



Strategy:

# 6

## Accommodate residential and employment growth

Initiatives aimed at dealing with residential and employment growth pressures until 2031 and beyond

This strategy includes the following findings and proposed initiatives:

- Strategies to accommodate long-term residential growth in the light of several constraints, such as water supply, geotechnical, storm water, and ecological constraints
- Industrial land strategy including the Waikawa Marine area
- Small office strategy

## RESIDENTIAL AND EMPLOYMENT GROWTH

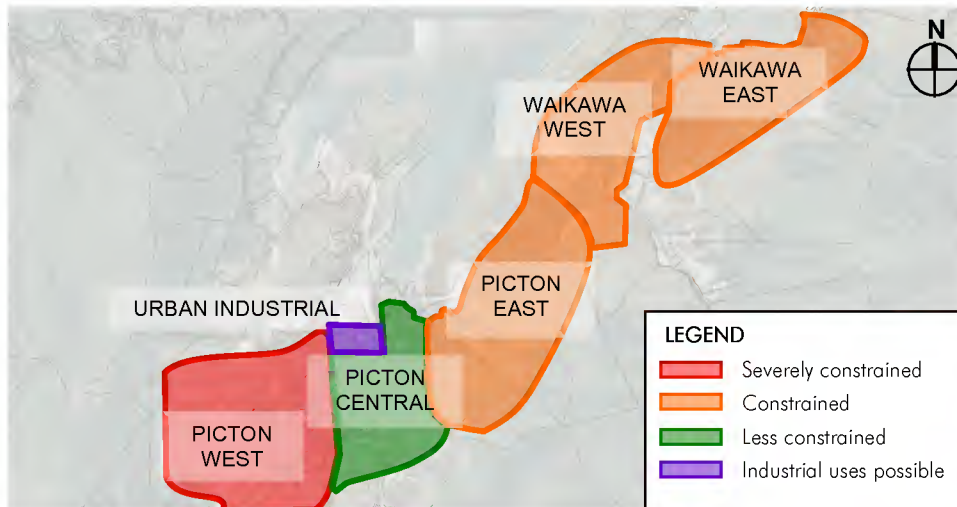
### Growth constraints

Picton and Waikawa's expansion and development potential is heavily constrained by several factors. Figures 4-37 A & B depict several of these, including land instability, fault lines, flooding and storm water.

The result of an assessment of the storm water and flooding situation in Picton and Waikawa is depicted in Figure 4-36 and shows that there is a gradient in the severity of constraints. This has implications for the growth potential and the required measures to mitigate the problems. It should also be noted that the industrial uses in the Dublin Street industrial area, which is flood prone, can cope with the existing situation. However, residential uses in that vicinity will be hard to accommodate, given these constraints.

Additional constraining factors pertain to:

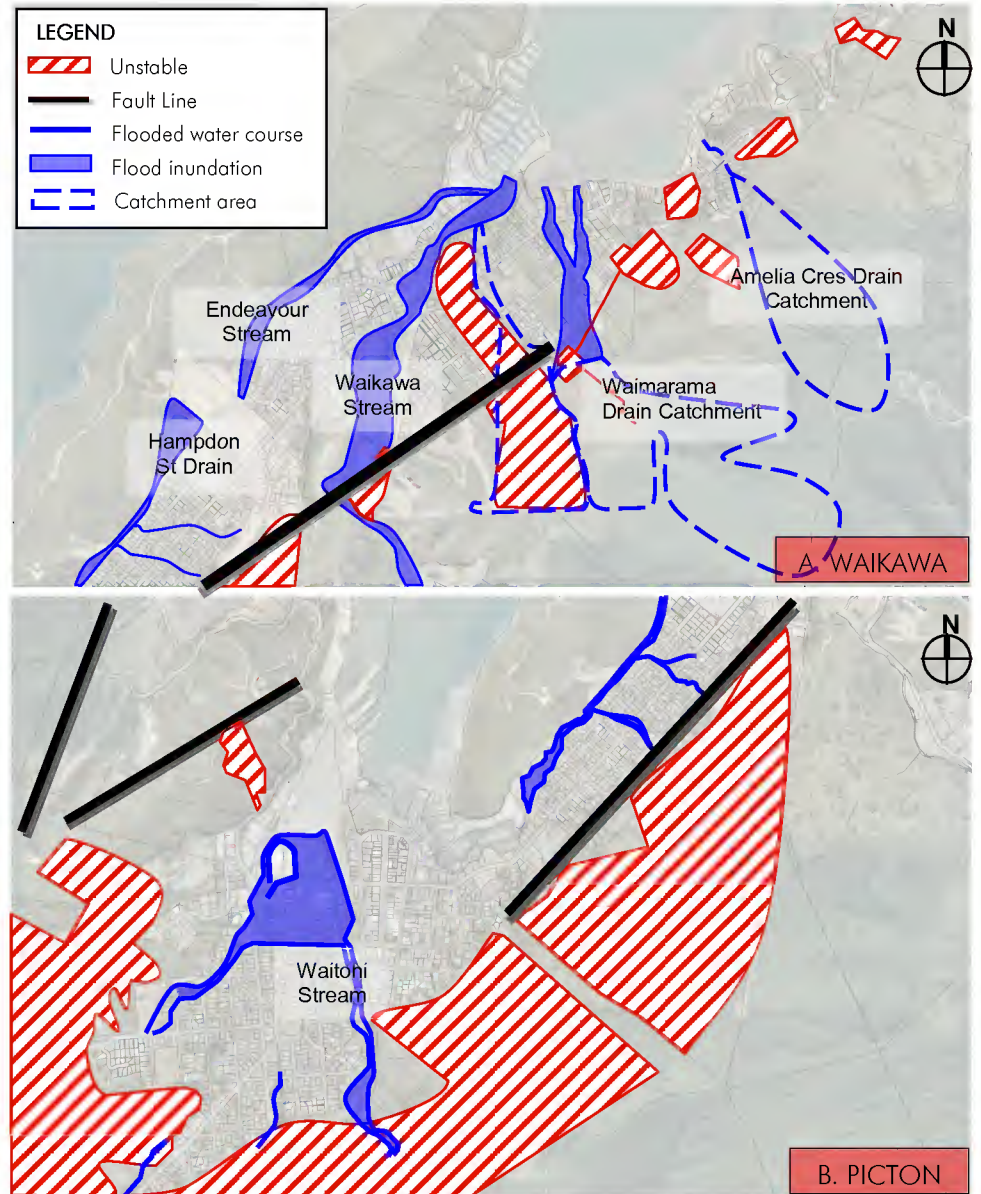
- Sensitive ecological areas in the surrounding hills;
- Picton's overall water supply capacity; and
- Sewerage capacity.



ABOVE FIG. 4-36: storm water and flooding opportunities and constraints

Note:  
 1 - The land stability information is based upon working experience of slope stability and is expressed as indicative of behaviour generally. The planning maps indicate those localities that experience shows have a greater incidence of slope failure but this should not be taken to imply that areas outside this are significantly less susceptible. The assessment of hazards in the Waikawa "basin" will require review for the purposes of providing a basis for planning control.

2 - The Marlborough Sounds is traversed by quite a number of fault systems reflecting its tectonic history. A simplified expression of the "Picton Thrust Fault" complex and the presumed Waikawa Fault Set is shown on the planning maps. No fault set is presently identified as "active" and requires particular planning control. It is thought appropriate that a review of the literature be made and definitive statements be developed for planning guidance.



ABOVE FIG. 4-37A & B: hazards and other growth constraints for Waikawa Bay (A) Picton (B)



## RESIDENTIAL AND EMPLOYMENT GROWTH

### Sensitive ecological areas

These areas are mostly located outside the urban boundaries and largely correspond with the geotechnical unstable areas.

### Water supply

The Council is faced with challenges to secure Picton's long-term water supply. Residential and industrial growth will add pressure to the existing systems and could reduce the reliability of the water supply. The Council is currently assessing means to addressing this issue by investigating two options (or a combination of those):

1. Developing new sources
2. Demand management

#### *New sources*

Investigations into a wide range of options are ongoing. These include: desalination in Waikawa Bay, water from the Waikawa Stream, Waitohi Catchment, Linkwater Catchment, Graham River Aquifer, Wairau Aquifer/ Spring Creek. The latter two seem to provide the best options. All of these options are costly and have environmental implications.

#### *Demand management*

This includes reductions in Picton's water use. It requires a new way of thinking about water and the availability of this resource. As it involves a change in behaviour, the acceptance and involvement of the wider community is required.

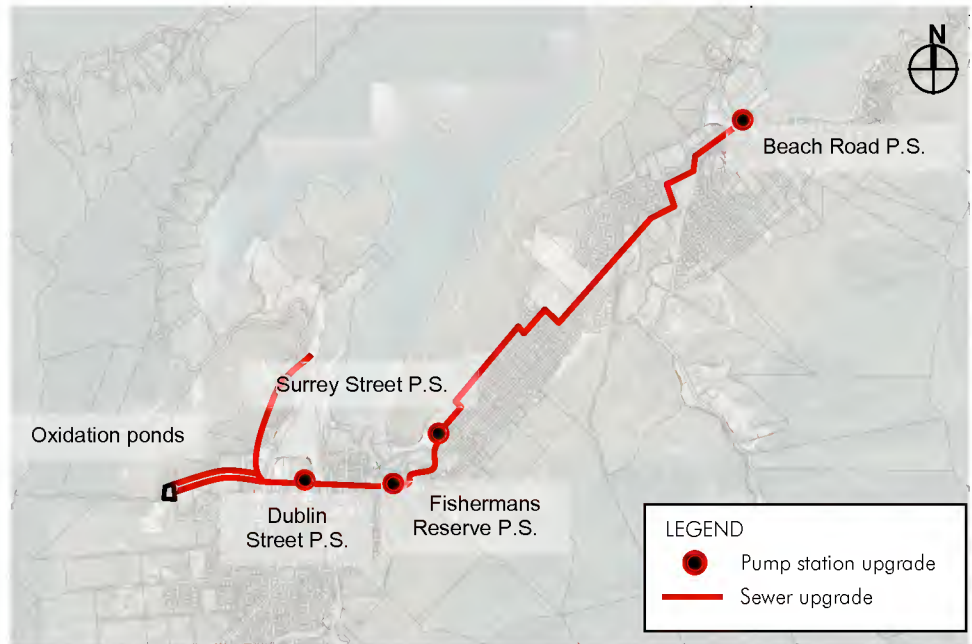
More specific ways to save water include:

- Leakage reduction
- Universal metering and volumetric charging
- Changing uses and behaviours
- Water restrictions
- Water reuse

### Sewerage

The Council is facing large investments in Picton's sewerage system. It is currently undertaking works to upgrade the Surrey Street pump station and has programmed

further pump station upgrades as depicted in Figure 5-38. These upgrades are aimed at updating the infrastructure and increasing its capacity to cope with long-term growth. One of the main challenges to the sewerage infrastructure is the leakage of storm water into the pipes. The storm water volumes are much larger than the volumes of sewerage, which at times leads to overloading of the systems, potentially resulting in overflow of polluted material or outfall of insufficiently treated sewerage into the Harbour.



ABOVE FIG. 5-38: Council programmed sewerage upgrades for Picton and Waikawa Bay



## RESIDENTIAL AND EMPLOYMENT GROWTH

### Population key points for Picton and Waikawa Bay

#### Population growth

→ In the growth model used for this project (refer to the table below) the projected population growth for Picton and Waikawa is circa **1000** people between 2006 and 2031; this equates to approximately 40 people per annum (split roughly 50/50 between Picton and Waikawa). This is proportionally more significant for Waikawa (increasing its population by almost 50%)

	Census 2006	Projection '06-'31	Increase	% increase
Blenheim	23110	29410	6300	27%
<b>Picton / Waikawa</b>	<b>4185</b>	<b>5143</b>	<b>958</b>	<b>23%</b>
Renwick	1875	2334	459	24%
Havelock	540	649	109	20%
Seddon	497	331	-166	-33%
Spring Creek	476	653	177	37%
Rarangi	392	507	115	29%
Grovetown	282	347	65	23%
Wairau V. Township	162	252	90	55%
Ward	78	89	11	14%
Marlborough Sounds	3306	4340	1034	31%

- Between 1996 and 2006 Picton's population decreased by 3% (135 people)
- Between 1996 and 2006 Waikawa's population increased by 37% (315 people); this is the highest percentage of growth in Marlborough
- Between 1996 and 2001 the combined population grew by 180 people (4.5%) with Waikawa's growth offsetting Picton's reducing population

#### Age composition

Refer to the table below:

- A relatively small proportion of Picton's and Waikawa's population falls in the young and working age category
- A relatively small proportion of Picton's and Waikawa's population falls in the 65+ category.
- In Picton and Waikawa there is a higher number of over 55's than the Marlborough and New Zealand-wide averages.

→ In Picton and Waikawa there is a higher number of over 75's than the Marlborough and New Zealand-wide averages.

Age group	0-14	15-24	25-54	55-64	65-74	75+
Picton	16.8	8.5	38	15	11.7	10
Waikawa	13	8.9	38.1	20.6	13.6	5.8
Marlborough	18.6	10.9	40.6	13.7	8.8	7.3
New Zealand	21.5	14.2	41.7	10.3	6.6	5.7

#### Households and household composition

- Despite falling population, the number of Picton households grew by 6% (96-06)
- Waikawa households increased by 21%
- Picton 2006 household size was 2.19 persons per house (2.49 in 1996)
- Waikawa 2006 household size was 2.35 persons per house (2.53 in 1996)
- 32% of Picton households are single person (Marlborough District average = 24%)
- 20% of Waikawa households are single person
- Picton one-family households comprise 62% of households (compared to 69% in the Marlborough District)
- 73% of Waikawa households are one family

#### Ethnicity

- Picton had the highest and Waikawa the second highest Maori population in Marlborough
- In the 1996 Census Picton had 17.2% Maori population (Marlborough = 10.5%)
- In the 1996 Census Waikawa had 15.5% Maori population

## RESIDENTIAL AND EMPLOYMENT GROWTH

### Residential growth accommodation

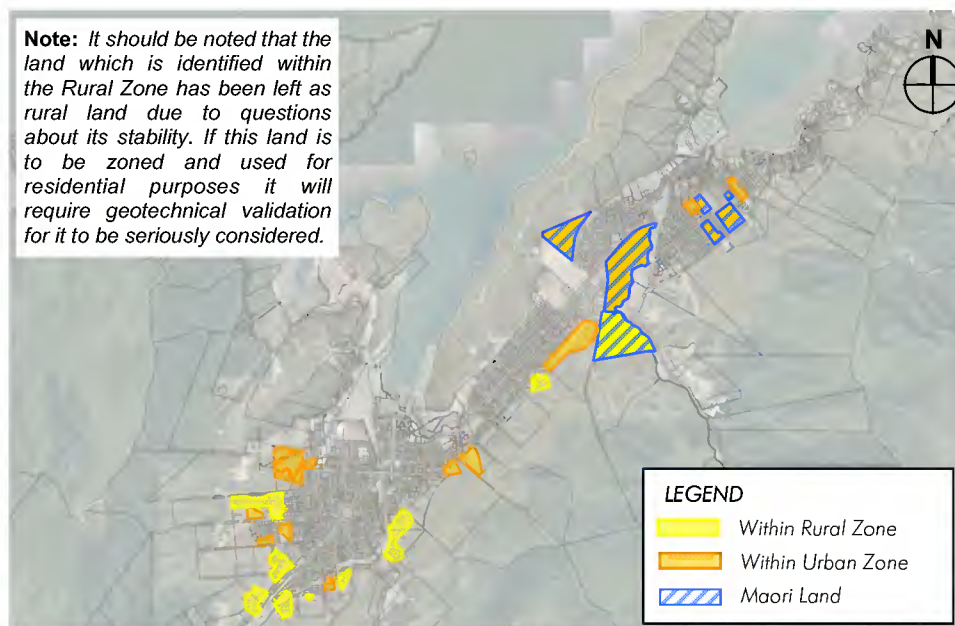
The projected growth until 2031 amounts to approximately 1000 people. Taking into account the growth for the 2006-2010 period (approximately 150 people), this equates to approximately **850 new people** that need to be accommodated within Picton and Waikawa between now and 2031.

The capacity to accommodate these new residents has been analysed, taking into account the hazards, growth constraints, and current Resource Management Plan zoning. Figure 5-39 shows the results of this exercise, which are tabulated in the table below. It can be concluded that:

- **Option 1:** Picton's infill capacity is for 586 lots (450m<sup>2</sup> lots in the residential zone) + 41 lots (1ha lots in the rural zone). This is sufficient to accommodate **1379** people.
- **Option 2:** However, if Maori Land is excluded (Maori Land has certain limitations around its availability for development under the provisions of Te Ture Whenua Maori Act 1993), the capacity is only 367 lots, enough for **807** people. This is a shortfall of 43 relative to the projected population growth.

In order to minimise dependency on Maori land, options 3 and 4 were developed

- **Option 3:** When assuming that the minimum lot size in the residential zone can be decreased to 250m<sup>2</sup> and an average of 350m<sup>2</sup> lots can be achieved in all new development within this zone, the infill capacity amounts to **618** lots (250-450m<sup>2</sup>



ABOVE FIG. 5-39: availability of suitable residential land in Picton and Waikawa Bay

residential zone) + **41** lots (1ha, rural zone). This is sufficient to accommodate **1450** people

- **Option 4:** Excluding Maori-owned land from Option 3 leads to a capacity of 413 new residential lots, enough for **909** people.

### Conclusion

It appears necessary to make changes to the Resource Management Plan to develop remaining suitable residential land to accommodate the projected population increase.

This delivers the following benefits:

- It reduces the dependency on development of Maori-owned land
- Building at a greater density will postpone the moment that Picton and Waikawa run out of developable residential land within their 'natural boundaries'
- It accommodates for some contingency as these figures are still optimistic. Owners of undeveloped land might not prefer to develop residential uses or to develop at all within the next 25 years.

Lot Size	Target 2031	Current Plan		Plan Changes	
		OPTION 1 Low Density (includes Maori Land)	OPTION 2 Low Density (excludes Maori Land)	OPTION 3 Med+Low Density (includes Maori Land)	OPTION 4 Med+Low Density (excludes Maori Land)
250m <sup>2</sup>	-	x	x	335 hh	175 hh
450m <sup>2</sup>	-	586 hh	326 hh	283 hh	197 hh
1 per ha	-	41 hh	41 hh	41 hh	41 hh
<b>Total Households</b>	386	627 hh	367 hh	659 hh	413 hh
<b>Total Population</b>	<b>850</b>	<b>1379</b>	<b>807</b>	<b>1450</b>	<b>909</b>
<b>Shortfall</b>		-	19 hh 43 pop	-	-
<b>Comments</b>		FIGURES STILL OPTIMISTIC – assumed 100% of identified lots developed and no space allowance for additional community infrastructure in Waikawa			



## RESIDENTIAL AND EMPLOYMENT GROWTH

### Resource Management Plan

Changing the Marlborough Sounds Resource Management Plan to accommodate residential uses at a greater density should not be done just to fit more people on a smaller amount of land. The aim should be achieving high quality medium density outcomes. This is particularly crucial for the earliest projects, as these will 'set the tone' and function as 'pilot projects'.

To achieve a higher quality medium density outcome, the following actions are required:

- A Resource Management Plan Review to recognise the limitations of current residential rules (residential zone, height control, promoting infill, no open space requirement etc.). This should be supported by hypothetical design testing and calculated development economics
- Adjust the current 450 m<sup>2</sup> minimum in the Picton Residential Zone subdivision controls to *Controlled activity with an average of 350 m<sup>2</sup> and minimum of 250 m<sup>2</sup>*
- The plan should encourage the reintroduction of the traditional Granny Flat, multiple households with their own facilities living in the same dwelling/ on the same lot.
- The Plan objectives need to be supported by design controls and guidelines
- Reverse incentives need to be removed to assist with medium density development
- The Council should express its strong support by way of design guidelines (including good solutions for house types), upskilling and education, incentives
- Encourage or facilitate a demonstration project to stimulate market interest

### Medium density principles

Best Practice Urban Design principles underpinning medium density residential design should include:

- Proximity to amenities
- Clear definition of public and private spaces
- Backs to backs, fronts to fronts and avoiding the use of high fences on the street
- Protection of indoor and outdoor privacy

- communal amenity to compensate for the loss of on-site amenity
- optimised solar orientation of outdoor spaces and habitable rooms
- encourage walking and cycling through:
  - a connected movement network
  - small blocks
  - a low speed environment
  - passive surveillance onto streets and parks
  - wide footpaths, and cycle lanes where necessary
- good architectural design and good aesthetics to stimulate visual interest.



ABOVE FIG. 5-40: examples of high quality medium density housing

### Apartments

Picton is currently experiencing issues related to apartments:

- Reverse sensitivity
- Absentee residents
- Parking demand in high season
- Views and visual character

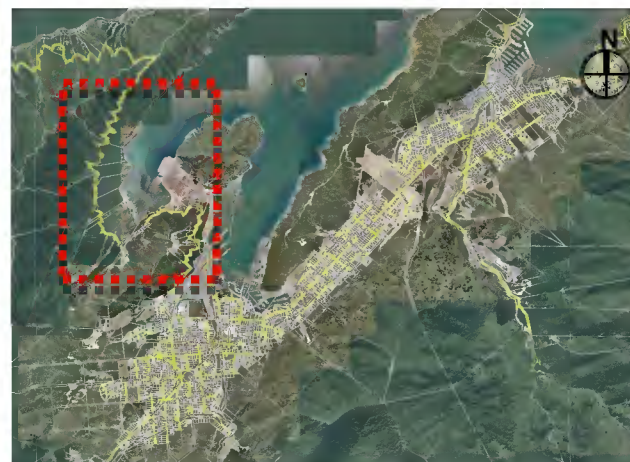
For this reason it is recommended not to introduce new apartment zones or height increases in the Town Commercial Zone. Besides, apartments do not form a solution for the lack of affordable housing in Picton.

### Shakespeare Bay

The land in Shakespeare Bay is in ownership between Port Marlborough and the Department of Conservation. The Port's deepwater wharf is located in this area and a key activity is the storage and processing of logs.

This area is considered, but dismissed for residential development. Analysis identified the following key limitations:

- Residential uses could potentially threaten Port Marlborough's commercially important activities, due to reverse sensitivities.
- The orientation of the land heavily impacts on the solar access required for residential amenity.



ABOVE FIG. 5-41: location of Shakespeare Bay

## RESIDENTIAL AND EMPLOYMENT GROWTH

Appendix 3 of this report includes a full and detailed overview of the findings of the analysis of Picton's current employment situation. It also includes projections for the future and recommendations. The main highlights of the analysis are included within this section.

### Industrial land

Analysis has identified that at present there is no obvious shortage of industrial land in Picton. There are several industrial properties or residential properties with an industrial zoning for sale or rent.

The existing Dublin Street Industrial Area is flood-prone, of relatively poor quality, occupied by mainly low value, relatively low value adding, low employment activities. However, these uses are important for Picton as they provide local employment, trades and training; they supply local services to residents and businesses, and support the local industries.

There is only one industrial zone in northern Marlborough, which covers a wide range of activities. These Urban Industrial Zones are located at Picton and Havelock. The provision of specifically zoned industrial land in Picton means that the adverse effects of industrial activities can be geographically contained. Plan rules to control the expected adverse effects of industrial activities. Plan rules establish performance conditions and standards to avoid, remedy and mitigate adverse effects. The standards are set at levels appropriate to enable industrial activities to operate effectively within the zone and seek to minimise nuisance and hazard for neighbouring residents and activities. Standards for some effects are therefore higher at the zone boundary. A current deterrent preventing industries locating in the Dublin St Urban Industrial Zone is the likelihood of flooding, which will only be exacerbated by the outcomes from climate change.

The Dublin Street area is located in close proximity of the town centre. Stimulating redevelopment of this area with higher value employment, or residential uses should only be done whilst generously providing for flood retention in the area, possibly creating attractive natural settings for these new uses. Furthermore, affordable alternatives for the existing uses should be offered.

### Future needs for industrial land

No major changes are expected in the local economy nor in the Port operations, that would create new sources of demand for industrial land in industrial areas outside the port. Analysis identified a potential demand for 6.5 ha of additional, non-Port industrial land in Picton over the years to 2031. This includes potential additional future demand requiring:

- 2.9ha for light Industries - including machinery and equipment and small scale marine services, building and construction trades, food processing;
- 1.8ha for Transport and Storage - including small scale warehousing, storage, and logistics (likely to be equally split between transport and warehousing/storage operations). Beyond the ferry based traffic accommodated on the Ports lands;
- 1.6ha for Difficult to Locate Activities - with low visual amenity and potential off-site impacts (including engineering, panel beating, materials storage, processing and handling, timber and construction yards, concrete products manufacturing and concrete batching plants). This is beyond the timber and materials storage, outdoor fabrication and areas for short-term project work taking place on the Port lands;
- 0.2ha for Vehicle Services - excluding expansion in car hire yards and servicing which is considered unlikely. No additional land is needed for car sales given the modest local population growth and Picton's proximity to Blenheim.

There is also the prospect to provide for about 3.0ha for existing light industrial, construction and storage



RIGHT FIG. 5-42:  
Dublin Street  
industrial area

operations to move away from the Dublin St Industrial Area. Supplying new industrial land to meet this relocation need would be especially important if this area is to be returned to a more natural state (with or without, residential land uses being built on filled areas above the predicted future flood level). Therefore, Council should plan to provide for at least 9.5ha of industrial land, beyond the Port's needs, in Picton for the next 23 years to 2031. Consideration should also be given to where additional industrial land could be provided beyond this timeframe, or if new drivers of demand were to eventuate. Figure 6-43 overleaf shows options to plan for the provision of the required industrial land.

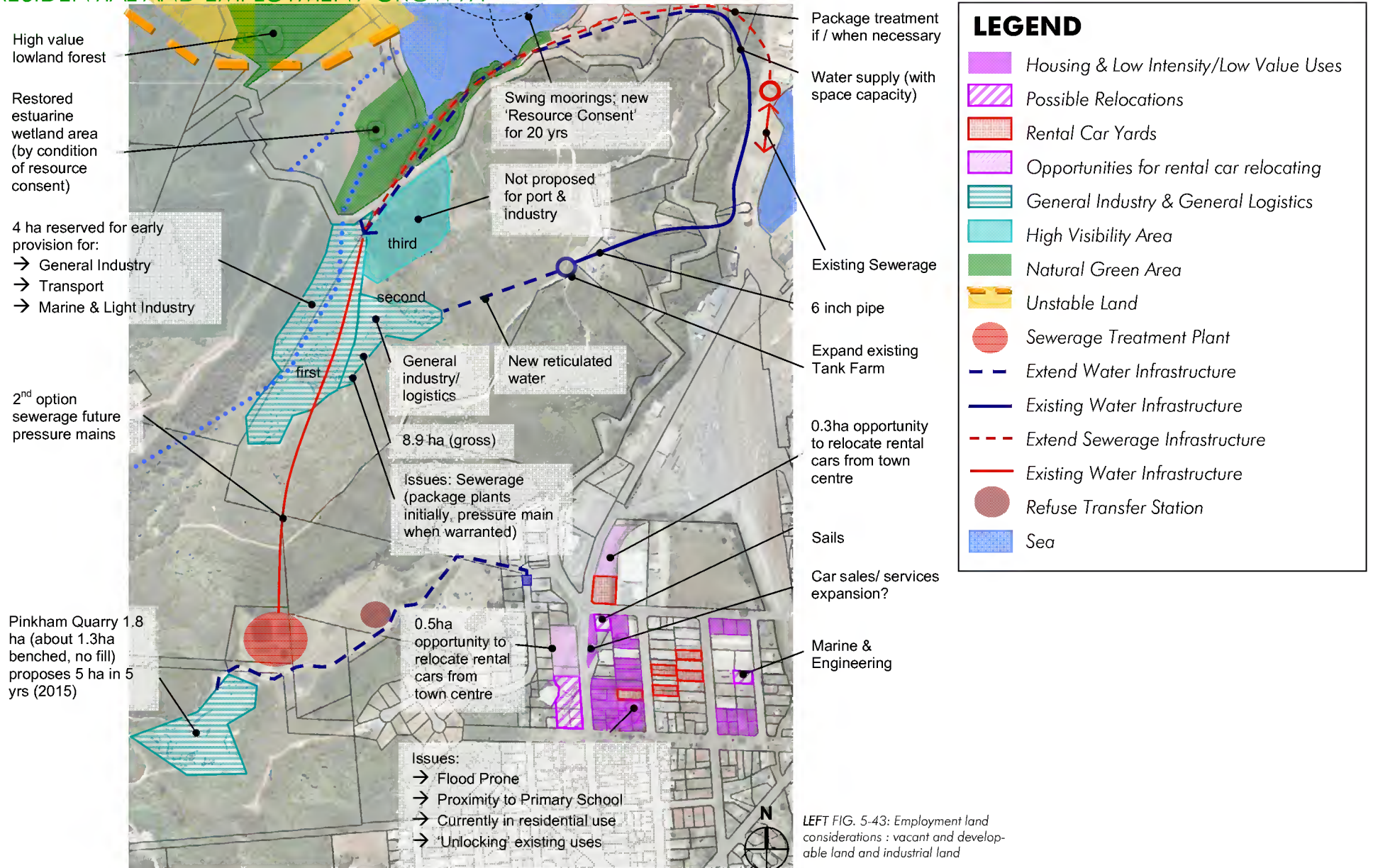
### Recommended industrial land provision

Given the difficulty of providing flat, well buffered, serviced industrial land close to Picton, provision should be made to protect future industrial land for take-up beyond 2031, and for larger scale, or rail focused land uses, that could emerge in the future. Planning for future industrial land provision for Picton should be based on:

1. Extension of the Waikawa Marina, marine light industry land – 0.6ha for marina related light industry and marina services (Fig. 5-44).
2. Expansion and benching of the Pinkham Quarry Land – to provide, at least 6.0ha of industrial land suitable for a mixture of light industries; small scale transport and storage; materials processing and storage, and difficult to locate activities. (Preferably 9.0ha to enable the progressive relocation of industrial land activities from the Dublin St Industrial Area).
3. Protection of the 8.0ha of land to the south of Queen Charlotte Drive at Shakespeare Bay for Picton's long term future industrial land needs.
4. Identification of 50ha of suitable Mt Pleasant land, in the vicinity of Linden's Rd, for possible large scale industrial, transport or distribution uses (including future uses that are not appropriately located at the Port and others that require dedicated rail access).
5. Consider proposing the eventual relocation of existing industrial land uses in the Dublin St industrial area to the Port lands and Quarry lands – possibly indicating returning at least part of this flood prone land to a more natural state in the future.



## RESIDENTIAL AND EMPLOYMENT GROWTH



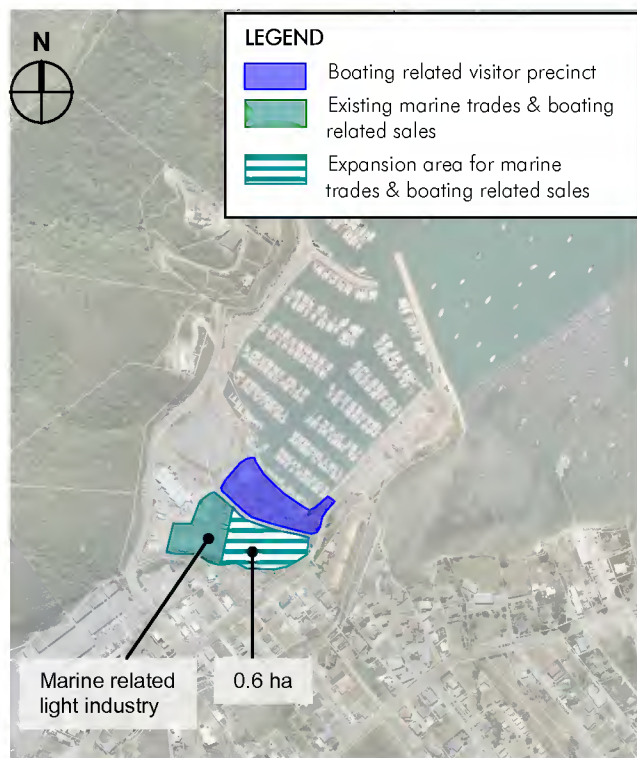


## RESIDENTIAL AND EMPLOYMENT GROWTH

### Waikawa Marine area

The proposed extension of the Waikawa marine-related light industrial land is depicted in Figure 5-44. It is important to protect the character of the area and restrict the activities in this area to marine-related activities only.

In order to avoid the risk of compromising the functionality of the employment area, it is important to address the local parking pressure during the high season and provide sufficient capacity.



LEFT FIG. 5-44: Employment land considerations Waikawa

### Office space

Analysis identified that there is no obvious existing unmet demand for small office or small business premises in the Picton town centre.

Key findings from this analysis include:

- There are good quality business premises and residences available for sale or rent; there is well located, vacant land, and existing underdeveloped commercially zoned properties in the Picton Town Centre.
- Immediately available premises include the new, first floor modern, designer office/residential premises in Wellington St, close to London Quay; residences in High Street, and 18 well-presented office/ residential suites in Auckland Street.
- There is a significant vacant site at the corner of High Street and Dublin Street, and under utilised premises.

### Future demand for future small business space

Different scenarios were used to project the potential demand for additional office space in Picton. This analysis resulted in a projected:

- Minimum Conservative Demand for 2,400m<sup>2</sup> (net area) of additional office space in the Picton Town Centre by 2031; and
- Maximum Realistic Demand for 5,400m<sup>2</sup> (net area) of additional office space in the Picton Town Centre by 2031.

This is a modest amount of office space that Picton could easily supply within its existing commercially zoned Town Centre land. (Figure 5-45 overleaf indicates the small amount of land needed to accommodate such space, in low-rise buildings with surface car parking). Of this office space:

- Approximately 70% needs to be provided in good quality, affordable, small business premises;
- Approximately 20% of this office space will need to be medium quality, moderately priced space; and
- Only 12% of future demand can be expected to be for high quality, prestige space, and 26% of this will need main street, ground floor retail frontage.

The majority of the source of demand will not need, and will not be able to pay for retail frontage office space. Nor will these activities be able to compete for space in the main visitor retail and visitor accommodation areas of Picton. These will need to be accommodated in lower cost premises, on cheaper land as close as possible to the retail heart of the Picton Town Centre. Figure 5-45 overleaf identifies the range of suitable existing buildings, vacant sites and under-utilised land at suitable locations in the Picton Town Centre.

### Opportunities to provide the required office space

Such space could be sprinkled throughout the Picton Town Centre. But this would offer no benefits to these businesses; no benefit for those using such services, and no benefits for the Picton Community and the economic development and employment success of Picton.

New office premises are best located within convenient walking distance of:

- The existing community heart that already centres on the Council Library and Service Centre;
- The retail heart of the Picton town Centre; and
- The London Quay visitor and hospitality precinct.

Attention needs to focus on:

- Creating a superior business environment;
- Close to business and employee services;
- Close to opportunities for business hospitality; and
- Where there are many opportunities for employees to recreate and socialise.

These considerations have proved to be vital to stimulate, attract and retain:

- New business founders
- Mobile employees
- Growing small and home based businesses
- The offices of transport, construction and larger businesses
- Health services and professional offices
- Businesses that serve dispersed or wider markets

## RESIDENTIAL AND EMPLOYMENT GROWTH

There are three different localities within convenient walking distance of the High Street retail heart, the existing community focus area, and the London Quay visitor precinct.

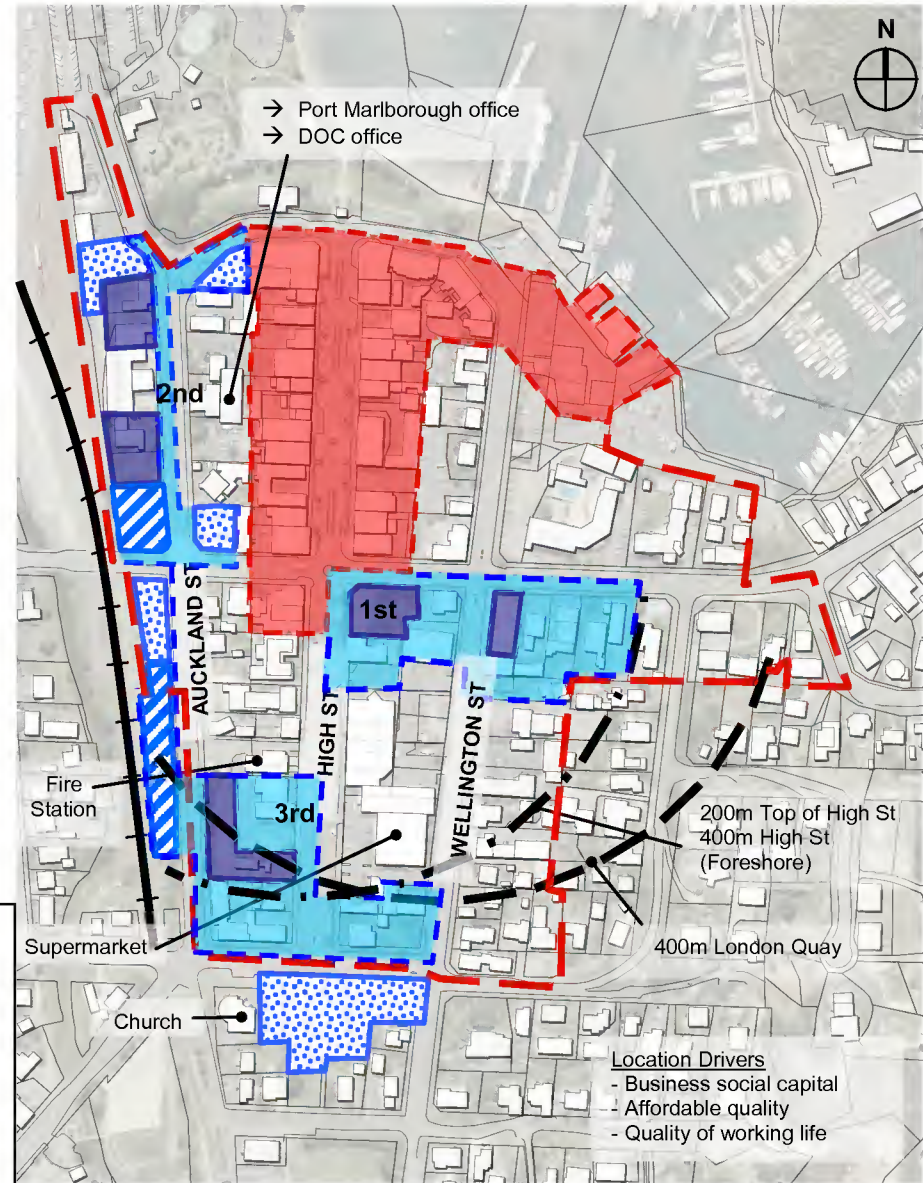
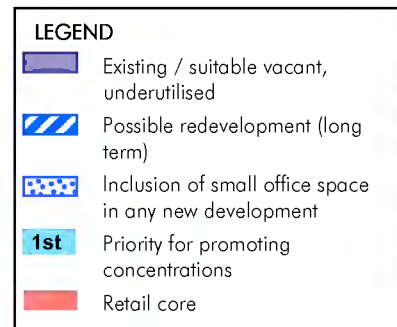
1. Dublin Street (between High St and Wellington St)
2. Auckland Street (between Auckland Street and the railway)
3. Northern High Street (through to Auckland Street)

These are locations where Picton has the best prospect to provide a superior business environment, close to business and employee services, where there are many opportunities for business hospitality, and opportunities for employees to recreate and to socialise (during breaks, before and after work). These are places where the Council should actively promote the clustering of future small business premises and favour the development of small office premises.

### Recommended provision for small office space

It is recommended that planning for future small business and office space in Picton should be based on:

- Reviewing the existing home based business planning provisions – to ensure that they encourage the establishment and growth of home based businesses, without detriment to existing residential amenity.
- Strongly promoting small business and small office clusters in the vacant Dublin Street site (between High Street and Wellington Street) – including the adaptive re-use of existing buildings and in the redevelopment of the existing vacant land and any under-utilised sites.
- Promote the inclusion of good quality, designer office space in any development or redevelopment proposed for Auckland Street (between Auckland Street and the railway).
- Consider allowing the conversion of existing residences fronting Broadway (between Auckland St and Wellington St) to professional offices and medical services.



ABOVE FIG. 5-45: Small office strategy