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*Proposed Hastings District Plan*

**Proposed Variation 2: Irongate Industrial  
Area**

**Section 32 Summary Evaluation Report**

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# Proposed Variation 2: Irongate Industrial Area

## Section 32 Summary Evaluation Report

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# 1 Introduction

## 1.1 Purpose of this Report

This report presents the summary evaluation in accordance with Section 32 of the Resource Management Act 1991 (RMA) on Proposed Variation 2 to the Hastings District Plan (Proposed Plan) to amend the zoning of the Irongate Industrial Area.

This proposed Variation 2 seeks to expand the industrial area at Irongate, replace the Deferred General Industrial zone with a General Industrial zone. The Variation removes the need for staging development and replaces reticulated stormwater servicing with on-site self-servicing. This to be achieved by way of a Variation to the Proposed Plan 2015.

The Irongate Industrial Area was first introduced to the Operative District Plan via Plan Change 50 (adopted by Council in 2011). The Proposed Plan 'rolled over' the provisions for Irongate established under Plan Change 50.

For this reason, the technical reports that supported Plan Change 50, also underpin this Variation, whilst new reports have been provided where necessary, with an emphasis on Servicing.

This report is required to accompany proposed Variation 2 at the time of public notification under Schedule 1 under the RMA.

## 1.2 Outline of Proposed Variation 2 to the Hastings District Plan

In summary, the proposed variation involves:

- amending the zone provisions to enable individual on-site disposal of stormwater;
- reverting to a 'full' General Industrial Zone (replacing the two staged, Deferred Industrial Zone);
- extending the zone area to include an additional 46.98 hectares of land (including Scheduled Sites 24, 25 & 26 – with consequential removal of these 'Scheduled Sites' from Appendix 26 of the Proposed Plan);
- amending associated subdivision and land development standards;
- inserting a definition for stormwater;
- amending the accompanying Structure Plan (Appendix 16);
- amending the Plan Maps to reflect these changes; and
- other consequential amendments to the Proposed Plan.

## 2 Statutory Context

### 2.1 Section 32 of the RMA

Clause 5(1) of Schedule 1 of the RMA, requires preparation of an evaluation report for any proposed plan (including any proposed variation to a proposed plan) in accordance with section 32, and for Council's to have particular regard to that report when deciding whether to proceed with the statement or plan.

Section 32 evaluations effectively 'tell the story' of what is proposed and the reasoning behind it. The Section 32 evaluation aims to communicate the thinking behind the proposal to the community and to decision-makers. The evaluation also provides a record for future reference of the process, including the methods, technical studies, and consultation that underpin it, including the assumptions and risks.<sup>1</sup>

Therefore, under section 32, Proposed Variation 2 to the Proposed Hastings District Plan (Proposed Plan) must be accompanied by an evaluation that examines both:

- the extent to which the objectives of the proposal are the most appropriate way to achieve the purpose of the RMA (s32(1)(a)); and
- whether the provisions in the proposal are the most appropriate way in which to achieve the objectives in terms of their efficiency and effectiveness by identifying other reasonably practicable options for achieving the objectives; assessing the efficiency and effectiveness of the provisions in achieving the objectives; and summarizing the reasons for deciding on the provisions (s32(1)(b)).

The evaluation report must contain a level of detail that corresponds to the scale and significance of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the proposal (s32(1)(c)).

Such an evaluation must take into account:

- the benefits and costs of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the provisions, including opportunities for economic growth and employment that are anticipated to be provided or reduced (s32(2)(a)) and, if practicable, quantify them (s32(2)(b)); and
- the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions (s32(2)(c)).

In this case, proposed Variation 2 (the proposal) does not, of itself, contain or state 'objectives'. Therefore, pursuant to section 32(6), 'objectives' in this setting relate to 'the purpose of the proposal', which is:

***'To amend the servicing regime and incorporate additional land to facilitate the Irongate Industrial Area to develop as intended'***

Similarly, the 'provisions' to be evaluated are essentially:

- ***the Irongate Industrial Area Structure Plan; and***
- ***the industrial provisions (General Industrial and Deferred General Industrial zones, and Scheduled Sites) as they relate to the Irongate Industrial Area.***

The first part of the evaluation therefore has to address:

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<sup>1</sup>'A guide to section 32 of the Resource Management Act: Incorporating changes as a result of the Resource Management Amendment Act 2013'. Wellington: Ministry for the Environment (2014).

- *whether amending the servicing regime and incorporating additional land to facilitate the Irongate Industrial Area to develop as intended, is the most appropriate way to achieve the purpose of the RMA.*

Secondly, in evaluating the provisions of the proposal in terms of efficiency and effectiveness, the evaluation has to address:

- *whether the amendments to the Proposed Plan (including the Irongate Structure Plan) are the most appropriate way to achieve the development of the Irongate Area as intended. This includes on-site stormwater solutions for the Irongate Industrial Area (including consequential removal of Deferment and Staging), and incorporating additional land into the Zone (including consequential removal of relevant scheduled sites).*

The following evaluation fulfils Council's statutory obligations under Clause 5(1) of Schedule 1 of the RMA, in accordance with section 32, for proposed Variation 2 to the Proposed Plan.

### 3 Statutory Basis for Addressing Long Term Land-Use & Infrastructure Issues in the District Plan

In terms of managing long-term provision for industrial land use and associated infrastructure, Section 74 of the RMA outlines the requirements for District Councils in terms of the preparation of, and any change to, their district plan in accordance with their functions under section 31 and the provisions of Part 2 of the RMA.

#### 3.1 Part 2 (Purpose & Principles) of the RMA

Managing long term land-use and infrastructure aligns closely with the purpose of the RMA, which is **'The sustainable management of natural and physical resources'**.

Section 5 of the RMA defines 'sustainable management' as:

*'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 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;*
- (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.'*

Proposed Variation 2 directly relates to the long term provision of industrial land in the Hastings District. Part 2 requires that this occurs in a way and at a rate which enables people and communities to provide for their social and economic wellbeing while meeting the reasonably foreseeable needs of future generations; safeguarding the life-supporting capacity of air, water, soil and ecosystems; and addressing adverse effects on the environment.

This rezoning seeks to achieve sustainable management by providing a strategic and planned approach to industrial development. The greater land area and different approach to infrastructure services proposed for the Variation has been in response to the wishes of landowners and submitters so as to provide an industrial zoning that they are prepared to invest in in terms of industrial development. In this way, the Variation seeks to enable people and communities to provide for their social and economic wellbeing.

In terms of section 5(2)(a) – (c), the Variation does involve an additional loss of versatile land from the Heretaunga Plains for growing purposes. This is relevant both in terms of (a) with regard to the natural resource of the versatile soils meeting the needs of future generations; and (b) in terms of the life supporting capacity of the soil. The encroachment onto this land is however necessary to provide long term certainty in land supply for new industrial development in a location where there is ready access to the Expressway (being regional and national arterial routes respectively).

The location also provides for the economic benefits of the clustering of like activities. Such clustering of industrial activities into a zone also reduces the potential for reverse sensitivity effects by reducing the interface with sensitive activities (as compared to stand alone industrial activities). Increasing the zoned supply of industrial land will also take away the need for industrial activities to locate out of zone 'due to a scarcity in zoned industrial land supply'. In this regard the rezoning will have a positive effect in protecting the versatile soil resource in comparison to a constrained industrial land supply which can encourage the dispersal of industrial activities over the Heretaunga Plains.

With regard to section 6 of the Act 'Matters of National Importance', the Irongate Area does not trigger the need to consider any of these matters, due to the area being devoid of those resources that section 6 is seeking to protect.

For completeness however, it is noted that information regarding this Variation, and the servicing report has been provided to tangata whenua. Main concern raised from the tangata whenua perspective is around water quality in the district. The Irongate Area is not on the Heretaunga Plains Unconfined Aquifer and at this stage no further correspondence from Ngati Kahungunu or Te Tai whenua O Heretaunga has been received.

With regard to section 7 and 'Other Matters' to be given particular regard, the relevant provisions to the Variation are listed as follows:

- b) 'the efficient use and development of natural and physical resources;*
- ba) the efficiency of the end use of energy;*
- c) the maintenance and enhancement of amenity values;*
- f) maintenance and enhancement of the quality of the environment;*
- g) any finite characteristics of natural and physical resources'*

In terms of 7(a), the consolidation of dry industrial activities and industrial related businesses requiring profile to a busy road, into the Irongate area, is an efficient use of the physical resource of the arterial road network and existing wastewater and water mains (from which the new services are to extend from). Some loss of the versatile soil natural resource will result, although the rezoning will encourage the consolidation of industrial activities, which could otherwise locate in a dispersed pattern across the Plains Production Zone versatile soil resource (albeit subject to resource consent).

As with 7(a), the consolidation of industrial activities resulting from the rezoning is positive in terms of 7(ba) and the 'efficiency of the end use of energy'. Transport efficiencies result from such clustering. Irongate Area is already an established location for various dry industries and the rezoning will enable this to develop further. In terms of dry industry, the rezoning is central to the produce grown in the Heretaunga Plains and the arterial road network, which is beneficial in reducing transportation costs for produce packhouses and coolstores.

The maintenance and enhancement of amenity values in terms of s7(c) is relevant both in terms of the amenity values of the wider area and to the amenity of those travelling through or to the zone. Amenity Effects are addressed via the standards and terms of the Plan with provisions such as 'Setbacks', 'Screening' 'Landscaping' and 'Noise'.

In terms of amenity for those travelling through the zone screening requirements will help to ensure that the road frontage of industrial sites is softened with landscaping while still providing opportunity for the commercial value of the profile to be realised. See the Variation plan standards 14.1.6A4 and 14.1.6A.5.

These same matters are also relevant in terms of section 7(f) and the maintenance of the quality of the environment. Also of relevance to 7(f) is the protection of the Irongate Stream and Sissons Drain water quality. This matter is addressed later in this report and is mitigated by the Proposed Plan rules and standards in section 29.1 and the stormwater rules in the Hawke's Bay Regional Resource Management Plan pertaining to stormwater from industrial premises.

In terms of section 7(g) and the finite characteristics of natural and physical resources, the versatile soils resource of the Heretaunga Plains is a relevant consideration. The potential effects on this finite resource is addressed in section 6.1 of this report. It is concluded that although some of the versatile land resource will be lost to urban encroachment, the extended

rezoning will achieve sustainable management in a manner that can mitigate any adverse effects.

The decision by Council to consider provision for onsite disposal of stormwater, thereby removing the requirement to connect to a Council provided reticulated scheme, is the result of balancing environmental values with cost to the community. Engineering advice<sup>2</sup> has concluded that the more cost effective alternative of onsite stormwater disposal in the Irongate Industrial Area is able to achieve the same principles and design objectives as a reticulated approach, due to the very rapid soakage rates of the soils in the area. This matter is addressed in section 7 of this report.

The proposed on-site self-servicing of stormwater disposal has enabled the consideration of some existing industrial activities on the fringe of the deferred zone to be included in the revised zone. Following consultation with those landowners where there was a general consensus that being in the General Industrial Zone would be of benefit to them, and subject to further assessment, the variation is proceeding with those sites included.

### 3.2 Part 4 (Functions, Powers & Duties) of the RMA

The particular statutory functions of the District Council in giving effect to the Act as contained in section 31 of the Resource Management Act 1991 also provide a clear mandate for addressing long term land-use and infrastructure issues in a District Plan. In particular:

- “(1)(a) the establishment, implementation, and review of objectives, policies, and methods to achieve integrated management of the effects of the use, development, or protection of land and associated natural and physical resources of the district:*
- (b) the control of any actual or potential effects of the use, development, or protection of land, including for the purpose of—*
  - (i) the avoidance or mitigation of natural hazards; and*
  - (ii) the prevention or mitigation of any adverse effects of the storage, use, disposal, or transportation of hazardous substances; and*
  - (iia) the prevention or mitigation of any adverse effects of the development, subdivision, or use of contaminated land:*
- ...*
- (d) the prevention or mitigation of any adverse effects of the storage, use, disposal, or transportation of hazardous substances;*
- (e) the control of any actual or potential effects of activities in relation to the surface water in rivers and lakes:*
- (2) the methods used to carry out any functions under subsection (1) may include the control of subdivision.”*

Proposed Variation 2 seeks to amend plan provisions to in a way that will still achieve integrated management of the effects of the use and development of land for industrial purposes, while being affordable to the community.

### 3.3 Hawke’s Bay Regional Policy Statement

In addition, Section 75 of the RMA states that a district plan ‘*must give effect to*’ any regional policy statement (RPS). The Hawke’s Bay RPS is included in the Hawkes Bay Regional Resource Management Plan (RRMP), and of particular relevance in terms of providing for long term industrial growth and integration of infrastructure servicing are the overarching resource management objectives (OBJ 1, 2 and 3) and the objectives and policies in Chapter 3.1 ‘Managing the Built Environment’, which deal with:

<sup>2</sup> ‘Irongate Industrial Area – Report on Services for District Plan Variation’, O’Callaghan Design Ltd (16 May 2016)

- avoiding unnecessary encroachment of urban activities on the versatile land of the Heretaunga Plains (OBJ UD1),
- provision for the land requirements for the growth of business activities in the Heretaunga Plains sub-region in a manner that supports the adopted settlement pattern (OBJ UD3);
- enabling urban development in the Heretaunga Plains sub-region in an integrated, planned and staged manner which allows the adequate and timely supply of land and associated infrastructure (OBJ UD4); and
- ensuring that the rate and location of development is integrated with the provision of strategic and other infrastructure, the provision of services, and associated funding mechanisms (OBJ UD5).

Of particular note, POL UD2 specifically addresses long term provision for industrial land as follows:

*PROVISION FOR BUSINESS ACTIVITIES (HERETAUNGA PLAINS SUB-REGION)*

*In the Heretaunga Plains sub-region, district plans shall provide for business activities to 2045, in a manner which:*

*...*

- c) Promotes the utilisation, redevelopment and intensification of existing industrial land, and provides sufficient additional greenfields industrial land to ensure demand for new land can be met by supply;*
- d) Promotes the utilisation of existing infrastructure availability, capacity and quality as far as reasonably practicable;*
- e) Avoids unnecessary encroachment onto the versatile land of the Heretaunga Plains;*
- f) Avoids, remedies or mitigates reverse sensitivity effects in accordance with Objectives and Policies in Chapters 3.5 and 3.13 of the plan;*
- g) Ensures close proximity to, major transport hubs and multi-modal transport networks.*
- h) promotes close proximity to labour supply.*
- i) Avoids or mitigates the following locational constraints: ...*
  - iii. stormwater infrastructure that is unable to mitigate identified flooding risk*
  - iv. flood control and drainage schemes that are at or over capacity*
  - v. active earthquake faults*
  - vi. high liquefaction potential*
  - vii. nearby sensitive waterbodies that are susceptible to potential contamination from runoff, stormwater discharges, or wastewater treatment and disposal.*
  - viii. no current wastewater reticulation and the land is poor draining*
  - ix. water short areas affecting the provision of adequate water supply.*

*Principal reasons and explanation*

*In achieving a more compact urban settlement pattern, the emphasis should be on utilising and redeveloping existing commercial and industrial land to accommodate business growth, in the first instance. This will ensure efficient utilisation of existing and planned infrastructure, minimisation of reverse sensitivity issues, and efficiencies in utilising the presence of existing labour supply. Across the Heretaunga Plains sub-region there is potential to provide for most anticipated new commercial activity within existing zoned commercial land through redevelopment and uptake of existing commercially-zoned land to 2045. However, there is some expectation that additional industrial land may be required at some point during that period, depending on uptake.*

*Any provision for new business land should be focused around existing infrastructure to minimise public costs and in particular to achieve integration with transport networks. Any new infrastructure should be planned in a manner which recognises the importance of the links to and from the Heretaunga Plains sub region and the role these links serve for the efficient*

*distribution of goods throughout the region. Phasing or sequencing of business land for development is not necessary provided that a ready supply is available, as it is expected that the market will dictate its rate of development.*

The preparation of proposed Variation 2 to the Proposed Hastings District Plan is therefore subject to a statutory obligation to give effect to the above.

In 'giving effect to' the RPS, proposed Variation 2 looks to assist in the provision of sufficient additional greenfields industrial land to meet demand in the Hastings District, which is close to major transport networks and labour supply. The following assessments and evaluation address encroachment onto the versatile land of the Heretaunga Plains and reverse sensitivity effects, and specifically addresses infrastructure matters (stormwater infrastructure, in particular) and effects on nearby sensitive waterbodies (such as the Irongate Stream).

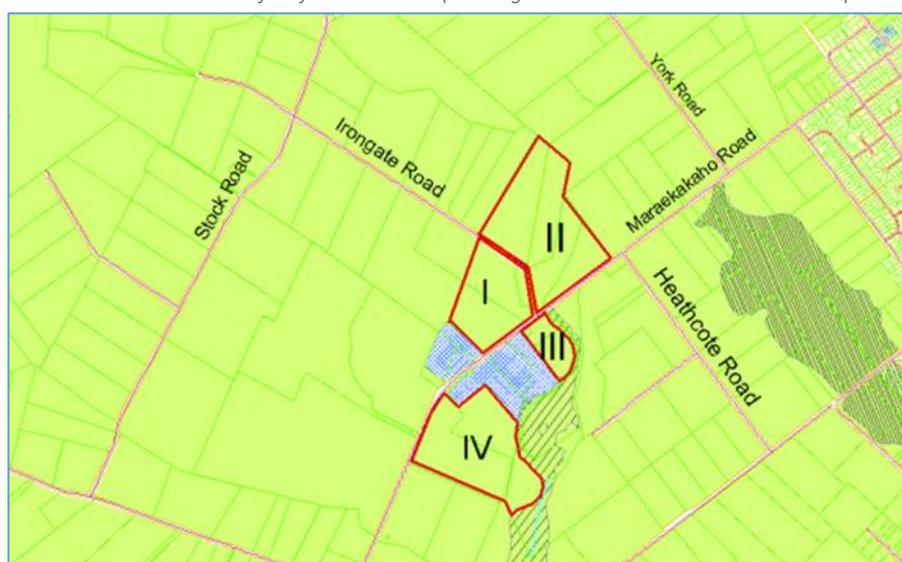
## 4 Background to Proposed Variation 2

There is comprehensive background to the development of the Irongate Industrial Area. This history has direct relevance to this Variation and is summarised as follows:

### 4.1 Hastings Industrial Growth Strategy

Council first identified Irongate as an appropriate area for dry Industrial activity in 2003, its Hastings Industrial Strategy. This strategy identified the need for an additional 80 – 120 hectares of land for industrial use over the following 10 - 15 years. A subsequent site selection report assessed the feasibility of rezoning four blocks of land at Irongate (numbered I, II, III and IV in figure 1 below) for industrial purposes, with blocks I, II and III being endorsed for rezoning. Area IV was excluded at that time, to avoid potential creep of the urban limits away from the existing urban area of Hastings.

Figure 1 – Industrial sites Identified for evaluation (Hastings District Council Site Selection Report 2003)



A later review of the Industrial Strategy, completed in 2009, found that industrial growth had been slower than anticipated and recommended making 30% of the zoned industrial land to be made available. The updated strategy identified the following land requirements for industrial development:

Table 1 – Hastings District Council Industrial Growth Strategy

Location	Projected Development to 2019 in hectares	Projected Development from 2020 in hectares
Omahu Road	13	16
Irongate	35	43
Tomoana / Whakatu	Nil	25
Total	48	84

## 4.2 Heretaunga Plains Urban Development Strategy (HPUDS's)

In 2010, Council adopted HPUD's as its framework for urban growth in the Heretaunga Plains. It identified an indicative Irongate Industrial 'node', to supply 78 hectares as part of the district's overall industrial land requirement target through to 2045 of 141 ha. The strategy acknowledged the shortage of larger industrial sites in both Hastings and Napier as an issue.

## 4.3 District Plan

### 4.3.1 Plan Change 50

Industrial zoning in the Irongate Area (refer figure 2 below) was first introduced to the Operative Hastings Plan by Plan Change 50, adopted in 2011, as 'Deferred General Industrial' Irongate Area. It provided land for 'dry' large scale industrial activities in 2 stages:

- Stage 1, comprising approximately 35.4 hectares allowed for some development to take place ahead of reticulated services being provided with deferment to be lifted once the appropriate infrastructure has been completed;
- Stage 2 provided for an additional 36.2 hectares extending towards the Southern Expressway Extension with infrastructure to be extended as demand required.

#### Infrastructure Servicing

Plan Change 50 was the culmination of careful consideration by Council of development options for servicing, including stormwater. The Plan Change, providing land over two stages, required onsite servicing in stage 1 with a requirement to connect to services once provided. Planned services included reticulated waste and wastewater services; and a combined system for stormwater that included reticulation for the Sissons catchment, onsite for sites within the Irongate Drain catchment and a Council system of swales and detention to provide for excess stormwater in major storm events. The Plan Change also required roofing materials to be constructed of inert materials or painted with non-metal based paint.

This combination of services was considered to be the most efficient and effective method of meeting District Plan objectives and was provided for in the District Plan in accordance with a structure plan (attached to the District Plan as Appendix 16). The purpose of staging was to provide for a flexible approach to the timing of infrastructural development with the intention being that deferment for Stage 1 would be lifted when this infrastructure was commissioned which was to be triggered by a certain level of development. Stage 2 would follow, if and when demand warrants it. This would assist in reducing the holding costs to Council between constructing services and recouping development contributions and was particularly relevant to provision of reticulated stormwater services, the most expensive component of the infrastructure development.

Hawke's Bay Regional Council (HBRC) lodged a submission in support to Plan Change 50 on the basis that, among other things, it provided satisfactory stormwater solutions.

It is important to note that on-site servicing was one of the options considered during the development of Plan Change 50. Whilst this was deemed an appropriate option, as evident in the accompanying Section 32 Evaluation Report<sup>3</sup>, it was not the preferred option at that time for the following reasons:

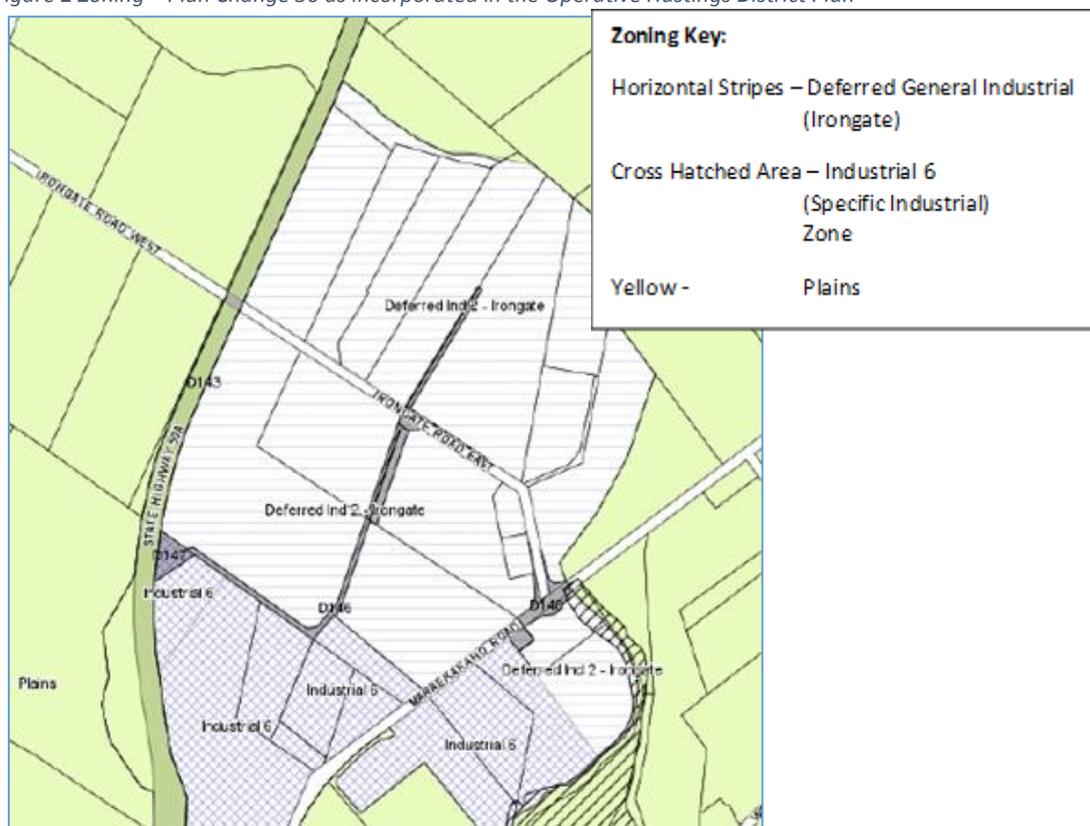
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<sup>3</sup> 'Irongate Industrial Plan Change Plan Change 50 to the Hastings District Plan: Section 32 Evaluation', MWH Ltd (January 2010)

*‘However, it is more efficient to provide a reticulated stormwater solution where that can be established in a viable manner. This is not therefore the preferred option.’ (pg 53)*

Since that time, the need for reticulated stormwater has come into question (this is addressed further in section 4.4 of this report).

Figure 2 Zoning – Plan Change 50 as incorporated in the Operative Hastings District Plan



#### Zone Area for Plan Change 50

In determining the Zone boundaries for Plan Change 50 a larger area was initially considered for inclusion in the zone (refer figure 3 below) – considerably larger than the final land area adopted for the plan change. This also included the following sites on the periphery of the now Deferred Industrial Zone, which are now being sought for inclusion as part of proposed Variation 2:

- 1215 Maraekakaho Road (Scheduled Site 24 in Proposed Plan & formerly Ind 6 zone)
- 1229 Maraekakaho Road (Scheduled Site 24 in Proposed Plan & formerly Ind 6 zone)
- 1206 Maraekakaho Road (Scheduled Site 25 & formerly Ind 6 zone)
- Part of 1194 Maraekakaho Road (Scheduled Site 26 & formerly Ind 6 zone)
- 1168 Maraekakaho Road (Lot 2 DP 372375)
- 1166 Maraekakaho Road
- 1139 Maraekakaho Road

Figure 3 Plan Change 50 Area of Investigation<sup>4</sup>

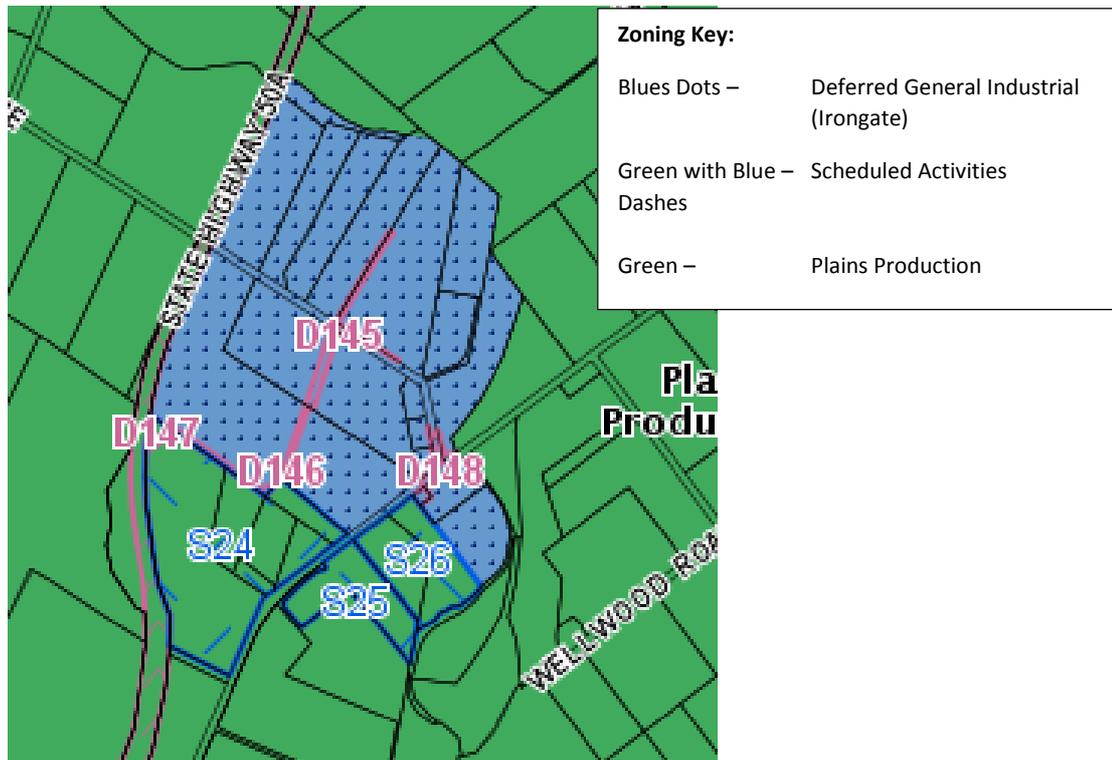


The final zone boundary for Plan Change 50 excluded these additional sites which either remained as Plains Zone or Industrial 6 (now scheduled sites).

#### 4.3.2 Proposed District Plan (as Amended by Decisions)

In November 2013, Council notified a Proposed District Plan following its 10-yearly programmed District Plan Review. The Proposed Plan (as amended by decisions) was notified in September 2015. Plan Change 50 via the ‘Deferred General Industrial’ zoning for the Irongate Area has been carried over into the Proposed Plan, and ‘Industrial 6’ zoned sites have been replaced by ‘scheduled’ sites as shown on the Plan in Figure 3 below.

Figure 4 Proposed District Plan (Decisions Version)



<sup>4</sup> Map from ‘Archaeological Assessment Proposed Irongate Industrial Plan Change’ – Opus Consultants (2009)

Appeals to the ‘scheduling’ of these sites in the Proposed Plan have been lodged with the Environment Court with the relevant relief sought summarised as follows:

Figure 5 Appeals to the Proposed Hastings District Plan

Schedule Number	Appellant	Relevant relief sought:
S24 (6.5705 ha)	Navilluso Holdings Ltd	<ul style="list-style-type: none"> <li>Rezoning of properties at 1215 and 1229 Maraekakaho Road to Industrial 6 with an extension of the activities permitted on the site; and</li> <li>a minimum Lot size of 5,000m<sup>2</sup> with an average of 1.5 hectares</li> </ul>
S25 and Section SO Plan 423795 and sections 8,10-11 SO Plan 438108 (3.9624 ha)	Mike Walmsley Ltd	<ul style="list-style-type: none"> <li>Rezone land legally described as Section SO Plan 423795 and sections 8,10-11 SO Plan 438108 from Plains Zone to Industrial Zone; and</li> <li>Rezone land at 1206 Maraekakaho Road to Industrial 6 with an extension of the activities permitted on the site and a minimum Lot size of 5,000m<sup>2</sup> with an average of 1.5 hectares</li> </ul>
S26 (8.38ha)	Carr Group Investment Limited	<ul style="list-style-type: none"> <li>Rezoning to Industrial 6 with an extension of the activities permitted on the site; and</li> <li>a minimum Lot size of 5,000m<sup>2</sup> with an average of 1.5 hectares</li> </ul>

#### 4.4 Progress since Plan Change 50

Since Plan Change 50 was made operative in May 2011, industrial development has not progressed as intended. Land owners have expressed their frustration, with the Development Contribution levies cited as a major constraint. As such, Council has explored alternative infrastructure options to address this and these are discussed in Section 7.2.1 of this report.

As already noted, the ‘Deferred General Industrial’ zone for the Irongate Area provides for interim onsite servicing ahead of reticulated services for water, wastewater and a mix of on-site solutions and reticulation for stormwater.

In response to community concerns Council commissioned a review of services from BECA<sup>5</sup>. This report revisited the Councils servicing approach for Irongate and summarised community concerns as follows:

- ‘Development is economically unviable due to the level of Development Contributions (DC’s);
- ...’

The BECA report reviewed the servicing and infrastructure provisions under Plan Change 50 and concluded that the level of service for the provision of reticulated infrastructure to service Irongate was appropriate and that the costs associated with providing these services was also appropriate. Notwithstanding this, Council still had the issue that development at Irongate was not progressing.

<sup>5</sup> ‘CON201406 Omaha Corridor and Irongate Cluster Industrial Zones- Infrastructure Review – Part 1 Summary Report’, BECA (July 2015)

Later, at a Council meeting in 17th November 2015, Council, still seeking a solution to the concern of the landowners in the Irongate Industrial, resolved:

*‘that stormwater, wastewater, water, roading and staging be dealt with as an integrated package as part of the Irongate Variation with a view to consulting with the landowners on this package’.*

Following this, further independent advice was sought from O’Callaghan Design Ltd (OCDL) exploring servicing alternatives (report attached in **Appendix B**). Also the planning implications of taking a different approach were investigated by Sage Planning (reports attached in **Appendix B**). As result of these alternative solutions Council was also able to look at the way that development contributions are calculated under the Local Government Act.

At a further meeting on 1 March 2016, Council considered the merits of pursuing a variation to the Proposed District Plan for the Irongate Deferred Industrial Area that would address options for infrastructure development that would assist in improving their affordability to the community. At the March meeting it was resolved to proceed with a variation that would:

- i) remove the need to connect to a Council reticulated scheme for stormwater;
- ii) remove staging and deferment;
- iii) and increase the area by including an additional 46.9ha.

This approach was deemed a workable option by the independent planning and engineering advice received and was supported by landowners and stakeholders.

A consequence of this approach is that stormwater within the zone will be managed on a site-by-site basis with the need to obtain resource consent from Hawke’s Bay Regional Council, who have expressed some concern at the potential for longer term cumulative effects. However, given the quality and nature of the soils engineering advice confirms that this is likely to be relatively minor.

#### 4.5 Basis for Progressing Variation

On the basis of the above, proposed Variation 2 addresses ongoing concerns about the ability of the Irongate Industrial Area to develop as intended, and offers a **viable, and financially appropriate, alternative to the staged, fully-reticulated Deferred Industrial Zone and ‘Scheduled Site’ approach currently adopted in the Proposed Plan, which is likely to result in faster industrial uptake.**

Confirmation of the suitability of the additional area proposed for inclusion in the industrial zoning for Irongate is further addressed in sections 5, 6 & 7 of this report.

## 5 Results of Community Engagement

Having determined an alternative viable solution that would reduce the cost of infrastructure development, Council held a number of meetings with landowners and stakeholders. These meetings confirmed overall support for the approach.

A Consultation Record is attached in **Appendix A**.

Summary of main issues:

- *Development contribution apportionment;*
- *Development contributions for sites with existing industrial activities and existing onsite servicing; and*
- *Cumulative effects from onsite management of stormwater disposal.*

### 5.1 Affected Landowners and Stakeholders

Two meetings were held with landowners and stakeholders in the Irongate Area on 24<sup>th</sup> February 2016 and again on 23<sup>rd</sup> May 2016. At these meetings, attendees were advised of the proposed approach for infrastructure, the potential cost of the infrastructure to landowners as developers and timeframes for a Plan Variation to enable this.

In general, those who attended these meetings were satisfied that the proposed approach provides a workable solution to landowners that will assist in addressing current constraints through reducing the costs of infrastructure to acceptable levels.

### 5.2 Adjacent Landowners

In addition to the above meetings, consultation with a number land owners adjacent to the 'Deferred General Industrial' Irongate Area were consulted. The general response from these landowners was positive with areas of concern relating to payment of development contributions rather than zoning. It is noted that a number of these landowners currently have appeals against the Proposed District Plan relating to scheduling of their sites in the Proposed District Plan.

### 5.3 Mana Whenua

Mana whenua have been informed about the proposal for Irongate, and the likely proposed Variation to the Proposed Plan. At this stage, no issues have been raised in response to information forwarded regarding this plan variation.

### 5.4 Other Stakeholders

#### 5.4.1 Hawke's Bay Regional Council

A meeting with HBRC staff was held on 25 February, 2016. Their main concerns included the potential for cumulative effects of on-site stormwater management, the monitoring of these sites, and concern with sites under 2 hectares, where no regional consent is required.

#### 5.4.2 Hawkes Bay Fruit Growers Association

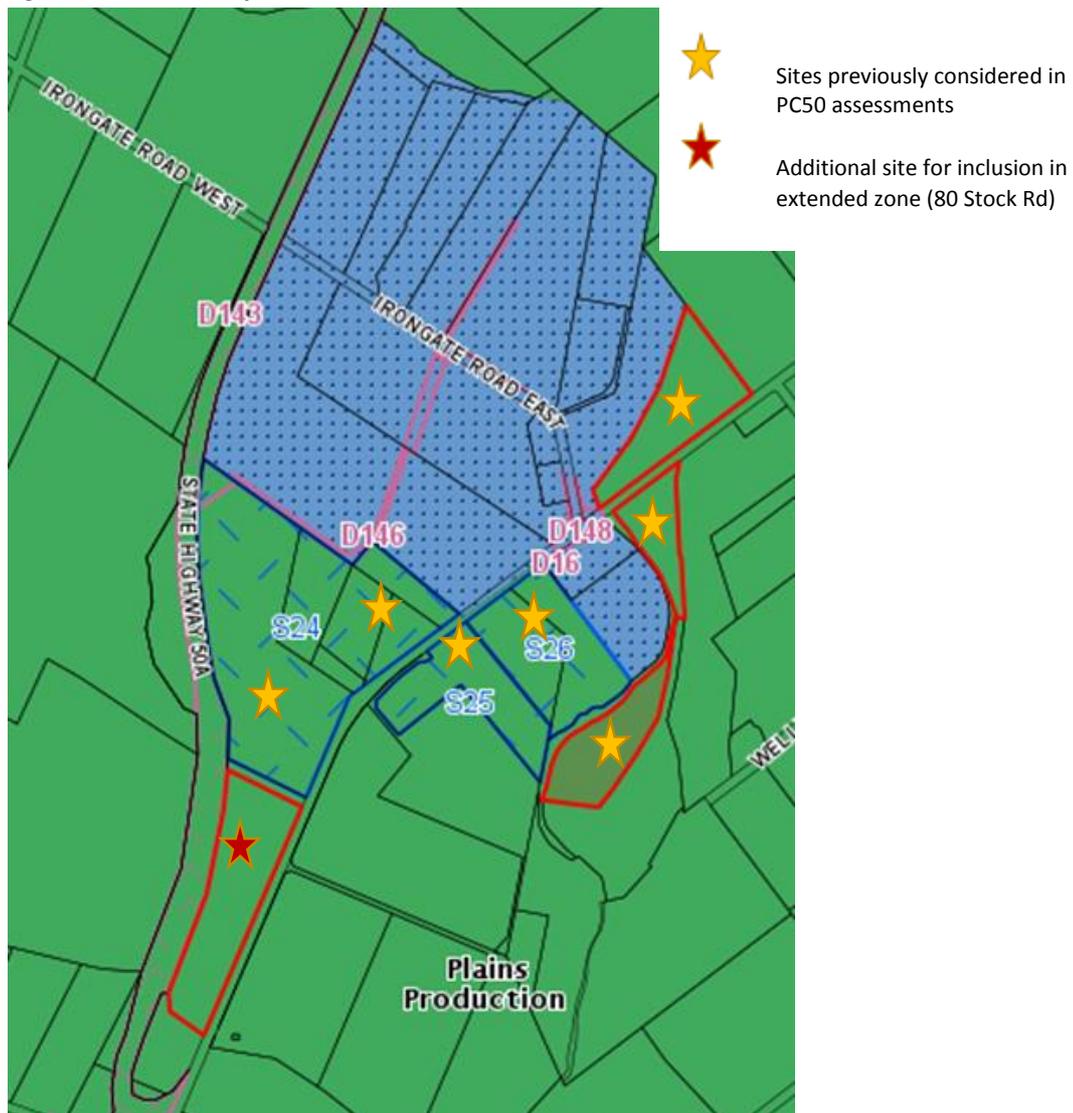
A representative attended the stakeholder meeting and no specific issues were identified.

## 6 Confirm Suitability

As a variation to a proposed plan, this is an ‘amending proposal’ in terms of section 32, therefore it is the aspects of ‘difference’ that require evaluation. In that sense, the effects (beyond the servicing effects) of the industrial development of the 71.54ha at Irongate that is already zoned industrial (albeit ‘deferred industrial’) do not need to be reconsidered.

As part of Plan Change 50, a wider area was assessed for inclusion in the Irongate Industrial Zone (refer yellow stars in the figure below).

Figure 6 Additional Land for inclusion in Zone



The various technical assessment reports to inform Plan Change 50, therefore have considerable relevance to assessing the effects of the additional land contained in proposed Variation 2. These are listed and their relevance assessed in the table below.

Note: 80 Stock Road<sup>6</sup> comprising 5.93 hectares (represented by a red star in the figure above) was not specifically assessed as part of Plan Change 50.

<sup>6</sup> Sec 1 SO 423795 SECS 8, 10,11 SO 438108 CT 560033

Table 2 – List of Technical Reports in Support of Plan Change 50

Report Title	Author	Comment on Relevance
Water Services Assessment	MWH (June 2009)	This report finalises earlier reports relating to water and wastewater. While self-servicing for these components was considered they have been discounted as appropriate for the proposed Variation and therefore these reports are <b>not considered further</b> .
Stormwater Options Assessment	MWH (June 2009)	<p>This report considered the feasible options available for the management of stormwater in the Irongate Industrial Area. It identified a range of options including:</p> <ol style="list-style-type: none"> <li>1. on-site soakage and stormwater treatment options.</li> <li>2. Attenuation options to provide for control of peak flows to prevent flooding problems getting worse in Sisson Drain in the area around Maraekakaho Road.</li> </ol> <p>The recommended solution was a combination of roof to ground onsite for discharge to the Irongate Stream; with provision for swales for the Sissons Drain catchment, combined with a culvert under Irongate Road, and attenuation area.</p> <p><b>The stormwater solution proposed by the proposed Variation has changed and further information relating to this is covered in this report.</b></p>
Ecological Assessment – Assessment of Effects on Irongate Stream	MWH (June 2009)	<p>This report addresses the impacts of the proposed rezoning on the ecological values associated with aquatic environment of Irongate Stream. It acknowledges the regulatory role of HBRC in controlling water quality of the Irongate Stream and recommends riparian planting along the stream. This recommendation forms part of the zone standards for those sites in the Irongate Area that abut the Irongate Stream.</p> <p><b>No further assessment is required.</b></p>
Ecological Assessment – Stream Ecological Valuation Assessment	MWH (November 2008)	<p>This report concludes that the integrity of ecological functions of the Irongate Stream are substantially impaired and that the Plan Change presents an opportunity to protect and enhance the remaining values. <b>The findings of this report remain valid to the proposed Variation.</b></p>
Archaeological Assessment	Opus International Consultants (June 2009)	<p>This report concludes that the potential to locate remains of historic occupation and use within the area of the proposed rezoning is low. <b>The findings of this report remain valid to the proposed Variation.</b></p>
Preliminary Geotechnical Assessment	MWH (November 2008)	<p>This report provides information as to the soil characteristics, land stability and test pit results. <b>This report remains valid to the proposed Variation.</b></p>

Soil Quality and Impact Assessment	John Wilton, Horticultural Consultant (October 2008)	This report described land uses at that time, assessed soil quality in the Irongate Area, and described the potential effects of the rezoning on the life-supporting capacity of the Heretaunga Plains soils resource. This report remains valid to the proposed Variation and is covered later in this report. In addition, further evidence provided by Mr Wilton in the JARA Family Trust Environment Court appeal is also relied on in this report. <b>No new soils assessment is considered necessary.</b>
Industrial Demand Study	Logan Stone (June 2008)	This report sought to project the likely demand for industrial land in the District out to 2019. An update as part of the Heretaunga Plains Urban Development Strategy review provides more recent information, but does not suggest significant change in the overall future industrial land demand and supply expectations.
Industrial Site Selection Report	Megan Annear and Anna Summerfield, Hastings District Council (September 2003)	This report identified the Irongate Area for 'dry' industrial purposes. <b>This report remains relevant to the proposed Variation.</b>
Hawke's Bay Irongate Industrial Area Modelling Report – Phase 2	Gabites Porter(2009)	This report extends on earlier reports showing baseline traffic in the vicinity of the Irongate Industrial Area in 2009 and includes base modelling for 2021 and 2026, staged development over all of the modelled years and an assessment of an additional access road to the Irongate Industrial Area. <b>An addendum to this report 'Irongate Industrial Traffic Generation Assumptions - MWH (2016)' updates this information in support of the proposed Variation and is addressed later in this report.</b>

The focus of the following assessment is on the difference between the land assessed as part of Plan Change 50 (what was adopted, as well as what was considered for inclusion but not adopted), and the extent of land affected by proposed Variation 2, and is therefore confined to the following:

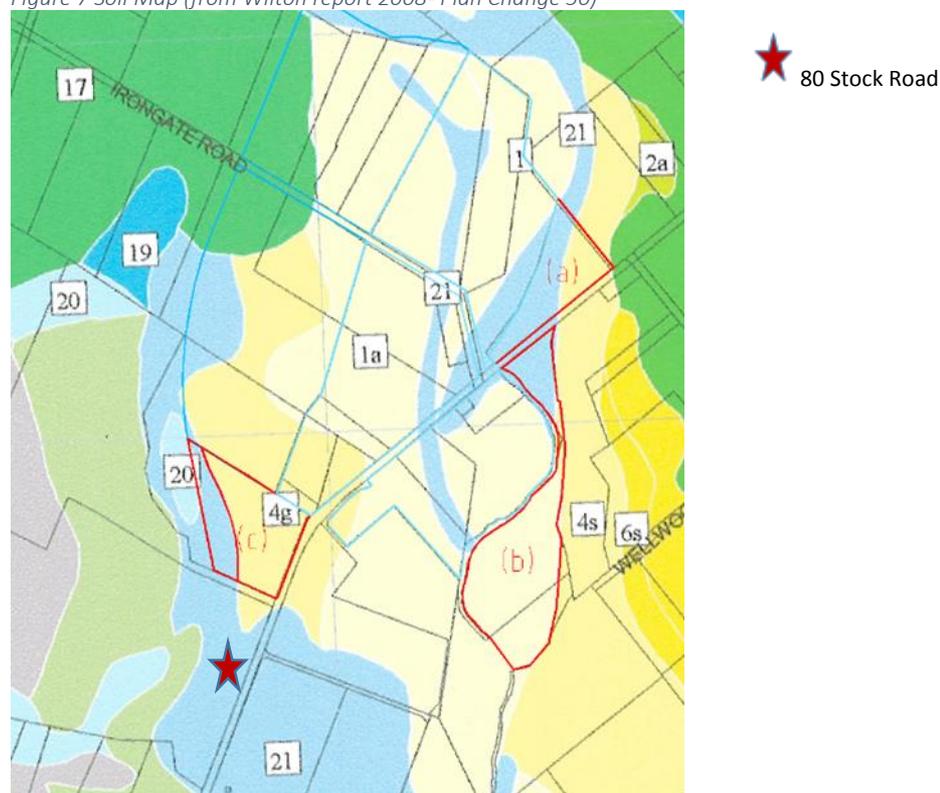
1. the suitability of rezoning Scheduled Sites 24, 25 & 26 from Plains Zone to General Industrial Zone; and
2. the suitability of rezoning 80 Stock Road from Plains Zone to General Industrial Zone.

## 6.1 Additional Loss of Plains Zoned Land

The Irongate Industrial Zone will be increased from 71 hectares to 118 hectares, an increase of 47 hectares. While this seems like a large increase in area and a significant loss of Plains zoned land, 18 hectares of this is identified as 'scheduled' sites (formerly Industrial 6 in the operative Hastings District Plan) with existing industrial activities already established, and a further 4 hectares is the JARA family Trust site, the subject of a recent Environment Court appeal.

The remaining 25 hectares is land adjacent to this industrial area that is geographically isolated from the Plains Production Zone and in addition, the soils of this area have limitations for productive purposes (see figure below) as discussed further below.

Figure 7 Soil Map (from Wilton report 2008- Plan Change 50)



Evidence provided by Mr John Wilton, a horticultural consultant with AgFirst Consultants HB Ltd in both the JARA Family Trust Environment Court decision<sup>7</sup> and Plan Change 50 soils quality assessment, describes the soil types of the JARA Family Trust property (area (a) above) as ‘... of poor quality for cropping purposes’ and areas (b) and (c) as having limited productive potential due to soil quality and isolation from more productive area. Mr Wilton described the characteristics of Soils 1a (Omahu) as having use for wine growing or stone fruit (low yield); and Soils 21 (Irongate) as being of reasonable soil quality and suitable for cropping and horticulture areas, but limited as this soil type are often small surrounded by adjacent poorer soils such as Omahu, making them difficult to use to their full potential.

Mr Wilton also noted that the area denoted as (b) on Figure 7, b) ‘butts up against a terrace of higher land bound by *Casuarina* shelterbelt beyond which are productive orchards’ and in his view that ‘this terrace and shelter belt forms a natural boundary between the areas being considered for industrial use and the productive Plains zone soils’<sup>8</sup>.

80 Stock Road, denoted by the red star on the figure above, comprises Soils 21 (Irongate) with some productive potential, however further isolated not only from other more productive soils, but by the Southern Expressway to the west and Maraekakaho Road to the east. There is no sensible opportunity for amalgamating this land with productive Plains zoned land and to do so would make it an isolated island within the Irongate Industrial Area abutting.

<sup>7</sup> Environment Court – Decision [2015-WLG-0017], JARA Family Trust

<sup>8</sup> ‘Plan Change 50 Soils Quality and Impact Assessment prepared for Hastings District Council’, AgFirst Consultants HB Ltd (2008) – pg2

For these reasons, it is not considered necessary to commission another soils assessment as the above mentioned reports remain valid.

The Hawke's Bay Fruitgrowers' Association, who have advocated for the protection of the Heretaunga Plains Soils for many years, were also consulted early on in the consultation process for the Variation (the results of this consultation is summarised in section 5 of this report).

In addition, the increased land being made available for dry industrial purposes is consistent with the Plan intent of consolidating the existing industrial area in this location, meeting future demand and providing an area for large scale dry type industries, and thereby avoiding further encroachment of valuable soils in other locations.

Thus in summary, the loss of an additional 47 hectares of soil for the Irongate Industrial Zone can be justified in terms of Council's section 31 RMA function of "methods to achieve integrated management of the effects of the use, development, or protection of land and associated natural and physical resources of the district....". For the reasons outlined above, provision of an increased Irongate Industrial area, combined with the proposed variation for the Omahu Industrial area will likely provide sufficient supply of industrial land for the foreseeable future.

## 6.2 Reverse Sensitivity Effects

The proposed increased Industrial Zone for Irongate will result in a defined area, separated from the wider Plains area by existing features including major arterial roads, the Irongate Stream, and natural terraced boundary and shelter belt planting.

The proposal to encompass existing neighbouring industrial land also provides for the clustering of like activities. Such clustering of industrial activities into a zone reduces the potential for reverse sensitivity effects by reducing the interface with sensitive activities (as compared to stand alone industrial activities).

However there is one aspect of reverse sensitivity that need to be considered in the context of the variation and that is in relation to the potential for new dwellings to establish as a permitted activity on neighbouring Plains Production properties. Rule PP34 of the Plains Production Zone covers this situation and is proposed to be amended by the Variation to read:

*Residential activities and visitor accommodation within 50 metres of the general Industrial Zone (Irongate) as identified in Appendix 16 – Non complying activity.*

This rule will ensure that any new residential activity establishing within the Plains Production Zone will be set back at least 50 metres from the Irongate General industrial Zone.

## 6.3 Effects of Additional Traffic

The primary difference between the Deferred Industrial Zone and the proposed Variation to the area is an increase in the size of the proposed Zone. On this basis a recent transportation assessment was undertaken by MWH to assess the impact of increasing the size of the zone on the road network (refer to **Appendix C**).

The recent MWH Report considers that an increase in the size of the development area has little impact in terms of intersection improvements and timing of interventions. As part of this transport assessment, two roading options were explored, referred to as Development Scenario B & C (which included additional access points into the Irongate area), however following additional consideration, it was concluded that maintaining primary access from Irongate Road only is the most effective and efficient option in terms of minimising roading

costs and functionality for the road network. The intersection analysis of the MWH report<sup>9</sup> states that:

*'Irongate/Maraekakaho:*

*All previous assessments have concluded that the intersection could likely continue to function up to 36Ha of development as a T intersection. This would require interventions at the intersection in 2023/24. However, the current observed traffic flows are significantly less than those previously estimated. As such, it is expected the T-intersection can continue to operate to a satisfactory level of service beyond this point.*

*This is based on an assumption that 25% of traffic is heading south and 75% heading north from Irongate. The report suggests this should be validated after 'years 1 and 2'. The report states that no intersection improvements at the Irongate/Maraekakaho intersection is needed over the next 10-15 years based on current assumptions.*

*The other nearby intersection is York Road/Maraekakaho Road. The report states:*

*The York/Maraekakaho Intersection is detailed below. As indicated previously the development traffic volumes equate to approximately 1/3<sup>rd</sup> of the total traffic volumes at this intersection as detailed below.*

<i>Base traffic volumes without development (2035)</i>	<i>1,199 vehicles in peak hour</i>
<i>Irongate development traffic growth (2035)</i>	<i>590 vehicles in peak hour (33%)</i>
<i>Total traffic volumes with development (2035)</i>	<i>1789 vehicles in peak hour</i>

*It is worthy of note that the increase in volumes is on the conflicting straight through and right turn out movements and as such the intervention is only actually required to service this development – without this growth in traffic the T-intersection would likely suffice from an operational perspective (notwithstanding any safety concerns). The modelling completed indicates an intervention is required from a traffic operation perspective in approximately 2030 or when 53Ha are developed. As with Irongate intersection there may be drivers to action this earlier to resolve any safety concerns at the intersection but this is very difficult to predict. I suggest you base development contributions on year of intervention being 2030.*

*Mid-block Analysis – Maraekakaho Road:*

*In addition to the required intersection enhancements identified it is likely that further interventions are necessary along the Maraekakaho Road frontage. It is possible that lots fronting Maraekakaho Road will be afforded direct access from Maraekakaho Road, albeit limited, and this could have implications for road safety.*

*In addition, the development of a large industrial area will lead to an increase in demand for alternative transport mode access to this site. Whilst the location is not overly attractive to encouraging walking to and from the site (due to the distance from residential areas) it is highly likely that employees of the industrial area may choose to cycle to and from the site.*

*To ensure the safety of all road users is maintained it is necessary to increase the road cross-section of the Maraekakaho Road frontage to accommodate both a widened sealed shoulder (for left turning vehicles and cyclists) and also a central flush median*

<sup>9</sup> *'Irongate Transport Assessment', MWH Ltd (16 April 2016)*

*(for right turning vehicles). Given the local speed environment on this frontage and also considering the side conflicts expected here (additional access points) it is recommended that these interventions are progressed. A high level cost estimate of the seal widening and flush median provision is estimated at \$505k. The intervention year for these facilities is highly dependent on the update of the development and whether this takes access direct from Maraekakaho Road.*

Council Engineers have indicated that some improvement will need to be undertaken to Maraekakaho Road in the vicinity of the Zone to assist with managing the roading impacts of increasing the area of the Zone (safety and connectivity with Hastings). These include:

- 'Seal Widening for Maraekakaho Road to make it safer for vehicles and to provide a space for other road users (eg. cyclists, turning vehicles, etc.).
- Flush median on Maraekakaho Road throughout
- Roundabout intersection at Irongate Road/Maraekakaho Road
- The contribution towards the upgrading of York road / Maraekakaho Road intersection. The upgrade is identified as a roundabout. This upgrade is triggered by the development. The contribution has been identified at up to 1/3rd the cost based on the increased traffic volumes contributed from the development to the intersection.

Timing of the various works:

- Seal widening - Year 3 along with the Irongate/ Maraekakaho Road intersection T junction treatment.
- Flush median - Year 3 along with the Irongate/ Maraekakaho Road intersection T junction treatment.
- Roundabout construction at Irongate Road/Maraekakaho Road – This is due in approximately 2030 or at development of 53Ha of the site.
- Contribution to York Road intersection upgrade - This is due in approximately 2030 or at development of 53Ha of the site.'

**On the basis of the TIA Report, MWH 2016 and comments from HDC Road Engineers, it is therefore concluded that the proposed roading improvements to ensure a safe roading network as a result of Variation 2 will enable appropriate, cost effective servicing to the extended zone and is consistent with the requirements of the RMA.**

## 6.4 Effects of Natural Hazards

A search of the Hawke's Bay Hazards Portal has not identified any known natural hazards of significance affecting the additional area proposed for inclusion in the Irongate Industrial Area.

## 6.5 Servicing Assessment

Servicing was addressed in detail as part of Plan Change 50. As outlined previously in this report, the full servicing option adopted through Plan Change 50 has since been challenged as economically unviable, and Council has explored alternative servicing options.

The OCDL Report<sup>10</sup> concluded that existing reticulated solutions for water and wastewater are 'the right decision' in terms of managing environmental risks for industrial sites in the Irongate area. However, with regard to stormwater, a more cost effective alternative of onsite stormwater disposal was found that is able to achieve the same principles and design objectives as a reticulated approach.

Extending the alternative servicing solution to the additional land proposed for inclusion in the zone has also been assessed and confirmed in the OCDL Report. A more detailed evaluation of servicing options is contained in section 7 of this report.

**On the basis of the OCDL Report, it is therefore concluded that the proposed servicing solution promoted through proposed Variation 2 will enable appropriate, cost effective servicing to the extended zone and is consistent with the requirements of the RMA.**

## 6.6 Hazardous Substances

The General Industrial Zone provides for dry industrial activities in the Irongate Industrial Area. Further, the Irongate Industrial Area is not located over the Heretaunga Plains Unconfined Aquifer.

Section 33.1 of the Proposed Plan defines a 'Major Hazardous Facility' as follows:

*Means any facility which involves one or more following activities:*

- *Manufacturing and associated storage of hazardous substances (including industries manufacturing agrichemicals, fertilisers, acids/alkalis or paints)*
- *Oil and gas exploration and extraction facilities*
- *Purpose built bulk storage facilities for the storage of hazardous substances (other than petrol, diesel or LPG) for wholesale or restricted commercial supply*
- *The storage/use of more than 100,000L of petrol*
- *The storage/use of more than 50,000L of diesel*
- *The storage/use of more than 6 tonnes of LPG*
- *Galvanising plants*
- *Electroplating and metal treatment facilities*
- *Tanneries*
- *Timber treatment*
- *Freezing works and rendering plants*
- *Wastewater treatment plants*
- *Metal smelting and refining (including battery refining or re-cycling)*
- *Milk treatment plants*
- *Fibreglass manufacturing*
- *Polymer foam manufacturing*
- *Asphalt/bitumen manufacture or storage*
- *Landfills*

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<sup>10</sup> 'Irongate Industrial Area – Report on Services for District Plan Variation', O'Callaghan Design Ltd (16 May 2016)

Many of these activities are unlikely to occur in the Irongate Industrial Area, as they would require access to a trade waste sewer system. In the event that a Major Hazardous Facility did seek to locate in the area, it would be subject to assessment through the resource consent process.

In addition to the provisions set out in Section 18.1 of the Proposed Plan relating to hazardous substances, activities will also be subject to the Hazardous Substances and New Organisms Act 1996 (HSNO). The purpose of the HSNO Act (1996) is to 'protect the environment, and the health and safety of people and communities by preventing or managing the adverse effects of hazardous substances and new organisms'. The HSNO Act (1996) is administered by the Ministry for the Environment and implemented by the Environmental Protection Authority. The new Ministry of Business, Innovation and Employment is also involved with enforcement in terms of hazardous substances.

Given this, the provisions relating to Major Hazardous Facilities and the management of hazardous substances in the Proposed Plan (applying across the District) are considered appropriate to ensure potential adverse effects from the use, transport and storage of hazardous substances is adequately avoided or mitigated on the additional land proposed for inclusion in the Zone.

## 6.7 Visual and Amenity Effects

Visual and amenity effects were fully addressed as part of the preparation of Plan Change 50. Key visual and amenity effects of including additional land to the Irongate Industrial zone are:

- the impact of allowing an extended industrial development along Maraekakaho Road and the Southern Expressway, both important links to Hastings City; and
- the move closer to existing residential dwellings.

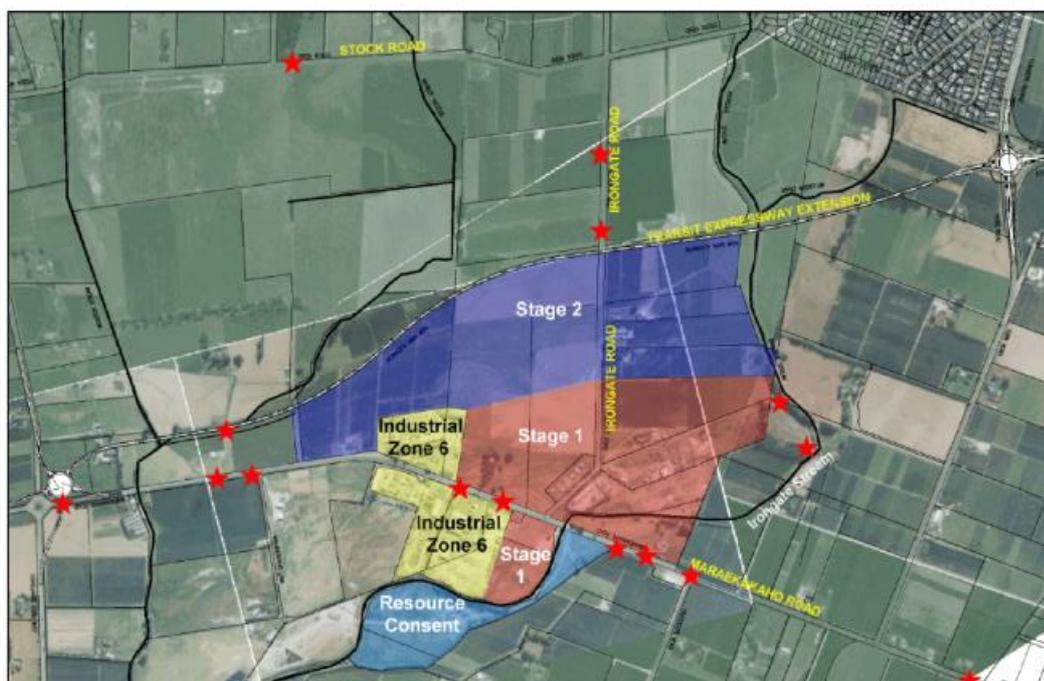
As outlined earlier, the increased land area is separated from the wider Plains area by existing features including major arterial roads, the Irongate Stream and natural terraced boundary and shelter belt planting.

The Landscape and Visual Assessment Report prepared by Georgina Thow, Landscape Architect<sup>11</sup> for Plan Change 50, identified the key elements of the Irongate Industrial area and a number of recommendations were made to mitigate the effects.

*Figure 8 Landscape Assessment Areas*

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<sup>11</sup> 'Irongate Industrial Rezoning Area: Landscape & Visual Impact Assessment', Georgina Thow (May 2008)



Irongate Industrial Rezone Area (Vantage Point Locations, Adjacent Roads and Irongate Stream)

Relevant recommendations from that report included in Plan Change 50 are:

- Maximum building height of 15 metres (to mimic the Plains Zone area)
- Front yard building setback of 10 metres
- Shelter belt planting along boundaries of properties adjoining state highway 50A, and specified shelter belt planting along all other boundaries (side and rear) on properties adjoining the Plains zone and adjacent to Section 17 SO438108
- For the full length of all other front boundaries (which includes Maraekakaho Road) landscaping for the minimum width of 2.5 metres is required

The Thow report recommended excluding the JARA Family Trust property from the zone ‘to provide a more sympathetic response to the existing landscape features and visual amenity’. This matter has subsequently been addressed by the Environment Court decision relating to that site and is now sought for inclusion in the industrial zone.

These provisions were tested through the Plan Change 50 process and will by default apply to the additional areas to be included in the Zone. There is nothing to suggest any further standards are necessary and no further landscaping advice is required. Under these standards, the property at 80 Stock Road will be required to establish shelter belt planting along the expressway and a minimum depth of 2.5 metres landscaping for other road frontages.

The provisions of the General Industrial zone will extend the amenity provisions of the industrial zone to this area which will provide more suitable amenity protection than occurs with ad hoc development

The Landscape Assessment completed for PC 50 concluded that industrial zoning was appropriate in this location and recommended a number of mechanisms to ensure that the industrial zones are appropriately integrated into the landscape and to achieve an appropriate level of amenity within the site itself.

It is therefore concluded that the existing amenity and setback provisions for the Irongate Area that will also be applied to the additional areas to be included, that is suitable for including in this zone.

## 6.8 Economic Impacts

Section 32 requires specific consideration of the benefits and costs of the environmental, economic, social, and cultural effects that are anticipated as a result of adoption of the plan variation, including opportunities for economic growth and employment that are anticipated to be provided or reduced (s32(2)(a)).

Much of the basis for proceeding with the development of proposed Variation 2 has been around the development contribution costs associated with fully-reticulated servicing of the Irongate area under the Deferred Industrial Zone provisions.

As outlined above, the current proposal for reticulation of water and wastewater services but introducing an on-site stormwater solution along with removing the deferment and staging aspects for this area, is deemed to largely address the observed issues around economic viability of developing the area for industrial purposes.

There are some risks associated with this in terms of timing and provision of reticulated servicing and the inflow of development contributions, however a more viable development area is anticipated to lead to faster uptake of land for industry which is expected to reduce this holding cost risk considerably.

Rezoning of this area presents significant economic benefits to landowners, commercial developers and the building sector, through improved land values for some landowners, and through economic growth and employment resulting from subsequent development and construction opportunities. The proposal will also meet the identified demand for larger industrial sites, thereby further stimulating economic growth within the District.

This also has flow on economic benefits to the wider Hastings and Hawke's Bay community, through provision for job growth, and an increase in the local authority rating base.

### 6.8.1 Financial Risk in Terms of Holding Costs with No Staging

Notwithstanding the above, with a larger area being rezoned and no staging of service provisions, there is a longer timeframe for development and recovery of costs by development contributions. This increases the holding costs for the Council after the initial capital expenditure.

Despite increased holding costs however, an overall reduction in the per m<sup>2</sup> development contribution cost has been achieved in the proposal under this Variation compared to the previous Deferred Industrial Zone (Irongate). This will be of benefit to the landowners within the industrial zone and the future developers of it.

A potential negative for some landowners is that under the current provisions, land in Stage 1 would have had some scarcity value and therefore potentially attracted a higher sale price. It would follow that due to the greater industrial land supply that would result from the proposed Omahu North and Irongate Industrial Variations, that land should ultimately have a lower market value. If this was to be the case, it would of course be beneficial to those seeking to buy and develop industrial land. It is also noted that the consultation undertaken suggests that landowners in the previous Stage 1 are generally more supportive of the rezoning under this Variation, mainly due to the more practicable zone boundaries and servicing arrangements able to be achieved being considered more important than an increased supply of industrial land.

It is acknowledged that many variables apply in the sale and marketing of land for development and in the case of greenfields residential land in provincial areas such as Hawke's Bay, market prices have not necessarily been reduced during periods where there is an ample supply of zoned residential land available. Although, increased supply may well have slowed increases in price. It remains to be seen as to whether a similar outcome will apply to industrial land.

Ultimately, it is the decision of landowners and developers as to if and when the land comes to the market and is available for sale and development, rather than the zoning of the land in the District Plan.

## 6.9 Effects on Historic Heritage

The area, including scheduled sites and additional land (with the exception of the land at 80 Stock Road), were assessed for archaeological/historic effects as part of Plan Change 50. This assessment found that the potential to locate remains of historic occupation and use within the area of the proposed industrial zoning is low.

There are no recorded archeological sites, notable trees or historic heritage features noted on the District Plan maps relevant to 80 Stock Road. There may be unrecorded sites, however no targeted on-site archaeological assessment is considered necessary at this stage given that the land is highly modified with a history of primary production activities suggesting considerable soil disturbance over the years. The land at 80 Stock Road is unlikely to exhibit much remnant archaeology.

However, the Proposed Plan does contain sufficient safeguards to ensure that archaeology is considered at subdivision and detailed land development stage, and the Heritage New Zealand Act imposes further statutory obligations on all persons in respect of any work that may lead to the destruction or modification of any recorded or unrecorded archaeological sites.

**In terms of unrecorded historic heritage sites, if any are discovered at the development stage the Proposed Plan along with the Heritage New Zealand Act, contain sufficient safeguards.**

## 6.10 Effects on Cultural Values

In terms of cultural values, there are no waahi tapu or significant culturally-significant features or values identified on the Planning Maps, within or in close proximity of 80 Stock Road.

Consultation with mana whenua as part of this process has not raised any concerns to-date with respect to the Irongate Industrial area as a whole. It is possible that because future industrial development for much of this area has already been signaled through Plan Change 50, such issues would likely have been raised at that time.

It is, however, acknowledged that the mauri of waterways is important to tangata whenua generally. Hence, the protection of water quality and habitat associated with the Irongate Stream and the downstream catchment into which it flows, is essential. This will be achieved through reticulated wastewater servicing of the development and requirements around the delivery of appropriate on-site treatment and discharge of stormwater through proposed District and Regional Plan standards and Council's Engineering Code of Practice for Subdivision and Land Development.

**A review of available information and consultation with mana whenua to-date indicates there are no waahi tapu or significant cultural features or values that would be adversely affected by the proposal to extend the zone or move to an on-site stormwater solution. However, Council will continue to engage with mana whenua throughout this plan variation process.**

## 6.11 Conclusion as to Suitability

On the basis of the above, with the exception of an inevitable loss of an additional area of potentially productive soils at 80 Stock Road (which is already considerably constrained by being sandwiched between the Expressway, Maraekakaho Road and existing adjacent industrial activities), **the expansion of the Irongate Industrial Area to include an additional 46.98 hectares of land and to move to an on-site stormwater servicing solution and resulting uplift of deferment and staging, is ultimately confirmed as suitable.**

## 7 Appropriateness, Efficiency & Effectiveness of Proposed Variation 3 in Achieving the Purpose of the RMA

### 7.1 Is the Proposal the Most Appropriate Way to Achieve the Purpose of the RMA?

As outlined in section 2.1 of this report, the first part of this evaluation is:

*‘Whether amending the servicing regime and incorporating additional land to facilitate the Irongate Industrial Area to develop as intended, is the most appropriate way to achieve the purpose of the RMA.’*

The assessments above in section 3 to 6 of this report, demonstrate the following:

1. The proposal assists in the provision of additional greenfields industrial land to meet demand in the Hastings District, close to major transport networks and labour supply.
2. The amended servicing regime and consequential removal of deferment and staging, provides long term certainty for new industrial development.
3. The proposal amends the Proposed Plan in a way that will still achieve integrated management of the effects of the use and development of land for industrial purposes, while being affordable to the community. In this way, the proposal seeks to enable people and communities to provide for their social and economic wellbeing.
4. The inclusion of existing industrial land on neighbouring ‘scheduled sites’ provides for the clustering of like activities, being an already established location for various dry industries. Such clustering of industrial activities into a zone also reduces the potential for reverse sensitivity effects by reducing the interface with sensitive activities (as compared to stand alone industrial activities).
5. The conclusion of the assessment in section 6 of this report is that, albeit with the inevitable loss of an additional area of potentially productive soils associated with the inclusion of 80 Stock Road (which is already considerably constrained by being sandwiched between the Expressway, Maraekakaho Road and existing adjacent industrial activities), the additional 46.98 hectares of land proposed for inclusion in the zone is ultimately confirmed as suitable for the purpose.
6. The results of the community engagement process during preparation of proposed Variation 2 suggests a high level of support for the proposal.

Ultimately, the proposal gives effect to the RPS, and is efficient and effective in providing for long term industrial growth in Hastings in a way and at a rate which enables people and communities to provide for their social, economic and cultural wellbeing; meets the reasonably foreseeable needs of future generations; safeguards the life-supporting capacity of air, water, soil and ecosystems; and avoids, remedies or mitigates adverse effects on the environment.

The proposal also addresses ongoing concerns about the ability of the Irongate Industrial Area to develop as intended.

**The proposal is confirmed as representing the most appropriate way to provide for the sustainable management of the District’s resources – the purpose of the RMA.**

## 7.2 Are the Provisions the Most Appropriate Way to Achieve the Purpose of the Proposal?

As outlined in section 2.1 of this report, the second part of the evaluation is:

*'Whether the amendments to the Proposed Plan (including the Irongate Structure Plan) are the most appropriate way to achieve the development of the Irongate Area as intended. This includes on-site stormwater solutions for the Irongate Industrial Area (including consequential removal of Deferment and Staging), and incorporating additional land into the Zone (including consequential removal of relevant scheduled sites).'*

The following evaluation examines whether the provisions in the proposal are the most appropriate way in which to achieve the objectives of the proposal in terms of their efficiency and effectiveness (s32(1)(b)).

To date, section 32 case law has interpreted *'most appropriate'* to mean *"suitable, but not necessarily superior"*<sup>12</sup>. Therefore, the most appropriate option does not need to be the most optimal or best option, but must demonstrate that it will meet the objectives in an efficient and effective way.

Again, as a variation to a proposed plan, this is regarded as an *'amending proposal'* under Section 32 of the RMA. In terms of section 32(1)(a) no objectives are proposed and the objectives of Section 14.1.3 (Industrial) of the Proposed Plan remain relevant.

Therefore, the focus of this Evaluation is on the differences between what was adopted under Plan Change 50 (and carried over into the Proposed Plan) and what is now being proposed under Variation 2.

It is important to note that the provisions of *'Section 14.1 Industrial'* that are not being altered by the Variation do not need to be reconsidered. Furthermore, the effects of industrial development within the 71.5ha at Irongate that is already zoned Industrial (albeit *'deferred industrial'*) does not need to be reconsidered in this Evaluation.

This Evaluation will assess the following two aspects of the Variation separately:

- **Servicing options (including staging); and**
- **Zoning options**

*and is at a level of detail that corresponds to the scale and significance of the effects anticipated from implementation of the proposal.*

Much of the background and assessment in the preceding sections of this report contributes to the overall evaluation of the specifics of this proposal.

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<sup>12</sup> Rational Transport Soc Inc v New Zealand Transport Agency HC Wellington CIV-2011-485-2259, 15 December 2011.

## 7.2.1 Servicing Options

### 7.2.1.1 Options

Options are:

1. **Do Nothing** – this option would involve retaining the full reticulated servicing proposal for the Irongate Industrial Area unaltered (and would involve retaining the zoning and associated deferment and staging provisions) as currently contained in the Proposed District Plan;
2. **Full On-Site Servicing** – this option involves removing provisions in the Proposed Plan requiring reticulated servicing for water supply, wastewater and stormwater (including consequential removal of deferment and staging provisions); or
3. **Partial On-Site Servicing (Stormwater Only)** – this option involves removing provisions in the Proposed Plan requiring reticulated servicing in respect of stormwater infrastructure only (including consequential removal of deferment and staging provisions).

These options are comprehensively addressed in an independent report from OCDL (attached in **Appendix B**), as follows:

The Council commissioned Design Engineer Ray O’Callaghan of ODCL to explore the Servicing Options for Irongate and evaluate the best solution to provide an appropriate level of service for the Irongate Industrial Zone and achieve sound engineering and environmental outcomes. The following summarises the findings of the OCDL Report:

#### **Option 1 - Do Nothing**

Plan Change 50 (the predecessor to the proposed Variation) incorporated specific solutions for water supply, wastewater collection and stormwater disposal and the development of the Irongate Industrial Area was structured to be carried out in a two stage process.

Plan Change 50 envisaged that a fully reticulated servicing system was the most appropriate option for servicing the Zone and this approach was adopted and made Operative in the District Plan though this system has not been implemented. Industrial development has not progressed as intended and the cost of this servicing arrangement has proven to be a major constraint.

Therefore, whilst technically a fully reticulated servicing system is an appropriate way to achieve the purpose of the RMA, it is not achieving the purpose of the zone, which is to enable industrial development at Irongate.

Note that to date, section 32 case law has interpreted ‘most appropriate’ to mean “suitable, but not necessarily superior”. Therefore, the most appropriate option does not need to be the most optimal or best option, but must demonstrate that it will meet the objectives in an efficient and effective way.

According to the Servicing Report<sup>13</sup>, the proposed alternative Servicing option with the combination of for self serviced on-site stormwater disposal and reticulated water supply and waster water disposal is able to provide outcomes equivalent to that provided by the fully Serviced option for the Zone, as stated in the Servicing Report:

#### *‘Summary*

*The above describes the proposed solutions for the three water infrastructure services associated with the Irongate Industrial Zone. The solutions have been developed to*

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<sup>13</sup> ‘Irongate Industrial Area – Report on Services for District Plan Variation’, O’Callaghan Design Ltd (16 May 2016)

*provide an appropriate level of service for the Zone to achieve sound engineering and environmental outcomes. The expected cost of these solutions is within an acceptable range for the efficient and cost effective development of the Zone and meet landowner expectations.'*

### **Option 2 - Full On-Site Servicing (water, waste water and stormwater)**

#### *'Water Supply*

*Potable water supply for domestic and firefighting purposes is proposed to be supplied to the Zone from the Wilson Road pump station. During the Review, consideration was again given to on-site supply for potable water. Several landowners felt that they could obtain sufficient water supply from their own bore. They felt this should be cheaper than a Council solution requiring piping water from the Wilson Road pump station. They were concerned that some of the elements included in the cost apportionment to the Irongate Industrial Area resulted in an overly expensive solution, which could be avoided with on-site solutions.*

*The key elements of any on-site (potable water) solution would involve:*

- *An appropriate technical solution on each site to provide a reasonable level of firefighting capacity. This is difficult and expensive due to the need to either have very large bore pumps with emergency standby power for firefighting or a smaller capacity bore in combination with water storage of up to 540m<sup>3</sup> on each site if a standard of FW4 is to be achieved;*
- *A multitude of individual resource consents for water take, which would make allocation potentially difficult due to the "first come, first served" process;*
- *Subsequent subdivision and/or intensification of development would trigger further expansion of the on-site infrastructure;*
- *Emergency back-up power supply would be problematic/expensive/impractical on an individual property basis.*

*Whilst it is possible to construct a bore and large water storage on each site, the collective cost of doing so makes the option more expensive than a Council reticulation solution. In addition, a Council reticulation system would provide greater operating pressure within the network and thus assist the Fire Service to fight a fire.'*

#### *Waste Water*

*The new Zone will be serviced with a full pressure sewer reticulation system which will discharge to the existing network at St Leonards Park.*

*The alternative of relying on individual on-site wastewater treatment and disposal systems was considered during the review and discussed with some land owners. This solution would be complex to implement due to the expected subdivision process that is likely to be carried out throughout the Zone. Each lot subdivided would require an individual wastewater treatment system and a land disposal area. This would result in up to 70 individual systems. These systems do not have a good track record of performance because they require a steady flow, good operation, good maintenance and they rely on sound technical support. These items are seldom achieved with any degree of reliability and the consequential cumulative adverse effects are likely to impact on poor water quality in the ground water system and in the nearby streams.*

*In addition, the individual systems require land area for the disposal system, create a risk of odour from the treatment units and require time and effort to manage them properly. They typically cost in the order of \$17,000 for a system capable of dealing with*

1Ha. The total cost of an on-site wastewater solution would exceed \$1M plus additional costs for consenting, operation, maintenance and lost opportunity for land area.

Given the risks associated with cumulative adverse effects on the environment and the difficulties of achieving good performance across the Zone, it was concluded that an on-site wastewater treatment and disposal solution for this Zone was not the best solution. A Council owned and operated solution could achieve better results, reduce the risks of adverse effects on the environment, achieve better public health protection and would not cost significantly more than an on-site solution. The fully reticulated solution has therefore been adopted.

The proposed reticulated pressure system will collect domestic wastewater from individual sites and convey the wastewater to the Council's wastewater system, which discharges to the wastewater treatment plant.

### Option 3 – Partial On-Site Servicing (Stormwater Only)

*'The soils in the Irongate Industrial Zone have been found to have rapid to very rapid soakage rates. These soils assist in achieving a satisfactory solution for individual on-site stormwater for each land owner. An on-site solution enables progressive construction of on-site disposal as each land owner progresses with development without the need to construct large swales to service small development areas in the early years. It also avoids the need for Council to purchase land for the swales.*

*As a result of the potential to achieve the above advantages, further assessment of a potential on-site solution was carried out and discussed with land owners and HBRC. This has resulted in a preferred solution based on individual on-site disposal.*

*The previous stormwater solution was based on particular consideration of the following matters:*

- *The principle of low impact design;*
- *The specific characteristics of the potential stormwater receiving environment;*
- *Climate change;*
- *The HBRC Stormwater Guidelines;*
- *The Council's LTP, Engineering Code of Practice and Best Practice Design Guide for Subdivision and Development, and the;*
- *On-site Stormwater Management Guideline (NZWERF/MfE 2004).*

*These principles led to design objectives aimed at minimising the extent of any off-site discharge, discharge at source as much as is reasonably feasible, effective management of contamination risks and use of infiltration disposal basins to reduce concentration effects. These objectives were to be met through the adoption of a design event of no overflow to surrounding areas in events up to the 50 year ARI, discharge of roof water for up to 10 year ARI to be on individual sites, management of potential contaminants through the use of pre-treatment devices and discharge to ground through a conveyance swale and large areas for detention and infiltration.*

*The new proposed solution can be engineered to achieve these general principles, but will not have specific design criteria aimed at avoiding off-site overland flow in a 50-year event. The key differences being the use of detention and disposal systems on each individual site to provide both storage and discharge to ground via infiltration without the need to convey stormwater to a separate location in a communal swale and the potential for some secondary flow in a 50-year event, depending on the scale of the development.'*

The Servicing Report also highlighted that the on-site solutions would need to meet the requirements of the Building Code and that on sites greater than 2ha resource consent from HBRC is required for the on-site stormwater disposal solution. The Report noted that due to the very rapid soakage rates of the ground in this area, the expected volume of storage and area of soakage for the proposed zone is not excessive and should allow efficient and cost effective solutions to be constructed. It also noted that the land owner will be responsible for the appropriate maintenance of the stormwater disposal system. For more details of HBRC requirements, view the full Servicing Report attached.

#### 7.2.1.2 *Whether partial on-site servicing (stormwater only) is the most appropriate way to achieve the development of the Irongate Area as intended*

This part of the evaluation focuses on whether the provisions in the District Plan as relating to on-site stormwater solutions are the most appropriate way to achieve the development of the Irongate Area as intended.

The change to onsite servicing (away from a fully reticulated system) has considerable effect on the provisions in the District Plan, primarily being the removal of the Deferred Industrial zoning and the removal of the need for staging of development in the Zone. As the Servicing Report<sup>14</sup> states:

*Plan Change 50, and the supporting Structure Plan, envisaged fully reticulated solutions to be installed to the Stage 1 area of the Irongate Industrial Area to be constructed and commissioned prior to the deferment of the Stage 1 Area being lifted.*

Staging and Deferment were fundamental aspects of Plan Change 50, and this was also considered a constraint by those landowners in Stage 2 – or the latter stage to allow industrial development. Under this arrangement, industrial activity was a non-complying activity in Stage 2. Policy IZP3 in the Proposed Plan explains it:

*POLICY IZP3 Ensure the integrated and efficient development of the Irongate Industrial Area through the use of a Structure Plan, a deferred zone, and staging.*

##### *Explanation*

*The Irongate Industrial Area (shown in the Structure Plan in Appendix 16) is anticipated to provide in the vicinity of twenty years supply of 'dry' industrial land for the District. However, the actual take up of this land will depend upon the prevailing economic and market conditions. A flexible approach to the timing of infrastructural development of this area is therefore needed.*

*The entire area is initially to be zoned Deferred Industrial 2 Zone (Irongate). This deferred zone is intended to provide a clear signal of the Council's intention to progressively develop this land for industrial use. The two stages proposed for the infrastructural development of this area are shown on the Structure Plan (Appendix 16). The Structure Plan also provides details of: the bulk infrastructure to be provided; the infrastructure corridors to be set aside; and the stormwater features which must be addressed in developing the area.*

*The Stage 1 deferment is intended to allow time for the detailed planning and construction of the infrastructure shown on the Structure Plan (Appendix 16). This deferment is to be lifted when this infrastructure has been commissioned. The Stage 2 deferment is intended to be much longer and is only intended to be lifted if and when demand warrants it.*

With the revised servicing proposal, the services to the zone will be constructed at one time, no longer necessitating the staging and deferment. The changes to the Plan reflect this change, and references to the deferred zone and staging will be deleted from the Plan. In replacement

<sup>14</sup> 'Irongate Industrial Area – Report on Services for District Plan Variation', O'Callaghan Design Ltd (16 May 2016)

there will be a new provision requiring on-site servicing solutions for individual sites. This change also necessitates consequential amendments to the Structure Plan.

These changes include the removal of a stormwater attenuation area, removal of staging (1 & 2), and removal of an infrastructure corridor, as detailed in the proposed Variation document itself.

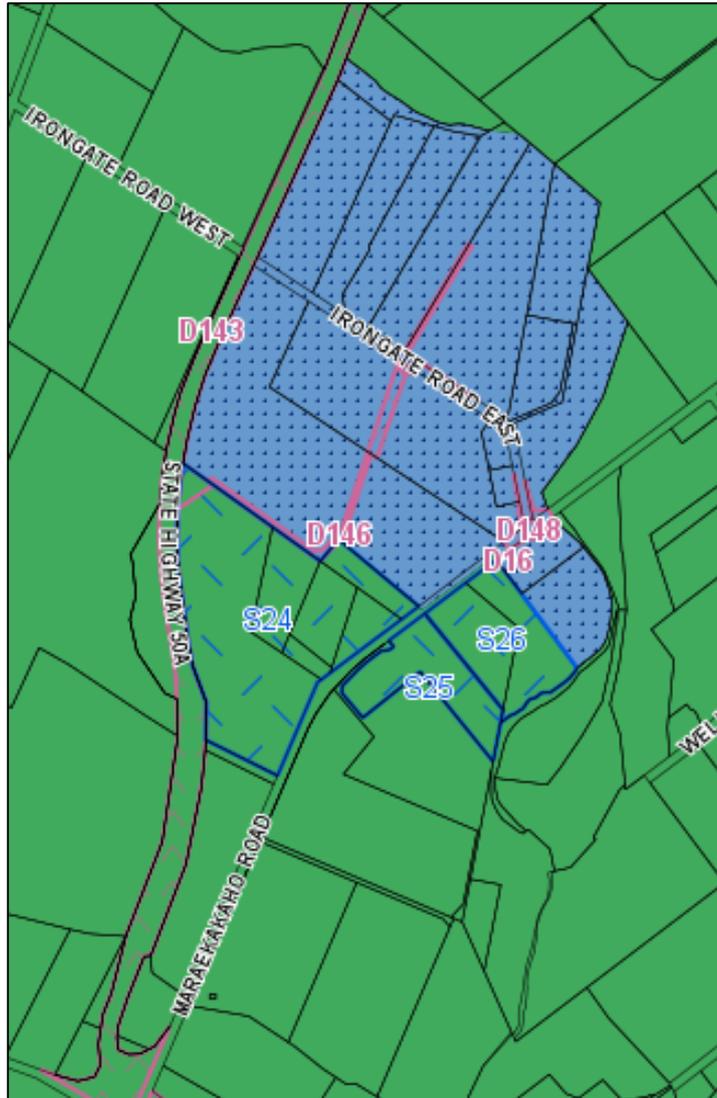
**It is considered that there is sufficient information in order for Council to act with confidence, and the evaluation above confirms that the partial on-site servicing (stormwater only) proposal will be both effective and efficient (in terms of benefits and costs), and is ultimately the most appropriate way to achieve the development of the Irongate Area as intended, and is expected to provide the sufficient incentive needed to encourage industrial development to commence.**

## 7.2.2 Zoning Options

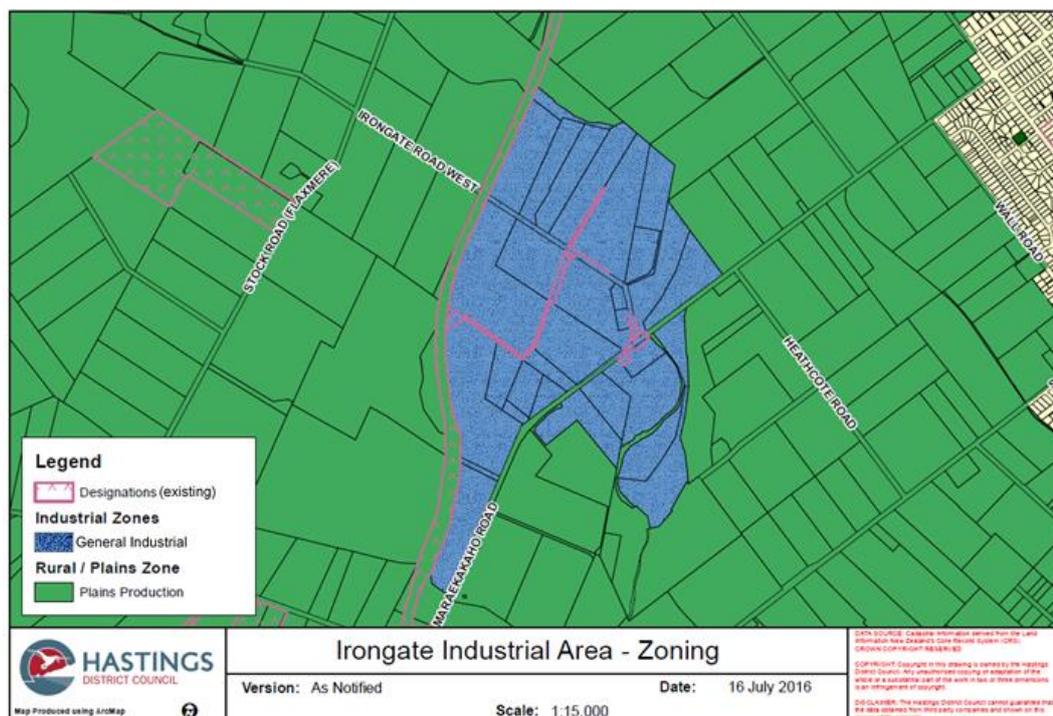
### 7.2.2.1 Options

Options are:

1. **Do Nothing** – this option would involve retaining the zone as currently contained in the Proposed District Plan (being 71.5 hectares in area); or



2. **Extend the Zone** – this option involves extending the zone to include a further 46.9 hectares of land (including consequential removal of ‘Scheduled Site’ status over Scheduled Sites 24, 25 & 26).



#### 7.2.2.2 *Whether incorporating the additional land as proposed, is the most appropriate way to achieve the development of the Irongate Area as intended*

This part of the evaluation focuses on whether incorporating the additional land as proposed, is the most appropriate way to achieve the development of the Irongate Area as intended.

The change to rezone the additional land as proposed, also necessitates removal of Scheduled Sites 24, 25 & 26 from Appendix 26 of the Proposed Plan. These particular sites will then be subject to the General Industrial Zone provisions in the Proposed Plan.

Note: specific standards have been introduced in the General Industrial Zone, as part of proposed Variation 2, to bring across specific provisions from the Plains Production Zone pertaining to these scheduled sites, as a consequence of rezoning (e.g. specific height limit for 1215 & 1229 Maraekakaho Road (S24); and screening standards for boundaries adjacent to the Plains Production Zone).

#### Environment Court – Decision [2015-WLG-0017], JARA Family Trust

This decision (attached in **Appendix D**) relates to a site located at 1139 Maraekakaho Road, owned by the JARA Family Trust to operate a ‘non-complying’ industrial activity, employing 14 staff on a ‘Plains’ zoned site, located adjacent to the ‘Deferred General Industrial’ zone. This proposal had previously been declined by Hastings District Council, who at Appeal, accepted that the proposed activity would have no more than minor adverse effects on the environment, but that it was strongly contrary to the objectives and policies of both the operative and proposed district plans, and the integrity of these documents would be compromised. The Environment Court however did not agree and approved the application and in reaching their decision stated that:

*‘the area surrounding the site has, with the exception of the orchard on the eastern boundary, long since ceased to be dominated by truly rural characteristic. We think that any reasonable person, whether having an educated planning eye or not, would call it an industrial/commercial area. There is the SPCA complex opposite; the large (3,500m<sup>2</sup>) Waipak plastics manufacturing*

*building diagonally opposite, and behind that a Balance Fertilizer Storage and Sales and Truck depot, including a truck wash and office; the large Farmers Transport operation a little to the west of that; the even larger Tumu/ITM complex on the northern side of Maraekakaho to the west; and the industrial operations on the sites western and northern boundaries’.*

And noted that:

*‘All of these, with the exception of the Farmers Transport and Tumu/ITM operations, are on sites zoned Plains. They create a large area that is dominated by substantial commercial, industrial enterprises. ...this area has become a defacto industrial/commercial node, and there is no point pretending otherwise’ concluding that “the horse has bolted”, and the best that can be done is to stop the defacto node spreading outwards’.*

The JARA Family Trust have also appealed the Plains zoning of this site in the Proposed Hastings District Plan, requesting that it be rezoned to ‘light industrial’ with no requirement to connect to Council services.

#### Appeals to Proposed Hastings District Plan

As noted in section 3.2.2, there are three appeals to the ‘scheduling’ of sites adjacent to the Irongate Area in the Hastings Proposed Plan, seeking these sites to revert to ‘Industrial 6’ and allowing for a minimum site size of 5,000m<sup>2</sup>, and an average of 1.5 ha. Rezoning as ‘General Industrial’ will provide full industrial development rights for these properties, rather than the limited rights afforded by scheduling or reverting to Industrial 6, and should assist in meeting some of the concerns of these appellants. The appeal parties have been consulted (summarised in section 5 of this report).

#### Proposed Area for Rezoning

As a result of the community engagement outlined above, the JARA Environment Court decision, and to assist in finding a solution to the appeals against the scheduled sites, Council now seeks to rezone a larger Irongate industrial zone. In doing so it will recognise and legitimize the industrial nature of many of the existing activities and provide greater scope for development. It also is consistent with the Council decisions made to progress with developing infrastructure services (water, wastewater and roading) to the zone.

Further additional land is included in the extended zone area, by virtue of it being adjacent to the industrial land outline above and geographically isolated from the Plains Production Zone by the Irongate Stream to the north, Southern Expressway to the west, Maraekakaho Road to the south east, and terracing and existing shelter belts to the east (1139, 1166 & 1168 Maraekakaho Road and 80 Stock Road). This enables the rounding-off of the industrial area and adoption of clear, defined and defensible physical and natural boundaries for the zone.

*Figure 9 Land comprising Irongate Industrial Area*

Irongate Industrial Area	Hectares
Stage 1 & 2 (Deferred Industrial Zone (Irongate))	71.5 ha
Scheduled Sites S24, S25 & S26 (formerly Industrial 6) – being 1215 & 1229, 1206, and 1194 Maraekakaho Road respectively	18.9 ha
JARA Family Trust Land (ENV Decision [2015-WLG-0017] being 1139 Maraekakaho Road	4 ha
Additional Land (1166 & 1168 Maraekakaho Road and 80 Stock Road)	24 ha
<b>Total Zone Area</b>	<b>118.52</b>

It is considered that there is sufficient information in order for Council to act with confidence, and the evaluation above confirms that the inclusion of the additional land (being the 'scheduled sites' formerly Industrial 6, as well as 1139, 1166 & 1168 Maraekakaho Road and 80 Stock Road) will be both effective and efficient (in terms of benefits and costs), and is ultimately the most appropriate way to achieve the development of the Irongate Area as intended.

## 8 Summary & Conclusions

This section 32 summary evaluation confirms the following:

1. The amending proposal assists in the provision of additional greenfields industrial land to meet demand in the Hastings District, close to major transport networks and labour supply.
2. The amended servicing regime and consequential removal of deferment and staging, provides long term certainty for new industrial development.
3. The amending proposal amends the Proposed Plan in a way that will still achieve integrated management of the effects of the use and development of land for industrial purposes, while being affordable to the community. In this way, the proposal seeks to enable people and communities to provide for their social and economic wellbeing.
4. The inclusion of existing industrial land on neighbouring 'scheduled sites' provides for the clustering of like activities, being an already established location for various dry industries. Such clustering of industrial activities into a zone also reduces the potential for reverse sensitivity effects by reducing the interface with sensitive activities (as compared to stand alone industrial activities).
5. The results of the community engagement process during preparation of proposed Variation 2 suggests a high level of support for the proposal.
6. Comprehensive assessment of suitability ultimately confirms that the amending proposal in respect of partial on-site servicing (stormwater only) is suitable, and the additional land proposed for inclusion is suitable for industrial development and results in clear, defined and defensible natural and physical boundaries for the Irongate Industrial Area.
7. The amending proposal for the Irongate Industrial Area is confirmed as representing the most appropriate way to provide for the sustainable management of the District's resources – the purpose of the RMA.
8. Moving to a partial on-site servicing (stormwater only) solution will be both effective and efficient (in terms of benefits and costs), and is ultimately the most appropriate way to achieve the development of the Irongate Area as intended, and is expected to provide the sufficient incentive needed to encourage industrial development to commence.
9. Extending Irongate Industrial Area to incorporate the additional land as proposed (being the 'scheduled sites' formerly Industrial 6, as well as 1139, 1166 & 1168 Maraekakaho Road and 80 Stock Road) will be both effective and efficient (in terms of benefits and costs), and is ultimately the most appropriate way to achieve the development of the Irongate Area as intended.

Therefore, adoption of proposed Variation 2 to the Proposed Hastings District Plan is efficient, effective, and appropriate in terms of section 32 of the RMA.

# Appendices

# Record of Pre-Notification Consultation – Variation 2 - Irongate Industrial Area

## 9 Consultation Summary

Date	Summary of Consultation	Council Staff Involved
18 Feb	Communications with Te Taiwhenua O Heretaunga and Ngati Kahungunu informing them of the Irongate Industrial proposal and inviting them to contact us if they want to know more about it.	Megan
24 Feb 2016	<b>Group meetings (x2) with Landowners</b> at Irongate. Meeting lead by Ray O’Callaghan (servicing engineer). Purpose was to explain in detail the infrastructure and costs of the alternative Servicing Solutions, gauge support or otherwise for the alternatives, outline planning variation process and answer questions. The meeting also discussed costs of infrastructure.	Ray O’Callaghan Stella Morgan Brett Chapman Megan Gaffaney John O’Shaughnessy Craig Thew
25 Feb 2016	<b>Meeting with HBRC</b> – Mr G Clode and Mr G Ide Purpose was to explain in detail the infrastructure and costs of the alternative Servicing Solutions, gauge support or otherwise for the alternatives, outline planning variation process and discussion and questions.	Ray O’Callaghan Stella Morgan Brett Chapman Megan Gaffaney
1 March 2016	<b>Councillor workshop held</b> – purpose gain direction on servicing options – to inform the Variation. Direction given to proceed with reticulated water and waste water and self-serviced on-site stormwater solutions. Direction given to include those properties that are on the outskirts of the zone that are subject to appeal and the Waipak and CDL site.	Ray O’Callaghan Stella Morgan Brett Chapman Megan Gaffaney John O’Shaughnessy Craig Thew
2 March	Meeting arranged for 11 March with Ngati Kahungunu to discuss proposed stormwater solution. It was agreed that the servicing report would be sent to them when finalized.	Megan
11 Mar 2016	Meeting cancelled by Te Taiwhenua O Heretaunga	n/a
15 Mar 2016	Email sent to Te Taiwhenua O Heretaunga seeking to make another meeting time. No further response received.	Megan
11 April	Letter send (via email) to Ministry of Environment to advise of the proposed Irongate Variation	Megan
TBC	Email sent to Ngati Kahungunu with attached Servicing Report	Rowan

Individual meetings with landowners of properties subject to Appeal and others		
16 Mar	Mtg with Carrfield Group – Mr H Howard, Mr M Holder (Cardno) – 1194 Maraekakaho Road.	Megan, John, Stella
17 Mar	Mtg with Mr M Walmsley - 1206 Maraekakaho Road and 80 Stock Road	Megan, John, Stella
18 Mar	Mtg with Waipak (Mr F Spencer and Mr D Smith) 1166 Maraekakaho Road and Mr J Roil, 1139 Maraekakaho Road.	Megan, John, Stella
22 Mar	Mtg with CDL Central Transport – Mr R Hislop, Property no 102625	Megan
24 Mar	Mr K Woods – Environmental Manager, Ballance Agri-Nutrients – 1168 Maraekakaho Road	Megan, John, Brett
30 Mar	Mr J O’Sullivan – 1229 Maraekakaho Road	Megan, John, Brett
23 May	<b>Meeting with Landowners</b> – Update on Irongate Project	Megan, John, Brett, Ray, Craig, Ashley Humphrey, Bruce Allen
23 May	<b>Meeting with Councillors</b> – Update on Irongate Project	Megan, John, Brett, Ray, Craig, Ashley Humphrey, Bruce Allen
17 June	Email to Affected Parties updating of key project dates, with attached Servicing Report from OCDL and offering to meet to discuss any concerns or questions.	Megan Gaffaney Yvonne Morecock

**Summary** – There was a general consensus that there are advantages of being in a General Industrial zone, instead of Plains Zone in Plains Zone with a Scheduled Activity overlay, with the main concern raised being around the subject of Development Contributions and under what circumstances they would need to be paid.

### Staff & Consultant Project Team

John O’Shaughnessy, Group Manager: Planning and Regulatory Group

Craig Thew, Group Manager: Asset Management

Bruce Allen, Chief Financial Officer

Megan Gaffaney, Team Leader Environmental Policy (Project Manager)

Stella Morgan, Sage Planning, Planning Consultant

Ray O’Callaghan OCDL Consultant Engineer

Brett Chapman, Water Services Manager

Sarath Kuruwita, Transportation Development Engineer

Ashley Humphrey, Financial Policy Advisor

# Appendix B -Report On Services For Variation 2 Irongate

9 June 2016

**ocdl**

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Private Bag 9002

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Attention: Brett Chapman

## **IRONGATE INDUSTRIAL AREA – REPORT ON SERVICES FOR DISTRICT PLAN VARIATION**

The report below sets out the proposed solutions for services for the Irongate Industrial Area following the review and adoption of an on-site solution for stormwater disposal. This report is intended to be used as supporting information for the proposed Variation to the Plan.

### **BACKGROUND**

Plan Change 50 (the predecessor to the proposed Variation) incorporated specific solutions for water supply, wastewater collection and stormwater disposal and the development of the Irongate Industrial Area was structured to be carried out in a two stage process. Aspects of these solutions have been the subject of appeal for some time. Discussions between Council and the various appellants have led to a review of the technical solutions, with specific focus on the suitability of on-site services.

### **OVER VIEW**

The Irongate Industrial Area has no Council infrastructure in place to provide water supply and domestic wastewater and trade waste services to the existing industrial properties within the zone. The existing properties within the Zone have on-site solutions for these services. There is a limited stormwater system that deals with road stormwater, however the existing industrial properties are also primarily reliant on on-site systems for stormwater management.

Plan Change 50, and the supporting Structure Plan, envisaged fully reticulated solutions to be installed to the Stage 1 area of the Irongate Industrial Area to be constructed and commissioned prior to the deferment of the Stage 1 Area being lifted.

The previous preferred solution for water supply for Plan Change 50 was, in summary, a new water supply system to be supplied via a new reticulation main from Stock Road to the Zone. The water was to be supplied from the Wilson Road water pump station, which would require upgrading in order to supply the additional demand for the Irongate area. Some water mains within the system between the pump station and Irongate Road would also require upgrading. The review of an alternative on-site solution and the proposed refinements of the technical elements of the water supply system are described in the Water Supply Section of this Report.

The solution for wastewater was based on a reticulated wastewater system collecting domestic wastewater only (no trade waste envisaged for this Zone) and discharging to the existing Council sewer network at St Leonards Park, Hastings. It is proposed that individual properties will install a private pump system which will discharge to a Council collector main, which will discharge to the existing reticulation. The review considered an alternative on-site solution but concluded that a reticulated system achieved better overall outcomes. The background to the preferred solution is discussed in the Wastewater Section of this Report.

The Structure Plan supporting Plan Change 50 includes a large public stormwater conveyance swale servicing two sub catchments, one discharging to the Sissons Drain via a large attenuation/infiltration area and an area discharging to a swale in Irongate Rd, and conveyance via a swale to the Irongate Stream via a public stormwater network. As a result of the Review, it is now recommended that stormwater from each individual development be discharged to ground on an on-site basis, with appropriate pre-treatment, storage and discharge devices.

The review has also led to the conclusion that, on engineering technical grounds, the proposed Industrial Area, covered by the Variation, can be expanded and the need for any staging of the development of the Zone can also be avoided.

The new solutions for water supply, wastewater collection and stormwater disposal are described below to provide the detail required for an appropriate assessment of the proposed Variation.

## **WATER SUPPLY**

Potable water supply for domestic and firefighting purposes is proposed to be supplied to the Zone from the Wilson Road pump station. During the Review, consideration was again given to on-site supply for potable water. Several landowners felt that they could obtain sufficient water supply from their own bore. They felt this should be cheaper than a Council solution requiring piping water from the Wilson Road pump station. They were concerned that some of the elements included in the cost apportionment to the Irongate Industrial Area resulted in an overly expensive solution, which could be avoided with on-site solutions.

The key elements of any on-site solution would involve:

- An appropriate technical solution on each site to provide a reasonable level of firefighting capacity. This is difficult and expensive due to the need to either have very large bore pumps with emergency standby power for firefighting or a smaller capacity bore in combination with water storage of up to 540m<sup>3</sup> on each site if a standard of FW4 is to be achieved;
- A multitude of individual resource consents for water take, which would make allocation potentially difficult due to the “*first come, first served*” process;
- Subsequent subdivision and/or intensification of development would trigger further expansion of the on-site infrastructure;
- Emergency back-up power supply would be problematic/expensive/impractical on an individual property basis.

Whilst it is possible to construct a bore and large water storage on each site, the collective cost of doing so makes the option more expensive than a Council reticulation solution. In addition, a Council reticulation system would provide greater operating pressure within the network and thus assist the Fire Service to fight a fire.

A public reticulation system provided by Council also avoids the need a multitude of additional resource consents for water take, and potential operational issues arising from individual on-site water supply system. If the HB Regional Council (as consent authority) determined that the cumulative effects of abstraction were likely to result in adverse conditions to the environment or other users, then they could refuse to grant any further consents and development would not be able to self-serve.

The Review also considered some refinements to the proposed Council system. These included a closer assessment of cost apportionment, the ability to avoid some upgrading of the network that was previously thought to be necessary and a refinement of the level of service that the system would be designed to achieve.

The proposed water reticulation system will provide for domestic consumption and fire-fighting but not for any significant process water with demand expected to be approximately 1,000 litres/ha/day. The domestic demand is not critical in sizing water mains as the instantaneous firefighting flows dictate minimum water main sizing. The reticulation system will be refined within the Flaxmere area as part of a general network improvement program. The existing 300mm main in Stock Road is sufficient to provide a reasonable firefighting supply flow to the Irongate Zone and modelling has confirmed that a minimum of 50 litres per second is achievable. A new 300mm main will be installed from Stock Road, along Irongate Road, to service the Irongate Industrial Zone. Additional link mains will branch off this bulk water main to service the land on either side of Irongate Road.

As the actual subdivision layout and timing of development of individual parcels of land is not known at this time, it is not possible to confirm the degree of water main looping within the Zone that is likely to be achieved over the next decade or so. The final peak firefighting flow and operating pressure at a discrete building within the Zone will depend on the location of that building and whether or not there is some supply to that building from branch mains that augment the 300mm “spine” main. It is expected that the network will evolve over time and as it grows, greater resilience and flows will be achieved. The system will not deliver a design flow of 100l/s, which is the required flow rate for an FW4 fire-fighting water supply flow and pressure (under SNZ PAS 4509 2008). This is due to a limitation on the capacity of the supply bore. However, the flow rate that will be available at the Irongate Zone will be close to this level and will be sufficient for an appropriate level of firefighting protection for the land use envisaged for the zone. Additional main and hydrant extensions may be required within the development area to service land that is not adjacent to Irongate Road and these are expected to be provided by developers as required. It is also expected that fire sprinkler systems can be supported from the supply but this will be subject to the instantaneous demand required and/or supplementary storage provisions by the developer.

As indicated above, the water will be supplied from Flaxmere via the Wilson Road bore site. The required firefighting capacity is not currently available from the existing system and necessitates an upgrade of the bore supply at Wilson Road. The bore upgrade will also provide improved network performance in Flaxmere however only the proportion of the upgrade costs is directly attributable to Irongate, based on the stand alone infrastructure assessment.

The network will provide full potable water for use within the zone. However, the use is not aimed at any wet industries and so water demand is not expected to be high.

The water reticulation will be owned and operated by Council. Connection to the network is expected to be triggered by subdivision activity or the development of any notable building work on a particular site.

## **WASTEWATER RETICULATION**

The new Zone will be serviced with a full pressure sewer reticulation system which will discharge to the existing network at St Leonards Park.

The alternative of relying on individual on-site wastewater treatment and disposal systems was considered during the review and discussed with some land owners. This solution would be complex to implement due to the expected subdivision process that is likely to be carried out throughout the Zone. Each lot subdivided would require an individual wastewater treatment system and a land disposal area. This would result in up to 70 individual systems. These systems do not have a good track record of performance because they require a steady flow, good operation, good maintenance and they rely on sound technical support. These items are seldom achieved with any

degree of reliability and the consequential cumulative adverse effects are likely to impact on poor water quality in the ground water system and in the nearby streams.

In addition, the individual systems require land area for the disposal system, create a risk of odour from the treatment units and require time and effort to manage them properly. They typically cost in the order of \$17,000 for a system capable of dealing with 1Ha. The total cost of an on-site wastewater solution would exceed \$1M plus additional costs for consenting, operation, maintenance and lost opportunity for land area.

Given the risks associated with cumulative adverse effects on the environment and the difficulties of achieving good performance across the Zone, it was concluded that an on-site wastewater treatment and disposal solution for this Zone was not the best solution. A Council owned and operated solution could achieve better results, reduce the risks of adverse effects on the environment, achieve better public health protection and would not cost significantly more than an on-site solution. The fully reticulated solution has therefore been adopted.

The proposed reticulated pressure system will collect domestic wastewater from individual sites and convey the wastewater to the Council's wastewater system, which discharges to the wastewater treatment plant.

The proposed pressure reticulation system will consist of a mixture of private and Council owned components. The property owner will be responsible for the supply, installation and operation of on-site pumps, a storage chamber and the connection pipework out to the road boundary, which will have an isolation valve and a non-return valve to prevent back flow from the main. The private system will discharge into Council's pressure mains in the road, which will convey the wastewater to the Council's reticulation system near St Leonards Park.

The proposed pressure sewer network design is based on the following rational:

- individual sites will have a grinder pump pod;
- allowance for domestic wastewater only for day staff and possible live-in care taker/security staff at each site;
- design flow based on an average population of 20 people per Ha; (equivalent to 0.5 l/s per hectare)

It is anticipated that wastewater flows will be of domestic origin only and no allowance for process waste, wash down or other trade waste discharges has been made. The proposed pump systems will be required to conform to guidance and standards specified by HDC for effective operation of the pressure sewer network.

It is expected that proprietary grinder pump pods will be used with a typical pump rate of around 0.6 l/s or less depending on operating pressure and the number of pumps operating. The proprietary systems will be required to have a storage capacity of 1,000l per Ha serviced so that there is no risk of overflow. The pumps are typically designed to operate in a volume storage range of approximately one third of the storage volume (0.3m<sup>3</sup>/Ha) so that additional storage is available in the event of a pump or power failure. Typically, the pump would operate about 3 times per day and run for approximately 10 minutes per run time (per Ha), which equates to approximately 1,000 litres per day. There may be some activities on some sites which have a much lower staff/head count and these will size their systems to suit the actual staff numbers so that the pump systems are not over-sized.

The above assumed wastewater flow equates to approximately two household unit equivalents (HUE) per Ha. Greater volumes at an individual site would require additional storage and different pumping arrangements, and agreement from Council that any additional volumes could be catered for in the network. If sufficient capacity is not available, onsite methods (increased storage and treatment) would need to be implemented.

The proposed design for the Council owned reticulation is based on a total daily flow of 80m<sup>3</sup> for the full Irongate Industrial area. The downstream network is capable of receiving this flow.

The concept design for the Council owned pressure mains in the road is for two 75mm diameter collection mains located on either side of Irongate Road. A transfer main along Maraekakaho Road is expected to consist of twin pipes 75mm diameter and 90mm diameter, or 110mm diameter for greater flexibility in flows. Providing two individual pipelines will enable more efficient staging of development and flow management issues in relation to residence times and odour. The proposed pressure sewer will be located within Maraekakaho Road from Irongate Road to Francis Hicks Avenue, Hastings, discharging into the existing gravity network near the top end of the western interceptor.

## **STORMWATER DISPOSAL**

The earlier concept for stormwater disposal involved a communal stormwater swale for conveyance of stormwater runoff from yards and roads to a centralised detention and disposal system. Stormwater from roofs was to be to on-site detention and soakage systems.

Over the last year or so further consideration has been given to the alternative on-site solution. This has been triggered by the potential to achieve a lower cost solution and, if it is feasible, then there would be no engineering/infrastructure element requiring staging.

The soils in the Irongate Industrial Zone have been found to have rapid to very rapid soakage rates. These soils assist in achieving a satisfactory solution for individual on-site stormwater for each land owner. An on-site solution enables progressive construction of on-site disposal as each land owner progresses with development without the need to construct large swales to service small development areas in the early years. It also avoids the need for Council to purchase land for the swales.

As a result of the potential to achieve the above advantages, further assessment of a potential on-site solution was carried out and discussed with land owners and HBRC. This has resulted in a preferred solution based on individual on-site disposal.

The previous stormwater solution was based on particular consideration of the following matters:

- The principle of low impact design;
- The specific characteristics of the potential stormwater receiving environment;
- Climate change;
- The HBRC Stormwater Guidelines;
- The Council's LTP, Engineering Code of Practice and Best Practice Design Guide for Subdivision and Development, and the;
- On-site Stormwater Management Guideline (NZWERF/MfE 2004).

These principles led to design objectives aimed at minimizing the extent of any off-site discharge, discharge at source as much as is reasonably feasible, effective management of contamination risks and use of infiltration disposal basins to reduce concentration effects. These objectives were to be met through the adoption of a design event of no overflow to surrounding areas in events up to the 50 year ARI, discharge of roof water for up to 10 year ARI to be on individual sites, management of potential contaminants through the use of pre-treatment devices and discharge to ground through a conveyance swale and large areas for detention and infiltration.

The new proposed solution can be engineered to achieve these general principles, but will not have specific design criteria aimed at avoiding off-site overland flow in a 50-year event. The key differences being the use of detention and disposal systems on each individual site to provide both storage and discharge to ground via infiltration without the need to convey stormwater to a separate location in a communal swale and the potential for some secondary flow in a 50-year event, depending on the scale of the development.

The individual system servicing the yard and hardstand areas within a site will need to be sized to meet the requirements of the Building Code and to also give consideration to additional storage to minimize overland flow to neighboring sites during very large rainfall events. Areas greater than 2 Ha will be controlled by resource consent from HBRC.

The system may comprise a swale or a detention pond or a combination of both. The expected volume of storage and area of soakage for the proposed zone, based on the high to very high soakage rates within the zone, are not excessive and should allow efficient and cost effective solutions to be constructed.

Each system, on each site, will be the owner's responsibility. It is also relevant to note that any land which currently falls towards the Irongate Stream may be permitted to direct overland flows from that land in a manner that is consistent with the current situation or as required via resource consent.

The need to install treatment will be dependent on the land use activities being proposed and assessments of the type and nature of contaminants that might result from this. The HBRC would be the Consent Authority administering stormwater applications and issuing consents under their Regional Resource Management Plan rules for sites within the Zone that exceed 2Ha.

Stormwater runoff from large parking and/or hard stand areas may contain grit and silt particles that could clog up the treatment element within the on-site stormwater disposal system. This risk is influenced by the scale of the parking/hardstand area. HBRC may require the land owner/developer to install on-site settlement devices to settle out grit etc prior to discharge to the disposal system servicing the specific site greater than 2Ha.

If HBRC considered that there was a risk of contaminants reaching groundwater from a specific land-use activity that had a potential contamination risk, then HBRC could require the developer/landowner to install some form of filtration system in the base of the swale/detention system. This would be controlled by the resource consent associated with the activity on the particular site, if a resource consent was required.

Roof water is deemed to be clean and this will be discharged directly to ground via soakage pits. These soakage pits will be required to comply with the Building Code, which requires the pit to cope with a 10 year ARI for a 1-hour duration event. The soakage pits do not require any pre-treatment because the runoff from the roof area is considered to be free from contaminants. Some sites that border the Irongate Stream may be permitted to discharge roof stormwater directly to the stream subject to appropriate resource consent from HBRC.

Swales and detention devices require monitoring of performance and regular maintenance of the vegetation to both identify operational problems and avoid clogging of the surface above the filtration/treatment zone in the base of the swale/detention pond. In some instances, it has been found to be necessary to re-construct the filtration/treatment zone after several years of operation due to clogging from excess sediment discharge. These issues can be managed through a combination of the use of pre-treatment devices on the discharge from large car park/sealed areas prior to discharge and the obligation on the property owner to maintain the swales/detention devices once they have been formed and accepted by Council as part of the building permit/Code of Compliance process.

The maintenance is expected to include maintenance of the vegetation in the swales/detention devices, monitoring of performance of individual systems, identification of any sediments discharged to the systems and/or clogging from inappropriate on-site discharges. The land owner will be responsible for the appropriate maintenance of the stormwater disposal system.

Stormwater runoff from the roads will be managed as part of the road system and discharged to the Irongate Stream at Maraekakaho Rd. Roading upgrades will include appropriate stormwater solutions to avoid flooding. The on-site stormwater solution is expected to result in the stormwater

solution associated with the road upgrading being limited to Irongate Road and the immediate land frontage onto the road. The performance standard would also be a 1 in 50-year rainfall event which can be accommodated via a roadside swale located within the road reserve. The swale is expected to be 0.5m deep, 1m base width and grassed with outlets from kerb and channel or sumps. Culverts at driveways are expected to be 450mm to 600mm diameter or twin pipes. Some soakage within the swale is expected, limiting runoff to the Irongate stream during frequent rain events.

## **SUMMARY**

The above describes the proposed solutions for the three water infrastructure services associated with the Irongate Industrial Zone. The solutions have been developed to provide an appropriate level of service for the Zone to achieve sound engineering and environmental outcomes. The expected cost of these solutions is within an acceptable range for the efficient and cost effective development of the Zone and meet landowner expectations.

It is therefore concluded that the proposed solutions will provide appropriate services to the zone and are consistent with the intent of the Plan Change.



Ray O'Callaghan

CPEng

*Engineering Director*

*O'Callaghan Design Ltd*

# Appendix C - MWH Transport Assessment (April 2016)

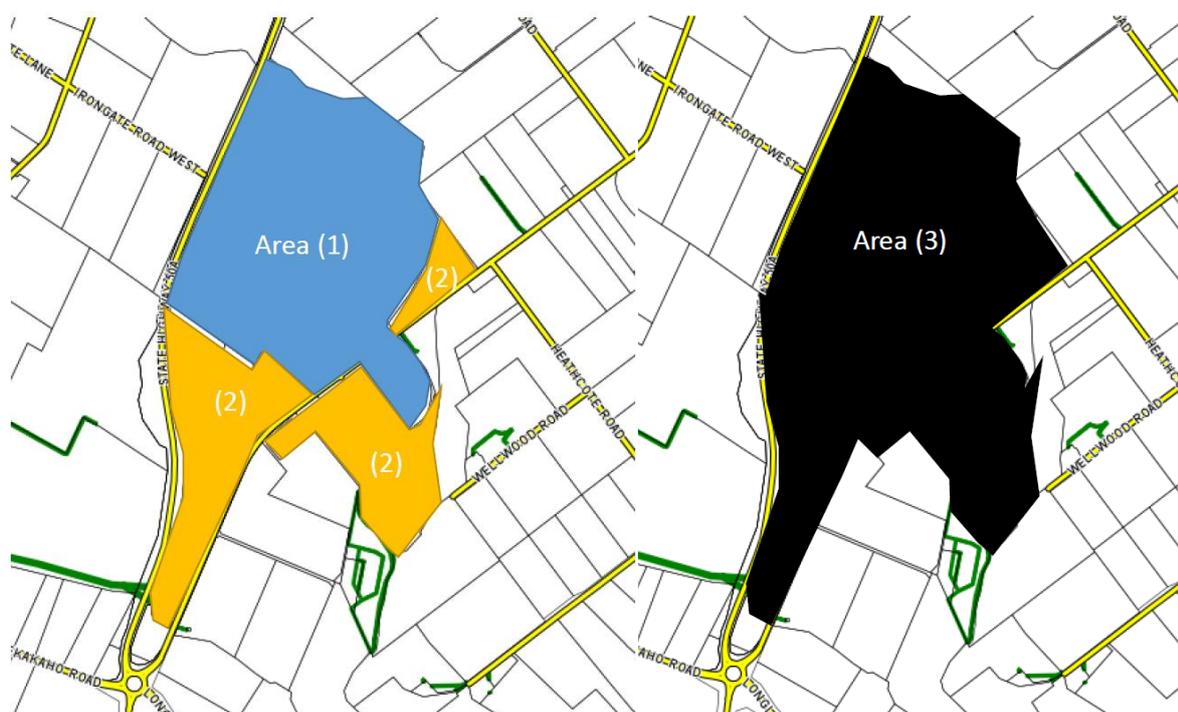
10 Report by: Gavin O'Connor, MWH NZ Limited

## 11 Irongate Industrial traffic generation assumptions:

I've undertaken the modelling for the Irongate/Maraekakaho intersection and the York Road/Maraekakaho Intersection as discussed. This was a little more complicated than first envisaged due to changes between actual observed flows now compared to modelled flows previously. The traffic generation used for the respective peak periods against the development by year is detailed below – this is based on the traffic generation estimations previously predicted. It is more appropriate to observe the intervention requirements in relation to the area of developed land rather than year of intervention. The year could change depending on development rates moving forward and if development did occur quicker the intervention would be required earlier.

Year	16/17	23/24	29/30	35/36	45/46
Developed Area (ha)	13.5	35.5	53.5	71.5	99.5
% Developed	19%	50%	75%	100%	139%
Irongate Movements AM	349	471	609	787	1095
Irongate Movements PM	422	569	736	952	1325

The increase in potential development area (from 71ha to 100ha) has little impact in terms of intersection improvements and timing of interventions. The areas are represented below.



Whilst the above shows a number of scenarios for the development staging from a traffic perspective the end solution is not affected. Roundabout treatments will be required at both the intersection of Irongate Road/Maraekakaho Road and York Road/Maraekakaho Road. These roundabouts will be sufficient to accommodate the anticipated traffic flows associated to 100ha if that scenario occurs.

## 12 Intersection Analysis

### 12.1.1 Irongate/Maraekakaho:

All previous assessments have concluded that the intersection could likely continue to function up to 36Ha of development as a T intersection. This would require interventions at the intersection in 2023/24. However, the current observed traffic flows are significantly less than those previously estimated. As such, it is expected the T-intersection can continue to operate to a satisfactory level of service beyond this point. The main risks at this intersection relate predominantly to the number of heavy vehicles at the intersection and the speed environment being 100km/h. I've made traffic movement assumptions based on 25% of traffic heading south and 75% heading north from Irongate – I'd strongly suggest this is validated after years 1 and 2. If the level moving south is higher it is likely the interventions will be needed sooner. Similarly, if it is lower the modelling indicates you may be able to delay the timing of the roundabout. Summary of modelling provided below which show LOS D in 2030 deteriorating to LOSF in 2035 (based on 25:75 traffic movement split). I recommend development contributions are based on intervention of roundabout in year 2030 – monitoring over the next 2 years will confirm whether this is a reality. In any case – no intersection improvements are needed over the next 10-15 years based on current assumptions.

### 12.1.2 York Road/Maraekakaho Road:

The York/Maraekakaho Intersection is detailed below. As indicated previously the development traffic volumes equate to approximately 1/3<sup>rd</sup> of the total traffic volumes at this intersection as detailed below.

Base traffic volumes without development (2035)	1,199 vehicles in peak hour
Irongate development traffic growth (2035)	590 vehicles in peak hour (33%)
Total traffic volumes with development (2035)	1789 vehicles in peak hour

It is worthy of note that the increase in volumes is on the conflicting straight through and right turn out movements and as such the intervention is only actually required to service this development – without this growth in traffic the T-intersection would likely suffice from an operational perspective (not withstanding any safety concerns). The modelling completed indicates an intervention is required from a traffic operation perspective in approximately 2030 or when 53Ha are developed. As with Irongate intersection there may be drivers to action this earlier to resolve any safety concerns at the intersection but this is very difficult to predict. I suggest you base development contributions on year of intervention being 2030.

## 13 Mid-block Analysis

### 13.1.1 Maraekakaho Road:

In addition to the required intersection enhancements identified it is likely that further interventions are necessary along the Maraekakaho Road frontage. It is possible that lots fronting Maraekakaho Road will be afforded direct access from Maraekakaho Road, albeit limited, and this could have implications for road safety.

In addition, the development of a large industrial area will lead to an increase in demand for alternative transport mode access to this site. Whilst the location is not overly attractive to encouraging walking to and from the site (due to the distance from residential areas) it is highly likely that employees of the industrial area may choose to cycle to and from the site.

To ensure the safety of all road users is maintained it is necessary to increase the road cross-section of the Maraekakaho Road frontage to accommodate both a widened sealed shoulder (for left turning vehicles and cyclists) and also a central flush median (for right turning vehicles). Given the local speed environment on this frontage and also considering the side conflicts expected here (additional access points) it is recommended that these interventions are progressed. A high level cost estimate of the seal widening and flush median provision is estimated at \$505k. The intervention year for these facilities is highly dependent on the update of the development and whether this takes access direct from Maraekakaho Road.

## 14 Development Scenario B and C:

As indicated previously the increase in development size up to 100ha doesn't change the required interventions nor timing of interventions at the intersections of Maraekakaho Road with Irongate Road or York Road. As you have indicated the additional development simply results in a longer development period the year of intervention will largely remain the same. However, should development be expedited the year of intervention will occur sooner.

Whilst there are no material changes to the intersection enhancements to support the increased development area there is likely additional access road requirements to permit servicing of the sites. Whilst 28ha is a significant increase in development size, based on recent proposals for Irongate industrial area this could actually relate to just 4-5 additional lots. The level of intervention proposed should be cognisant of this. It is envisaged that the area to the south east of Maraekakaho Road can be serviced via a 4<sup>th</sup> leg on the proposed roundabout. This will have some additional costs in relation to the roundabout construction, service relocations and a new road.

The area to the south west of Stage 1 (Timu site) would be best serviced from the existing infrastructure and access road for the Timu site. This access is designed to a very high T-intersection standard and would require no additional works to open up this site for development (other than extension of access road and some widening). Given this access will likely serve less than 5 lots it is suggested any enhancements or extensions are minimised or alternatively retained as private access provision and met by the developers of individual lots. It is not clear whether Timu will remain in operation should the proposed development proceed. The diagram below indicates the likely access provisions for the wider development area.

A high level assessment of the anticipated additional infrastructure costs (roading) to service the wider area has been completed. Essentially this relates only to the fourth leg on the Irongate/Maraekakaho roundabout and the associated access road and the extension of the access road at Timu. Using the estimated Irongate Road costs to inform the likely increase in infrastructure costs it is suggested a further \$500k is secured to allow the changes to the roundabout and the provision of an access road to the southeast of Maraekakaho Road and a further \$500k to upgrade the Timu access road.



# SIDRA Summary

## MOVEMENT SUMMARY

Site: AM Iron - Marae 2030

New Site  
Giveaway / Yield (Two-Way)

Movement Performance - Vehicles											
Mov ID	OD Mov	Total veh/h	Demand Flows HV %	Deg. Satn v/c	Average Delay sec	Level of Service	95% Back of Queue Vehicles veh	Distance m	Prop. Queued	Effective Stop Rate per veh	Average Speed km/h
NorthEast: Maraekakaho Road											
5	T1	354	0.0	0.181	0.0	LOS A	0.0	0.0	0.00	0.00	50.0
6	R2	403	20.0	0.437	9.0	LOS A	2.9	23.9	0.65	0.92	43.8
Approach		757	10.7	0.437	4.8	NA	2.9	23.9	0.34	0.49	46.5
NorthWest: Irongate Road											
7	L2	109	20.0	0.110	6.5	LOS A	0.4	3.6	0.45	0.64	45.3
9	R2	54	20.0	0.316	29.9	LOS D	1.1	9.2	0.89	1.00	34.8
Approach		163	20.0	0.316	14.2	LOS B	1.1	9.2	0.59	0.76	41.2
SouthWest: Maraekakaho Road											
10	L2	107	20.0	0.265	4.8	LOS A	0.0	0.0	0.00	0.12	48.6
11	T1	387	0.0	0.265	0.0	LOS A	0.0	0.0	0.00	0.12	49.4
Approach		495	4.3	0.265	1.1	NA	0.0	0.0	0.00	0.12	49.2
All Vehicles		1415	9.5	0.437	4.6	NA	2.9	23.9	0.25	0.39	46.7

## MOVEMENT SUMMARY

Site: AM Iron - Marae 2036

New Site  
Giveaway / Yield (Two-Way)

Movement Performance - Vehicles											
Mov ID	OD Mov	Total veh/h	Demand Flows HV %	Deg. Satn v/c	Average Delay sec	Level of Service	95% Back of Queue Vehicles veh	Distance m	Prop. Queued	Effective Stop Rate per veh	Average Speed km/h
NorthEast: Maraekakaho Road											
5	T1	354	0.0	0.181	0.0	LOS A	0.0	0.0	0.00	0.00	50.0
6	R2	537	20.0	0.615	11.4	LOS B	5.5	45.1	0.74	1.13	42.6
Approach		891	12.1	0.615	6.9	NA	5.5	45.1	0.44	0.68	45.2
NorthWest: Irongate Road											
7	L2	144	20.0	0.145	6.6	LOS A	0.6	4.8	0.46	0.65	45.3
9	R2	72	20.0	0.611	55.2	LOS F	2.4	19.6	0.96	1.11	28.0
Approach		216	20.0	0.611	22.7	LOS C	2.4	19.6	0.62	0.81	37.6
SouthWest: Maraekakaho Road											
10	L2	143	20.0	0.287	4.8	LOS A	0.0	0.0	0.00	0.14	48.5
11	T1	387	0.0	0.287	0.0	LOS A	0.0	0.0	0.00	0.14	49.3
Approach		531	5.4	0.287	1.3	NA	0.0	0.0	0.00	0.14	49.0
All Vehicles		1637	10.9	0.615	7.2	NA	5.5	45.1	0.32	0.52	45.2

## MOVEMENT SUMMARY

Site: York-Marae 2030

New Site  
Giveaway / Yield (Two-Way)

Movement Performance - Vehicles												
Mov ID	OD Mov	Demand Flows Total veh/h	HV %	Deg. Satn v/c	Average Delay sec	Level of Service	95% Back of Queue Vehicles veh	Distance m	Prop. Queued	Effective Stop Rate per veh	Average Speed km/h	
NorthEast: Maraekakaho Road NE												
5	T1	438	0.0	0.393	1.7	LOS A	3.4	23.7	0.40	0.26	47.9	
6	R2	298	0.0	0.393	7.1	LOS A	3.4	23.7	0.62	0.40	46.2	
Approach		736	0.0	0.393	3.9	NA	3.4	23.7	0.49	0.31	47.2	
NorthWest: York Road												
7	L2	315	0.0	0.251	5.8	LOS A	1.1	7.9	0.41	0.61	45.7	
9	R2	199	0.0	0.739	32.1	LOS D	4.4	30.8	0.93	1.27	34.2	
Approach		514	0.0	0.739	16.0	LOS C	4.4	30.8	0.61	0.86	40.4	
SouthWest: Maraekakaho Road SW												
10	L2	102	0.0	0.205	4.6	LOS A	0.0	0.0	0.00	0.14	48.7	
11	T1	293	0.0	0.205	0.0	LOS A	0.0	0.0	0.00	0.14	49.2	
Approach		395	0.0	0.205	1.2	NA	0.0	0.0	0.00	0.14	49.1	
All Vehicles		1644	0.0	0.739	7.0	NA	4.4	30.8	0.41	0.44	45.2	

## MOVEMENT SUMMARY

Site: York-Marae 2035

New Site  
Giveaway / Yield (Two-Way)

Movement Performance - Vehicles												
Mov ID	OD Mov	Demand Flows Total veh/h	HV %	Deg. Satn v/c	Average Delay sec	Level of Service	95% Back of Queue Vehicles veh	Distance m	Prop. Queued	Effective Stop Rate per veh	Average Speed km/h	
NorthEast: Maraekakaho Road NE												
5	T1	496	0.0	0.426	2.1	LOS A	4.2	29.4	0.45	0.27	47.7	
6	R2	298	0.0	0.426	7.7	LOS A	4.2	29.4	0.68	0.40	46.0	
Approach		794	0.0	0.426	4.2	NA	4.2	29.4	0.53	0.32	47.0	
NorthWest: York Road												
7	L2	315	0.0	0.256	5.9	LOS A	1.2	8.1	0.42	0.62	45.6	
9	R2	251	0.0	1.087	97.2	LOS F	15.2	106.1	1.00	2.09	21.2	
Approach		565	0.0	1.087	46.3	LOS E	15.2	106.1	0.68	1.27	30.3	
SouthWest: Maraekakaho Road SW												
10	L2	118	0.0	0.224	4.6	LOS A	0.0	0.0	0.00	0.15	48.7	
11	T1	313	0.0	0.224	0.0	LOS A	0.0	0.0	0.00	0.15	49.1	
Approach		431	0.0	0.224	1.3	NA	0.0	0.0	0.00	0.15	49.0	
All Vehicles		1789	0.0	1.087	16.8	NA	15.2	106.1	0.45	0.58	40.4	

## MOVEMENT SUMMARY

Site: York-Marae 2030

New Site  
Giveaway / Yield (Two-Way)

Movement Performance - Vehicles												
Mov ID	OD Mov	Demand Flows Total veh/h	Flows HV %	Deg. Satn v/c	Average Delay sec	Level of Service	95% Back of Queue Vehicles veh	Distance m	Prop. Queued	Effective Stop Rate per veh	Average Speed km/h	
NorthEast: Maraekakaho Road NE												
5	T1	438	0.0	0.393	1.7	LOS A	3.4	23.7	0.40	0.26	47.9	
6	R2	298	0.0	0.393	7.1	LOS A	3.4	23.7	0.62	0.40	46.2	
Approach		736	0.0	0.393	3.9	NA	3.4	23.7	0.49	0.31	47.2	
NorthWest: York Road												
7	L2	315	0.0	0.251	5.8	LOS A	1.1	7.9	0.41	0.61	45.7	
9	R2	199	0.0	0.739	32.1	LOS D	4.4	30.8	0.93	1.27	34.2	
Approach		514	0.0	0.739	16.0	LOS C	4.4	30.8	0.61	0.86	40.4	
SouthWest: Maraekakaho Road SW												
10	L2	102	0.0	0.205	4.6	LOS A	0.0	0.0	0.00	0.14	48.7	
11	T1	293	0.0	0.205	0.0	LOS A	0.0	0.0	0.00	0.14	49.2	
Approach		395	0.0	0.205	1.2	NA	0.0	0.0	0.00	0.14	49.1	
All Vehicles		1644	0.0	0.739	7.0	NA	4.4	30.8	0.41	0.44	45.2	

## MOVEMENT SUMMARY

Site: York-Marae 2035

New Site  
Giveaway / Yield (Two-Way)

Movement Performance - Vehicles												
Mov ID	OD Mov	Demand Flows Total veh/h	Flows HV %	Deg. Satn v/c	Average Delay sec	Level of Service	95% Back of Queue Vehicles veh	Distance m	Prop. Queued	Effective Stop Rate per veh	Average Speed km/h	
NorthEast: Maraekakaho Road NE												
5	T1	496	0.0	0.426	2.1	LOS A	4.2	29.4	0.45	0.27	47.7	
6	R2	298	0.0	0.426	7.7	LOS A	4.2	29.4	0.68	0.40	46.0	
Approach		794	0.0	0.426	4.2	NA	4.2	29.4	0.53	0.32	47.0	
NorthWest: York Road												
7	L2	315	0.0	0.256	5.9	LOS A	1.2	8.1	0.42	0.62	45.6	
9	R2	251	0.0	1.087	97.2	LOS F	15.2	106.1	1.00	2.09	21.2	
Approach		565	0.0	1.087	46.3	LOS E	15.2	106.1	0.68	1.27	30.3	
SouthWest: Maraekakaho Road SW												
10	L2	118	0.0	0.224	4.6	LOS A	0.0	0.0	0.00	0.15	48.7	
11	T1	313	0.0	0.224	0.0	LOS A	0.0	0.0	0.00	0.15	49.1	
Approach		431	0.0	0.224	1.3	NA	0.0	0.0	0.00	0.15	49.0	
All Vehicles		1789	0.0	1.087	16.8	NA	15.2	106.1	0.45	0.58	40.4	

# Appendix D

Environment Court – Decision [2015-WLG-0017] JARA Family Trust

BEFORE THE ENVIRONMENT COURT

Decision [2015] NZEnvC 208  
ENV-2015-WLG-00017

IN THE MATTER of an appeal under section 358 of  
the Resource Management Act  
1991

BETWEEN JARA FAMILY TRUST  
Appellant

AND THE HASTINGS DISTRICT  
COUNCIL  
Respondent

Court: Environment Judge C J Thompson  
Environment Commissioner K A Edmonds  
Environment Commissioner D J Bunting  
Hearing: at Hastings 11 - 12 – November 2015  
Counsel: M B Lawson for the JARA Family Trust  
A J Davidson for the Hastings District Council

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DECISION ON APPEAL

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Decision Issued: - 7 DEC 2015

The appeal is allowed

Costs are reserved



*Introduction*

[1] In a decision made under s357A(1)(g) of the Resource Management Act, following a decision made by the Hastings District Council to decline the applications by the JARA Family Trust for resource consents, a Commissioner also declined the applications. This is an appeal against that decision.

[2] The applications are for resource consents to construct an industrial workshop of 2,400m<sup>2</sup> and a canopy of 1,200m<sup>2</sup> for the construction, storage and sale of pre-fabricated residential and commercial buildings, and to utilise existing office and sales buildings of 110.4m<sup>2</sup> on the property for the same business. A total of 14 staff would be employed on site. The land in question is a parcel of 4.0544ha at 1139 Maraekakaho Road, to the west of Hastings City.

*Zoning and activity status*

[3] As just noted, the land is zoned *Plains* zone in the operative District Plan. Under the Proposed District Plan it is zoned *Plains Production* zone. In both cases the activities in question have *non-complying* status, meaning that before resource consents can be considered, one or other of the threshold tests of s104D must be met. The terms of those tests are:

- (1) ... a consent authority may grant a resource consent for a non-complying activity only if it is satisfied that either —
  - (a) the adverse effects of the activity on the environment (other than any effect to which section 104(3)(a)(ii) applies) will be minor; or
  - (b) the application is for an activity that will not be contrary to the objectives and policies of — ...
    - (iii) both the relevant plan and the relevant proposed plan, if there is both a plan and a proposed plan in respect of the activity.
- (2) To avoid doubt, section 104(2) applies to the determination of an application for a non-complying activity.

It is agreed by the planning witnesses for the parties, and we accept their views, that the adverse effects on the environment of the planned activities will be not more than minor, so that threshold can be passed. The proposal must therefore be considered under s104 and Part 2 of the RMA, and we shall come to those provisions in due



course. We shall also return to discuss the issue raised in s104(2) – the so-called *permitted baseline*.

[4] We should add that, in respect of the zoning under the Proposed Plan, the position may not be final. There is at least one appeal that may affect the *Plains Production* zoning, and there is a suggestion that, in light of comments reportedly made by Commissioners in another hearing, a Plan variation in respect of this land might be forthcoming. That is speculative at present, but rather aligns with views we shall discuss shortly.

*The parties' positions*

[5] The JARA Family Trust (JARA) owns the land. Mr John Roil is a trustee, and he is also a director and shareholder, together with Mrs Rose Roil, of Cottages (NZ) Limited. The company has developed prefabricated construction methodologies for houses and similar sized buildings which can be used in a factory setting, rather than outdoors. This enables, Mr Roil told us, benefits such as better quality control, consistency, reduction in waste, and guaranteed completion times.

[6] The business was previously operated from a site on the opposite side of Maraekakaho Road from the application site which had the same zoning. It had the necessary resource consents. We were told that the business needed to move simply because the old site became too small for the expanding operation, particularly for the storage of buildings. (That site is now occupied by the Waipak plastics manufacturing business, operating from a new 3500m<sup>2</sup> building). The proposed site will also allow for expansion in the future, and it has the advantage of a good public profile, having a long road frontage.

[7] In general terms, JARA regards the proposed use as not significantly different from what has been occurring on and around the site for many years, and sees the *Plains* or *Plains Production* zoning as unrealistic for the site if that is taken to mean only the growing, or processing of the produce of viticulture, horticulture or some other agrarian use. For those purposes, the Trust believes that the land would be



regarded as of poor quality for growing, but for primary processing purposes it would be perfectly acceptable.

[8] The Council accepts that the proposed activities will produce no more than minor adverse effects on the environment. Its concern is that it believes the activities to be conducted are strongly contrary to the objectives and policies of both the operative and proposed District Plans, and that the integrity of both documents would be seriously compromised if the consents were approved.

*Existing environment*

[9] The site is predominantly flat, with a split in levels created by a terrace running parallel to the Irongate Stream, which runs along the north-western boundary. The split in levels also defines a change in soil type. The higher portion is closest to the Maraekakaho Road boundary, and the lower portion of the land and the stream occupy about 80% of the site. The soil types on both are described in a report from Mr John Wilton, a horticultural consultant with AgFirst Consultants HB Ltd, as ... *of poor quality for cropping purposes*. Additionally, he considers that both levels are of a size and shape that makes them unattractive for possible development for cropping, orchards, or vines.

[10] The site already contains a house, a sales office, facilities to complete the construction of prefabricated buildings, and storage – these are authorised by existing resource consents but are of a lesser scale than what is proposed. Also, on two nearby sites also zoned *Plains* zone, the applicant has, with the authority of resource consents, already established the same (although much smaller) activities as are proposed for the site in question. In summary, the existing development on the site, as authorised by resource consents already granted are: a dwelling (relocated); an accessory shed (relocated); a shed and 46m<sup>2</sup> visitor accommodation (utilised as a secondary dwelling); all for what is described as an oversize mixed use industrial/commercial activity, being an office and outdoor industrial area for the storage, fit-out and finishing of transportable buildings.



[11] The site has been in use as a firewood yard for some 40 years and, when the Trust bought it, it also acquired an *existing use* certificate for that activity. We understand however that the Council regards that *existing use* as having now lapsed, presumably because it has not been active for more than 12 months.

[12] In the words of Mr Jason Tickner, the consultant planner engaged by the applicant, the site and its surrounding environment are not typical of the underlying *Plains* or *Plains Production* zoning, both because of the existing uses, its soils, and its versatility. He describes it as ... *an almost orphaned historical, industrial hub* ... . This area is known as *Irongate*.

[13] It has *Deferred Industrial 2* zone (Irongate) land in the operative Plan and *General Industrial* in the proposed Plan immediately to its west and southwest. There are industrial uses on *Plains* zone land to its north and south, and a mixture of *Plains* zone primary production uses to the east, with the buildings of the SPCA facility on the opposite side of Maraekakaho Road.

[14] Expressed as something of an aside in his written brief of evidence, Mr Tickner also notes that an application for resource consent has been made to the Council to establish a ... *2400m<sup>2</sup> coolstore facility in the same locality as this application* ... . This, he notes, is to be considered as a *restricted discretionary* and non-notified activity and if both that application, and the consent under appeal, are granted the appellant will decide which may be given effect. Mr Roil expanded on this at the hearing. There is no intention to establish any coolstore operation – the application for consent was made simply to demonstrate that a large industrial building on this site, with environmental effects materially indistinguishable from what is proposed in the application under appeal, could quite readily be given consent. To that extent it confirms what we already knew: - viz that a large industrial building can be consented on this property, and that it is what is produced in the building that means it may, or may not, be a comfortable fit with the Plans' provisions.



*Section 104(1)(a) – positive effects*

[15] There is no issue but that the proposal will have some positive effects. It will, for instance, cater for the expansion of what is apparently a successful enterprise, with the employment opportunities that will inherently have.

*Section 104(1)(a) – adverse effects*

[16] As noted, it is agreed that there will be no adverse effects on the physical environment that will be more than minor. The *effect* that is raised in opposition to the proposal is the damage it may cause to the integrity of the plans' provisions, and we shall return to that shortly.

*Section 104(1)(b) – national and regional planning documents*

[17] There were no national policy statements or similar documents brought to our attention as being relevant.

[18] In terms of regional documents, some provisions of the Regional Policy Statement were brought to our attention. In particular, there are two issues:

- ISS UD1      The adverse effects of sporadic and unplanned urban development (particularly in the Heretaunga Plains sub-region), on:
- a) The natural environment (land and water) ...
- ISS UD2      The adverse effects from urban development encroaching on versatile land (particularly in the Heretaunga Plains sub-region where the land supports regionally and nationally significant intensive economic activity) ...

And these policies:

- POL UD4.1    Within the Heretaunga Plains sub-region, district plans shall identify urban limits for those urban areas and settlements within which urban activities can occur, sufficient to cater for anticipated population and household growth to 2045.
- POL UD4.5    Within the Heretaunga Plains sub-region, areas where future industrial greenfield growth for the 2015-2045 period have been identified as appropriate, subject to further assessment referred to in POL UD10.1, POL UD10.3, POL UD10.4 and POL UD12, are:
- a) Irongate industrial area.



The first point to be made is to repeat that the land in question is not *versatile land*, nor is it supporting *significant intensive economic activity*.

[19] Mr Lawson made much of the *Irongate Industrial Area* shown on Appendix C in the RPS. He submitted that this warranted special weighting on the basis that the RPS process provided the first real statutory opportunity for the community to influence the future Industrial land use pattern. He compared this with the non-statutory documents that preceded it – the Hastings Industrial Expansion Strategy 2003 and the Heretaunga Plains Urban Development Strategy 2010. We accept the point that the Proposed District Plan process which is underway is to give effect to the RPS. However, we also accept the evidence of Mr McKay for the Council that, in terms of the RPS, the detail of the future *Industrial* zoning and its timing, including infrastructure provisions, is one for the District Council. There are infrastructure cost issues that the Council needs to resolve outside the RMA framework, and they may well have the practical effect of delaying the effect of the zoning.

*Section 104(1)(b) – district planning documents*

[20] The site is bounded by the *Plains* zone (in the Operative Plan) and the *Plains Production* zone (in the Proposed Plan) to its northeast, east and south. Under the Operative Plan immediately to the west and southwest of the site there is *Deferred Industrial 2 (Irongate)* under the Operative Plan and *Deferred General Industrial* under the Proposed Plan.

[21] Under the Operative Plan, Rule 6.7.1 makes commercial and industrial activities *permitted* activities in the *Plains* zone where they comply with the general performance standards and terms in s6.8 and the specific performance standards and terms in s6.9. The proposal would not comply with those performance standards and terms. Overall the Operative Plan would require resource consent under these rules:

- (a) Rule 6.7.3 the front yard encroachment – *restricted discretionary*;
- (b) Rule 6.7.5 non-compliance with commercial and industrial activity size limits – *non-complying*;
- (c) Rule 13.4.7.2 earthworks volume limit – *restricted discretionary*.



[22] Under the Proposed Plan, Rules PP5 and PP6 specify that commercial industrial activities are *permitted* in the Plan's *Production* zone, within limits. The proposal would not comply with the general performance standard in relation to yards, nor with the performance standard in relation to total building coverage. Specific performance standard and term 6.2.6D(1) sets threshold limits for commercial activities at approximately the same levels as the Operative Plan, and the proposal would not comply. Nor would it comply with Rule EM6 – an earthworks volume limit.

[23] We have considered the significant objectives and policies under the Operative Plan. From them, the relevant spirit and intent of the Plan can readily enough be discerned. Without needing to recite and examine them all, some examples will demonstrate the point about Rural resources and the Plains area. R01 speaks of promoting the maintenance of the life-supporting capacity of the Hastings District's rural resources at sustainable levels; RO4 speaks of the maintenance and protection of natural physical resources that are of significance to the district; RP5 speaks of rural land close to urban fringes, and avoiding sporadic and uncontrolled conversion of it in a way that adversely affects the rural resource base; PLP1 speaks of maintaining the life-supporting capacity of the soil resource; PLP6 and PLP7 speak of limiting commercial activities to ensure sustainable management of the soil resource; IZP2 and IZP3 are about optimising the use of existing industrial areas rather than spreading into green field developments.

[24] We had submissions and evidence on the stronger policy direction of the Proposed District Plan. That included providing specified areas for urban activity so as to keep the Plains area focussed on production. We were told that the Plan's approach is well encapsulated in two policies from the Plains Strategic Management Area:

PSMP2: Require that activities and buildings in the Plains environment be linked to land based production and are of a scale that is compatible with that environment. ...

PSMP4: Limit commercial and industrial activities to those that have a direct relationship to crops grown and/or stock farmed within the Plains environment.



Those strategic objectives then appear in the *Plains Production Zone* through policies such as PPP3:

Limit the number and scale of buildings impacting on the versatile soils of the District  
And PPP7:

Provide for industrial and commercial activities ... with limits on scale and intensity to protect soil values, water values and rural character.

[25] We accept all of that, and we have also noted the content of Plan Change 50, but as we are about to discuss further, we are drawn back to the reality that the theme of the provisions seems not to have been accepted by decision-makers in the past, and the decisions that have been made have led to the current existing environment. Further, given the reality that the land in question is not rated as being of even moderate value as a growing resource, and its relative isolation, it is difficult to be critical of that line of decisions.

*Section 104(1)(c) – other relevant matters - Plan Integrity*

[26] In a situation where it is accepted that the adverse effects on the environment of a proposal will not be more than minor, there is little point in discussing the concept of the *permitted baseline* in assessing effects on the physical environment in terms of s104(2), but the concept does have resonance in discussing issues such as plan integrity.

[27] The adverse outcome of the proposal which is argued to be so inimical to the thrust of the *Plains zone*, or *Plains Production zone*, provisions as to threaten the integrity of either Plan, is the loss of the productive capacity of the zone's soils by erecting buildings over them, or using them other than for a purpose of growing, or processing, food.

[28] The operative provisions of the *Plains zone* do permit the erection and use of buildings, quite apart from houses and ancillary buildings. There are no size or building coverage limits on accessory buildings associated with residential activities permitted on a site of this size. Industrial buildings for the ... *processing, storage and/or packaging of agricultural, horticultural and/or viticultural crops and/or*



*produce* ... with a GFA of up to 2500m<sup>2</sup> per site are *permitted* on any site (no matter what size) in the *Plains* zone under Rule 6.9.5. The justification for that is that such a rural industry is directly related to the production of primary produce on the land, and that is valid and understandable. While the *permitted* activities underline the point that *Plains* zone land is not forbidden territory for construction purposes, the question at hand is whether the construction of buildings for a purpose that has no agricultural, horticultural or viticultural connection at all would, or might, be taken as setting a precedent for such uses and thus significantly harm the integrity of the Plan.

[29] Ms Janeen Kydd-Smith, the consultant planner called by the Council, expresses the point this way:

... the repetition of this type of activity being able to establish on the Plains Zone/Plains Production Zone land would undermine both the Operative and the Proposed Plans' strategy for protecting and maintaining the soils/land resource. It would also undermine the Plans' preference for industrial activities to be located in industrial zones, rather than as green field developments.

[30] As an issue of fact, leading to a clear view about the issues of plan integrity, our visit to the area at the conclusion of the hearing on 12 November sharply crystalized an impression already forming from the verbal descriptions, and the photographs and plans produced, in the evidence. That is, that the area surrounding the site has, with the exception of the orchard on its eastern boundary, long since ceased to be dominated by truly *rural* characteristics. We think that any reasonable person, whether having an educated planning eye or not, would call it an *industrial/commercial* area. There is the SPCA complex opposite; the large (3500m<sup>2</sup>) Waipak plastics manufacturing building diagonally opposite, and behind that a Ballance Fertiliser Storage and Sales and truck depot, including a truck wash and office; the large Farmers Transport operation a little to the west of that; the even larger Tumu/ITM complex on the northern side of Maraekakaho Road to the west; and the industrial operations hard on the site's western and northern boundaries, described in Mr Tickner's evidence as:

- Outdoor storage of demolition material associated with contracting and demolition business:



- Manufacturing of Engineered Wood Products, consisting of a 4,640m<sup>2</sup> Workshop and Offices:
- Coal storage and sale:
- The Display and sale of ‘Total Span’ buildings:
- Oversize Visitor Accommodation Complex:
- The manufacture of transportable cottages within a 700m<sup>2</sup> building.

Of all of those, only the Ballance fertiliser, and perhaps the Farmers Transport, operations have a recognisably rural connection, and even they do not process food or produce, of whatever kind, grown on the land.

[31] All of these, with the exceptions of the Farmers Transport and Tumu/ITM operations, are on sites zoned *Plains*. They create a large area that is dominated by substantial commercial/industrial enterprises. That may have been brought about by a series of decisions which a purist may regret; but it is what it is, and it is not going to change in the foreseeable future. This area has been allowed to become a de facto industrial/commercial node, and there is no point in pretending otherwise.

[32] Further, the proposed development is not going to expand the lateral dimensions of that node – it is close to the centre of it. Certainly it will intensify the existing situation, but it could equally be regarded as making the best of a sub-optimal situation, and as saving another, and perhaps more ideal, *Plains Production* area from a similar fate.

[33] While we quite understand the desire to preserve the integrity of the Planning documents, a series of decisions which appear to have not had that objective as a predominant factor has resulted in a situation where, quite simply, the horse has bolted, and the best that can be done is to stop the de facto node spreading outwards.

[34] That this is a question of judgement to be applied to the facts of each proposal is clear from a reading of decisions such as *McKenna v Hastings DC* (W016/2008), where a non-complying application was declined, and *Beacham v Hastings DC* (W075/2009), where one was allowed. There is no precedent in any true sense in these decisions – each depends on its own facts.



*Conclusions on s104 issues*

[35] The issue of effects can be put aside. The real question is whether the allowing of this proposal is going to make the apparent lack of regard to the apparent intent of the operative plan, over a good number of years, materially worse. We consider that the reality is that this node around the intersection of Maraekakaho and Irongate Roads has, de facto, ceased to be *Plains* zone land in a true sense. This piece of land, and those to its north, west and south, have, by their inherent nature in terms of productivity, and by the consent decisions that have affected them, become something of an anomaly in the *Plains* or *Plains Production* zones, and a simple recognition of that will not, we consider, do harm to the integrity of the Plans.

*Part 2 RMA*

[36] In terms of s8 and s6(e), no issues arising under the Treaty, or other matters of particular importance to Maori, were drawn to our attention, nor are there issues with any other matters which are to be *recognised and provided for* as being of *national importance* under s6.

[37] Section 7 contains the matters to which decision-makers are to have *particular regard*. Relevant to this appeal, those are:

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 have particular regard to—

- (a) kaitiakitanga:
- (aa) the ethic of stewardship:
- (b) the efficient use and development of natural and physical resources:
- (c) the maintenance and enhancement of amenity values:
- (d) intrinsic values of ecosystems: ...
- (f) maintenance and enhancement of the quality of the environment:
- (g) any finite characteristics of natural and physical resources: ...

[38] For present purposes, the provisions about kaitiakitanga, the ethic of stewardship, and the quality of the environment, might be regarded as more or less synonymous – expressing the need for resources to be treated and used with care, and



with consciousness of the needs of future generations to have access to them. Efficiency of use and development would indicate a need to use resources, in this case land, to their best advantage. Thus, it would not be efficient to use highly productive and fertile land for a purpose that land with little or no productive capacity could equally readily be used for. No ecosystem that might be affected by the proposal was brought to our attention.

[39] The planning witnesses for the parties agree that there are no issues with s7(c) and s7(g): - for 7(c) in that amenity values will be maintained (although perhaps, we would add, they may not be enhanced). Insofar as s7(g) is concerned, we confess to having a somewhat conditional agreement with their view. If it was the case that this site had better productive capacity and potential than it apparently has, paying particular regard to the finite amount of productive land resource would obviously be a significant issue. If it is accepted that, as a productive growing unit, this site is of poor quality, then one might be much more relaxed about seeing it used for other purposes. The mid-point to be considered is its potential for use as a production-related industrial or commercial activity – packhouse, vegetable processing etc, which is specifically recognised in the relevant zones.

[40] On an overall view, against the background of the uses and activities which now exist in the immediate area, we are content that the proposal can be accommodated because it is not taking up finite resources which should, because of their inherent qualities, be reserved for another use.

*Section 290A – the decision under appeal*

[41] Section 290A requires the Court to have regard to the decision under appeal. That does not create a presumption that it is correct but it does, implicitly at least, call for an explanation if we should come to disagree with it. It is apparent that the issue of Plan integrity was the major factor in the earlier decision, just as it is here. We entirely understand that decision, and the reasons for it, but on the evidence and submissions we heard, for the reasons we have attempted to set out, we do not regard that issue in the same light, and have come to the opposite conclusion.



*Result*

[42] We are of course well aware that this is not an appeal about the terms of a proposed plan, but it has been necessary to comment about the viability of both the operative and proposed Plans insofar as they affect this piece of land and the area immediately surrounding it. In doing so we have been as circumspect as we have been able – what might happen with the proposed Plan provisions must be left to the proper process. But for this application, we consider that approval for a *non-complying* activity is sound, and we allow the appeal.

*Conditions*

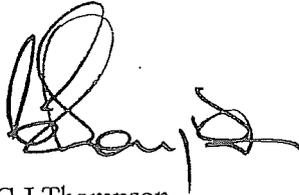
[43] We invite the parties to confer, and to present us with a set of draft resource consent conditions for consideration, by 31 January 2016.

*Costs*

[44] In the circumstances we would not encourage an application for costs, but as a matter of formality we reserve them. If there is to be an application it should be lodged and served within 15 working days from the Court's formal approval of conditions, and any response lodged and served within a further 10 working days.

Dated at Wellington this 7<sup>th</sup> day of December 2015

For the Court



C J Thompson  
Environment Judge

