



**PROPOSED WAIRAU/AWATERE
RESOURCE MANAGEMENT PLAN**

**Proposed Variation No. 49: Industrial 2 Rezoning
between Riverlands Industrial Estate and Cloudy
Bay Business Park**

REPORT PREPARED TO FULFIL THE REQUIREMENTS OF
SECTION 32 OF THE
RESOURCE MANAGEMENT ACT 1991

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INTRODUCTION

This report sets out an evaluation behind the Marlborough District Council's (the Council) decision to vary the Proposed Wairau/Awatere Resource Management Plan (Plan), in respect of Industrial 2 zoned land.

The proposed variation addresses resource management issues that have arisen out of increased pressure for Industrial 2 land in the District. The Council considers that the Plan does not zone adequate Industrial 2 land to meet current and future demand.

The proposed variation seeks to rezone adequate land to meet current and future Industrial 2 demands, in a manner that is effective and efficient in terms of sustainable resource management and community outcomes.

Availability of Land for Rezoning

A number of offers of rural land were made to the Council for consideration for rezoning to Industrial 2. The land equated to 90.63 hectares, made up of:

26.08 hectares owned by Pernod Ricard NZ Limited, located immediately to the east of the existing Riverlands Industrial estate, and legally described as Lot 1 DP 4447 (comprising 0.84 hectare area that dissects the Marlborough Development Company land.) The site is currently used for wine processing and cellar door, and is the subject of a number of resource consents arising from the incremental expansion of these activities over time. Approximately half the land is undeveloped.

16.54 hectares owned by Mt Riley, located to the north and across State Highway 1 from the existing Riverlands Industrial Estate, and legally described as Lot 2 and Lot 4 DP 9650

32.20 hectares owned by Marlborough Development Company, located between the existing Riverlands Industrial Estate and Cloudy Bay Business Park adjacent to the main trunk rail line, and legally described as Lot 1 DP 323372, Lots 3 and 4 DP 8762, and a portion of Lot 2 DP8762 (subject to a pending subdivision, resource consent 051089). The site is currently used for grazing pasture and accommodates a 9 hole golf course and driving range.

2.67 hectares owned by G Boon, located to the south of the existing Riverlands Industrial Estate adjacent to the main trunk rail line, and legally described as Lot 2 DP 323372

13.14 hectares owned by Riverlands Estate Wines Limited, located to the east of the Pernod Ricard NZ Limited block adjacent to SH1, and legally described Lot 1 DP 8762

Land subject to the Proposed variation

Due consideration was given to facts arising from investigative work undertaken (outlined in 2.1.2 below). The Council passed a Resolution on 14 December 2006 to consider land for rezoning as:

- 32.20 hectares owned by Marlborough Development Company and
- 0.84 hectares owned by Pernod Ricard NZ Limited.

On further request from Pernod Ricard NZ Limited, the land (shown as Appendix 1) that is now the subject of this proposed variation includes:

31 hectares, more or less, owned by Marlborough Development Company, comprising the original land offer less approximately 1 hectare of Rural 3 land, along the north boundary, containing the Riverlands Co-op Drain.

21.95 hectares reconsidered following a request from Pernod Ricard NZ Limited, and comprising the original land offer less an area of Rural 3 land used for grape vines, adjacent to State Highway 1, that offers high amenity values and 'gateway' significance for Blenheim and the Wairau Plain.

SECTION 32 REQUIREMENTS

In notifying any variation to the Plan, the Council has a duty under section 32 of the Resource Management Act 1991 (RMA) to evaluate a number of matters.

The section 32 process of the RMA assists in ensuring that good environmental outcomes are achieved, plan provisions are targeted at achieving the purpose of the RMA by the most appropriate methods, there is sound policy analysis to base decisions and for reassessing whether the chosen provisions are necessary and appropriate once they are in use. An evaluation under section 32 has to be carried out before the Council publicly notifies the proposed variation and then again before making a decision on submissions received. A section 32 evaluation must examine the extent to which each objective, policy, rule and method is the most efficient and effective and/or appropriate way to achieve the purpose of this Act. It must also take into account the benefits and costs of policies, rules, or other methods, and the risk of acting or not acting.

This report fulfils the requirements of section 32(5) RMA in terms of summarising the evaluation undertaken.

STRUCTURE OF THIS REPORT

Part A: Background information, including investigation and analysis of the issues determined through Council initiated research and public consultation.

Part B: The legislative framework within which resource and environmental issues are currently managed.

Part C: The evaluation required under the RMA of the actual changes proposed to the Plan.

The proposed Schedule of Changes to the Plan, which sets out the proposed variation, is attached as **Appendix 1**.

PART A: BACKGROUND AND INVESTIGATIONS UNDERTAKEN

Background

The Council has received a number of requests for rezoning land to provide for industrial activity, in particular heavy or process based industry, in the Riverlands area. Riverlands is an existing node of Industrial 2 activity.

Research and Investigation Undertaken by the Council

The following investigative work was undertaken to determine the industrial land requirements in Blenheim and the potential effects of rezoning:

- A study into the current business and industrial land resources, growth trends and direction for future activity growth undertaken by Davie Lovell-Smith Limited on behalf of the Council (July 2005)
- An Engineering Report, prepared by Marlborough Management Services Limited on behalf of Marlborough Development Company, covering services and roading infrastructure (March 2006)
- An assessment of the future business and industrial land demand in Blenheim undertaken by Market Economics Ltd on behalf of the Council (April 2006).

- A Transportation Assessment arising from potential Industrial zone expansion, undertaken by Planit RW Batty & Associates Ltd on behalf of the Council (September 2006).
- Council initiated public consultation on a possible Plan variation, focused on land for large format retail and industrial activities in Marlborough (September 2006)

Copies of these reports are available from the Council.

Davie Lovell-Smith Limited Study

This study involved an investigation of the current business and industrial land resources, growth trends and direction for future growth in these activities in the Plan area, and in particular in Blenheim.

The key objectives of the study were to:

- Review the adequacy of the current land bank for a range of anticipated commercial activities, including industrial land, particularly within the urban areas of southern Marlborough;
- Determine the land use needs for, and likely growth, in these activities;
- Determine the relationship of these activities to each other, to the anticipated outcomes of current zones, and the influence these activities may have on the description and location of future zoning; and
- Identify options, through plan changes, to provide for anticipated demand across this range of activities.

The study looked at existing industrial zones in the Blenheim area to determine the breakdown of land-use type within each, including the identification of vacant land (the study considered vacant land to be where there was no obvious development of the site). The study reported that:

- Burleigh Industrial 2 area covers approximately 7.8 hectares. There is no vacant land; 54% of the area is under heavy industrial use and 43% of the area is under big bin/bulk retail use, with the remainder under office use.
- Alabama Road (West) Industrial 2 Zone covers 16.9 hectares. Within the area, 59% is under heavy industrial use, 5% service industry and 37% vacant and used for pasture.
- Alabama Road (East) Industrial 2 Zone covers 1.1 ha. Within the area 93% is taken up by one heavy industrial operator with the remainder (8%, 0.08ha) vacant.
- Riverlands Industrial 2 Zone covers 33 hectares. Within the area just over 13% is used for heavy industry, 10% automotive/marine industries, 34% is currently vacant and the remainder is under a variety of industrial related activity.
- Cloudy Bay Industrial 2 Zone covers 15.8 hectares. Within the area 27% is under heavy industrial use with 26% under a mixture of light industry, warehousing and automotive/marine industries and the remainder vacant.

The study looked at the existing and projected growth rates for industry. It principally used data from Marlborough District Council's Building Application Management and Processing System (BAMPS). The BAMPS data showed that between 1994 and 2004, 100 building consents were issued for industrial related activities, 62 for new facilities with the remainder associated with existing facilities. Of the new facilities consented, 95% were from within the Blenheim environs. While not specifically noted in the building consent information, much of the industrial activity is inferred as being related to wine processing and support industries.

Present uses of existing industrial zones were reviewed, and growth in industrial activities over the last 10 years analysed, using business surveys and discussions with key professionals.

A Business Survey was undertaken by the Marlborough District Council in February 2005. The survey involved questionnaires distributed to 890 business and commercial property rate payers in the Wairau/Awatere area (Survey 1). Following this, another survey (Survey 2), involving 127 smaller questionnaires, was sent to parties appearing on the Council rating database whose properties are zoned for industrial or business use, but are understood to be used for other purposes.

The rate of response for Survey 1 was approximately 29% (256 responses out of 890), and for Survey 2 the response rate was 43% (55 responses out of 127). The results of Survey 1 showed that 78% of respondents were satisfied with their existing sites. Of those that would consider moving the main reasons would be location or to obtain a larger site. Of the remaining 22% that were dissatisfied with their current site, only a quarter had investigated the availability of new sites. The majority of these were without success. Most of the parties responding in Survey 2 currently used their land for residential purposes and most intended to continue with their existing land use.

The Davie Lovell-Smith study undertook interviews with key professionals involved in the developing and marketing of land and real estate, such as the Real Estate Institute, valuers, and Chamber of Commerce. Evidence was principally anecdotal, rather than quantitative. It was suggested that there is demand for land that cannot be met by the current land bank due to site size and location. Market pressure is principally from light to medium industry, particularly associated with the wine industry and related support services.

The study also found that the objectives and policies contained within the Plan do not support or promote industrial activity within Marlborough, but seek to limit its effects on surrounding land uses. The study promoted rezoning as an option for addressing the problem. Rezoned land would need to consider the location of different activities, such as the need for heavy industry to be located away from residential properties.

Finally, in looking at the requirements for, and constraints of, meeting the demand for more industrial land in terms of specific site and infrastructural issues, the Davie Lovell-Smith report considered that sites to the east (Alabama Road and southeast Riverlands) and southeast of Blenheim appear to be the most appropriate for the purposes of heavy to medium industry expansion due to existing land uses and separation from more sensitive uses. It was suggested that infrastructure was capable of absorbing most types of industrial activity, but consideration would be needed, and provision made, where 'wet' industry established.

Blenheim Business Land Study

A Market Economics Report (April 2006) assessed the future business and industrial land demand in Blenheim. Its objectives were to establish the current demand and supply situation, demand drivers in Blenheim and Marlborough, and what influences it, and assess the total demand for industrial and commercial land over the next 20 years to determine the adequacy of land supply.

The report confirms that viticulture, agriculture and agriculture services, forestry, fisheries and horticulture are the 'key' employment sectors in Marlborough. However, much of the growth in the Blenheim area is as a result of viticulture and related processing and support services.

The report notes that there is only limited industrial activity outside of Blenheim. The report identifies the three key drivers of industrial land demand as:

- Population based demand, as different sectors of the economy grow or decline to supply the changing population.
- Production based demand, influenced by changes in the economy, usually from outside the region and often international. Included in this demand are sub-categories:
 - o 'Key' production based sectors, which are expected to drive much of the demand for industrial and commercial land in Marlborough (such as viticulture and forestry)
 - o Other production based sectors.

- Indirect/downstream demands arising as growth industries create work in their key suppliers to provide resources to fuel their operation.

The report looks at employment growth in Marlborough. It uses Statistics New Zealand's household projections and employment per household figures to project employment levels forward to 2025. Using a low growth rate scenario, total employment growth in Marlborough to 2025 is projected to be 2,870, and 5,490 using a high growth rate scenario. The significant difference between low and high scenarios reflects the impact possible labour shortages may have on economic activity in the Region.

The report identifies 35 ha of vacant land, of which 99% is within industrial 1 or 2 zoned land. It draws from the Davie Lovell-Smith report that, due to size and locational issues, a significant proportion of this land is unattractive to business.

Future land use requirements were calculated using four density scenarios of space per FTE ("full time equivalent"). Medium, low and high growth rate scenarios were assessed.

The report projects that, assuming there is sufficient available labour to supply the labour demand, between 13 and 20 hectares will be required to accommodate business and industrial development to 2025, factoring in a take-up of between 30% and 50% of existing vacant land.

The report recommended that the Council consider the location of new land supply while avoiding, as much as possible, the removal of productive land from use by those key sectors driving the demand for new land.

From the background assessment and consultation process, it was identified that a significant amount of retail activity takes place within industrial zones. The report suggests that it would be preferable for such retail activities to take place within an appropriately zoned environment to alleviate risks such as reverse sensitivity conflicts. This issue is outside the scope of this proposed variation, and is best dealt with within the scope of a pending Plan Review.

Engineering Assessment

Marlborough Management Services Ltd undertook a preliminary investigation of the servicing of the proposed industrial expansion, on behalf of Marlborough Development Company, to identify any issues that would prevent rezoning of the Marlborough Development Company land. The investigation considered demand and available service capacity of water supply, stormwater, sewer and roading infrastructure.

Water Supply

Water is supplied through a reticulated pipe to the Riverlands Industrial Area and Cloudy Bay Business Park from a well at Malthouse Lane. The water permit for the Malthouse supply is valid until 30 June 2009, and allows a maximum abstraction of 3,900m³ per day. Another well along Hardings Road, with a maximum abstraction of 5,650m³ per day and valid until 1 May 2014, provides a backup supply for the two industrial areas. In addition, there is a 4,500m³ reservoir at Cloudy Bay Business Park (formerly associated with the PPCS meat works site) providing some 23 hours storage. Peak water supply in April 2005, for Riverlands, Cloudy Bay Business Park and Brancott winery, was approximately 3,000m² per day.

The study estimates that full development of the Marlborough Development Company land, combined with the existing usage at Riverlands Industrial Estate and Cloudy Bay Business Park, will draw approximately 4,730m³ of water per day, or half the available capacity

Stormwater

The stormwater drainage system, comprised of a series of open drains, buried culverts and closed pipes, is provided by the Riverlands Industrial Drain, and an independent stormwater system from Cloudy Bay Business Park. The receiving environment for the Riverlands Industrial drain is the Wairau Lagoons, which has reached capacity. The Cloudy Bay Business Park system discharges into the Riverlands Co-op Floodway.

The report states that the Riverlands Co-op Floodway is the only possible receiving environments available for stormwater from any proposed development on the Marlborough Development Company land. An upgrade of the Floodway has been completed from the outfall at Vernon Lagoon to Cloudy Bay Business Park, however storm event assessments have determined that further stopbank construction is needed to complete the Riverlands Co-op Floodway upgrade.

In assessing the demand or stormwater 'load' from the proposed development, the report highlights that, due to the extent to which the Riverlands Co-op Drain is relied upon as a major receiving environment, during widespread flood events, it is probable that the floodway water level will be higher than the subject land. The report suggests this can be managed by:

- Raising the level of the subject land to allow natural gravity drainage for the whole development, but requiring the importation of a vast quantity of fill material.
- Development of a large stormwater retention facility to store run-off from the subject land during high water periods, and allowing gradual drainage as floodwaters recede.
- Creating two independent drainage systems, collecting water from roofs for connection to a closed system and discharging direct to the Floodway as flow levels allow, and from road and hardstand areas to a stormwater retention facility (as above).
- Construct one or more flood pumping stations (capable of coping with a 50 year return period flood), allowing run-off to occur into the Floodway irrespective of water levels.

The report recommends a combination of the above options, with excavation of a retention pond at the lowest part of the subject land, utilising the resulting fill where appropriate, direct connection of roof areas to the Floodway, and construction of a single flood pumping station on the retention pond outlet to allow some discharge from the pond whilst flood levels are high.

A number of benefits from this solution are suggested, including high quality water entering the Floodway and limited size of the pond and pump.

The report notes component sizing of the pond and pump cannot be made accurately without a detailed hydrological study, taking into account local flood events, and knowledge of the extent of the proposed on-site developments. However, the report calculates that a total pond area of approximately 4,500m² should be adequate.

Sewer

The existing Riverlands Industrial Estate is serviced by a new sewer, upgraded in 2003 as part of the Main Outfall Pumping Station, and has a capacity of 110 litres per second. The Cloudy Bay Business Park utilises services installed for the old PPCS meatworks, with a gravity main providing a capacity of 210 litres per second.

Based on a variety of water demand and waste water gauging records, the report estimates that the wastewater flow from the combined and fully developed Riverlands Industrial Estate, Cloudy Bay Business Park and rezoned land will be 67 litres per second. This is significantly lower than the estimated combined capacity, however a significant percentage of this capacity is available within the CBBP gravity sewer.

Traffic Management

The Traffic Management report uses Transit NZ traffic counts to calculate approximately 3,000 vehicles movements per day from the combined two industrial areas and Brancott Winery. A further 850 equivalent vehicle movements per day could be expected from the existing industrial areas, if fully developed. Calculated on a per hectare basis, there is an anticipated increase of 1,690 vehicle movements per day from the rezoning of the Marlborough Development Company development land.

Assuming a 50/50 split of traffic movement from the Marlborough Development Company land between the existing entrance/exit points at Riverlands and Cloudy Bay, the report considered post development traffic generation would equate to 3,530 at the Riverlands access and 1,965 at the Cloudy Bay Business Park access. This is considered to be well within the acceptable limits based on the Austroads *Guide to Traffic Engineering Practice*, which is accepted as the design standard in New Zealand.

Engineering Assessment Conclusion

In conclusion, the Engineering Assessment suggests that development of the subject land can occur without expensive upgrading of trunk infrastructure services. However, stormwater management is a significant issue which will require work from the outset of the development of the subject land.

Transportation Study

Planit RW Batty & Associates Ltd undertook a Transportation Assessment to identify key issue and potential transportation outcomes that may arise as a consequence of rezoning Industrial 2 land south-east of Blenheim. The report assessed two separate sites; one of the land to the north of State Highway 1 (Mount Riley, excluded from this Section 32 Report); and, the other, the subject land, and the impact on SH1 intersections of Sheffield Street and Cloudy Bay Drive.

The report identified issues significant to Transit New Zealand and/or Marlborough Roads. These included the ability to maintain and protect the function of the road hierarchy, effect on efficiency and safety of traffic, level and type of traffic generation, impact of anticipated growth areas and future programmed transport improvements. The assessment assigned positive or negative weightings to a set of criteria to score the site.

The report predicted traffic on SH1, in the vicinity of the subject land, will, by 2010, be approximately 8,000 vehicles per day. With development of the subject land, traffic in the network was predicted to increase to 16,000 vehicles per day by 2010.

Rezoning of the development land will enable the provision of an internal link between the existing Riverlands Industrial Estate and Cloudy Bay Business Park. This will enable traffic entering the network to be split between the existing Sheffield Street and Cloudy Bay Drive intersections. These two intersections have been designed to cater for large levels of industrial traffic in a high speed environment. On the basis of a 70/30 split, additional traffic should be catered for without significant impact to the network. However, the report suggests the introduction of this level of traffic may bring forward a need for upgrading, particularly at the Sheffield Street intersection, and necessitate a speed review.

The report concluded that expansion of Industrial 2 activity by rezoning the subject land fell within the 'considered appropriate' category.

Public Consultation

In September 2006 the Council produced a discussion document, entitled "*Proposed Plan Variation for Business and Industrial Zones*", which pulled together the results and recommendations of the investigative work the Council had undertaken for both business and industrial land, and provided background information and some possible options to address the issues identified.

The majority consensus of the community feedback was that of a perceived shortfall of industrial development land.

There was overwhelming feedback support (90%) for rezoning of land at Riverlands. The development land was thought to be a logical expansion of existing land use, and provided natural infill between current sites. Respondents recognised the area's existing infrastructure, strategic location to SH1, and its limited agricultural use value.

Those who opposed rezoning at Riverlands were concerned about noise, light and industrial pollutants. The quality of the environment of large industrial areas, such as Riverlands, was also raised and it was suggested that greater landscape screening was desirable to mitigate the visual impact of industrial expansion and improve visual amenity. Road safety was also raised as an issue.

Issues Identified from Research and Investigation

The Council accepted the conclusions reached by the investigations undertaken on its behalf.

Council officers reviewed the Engineering Report, prepared by Marlborough Management Services Limited on behalf of Marlborough Development Company. Council officers considered the assessment of existing services was accurate, and the assessment of demand or 'load', from proposed development of the subject land, acceptable on the basis of the assumptions made. Stormwater management was confirmed as the most significant infrastructure issue in development of the subject land. In their review of the Marlborough Management Services Report, Council Officers reiterated the importance for the subject land to have a successful stormwater management system. Further, this system, and particularly the ponding basin component of it, would need to be established before any development was undertaken on the subject land to ensure the best environmental outcomes.

Through the investigative work undertaken by the Council, and on behalf of Marlborough Development Company, it emerged that:

- There is a lack of suitable, available Industrial 2 zoned land in the vicinity of Blenheim. There is virtually no available industrial 2 land, at a size or scale demanded by the current market. While industrial activity around Blenheim is strong, and there is a risk that growth may be being constrained. Population growth in Blenheim and Marlborough is predicted to increase and new employment opportunities will be necessary for the continued economic prosperity of the town and region.
- Existing infrastructure has some capacity to accommodate initial industrial development in the Riverlands/Cloudy Bay area, with further infrastructure expansion planned. Where some activities have a greater impact on infrastructure than others, the industrial 'mix' that is introduced to the subject land will determine the extent and timing of infrastructure upgrades needed. However, management of stormwater is a significant issue which requires attention before any development is undertaken on the subject land.
- The community is generally in support of the Riverlands area being used for industrial activities. It became evident from public feedback that activities undertaken on Industrial 2 zoned land have a significant negative impact on the amenity and that greater level of buffering, particularly by way of landscaping, is required to achieve better outcomes for neighbouring land uses.

PART B: LEGISLATIVE FRAMEWORK

Purpose of the Resource Management Act

The purpose of the Resource Management Act 1991 (RMA) is to promote the sustainable management of natural and physical resources. Sustainable management means:

"managing the use, development and protection of natural and physical resources in such a way, or at a rate, which enables people and communities to provide for their social, economic and cultural wellbeing and for their health and safety while-

- (a) Sustaining the potential of natural and physical resources (excluding minerals) to meet the reasonably 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"*

In achieving the purpose of sustainable management, the Council must have regard to a number of principles set out in the RMA. These include recognition and provision for a number of "matters of national importance" described in section 6 of the RMA. The Council must also have particular regard to

matters such as “amenity” and “heritage values”, “kaitiakitanga”, “quality of the environment”, and “ecosystem values” (section 7) and take into account the principles of the treaty of Waitangi (section 8).

The RMA enables the use and development of resources as long as such use does not adversely affect the environment in a way that impacts the foreseeable needs of future generations, the life supporting capacity of ecosystems, other users or the environment. This is the concept of “sustainability” which the RMA promotes as its overriding purpose.

Marlborough District Council’s Responsibilities

The Marlborough District Council is a unitary authority. It has the functions, powers and duties under the RMA of both a district council and a regional council. Its functions are set out in sections 30 and 31 of the RMA. Of most relevance to this RMA issue are the district functions, set out in section 31, particularly in relation to controlling the actual and potential effects of the use, development or protection of land. This also extends to the control of subdivision where this is a method used to carry out functions.

Marlborough Regional Policy Statement

The Marlborough Regional Policy Statement (MRPS) was made operative on July 2005. The MRPS provides a community based vision and direction for the management of the natural and physical resources of Marlborough. The vision and direction sets the framework for more detailed consideration of issues in the Councils resource management plans.

A review of the MRPS is currently underway. A consultation brochure was sent to Marlborough ratepayers in June 2006 and, following on from the responses received, a subsequent newsletter and summary of what the community thinks are important issues for the Council to consider in the MRPS review. Until the review is complete the existing provisions of the MRPS will continue to apply.

Currently there are five regionally significant issues for Marlborough identified in the RPS. These are:

- Protection of water ecosystems
- Protection of land ecosystems
- Enabling community wellbeing
- Protection of visual features; and
- Control of waste.

The issue of enabling community wellbeing is of most relevance to this proposed variation. Under the community well-being issue the MRPS sets the objective of enabling present and future generations to provide for their wellbeing by allowing use, development and protection of resources provided and adverse effects of activities are avoided, remedied or mitigated. The policy framework for the objective recognises a need to look at type, scale and location of activities through rules in resource management plans, and to ensure there are no undue barriers placed on the establishment of new activities.

Proposed Wairau/Awatere Resource Management Plan

In addition to preparing a regional policy statement, the Council's unitary authority status creates an obligation to prepare a coastal plan, a district plan and such other regional plans as are necessary to promote the sustainable management of natural and physical resources. Due to its unitary authority status the Council has taken the opportunity to integrate the management of the resources for that part of Marlborough south of the Richmond Ranges by preparing a combined regional, district and coastal plan known as the Proposed Wairau/Awatere Resource Management Plan.

The Plan was publicly notified in November 1997 and is not yet operative. This is because there are a number of appeals and outstanding variations yet to be resolved.

PART C: SECTION 32 EVALUATION

The Quality Planning website, which promotes best practice by sharing knowledge about policy and plan development under the RMA, states that the S32 process must be transparent and well documented, with all assumptions and decisions justified. This helps to ensure that:

- Good environmental outcomes are achieved.
- Plan provisions are targeted at achieving the purpose of the RMA by the most appropriate methods.
- Councillors (as decision makers) have sound policy analysis on which to base their decisions about resource management issues.
- A sound basis is provided for reassessing whether the chosen provisions are necessary and appropriate once they are in use and the environmental outcomes become apparent.

Section 32(4) of the Act states that this 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.*

Evaluation of Options

The Council considered the following four alternative options for addressing the issue:

- Option 1: Status Quo/Do Nothing
- Option 2: Rezone the whole of the subject land, with existing rules
- Option 3: Rezone the whole of the subject land, with amendment to existing rules
- Option 4: Partial Rezone of subject land and defer balance

The following table assesses the costs and benefits of the options.

Option 1: Status Quo/Do Nothing

Benefits/Advantages	Costs/Disadvantages
Provides anticipated environmental effects.	Continued undersupply of Industrial 2 zoned land and failure to meet identified shortfall. Ongoing resource consent applications and processing for ad hoc industrial activities in the Rural zones.

Option 2: Rezone whole subject land, with existing rules

Benefits/Advantages	Costs/Disadvantages
Provides development land to meet existing shortfalls in, and potential future demand for, Industrial 2 land in the vicinity of Blenheim. Utilises key infrastructure, already in place serving Riverlands Industrial Estate and	Loss of Rural 3 zoned land. Potential to increase localised traffic on the State Highway.

<p>Cloudy Bay Business Park, and the infrastructure's existing capacity.</p> <p>Consolidates future Industrial 2 activity in one area, and thereby contains any adverse effects.</p> <p>Provides an opportunity to reconfigure industrial activities around Marlborough and address the current fragmentation by providing and encouraging Industrial 2 to locate at Riverlands.</p>	<p>Potential to adversely affect the amenity of neighbouring zones and transport corridors into Blenheim and the Wairau Plain.</p> <p>Fails to support existing plan provisions relating to Natural Hazards.</p> <p>Does not address community concerns raised through public consultation relating to amenity</p>
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Option 3: Rezone the whole of the subject land, with amendment to existing rules

Benefits/Advantages	Costs/Disadvantages
<p>Provides development land to meet existing shortfalls in, and potential future demand for, Industrial 2 land in the vicinity of Blenheim.</p> <p>Utilises key infrastructure, already in place serving Riverlands Industrial Estate and Cloudy Bay Business Park, and the infrastructure's existing capacity.</p> <p>Consolidates future Industrial 2 activity in one area, and thereby contains any adverse effects.</p> <p>Provides an opportunity to reconfigure industrial activities around Marlborough and address the current fragmentation by providing and encouraging Industrial 2 to locate at Riverlands.</p> <p>Addresses community concerns about amenity.</p> <p>Supports existing objectives and policies relating to Natural Hazards by requiring a geotechnical report to be undertaken prior to development.</p>	<p>Loss of Rural 3 zoned land.</p> <p>Potential to increase localised traffic on the State Highway.</p> <p>Potential to adversely affect the amenity of neighbouring zones and transport corridors into Blenheim and the Wairau Plain.</p>

Option 4: Partial Rezone and Defer Balance

Benefits/Advantages	Costs/Disadvantages
<p>Provides a supply of development land to</p>	<p>Requirement to create and administer</p>

meet existing shortfalls in demand for Industrial 2 land in the vicinity of Blenheim.	activities in a new “Deferred” zone.
Signals the Council’s intent of future land use activity.	Restricts people’s property rights in the Deferred zone for an undetermined period of time.
Able to control direction of development and manage consolidation of activity.	Requires a plan change to remove deferred zoning.
	Loading of infrastructure due to concentration of new development at one or other ingress/egress points.

Preferred Option

Option 3 is considered the most effective and efficient means of achieving the purposes of the Act.

The Council considered that the costs or disadvantages of Option 1 (*Status Quo/Do Nothing*) outweighed the benefits and, therefore, this option was not considered to be the best means of achieving the purposes of the Act.

Option 4 (*Partial Rezone and Defer Balance*) has some merits in that it meets immediate demand for land. However, the Council considered this option was not an efficient way of meeting future demand, where Riverlands is the preferred location for Industrial 2 activity. The costs or disadvantages outweigh the benefits and, therefore, this option was not considered to be the best means of achieving the purposes of the Act.

The Council considered the benefits or advantages of Option 2 and Option 3 outweighed the costs. Further, Option 3 was considered superior due to the amendment to the rules to address community concerns over amenity and potential risks associated with natural hazards.

Existing Policies and Objectives

For the purposes of looking at sustainable management issues of the Wairau/Awatere industrial environment, the Plan views this environment in terms of Industrial 1 and Industrial 2 activities. Industrial 1 type activities are small-scale industrial activities in urban industrial areas within Blenheim, such as the Grove Road – Main Street areas. Industrial 2 type activities are larger scale manufacturing and processing type industrial located on larger industrial estates such as Burleigh and Riverlands.

Volume One

Volume One presents the issues in the Wairau/Awatere Resource Management area, and the objectives and policies that seek to address those issues. Issues specific to Industrial areas are described in the Urban Environments chapter of the Plan. There are also a broader range of District-wide issues and objectives set out in the Plan that need to be considered in industrial environments. These include land transport, subdivision and development, noise and natural hazards.

Section 5: Landscape

The Plan identifies that the Wairau/Awatere Plan area is made up of many different landscapes, dynamic in so far as buildings, tree planting, land use activities and roads can all alter the visual character of an area.

The relevant objectives and policies in the Landscape section are **Objective 1** to manage the visual quality of the Wairau/Awatere Plan area through ensuring structures built on land do not compromise landscape values and **Objective 2**, providing for appropriate development.

Section 7: Air

The Plan recognises that air quality concerns can be at a global, local or nuisance level. The Plan considered the adverse effects on air quality from a range of activities through a set of rules but does not address discharges from vessels, motor vehicles and trains, which need to be addressed as national issues. The Plan deals with discharges from industrial or trade premises separately from discharges from all other sources.

Objective 7.3.1 is relevant in the Air section and seeks to maintain and improve existing air quality through monitoring. **Objective 7.6.1** seeks to avoid, remedy or mitigate the adverse effects of discharging contaminants into the air and is supported by relevant **policy 1.2** to avoid, remedy or mitigate discharges at source and **policy 1.4** to promote the use of industrial guidelines as a means of reducing the effects of discharges from industrial premises. **Objective 7.8.1** is concerned with reducing discharge of ozone depleting or greenhouse gases to levels consistent with central government initiatives.

Section 11: Urban Environments

This section deals with the variety of activity taking place within an urban environment and the effective integration and management of these activities. The plan identifies three major land use components in the urban environment; residential, business and industrial, and uses zoning as a basic technique of managing these components

The Plan describes that the grouping together of industrial activity promotes the sustainable management of resources, creates efficiencies and enables any adverse effects to be contained and managed in a comprehensive manner. The objective and policy framework seeks to control the effects of industrial activities.

The existing objective within the industrial part of Section 11 seeks to contain the effects of industrial activity within the boundaries of industrial zones. **Policy 1.1** of the framework to achieve this is to avoid, remedy or mitigate adverse effects within industrial areas and beyond the bounds of the industrial zone. **Policy 1.3** encourages heavy industries to locate in Industrial 2 Zones and **policy 1.4** encourages light industries and service activities in Industrial 1 Zones with **policy 1.5** restricting activities which demand a higher environmental standard from locating in industrial zones, although provision is made through **policy 1.6** for activities which rely on a location close to industry.

The policy framework also seeks to promote a high standard of environmental design and maintenance in industrial areas, ensuring a high standard of landscaping through **policy 1.10** and that the size, height and bulk of buildings are in keeping with surroundings through **policy 1.10**.

Section 17: Natural Hazards

The Plan recognises that the Wairau/Awatere is potentially subject to a wide range of naturally occurring hazards, such as earthquakes, erosion and floods, which can all result in damage to private and community assets, and in some cases risk human life.

The relevant objectives within section 17 relate to flooding (section 17.3) on the Wairau floodplain. **Objective 1** is to minimise the potential for loss of life and damage to property in the main Wairau Floodplain (Rural 3 Zone) downstream of the Waihopai confluence. The policy framework supporting this objective seeks through **policy 1.1** to maintain and upgrade existing floodway systems and through **policy 1.3** to provide and maintain a network of constructed channels and structures to remove local stormwater and dispose of it into the major river floodways.

Risks from seismic activity (section 17.6), and particularly the liquefaction of water saturated, unconsolidated sediments, is addressed in **objective 1** which seeks to avoid, remedy and mitigate the adverse effects of seismic hazard, with a supporting **policy 1.1** to recognise that Marlborough is the highest zone of earthquake risk in New Zealand.

Section 19: Land Transport

The resource management issues addressed in Chapter 19 are focussed on sustainable management of the physical infrastructure of the transport network, as a resource, as well as on the services that use them, and the adverse environmental effects that arise from the network. The network of roads, rail, cycleways and pedestrian pathways; and the movement of vehicles, goods and people through that network; are essential to the economic activity, and to the convenience and well-being of the people of Marlborough. Therefore, the land transport infrastructure of Marlborough forms a significant component of the physical resources of the Wairau/Awatere Plan area.

The relevant objective within section 19 is **Objective 19.7.1** to avoid, remedy or mitigate the adverse effects of any activities on the sustainable management of the land transport infrastructure. **Policy 1.1** ensures that subdivision and development of land adjacent to public roads do not compromise the safe or efficient flow of traffic; **policy 1.3** ensures sight lines at level rail crossings and road intersections are kept clear; **policy 1.4** ensures adverse effects for road users such as direct lighting or smoke from activities are avoided, remedied or mitigated; and **policy 1.6** ensures activities have sufficient space within their sites to accommodate vehicle parking and manoeuvring.

Section 22: Noise

The Plan recognises that noise is a normal part of most activities and a necessary part of day to day life. The Plan provides for appropriate or acceptable noise from activities whilst controlling unreasonable, excessive or unnecessary noise.

Section 22 sets out the relevant objective relating to noise as being **Objective 1** to protect individual and community health, environmental and amenity values from disturbance, disruption or interference by noise. The policy framework set out to achieve this requires through **policy 1.2** the emissions of excessive or unreasonable noise to be designed out of proposals for the development or use of resources, and through **policy 1.3** to accommodate inherently noisy activities within industrial and rural areas.

Volumes Two and Three

Rules affecting industrial activities are contained in the Industrial Zones chapter of Volume Two in the Plan. Rules have been used in the Plan as a method, and have proven over time to be an effective and efficient method of plan implementation.

Zoning is outlined in Volume Three, Planning Maps.

Effectiveness and Efficiency of Existing Plan Provisions

The existing Policies, Objectives and Rules within the Plan were assessed to determine their effectiveness in addressing this issue. Where the effectiveness of existing policies, objectives, rules and methods were assessed as inadequate, consideration was given to what variation was required to the Plan to bring about the best outcomes and achieve the purposes of the Act.

Policies and Objectives

The Council was satisfied that the existing Policies and Objectives, contained within the Plan are adequate to manage any effects arising from this proposed variation, and the proposed variation was considered to be an efficient and effective means of achieving the current objectives as they relate to landscape, air, urban environments, natural hazards, land transport and noise, where:

- Development of the subject land for Industrial 2 purposes will not compromise landscape values, given it's location adjacent to an existing, predominantly industrial landscape.
- The industrial activity will be taking place in a managed industrial environment where any discharge of gases to the atmosphere will be controlled and managed through rule provisions contained

within the Plan and require the efficient and continued monitoring of gases and acceptable levels of discharges.

- The proposed variation will consolidate industrial development in an existing industrial area and ensure an adequate future supply of land, therefore being an efficient and effective means of achieving the existing and proposed objectives as they relate to Urban Environments.
- Engineered solutions for stormwater are considerate of the existing floodway systems and will comply with all relevant standards and conditions.
- Development will be discouraged in areas proven to be a liquefaction risk.
- Internal road design, layout and safety issues will be addressed at the time of subdivision.
- Development taking place as a result of the proposed variation will be subject to the policies and rules contained within the noise section, ensuring noise emissions are within acceptable levels.

Rules

The Council considered that the existing rules did not adequately address the community concerns about amenity and potential risks associated with natural hazards. This variation proposes relatively minor changes to the Plan's rule framework to achieve the best outcomes.

Addressing Issues through this Proposed Variation

The proposed variation:

- Rezones the land parcels described in this report as 'the subject land' from Rural 3 Zone to Industrial 2 zone. Rezoning is a means of meeting current unmet and future industrial land requirements. This rezoning naturally expands and links sites of existing industrial activity. Rezoning involves identifying additional industrial zoned land on the Proposed Wairau/Awatere Resource Management Plan Volume Three: Planning Maps.
- Addresses community concerns about amenity. The conditions for permitted activities are proposed to be altered in terms of section 1.3.6.1 and 1.3.6.3 relating to landscaping, to increase the overall standard and level of landscaping required within the zone. These provisions will enhance environmental amenity, in particular where the industrial zone adjoins more sensitive land uses, such as the Urban Residential or Rural Zones, and at points of 'gateway' significance to Blenheim and the Wairau Plain.
- Ensures liquefaction testing is undertaken prior to development. An amendment to the Subdivisions chapter General Standards 2.4.5 and Assessment Criteria 3.5.6, referring specifically to the subject land, that requires a Geotechnical Report to be prepared prior to subdivision, and subsequent development, of the subject land.

The Council is satisfied that these amendment will be an effective and efficient means of achieving the purpose of the RMA.

Risk of Acting, or Not Acting, where there is Uncertain or Insufficient Information

The RMA requires the Council to evaluate 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 Council does not consider that it is acting in the absence of uncertain or insufficient information, although it can always be argued that further investigations and research can be carried out.

CONCLUSION

Based on the assessment above, the overall conclusion is that the proposed variation better achieves the objectives of the Proposed Wairau/Awatere Resource Management Plan than the existing Plan provisions. It is also concluded that the benefits of the proposed variation outweigh the costs.

The Council considers that the process it has gone through has assisted in reaching a point where the proposed variation to the Plan will ultimately achieve better outcomes for the community. These outcomes will provide sufficient Industrial 2 land in the vicinity of Blenheim to meet current and future demand, while bringing about the best possible environmental and community outcomes.

APPENDIX 1: PROPOSED VARIATION - SCHEDULE OF CHANGES

Schedule of Changes

Where text is proposed to be added to the Proposed Wairau/Awatere Resource Management Plan (the Plan) through this variation, it has been shown as underlined. All other text is existing text from the Plan and has been included for context to assist the reader in determining where the changes occur, and does not form part of the plan variation.

The Proposed Wairau/Awatere Resource Management Plan is amended in accordance with the following schedule:

VOLUME 2 – RULES

Chapter 3 - Subdivision

1. **Add** a new standard under 2.4 General Standards (Controlled Subdivision Activities) as follows:

....

Transpower New Zealand Ltd should be consulted prior to an application for subdivision being lodged with the Council, where the subdivision takes place near 110 kilo volt or higher transmission lines.

2.4.5. Riverlands Industrial 2

Subdivision of land legally described as Lot 1 DP 323372 and portions of Lot 1 DP 4447, Lot 3 and 4 DP 8762 and Lot 2 DP 8762, or their successors, at Riverlands requires a comprehensive geotechnical assessment of the proposed area to be subdivided and developed. The assessment is to be carried out by a geotechnical expert accredited by the Council. The geotechnical report must be submitted with an application for a subdivision resource consent of the site(s).

2. **Add** a new bullet point under 2.5 Matters Over Which Council Will Exercise Control as follows:

- Flood hazard.
- Council access to rivers and drainage channels.
- Geotechnical report

3. **Add** a new Assessment Criteria under 3.5 Assessment Criteria (Discretionary and Non-Complying Subdivision Activities) as follows:

3.5.6 A comprehensive geotechnical report, carried out by a geotechnical expert accredited by the Council, where a subdivision resource consent application applies to any part of the land legally described as Lot 1 DP 323372 and portions of Lot 1 DP 4447, Lot 3 and 4 DP 8762 and Lot 2 DP 8762 or their successors, at Riverlands.

4. **Add** a new bullet point under 3.6.1 Resource Consent Conditions (Discretionary and Non-Complying Subdivision Activities) as follows:

- The size, shape and position of any lot.
- The use of the site.
 - Geotechnical report.
- Permanent potable water supply, water storage and water treatment.
- ...

Chapter 12 - Industrial 1 & 2 Zones

5. **Amend** the following rules under 1.3.6 Area to Landscaped to read:

1.3.6.1 A minimum of 5% of the site shall be set aside and landscaped. All required landscaping areas shall be located between the road frontage and either the front of buildings on the site or the front boundary fence, except on rear sites.

...

1.3.6.3 Any landscaped areas shall include a landscape strip of a minimum average width of 1.5 metres and minimum width of 0.6 metres, adjacent to the road frontage, except across entranceways or on sites or parts of a site on the opposite side of a road or rail corridor from an Urban Residential Zone, ~~or~~ Business Zone or Rural Zone where the landscaping strip will be a minimum average width of 4.5 metres and a minimum width of 1.5 metres adjacent to the road frontage or rail corridor.

VOLUME 3 – MAPS

Amend Zoning Map 4 and Sheet 19 to rezone Lot 1 DP 323372 and portions of Lot 1 DP 4447, Lot 3 and 4 DP 8762 and Lot 2 DP 8762 from Rural 3 to Industrial 2 as shown on the attached map:

1:16000

☐ Site of change

Zoning 4
Sheet 19

Legend

 Airport Zone	 Deferred Township Residential Zone	 Industrial Two Zone	 Rural Three Zone
 Airport Mobile Exposure Overlay	 Designations	 Local Residential Zone	 Rural Township
 Area of Strategic Conservation Value	 District Recreation Zone	 Neighbourhood Business Zone	 Rural Township
 Central Business Zone	 Ecological Area	 Port Zone	 Specific Identified Activity Sites (Appendix G)
 Central Business Zone/Primary Shopping Area	 Falls/Hill Ridge Zone	 Proposed Lake Grasmere Salt Works Area	 Township Residential Zone
 Coastal Marine Zone (CMZ)	 Flood Hazard Overlay	 Rural Four Zone	 Urban Residential One Zone
 Concentration	 Industrial One Zone	 Rural Residential Zone	 Water Features
		 Heritage, Built-Up	 Heritage Trees

Note: Cadastral boundaries are indicative only. Marlborough District Council accepts no warranties in terms of property boundary positions.