposal.

Of particular relevance to the proposed Structure Plan are the rules relating to 'discharge of stormwater to land soakage'. The Structure Plan incorporates the disposal of stormwater from roads via ground soakage as well as the disposal of water from the roofs and other permeable areas associated with future buildings on the site to ground. Results of percolation tests undertaken and preliminary design considerations for stormwater disposal are included in the Geotechnical Site Suitability Report in **Appendix 3**.

The site is considered to be appropriate for the use proposed through the Plan Change as it is able to be connected to reticulated wastewater and water supply systems which can accommodate the demand from the developed site within the scope of existing regional consents. As discussed above, stormwater will be disposed of on-site and the site soil characteristics in terms of drainage are suitable for this purpose. Furthermore, the site is flat and minimal earthworks will be required associated with future construction.

Tarawera River Catchment Plan

The intent of the Tarawera River Catchment Plan ('TRCP') is to manage abstraction from the Tarawera River and maintain water quality standards in the Tarawera River and its tributaries and lakes. As the Structure Plan area sits within the Tarawera River catchment, the TRCP is relevant for consideration.

The key issues of relevance that are dealt with in the TRCP include erosion / subsidence of unconsolidated soils and groundwater contamination.

The primary cause of erosion and subsidence relates to construction on sloping land comprising volcanic soils. The Structure Plan area contains flat land and there are no waterways or drains that run through the site. Accordingly, the chances of any significant erosion or subsidence occurring are minimal. Furthermore, the potential for any significant volume of sediment to be transported off-site is low particularly if standard sediment controls are adopted for any significant land disturbance activity.

The primary cause of groundwater contamination relates to land based waste disposal. The Plan Change involves a proposal to extend the reticulated Kawerau wastewater network to the site to service the new industrial area within the capacity of the existing Council system. Accordingly, no

on-site disposal of wastewater is proposed. The Plan Change also involves the extension of the Kawerau water supply system to service the industrial area. This will ensure that groundwater take is unlikely to be required associated with the future industrial land uses. Stormwater will be disposed of to ground and any contamination from the road surface and from other impermeable areas will be filtered through soakage.

Water supply and wastewater disposal will need to be continually managed to comply with comprehensive regional consents held by Kawerau District Council. Council operations staff have confirmed that the wastewater treatment plant will not require upgrading to service the industrial area, nor will there be any constraints in terms of water supply so long as uses with high water requirements (i.e. 'wet industries') are not established. These matters are discussed in the Engineering Services Report which is included in **Appendix 3**.

It is apparent from the analysis undertaken that the proposed Plan Change will be consistent and compatible with the provisions of the Tarawera River Catchment Plan.

8.4 Kawerau District LTCCP (2009 – 2019)

The Kawerau District LTCCP does not include any specific allowance for Council funding of new infrastructure to service the Plan Change area. Those costs, including costs to extend reticulated infrastructure (water supply, wastewater and other services) as well as costs to provide access to the land from State Highway 34, will be borne by the developers of the land as development costs. The District Plan includes provisions which enable financial contributions to be levied in the form of works and service requirements. In particular, section C7.7.8 ('Works and Services Requirements') enables Council to impose conditions requiring these works and services to be established.

The Kawerau District LTCCP also does not require any monetary contributions to be paid in the form of development contributions. Therefore the developers of the land will not be required to pay monetary contributions towards network costs for the provision and maintenance of Council services. In that regard, Council's policy is clearly set out in the LTCCP:

"The Kawerau District does not have the pressure on its infrastructure systems that is being experienced by some territorial authorities and therefore does not have a pressing need to extend its existing infrastructure systems to cope with increasing demand. The spare capacity in Council's infrastructure means it can cope with some growth without a resulting increase in demand for community facilities.

Indeed, the Council wishes to encourage development in the District to further the Community Outcomes.

The Council's policy in relation to development contributions is not to assess development contributions under the LGA 2002, but to retain the provisions of the District Plan that allows the assessment of financial contributions."³

In regards to financial contributions, the LTCCP goes on to state:

"Where new subdivisions or developments occur, extensions to the infrastructure networks are necessary to service the development. These extensions add incrementally to the demand on Council owned and operated services such as water supply and wastewater disposal and treatment. The District Plan puts in place a mechanism that makes allowance for extensions to the

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³ Kawerau District Council Long Term Plan 2009/2019, Pg 131 Putauaki Trust Land Rezoning Plan Change Report

infrastructure network to be funded by those who cause the demand for such an upgrade. The physical construction of the additional network capacity may not take place for some time after the development occurs.

The objective of this policy is to require subdividers and developers to meet the full cost of, and to provide or contribute to providing any works and services necessary to meet additional demands as a result of subdivision or development.

The Council's policy is:

- Subdividers and developers are required to meet the full costs of furnishing water supply or wastewater disposal infrastructure necessary to support their subdivision or development.
- Subdividers and developers are required to meet the full costs of upgrading any road or street which provides direct frontage or gives access to any subdivision or development.

For the purposes of this policy, a fair share will be assessed along the general lines that the contribution should cover the cost of the additional works or services required as a direct result of the new subdivision or development."⁴

In this case, because the extension of services will be necessary solely to service the future industrial area, the costs to extend the infrastructure required to service the land will need to be borne by the developer alone.

9 ASSESSMENT OF EFFECTS ON THE ENVIRONMENT

The main environmental issues that need to be considered as part of the Plan Change are:

Infrastructure – The need to dispose of increased sewage generated by future development, and increased stormwater run-off as a result of the increased hard surface areas associated with future development. The need to provide a suitable potable water supply to service the future industrial area, the provision of suitable roading and access to provide transport linkages within and outside of the Structure Plan area, and the need to provide adequate power and telecommunications services.

Traffic – The potential traffic generation associated with the Structure Plan area and related effects in terms of the safety and efficiency of the road network.

Visual and Landscape – The appearance of various kinds of new development and its visual effects on nearby properties and on the wider landscape, including Mount Putauaki which is a significant natural feature in the locality and which holds special cultural value to tangata whenua.

High Quality Soil Resource – The use of high quality soils for non-agricultural purposes associated with the future industrial use of the area.

Ecology – The potential for effects on the ecology of the locality, particularly in relation to the Tarawera River.

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⁴ Kawerau District Council Long Term Plan 2009/2019, Pg 131 Putauaki Trust Land Rezoning Plan Change Report

Noise – The potential for adverse noise effects to be generated and the potential for reverse sensitivity noise effects to arise from the siting of non-sensitive land uses in relation to more sensitive activities.

Cultural / Archaeology – The potential effects of development on archaeologically and culturally sensitive sites.

Urban Design – The need to ensure that future growth is well designed and well planned, taking into account the principles of good urban design. Particular focus is given to the seven essential design qualities that create quality urban design being context, character, choice, connections, creativity, custodianship and collaboration ('the seven Cs').

An assessment of each of the above issues is provided below. In undertaking this assessment consideration has been given to both the existing and future state of the environment as it might be modified by the establishment of development currently permitted to occur under the existing rules of the Operative Kawerau District Plan.

9.1 Infrastructure

General

An assessment of infrastructure capacity and details of requirements for reticulation of water supply and wastewater networks is set out in the Engineering Services Report (**Appendix 3**). The report is based on demand and supply advice from Kawerau District Council engineering staff. In terms of this Plan Change, the report has sought to demonstrate whether the existing networks (in respect of water supply and wastewater) have sufficient capacity to accommodate the development, and what upgrades are likely to be required. The report and the associated Geotechnical Site Suitability Report which is also included in **Appendix 3** has also sought to determine the feasibility of disposal of stormwater on-site through ground soakage and (if necessary) storage.

The Operative Kawerau District Plan includes a range of provisions which relate to upgrading and provision of infrastructure. These provisions suitably address requirements for upgrades and identify that the costs of addressing these issues is to be met by those who cause the demand for upgrading. In this case, the land that is subject to the Plan Change is owned by a single landowner (the Putauaki Trust) who will be responsible for funding extensions to existing infrastructure networks at the time that the land is subdivided and/or developed.

The following assessments summarise the findings of the Engineering Services Report and the Geotechnical Site Suitability Report (**Appendix 3**) in respect of the capacity of existing services and the nature of the upgrades that are likely to be required to facilitate development of the Plan Change land.

Water Supply

Kawerau District Council provides a reticulated water supply which is the subject of a comprehensive water take consent from Environment Bay of Plenty. Forecast potable water demand, based on full development of the Industrial part of the Structure Plan area, is estimated at about 500m³ per day. Kawerau District Council staff have advised that the additional 500m³ of water per day is able to be supplied within the parameters of the existing water take allowance for the Kawerau District water scheme. Advice from Council staff is that this supply would, however, require some water restrictions on the community during the peak summer demand periods and that insufficient supply is available to service 'wet industries' which have high water use.

The provision of water supply to service the Plan Change land is reliant on a new 150mm supply main being installed from Fletcher Avenue, which is the current closest location of the existing water mains. This water supply main would provide for all daily use requirements, and for fire fighting needs. Approximately 3,000 metres of new water supply main would be necessary to provide a supply to the mid-point of the industrial area at the State Highway 34 frontage. The cost of providing this water main has been estimated at approximately \$250,000 to \$300,000.

Wastewater Disposal

The Engineering Services Report (**Appendix 3**) includes detail of the requirements for reticulation of the Kawerau District wastewater system to service the new industrial area. The report also confirms that the treatment plant will not require upgrading to accommodate the additional demand that is likely to be generated by the development of the Structure Plan land.

Discussions with the KDC Operations and Services Manager have provided the following information:

- KDC can accept macerated sewage from the development pumped via a pipeline along SH34 to the top end of the KDC reticulation at Fletcher Ave;
- The treatment plant does not require upgrading;
- KDC are prepared to consider alternatives to conventional gravity sewerage reticulation.

Based on these discussions there do not appear to be any constraints to development as far as wastewater disposal is concerned. Due to the nature and scale of the development, on-site disposal is not recommended.

Geotechnical Site Suitability

The Geotechnical Site Suitability Report in **Appendix 3** identifies that the Plan Change land that is proposed to be zoned Industrial is suitable for industrial development in terms of the suitability of the soils to support industrial buildings. The report notes that the near surface soils are expected to have sufficient strength to support industrial buildings on conventional slab and footing foundations, but risks associated with earthquake-induced liquefaction and settlement under static loads will warrant further investigation to support the development of detailed design proposals. Design considerations in relation to seismic events are discussed in the Geotechnical Site Suitability Report.

The report also notes that comparable liquefaction/settlement concerns may be present at practically all potential industrial land sites in the Kaerau/Edgecumbe/Whakatane area. As such the concerns represent risks which need to be identified and accommodated in the proposed development, rather than fundamentally affecting the suitability of the site for industrial purposes. However, careful geotechnical investigation and interpretation will be essential to ensure that developments are technically feasible. Those matters are equally relevant for the design of utility services which should be detailed to accommodate predicted displacements and loads.

Stormwater

Percolation testing has been undertaken to verify the suitability of on-site soakage to accommodate stormwater from the proposed roads, roofs of future buildings and other hard surface areas. The results of the percolation tests are reported in the Geotechnical Site Suitability Report and Engineering Services Report (Appendix 3).

The KDC Operations and Services Manager advises that the soils within Kawerau Borough typically have a relatively impermeable near surface crust, but have high soakage rates beneath. A Geotechnical Site Suitability report prepared by Bloxam, Burnett & Olliver Ltd (February 2012) confirms that the site soils are rapid to very rapid draining and therefore suitable for the disposal of stormwater to ground soakage.

Under the present pastoral land use, there are no known overland flow paths entering or leaving the site, as all rainfall either soaks into the ground immediately, or ponds for a short time in the numerous depressions. For the developed site, it should be possible to achieve runoff rates which are no greater than existing and therefore do not cause any adverse effects on neighbouring land. This could be achieved through a combination of the following measures:

- Below ground soakage disposal devices for roads, buildings, and paved areas;
- Landscaped areas to store excess runoff prior to soakage disposal;
- Contouring of lots and roads to ensure any excess runoff from extreme events is contained within the site boundaries (for disposal by soakage once the flood peak has passed).

Power and Telecommunications

Power and telecommunications services will be extended and relocated within the new roads as the land develops. Preliminary consultation with Horizon Energy and Telecom has been undertaken in this regard. Standard requirements for provision of power and telecommunication lines to property boundaries will be required at the time land is developed. It will be the responsibility of the developer to fund the cost of extending this network.

All urban reticulated services will be placed underground, with upgrades to existing infrastructure capacity undertaken as necessary in consultation with the supply authorities.

Natural Gas

A natural gas line owned by Vector Gas Limited is located within close proximity of the site. Vector has also advised that a Delivery Point (a gas compound which reduces the pressure to supply the local gas distribution network) is also located nearby which provides the opportunity for natural gas reticulation to be extended to service the Structure Plan area. If the developer wishes, it is understood that Vector are able to extend the network to service this area. This matter will need to be determined by the developer prior to any application for a future subdivision of the land.

As natural gas is a non-essential service, it is not considered that any further consideration needs to be given to this matter as part of the structure planning exercise.

9.2 Traffic Effects

A Transportation Report (**Appendix 2**) has been prepared to consider the potential traffic effects of the development of the Structure Plan area for industrial purposes. The reporting also sets out principles for road design and describes the road network and functioning of roads within the Putauaki Structure Plan area. The reports have been prepared based on consultation with key stakeholders; in particular the New Zealand Transport Agency (NZTA) given that the Structure Plan land requires access to State Highway 34.

Roading Related Effects

Peak hour trip flows have been calculated for the proposed development based on consideration of traffic flows associated with the Manukorihi Drive industrial area at Kawerau and based on trip generation rates contained in the Institute of Transportation Engineers (ITE) "Trip Generation" references. The reporting identifies that the ITE figures best represent the site and they identify a daily trip rate of 9,029 vehicles per day (vpd) based on the proposed industrial area being fully developed. The AM and PM peaks are predicted to be 986 and 922 vehicles per hour (vph) respectively. Comparatively, count data for SH34 in the location of the site recorded weekday flows of 6,123 to 6,963 vpd and weekend flows of 3,601 to 4,067 vpd. The weekday flow is estimated at 7,000 vpd in 2011 with AM and PM peak hour flows of 660 vph and 800 vph respectively. The majority of vehicles to the site are expected to arrive and depart from the north in the direction of Whakatane, Rotorua and Tauranga.

On the basis of the flow calculations undertaken, the traffic reporting recommends that access to the Structure Plan area be provided via two separate intersections to SH34 to safely accommodate the traffic from the industrial area. One of the intersections will serve the proposed industrial land to the south of the rail siding and to the west of the Super Skid site, with the other intersection serving the land north of the rail siding.

Preliminary conceptual designs for both of the recommended intersections have been identified. The intersection serving the southern area (Area A) can be constructed as a standard rural right turn bay 'T' intersection in accordance with MOTSAM Figure 3.25 standard. The recommended positioning for the intersection is approximately 340 metres to the north of the Tarawera Road overbridge.

The intersection serving the larger area to the north of the Super Skid rail siding (Area B) is recommended to be a rural roundabout with a minimum 30 metre inscribed diameter and designed to current Austroads standards. The recommended location for the roundabout is approximately 500 to 600 metres north of the Super Skid railway underpass. The location and design requirements for these intersections are reflected in the Structure Plan in **Schedule 2**.

In addition, a crossing of the rail siding to the Super Skid site is recommended within the site but near to SH34. The purpose of the internal crossing is to facilitate movement within the industrial area without loading internal trips onto the state highway. The location of the internal crossing is also shown on the Structure Plan in **Schedule 2**.

In terms of timing, the intersections could be constructed at separate times if one of the development areas was progressed as an initial stage of development. It is likely that the land to the south of the rail siding may be developed first as the infrastructure costs to service it are likely to be lower. The transportation report recommends that the right turn out from that intersection (i.e. northbound) should be closed at such time as the intersection performance degrades from Level of Service D to E and at that time traffic will be diverted to the northern area roundabout. In terms of proposed rules, a cap of 30 hectares of developed land accessed from the right turn bay 'T' intersection alone has been set before triggering a requirement to construct the roundabout to Area B. At such time as the roundabout is built, the rules also require that an internal connecting road linking the two intersections must be constructed.

Alternatively if the right turn bay 'T' intersection and the roundabout are constructed at the same time then the Structure Plan requires that the southern access should be constructed to provide for no right turn out movement. It also requires the internal rail siding crossing to be constructed prior

to the development of the northern industrial area (Area A) and prior to the right turn out being closed.

In terms of the Rural Lifestyle zoned area, all access is proposed to be obtained to State Highway 34 via McKee Road and no a rule is proposed to ensure that no new access will be permitted directly to the State Highway. Within the Rural Lifestyle zoned area, all activities that are permitted to establish (farming, network utilities and accessory buildings to those activities) will be low traffic generators. Due to their potentially high traffic generating nature, log storage handling activities will be Restricted Discretionary Activities within the Rural Lifestyle zoned area with discretion restricted only to effects relating to impacts on the State Highway.

On the basis of the assessment provided in the Transportation Report it is apparent that the traffic associated with the Putauaki Structure Plan can be accommodated on the roading network. This conclusion is subject to the formation of the proposed intersections to the standards set out in the Report and shown on the Structure Plan in **Schedule 2**.

Pedestrians and Cyclists

The transportation assessment identifies the importance of providing suitable facilities for walking and cycling throughout the internal road network of the future industrial area, including provision for crossing of the rail siding between the northern and southern industrial areas. The reporting also recommends provision for safe crossing facilities on SH34 between the mill site on the western side of the road and the new industrial area. It identifies that there may be demand for pedestrian and cyclist movements between the two areas, particularly if complementary services such as lunch bars to serve the employment areas are provided. The report recommends that a pedestrian refuge island could be used, but also identifies that this form of crossing would only be suitable if a speed reduction was imposed along SH34.

The decision to review the speed of this part of the state highway will need to be made by the NZTA as the road controlling authority, as will determination of the appropriateness of a pedestrian refuge for crossing of SH34. However, those matters are able to be considered in due course and it is not appropriate to address them as part of this Plan Change and Structure Plan process.

Cycling between the industrial area and Kawerau town should also be promoted and encouraged for employees. The distance is just over 1.5 kilometres and the terrain is flat, making cycling a practical travel option. Road shoulder widths on SH34 north of the intersection of Fletcher Avenue are between 1.5 and 2.0 metres, which provides adequate space for road cycling. The addition of painted cycle symbols in the road shoulder, together with signs reminding motorists of the presence of cyclists would be beneficial in promoting cycling to commuters. The intersection of SH34 and Fletcher Avenue would also benefit from advanced cycle stop boxes and cycle lanes to promote the presence of cyclists to motorists. Again, these improvements will need to be considered and ultimately determined by the NZTA as the road controlling authority for SH34.

Public Transport

The only public bus route in the area is a twice weekly service between Whakatane and Kawerau. Therefore opportunities for employee use of public transport as a means of commuting to and from the future industrial area are not good at present. The transportation assessment recommends that provision for a bus stop should be made within the industrial area. That option will be available, however, it is not considered necessary to impose any rules at this stage in relation to the provision of a bus stop. That matter can be addressed at a future time if a road is proposed through the Plan Change land.

Rail Transport

The site's location adjacent to the East Coast Main Trunk railway presents potential future opportunities for rail transportation of goods. This could be accommodated by the construction of another rail siding, similar to the existing privately owned rail siding which services the Super Skid site. The Structure Plan does not provide a fixed position for any such rail siding as the need for such a connection will be determined by the nature and haulage requirements of future businesses. However it is clear that the Structure Plan will enable such a transportation option to be implemented if and when it becomes viable and practicable.

9.3 Visual and Landscape Effects

The site currently comprises predominantly rural pasture, in addition to the 'Super Skid' logging yard. The surrounding area contains a mix of rural land use, as well as highly modified sites that are dominated by large scale buildings and structures associated with the established heavy industrial activities in the area.

Despite the extent of modification to the landscape, nearby Mount Putauaki remains a dominant natural feature providing a distinct and clear landmark on arrival into Kawerau from the north. Mount Putauaki is located within the Whakatane District and the Operative Whakatane District Plan recognises the maunga as an outstanding landscape feature. It is evident from consultation with the local community that Mount Putauaki holds special significance in terms of the identity of the Kawerau area and also in terms of its cultural significance. It is also clear that there is a strong desire to enhance the natural landscape elements of the locality.

The rules that are proposed to be introduced seek to recognise the need to provide suitable buffers between the external boundaries of the Structure Plan area and adjoining sites. The proposed rules include a requirement to establish a 10 metre wide landscaped buffer strip within the Industrial zoned land along the full length of the boundary of the Structure Plan site with State Highway 34. The landscaped strip will be retained in private ownership (rather than vested in Council) and its establishment and maintenance will be the responsibility of the landowner/occupier depending on the individual circumstances. This will partially screen industrial activities on the Industrial zoned land and will assist in contributing soft landscape elements on approach to the township from State Highway 34. Views to Mount Putauaki are likely to be retained, particularly beyond the industrial area adjacent to the land that is proposed to be rezoned to Rural Lifestyle.

Landscaping strips of a lesser width will also be required along other external boundaries of the Structure Plan site. These landscaping strips will serve to provide a buffer to adjacent activities, which are likely, by virtue of the land's zoning, to continue to comprise forms of rural land use. The landscaping will also visually contain the industrial area by providing clear visual boundaries between the zones and by providing partial screening and softening of the visual impact of industrial buildings and structures within the Structure Plan area.

Whilst the development facilitated by the Structure Plan will invariably lead to a visible change in the landscape of the site and locality, the proposed rules will ensure that future buildings, structures and other areas associated with the industrial uses will be established in a manner that is generally sympathetic to the existing environment recognising the established nature of industrial activity in the immediate area. The locality already contains industrial land uses and is able to accommodate additional development without adversely impacting on the character and visual appearance of the area to any significant degree.

9.4 Effects on High Quality Soils

All of the Structure Plan land that is within the former Kawerau territorial authority boundary is already zoned Industrial and therefore has effectively already been removed from the productive land resource. The Structure Plan land area that has recently been transferred to Kawerau District Council is currently zoned Rural 1 (Plains) under the Operative Whakatane District Plan. The Rural 1 (Plains) Zone includes areas that are comprised of high quality soils. The purpose of the zone is to retain the characteristics of the finite soil resource.

The land comprising the Putauaki Structure Plan area is identified in the New Zealand Land Resource Inventory Worksheets as containing Class III soils.

The extent of land that will effectively be taken out of rural production due to the rezoning of the land for Industrial development is approximately 100 hectares, excluding approximately 10 hectares of land which is already zoned Industrial and which will retain an Industrial zoning. Approximately 15 hectares of existing land zoned Industrial within the Kawerau District has been signalled for rezoning to Rural (or similar) given that it is not of a suitable size, shape and location to enable its development for industrial purposes.

In the context of the supply of high quality soils within Kawerau District and Whakatane District, the area of land affected by this Plan Change is minimal. Furthermore, the provision for industrial development on this site will reduce future development pressures associated with the potential of more ad hoc establishment of industrial activities in rural areas as demand for usable industrial land increases. The local context is also such that allowance for additional industrial development within Kawerau has the potential to enhance the agricultural and horticultural sectors, by enabling the possibility of additional provision for processing and manufacturing of agricultural and horticultural products.

For these reasons, any adverse effects relating to the use of land comprising high quality soils for industrial development will be minor. Rather, the Structure Plan and Plan Change will have positive effects in appropriately planning for future growth, thus reducing the extent of ad hoc development that may otherwise occur and promoting Kawerau as a location for processing and manufacturing industry.

9.5 Ecology

The site currently comprises flat farmland with minimal ecological constraints and no apparent areas of high ecological values. The ecological issues that have been identified through the consultation process associated with this Plan Change relate in particular to the provision of appropriate services to avoid adverse impacts in terms of discharges to the Tarawera River.

It is proposed for wastewater to connect to the existing Council system. Associated discharges will be managed in the same manner as at present (i.e. through the existing municipal wastewater scheme) and will not create any capacity issues in terms of the existing system.

Stormwater discharges will be managed via soakage to ground on individual sites and probably within grass swales located within the road reserve. The process of soakage will ensure that contaminants collected off the road surfaces and the like will be filtered through the site's soils prior to eventual soakage into groundwater systems. On-site percolation testing has confirmed that the site's soakage characteristics are excellent and therefore suitable for disposal of stormwater to ground.

An opportunity exists to utilise plant species for landscaped buffer strips comprising native specimens. This has the potential to enhance ecological and biodiversity values.

9.6 Noise Effects

Noise related effects will be managed by the implementation of the noise levels recommended for industrial areas in the Acoustic Assessment Report prepared by Design Acoustics Ltd on behalf of Kawerau District Council (see **Appendix 4**). The proposed noise levels take account of existing background noise in relation to the Tasman Mill site and are based on ambient noise measurements undertaken at various locations in the Kawerau District. The noise levels will provide a balanced approach in terms of providing for future industrial activity within the Structure Plan area whilst also ensuring that noise related effects both within the Industrial Zone and beyond the boundaries of the zone are maintained at reasonable levels.

Noise effects have also been managed through site selection by ensuring that incompatible activities are not located alongside one another and by ensuring that provision for suitable buffering is provided (through setback rules and landscaping) to avoid reverse sensitivity effects arising.

The Structure Plan site is located within an area already subject to relatively high noise levels associated with the Tasman Mill and transportation noise from State Highway 34 and the East Coast Main Trunk railway. For this reason the location of an industrial area with low sensitivity to noise is appropriate on this site.

9.7 Cultural Effects / Archaeology

Extensive consultation has been undertaken with local tangata whenua in terms of both the Structure Plan area and the wider locality. This consultation has included meetings and correspondence with representatives of Ngati Awa and Ngati Tuwharetoa. Both groups represent tangata whenua interests in the Kawerau and Whakatane area.

Ngati Awa have provided a response (see **Appendix 10**) which confirms their support for the rezoning, particularly due to the potential for further employment opportunities to be generated in the Kawerau area. The response also notes the significance of the Tarawera River to Ngati Awa.

The response from Ngati Tuwharetoa (BOP) Settlement Trust has also confirmed that the proposed Plan Change will not directly impact on the Trust's cultural values. The Trust has provided its support in principal to the proposal and has acknowledged the anticipated positive outcomes resulting from the provision of additional industrial land, particularly in terms of employment opportunities and synergies with existing industry. The Trust has requested ongoing involvement during future development of the land, and has identified a need for discovery protocols to be in place prior to any subdivision or land use commencing.

In addition, the New Zealand Archaeological Association ('NZAA') records have been checked and these records do not identify any recorded archaeological sites within the Plan Change area. The site also displays no evidence that indicates the likely presence of archaeological features. In particular, the site is flat and it is not located immediately adjacent to any water bodies.

Therefore, on the basis of the consultation and investigations undertaken, it is unlikely that there will be any adverse cultural and archaeological effects associated with the development of the Plan Change land.

9.8 Urban Design

The New Zealand Urban Design Protocol (Ministry for the Environment, March 2005) defines 'urban design' as follows:

"Urban design is concerned with the design of the buildings, places, spaces and networks that make up our towns and cities, and the ways people use them. It ranges in scale from a metropolitan region, city or town down to a street, public space or even a single building. Urban design is concerned not just with appearances and built form but with the environmental, economic, social and cultural consequences of design. It is an approach that draws together many different sectors and professions, and it includes both the process of decision-making as well as the outcomes of design."

The Urban Design Protocol also identifies seven essential design qualities that create quality urban design: the 'seven Cs'. They are Context, Character, Choice, Connections, Creativity, Custodianship and Collaboration.

The context in relation to this Plan Change is that there is a need for additional industrial land to maintain a competitive economic environment in Kawerau. Another relevant contextual matter is the existing character of the site and the entire Kawerau district, which is heavily influenced by industrial land uses and particularly the nearby Tasman Mill site. These factors strongly contribute to the existing character of the area and they will continue to do so following the development of the land that is the subject of this Plan Change.

Choice is a key factor in relation to this Plan Change. The provision of additional industrial land in Kawerau will provide significant opportunities for businesses to choose to establish in Kawerau. The market demand for industrial land is potentially driven by the environment that the land availability itself creates. The Kawerau economy will be driven by the provision of industrial land rather than the need to provide business land for expected growth.

The land that is the subject of this Plan Change is very well connected in terms of transport linkages and this has been a key consideration in identifying the land as being suitable for industrial development. The Plan Change area has excellent access to the State Highway network, and is also located adjacent to the ECMT. Therefore opportunities exist for the site to be serviced by both road and rail modes of transportation, providing excellent connections to the Port of Tauranga. These factors are of particular importance given the intended use of the site for industrial purposes.

The preparation of the Putauaki Structure Plan has involved a process of collaboration with identified stakeholders, including the current landowner (the Putauaki Trust) who exercises custodianship over the land. Their development aspirations for the site have been taken into account in developing the changes to the District Plan which are set out in this Plan Change report. The process has also involved identification of community design aspirations and identification of key constraints and urban design objectives. The Structure Plan provides a form of master planning to ensure that the built environment is developed in a manner that responds to these aspirations and constraints and to the character and context of the site.

Taking account of all of the above matters, the key urban design outcomes sought through this Plan Change are as follows:

(a) The establishment of landscaped buffer areas along external edges of the Structure Plan site is intended to assist in visually containing the Structure Plan area. This is important to ensure

- that the visual corridor on approach to the Kawerau township is preserved for persons entering Kawerau from State Highway 34.
- (b) Higher standards of amenity are sought to be achieved for this Plan Change area than for some other existing industrial areas in Kawerau. In particular, noise standards are proposed in response to feedback provided during consultation which indicated a strong desire to avoid cumulative noise effects from contributing to an excessively high noise environment.
- (c) Defined access points to SH34 and a defined crossing place over the railway siding. Identification of these transport connections will contribute to enhancement of the site's transport connections.
- (d) Avoidance of reverse sensitivity effects through standards which seek to maintain buffers between the industrial area and surrounding rural areas.
- (e) Potential for road and rail connections to enhance linkages between industrial land in Kawerau and surrounding markets, as well as the Port of Tauranga.

10 PART II – RESOURCE MANAGEMENT ACT 1991 (RMA)

An assessment of Part II of the Resource Management Act 1991 as the provisions relate to this Plan Change is set out below.

Section 5 – Purpose

Part II, section 5(1) of the RMA states the Acts purpose, which is:

"To promote the sustainable management of natural and physical resources."

In the RMA, sustainable management means:

- "Managing the use, development, and protection of natural and physical resources in a way, or at a rate, which enables people and communities to provide for their social, economic and cultural well being and for their health and safety while;
- (a) sustaining the potential of natural and physical resources (excluding minerals) to meet the reasonable foreseeable needs of future generations; and
- (b) safeguarding the life-supporting capacity of air, water, soil, and ecosystems; and
- (c) avoiding, remedying or mitigating any adverse effects of activities on the environment."

Applying Section 5 involves a broad overall judgement of whether a proposal would promote the sustainable management of natural and physical resources. The proposed Structure Plan and Plan Change will enable people and the existing and future Kawerau and Whakatane communities to provide for their social, economic and cultural wellbeing. It will do this by providing for the accommodation of additional industrial growth in an appropriate location adjoining existing industry and on a site that is suitably located to take advantage of existing established infrastructure and services with relatively minor upgrades and extensions. The proposed Plan Change supports the recommendations of previous strategies and investigations in relation to industrial land supply and will assist in providing additional industrial land that is capable of being used and developed in an efficient manner. The Plan Change incorporates appropriate provisions to ensure that any adverse effects on the environment from future growth can be assessed and managed in order to avoid,

remedy or mitigate any effects on the environment. Therefore the plan change is consistent with section 5 of the Act.

<u>Section 6 – Matters of National Importance</u>

Section 6 of the RMA sets out various matters of national importance that must be provided for when exercising functions under the Act. The following matters in Section 6 are considered to be relevant:

"(b) The protection of outstanding natural features and landscapes from inappropriate subdivision, use, and development"

Mount Putauaki is recognised as an outstanding natural feature/landscape within the Operative Whakatane District Plan. While the Plan Change land is relatively remote from Mount Putauaki, the Plan Change and Structure Plan incorporates requirements for indigenous landscape planting to protect the wider landscape context within which Mount Putauaki sits.

It is considered that the proposed rules will afford adequate protection in terms of ensuring that future development of the site occurs in a manner that is sympathetic to the existing landscape and in particular the landscape feature of Mount Putauaki. On this basis the proposal will be consistent with section 6(b).

"(e) The relationship of Maori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga"

The Structure Plan process has included extensive tangata whenua consultation, which has resulted in both Ngati Awa and Ngati Tuwharetoa confirming their support for the Plan Change. Therefore the Plan Change process has acknowledged and respected the relationship of Maori and their culture and traditions with their ancestral lands, water, sites, waahi tapu and other taonga consistent with section 6(e).

"(f) the protection of historic heritage from inappropriate subdivision, use, and development"

While the area around Kawerau is significant in terms of Maori and early European history, it is evident from the consultation which has been undertaken that the Plan Change area does not contain any known sites of special historic heritage significance which would prevent development of the land from taking place.

Furthermore, some of the land that comprises the Putauaki Structure Plan area is already zoned Industrial and therefore development of part of the land has already been anticipated. There are no sites of historical significance noted in either the Operative Kawerau District Plan or the Operative Whakatane District Plan in relation to the land that is subject to the Structure Plan.

Accordingly, the proposal is considered to be consistent with section 6(f).

Section 7 – Other Matters

Section 7 lists other matters that particular regard is to be had to in achieving the purposes of the Act. The listed matters are not threshold tests or criteria but, where a proposal raises issues of the kind listed, they are to be given particular regard. The section 7 issues that are relevant to this plan change are:

"(a) Kaitiakitanga" and "(aa) The ethic of stewardship"

Tangata whenua have been actively involved in the statutory processes associated with the development of this Structure Plan and Plan Change. This has enabled tangata whenua to play a role in guiding the future development of the site, including assisting in determining important environmental bottom lines. This in turn has provided tangata whenua with the opportunity to exercise a degree of stewardship over resources within and adjacent to the Structure Plan area. This will continue to be the case as the land is owned by the Putauaki Trust which comprises tangata whenua of the area. On this basis it is considered that the matters under section 7(a) and (aa) have been satisfied.

"(b) The efficient use and development of natural and physical resources"

In terms of section 7(b) the proposal to develop further land surrounding the existing township of Kawerau and surrounding existing industrial activities represents an efficient use and development of the land. Part of the land is already zoned Industrial and the entire Structure Plan area is located such that infrastructure services from the existing urban area can be extended to service the area.

The Business Land Demand Report prepared by Property Economics has identified that there is insufficient land to accommodate future industrial growth and confirmed the need for additional industrial land supply. It is therefore considered practical and appropriate that the land be rezoned to enable future development for industrial purposes at such a time as the demand exists.

It is considered that the proposal is consistent with section 7(b).

"(c) The maintenance and enhancement of amenity values." and "(f) Maintenance and enhancement of the quality of the environment"

Amenity values in the locality are currently relatively low due to the site's proximity to the Tasman Mill site immediately opposite. This makes the site ideal for industrial development given the compatible nature of the activities and associated effects.

Rules proposed for the Putauaki Structure Plan area also seek to achieve the relevant section 7(c) and (f) matters through provision for suitable landscaped buffers and yard setbacks and through new noise standards. It is considered that development in accordance with the rules of the Plan Change will ensure that an adequate level of amenity and a high quality environment is maintained.

"(g) Any finite characteristics of natural and physical resources"

Section 7(g) refers to finite resources. The finite resource of greatest significance to this Plan Change is the land that is proposed to be developed. The use of the land for the purpose of accommodating future industrial development in the area is considered to be an efficient use of the land resource. In the context of the supply of high quality soils in Kawerau and Whakatane districts, the area affected by this Plan Change is minimal. Furthermore, the provision for industrial development on this site will reduce future development pressures associated with more ad hoc establishment of industrial activities. It will also create the potential to support the local and regional agricultural and horticultural sectors by providing opportunities for the processing and manufacturing of agricultural and horticultural products. On this basis the proposal is consistent with Section 7(g).

"(j) the benefits to be derived from the use and development of renewable energy."

Consultation has been undertaken with Mighty River Power in relation to the Plan Change. Mighty River Power holds a suite of resource consents in relation to the operation of the Kawerau Geothermal power station, some of which relate to the use of geothermal fluid underneath the Putauaki Trust land. They have confirmed that they are in the process of registering easements over some of their assets within the land that is the subject of the Plan Change. The future easements and the existing resource consents will stay with the land irrespective of the zoning and will ensure that Mighty River Power's interests are protected. Furthermore, Mighty River Power's interests in the land will continue to be subject to private agreements with the landowner. Therefore the rezoning of the land will not constrain existing or future geothermal development in the area.

Section 8 – Treaty of Waitangi

Section 8 of the RMA states:

"In achieving the purpose of this Act, all persons exercising functions and powers under it, in relation to managing the use, development, and protection of natural and physical resources, shall take into account the principles of the Treaty of Waitangi."

In terms of this proposal, the relevant principles of section 8 are the principle of the active protection of rangatiratanga, the principle of partnership and the principle of mutual benefit. The consultation which has taken place is the usual way in which active protection of rangatiratanga is provided for. The consultation acknowledges the cultural authority status held by local iwi and the continuing role that they play in traditional, cultural and heritage terms in the sustainable management of natural and physical resources of the Kawerau area.

The principle of partnership is one where both parties (Councils and iwi) participate in the resource management process. The active participation is reflected in both the consultation undertaken to date in relation to the Plan Change and the manner in which the Structure Plan and new provisions have been developed in partnership with the Putauaki Trust. It is evidence that this principle has been followed.

The principle of mutual benefit applies in that both parties receive a measure of benefit from the consultation that is undertaken. Council benefits from an ongoing improved understanding of the cultural heritage associated with the area, while iwi benefit through the knowledge that their issues are being taken into account and that resources of significance to them will not be affected. In this instance, iwi will also benefit from the Plan Change as it will enable the Putauaki Trust the ability to develop their land.

The principles of the Treaty of Waitangi have thus been taken into account in respect of this application.

11 CONSULTATION

The procedures and requirements for consultation set out in Clause 3 of the RMA have been met in the preparation of this Plan Change. The following provides an overview of consultation undertaken to date in relation to the Plan Change and Putauaki Structure Plan:

Issues and Options Consultation

Consultation on the Plan Change commenced early in terms of the development of the Industrial Land Supply Scoping Report (September 2008). This early consultation sought to identify and initiate preliminary discussions with the community, tangata whenua and key stakeholders to elicit their opinions on industrial growth issues and potential solutions.

As part of the investigations into the proposed rezoning, a substantial amount of consultation was undertaken with key stakeholders who either have an interest in the land, its servicing, access to it or the existing resource arrangements relating to it. Separate consultation was undertaken with representatives of the Putauaki Trust, Environment Ngati Awa, Mighty River Power, Transpower, Transit New Zealand, Kawerau District Council services staff and Environment Bay of Plenty staff.

Key outcomes of the consultation included:

- The landowner (the Putauaki Trust) advised that they wished to be closely involved in the rezoning proposal, in particular in the protection of environmental bottom lines and the development and implementation of a consultation strategy for the rezoning proposal.
- Mighty River Power holds a suite of resource consents in relation to the operation of the Kawerau Geothermal power station, some of which relate to the use of geothermal fluid underneath the Putauaki Trust land.
- Transpower are concerned to ensure that any effects on their network are managed as well as managing any effects of their network on surrounding activities.
- Further discussions with Transit New Zealand (now the NZ Transport Agency) are required to confirm access proposals.
- The proposed rezoning area is located outside the reach of existing utility services such as wastewater and stormwater disposal and water supply.

Structure Plan and Plan Change Consultation

Consultation during the development of the Structure Plan and Plan Change took place from late 2009 through to early 2012 and will continue where necessary through the statutory processes of submissions and hearings on the Structure Plan and Plan Change. The consultation has included letters to nearby landowners around the Plan Change land outlining the proposal and seeking comments, telephone and email correspondence with identified stakeholders and individual meetings with key stakeholders.

Meetings have been held with a range of stakeholders including Ngati Awa, Ngati Tuwharetoa, trustees of the Putauaki Trust, the NZ Transport Agency (NZTA), Tasman Mill companies, Super Skid management, Hancock Forest Management, Mighty River Power, Kiwirail, Whakatane District Council staff and Bay of Plenty Regional Council staff. Consultation has also been undertaken with other key stakeholders including Vector, Transpower and the Department of Conservation.

In addition, the alteration to the boundary between Kawerau District Council and Whakatane District Council was also undertaken as a result of the proposal to rezone the land that is the subject of this Plan Change. The boundary alteration which was undertaken was publicly notified and open to submissions, and the reasons for the alteration (i.e. to allow for a future industrial Plan Change) were made clear at that time. Therefore that process also resulted in the future Plan Change being communicated to the local community. The boundary alteration did not receive any submissions in opposition.

The consultation process for the Structure Plan and Plan Change has assisted in identifying the issues specific to the Plan Change land and the form of the Structure Plan and Plan Change has been responsive to the feedback received. The consultation outcomes are discussed throughout this Plan Change report in reference to the proposed form of development which has taken into account the aspirations of the community wherever practicable.

Key outcomes of the consultation on the Structure Plan and Plan Change include:

- Ngati Awa and Ngati Tuwharetoa have both expressed their support for the Plan Change and Structure Plan;
- Rules have been developed in consultation with Ngati Awa relating to matters such as noise and landscaping to ensure that the environmental results meet their environmental bottom lines;
- Rules will be imposed to control the locations and design of access between the Plan Change land and State Highway 34 to ensure that effects on the State Highway are minimised. Assessment criteria have also been developed in consultation with NZTA for activities which do not comply with access related rules;
- Land to the south of McKee Road will remain generally undeveloped in response to concerns expressed by Tasman Mill companies in regards to potential urban development within that area. Their concerns relate particularly to effects associated with a chemical spill at the mill site;
- The crossing of the rail siding will be positioned so that it is clear of locations where trains stop when they are being loaded at the Super Skid site. An indicative crossing location is shown on the Structure Plan;
- Retention of existing rules in the Kawerau District Plan in relation to transmission lines and gas transmission pipelines. These rules address matters of interest to Transpower and Vector respectively.

A record of the consultation undertaken and the responses received is included in **Appendix 10**.

12 SECTION 32 ANALYSIS

12.1 General

Under section 32 of the Resource Management Act 1991, a local authority when proposing to undertake a variation to a District Plan must carry out an evaluation of alternatives, benefits and costs. The Environment Court in Eldamos Investments Ltd and others v Gisborne District Council (W047/2005) summarised the section 32 tests as follows:

- a) An objective in a district plan is to be evaluated by the extent to which:
 - It is the most appropriate way to achieve the purpose of the Act (s32(3)(a)); and
 - It assists the territorial authority to carry out its functions in order to achieve the purpose of the Act (s72); and
 - It is in accordance with the provisions of Part II (\$74(1)).
- b) A policy, rule, or other method in a district plan is to be evaluated by whether:
 - It is the most appropriate way to achieve the objectives of the plan (s32(3)); and
 - It assists the territorial authority to carry out its functions in order to achieve the purpose of the Act (s72);
 - It is in accordance with the provisions of Part II (\$74(1)); and
 - If it is a rule whether it achieves the objectives and policies of the plan (\$76(1)(b)).

12.2 Section 32 Summary

A detailed Section 32 analysis is contained in **Appendix 9** to this report. A summary of this analysis is provided as follows:

Section 32(3)(a) - The extent to which each objective is the most appropriate way to achieve the purpose of this Act.

The section 32 analysis confirms that the proposed objectives will be appropriate and will provide a positive policy platform to guide development within the Putauaki Structure Plan area. In particular the objectives will enable the community and developers to clearly see the overarching principles that the Council is trying to implement for the Plan Change. As the rules for the zone differ from rules in relation to other industrial areas in the District Plan, such a policy platform is critical as it will provide clear direction to the Council and other stakeholders in terms of practically enforcing the new provisions.

Section 32(3)(b) — Whether, having regard to their efficiency and effectiveness, the policies, rules, or other methods are the most appropriate for achieving the objectives.

An assessment of the individual policies, rules and other methods is made in **Appendix 9** and various alternatives are considered below. The assessment demonstrates that the proposed policies, rules and other methods will be the most appropriate for achieving the objectives for the Putauaki Structure Plan area.

Section 32(4) – For the purposes of the examinations referred to in subsections 3 and 3A, an evaluation must take into account:

- (a) The benefits and costs of policies, rules, or other methods; and
- (b) The risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the policies, rules, or other methods

The benefits of adopting the policies, rules and other methods are that future industrial growth and development within the Kawerau / Whakatane business catchment will be proactively and appropriately managed. This will ensure that such development is directed to a location where it is able to be accommodated and serviced. It is considered that the information at hand is both certain and sufficient for the purposes of making an informed decision. The potential costs of not acting are that existing land zoned industrial which is less appropriate for accommodating such uses will be developed, or that ad hoc development may occur through resource consent applications for activities of an industrial nature in areas that are not zoned for industrial purposes.

Section 32 of the RMA requires the consideration of alternatives and an assessment of costs and benefits of alternatives. The alternatives of the Plan Change are summarised under the relevant headings below:

Option 1 – *Do Minimum*

This option would see the existing 100 metre wide Industrial zoned corridor parallel with State Highway 34 being retained. Under this option the existing Rural zoning of the land previously located within Whakatane District would need to be changed due to the statutory requirements of Section 81(3) of the RMA. For the purposes of assessing the 'do minimum' option, consideration has been given to imposing a Rural Lifestyle zoning over the remaining land area.

This option would be likely to involve only moderately lower costs in terms of investment in wastewater and water supply infrastructure as it would still be necessary to provide this infrastructure to service the existing Industrial zoned area.

It is considered unlikely that the Industrial zoned portion of the site would be developed in its present form, particularly given the narrow shape of the zoned land and the issues associated with providing access to the land from State Highway 34. Development of the existing zoned land would also create safety issues in terms of the potential for a chemical spill from Tasman Mill. It is apparent from consultation undertaken with Mill companies that the area between McKee Road and the Transpower substation to the south is the most susceptible to flows of chemicals in the event of a failure of plant at the Mill. Thus it is desirable for that land to retain a low density of occupation and development.

Pursuing a "do minimum" option also involves the risk that ad hoc industrial development occurs through resource consent applications for the establishment of industrial activities 'out of zone'. The siting of individual businesses in an ad hoc manner negates the significant benefits associated with clustering like activities with similar levels of effects in a location identified as being appropriate based on the nature of existing activities in the vicinity.

Option 2 – Rezone the entire Plan Change area as Rural Lifestyle

This option would see the entire Plan Change land area rezoned to Rural Lifestyle, with no specific provision for Industrial development.

Under this scenario there would still be a need to rezone industrial land elsewhere in the district. This is because the option does not address the issue of shortage of industrial land supply which has been identified in the reporting undertaken by Property Economics, including the Business Land Demand Report and the Kawerau District Industrial Land Assessment (refer to **Appendices 6 and 7** respectively). Doing so would be contrary to the findings and recommendations of the Industrial Land Strategy, which identified the site that is the subject of this Plan Change as being the most suitable for accommodating industrial growth. That strategy assessed the various alternative locations considered and discussed the costs and benefits of each.

For these reasons this option is not considered to be practical.

Option 3 – Rezone the entire Plan Change area as Industrial

This option would see the entire Plan Change land area rezoned to Industrial, including the area between McKee Road and the Transpower substation to the south which is the most susceptible to flows of chemicals in the event of a failure of plant at the Tasman Mill. This option would result in the entire 171 hectares of land being rezoned Industrial.

Initial investigations into the rezoning of Industrial land identified the southern most area as potentially being well suited to Industrial development. The particular benefit of this area was the proximity of the land to the Kawerau township, and the associated reduction in infrastructure costs due to the shorter distance required to extend existing infrastructure networks (i.e. water supply and wastewater). However, this option was discounted following discussion with companies at the Tasman Mill who advised of the potential for a chemical spill to inundate this area. While such a spill is understood to be of low probability of occurring, it is of high consequence in terms of effects. This would particularly be the case if the land was developed for high intensity urban land uses. For this reason alone, the costs of this option in terms of risk to property and human health are

unacceptably high. Therefore the rezoning of the entire Plan Change area to Industrial has been discounted.

12.3 Schedule of District Plan Amendments

The amendments proposed to the Operative Kawerau District Plan are set out in **Schedule 1** to this report.

13 CONCLUSION

Kawerau District Council proposes to rezone an area of approximately 171 hectares of land located to the north east of the township of Kawerau. The purpose of the Plan Change is twofold; firstly it is to provide additional industrial land to address a shortage of industrial land supply in the Kawerau area, and secondly it is a statutory requirement as a consequence of a recent boundary alteration between Kawerau District Council and Whakatane District Council.

As part of the Plan Change, a total of approximately 112 hectares of land is proposed to be rezoned to 'Industrial'. In addition, approximately 59 hectares of land is proposed to be rezoned to 'Rural Lifestyle'. Both of these zones already exist in the Operative Kawerau District Plan. However, the land is also proposed to be subject to additional site specific standards which reflect a Structure Plan which has been developed for the area as well as sensitivities of parts of the site in terms of established adjacent industrial uses.

The Plan Change follows a process of extensive investigation of issues and options for future industrial land supply to service an identified demand in the Kawerau and Whakatane District territorial authority areas. The process was initially reflected in the development of a Business Land Demand Report (Property Economics, August 2008) which was followed by an Industrial Land Strategy Scoping Report (Bloxam Burnett and Olliver, September 2008) and a subsequent Kawerau District Industrial Land Assessment (Property Economics, April 2010).

The Plan Change also follows a boundary alteration which was progressed between Kawerau District Council and Whakatane District Council. As a result, the land that is the subject of this Plan Change is now located wholly within Kawerau District. This has the advantage of ensuring that activities within the Plan Change area can be managed by a single territorial authority under a single District Plan.

Having considered the actual and potential effects associated with the Plan Change it is considered that any adverse effects of the proposal on the environment can be satisfactorily avoided, remedied or mitigated. Furthermore, having considered various other alternative options, it is considered that the proposal set out in this Plan Change report is the most appropriate and effective means of achieving Kawerau District Council's objectives.

Specific objectives, policies and rules will be inserted in relation to the Plan Change area and will be complemented by the existing District Plan provisions. The details of these changes are described throughout this Plan Change report and are set out in full in Schedule 1 to this report.

It is concluded that the Plan Change will promote the sustainable management of natural and physical resources and will accordingly be consistent with the purpose and principles of the Resource Management Act 1991.