

**5. MOTUEKA WEST PROPOSED PLAN CHANGE / MOTUEKA CENTRAL PROPOSED PLAN CHANGE - CONFIDENTIAL**

**Decision Required**

**Report To:** Environment and Planning Committee  
**Meeting Date:** 11 April 2013  
**Report Author:** Rose Biss, Policy Planner  
**Report Number:** REP13-04-03  
**File Reference:** L304

This report is confidential in accordance with the Local Government Official Information and Meetings Act 1987 (48(i)(d)) - To deliberate in private in a procedure where a right of appeal lies to a Court against the final decision.

**1 Summary**

- 1.1 The report briefs the Committee on how it could progress the draft Motueka West and Central plan change which affects approximately 104 hectares land in Motueka West and Motueka Central. The draft plan change has been on hold since August 2011 waiting for various matters to be resolved.
- 1.2 New information on greenway width, landowner and lessee intentions, commercial land needs and Motueka aerodrome management is presented.
- 1.3 It concludes that the Council should proceed with notification of two separate plan changes.

**2 Draft Resolution**

**That the Environment and Planning Committee**

- a) receives the Motueka West Proposed Plan Change / Motueka Central Proposed Plan Change REP13-04-03; and
- b) approves the proposed plan change for Motueka West and proposed change for Motueka Central as outlines in Appendices 1-8 of Report REP 13-04-03 for public notification in Update 46.

**Item 5.**

### **3 Purpose of the Report**

- 3.1 The purpose of the report is to:
- i. To provide updated information to enable the Council to support two plan changes that will provide land for future urban development in west and central Motueka.
  - ii. To recommend the release of the two plan changes for notification on 27 April 2013.
  - iii. To contribute to and record the Council's assessment of the plan changes by way of two separate Section 32 assessments.

### **4 Background and Discussion**

- 4.1 In 2005 the Council prepared draft variations for Motueka South, East and West and consulted on them. Only Motueka East proceeded to public notification of a plan variation. Further work was required to find more appropriate land for medium density housing and industry.
- 4.2 In 2007 and early 2008 two reports identified the need for additional industrial and commercial land in Motueka (Motueka Commercial and Industrial Land Supply Telfer Young 2007 and Motueka and Environs Industrial and Commercial Land Assessment Property Economics 2008).
- 4.3 A consultation paper incorporating a Motueka West and Central Structure Plan map was released in February 2009 for public comment. The structure plan map introduced a new indicative roading pattern to support additional residential, mixed use and industrial zoning in western Motueka between Pah Street and King Edward Street. It also relocated Tourist Services zoning to the southern entrance of the town on High Street near Wharf Road. It provided for higher density residential development west of Grey Street as well as along the western side of Wilkinson Street in central Motueka. While there was some support for the comprehensive approach taken there were other parties such as the industrial interests near Wharf Road who were dissatisfied with the structure plan.
- 4.4 After considering the feedback on the consultation paper the Council decided to wait until the results of the Motueka Transportation Study (MTS) were known before progressing to a plan change. The MTS recommended various intersection upgrades - on High Street in the short term, in the medium term formation of the Talbot Street - Manoy Street link and a new link from Wildman Road to SH60.
- 4.5 The Motueka West and Central draft plan change was released for public comment on 20 April 2011. There was a lot of public interest particularly in Motueka West from residents on the periphery of the change area who sought a better buffer from proposed industrial development. Some orchardist lessees also opposed any change to their existing operations. Wakatu Incorporation sought more land for higher density residential development, the zoning of land for greenway open space and a proportion of industrial land for heavy industry.
- 4.6 The feedback on the draft plan changes resulted in further alterations to the Motueka West plan change. A wider buffer of residential land on the north side of King Edward Street as well as a 4 hectare area for heavy industry on Queen Victoria Street were added.

## 5 Options

- 5.1 The Council has considered a number of different options for Motueka West since 2005 including keeping the status quo, having dispersed development nodes for industry in the rural area and various configurations of residential, industrial and commercial development. These options are included in the Section 32 report (Appendix 1).
- 5.2 The Council has considered three options for Motueka Central since 2005. These are
- Keeping the status quo residential zone east of the current Central Business Zone
  - Introducing a higher density residential zone on the west side of Wilkinson Street between Greenwood Street and Wallace Street and extending the Commercial Zone between Tudor / Wallace and Wilkinson Street
  - Extending the Commercial Zone east to Wilkinson Street and north from Tudor Street to Greenwood Street including the north side of Greenwood Street and including three properties at 67, 69 and 69B High Street.
- 5.3 The options for Motueka Central are discussed in the Section 32 report for the plan change (Appendix 2).

## 6 Strategic Challenges / Risks

- 6.1 The Motueka West plan change depends on the Council proceeding with a comprehensive upgrade of network services including a new water supply for Motueka. These network service projects have been included in the Long Term Plan but each year at Annual Plan time priorities are reassessed. Some network services projects at Motueka and other towns in the district have been delayed a year in the Draft Annual Plan 2013. Deferment of new zoning has been included as part of the plan change.
- 6.2 Opposition from horticultural lessees could delay the implementation of the Motueka west plan change. While the area subject of the plan change is largely surrounded by strips of urban development and very close to the town centre it is still a highly productive area for kiwifruit and other horticultural crops. At this stage it has not been possible to get the lessor and lessees to agree on a sequence of rollout.

## 7 Update on New Information since August 2011

- 7.1 This report contains an update for the Councillors on the following issues:
- Width of greenway - Motueka West
  - Motueka Aerodrome planning
  - Council workshop
  - Motueka Commercial Land Review Update
  - Recent resource consent - Motueka West
  - Landowner and lessee intentions

7.2 Width of Greenway Motueka West

The Council's Engineering Department has been reviewing the width of the two greenways at Motueka West. The 25 metres greenway width included in the draft plan change has been increased to 30 metres to provide more width for recreation/stormwater function.

7.3 Motueka Aerodrome planning

The Motueka Aerodrome is located immediately to the west of the Motueka West plan change area. A management plan for the aerodrome was adopted by the Council in November 2012. It includes provision for some more aerodrome related industry on the periphery of the aerodrome. More building development on the aerodrome land will result in more stormwater which needs to be accounted for in the Motueka West greenway design.

7.4 Council Workshop

The councillor workshop on Motueka West and Central plan change held on 16 November 2012 provided direction to staff on future process to separate the plan change into two parts.

7.5 Motueka and Environs Commercial Land Review Update

A preliminary review of population and retail spending data from Property Economics suggests it is a sensible proposal to increase the supply of commercial zoned land in the Motueka town centre by around 3 hectares to meet commercial land needs until 2036.

7.6 Recent Resource Consents at Motueka West

The Council recently approved a large residential subdivision for Wakatu Incorporation for 104 smaller size lots (over 50 per cent of lots were less than 400m<sup>2</sup>) within the area west of Grey Street. This area which is currently zoned Residential in the TRMP is included as Compact Density Residential Area in the draft Motueka West and Central Plan Change map. The subdivision relies on an interim stormwater detention arrangement.

7.7 Landowner and Lessee intentions

The major landowner's (Wakatu Incorporation) representative addressed the Committee in May 2012 and reiterated that the development at Motueka West was a long term one and leases would be bought back gradually rather than all at one time. He noted Wakatu's intention to freehold urbanised land.

The Nelson Rural Lessees Association spoke to the Committee in August 2012 and noted that many wish to continue orcharding. There is a concern that rezoning will increase value and consequently increase rates and rents.

<b>8 Policy / Legal Requirements / Plan</b>
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8.1 The proposed plan changes add some new policies and explanation for Motueka to Chapter 6 of the TRMP. There is also provision for new rules for compact density residential development, papakainga, mixed business, and industrial zones at Motueka West. The Motueka Central plan change provides for commercial zone expansion.

8.2 Section 32 reports have been prepared to meet Council's obligations to have considered options and addressed the efficiency and effectiveness of those options.

8.3 Under the provisions of Section 86B of RMA the rules in the two plan changes will not have immediate legal effect. The rules will only have effect once the Council has made decisions on submissions.

**9 Consideration of Financial or Budgetary Implications**

9.1 These plan changes provide for approximately 100 hectares of land being rezoned from rural to urban purposes at Motueka West and a 2.7 hectare area being rezoned from residential to commercial at Motueka Central. The Council has made some budgetary provision in its Long Term Plan for further development at Motueka West for example:

- Stormwater link High Street/Monahan Street
- Motueka wastewater treatment plant upgrade

**10 Significance**

10.1 The Motueka West proposal to rezone nearly 100 hectares of land from rural to urban purposes is considered to be moderately significant because of impacts on rural lessees who will eventually need or be induced to relocate.

**11 Consultation**

11.1 There have been two main opportunities for public consultation in respect of the preparation of these plan changes for Motueka West and Motueka Central. These were:

- Community Consultation Paper on Motueka West and Central Urban Development February 2009 - circulated for public comment
- Motueka West and Central draft plan change - circulated for public comment in April 2011.

**12 Conclusion**

12.1 The report provides a framework for the Council to make a decision on two separate plan changes for the future urban development of Motueka at Motueka West and Motueka Central (see Appendices 3 and 4).

**13 Next Steps / Timeline**

13.1 If the Council agrees to the two separate plan changes the next step would be public notification of the plan changes as part of update 46.

**Appendices**

1.	Appendix 1 - Section 32 Plan Change 43	7
2.	Appendix 2 - Section 32 Plan Change 44	15
3.	Appendix 3 - Proposed Plan Change 43	<b>Error ! Book mark not defined.</b>

**Item 5.**

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| 4. | Appendix 4 - Proposed Plan Change 44       | <b>Error<br/>!<br/>Book<br/>mark<br/>not<br/>defin<br/>ed.</b> |
| 5. | Appendix 5 - Motueka West TRMP Area Map    | <b>Error<br/>!<br/>Book<br/>mark<br/>not<br/>defin<br/>ed.</b> |
| 6. | Appendix 6 - Motueka Central TRMP Area Map | <b>Error<br/>!<br/>Book<br/>mark<br/>not<br/>defin<br/>ed.</b> |
| 7. | Appendix 7 - Motueka West TRMP Zone map    | <b>Error<br/>!<br/>Book<br/>mark<br/>not<br/>defin<br/>ed.</b> |
| 8. | Appendix 8 - Motueka Central TRMP Zone Map | <b>Error<br/>!<br/>Book<br/>mark<br/>not<br/>defin<br/>ed.</b> |

**PLAN CHANGE 43**

**March 2013**

**REPORT ON ASSESSMENT OF ALTERNATIVES UNDER SECTION 32 OF THE RESOURCE MANAGEMENT ACT**

**Item 5.**

**1. INTRODUCTION**

The purpose of this report is to meet Council's requirements under Section 32 of the Resource Management Act 1991 (the RMA), by recording Council's assessment of alternative land use options for managing the effects of future development in the Motueka area.

This report supports Council's Plan Change No 43: Motueka west development, to the Tasman Resource Management Plan.

**2. LEGISLATIVE REQUIREMENTS**

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 wellbeing and for their health and safety while:

- a) *Sustaining the potential of natural and physical resources (excluding minerals) to meet the reasonably foreseeable needs of future generations; and*
- b) *Safeguarding the life-supporting capacity of air, water, soil, and ecosystems; and*
- c) *Avoiding, remedying, or mitigating any adverse effects of activities on the environment.*

The RMA requires that when changes to statutory documents are notified, a Section 32 evaluation is also to be made publicly available. This evaluation is to consider the alternatives, benefits and costs of the proposed changes in achieving the purpose of the Act. A further evaluation is to occur before the local authority makes a decision on the proposed changes.

Section 32 sets out what the evaluation must do:

(3) An evaluation must examine-

- a) the extent to which each objective is the most appropriate way to achieve the purpose of this Act; and
- b) whether, having regard to their efficiency and effectiveness, the policies, rules, or other methods are the most appropriate for achieving the objectives.

(4) For the purposes of this examination, an evaluation must take into account-

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

The RMA does not include definitions of "efficiency" or "effectiveness". Efficiency is taken to mean the benefits will outweigh the costs, either immediately or over time.

**Attachment 1**

Effectiveness is a measure of how successful a policy, rule or other method is in achieving an objective.

## 2. PLANNING CONTEXT

### 2.1 Summary

The following table outlines the process leading towards proposed Change No 44.

<b>Table 1: Motueka Plan Change 43 Planning Context</b>	
Date	Planning Activity
December 2007	Motueka Commercial and Industrial Land Supply Report Telfer Young
January 2008	Motueka and Environs Industrial and Commercial Land Assessment Property Economics Report
February 2009	Publication of the Motueka West and Central Community Consultation Paper
July 2009	Council discusses feedback on Motueka West and Central Consultation Paper
December 2009	Motueka Transportation Study for NZTA/TDC released
December 2010	Council recommends the release of the Motueka West and Central draft plan change
March 2011	Report REP 11/03/04 provides an update on consultation with Wakatu and Motueka Community Board
August 2011	Report REP11/08/03 provides a proposed plan change for Motueka West and Central- with 5 options considered
November 2012	Council workshop on Motueka West and Central plan change
March 2013	Update of Commercial and Industrial Land Assessment

### 2.2 Key Planning Issues

#### 2.2.1 Infrastructure

In the early stages of planning for the future development of Motueka township the Council received a request to provide for a medium density housing development in WildmansRd / High St South area. The difficulties of providing services in that area became apparent with the site being distant from the Motueka wastewater plant. There is a back log of services to be provided in Motueka:

#### Stormwater

Some parts of Motueka stormwater infrastructure eg part of King Edward St, Monahan St are unable to convey stormwater from the two year storm event. Most of Motueka is quite low lying with a relatively flat grade. Land is generally higher on the west side of High St. Eastern parts of the town are likely to be subject to increasing tidal influences which make stormwater disposal more complex..



## **Water**

Motueka's water comes from a large number of wells that tap the Motueka Gravel Aquifer beneath the town. The aquifer is vulnerable to spillages and contaminated runoff from overlying land uses. It is intended to provide a new reticulated water supply subject to receipt of a satisfactory government subsidy.

## **Wastewater**

The main wastewater treatment plant at Thorp Street is programmed to be upgraded as well as several pump stations.

## **Roading**

State Highway 60 passes through the town centre of Motueka which causes congestion at times. Key intersections on SH60 have been identified for upgrade. The road network on the western side of Motueka is relatively undeveloped compared to the eastern side of High St. West of High St is characterized by ribbons of urban development with few cross connections. The pattern limits accessibility and tends to concentrate all traffic on to High St.

### **2.2.2**

#### **Productive Land**

Public responses to the draft variations in 2005, the community consultation paper in 2009 and the draft plan change in 2011? show some concern about the spread of urban development onto adjacent highly productive horticultural land.

However there are limited geographical options for providing for urban development in Motueka – largely due to flood hazard constraints to the north, the aerodrome location to the west and low lying coastal land to the east. Loss of some productive land is therefore inevitable if the demand for new urban development is to be met.

The allocation of a large residential / industrial area close to Motueka town centre will give certainty for protection of surrounding areas for primary production.

### **2.2.3**

#### **Urban Density**

A range of urban density is supported in Motueka to make more efficient use of land and to provide for changing household size.

### **2.2.4**

#### **Affordable Housing**

Public responses support the provision of low cost housing options in future development areas.

**3. ASSESSMENT OF OPTIONS**

**OPTION 1: STATUS QUO**

Description: No further planned development

Benefits / Opportunities	Costs and Constraints	Risks and Uncertainties	Summary of Council Assessment
No direct or immediate cost to Council	Could cause unexpected future costs especially for services	Ad hoc and unplanned development may occur and result in poor urban design outcomes. Unexpected cross boundary effects.	Allowing ad hoc development is not an acceptable way forward.

**OPTION 2: DISPERSED DEVELOPMENT NODES**

Description: Discrete development node/s in rural hinterland

Benefits/ Opportunities	Costs and Constraints	Risks and Uncertainties	Summary of Council Assessment
Land availability  May meet some landowners aspirations	Could cause immediate costs especially for services.  Distance to town centre facilities.	Risk of disruption to existing urban service programmes. Disruption of rural production through reverse sensitivity effects. Adverse effects on rural amenity.	Allowing discrete nodes of development in the rural area is not an acceptable way forward. Likely to be publicly unacceptable.

**OPTION 3.1: CONSOLIDATION RESIDENTIAL**

Description: Consolidation of business and residential between Whakarewa, Queen Victoria and King Edward Sts. Redevelop existing industry by estuary for arts centre retail. Includes a new neighbourhood centre and residential intensification. ( refer to Boffa Miskell Plan).

Benefits / Opportunities	Costs and Constraints	Risks and Uncertainties	Summary of Council Assessment
Economical in use of land and services. Close to existing town centre	Private costs to relocate industry from the estuary location.  Loss of rural production	Some residential intensification may be acceptable but there is limited support for significant amounts of intensification. There is a risk that existing industry may chose not to relocate.	While this option has strong servicing benefits it may have limited market appeal. Intensification is not an effective option for meeting all future demand for residential growth.

**OPTION 3.2: CONSOLIDATION COMMERCIAL/ INDUSTRIAL**

Description: Large format retail on High Street south of existing town centre. Mix of Light and Heavy Industrial.  
Small area of residential south of Motueka High School (refer to Robin Simpson plan)

Benefits and Opportunities	Costs and Constraints	Risks and Uncertainties	Summary of Council Assessment
Generous supply of land for business opportunities close to existing town centre	This option has only a limited supply of residential land. Aerodrome places some constraints on buildings and structures in north west part of block.  Loss of rural production	Oversupply of land for business opportunities may result in scattered development with poor urban design outcome.  That the mix of activities is adequately located to not detract from the town centre.  Reduces the amount of prime land available for residential development.  Some lease land may not become available.	This option does not provide for a balanced mix of activities on prime land close to the town centre.

**OPTION 3.3: CONSOLIDATION RESIDENTIAL/BUSINESS/INDUSTRIAL**

Description: Mix of Residential (several densities), Mixed Business, Industrial, Papakainga west of High Street. Small extension of CBD

Benefits and Opportunities	Costs and Constraints	Risks and Uncertainties	Summary of Council Assessment
More balanced mix of activities than option 3.1. Provides for papakainga to expand. Residential within walking and cycling distance of town centre and employment opportunities.	Some buffering required between different activities. Aerodrome places some constraints on buildings and structures in north west part of block.  Loss of rural production	That the mix of activities is adequately located to not detract from the town centre.  Some lease land may not become available.	This option provides for a balanced mix of activities on prime land close to the town centre.

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Attachment 1

**OPTION 3.4: CONSOLIDATION OF INDUSTRIAL ON KING EDWARD ST (NORTH SIDE)**

Description: Rezone existing house and sheds on north side of King Edward St to industrial

Benefits and Opportunities	Costs and Constraints	Risks and Uncertainties	Summary of Council Assessment
Gain 3.8ha industrial land Makes efficient use of existing roading and services w/o deferments	Loss of 44 residentially zoned properties.	Residential owners may not accept change so only limited sites become available for industry.	This option does not provide for an appropriate mix of activities on land close to the town centre.

**OPTION 3.5: CONSOLIDATION OF RESIDENTIAL ON KING EDWARD ST (NORTH SIDE)**

Description: Extend the Residential Zone in central section of King Edward St further northwards.

Benefits and Opportunities	Costs and Constraints	Risks and Uncertainties	Summary of Council Assessment
Gain 6.5 ha residential land Makes efficient use of existing roading and services.	Opportunity cost of not having some relatively easy to develop sites for industry. Part of the land needs to be deferred zoning.	Some lease land used for production may not become available for some time.	This option can provide for an appropriate mix of activities on land close to the town centre.

**OPTION 3.6: RURAL ZONE BUFFER AT END OF AERODROME RUNWAY**

Description: Retain block of Rural 1 Zone to northeast of Motueka aerodrome runway

Benefits and Opportunities	Costs and Constraints	Risks and Uncertainties	Summary of Council Assessment
Allows rural production to continue	Some lost urban development opportunities	Retains a low risk to property and personnel from aerodrome incidents.	This option provides for an appropriate range of activities close to the runway.

**List of Motueka West Development Area Infrastructure Projects in LTCCP 2012 -2022**

<b>Infrastructure</b>	<b>Cost (\$) Estimate</b>	<b>2012/ 2013</b>	<b>2013/ 2014</b>	<b>2014/ 2015</b>	<b>2015/ 2016</b>	<b>2016/ 2017</b>	<b>2017/ 2018</b>	<b>2018/ 2019</b>	<b>2019/ 2029</b>
<b>Stormwater</b>									
Upgrade reticulation Poole and High Sts	1,030,285								
Upgrade tidal gates	110,000					x			
Install system new development area						x	x	x	x
Old Wharf Road	212,100								
<b>Water Supply</b>									
New water supply, treatment and reticulation									x
Existing water treatment plant upgrade		x	x						
<b>Wastewater</b>									
Wastewater treatment plant upgrade	6,503,000	x	x	x					
New pump station and rising main							x		
<b>Community Services</b>									
Ongoing development of parks, walkways, cycleways									
<b>Transport</b>									
Upgrade Queen Victoria Street									
Upgrade Green Lane									
Upgrade Grey Street									



