



# SECTION 32 REPORT General Industrial Zone

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## **1 Executive Summary**

Predominantly based on manufacturing and construction, the Industrial Sector is a major employment sector in the New Plymouth District, making a sizeable contribution to the district economy. Most of the district's Industrial zoned land is located near key transport routes, at Glen Avon, Bell Block and Paraite, and around Port Taranaki. There is also Industrial zoned land in Waitara, Inglewood and Egmont Village. Some existing industrial activities located in urban New Plymouth also have site specific Industrial zoning.

The Operative District Plan recognises the different character of industrial activities in the District through six different Industrial Environment Areas. It includes a broad suite of objectives, policies and rules for managing Industrial Environment Areas in the District that have remained largely unchanged since the plan became operative in 2005. Over the life of the Operative Plan, there has been growth in the industrial sector. There has also been growth in the amount of non-industrial ('out-of-zone') activities establishing in Industrial Environment Areas.

The key resource management issues facing industry in the New Plymouth District are:

- Ensuring Industrial zoned land is prioritised for industrial land uses.
- Providing an adequate land supply for industrial activities.
- Managing the adverse effects of industrial activities.

The key changes for Industry in the Proposed District Plan are:

- Consolidation of the existing Industrial Environment Areas into one General Industrial Zone with objectives, policies and rules that support its role, function and character and avoid compromise by non-industrial (out-of-zone) activities.
- Provisions that ensure business or retail activity is limited in the General Industrial Zone so that the Commercial and Mixed Use Zones remain vibrant.
- Provisions recognising the General Industrial Zone an employment zone requiring an appropriate level of amenity.
- Provisions to manage the adverse environmental effects generated by industrial activities, particularly at zone boundaries and near waterbodies.

The clear and simple planning approach of the Proposed Plan provides clear direction and certainty for Plan users and will improve outcomes for the Industry sector, including growth. A focus on reinforcing the role and function of industrial land will also maintain zone integrity and ensure adverse effects are managed appropriately.

## **2 Introduction and Purpose**

This report contains a summary section 32 evaluation of the objectives, policies and methods relating to the General Industrial Zone in the Proposed New Plymouth District Plan. It is important to read this report in conjunction with the section 32 overview report which contains further information and evaluation about the overall approach and direction of the District Plan review and Proposed District Plan.

The New Plymouth District is one of the fastest growing areas in New Zealand. Recent estimates predict that the District will continue to experience significant population

growth over the coming years. Faced with such growth pressures, it is essential to support and manage future industrial growth, including providing adequate land capacity, protecting industry from sensitive activities and protecting the environment from the adverse environmental effects of industrial activities.

The Proposed District Plan provisions have been developed on the assumption that the District is going to grow, and it is not the role of the RMA to limit growth and industrial development, but to manage its location to promote sustainable management of natural and physical resources.

This report sets out the statutory and policy context for industry, the key resource management issues, specific consultation and approach to evaluation on this topic to decide on the proposed provisions. The report also includes a review of the existing plan provisions and an evaluation of alternative methods to achieve the purpose of the Resource Management Act (RMA) in relation to the industry topic.

This Section 32 report is focused on the provisions in the General Industrial Zone of the Proposed District Plan. Large-scale industry such as the Port, Methanex, the Port and oil and gas facilities are not addressed in this report, but in separate section 32 reports (e.g. Major Facility, Port Zone and Energy).

The Sites and Areas of Significance to Māori, Network Utilities, Transport, Hazardous Substances and Future Urban Zone Chapters have some overlap with the industry topic and may be relevant to the development of an industrial property.

### **3 Statutory and Policy Context**

#### **3.1 Resource Management Act**

The Resource Management Act (RMA) sets out the functions of territorial authorities in Section 31. The key function for the district council is the integrated management of the use, development, or protection of land and associated natural and physical resources of the district. "*Natural and physical resources*" includes natural landforms, buildings and structures.

Section 6 of the RMA specifically requires that the Council recognises and provides for matters of national importance, including:

*(a) the preservation of the natural character of the coastal environment (including the coastal marine area), wetlands, and lakes and rivers and their margins, and the protection of them from inappropriate subdivision, use, and development*

Section 7 of the RMA requires the Council to have particular regard to the following matters:

*(b) the efficient use and development of natural and physical resources.*

*(c) the maintenance and enhancement of amenity values.*

*(f) maintenance and enhancement of the quality of the environment.*

The above matters are relevant when considering General Industrial Zone issues. There are areas of General Industrial zoning that are adjacent to waterbodies. The protection of these waterbodies is an important function of the District Plan. Ensuring that the District Plan provides for the efficient and effective functioning of industrial

activities is vital to the economic and social wellbeing of the district. This of course must be balanced against amenity and reverse sensitivity considerations.

Section 8 of the RMA requires the Council to take into account the principles of the Treaty of Waitangi (Te Tiriti o Waitangi). Tangata whenua, through iwi authorities, has been consulted as part of the review process and the obligation to make informed decisions based on that consultation is noted. Section 74(2A) of the RMA requires Councils to take into account relevant Iwi Management Plans and their bearing on the resource management issues of the district.

### 3.2 National Policy Statement on Urban Development Capacity (2016)

The National Policy Statement on Urban Development Capacity 2016 (NPS-UDC) recognises the national significance of urban environments and provides direction to decision-makers on planning for urban environments. The NPS-UDC seeks to ensure there is sufficient development capacity for housing and business with a suite of objectives and policies to guide decision-making in urban areas.

The relevant objectives and policies place a requirement on local authorities to provide for urban growth. The NPS-UDC requires the Council to look at the district projected population growth and pre-empt market demand by unlocking and servicing land feasible for development.

New Plymouth District meets the NPS-UDC definition of 'high growth urban area'. The population is projected to grow from an estimated 83,400 in 2018 to 92,400 in 2028, and to 106,100 by 2048. This equates to growth of 22,700 (27.2%) and these people will have a wide range of social, housing, environmental and economic needs. The New Plymouth District projected population growth is outlined in Table 1 below<sup>1</sup>:

Table 1: New Plymouth District Population Growth based on NPS-UDC requirements

	<b>2018-23</b>	<b>2023-28</b>	<b>2028-33</b>	<b>2033-38</b>	<b>2038-43</b>	<b>2043-48</b>
<b>New Plymouth District Population Growth</b>	83,400	92,400	96,300	99,800	103,000	106,100

The NPS-UDC requires councils with high growth urban areas to provide sufficient development capacity to meet demand over a 30-year period, including 15-20% additional development capacity to ensure there is competition in the housing and business markets. Policy PA1 of the NPS-UDC sets out housing and business land development capacity that the council is required to provide in the short, medium and long-term:

<sup>1</sup> New Plymouth District Housing and Business Development Capacity Assessment (June 2019)

Table 2: Policy PA1 of the NPS-UDC

Short term	Development capacity must be feasible, zoned and serviced with development infrastructure.
Medium term	Development capacity must be feasible, zoned and either: <ul style="list-style-type: none"> <li>• serviced with development infrastructure, or</li> <li>• the funding for the development infrastructure required to service that development capacity must be identified in a Long Term Plan required under the Local Government Act 2002.</li> </ul>
Long term	Development capacity must be feasible, identified in relevant plans and strategies, and the development infrastructure required to service it must be identified in the relevant Infrastructure Strategy required under the Local Government Act 2002.

Policy PA1 directs local authorities to demonstrate within the District Plan that their short – long term development capacity is available. New Plymouth District has calculated its growth demand over a short, medium and long term and assessed it based on the existing industrial land in the current District Plan and percentage of this land that has been identified to be retained as part of the Proposed District Plan.

The vacant industrial land supply identified through this District Plan review process is intended to give effects to the requirements of the NPS-UDC.

### 3.3 National Planning Standards 2019

Released in April 2019, the purpose of the National Planning Standards (planning standards) is to improve consistency in plan and policy statement structure, format and content.

The standards were introduced as part of the 2017 amendments to the RMA. Their development is enabled by sections 58B–58J of the RMA. They support implementation of other national direction such as national policy statements and help people to comply with the procedural principles of the RMA.

As discussed in the Overview Report, the Proposed District Plan will give effect to the planning standards. Of particular relevance is the application of the planning template for three levels of Industrial Zone:

*Light Industrial zone: Areas used predominantly for a range of industrial activities, and associated activities, with adverse effects (such as noise, odour, dust, fumes and smoke) that are reasonable to residential activities sensitive to these effects.*

*General Industrial zone: Areas used predominantly for a range of industrial activities. The zone may also be used for activities that are compatible with the adverse effects generated from industrial activities.*

*Heavy Industrial zone: Areas used predominantly for industrial activities that generate potentially significant adverse effects. The zone may also be used for associated activities that are compatible with the potentially significant adverse effects generation from industrial activities.*

### **3.4 Regional Policy Statement**

Under Section 75(3)(c) of the RMA, the District Plan must give effect to the Regional Policy Statement. Although the Taranaki Regional Policy Statement (RPS) does not specifically focus on Industry, the following objectives, policies and methods relating to sustainable urban development and surface water quality are of relevance:

#### *Sustainable Urban Development*

- *SUD OBJ 1 To promote sustainable urban development in the Taranaki region.*
- *SUD POL 1 To promote sustainable development in urban areas by:*
  - (a) encouraging high quality urban design, including the maintenance and enhancement of amenity values.*
  - (b) promoting choices in housing, work place and recreation opportunities.*
  - (c) providing for regionally significant infrastructure.*
  - (d) promoting the maintenance, enhancement or protection of land, air and water resources within urban areas or affected by urban activities.*

The RPS also states that territorial authorities may wish to consider the following method:

- *SUD METH 5 Include in district plans or resource consents, provisions or conditions that address sustainable urban development issues including among others:*
  - (a) objectives, policies, methods, rules and performance standards controlling land use, development and subdivision.*
  - (b) building and development controls or criteria.*

#### *Surface Water Quality*

- *WQU POL 6 Where the life-supporting capacity of rivers, streams, lakes or wetlands is under pressure as a result of point or diffuse discharges to surface water, improvements in the biological health and quality of water will be promoted.*

The RPS also states that territorial authorities may wish to consider the following method:

- *WQU METH 16 Include in district plans, policies, rules, guidelines or other information to avoid, remedy or mitigate the adverse effects of land use activities and management practices on water quality.*

### **3.5 Iwi Environmental Management Plans**

For the purposes of the District Plan Review, Iwi Environmental Management Plans must be taken into account under Section 74 (2A) of the RMA. The following Iwi Management Plans are in various stages of preparation and have been considered in the preparation of this report:

### 3.5.1 Taiao, Taiora: An Iwi Environmental Management Plan for the Taranaki Rohe (2018).

Taiao, Taiora is a document for Taranaki Iwi to guide and inform decision making by the Iwi. At the time of writing, there is one Iwi Environment Management Plan that it has been lodged with the Council. It is structured into five sections, reflecting the interrelated natural systems. Taiao, Taiora sets out issues, objectives and policies and the section on Papatuanuku (the land) makes references to industrial activities and includes the following issue and objective:

*Issue 2.*

*Contamination of whenua is occurring due to industrial operations ... Contamination of soil poses a threat to the health of Taranaki Iwi and local community, to soil structure, productivity, and sustainability, and to the natural balance of endemic land-based ecosystems.*

*Objective 5.*

*The whenua will be cared for by Taranaki Iwi and others for mutual, reciprocal benefit for the whole community. Taranaki Iwi are seen as leaders in sustainable living and sustainable land management on our whenua.*

Taiao, Taiora clearly states that the Taranaki Iwi will not support any subdivision and development that adversely impacts the important cultural values associated with landscapes of importance to Taranaki Iwi (hapū, marae/pā).

### 3.5.2 Ko Tā Maniapoto Mahere Taiao, the Maniapoto Iwi Environmental Management Plan (2016). Still under revision.

Ko Tā Maniapoto Mahere Taiao (Draft) outlines the iwi's vision for environmental sustainability. The Plan describes issues, objectives, policies and actions, to protect, restore and enhance the relationship of Maniapoto with the environment; and also the social, cultural, spiritual and economic relationships. The Plan includes a section on Infrastructure and Industry (Section E) which describes objectives, policies and actions regarding infrastructure and industry.

The degradation of the mauri and wairua of the environment and the decline and loss of indigenous flora and fauna is a concern for Maniapoto. There are increasing pressures on resources from agriculture, tourism, forestry, industry and urban activities. The people of Maniapoto consider that they have disproportionately contributed to commercial development and the public good within the Maniapoto rohe and sacrificed lands, clean waterways, indigenous habitats and species to benefit community and economic development. Maniapoto are not opposed to development, however, they consider the historic cost to the environment to be unacceptable.

The focus of policies and actions in the Plan, relating to industrial land use, is on discharges to air and waterways and the need to address and arrest these so that the natural environment can repair.

### 3.5.3 Ngāti Mutunga Iwi Environmental Management Plan (2016 update). Final draft provided; still under revision.

Ngāti Mutunga Iwi Environmental Management Plan has a goal to provide for sustainable management of the environment for the social, cultural, economic, and environmental wellbeing of the iwi. The Plan contains a section on Light, Odour, Noise

and Visual Pollution, which includes the following statement that is relevant to industrial land uses:

*Development which includes inappropriate artificial lighting, strong smells, noisy activities and visual pollution would make our environment less pleasant to live in. It is important to manage these issues because they affect our feelings about and relationship with a place. If we do not feel good about the places we live, work and see every day, we do not feel good within ourselves.*

3.5.4 Te Kotahitanga o Te Atiawa, 2019, Tai Whenua, Tai Tangata, Tai Ao: Te Atiawa Iwi Environmental Management Plan. Council has provided comments on the Draft.

Tai Whenua, Tai Tangata, Tai Ao is a document for Te Atiawa Iwi reaffirming the iwi's role as kaitiaki. Its secondary role is to guide and assist councils and other agencies in understanding issues of significance to Te Atiawa. It sets out the iwi's framework for engagement, guiding principles and issues and objectives relating to eight domains; guardianship; inland and coastal whenua; freshwater; coastal and marine environment; air and atmosphere; flora and fauna; wahi taonga, urupā and sites of significance to Māori; Taranaki maunga. The section on inland and coastal whenua contains the following Issue, Objective and Policies relating to industrial activities:

*Issue TTAN2: Industrial activities can generate adverse effects on water, air and atmosphere quality, biodiversity, soil health and adjacent land users.*

*Objective TTAN2.1: Restore, protect and enhance catchments which are directly or indirectly impacted by industrial activities within our Te Atiawa rohe such as Waitara, Waiongana, Mangaoraka, Waitaha, Waihowaka, Mangati, Mangaone and Waiwhakaiho.*

*Policy TTAN2.1: Avoid adverse effects on waterbodies, and natural and cultural areas of significance resulting from industrial wastes, materials and products. Include the provision for conditions of consent requiring:*

- a) on-site disposal of storm water to achieve stormwater neutrality.*
- b) site design/layout to maintain and enhance the natural and cultural landscape and include riparian margin management.*
- c) best practice, or adaptive management approaches*

*Policy TTAN2.2: Avoid cross-boundary effects on natural and cultural areas of significance resulting from industrial developments. Include the provision for conditions of consent requiring appropriate setback distances from new industrial land uses and activities.*

*Policy TTAN2.3: Require that regional council and district councils recognise and provide for the incremental and cumulative effects within catchments of industrial-related activities when developing planning documents, and assessing resource consents.*

*Policy TTAN2.4: Support the development and use of Integrated Catchment Management Plans (ICMP) as a tool to managing industrial-related activities and the effects on Te Atiawa values, and to inform the development of planning documents and assessment of resource consents.*

### **3.6 Other Legislation and Policy Documents**

#### **3.6.1 Regional Plans**

Section 75(4)(b) of the RMA states that any District Plan must “*not be inconsistent with*” a regional plan. The Taranaki Regional Council (TRC) administers four Regional Plans, being the:

- Regional Air Quality Plan for Taranaki 2011.
- Regional Coastal Plan for Taranaki 1997.
- Regional Fresh Water Plan for Taranaki 2001.
- Regional Soil Plan for Taranaki 2001.

The following matters within the Regional Plans have been considered when developing the General Industrial Zone:

##### **Regional Air Quality Plan for Taranaki 2011 (RAQP)**

The RAQP contains provisions that address the discharge of contaminants to air from industrial or trade premises or industrial or trade processes, including the rate and concentrations of the discharge, will be managed to avoid, remedy or mitigate any significant off site adverse effects on the environment arising from the discharge.

##### **Regional Fresh Water Plan for Taranaki 2001 (RFPW)**

The RFPW contains provisions that address activities involving the use of water, including point and diffuse source discharges to land and water, the construction of bores and wells, land drainage and the protection of wetlands. Guidelines on the treatment and disposal of industrial discharges are contained within the RFPW.

##### **Regional Soil Plan for Taranaki 2001 (RSP)**

The RSP addresses accelerated erosion and soil health, and of particular relevance to the General Industrial zone, the degradation of soil health as a result of inappropriate land management practices.

### **3.7 Local Policies, Plans and Strategies**

#### **3.7.1 New Plymouth District Strategic Framework**

The vision for the New Plymouth Strategic Framework is Building a Lifestyle Capital (He Whakatutu Haupu Rawa Hei Ahua Noho). This will be achieved by: Putting people first (Aroha kit e Tangata), Caring for our place (Manaaki whenua, manaaki tangata, haere whakamua) and Supporting a prosperous community (Awhi mai, Wahi atu, tatou katoa).

#### **3.7.2 The New Plymouth District Blueprint**

The Blueprint is a 30-year spatial plan for the district first adopted in June 2015. All of the ‘key directions’ and associated ‘high-level initiatives’ in the Blueprint are relevant to the General Industrial Zone, which were considered during the review of the provisions. The ‘key directions’ are:

1. Environment – enhance the natural environment with biodiversity links and clean waterways.
2. Communities – strengthen and connect local communities.

3. Citizens – enable engaged and resilient citizens.
4. Growth – direct a cohesive growth strategy that strengthens the city and townships.
5. Economy – secure and strengthen the rural economy, industry, the port and airport.
6. Talent – grow new economies that attract and retain entrepreneurs, talented workers, and visitors.
7. City Centre – champion a thriving central city for all.
8. Destination – become a world class destination.

### 3.7.3 Regional Economic Development – Tapuae Roa

Tapuae Roa–Make Way for Taranaki: *Taranaki Regional Economic Development Strategy*, August 2017 (Tapuae Roa) is a culmination of work undertaken by the district councils and regional council of Taranaki in partnership with Ngā Iwi o Taranaki. It is designed to feed into the Long-Term Plans of all the councils in the region, and influence public and private sector investment decision-making on future activities.

Tapuae Roa recognises that the foundation of the region’s economy is commodity-based with a strong agricultural and energy sector presence and anticipates incremental growth in these areas. However, Tapuae Roa focuses strongly on other sectors that will accelerate economic growth in Taranaki, including food processing, engineering and tourism.

The Strategy recognises that Taranaki has comparative advantages in several sectors relative to New Zealand and that these will support job and income growth in the future. These include industrial activities of manufacturing industries such as chemical, metal, wood product and machinery and equipment manufacturing.

Providing an adequate amount of General Industrial zone land to support growth and provide opportunities is critical to the delivery of Tapuae Roa.

### 3.7.4 Housing and Business Development Capacity Assessment (June 2019)

As noted earlier, the National Policy Statement – Urban Development Capacity requires councils with high growth urban areas to provide sufficient development capacity to meet demand over a 30-year period, including 15-20% additional development capacity to ensure there is competition in the housing and business markets.

The Council has recently prepared a Housing and Business Development Capacity Assessment (HBA) which is a detailed analysis of housing and business growth across the New Plymouth District, based on current and future levels of demand, supply and development capacity. Required every three years, the HBA provides a robust, comprehensive and frequently-updated evidence base that will inform and guide development capacity and planning decisions in the district.

The HBA has drawn the following conclusions regarding Industrial development capacity:

- Industrial employment growth projections to 2048: 39%  
New Plymouth’s net industrial employment base is forecast to increase at a steady net growth rate over the forecast period, by just over 4,400 employees from the 2018 base figure (10,750). Average growth projections are for 140 new industrial

employees per annum, bringing the total district industrial employment base to nearly 15,210 by 2048.

- Industrial land demand to 2048: 193ha

Using the employment growth projections, the amount of industrial land required to meet long term demands is calculated to be 193ha. The vacant industrial land within the Operative District Plan is 191.8ha. There is a shortfall of plan-enabled capacity within the industrial sector in the long term. Ensuring sufficient capacity to meet demand for 193ha of industrial land, will require zoning of additional industrial land.

- There are potential issues with the concentration of available industrial land located in the Bell Block/Waiwhakaiho area to the east of New Plymouth in the long term.

## **4 Context, Research and Trends**

The Industrial sector plays a critical role in the economy of the New Plymouth District and the wider Taranaki Region. It is the largest contributor to the District's economy and is the District's largest employment sector.

The District's industrial land is predominantly located in Glen Avon, Bell Block and Paraitē and around Port Taranaki. Other industrial land is located in Waitara, Inglewood and Egmont Village. Spot-zoned industrial activities have historically located throughout urban New Plymouth.

### **4.1 Operative District Plan Approach**

#### **4.1.1 Context**

The Operative District Plan's approach to managing the industry sector is through six distinct sub-zones, or "Industrial Environment Areas". The intention behind creating Industrial A, B, C, D, E and F Environment Areas was to recognise the differing character of industrial activities, to consider their proximity to other land uses and ultimately manage and maintain the level of amenity expected. Four of these zones are similar in nature but have a different scale and intensity of anticipated activity and proximity of the area to sensitive receiving environments. Industrial D Environment Area includes Port Taranaki and Industrial F Environment Area caters for the two existing 'think big' petrochemical projects located in Waitara Valley and Motunui (Methanex New Zealand Ltd).

Although the approach in the Operative District Plan accommodates industrial facilities and their associated activities, it does not adequately manage non-industrial activities locating in the zone. This approach is therefore undermining Council's ability to maintain zone integrity, including the management of reverse sensitivity issues and to secure the availability of the District's industrial land supply to cater for anticipated growth.

#### **4.1.2 Plan Changes**

*Plan Change PLC08/00002 – (Private) Rezone Egmont Road Site*

This Private Plan Change rezoned 12.5 hectares of land at Bell Block from Rural Environment Area to Industrial C Environment Area. The land is located east of Egmont

Road, north of the Marton-New Plymouth railway line and south of the realignment of State Highway 3. This plan change became operative in 12 May 2009.

*Plan Change PLC09/00015 – Future Urban Development Overlay*

This Council-initiated Plan Change added a Future Urban Development Overlay on areas of land identified by the Council’s Framework for Growth. Along with the new overlay, rules were added to the Plan to provide a level of control over land use activities and subdivision within, and land use activities adjacent to, the future urban growth areas. The Overlay included ‘Area N’, almost 60 hectares of land between Egmont Road and Henwood Road which sits behind and east of the land rezoned by Plan Change 2. This plan change became operative on 25 March 2013.

*Plan Change 21 – Rezone Area N from Rural Environment Area to Industrial C Environment Area*

Following the introduction of overlays for Future Urban Development in the District Plan, the Council initiated a further Plan Change to rezone Area N from Rural Environment Area to Industrial C Environment Area. Plan Change 21 did not proceed, due to the impacts on sites of significance to Māori and stormwater management. Instead, the area has been separated into two zones through the District Plan Review. The western 33.5ha is proposed to be rezoned to General Industrial Zone (Oropuriri Structure Plan). The eastern 25.8 hectares is proposed as Future Urban Zone, to allow time for participative planning with landowners and tangata whenua.

4.1.3 Operative District Plan Provisions

The Operative District Plan was created as an effects-based plan. This means that the Plan is based around environmental effects rather than the activities that generate them. The ‘Management Strategy’ of the Operative District Plan contains the framework to manage Industry in the District. The relevant Objectives and Policies are detailed below:

<b>Zone</b>	<b>Objectives</b>	<b>Policies</b>
<i>All</i>	1. To ensure activities do not adversely affect the environmental and amenity values of areas within the district or adversely affect existing activities	1.1 Activities should be located in areas where their effects are compatible with the character of the area
		1.2 Activities within an area should not have adverse effects that diminish the amenity of neighbouring areas, having regard to the character of the receiving environment and cumulative effects
<i>Industrial Environment Areas</i>	9. To maintain a level of amenity within the industrial environment which is consistent with the character of the area and provides a safe working environment	9.1 The bulk and location of buildings, structures and other activities within industrial areas should be consistent with the amenity of the area

The Operative District Plan rules and standards for Industry control:

- Erection of buildings and structures, subject to height, daylighting and setback requirements.
- Signage, subject to height, size and location requirements.

- Earthworks subject to excavation, fill and location requirements.
- Hazardous Substances subject to setbacks, locational and effects ratio requirements.
- Outdoor storage subject to bulk and location requirements.
- Lighting subject to location and emission requirements.
- Noise subject to specific environment area.
- Traffic and transport subject to location thresholds, vehicle movements and landscaping requirements.
- Temporary events subject to duration, environment area, noise emission and other requirements.

The Operative District Plan generally provides for industrial related activities as permitted activities, although where the activity does not meet relevant thresholds for a permitted activity, the activity is treated as a restricted discretionary or discretionary activity.

## **4.2 State of the Environment**

Growth in New Plymouth's industrial sector has been high. The sector's employment base rose from 7,593 in 2000 to around 10,455 in 2017. This represents a 42% increase in people employed in industry.

The composition of industry in New Plymouth is predominantly made up of manufacturing and construction. Manufacturing is the second largest employment sector in the District; manufacturing held the top position for many years but was overtaken by the healthcare industry in 2008, an impact of the ageing population. Despite the change, the manufacturing industry continues to drive a lot of employment opportunities, with around 12% of total employees in the region engaged in this sector. Construction is the fourth largest employment sector in New Plymouth. The construction sector accounted for around 18% of New Plymouth's industrial employment in 2000 but has increased in significance and importance over the past 17 years. It now accounts for nearly 30% of all the district's industrial employment. The construction sector's employment base directly correlates to property market cycles and boom/bust periods and the sector has reflected these cycles over the past 17 years.<sup>2</sup>

Growth in the industrial sector, and all other sectors in the district, has resulted in changes in the environment. In relation to industrial land use, these changes can be broadly themed as follows:

- Out-of-zone activities establishing on industrial zoned land.
- The location and availability of land supply for industrial use.
- The functional and operational constraints of industrial activities limiting where they can locate.

### **4.2.1 Out-of-Zone Activities**

Traditionally, New Zealand communities have segregated sensitive activities from industrial activities and vice versa. It is commonplace to find zonings in district plans that provide separately for residential, commercial, rural and industrial activities. These

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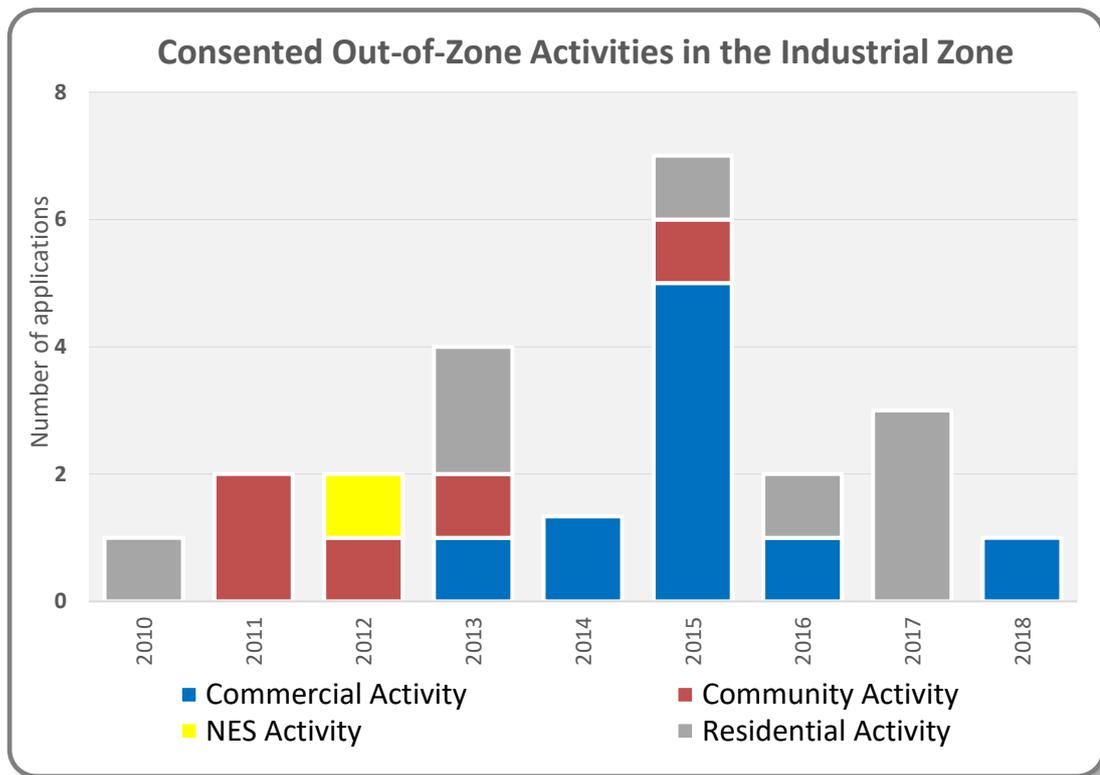
<sup>2</sup> New Plymouth District Housing and Business Development Capacity Assessment (June 2019)

zones provide a clear direction as to where activities are best located: their 'home zone'. More recently, mixed-use zoning has become popular and encourages the co-location of residential, commercial and recreation activities.

Out-of-zone activities are those that are provided for and anticipated in a zone other than the one they have located within. In an Industrial zone, out-of-zone activities can range from sensitive activities such as residential development, to community activities with no industrial component such as churches. Some of these non-industrial activities may conflict with or entirely displace industrial occupation.

State of the Environment Monitoring in the New Plymouth District has identified that there has been an increase in the volume of out-of-zone activities establishing in the Industrial Environment Areas. Some site-specific examples of this have been day care facilities, supermarkets and destination recreation centres (e.g. trampoline parks). There has also been large scale out-of-zone development, such as The Valley megacentre, establishing a big-box retail hub in an Industrial Environment Area.

This information is reflected in the graph below which illustrates resource consents generated by out-of-zone activities in the Industrial Environment Area:



The District's Industrial Environment Areas were never intended to be used for non-industrial activities. However, due to the Operative Plan being fully effects-based it has been relatively easy for "development creep" to occur. This is because the objectives and policies often rely on the existing character of the receiving environment (as opposed to a clear list of activities or description of zone outcomes) as a baseline against which to measure whether adverse effects are appropriate or not. Once a few different sorts of activities are established (including some that were not originally anticipated as being suitable in a particular zone) or a particular pattern of subdivision

is established, the character of the environment changes and opens the door to more of the same out-of-zone development.<sup>3</sup>

Where this is happening, there have been a number of flow-on effects on the wider environment. These are both tangible and intangible and include:

- Reducing choice and limiting land supply for industrial activities.
- Loss of industrial coherence through an increase in out-of-zone activities punctuating the environment.
- Undermining the integrity of other zones intended to accommodate these activities, such as New Plymouth's central business district.
- An increase in adverse effects on the traffic network.
- Expanses of car parking.
- The creation of reverse sensitivity issues within the Industrial Environment Areas.
- A perception that the character of the industrial neighbourhood is changing and that the industrial economy is in decline.

Not all out-of-zone activities have adverse effects. There is a type and scale of out-of-zone activity that supports industrial activities in the zones, but does not compromise the zone or generate any of the adverse effects listed above. Two examples are offices within industrial plants and lunch bars for workers in industrial areas. This suggests it is appropriate to provide for limited out-of-zone activities within the District Plan, on the basis that they serve local needs.

#### 4.2.2 Location and Availability of Land Supply

In order to understand industrial land supply and location issues, the Council commissioned Property Economics to undertake an Industrial Land Capacity Assessment. The intent of this report was to undertake a high level assessment of the longer term industrial demand and land requirements for the New Plymouth District and ensure adequate provision of industrial land to satisfy this aspect of the Council's NPS-UDC obligations. The Property Economics Report is attached as Appendix 1 of this report.

Specifically, the report considered industrial employment distribution, land supply, anticipated growth including building consent trends and the geographical location of this development. From this information, the report then forecast the predicted employment and land supply requirements from 2016 – 2048. A summary of this work is highlighted below:

- During the 2000 – 2017 period, the New Plymouth industrial employment base experienced a net increase of 3160 employees. Slow but steady growth is expected to continue into the foreseeable future given population growth trends.
- The District's industrial activity has higher concentrations of employment in the central city (with many businesses operating from older central city industrial premises, reflecting older District Plan zonings), and the eastern side of the city near Bell Block, Glen Avon and Paraita. Waitara, Inglewood and Egmont Village have 'healthy' industrial employment bases given the size of their communities.

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<sup>3</sup> Analysis of Efficacy of Effects-Based Planning in relation to the National Planning Template. Ministry of the Environment Resource Management – National Planning Template 2016  
[https://www.mfe.govt.nz/sites/default/files/media/RMA/Effects\\_Based\\_Planning\\_Research.pdf](https://www.mfe.govt.nz/sites/default/files/media/RMA/Effects_Based_Planning_Research.pdf)

- The New Plymouth District currently has 695ha of industrial zoned land. An estimated net 193ha of additional industrial land is required to accommodate future demand, while the district has a vacant zoned capacity of 191ha. This indicates that industrial land requirement for the district is roughly commensurate with current vacant industrial zoned land provided for within the Operative District Plan.
- At face value, current industrial land provision is largely able to satisfy the NPS UDC capacity obligations for industrial land out to 2048 and this suggests that there is no need for additional industrial land to be zoned as part of the Proposed Plan. This said, the projections in the report make some qualifications to this claim:
  - The analysis assumes all vacant land is developable for industrial uses.
  - The capacity within existing industrial properties has not been quantified.
  - Inefficiently developed industrial land has not been quantified.

Analysis of these three points would provide a finer grain picture of the effectiveness of relying on current vacant land to accommodate projected industrial growth, and therefore place the Council in a stronger position to satisfy NPS UDC obligations.

- The projections in the report represent efficiently utilised and developed industrial land. If industrial zoned land is absorbed by non-industrial activities, then industrial capacity will reduce. Furthermore, if land is undevelopable it will reduce the capacity to achieve the NPS UDC industrial land supply requirement.
- Outside of Paraite, the vacant industrial land supply is minimal, representing an imbalance in the District. This affects market choice and Property Economics recommends that land on the western side of New Plymouth is considered for industrial zoning within the next decade, to improve the economic efficiency of the market.

As noted, the high-level Property Economics Report did not cover the efficiency of the industrial occupancy and how much capacity is available within the currently developed industrial sites. However, Council officers undertook a comprehensive monitoring exercise that analysed the functionality of New Plymouth District's Business and Industrial zoned land by reviewing land use, urban design quality, streetscape, transport and access, recent developments and containment.

To help in the analysis, the District was broken into 44 areas which were visited by officers over 2016/2017. Using a combination of desktop analysis and fieldwork observations, officers looked primarily at the function of the District's local centres (business) and industrial land with a view to understand how these areas are working and whether or not they are meeting the needs of their local communities.

The aim of these visits was to observe:

- The characteristics of the area as a whole (i.e. access, transport, character and interface with other adjoining areas).
- The characteristics of sites contained within the area (i.e. use, design, condition).
- Whether the area is contained (looking at the wider context outside of the area to uncover and retail/business/office/residential uses that are taking place outside of the zone).
- Containment issues were assessed by looking at the wider area to uncover whether certain activities have located "out-of-zone".

- Whether there are any interface issues occurring.

Key findings from the monitoring exercise were:

- There is a significant increase in non-industrial uses i.e. retail and residential activities occurring on land zoned for industrial purposes. The permissiveness of the Operative District Plan has resulted in perverse outcomes to other zones, for example a negative impact on the role and function of the CBD and local centres.
- The District has a healthy supply of industrial land, however in some cases it is adversely affected by the surrounding land uses and the reverse sensitivity issues created by these adjacent activities.
- Some established industrial areas have important features or characteristics that add to the amenity or uniqueness of the place. For example Waahi Taonga. Consideration needs to be given whether these can be better recognised or managed in the Proposed District Plan.

Based on this background monitoring and research, a considerable number of properties throughout the District are suitable for rezoning from an Industrial Environment Area to either a Commercial or Residential Zone. Details of these properties are contained in Appendix 2.

#### 4.2.3 Functional and Operational Constraints of Industrial Activities

Due to the nature, scale and intensity of industrial land use activities, they can generate significant adverse effects on the environment. This includes effects on sensitive zones, such as adjacent residential zones and effects on sensitive features, such as waterbodies and wahi tapu. Industrial activities use can also have significant impacts on the transport network.

The location of industrial zoning in the district, while not distributed evenly, is well-located regarding transport links. New Plymouth's eastern industrial zones are near State Highway 3 and 3A with good road access both north and south. The city's western-most industrial zone is near the Port, the rail terminal and State Highway 44 and 45. While these road links are good, they do not represent direct access to State Highway 3, the strategic routes north and south. Both Inglewood and Egmont Village industrial zones are positioned well for access to the state highway network. Of them all, Waitara's industrial zones require the most significant use of the local road network.

New Plymouth's western-most industrial zone has a flank abutting the Residential Zone at Spotswood. The Borrell Avenue industrial area and site-specific zonings throughout New Plymouth also have residential zoned sites abutting them. (Some of these have been identified for rezoning through State of the Environment monitoring noted earlier). The eastern industrial zones in New Plymouth are generally separated by the state highway from the Residential Zone. Waitara, Inglewood and Egmont Village Industrial zones are adjacent to Residential Zoned sites. There are many streams and tributaries and sites of significance to Māori within the district's industrial zoned land.

Because the effects of industrial activities are greater than other land uses, their ability to locate in other zones, under the effects-based Operative Plan, is highly unlikely. This restricts industrial businesses to considering land within the Industrial Environment Areas only. There is a need to provide for and enable the efficient and effective functioning of industrial activities as they contribute to the economic and social wellbeing of the District. Yet the functional and operational constraints, and

potential for adverse environmental effects, mean that careful consideration needs to be given to determining optimal locations for industrial zoning.

### 4.3 Effectiveness of the Operative District Plan Approach

The Operative District Plan manages adverse effects on the environment through bulk and location controls, particularly at zone boundaries, and some issues surrounding traffic and transport. The Plan focuses on the effects of industrial development and how this industrial development may have an influence on the quality and integrity of the surrounding neighbourhood.

Generally, the Industrial Environment provisions are achieving the overall existing District Plan objectives of ensuring industrial development does not adversely affect the environmental and amenity values of areas within the district or adversely affect existing activities.

The Operative District Plan does, however, lack the ability to appropriately prioritise industrial land uses over other land uses. And because the level of adverse effects permitted in the Industrial Environment Areas is higher than the other zones, many non-industrial activities can achieve permitted status. By choosing a site in an Industrial Environment Area, non-industrial activities avoid the more rigorous effects assessments required by other zones, such as the Business and Residential Environment Areas. Traffic generation, density and bulk and location provisions are much less onerous in the Industrial Environment Areas. It is possible that developers deliberately look for land within the Industrial Environment Areas to avoid the need for resource consent that would be required in other zones. This is a key failing in the effectiveness of the Operative District Plan to provide an Industrial zone for industrial activities. There is a corresponding failure in that these activities locating in the Industrial Zone and not locating in their 'home zone', therefore undermining those zones.

The key implementation issues that are being experienced with the Operative District Plan Industrial provisions reflect the State of the Environment monitoring and are summarised in the table below.

Issue	Comment	Response
Issue 1: The structure of the Plan is unnecessarily complex with six different Industrial Environment Areas.	Industrial Environment Areas A, B, C and E are similar in nature and Areas D and F contain the Port and the major Methanex facilities respectively.	Consideration given to the industrial zones outlined in The National Planning Standards and inclusion of on General Industry Zone.
Issue 2a: Out-of-zone activities undermining the role and function of the Industrial Zone.	New out-of-zone activities can displace industrial activities and can create reverse sensitivity issues for industrial activities.	Provisions that support the role, function and character of the General Industrial zone and avoid compromise by non-industrial ('out-of-zone') activities.
Issue 2b: Out-of-zone activities undermining the role and function of other zones, in particular the Business A	Commercial activities locating in the Industrial Environment Areas affects the central city occupation and vibrancy.	Provisions to ensure business or retail activity is limited in the General Industrial Zone so that the Commercial and Mixed Use Zones remain vibrant.

<b>Issue</b>	<b>Comment</b>	<b>Response</b>
and B Zones in the central city.		
Issue 3: The availability of industrial land.	The NPS-UDC requires Council to look at the district projected population growth and pre-empt market demand by unlocking and servicing land feasible for development.	Consider the commissioned study (Property Economics' New Plymouth Industrial Land Capacity Assessment) and evaluate any risk to adequate land supply.
Issue 4: Managing significant adverse effects on the environment of industrial activities.	Industrial activities can generate significant adverse effects on the environment, particularly on waahi tapu, adjacent residential areas, waterways and the transport network, resulting in reduced quality of the environment.	Ensure that adverse effects of industrial activities are appropriately considered in the development of objectives, policies and rules.

#### **4.4 Effectiveness of Other Methods**

Industry is a key focus for regional strategy regarding economic development. Specifically, the development of an ambitious renewable energy industry project is underway. This project will support traditional industry and maximise regional potential across sectors.

#### **4.5 Other Relevant Research/Documents**

Current practice has been considered in respect of the industrial topic, with a review undertaken of district plans from Palmerston North, Hamilton, Wellington, Queenstown Lakes and Auckland. These district plans were selected because they have been subject to recent reviews or relevant industrial plan changes that have addressed the industrial growth, land supply, zone integrity and reverse sensitivity issues that are important to the social, cultural and economic wellbeing of their respective communities.

## **5 Consultation**

### **5.1 General Consultation**

Extensive consultation has been undertaken as part of this District Plan Review process with key stakeholders and the local community. Refer to the General Overview Section 32 Report for details on the methods that were used to carry out that consultation.

The Draft District Plan was first released for public comment in 2016, then again in 2018 through the 'feedback' process. Comments from the general community were received on the industry topic and are summarised below:

- Industry zones need to be sensitively located and where possible, consolidated. Comment was also made that industry areas need to be attractive in layout and well landscaped.

- Controls need to be put in place to protect the integrity of the Industrial Zone(s). Fuel storage tanks need to be comprehensively considered especially in relation to Residential. A framework needs to be developed to better manage specific out-of-zone activities.
- Concerns were raised about the historic changes that have occurred in the Port land. Specifically the removal of previous occupations that have not been replaced and what plans are in place for the utilisation of this land.
- Comments made regarding on site water and stormwater management to eliminate on-site issues (ponding etc) and to ensure stormwater is adequately treated prior to disposal.
- A statement to the effect that "No residential allowed in commercial zones". This was taken to include the Industrial Zone.
- Consideration was made that although 'education activities' within the Industrial zone are appropriate to be considered as non-complying activities, exception needs to be made to those facilities that are ancillary to the primary activity on site. For example, industry based on-site training facilities that are ancillary to the activity on site. The feedback noted that these compatible activities should be considered Restricted Discretionary Activities rather than Non-complying.
- Comments received about the Port's proposed zoning change from Industrial to Major Facilities. It was noted that many of the objectives of the proposed Industry Zone are very relevant to the Port and the sensitivities of port activities.
- Comments were received around on-going consent creep and the lack of framework in the plan to deal with these unanticipated outcomes.
- Feedback was received from Ballance Agri-Nutrients Limited. Ballance supports the reduction of zones and the proposed changes to control the introduction of sensitive activities in this zone. They do however feel that clarity is needed specific to the Company's Bell Block Service Centre. They are of the belief that the centre demonstrates the attributes of an industrial activity but under the current proposal, would be considered a non-complying activity bar the protection afforded by existing use rights. They are opposed to this level of uncertainty considering the nature of the activity and the economic value the company offers to the District.
- Feedback was received regarding the need to rezone the historic Ravensdown site on the corner of Smart Road and State Highway 3. The feedback noted that based on the surrounding land uses and the location in relation to New Plymouth's Entrance Corridor, the retention of the current industrial zoning is inappropriate. The submitter proposed that the Plan adopts a Regional Commercial Zone to facilitate activities currently directed to the City Centre Zone, elsewhere in the District.
- Feedback was received by the Corrections Department requesting that correction facilities are specifically addressed in the policies of the Industry Zone directing them to be permitted activities.
- Comments made that service stations and refuelling stations should be permitted activities in the Industry Zone and that the definition of sensitive activities needs to be amended to include healthcare services, residential care facilities and day care facilities.
- Finally feedback was received stating that the Council should pursue the vacant industrial land at the northern end of De Havilland Drive for development rather than rezoning more rural land to industry.

The feedback from general consultation was considered during re-drafting of the objectives and policies, and consequent amendments to the provisions were made. In particular, feedback regarding out-of-zone activities and the on-site management of the adverse effects of industry, provision for ancillary activities and non-custodial corrections facilities have led to redrafting and refinement of provisions.

## **5.2 Consultation with Iwi Authorities**

In addition to the general community feedback, Ngā Kaitiaki provided feedback on the Draft District Plan (2016) industry topic. The comments from Ngā Kaitiaki on the Draft Plan are summarised below:

- A specific objective is required for discharges in the industrial area to waterbodies, to recognise the cultural values associated with the affected waterbodies.
- An issue was identified in relation to existing established non-consented industrial activities and how to address any adverse effects generated by these activities.
- Comments made in relation to environmental offsets. Specifically that any offset offered in relation to the alteration or destruction of a significant natural area, or culturally significant area, be naturally/ culturally greater in value than the area affected.
- Ngā Kaitiaki has specifically addressed concerns regarding the protection of the Mangati and Waitaha Streams and their tributaries as these waterbodies run through the De Havilland Drive industrial area. Recommendations have been made regarding provisions to protect these waterbodies.

It is noted that many of the concerns expressed by tangata whenua through Ngā Kaitiaki consultation process, specific to the industrial zone, relate to the protection of waterbodies. The Waterbodies Chapter of the Proposed District Plan contains a first objective that states that waterbodies with natural character and ecology, recreation, cultural, spiritual and heritage values, and their margins are protected from inappropriate activities. There are companion policies to this objective. Furthermore, the Mangati and Waitaha Streams, in the Paraiti area, are listed in the Plan as Significant Waterbodies. The General Industrial Zone provisions contain a proposed effects standard that requires buildings and structures to be set back at least 10m from a waterbody, and that the boundary with the waterbody must be planted.

## **6 Key Resource Management Issues**

A highly productive industry sector is critical to the effective functioning of the New Plymouth District. As industry is the largest economic contributor to the District, it is vital to maintain the integrity of the sector. The resource management issues for industry in the New Plymouth District are:

- Ensuring Industrial zoned land is prioritised for industrial land uses:  
The current lack of policy direction on preventing out-of-zone activities from locating in the Industrial Environments is impacting on the role and function of the zone. A further effect of this is that the district's Business Environments suffer when commercial activities locate in Industrial Environments.
- Providing adequate land for industrial uses:  
Together, land supply and the location of that land are critical in ensuring the industrial sector is supported. Land needs to be feasible, serviced, developable and connected to transport networks in order to meet the growing population's demands.

- Managing the adverse effects of industry:  
The operational and functional needs of industry mean that industry has the potential to generate significant adverse effects on the environment. The RMA directs the Council to prioritise the preservation of the natural character of the environment, and maintenance and enhancement of amenity values and the quality of the environment. The District Plan must provide for industrial activities and their contribution to social and economic wellbeing, while making sure appropriate safeguards are in place to protect the environment from their adverse effects.

## **7 Proposed District Plan Provisions (Objectives, Policies and Methods/Rules)**

The proposed provisions are set out in the General Industrial Zone Chapter of the Proposed New Plymouth District Plan. These provisions should be referred to in conjunction with this evaluation report.

The structure of the Operative District Plan is somewhat complex and difficult to understand. The District Plan Review has set out to make a number of changes to the structure of the Plan chapters in order to:

- Make the Plan more accessible to the community.
- Improve the legibility of the Plan and facilitate better decision making processes.
- Address the main gaps and flaws in the existing industrial provisions, taking practical steps to fill gaps, remove redundancies and generally streamline provisions to ensure the Proposed Plan can be implemented efficiently.
- Place a stronger focus on objectives and policies as these provide the decision making framework for resource consent applications.
- Simplify the provisions by providing separate, tailor-made provisions for individual zones.
- Simplify the rule structure, using a traffic light system to quickly identify activity statuses as well as creating a logical flow through the different activity types.

The proposed District Plan provisions have been drafted to include an activity based framework to allow the rules to consider the appropriateness of an activity looking to establish in the General Industrial Zone.

### **7.1 Strategic Objectives**

The applicability/relevance of all the proposed Strategic Objectives will need to be considered for all development proposals requiring resource consent under the Proposed District Plan. Of particular relevance to the General Industrial Zone provisions is the following proposed Strategic Objective:

*UFD-22 There is sufficient land for industrial activities in the short, medium and long term in appropriate locations, including:*

- 1. along key transport routes to ensure efficient transportation of products and minimisation of heavy vehicles and high traffic volumes on local roads; and/or*
- 2. areas that are separated from sensitive activities through distance and/or topography to ensure risk and/or conflict between incompatible activities is minimised.*

## 7.2 Zone Structure

The Operative District Plan Industrial A, B, C, D, E and F Environment Area zone structure has not been carried over into the Proposed District Plan. The six existing industrial environments have been combined into a single General Industrial Zone and, for major facilities, site specific Special Purpose Zones. This reflects the national direction set out in the National Planning Standards. As noted earlier, the description of the General Industrial Zone is:

*Areas used predominantly for a range of industrial activities. The zone may also be used for activities that are compatible with the adverse effects generated from industrial activities.*

This is considered sufficiently broad to capture the intent of Industrial A, B, C and E Environment Areas, while Industrial F (the Methanex plants) and the majority of Industrial D (the Port) are now managed through the proposed Major Facility Zone Chapter and the proposed Port Zone Chapter. This proposed zoning structure provides a clearer and simpler approach to managing areas of industrial land.

It is important to note that while the former Industrial Environment Areas in the District are subject to a change in name of the zone, they are not considered "rezoned". A rezoned site is when the current Operative District Plan Environment Area notation (i.e. Business, Rural or Residential) is to be changed to another zone with an entirely different role and function, in this case Industry.

The Housing and Business Development Capacity Assessment and New Plymouth Industrial Land Capacity Assessment both identify a need for 193 hectares of Industrial land to meet growth demands over the next 30 years. The vacant industrial zoned land as at June 2019, under the Operative District Plan, was 191.8 hectares (10 hectares of which is in Inglewood and Waitara). On paper, and as noted in the Property Economics' report, it appears that the District has close to sufficient land to meet supply over the long term and does not require any additional zoned industrial land. However, for the following reasons it is considered prudent to provide further zoned land for industrial use:

- The recent rapid uptake of what was vacant zoned land at Waiwhakaiho and Bell Block, which has occurred since the HBA calculations;
- A large proportion (110 hectares) of industrial zoned land beyond Bell Block is Treaty Settlement land. Its development, including the timeframe for development, is less certain than other blocks of industrial land.
- Further zoning would be consistent with the HBA and deliver on the strategic objectives and policy relating to industry.

Therefore, the Proposed Plan identifies rezoning of 33.5ha of Rural Environment Area at Paraito to General Industrial Zone and carries over the remaining 25.8ha of Area N to Future Urban Zone.

It is acknowledged that there is an imbalance between the eastern and western sides of New Plymouth in terms of zoned industrial land. Once the current land supply is developed and new areas of industrial zoning are required, it will be important to assess this imbalance and consider zoning industrial land on the western side of the city. However, as noted earlier, good transport links are critical to industrial success. This is directed through strategic objective UFD-22. The transport network hierarchy

further encourages the location of industrial activities adjacent to strategic roads thereby reducing residential exposure to industrial traffic and other effects. While the western side of New Plymouth has direct access to the Port and rail terminal, it does not have direct access to the main north-south arterial of State Highway 3, whereas the eastern side of New Plymouth does. There is already a current issue with industrial traffic commuting through the city centre and residential areas. This is a factor in the current eastern city bias and will be an important variable in identifying future industrial zoning.

### **7.3 Objectives and Policies**

The main driver for the objectives and policies of the General Industrial Zone is that the zone is designed to cater for a range of industrial land uses, with limited ancillary activities. In summary, the proposed objectives and policies provide a framework to:

- Support the role, function and character of the General Industrial Zone so that it is not compromised by non-industrial activities.
- Ensure that any business or retail activity is limited in the General Industrial Zone so that the Commercial and Mixed Use Zones remains vibrant.
- Recognise that the General Industrial Zone is an employment zone and requires an appropriate level of amenity.
- Recognise that adverse environmental effects are generated by industrial activities and must be effectively managed, particularly at zone boundaries and near waterbodies.

### **7.4 Rules**

Permitted Activity rules provide for the following, subject to effects standards:

- Industrial activities, with limited ancillary activities (office, retail and training space).
- Small food and beverage retail stores.
- Trade and industry training facilities, with a limited floor area.
- Community corrections activities, with a limited floor area.

Discretionary Activity rules provide for the following:

- Agricultural, pastoral and horticultural activities.
- Commercial service activities.
- Rural industry activities.

Non-Complying activity rules relate to all other activities, including:

- Business and retail activities.
- Sensitive activities.
- Education activities.
- Entertainment and hospitality activities.
- Medical and health services.
- Sport and recreation activities.
- Any other activities not listed in the chapter.

The effects standards cover bulk and location, setbacks, outdoor storage and landscaping. The other chapters in the Proposed Plan that are relevant to the General Industrial Zone contain provisions for signs, lightspill, noise and transport.

## 7.5 Definitions

To help clarify the intent of the provisions, prioritise the General Industrial Zone for industrial activities and align with the National Planning Standards, definitions have been introduced for:

- Industrial Activity (Planning Standards definition).
- Ancillary Activity (Planning Standards definition).
- Commercial Service Activities (NPDC Proposed Plan definition).
- Community Corrections Activity (Planning Standards definition).
- Trade and Industry Training Facility (NPDC Proposed Plan definition).
- Agricultural, Pastoral and Horticultural Activities (NPDC Proposed Plan definition).
- Rural Industry Activities (Planning Standards definition).
- Retail Activities (NPDC Proposed Plan definition).
- Business Service Activities (NPDC Proposed Plan definition).
- Sensitive Activities (NPDC Proposed Plan definition).
- Educational Facilities (Planning Standards definition).
- Entertainment and Hospitality Activities (NPDC Proposed Plan definition).
- Medical and Health Services (NPDC Proposed Plan definition).
- Sport and Recreation Activities (NPDC Proposed Plan definition).

Generic District Plan-wide definitions such as building activities, height, gross floor area, outdoor storage etc are also applicable to the General Industrial Zone.

## 8 Approach to Evaluation

Section 32(1)(a) of the RMA requires that this report contain a level of detail that corresponds with the scale and significance of the environmental, economic, social and cultural effects that are anticipated from the implementation of this proposal.

The section of the RMA requires that:

- New proposals must be examined for their appropriateness in achieving the purpose of the RMA.
- The benefits and costs, and risks of new policies and rules on the community, the economy and the environment need to be clearly identified and assessed.
- All advice received from iwi authorities and the response to the advice needs to be summarised.
- The analysis must be documented, so stakeholders and decision-makers can understand the rationale for policy choices.

### 8.1 Evaluation of Scale and Significance

	Minor	Low	Medium	High
Degree of change from the Operative Plan			✓	
Effects on matters of national importance		✓		
Scale of effects – geographically (local, district wide, regional, national).			✓	

	Minor	Low	Medium	High
Scale of effects on people (how many will be affected – single landowners, multiple landowners, neighbourhoods, the public generally, future generations?).		✓		
Scale of effects on those with specific interests, e.g., Tangata Whenua			✓	
Degree of policy risk – does it involve effects that have been considered implicitly or explicitly by higher order documents? Does it involve effects addressed by other standards/commonly accepted best practice?		✓		
Likelihood of increased costs or restrictions on individuals, communities or businesses.			✓	

## 8.2 Explanation Summary

In summary:

The degree of change from the Operative District Plan is medium, considering:

- The General Industrial zoning consolidates four previous Industrial Environment Areas, with the remaining two becoming Special Purpose zones (Major Facilities and the Port).
- The General Industrial Zone provisions are specific to the industry sector and control development and activities within this sector. The substantial change from the Operative Plan is the addition of activities-based provisions that restrict the establishment of out-of-zone activities in this zone.
- The proposal relates only generally to an s.6 matter of national importance being; (a) the preservation of the natural character of ... rivers and their margins, and the protection of them from inappropriate subdivision, use, and development. Many of the General Industrial Zone areas are adjacent to rivers and streams and specific standards for setback and planting are proposed in the zone chapter.
- The following Section 7 other matters are relevant; (b) the efficient use and development of natural and physical resources, (c) maintenance and enhancement of amenity values, and (f) maintenance and enhancement of the quality of the environment. These matters have been reflected in the restriction of activities within the zone, amenity controls within the zone and where sensitive features or zones adjoin the General Industrial Zone.
- The geographic scale of effects applies to those who are undertaking industrial activities or those who are experiencing the effects of industrial activities. Changes to the provisions aim to limit out-of-zone activities therefore limiting the adverse effects of industrial activities outside of the areas where they are anticipated.
- The proposal is related to the Industry key direction in the Blueprint and supports industrial growth while providing safeguards to maintain and enhance the environment.
- The scale of effects on people and special interest groups is moderate. The rules will be more directive with the aim of protecting functionality, productivity and amenity of the General Industrial Zone and although there may be an increase in resource consents, these will generally be limited to those activities that are likely

to generate adverse effects on the environment. The effects on Tangata whenua are moderate and relate predominantly to potential effects on the cultural and natural values of waterbodies. There are also several sites of significance to Māori within the General Industrial Zone.

Overall, it is considered that the scale and significance of the proposal is medium. The level of detail in this report corresponds with the scale and significance of the environmental, economic and cultural effects that are anticipated from the implementation of the General Industrial Zone provisions.

## 9 Evaluation of Objectives

Existing Objective(s)	Appropriateness to achieve the purpose of the Act
<p>Objective 1: To ensure activities do not adversely affect the environmental and amenity values of areas within the district or adversely affect existing activities.</p> <p>Objective 9: To maintain a level of amenity within the industrial environment which is consistent with the character of the area and provides a safe working environment.</p>	<p>Objective 1 is an overarching Objective across all zones in the Operative District Plan. It defines the needs to protect environmental and amenity values and touches on reverse sensitivities. Although an appropriate objective, it requires supporting objective/s that adequately highlight reverse sensitivity, integrity of the role and function, and the management of onsite effects specific on adjoining or adjacent features (both physical and cultural). While the Operative Plan addresses these matters in a general sense, there is a need to make them zone-specific.</p> <p>Objective 9 is an industry-specific objective that aims solely to maintain industrial character and health and safety matters within the zone. Again, the effects addressed are limited to character, environmental effects on existing activities and health and safety. The objectives provide limited guidance or direction on the outcomes that the District Plan is seeking to achieve. This hinders decision-makers' ability to regulate the activities that establish in the Industrial Environments.</p> <p>The two objectives do not adequately address the identified resource management issues for Industry; in particular, that development within industrial zones must be compatible with the role, function and predominant character of the zone to ensure that out-of-zone activities do not erode the integrity of the zone, nor undermine the function, vitality and vibrancy of the Commercial and Mixed Use zones. A lack of objectives to adequately manage these issues has created legacy issues for the Industrial and Business Environments across the district.</p> <p>In light of the above the existing objectives are not appropriate in achieving the purpose of the Act in relation to managing the activities of general industry.</p>
Proposed Objective(s)	Appropriateness to achieve the purpose of the Act
<p>GIZ-O1 - Industrial activities contribute to the economic and social well-being and prosperity of the district and are enabled and able to operate effectively in the General Industrial Zone.</p>	<p>The purpose of the RMA is to promote the sustainable management of natural and physical resources by managing the use, development and protection of natural and physical resources in a way, or at a rate, which enables people and communities to provide for their social, economic and cultural well-being.</p>

<p>GIZ-02 - The role and function of the General Industrial Zone is not compromised by non-industrial or incompatible activities or built form.</p> <p>GIZ-03 - The number of business and retail activities are limited in the General Industrial Zone to ensure the viability and vibrancy of the Commercial and Mixed Use Zones is not compromised.</p> <p>GIZ-04 - The General Industrial Zone provides a safe and functional working environment with a reasonable level of amenity.</p> <p>GIZ-05 - The adverse environmental effects generated by industrial activities are managed, in particular at zone boundaries.</p>	<p>The proposed objectives clearly express the outcomes anticipated by the Plan in relation to the General Industrial Zone and specifically address the resource management issues identified in this report by recognising the contribution of the industrial sector to the social and economic wellbeing of the district.</p> <p>The proposed objectives will sustain the potential of natural physical resources for current and future generations by appropriately restricting industrial activities and their effects to zoned areas and by protecting the efficiency of that zoned land by limiting the amount of non-industrial uses that can establish in the zone.</p> <p>Further, the proposed objectives will avoid adverse effects on sensitive features in the environment by requiring building and structure setbacks from waterbodies and building and structure setbacks from adjacent residential zoned land. In this regard, the proposed objectives are consistent with the outcomes identified in consultation with Ngā Kaitiaki and give effect to the RPS objective to promote sustainable urban development.</p> <p>In light of the above, the proposed objectives are appropriate in achieving the purpose of the RMA in relation to managing general industrial activity in the district.</p>
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<b>Evaluation of Alternative Options</b>	<b>Appropriateness to achieve the purpose of the Act</b>
<p>Do not include objective/s relating to the General Industrial Zone.</p>	<p>This option would give decision makers little guidance on the expected outcomes when assessing resource consent applications. It would also fail to properly recognise the positive economic effects of industrial activities, and the potential for significant adverse effects if inappropriate industrial development is located near sensitive features or sensitive zones. Therefore, this option would not deliver on the purpose of the RMA.</p>

<p><b>Summary</b></p> <p>The proposed objectives provide for the appropriate management of the General Industrial Zone within the District Plan, achieve the purpose and principles of the Resource Management Act 1991 and give effect to the RPS to promote sustainable development in urban areas. A well-managed industrial sector will ensure the sustainable management of natural and physical resources while delivering on the need to provide for economic wellbeing and health and safety.</p>
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## 10 Evaluation of Options to Achieve the Objectives

This section evaluates the associated policies and methods, as they relate to the Proposed District Plan General Industrial Zone objectives. Along with the proposed provisions, the Council has also identified through the research, consultation, information gathering and analysis undertaken in relation to this topic one reasonably practicable alternative option to achieve the objectives.

For each potential approach an evaluation has been undertaken relating to the costs, benefits and the certainty and sufficiency of information (as informed by section 4 of this report) in order to determine the effectiveness and efficiency of the approach, and whether it is the most appropriate way to achieve the relevant objective(s). For the purpose of this evaluation, the Council has considered the following potential options:

- The proposed provisions.
- The 'status quo' provisions.
- A relaxation of provisions.

Options to achieve the District Plan objectives relating to industry	Benefits	Costs	Efficiency and Effectiveness	Risks of acting/not acting
<p><b>Option A: Proposed approach</b></p> <p>Create a single General Industrial Zone Chapter in the District Plan.</p> <p>Objectives and Policies that emphasise and address zone integrity by reinforcing the role and function of the General Industrial Zone.</p> <p>The addition of discretionary and non-complying activity status rules to the District Plan to control out-of-zone</p>	<ul style="list-style-type: none"> <li>• Reducing the number of industrial zones will rationalise and simplify the regulatory framework.</li> <li>• Clear direction means that Plan users and landowners will have reduced costs in understanding and complying with the industry provisions of the Plan, and lead to efficient and consistent decision-making.</li> <li>• Streamlined, simplified rules that are easier for</li> </ul>	<ul style="list-style-type: none"> <li>• Industrial focused zone and rules may reduce the influence which the market has over deciding where different land uses should locate.</li> <li>• Rules and standards will limit some activities and development (e.g. expansion into general retailing).</li> <li>• A potential increase in costs for those with out-of-zone businesses looking to establish in the General Industrial Zone.</li> </ul>	<ul style="list-style-type: none"> <li>• This approach is effective and efficient as it would allow industrial activities to proceed as permitted activities in the General Industrial Zone.</li> <li>• It offers streamlined, simplified rules that are easier for Plan users to interpret and apply. The clear direction in policy framework and standards are expected to result in increased compliance and effective compliance monitoring.</li> </ul>	<ul style="list-style-type: none"> <li>• The risk of acting on these provisions is that while the Council has identified the key resource management issues and considers that this approach is most effective to achieve the objective, it has received limited quantifiable feedback from the community.</li> <li>• The risk of not enacting these changes is that the district's industrial sector will continue to be eroded through the establishment of out-of-</li> </ul>

Options to achieve the District Plan objectives relating to industry	Benefits	Costs	Efficiency and Effectiveness	Risks of acting/not acting
<p>activities in the General Industrial Zone.</p> <p>Effects standards to allow for adequate setbacks from zone boundaries and from sensitive features in the landscape.</p>	<p>Plan users to interpret and apply. The reduction in ambiguity is expected to result in increased compliance and effective compliance monitoring.</p> <ul style="list-style-type: none"> <li>• Certainty for developers with regard to process, matters to be considered, and likelihood of approval.</li> <li>• Certainty for neighbours that development on adjacent sites will be compatible with the role, function and predominant character of the zone, and not give rise to reverse sensitivity effects.</li> <li>• The matters of control and discretion accurately reflect consideration of the full range of likely adverse effects from the development, which provides Council with greater control, proper assessment, and improved and effective management of</li> </ul>		<ul style="list-style-type: none"> <li>• This approach addresses current issues, in particular controlling the establishment of out-of-zone activities in the General Industrial Zone. The approach achieves the proposed objectives in an efficient and effective manner by providing a balance between management of adverse effects and enabling appropriate activities to occur.</li> <li>• Resource consent process enables the efficient and effective management of adverse effects on the environment resulting from industrial development (beyond the activity framework controls), and provides certainty to the developer with regard to process, and process confidence that good industrial proposals supported by appropriate applications will be granted.</li> </ul>	<p>zone activities. Ultimately this will undermine the integrity, role and function of the Zone, which will expose the district to a large amount of economic risk, and further undermine the vibrancy and viability of the commercial centres where these activities are anticipated. Based on the research to date this will most probably lead to an industrial land supply shortage.</p> <ul style="list-style-type: none"> <li>• Overall, it is considered that there is sufficient information to act, and that risks of not acting are outweighed by the benefits of acting.</li> </ul>

Options to achieve the District Plan objectives relating to industry	Benefits	Costs	Efficiency and Effectiveness	Risks of acting/not acting
	activities establishing on industrial land.		<ul style="list-style-type: none"> <li>This option is considered to be the most efficient and effective to achieve the objectives.</li> </ul>	
<p><b>Option B: Status quo regulatory approach.</b> Rely on objectives and policies relating solely to character and amenity and health and safety. Duplicate rules and standards across numerous Industrial Areas.</p>	<ul style="list-style-type: none"> <li>Provides policy direction in relation to the amenity and environmental role played by the Industrial Environment Area of the District and the anticipated continuance of that role.</li> <li>Continuation of the status quo provides a level of familiarity for landowners, operators, neighbours and the community generally.</li> </ul>	<ul style="list-style-type: none"> <li>Does not fully address ongoing productive use of the Industrial land resource.</li> <li>Limited control of out-of-zone activities such as residential, retail and child care facilities and the issues associated with these activities.</li> <li>Does not address the resource management issues, such as: <ul style="list-style-type: none"> <li>industrial uses should predominate;</li> <li>identified character values should not be compromised; and</li> <li>reverse sensitivity should be addressed.</li> </ul> </li> <li>Provides limited policy direction and standards in relation to the development of land for industrial activities and therefore it is</li> </ul>	<ul style="list-style-type: none"> <li>The existing approach is not effectively or efficiently achieving the proposed objectives.</li> <li>The policy direction and regulatory approach in the Operative District Plan has led to uncertainty, inconsistent decision-making and lack of control over certain activities which would not be anticipated by the proposed objectives.</li> </ul>	<ul style="list-style-type: none"> <li>The risk of acting on these status quo provisions is that: <ul style="list-style-type: none"> <li>The current policy framework lacks detail and specific direction on management of effects of industry;</li> <li>The rules are not directive enough regarding the activities anticipated which in turn reduces Council's ability to manage certain effects.</li> </ul> </li> <li>The ineffectiveness of the current planning framework is demonstrated in this report, and is no longer considered to be 'best practice'.</li> <li></li> </ul>

Options to achieve the District Plan objectives relating to industry	Benefits	Costs	Efficiency and Effectiveness	Risks of acting/not acting
		<p>anticipated to have relatively higher regulatory and compliance costs.</p> <ul style="list-style-type: none"> <li>• Lack of certainty means that users of the Operative District Plan have difficulty determining and interpreting the provisions and as a result the likely activity status of a proposal leading to higher costs to determine activity status and applicable standards.</li> <li>• Ineffective consideration of adverse effects and poor quality environmental outcomes.</li> </ul>		<ul style="list-style-type: none"> <li>• It is considered that the risk of acting on these provisions outweighs the risk of not acting. There is sufficient information not to act on this approach.</li> </ul>
<p><b>Option C: Further relaxation of the District Plan industrial rules and standards.</b> The creation of District Plan provisions permitting development with minimal standards.</p>	<ul style="list-style-type: none"> <li>• Potential for a reduction in associated resource consents costs of incompatible activity types.</li> <li>• Encourages a wide range of activities to occur in Industrial Zones and enables flexibility to</li> </ul>	<ul style="list-style-type: none"> <li>• Potentially lower environmental quality, such as loss of visual amenity and noise impacts on neighbours and cultural values.</li> <li>• Potential loss of industrial land if residential and retail activities are allowed to</li> </ul>	<ul style="list-style-type: none"> <li>• A permissible approach would be ineffective in avoiding or mitigating the environmental effects, particularly on neighbours and sensitive features.</li> <li>• While this option would be somewhat efficient for the owners/operators</li> </ul>	<ul style="list-style-type: none"> <li>• The risk of further relaxing the provisions is that: <ul style="list-style-type: none"> <li>- The policy framework will lack detail and specific direction on management of effects of industry;</li> <li>- The rules will risk not being effectively</li> </ul> </li> </ul>

Options to achieve the District Plan objectives relating to industry	Benefits	Costs	Efficiency and Effectiveness	Risks of acting/not acting
<p>Industrial rules that purely consider bulk and location and do not include amenity and character considerations.</p>	<p>respond to changing market demands.</p> <ul style="list-style-type: none"> <li>•</li> <li>• Low implementation costs due to low regulatory nature of the provisions.</li> <li>• Greater flexibility for owners/operators of these plants to undertake their activities and development.</li> <li>• Potentially greater economic and employment opportunities.</li> </ul>	<p>establish in traditional industrial areas.</p> <ul style="list-style-type: none"> <li>• Potential reverse sensitive impacts as more sensitive activities locate in and around industrial areas.</li> <li>• Out-of-zone activities such as retailing establishing within the Industry Zone could threaten the sustainability and viability of commercial areas.</li> <li>• Less certainty for neighbours in the nature and scale of development and impacts on them.</li> </ul>	<p>of these sites, it would not protect their operations from reverse sensitivity matters or ensure future industrial land could be retained primarily for industrial purposes.</p> <ul style="list-style-type: none"> <li>• This option would be inefficient for neighbours of industrial sites and Council due to potential impacts and responding to complaints associated with these impacts.</li> </ul>	<p>implemented, and will not be directive enough regarding the activities anticipated which in turn will reduce Council's ability to manage certain effects.</p> <ul style="list-style-type: none"> <li>• It is highly probable that this approach will create an ineffective planning framework and is not considered to be 'best practice' approach to sustainable management.</li> <li>• It is considered that the risk of acting on these provisions outweighs the risk of not acting. There is sufficient information not to act on this approach.</li> </ul>

**Quantification**

Section 32(2)(b) requires that if practicable the benefits and costs of a proposal are quantified.

Given the assessment of the scale and significance of the proposed changes above it is considered that quantifying costs and benefits would add significant time and cost to the s32 evaluation processes. The evaluation in this report identifies where there may be additional cost(s), however the exact quantification of the benefits and costs discussed was not considered necessary, beneficial or practicable.

<b>Options to achieve the District Plan objectives relating to industry</b>	<b>Benefits</b>	<b>Costs</b>	<b>Efficiency and Effectiveness</b>	<b>Risks of acting/not acting</b>
<p><b>Summary</b></p> <p>The above table has demonstrated that Option A is the most appropriate method for ensuring that industrial development and activities results in a resilient industrial sector with a clearly defined role and function while maintaining the predominant character and amenity of the area and minimising adverse effects on the environment. Therefore, a revised approach as set out in Option A and Section 7 is proposed.</p>				

## **11 Summary**

This evaluation has been undertaken in accordance with Section 32 of the RMA in order to identify the need, benefits and costs and the appropriateness of the proposal having regard to its effectiveness and efficiency relative to other means in achieving the purpose of the RMA. The evaluation demonstrates that this proposal is the most appropriate option as:

- The objectives and policies provide direction and certainty to Plan users on the outcomes expected in the industry sector. There is a focus on reinforcing the role and function of industrial land to ensure that zone integrity is maintained through development and adverse effects are appropriately managed.
- The rule framework enables appropriate discretion to be placed on out-of-zone activities to ensure that reverse sensitivity matters are minimised and managed. They allow control to be placed on adverse effects of industry in relation to zone boundaries and sensitive features in the landscape (e.g. waterbodies).

Overall, it is considered that the set of preferred provisions is the most appropriate given that the benefits outweigh the costs, and there are considerable efficiencies to be gained from adopting the preferred provisions. The risks of acting are also clearly identifiable and limited in their extent.

## **12 Appendices**

Appendix 1: Rezoned Properties

Appendix 2: New Plymouth Industrial Land Capacity Assessment Update June 2019  
(Property Economics)