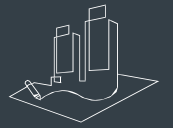


REPORT TO:



Rangitikei District Council



*Proposed District Plan Change Report for rezoning at 1165, 1151, 1091
State Highway 1, Marton*

August 2019

Quality Control

Title	Proposed District Plan Change Report for rezoning 1165, 1151, 1091 State Highway 1, Marton
Client	Rangitikei District Council
Job No.	715773
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1. EXECUTIVE SUMMARY

This report, produced in accordance with Section 32 of the Resource Management Act (“RMA”), presents a summary evaluation for the Proposed Plan Change to the Rangitikei District Plan to rezone the properties at and around 1165 State Highway 1 including 1151 and 1091 State Highway 1, Marton, from Rural to Industrial.

The purpose of the Proposed Plan Change is to enable new investment in industrial activities in Marton by providing additional land within the Industrial Zone.

This report demonstrates that the Proposed Plan Change will promote sustainable management in terms of the purpose of the RMA. In particular, the outcomes of the assessment have demonstrated potentially significant economic benefits of using the land for industrial purposes, contributing to the social and economic wellbeing of local people and communities.

This report forms part of the public notification of the Proposed Plan Change on which members of the public can submit feedback. It is preceded by the release of a Draft Plan Change Report which received feedback between 29 June and 25 July 2019 in order to give stakeholders and the public an opportunity to provide comment into the process at an early stage. The feedback received has informed the contents of this Proposed Plan Change.

2. INTRODUCTION

2.1 Purpose of this Report

This report presents a summary evaluation in line with Section 32 of the RMA on a Proposed Plan Change to the Rangitikei District Plan to change the zoning from Rural to Industrial for the properties at and around 1165 State Highway 1, Marton (Lots: Pt Lot 2 DP 336499, Pt Lot 1 DP 11224, Pt Lot 2 DP 11224, Pt Lot 1 DP 10342, Lot 1 DP 82685, Pt Lot 4 Plan 25, Pt Lot 5 Plan 25, Pt Lot 6 Plan 25, Pt Lot 7 Plan 25, Pt Lot 9 Deeds Plan 25, Pt Lot 2 DP 497482), 1151 State Highway 1, Marton (Lot 1 Deposited Plan 336499), and 1091 State Highway 1, Marton (Lot 1 Deposited Plan 497482) (“the site”).

This report documents the analysis that has taken place to date so that stakeholders and decision-makers can understand the rationale for the Proposed Plan Change and how it achieves the purpose of the RMA.

Under the RMA, any plan change is required to be assessed against various statutory instruments. Such an assessment is provided in this report, including an assessment of the proposal against:

- Sections 72 – 75 of the RMA
- The Regional Policy Statement (Horizons Regional One Plan)
- The District Plan Objectives and Policies
- Part 2 of the RMA
- Section 32 of the RMA

2.2 Proposed Zone Change

The zone change would involve changing 216.6 hectares of existing Rural Zone to Industrial Zone and amending District Plan Maps to reflect the change. There would be no changes to the Objectives, Policies, or Rules for the Rural or Industrial zones in the District Plan.

3. BACKGROUND

3.1 Need for Industrial Land

3.1.1 Policy Context

The Manawatū-Whanganui Regional Growth Study (RGS), a Central Government initiative being delivered via “Accelerate 25”, has identified six growth areas for the Rangitikei: tourism, sheep and beef farming and processing, land-use intensification, manuka honey, fresh vegetables, poultry and grain processing and forestry harvesting. The harvesting of large-scale forests established during the 1990s has been anticipated by the Council as a key change in the district’s economy, with the Long Term Plan 2018-2028 (LTP) stating that this harvesting will peak from 2027 - 2029. The LTP also notes that forestry planting could increase further as a result of Government’s “One Billion Trees” Programme, however harvesting of these trees may not start until 2043 (based on a 25-year harvest age¹).

The increase in forestry harvesting could allow the Marton area, due to its strategic position at the confluence of two state highways and the Main Trunk Line, to capitalise on the opportunity by developing as a major freight and logistics hub. The RGS notes that Marton could better use its unique location to establish a rail siding which could be used to improve transport of primary produce and that this opportunity is being explored.

Aligning with the RGS, the Rangitikei Long Term Plan outlines nine community outcomes including Economic Development. This outcome includes: “*Facilitating growth through infrastructure investment, an enabling regulatory framework and collaboration*”.

3.1.2 Projected Industrial Land Demand

Economic growth in Rangitikei District has averaged 1.6% since 2001, compared to 3.2% across New Zealand². The biggest contributors to the economy are agriculture, forestry and fishing industries (32.3%) and manufacturing (13.6%). The overall population growth in the district is approximately 1.0%, compared to 1.9% nationally, with low levels of growth expected to continue³. Current growth trends would indicate that there is unlikely to be a significant increase in demand for industrial land in the immediate future. However, some industries that are currently more dominant in the district, such as manufacturing, often have a need for larger sites and may continue to grow at a higher rate than other industries. In addition, while the population and economic growth are currently lower than nationwide growth, this indicates a potential for targeting businesses to locate in the district in order to achieve parity with the rest of the country.

Current growth projections do not reflect the district and regional policies specifically targeting industrial activity to the district. The Rangitikei District, guided by the Central Government Accelerate 25 initiative

¹ Eastland Wood Council (2019) “*The Guide to Forestry*” <https://www.forestenterprises.co.nz/wp-content/uploads/2018/02/GuidetoForestry.pdf>

² Infometrics (2019) “*Rangitikei District Economic Profile*” <https://ecoprofile.infometrics.co.nz/Rangitikei%2bDistrict>

³ Rangitikei District Council (28 June 2018) “*Long Term Plan Rangitikei 2018-2028*” https://www.rangitikei.govt.nz/files/general/ltp-2018-2028/DCH209_Rangitikei-2018-LTP-WEB-FULL.pdf

and the desire to realise the strategic position and revitalise the historic role of Marton as a key rail junction, is actively pursuing new industrial activities to locate in Marton. There is a targeted initiative to attract warehousing activity and primary processing, focussing particularly on bio-forestry, and clustering of similar or complementary activities on one site where the strategic advantage of being located close to both inter-regional road and rail can be realised. In order to attract the type of large-scale industries identified in the policies, and enable clustering and certainty of future land availability, there needs to be the right type of industrial land available.

3.1.3 Industrial land supply

3.1.3.1 Qualities of the site

Industrial activities such as those the district is aiming to attract, including timber processing, freight and logistics uses, require large land areas to accommodate the various activities that can take place. In addition, the Council is aiming to provide a site where the clustering of similar or complementary activities can take place which in turn requires a greater consolidated land area. An assessment of 'Potential Industry Types' produced by Martin Visser to inform this assessment examines the Waingawa Industrial Area in the Wairarapa where heavy industrial activities are consolidated. The Waingawa Industrial Area is currently 196ha in size with 150ha currently utilised for a variety of industrial activities including timber supply, retailing and wholesaling, forestry, wool, farm supplies, agricultural chemicals, transport, and a variety of other manufacturing and services. While the potential industrial activities proposed in the Rangitikei district may vary from those at Waingawa, the example indicates the potential land area required and viability of large industrial sites in the Lower North Island.

Sites identified for heavy industry purposes ideally require the ability to have large setbacks from other activities to reduce adverse effects and have access to existing infrastructure. Transport infrastructure is particularly critical as these activities generally require access to inter-regional transportation options, preferably both road and rail. By way of example, the existing Kinleith Mill located in South Waikato uses over 150 hectares of land and has direct access to State Highway 1 and a freight rail line. As identified in the report 'Potential Industry Types', Marton has a strategic advantage by way of its location both on SH1 and SH3 but also its position at the railway junction connecting the Wellington to Auckland Main Trunk Line, and the Wellington to New Plymouth rail line.

3.1.2.2 Suitability of Current Industrial Zone land

An analysis of the existing Industrial Zone land in Marton and Bulls undertaken by Martin Visser found that existing sites in the Rangitikei District located in the Industrial Zone are generally unsuitable for large scale activities due to their size and fragmented nature. Only one of the existing sites in Marton is larger than 4 hectares. That site, located at 56 Wings Line, is currently partially occupied by a malting plant. The remaining land of approximately 23 hectares is partially located within a flood zone, and is bounded by existing uses, including nine residential properties to the north, which could restrict activities on the site as well as any future expansion. The site is therefore is not ideal for heavy-industrial uses. There are two sites in Bulls that are both over 5 hectares. The southern site, located on SH3 West, has approximately 38 hectares of vacant land however it is located within an indicative flood zone. Further investigation would be required before understanding the suitability of the site. The northern site, located on Watson Street, has approximately 7.7 hectares of vacant land which may be suitable. However, Bulls is not

4. DESCRIPTION OF THE PLAN CHANGE

4.1 The Resource Management Issue to be addressed

The issues that the change is seeking to address and the rationale behind the change application are broadly set out in Section 3. The issues are:

- Provision of appropriately zoned land to enable the creation of an industrial hub.
- The most appropriate use for the site.
- The most appropriate zoning for the site.

4.2 Purpose of Proposed Plan Change

The Plan Change proposal is to provide additional Industrial Zone land to enable investment in new large-scale industrial activities in Marton.

4.3 Description of Proposed Plan Change

This Plan Change comprises the zone change from Rural to Industrial Zone at the site. The site has been identified as a suitable location for supporting new large-scale industrial activities in the Rangitikei District. No existing Industrial Zone land has been identified as suitable for this purpose therefore new Industrial Zoned land is required.

The objectives and policies sought by the plan change are the replacement of the Rural Zone objectives and policies by those for the Industrial Zone. The Plan Change does not include any changes to existing District Plan Objectives and Policies for the Industrial Zone.

The proposed changes include:

- Rezoning approximately 217 hectares of land currently within the Rural Zone to the Industrial Zone at the site identified.
- Amending District Plan Map 4 to reflect the zone change.
- Amending District Plan Map 21 to reflect the zone change.

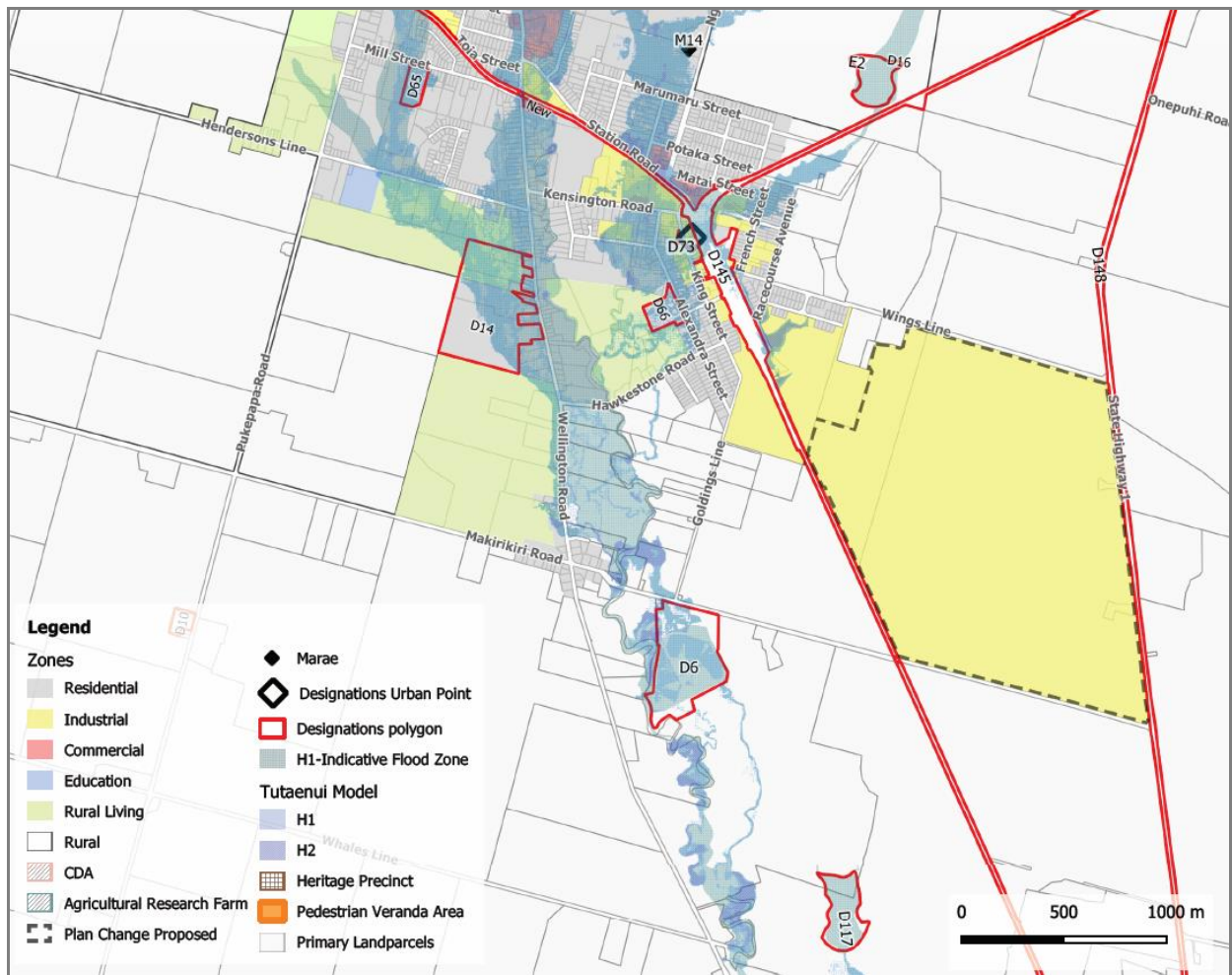


Figure 3: Proposed District Plan Map changes to include new Industrial Zone land (identified with dashed boundary)

The following specialist reports have been produced to support this assessment:

Report Topic	Date	Report Author, Qualifications	Company
Land Supply / Demand (Industrial Land Demand + filling 217Ha & Existing Industrial Zoning in the Region)	July 2019	Martin Visser, BMS (Hons), RMA Commissioner	Independent Consultant
Economic Impact Assessment	June 2019	Martin Visser, BMS (Hons), RMA Commissioner	Independent Consultant
Soils Economic Output	6 June 2019	Malcolm Thomas, BAgEcon	Thomas Consulting

The following reports will be produced to inform the Proposed Plan Change if it proceeds to a hearing:

Report	Date	Specialist contact	Company
Geotechnical	To be undertaken for hearing	Emily Wright	Tonkin and Taylor
Traffic	To be undertaken for hearing	Matthew Evis	WSP Opus

Written advice has been received regarding the following matters:

Technical area	Date	Specialist, Position	Agency
Infrastructure Capacity	19 July 2019	Arno Benadie, Principal Infrastructure Advisor	Rangitikei District Council
Projected Traffic Volumes	4 August 2019	Martin Visser, Consultant undertaken in consultation with Matthew Evis, Traffic Engineer (WSP Opus)	Consultant & WSP Opus

5. CONSULTATION

5.1 Requirements of Schedule 1, Clause 3(1)

Details of the consultation undertaken to date are set out in the table below:

Parties Consulted	Method / date consultation	Comments
Minister for the Environment	Draft Section 32 provided to Minister (via website) on 8 August 2019.	Representative of Minister confirmed receipt, no comments provided. Advised plan change can proceed.
Horizons Regional Council	Met with representative on 23 May 2019.	Feedback on relevant issues provided via email on 5 June 2019 and memo on 17 June 2017. Noted that regional consents will be required at the Resource Consent stage. Written support of the proposal including confirmation that the proposal does not conflict with provision in the RPS and One Plan and would be in accordance with the NPS-UDC was provided on 5 August 2019.
Iwi - Ngā Wairiki-Ngāti Apa	Various discussions. Draft Section 32 Report provided in August 2019.	Letter received from representatives (Pahia Turia, Tumu Whakarae) on 31 July 2019 noting support for the proposal.
New Zealand Transport Agency	Meeting with Letitia Jarrett on 3 July 2019.	An outline of NZTA guidelines was provided. Would not support new access onto SH1.

5.2 Consultation with other persons

The proposed amendments to the District Plan have also been discussed at a high level with affected parties. Details of the consultation undertaken to date are set out in the table below:

Parties Consulted	Method / date consultation	Comments
Kiwirail	Several meetings with representatives from early 2018, most recently on 8 May 2019, 30 January 2019, 8 January 2019, and 29 October 2018.	Generally supportive of plan change.
Landowner (1165 SH1 & surrounding, majority of site) – Pt Lot 2 DP 336499, Pt Lot 1 DP 11224, Pt Lot 2 DP 11224, Pt Lot 1 DP 10342, Lot 1 DP 82685, Pt Lot 4 Plan 25, Pt Lot 5 Plan 25, Pt Lot 6 Plan 25, Pt Lot 7 Plan 25, and Pt Lot 9 Deeds Plan 25	Meeting on 14 June 2019 and further conversation on 3 July 2019.	Supportive of plan change.
Landowner (1151 SH1) - Lot 1 Deposited Plan 336499	Letter sent 27 June 2019 noting that the property would be neighbouring	Verbal response provided confirming support for

	<p>zone change area.</p> <p>Subsequently property was included in plan change area. Attempt was made to inform the property owner of this change by phone call.</p>	<p>inclusion of property as part of plan change.</p>
<p>Landowner (1091 SH1) - Lot 1 Deposited Plan 497482.</p>	<p>Letter sent 27 June 2019 noting that would be neighbouring zone change area.</p> <p>Subsequently property included in plan change area. Attempt was made to inform the property owner of this change by phone call.</p>	<p>No response provided to the initial letter sent.</p> <p>No response provided to the phone call.</p>
<p>Neighbouring landowners: 70 Wings Line</p>	<p>Letter sent and meeting on 4 July 2019.</p>	<p>Landowner was asked whether they would like to be included in the plan change area and have asked to remain in the Rural Zone to which the Council has agreed.</p>
<p>Neighbouring landowners: 76 Wings Line</p>	<p>Letter sent and meeting on 4 July 2019.</p>	<p>Landowner was asked whether they would like to be included in the plan change area and have asked to remain in the Rural Zone to which the Council has agreed.</p>

5.3 Public Feedback

The Draft Proposed Plan Change was released to the public on 29 June 2019 followed by a feedback period which closed on 21 July 2019. The public were alerted to the Draft Proposed Plan Change through a notice in the Whanganui Chronicle on Saturday 29 June and a newspaper article in the Whanganui Chronicle on 6 July 2019, as well as a page on the Rangitikei District Council website which included the full draft report for the public to view. The public release of the Draft Proposed Plan Change aimed to allow the general public to provide feedback at an early stage.

Three pieces of feedback were received during this period, one piece of feedback was in support and suggested other existing industrial activities could be relocated to the site. One piece of feedback was not in support as it found the proposal does not align with wants and needs of Marton's present population, or the town character. The submitter expressed concerns about the ability of Makirikiri Road and Wings Line (and roads intersecting with them) to handle increased traffic, questioned locating timber processing so close to an urban area, expressed doubts about bio-forestry and warehousing (and the number of jobs potentially created). The third piece of feedback was from Powerco who invites Council to keep in touch to ensure power supply to lots.

6. ASSESSMENT OF POTENTIAL EFFECTS RESULTING FROM THE REZONING OF ADDITIONAL INDUSTRIAL LAND

Section 74(1) of the RMA sets out that a council must prepare and change its district plan in accordance with both its functions under Section 31, and the provisions of Part 2.

With regards to ‘effects on the environment’, the functions of a territorial local authority set out under Section 31 include:

“(a)...methods to achieve the integrated management of the effects of the use, development...of land and associated natural and physical resources of the district:...”

In terms of Part 2 of the Act, Section 5(2) includes:

*“In this Act, sustainable management means 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 and for their health and safety while—
...*

(c) avoiding, remedying, or mitigating any adverse effects of activities on the environment.”

Ultimately, any outcomes reached under the RMA, including a district plan change, must be consistent with the over-riding purpose of the Act. In this case, the resource under consideration is the rural and industrial land resources within the Rangitikei District. The Proposed Plan Change must consider whether changing the zoning applying to the site from Rural to Industrial promotes a more sustainable use of the land resource and effects arising from this change. As the Proposed Plan Change does not include any changes to existing Industrial Zone Objectives and Policies, only the site-specific effects of the rezoning of the land have been considered in this assessment. The following matters have been identified as relevant effects to be considered:

- Loss of rural versatile soils / rural productivity
- Traffic generation
- Infrastructure capacity
- Geotechnical and natural hazards
- Amenity effects on neighbouring properties (including noise and landscape and visual amenity)
- Earthworks
- Ecological
- Economic
- Housing and Community infrastructure

The effects are summarised below, with any relevant specialist reports used to inform the assessment provided as appendices.

6.1 Loss of rural versatile soils / rural productivity

The site is classified as a versatile soil (Class 2 soil under the Land Use Capability Classification) and currently used for arable cropping (largely maize). The Industrial Zone change will result in a loss of 217

hectares of arable land constituting around 3% of land currently being used for arable farming and 0.6% of land with Class 2 soils in the district.

The loss of soils was assessed and reported on by Thomas Consulting. The report assessed the overall potential of the site if it remains rural. It found that the current use of the site for producing grain crops reasonably reflects the productive value of the land as it has limited rural utility, particularly for intensive rural productive activities. This is primarily due to soil structure deficiencies, seasonal moisture deficiencies and a sub-surface pan which impedes drainage. It was calculated that the productive output of the current uses would be around 2,777.6 tonnes. The assessment concluded that removing this land from maize or other arable crop production is likely to have a small overall impact on the district's farming systems in the medium term.

6.2 Traffic generation

Industrial uses on the site will affect the local transport networks due to the additional vehicles coming and going from the site, particularly for goods transportation and employees. The location of the site, being adjacent to the North Island Main Trunk Line, provides opportunity for a new rail siding and associated freight/rail yard. Such proximity provides an opportunity to direct the freight loads away from the traditional road freight model. However, it is assumed rail infrastructure may not be available immediately and the transition to rail will occur over time. In addition, future employees would continue to travel to the site via private vehicle.

The New Zealand Transport Agency (NZTA) are a key stakeholder due to location of the site, adjacent to SH1, and the increased district-wide and inter-regional vehicle numbers using the network from potential industrial activities. Accordingly, engagement has been undertaken with NZTA ahead of the notification of the Plan Change. It is noted that direct access from SH1 would not be supported by NZTA and is restricted under Rule B9.2 in the Rangitikei District Plan. Access from SH1 can be avoided by providing site access from Wings Line to the north and Makirikiri Road from the south.

An initial assessment of these roads to project traffic volumes, undertaken in consultation with a transportation plan (refer to '*Project Traffic Volumes*' report by Martin Visser), has identified that based on anticipated traffic volumes, both Makirikiri Road, Makirikiri Road West, and Wings Line will require upgrades in the next five years. This will include improvements to where these two roads intersect with SH1, such as slip lines. Upgrades should be informed by any relevant NZTA guidelines. Rules B9.1-12 of the District Plan will be a relevant consideration in the assessment of transport effects at any future resource consent stage.

6.2.1 Traffic Advice

A traffic engineer has been commissioned to undertake a further detailed traffic analysis to identify the impact of the rezoning on the roading network to inform requirements for specific upgrades to be included in the Council's long-term planning. The assessment will be undertaken prior to any plan change hearing.

6.3 Infrastructure capacity

There is currently no existing on-site potable water, wastewater, or stormwater disposal infrastructure. However, the location of the site, adjacent to existing infrastructure services, means that future

connections could be established. Arno Benadie, Principal Infrastructure Advisor at Rangitikei District Council notes that the ability to accept additional flow and load into the existing networks and treatment facilities will be determined at the time when prospective property owners applies for subdivision or building consents. Any upgrades and costs would need to be agreed by the applicant and Rangitikei District Council at that time.

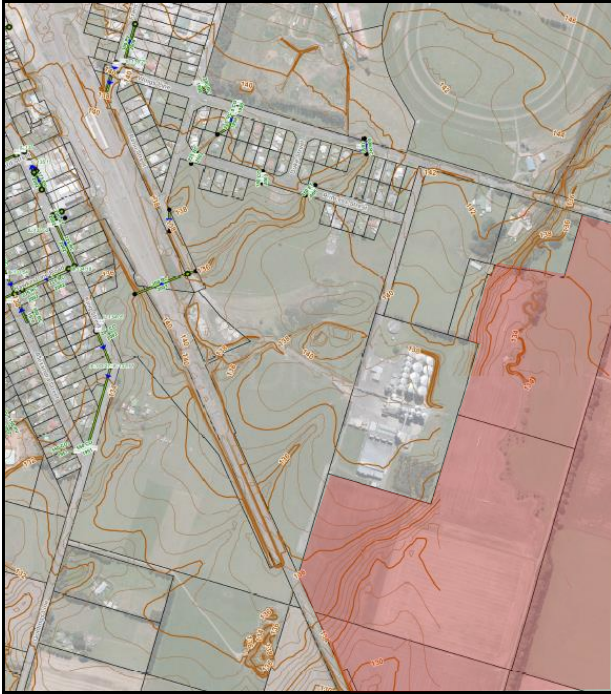


Figure 4: Existing Stormwater Infrastructure

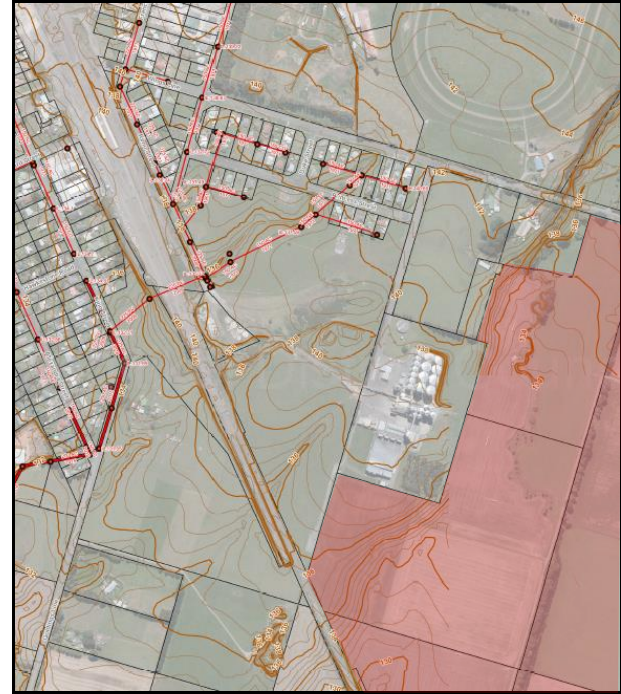


Figure 5: Existing Wastewater Infrastructure



Figure 6: Existing Potable water Infrastructure

If on-site services are developed by the applicant, Horizons Regional Council will require Resource Consent for stormwater and wastewater discharges and surface water use to manage any effects on the environment. These are detailed below.

Feedback from Powerco Limited, who supplies the electricity to the Rangitikei District, notes that as the Proposed Plan Change does not outline proposed lot numbers or lot sizes so at this stage Powerco cannot comment on ability to supply electricity or if they have sufficient capacity to serve potential new industrial sites. Upgrades to their assets may need to be undertaken, especially for supplying heavy industrial activities and these upgrades can take up to two years to complete, or longer if a new substation is required. As such, while power supply is possible to the site, developers of the land should contact Powerco at an early stage to discuss power supply.

6.3.1 Stormwater

Rule 14-18 of the Horizons One Plan permits the discharge of stormwater to surface water and land, subject to compliance with conditions. The conditions include ensuring that the discharge does not cause or exacerbate the flooding of any other property and there is no erosion of land at the point of discharge. Care will need to be taken if stormwater is to be discharged across sloping land due to the potential for this to cause erosion. Any onsite stormwater discharges should be directed away from wastewater land application areas as this can reduce the efficiency of the wastewater system to treat wastewater.

The Horizons River Management Group have advised that they would encourage the use of on-site mitigation measures to control the rates of run-off from any development. Increased run-off from any developments has the potential to exacerbate downstream flooding issues, whether this be localised stormwater issues, or flooding from rivers, streams or other water courses. This will be a specific design consideration in any future resource consent application to Horizons Regional Council.

6.3.2 Wastewater

The Horizons Regional Council require resource consents relating to human effluent storage and treatment facilities, if they were to be required.

6.3.3 Surface Water Use

Rule 16-1 of the One Plan permits the take and use of surface water (water take from above the ground e.g. waterways/springs, ponds or lakes etc.), subject to compliance with conditions. These conditions include a maximum rate of take of 400l/ha per day for animal farming up to a maximum of 30 m³/day per property; or 15m³ where the water is for any other use. The rates of take cannot be added, that is, the maximum allowable rate of take under this rule is 30m³/day per property. Water takes in excess of permitted activity limits require a water permit from Horizons Regional Council. The rate of take must not exceed 2.0 litres per second.

If additional water take is required as part of any future industrial use of the site, resource consent will be required.

6.3.4 Summary

Overall, based on consultation with Horizons Regional Council and the Rangitikei District Council infrastructure team, future industrial uses can be adequately serviced at the site through an extension of the existing infrastructure network or through on-site provision. Such extensions and/or upgrade would

be made at the time of a more specific proposal/industrial use being advanced through the resource consent process.

6.4 Geotechnical and Natural Hazards

The two primary natural hazards identified for the site are flooding and earthquake damage. Consultation with Horizons Regional Council has included advice on the extent of these hazards and the mechanisms to mitigate these effects within the Regional One Plan.

6.4.1 Flooding

The Tutaenui Stream is west of the site. During a flood event (0.5% Annual Exceedance Probability (1 in 200 year) (AEP) rainfall event) the 'runoff' model produced by the Horizons Regional Council shows there will be areas within the site where water flows and gathers (ground surface plus water out of river channel flows), refer to Figure 7.

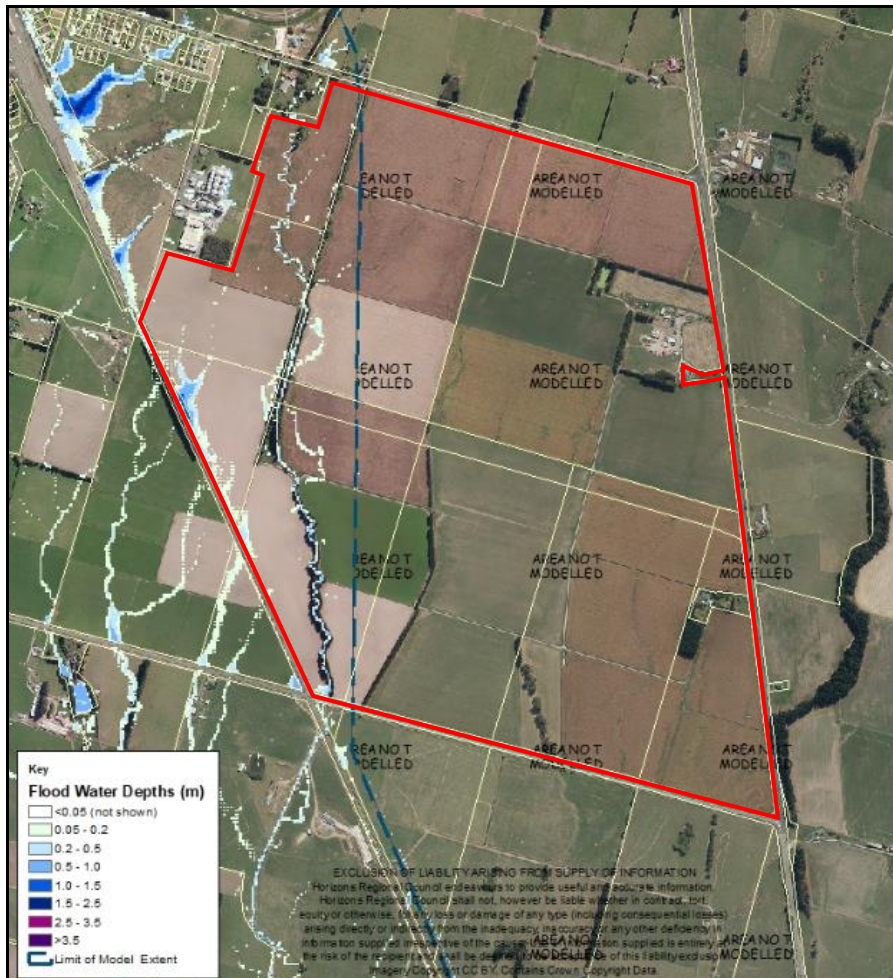


Figure 7: Horizons Regional Council Flooding Map (0.5% Annual Exceedance Probability (1 in 200 year) (AEP) rainfall event)

Regional scale soil information also suggests that the site is located on poor draining soils (Marton Silt Loam) and the Horizons Regional Council's indicative ponding information suggests that there may be

areas on the site that are prone to surface ponding during high rainfall events and wet periods of the year, refer to Figure 8.

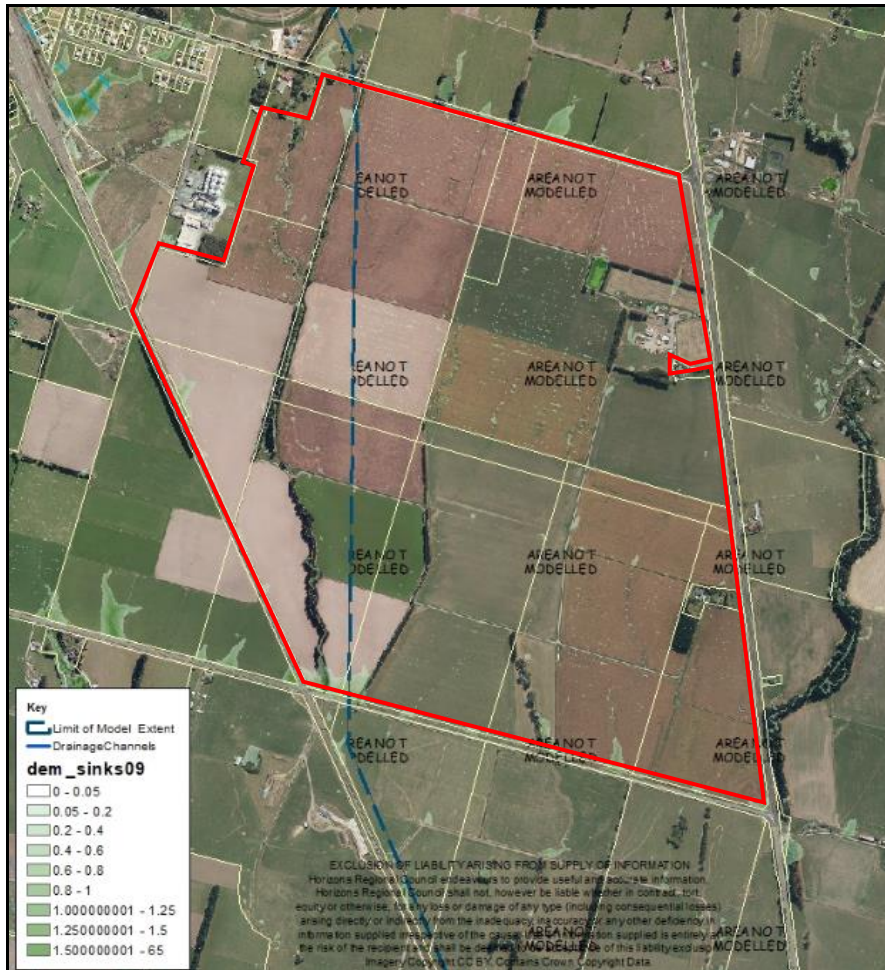


Figure 8: Horizons Regional Council Ponding Map

Horizons Regional Plan One Policy 9-2 generally discourages new structures or extensions to existing buildings in areas that are likely to be inundated during a 0.5% AEP flood event. The Plan also notes that any future building platforms should be located above or away from any areas prone to surface ponding.

6.4.2 Fault Lines and Liquefaction

There is a known active fault (Leedstown Fault) shown on the GNS Science’s regional scale which runs through the north-western area of the site. The fault is not included in the District Plan maps however the Ministry for the Environment (MfE) has produced guidelines for active faults which recommend establishing a fault avoidance zone, which is a minimum 20 metres on either side of the known fault race or likely fault rupture zone⁴. There is a possibility that a fault avoidance zone will be established and

⁴ Ministry for the Environment, 2019. ‘6. Fault Avoidance Zones’ <https://mfe.govt.nz/publications/rma/planning-development-land-or-close-active-faults-guideline-assist-resource-5> ; and Ministry for the Environment & Institute of Geological & Nuclear Sciences Limited, July 2003. ‘Planning for Development of Land on or Close to Active Faults’ [https://mfe.govt.nz/sites/default/files/media/RMA/planning-development-faults-graphics-dec04%20\(1\).pdf](https://mfe.govt.nz/sites/default/files/media/RMA/planning-development-faults-graphics-dec04%20(1).pdf)

included in the District Plan (district wide) in the future to meet with the MfE guidelines, which could impact on building structures in the north-western part of the site.

In addition to the Leedsdown Fault, at a high level it is understood that the district also faces a general shaking hazard from the Wellington Fault and subduction zone. Despite being located outside the district, these nevertheless pose a hazard in terms of shaking due to a shorter recurrence time/period. Further work is being undertaken by GNS Science on Active Fault Mapping and Fault Avoidance Zones for the Horizons Region which will further inform development across all of Horizon Regional Council's districts and may include the site. Information from GNS Science to-date includes a regional scale liquefaction susceptibility mapping and this site has no susceptibility class.

The information available at this stage indicates that a relatively small portion of the site is impacted by possible restrictions in regard to a possible fault avoidance zone being established in the future (at a district wide scale). Future industrial activities could therefore avoid or mitigate this risk in the detailed design stage.

6.4.3 Geotechnical Advice

An outcome of the consultation with Horizons Regional Council included a need to seek further information regarding the soil structure of the site, the areas affected by flooding and ponding, and the earthquake hazards. A Geotechnical Engineer has therefore been commissioned to undertake a more detailed assessment of the site. This assessment will confirm any areas that may not be suitable for development for industrial activities (or sub-categories of industrial activities) and any mitigation measures or information requirements that may be appropriate to address any known constraints which could be included as performance standards or assessment criteria. The assessment will be undertaken prior to any plan change hearing.

6.5 Amenity Effects on Neighbouring Properties

The proposed Industrial Zone area will be adjacent to Rural Zones on all sides, with the exception of Industrial Zone on one portion of the western boundary. Such clustering of industrial activities minimises the impact of industrial activities on neighbouring properties as it means sensitive activities, such as residential uses, are less likely to be close to activities that could cause adverse effects (as compared to stand alone industrial activities). It also reduces the potential for reverse sensitivity effects⁵.

However, there are a number of residential dwellings located within the Rural Zone which could experience adverse effects from future industrial activity, including increased noise, lighting/glare, odour and loss of visual amenity. The properties at 70 and 76 Wings Line, which are in the Rural Zone but have residential properties located on them, have been identified as experiencing the greatest potential effects. Consultation regarding whether these two properties should be included in the zone change has been undertaken with their landowners. The landowners have opted to remain in the Rural Zone.

6.5.1 Noise

Depending on the future industrial use of the site, activities of an industrial nature can emit more noise than existing rural activities. Rule B1.7 in the District Plan outlines the noise limits for each zone, which are higher for the Industrial Zone than the Rural Zone. However, Rule B1.7-3 states "*sound from any*

⁵ This term describes the impacts of newer uses on prior activities occurring in established areas. Some new activities tend to have the effect of limiting the ability of established ones to continue.

zone that is received in any other zone shall comply with the noise limits in the most sensitive noise zone.”. As such, noise from any future industrial activities will be restricted by the noise received in the surrounding Rural Zone. In addition, Section 16(1) of the RMA requires a “Duty to avoid unreasonable noise” which requires “Every occupier of land... shall adopt the best practicable option to ensure that the emission of noise from that land or water does not exceed a reasonable level”. This will apply to any future activities on the site in the Industrial Zone.

6.5.2 Lighting/Glare

It is possible that industrial activities will require floodlighting and 24-hour use of the site which would result in light spill from the site. The District Plan Rule B1.2-1 requires that activities must not emit light that results in an added luminance over and above the measured ambient level in excess of 8 lux spill of light, as measured in the vertical plane at the windows of any residential dwelling unit in the Residential Zone. Rule B1.2-2 also requires that light must not impede the vision of motorists or train drivers. Any light spill that does not comply with these standards is a Restricted Discretionary Activity.

6.5.3 Odour

It is possible an industrial activity on the site will emit more offensive or objectionable odour than the existing rural activities. The Horizons One Plan includes rules regarding Discharges to Air which includes Rule 15-14 regarding discharges into air from industrial or trade premises which are permitted including the condition that “The discharge must not result in any offensive or objectionable odour, dust, smoke or water vapour beyond the boundary of the property”. Any discharge that does not comply with the conditions is a Discretionary Activity. Any future activities on the site will need to comply with the rules managing the effects of odour.

6.5.4 Landscape and Visual Amenity

A change from rural activities to industrial activities occurring on the site will impact the visual landscape. Introduction of industrial activities will change the character from largely agricultural production and open spaces with natural character, to one that may accommodate large buildings, structures, storage areas, yards, depots, vehicle manoeuvring and parking areas.

However, the area has no significant landscape features requiring protection set out in the District Plan. The site is located on the edge of an existing industrial area, and beyond that is the Marton township. Therefore, there are buildings within the existing landscape. District Plan rules aim to control general effects including building height (B1.5) and signage (B1.11).

6.6 Earthworks

While the site is relatively flat it is likely that some earthworks may be required to establish industrial activity.

The District Plan rule B1.8 sets out earthwork limits beyond which resource consent is required. This is set at 1000m² volume per site per year for the Industrial Zone with additional controls around maximum vertical change, and minimum setback from boundaries and wetlands.

Horizons One Plan includes rules to manage the effects of land disturbance. Rule 13-1 permits up to 2,500m² of land disturbance per property per 12-month period, subject to compliance with conditions. These conditions include ensuring that erosion and sediment control methods are installed prior to and

maintained during the land disturbance activity and ensuring that the works do not occur on land within 5 metres of the bed of a river that is permanently flowing, an ephemeral waterway within an active bed width greater than 1 metre, or a lake. Land with a pre-existing slope of 20 degrees or more is classified under the One Plan as “hill country erosion management area.” The One Plan permits up to 100m² of land disturbance per property per 12-month period in hill country erosion management areas, subject to compliance with conditions. For more information please see One Plan Rule 13-1 and 13-2.

6.7 Ecological

Industrial uses could require more intensive development or use of the site than the existing rural uses. In some circumstances this can have a negative effect on biodiversity on the site. There are no known rare or threatened species on the site. As the site has generally been used for grain production, a relatively intensive use of the land, it is unlikely there are any areas of high-quality biodiversity remaining on the site. As such, the effects are likely to be minor.

6.8 Economic

Significant economic benefits have been identified from potential industrial activities that could take place on the site. A report by Martin Visser outlines the current GDP growth of the District at 1.1% over the last 10 years (1% below the New Zealand average). The current uses of the site, grain production, have been compared to two potential industrial uses, warehousing and bio-forestry, using an Input / Output table which uses multipliers to quantify direct, indirect, and induced impacts. The current use of the land has been estimated to result in approximately 12 full-time equivalent (FTE) jobs whereas warehousing or bio-forestry on the site could result in approximately 1,800 to 2,400 FTE jobs across the district over a 10-year period⁶.

The economic benefits of attracting new industry to the district could include a wider variety of employment options and higher rates of employment, the multiple social and economic benefits resulting from higher rates of employment, increased local spending (due to higher employment and increased population growth to the district), and therefore greater profits for local businesses. If local businesses increase their profit margins, it allows them to invest more into the district and in turn potentially increase wages or take on more staff.

6.9 Housing and Community Infrastructure

If the projected employment figures for future industry are realised there will be an increase to the population of Marton and the surrounding area. This will have wider implications which could result in a housing shortage or housing affordability problems and pressure on existing community services. If the Proposed Plan Change is approved, the Rangitikei District Council will need to reassess the provision of land available for residential development and community facilities to ensure there is sufficient capacity. The Ministry of Education will also need to be engaged to understand whether the capacity of the local schools can accommodate an increase in population.

⁶ Based average employee numbers for wood-product manufacturing and warehousing in Berl Economics '*Upper North Island Industrial Land Demand Report*' (2015) as set out in Economic Impact Assessment Report prepared by Martin Visser.

6.10 Summary

The above Assessment of Environmental Effects, when taken in conjunction with the other material in this report, leads to the conclusion that the impacts of the proposal will be minor and the benefits considerable. The opportunity arises for any further specific (or micro) effects to be considered at the time of resource consent application. The impacts are considered minor because they are largely contained within the site and the effects beyond the site itself are minor and manageable.

The benefits include:

- Logical extension of the existing industrial area making better use of the land and infrastructure.
- Provision of additional industrial land to strategically locate such activities in areas that can be serviced and where effects will be limited.
- Provision of a range of opportunities for different types of industry within the framework provided by the current rules for the Industrial Zone.

Overall, the proposal will result in effects associated with a loss of versatile farming land, increased vehicle numbers, amenity effects on neighbours and the landscape, as well as some on-site effects such as flood and earthquake risks, infrastructure provision and capacity, and earthworks. These effects can be generally avoided or mitigated through the detailed design of any future proposal and the Horizons Regional Council and Rangitikei District Plan Resource Consent process. Overall there are significant potential positive economic and social benefits of new large-scale industrial activity locating on the site, therefore the positive effects are considered to outweigh the adverse effects.

7. STATUTORY CONSIDERATIONS

Sections 72 – 75 of the RMA, relate to the ‘Purpose’; ‘Preparation & Change’; ‘Matters to be Considered’ and ‘Contents’ of district plans respectively. The proposal is considered against these sections of the RMA as follows.

7.1 Section 72

Section 72 states: *“The purpose of the preparation, implementation, and administration of district plans is to assist territorial authorities to carry out their functions in order to achieve the purpose of this Act.”*

As stated above the function of territorial local authorities is set out in Section 31 of the RMA and is focused around the ‘integrated management of effects’ with the purpose of the Act being ‘sustainable management’. As set out throughout this report, the proposal seeks to achieve sustainable management in providing a supply of land available for industrial development in the Rangitikei District. The proposal focuses on the integrated management of effects arising from the development of industrial land. These potential effects and the intended management of them is set out in Section 6 of this report under the heading ‘Assessment of Potential Effects Resulting From the Rezoning of the Additional Industrial Land’ above.

The ‘Purpose of the Act’ is discussed further below under Section 9, ‘Part 2 of the RMA’.

7.2 Section 73

Section 73 sets out the requirement for territorial local authorities to have a district plan and that it may be changed. It also sets out circumstances when a district plan must be changed. Section 73 requires that the preparation of district plans and changes to them be carried out in accordance with the process set out in Schedule 1 of the Act.

7.3 Section 74

Section 74 of the RMA outlines the requirements for District Councils in terms of the preparation of, and any change to, their district plan in accordance with their functions under Section 31 and the provisions of Part 2 of the RMA.

Subsection (1) of Section 74 is particularly relevant and it as follows:

A territorial authority must prepare and change its district plan in accordance with—

(a) its functions under section 31; and

(b) the provisions of Part 2; and

(c) a direction given under section 25A(2); and

(d) its obligation (if any) to prepare an evaluation report in accordance with section 32; and

(e) its obligation to have particular regard to an evaluation report prepared in accordance with section 32; and

(f) any regulations.

Of the above sections 74(1)(a), (b), (d) and (e) are most relevant to consider in terms of this proposal. The Councils’ function relating ‘the integrated management of effects’ under Section 31 has already

been discussed above, while there are separating headings assessing the proposal against Part 2 and Section 32 of the RMA below.

7.4 Section 75

This section of the RMA sets out the 'Contents of District Plans'. Of most relevance to this proposal is section 75(3)(c) which states that a district plan must give effect to any regional policy statement. An assessment of the proposal against the Regional Policy Statement for the Horizons Region is provided in Section 9.

8. PART 2 OF THE RMA 'PURPOSE & PRINCIPLES'

8.1 Section 5 'Purpose'

The purpose and principles of the RMA are set out in Part 2 of the Act. The purpose of the RMA is to promote the sustainable management of natural and physical resources. Section 5 of the RMA describes this purpose as 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 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 and mitigating any adverse effects of activities on the environment.

This rezoning seeks to achieve sustainable management by providing a strategic and planned approach to industrial development. The greater area of industrial land enables future investment in industrial activities in the Rangitikei District. In this way, the proposal seeks to enable people and communities to provide for their social and economic wellbeing. As detailed in Section 6 of this report, the industrial rezoning has the potential to generate significant economic benefit for the community and wider district.

In terms of Section 5(2)(a) – (c), the proposal does involve an additional loss of versatile land from the Rangitikei District for growing purposes. This is relevant both in terms of (a) with regard to the natural resource of the versatile soils meeting the needs of future generations; and (b) in terms of the life supporting capacity of the soil. The encroachment onto this land is however necessary to provide long term certainty in land supply for new industrial development in a location where there is existing transportation infrastructure, with the site adjoining both the Main Trunk Line and SH1. The conclusion of the assessment on productive soils is that the loss of the land area would likely have a small impact on the district's farming in the medium term.

The location also provides for the economic benefits of the clustering of like activities. Such clustering of industrial activities into a zone also reduces the potential for reverse sensitivity effects by reducing the potential for sensitive activities, such as residential uses, to be located next to activities that can have adverse effects on those activities (as compared to stand alone industrial activities). Increasing the zoned supply of industrial land will also take away the need for industrial activities to locate out of zone due to a scarcity of large sites currently in the Industrial Zone that will meet the strategic transport needs of the targeted activities. In this regard the rezoning will have a positive effect in protecting the versatile soil resource in comparison to a constrained industrial land supply which can encourage the dispersal of industrial activities across the district.

With regard to s5(c) above, Section 4 of this report demonstrates how the proposal seeks to avoid, remedy and mitigate any adverse effects on the environment.

8.2 Section 6 ‘Matters of National Importance

With regard to Section 6 of the Act ‘Matters of National Importance’, the proposal does not trigger the need to consider these matters due to the area being devoid of those resources that Section 6 is seeking to protect. For completeness however, it is noted that there is a known fault line on part of the site. This is a relevant issue in terms of *(h) the management of significant risks from natural hazards*.

As outlined in the assessment above, the detailed design stage can manage the risk from natural hazards. A Geotechnical Engineer has been commissioned to undertake an assessment of the site to inform mitigation measures or information requirements that may be appropriate to address known constraints, and which could be included as performance standards or assessment criteria.

8.3 Section 7 ‘Other Matters’

With regard to Section 7 and ‘Other Matters’ to be given particular regard, the relevant provisions to the proposal are listed as follows:

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

(ba) the efficiency of the end use of energy:

(c) the maintenance and enhancement of amenity values:

(f) maintenance and enhancement of the quality of the environment:

(g) any finite characteristics of natural and physical resources:

In terms of s7(b), the consolidation of industrial activities and industrial related businesses requiring access to the rail and state highway network, is an efficient use of the physical resource of the road and rail network and existing wastewater and water mains (from which the new services could extend from). Some loss of the versatile soil natural resource will result, although the rezoning will encourage the consolidation of industrial activities, which could otherwise locate in a dispersed pattern across the Rangitikei versatile soil resource (albeit subject to resource consent). It is likely any large-scale industrial activity established on the site will require regional and national freight links, therefore the location relative to road and rail networks will also be positive in relation to meeting s7(b).

The maintenance and enhancement of amenity values in terms of s7(c) is relevant both in terms of the amenity values of neighbouring properties and wider visual landscape effects. Section 6 of this report outlines how the District Plan’s existing performance standards for noise, light, building height, and signage would maintain amenity values.

These same matters are also relevant in terms of Section 7(f) as they will contribute to the maintenance of the quality of the environment. Also relevant to s7(f) is performance standards for earthworks, stormwater and wastewater disposal, and surface water use as these standards aim to protect surrounding natural areas and waterways from run-off and contamination.

In terms of section 7(g) and the finite characteristics of natural and physical resources, the versatile soils resource of the Rangitikei District is a relevant consideration. The potential effects on this finite resource has been discussed in Section 6 of this report. It is concluded that although some of the versatile land

resource will be lost to urban encroachment, the rezoning will achieve sustainable management of resources.

8.4 Section 8 ‘Treaty of Waitangi’

Section 8 of the RMA ‘Treaty of Waitangi’, is as follows:

In achieving the purpose of this Act, all persons exercising functions and powers under it, in relation to managing the use, development, and protection of natural and physical resources, shall take into account the principles of the Treaty of Waitangi (Te Tiriti o Waitangi)

Initial consultation with Ngā Wairiki-Ngāti Apa has not identified any particular issues in regard to meeting Treaty of Waitangi obligations.

8.5 National Instruments

National Policy Statements

There are five National Policy Statements (NPSs) currently in force:

- New Zealand Coastal Policy Statement 2010
- NPS for Electricity Transmission 2008
- NPS for Renewable Electricity Generation 2011
- NPS for Freshwater Management 2014
- NPS on Urban Development Capacity 2016

At present, the Ministry for the Environment is in the process of developing a proposed National Policy Statement for Indigenous Biodiversity which will be released for consultation in October 2019.

The current NPS have been reviewed and there is nothing that would preclude the proposed change in zoning.

The National Policy Statement on Urban Development Capacity (NPS-UDC) sets out a desire to provide for urban environments that enable the social, economic, cultural and environmental wellbeing of current and future generations as well as provide opportunities for development of housing and business land to meet demand. While the district is not a high or medium growth area, all local authorities are required to meet with the objectives and policies of the NPS-UDC to ensure the housing and business needs, both current and future, of the community are met. Additional business land may have a wider impact on business capacity, including on Palmerston North which has been identified as a medium growth area. Horizons Regional Council have stated that the proposal would be in accordance with the NPS-UDC.

Sections 62(3), 67(3) and 75(3) of the RMA require that a regional policy statement, regional plan and district plan must give effect to any national policy statements.

National Environmental Standards

There are currently six National Environmental Standards in force as regulations:

- National Environmental Standards for Air Quality
- National Environmental Standard for Sources of Drinking Water

- National Environmental Standards for Telecommunication Facilities
- National Environmental Standards for Electricity Transmission Activities
- National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health
- National Environmental Standards for Plantation Forestry

Section 44A of the RMA requires local authority to recognise national environmental standards.

9. REGIONAL POLICY STATEMENT

The Horizons Regional Council One Plan includes the regional policy statement for the Horizons Region, which contains a number of relevant Objectives and Policies.

9.1 Te Ao Maori

Objective 2-1: Resource management

a. To have regard to the mauri of natural and physical resources^ to enable hapū* and iwi* to provide for their social, economic and cultural wellbeing.*

b. Kaitiakitanga^ must be given particular regard and the relationship of hapū and iwi* with their ancestral lands^, water^, sites*, wāhi tapu* and other taonga* (including wāhi tūpuna*) must be recognised and provided for through resource management processes.*

The proposal gives effect to the above Objectives through involving Iwi at an early stage to ensure all relevant issues in regard to mauri of natural and physical resources and Kaitiakitanga are considered and provided for through the resource management process. The proposal will contribute to development and prosperity of the District which will promote social and economic wellbeing of hapu and Iwi as well as the wider community.

9.2 Infrastructure, Energy, Waste, Hazardous Substances, and Contaminated Land

Objective 3-3: The strategic integration of infrastructure^ with land^ use

Urban development occurs in a strategically planned manner which allows for the adequate and timely supply of land^ and associated infrastructure^.

Objective 3-4: Urban growth and rural residential subdivision on versatile soils

To ensure that territorial authorities consider the benefits of retaining Class I and II versatile soils for use as production land^ when providing for urban growth and rural residential subdivision.

Objective 3-5: Waste*, hazardous substances* and contaminated land^

The Regional Council and Territorial Authorities^ must work together in a regionally consistent way to:

- i. minimise the quantity of waste* generated in the Region and ensure it is disposed of appropriately,*
- ii. manage adverse effects^ from the use, storage, disposal and transportation of hazardous substances*,*
- iii. and manage adverse effects^ from contaminated land^.*

In particular, Horizons Regional Council identified the following policies are of relevance to the proposal:

Policy 3-2: Adverse effects[^] of other activities on infrastructure[^] and other physical resources of regional or national importance

The Regional Council and Territorial Authorities[^] must ensure that adverse effects[^] on infrastructure[^] and other physical resources of regional or national importance from other activities are avoided as far as reasonably practicable.

The proposal has achieved this through consultation with Kiwirail and NZTA to receive advice and identify any effects on the Main Truck Line and SH1 transport corridors. There is no other identified infrastructure or infrastructure corridors related to the site.

Policy 3-4 The strategic integration of infrastructure[^] with land[^]use

Territorial Authorities[^] must proactively develop and implement appropriate land[^]use strategies to manage urban growth, and they should align their infrastructure[^]asset management planning with those strategies, to ensure the efficient and effective provision of associated infrastructure[^].

The proposal looks to provide a strategic and planned approach to industrial development in the Rangitikei District to best manage the integration of infrastructure and landuse. It aligns with the regional Accelerate 25 economic growth initiative and the Rangitikei LTP. This will also promote clustering of like activities with the intention of reducing the need for industrial activities to locate out of zone due to a scarcity of appropriately land in the Industrial Zone. The Proposed Plan Change area is an extension of the existing Industrial Zone in Marton, which will help to manage and contain adverse effects from industrial activities within that planned area, as well as reduce the cost of extending infrastructure provision when compared with a more isolated rural location.

Objective 9-1: Effects[^] of natural hazard[^] events

The adverse effects[^] of natural hazard[^] events on people, property, infrastructure[^] and the wellbeing of communities are avoided or mitigated.

The proposal includes an area of the site that could be affected by flooding, ponding, and earthquakes. The information available at this stage indicates that future industrial activities could avoid or mitigate this risk at the detailed design stage. A Geotechnical Engineer has also been commissioned to undertake an assessment of the site to better understand risks.

While future industrial activities will need to ensure activities are designed in such a way to reduce potential effects, they would be preferable to more sensitive land uses being located on the site, such as residential development, which would experience greater adverse effects from flooding, ponding or earthquake events.

9.3 Horizon One Plan

Regional plans are prepared by regional councils to assist them in fulfilling their functions under the RMA (Section 30). The scope and requirements of regional plans is specified in Sections 63 – 70 of the RMA. There are some areas of overlap between regional and district plans, notably in natural hazard planning, but generally district plans deal with land use and subdivision whereas regional plans deal with discharges, soil, water and the coast.

The Horizons Regional Council has produced the One Plan. As part of the current review of the zoning site officers have provided comment and are of the view that the proposed provisions are consistent with them.

9.4 Relevant Iwi Planning Documents

An iwi management plan (IMP) is a term commonly applied to a resource management plan prepared by an iwi, iwi authority, rūnanga or hapū. IMPs are generally prepared as an expression of rangatiratanga to help iwi and hapū exercise their kaitiaki roles and responsibilities. IMPs are a written statement identifying important issues regarding the use of natural and physical resources in their area. The RMA describes an iwi management plan as "...a relevant planning document recognised by an iwi authority and lodged with the council⁵". IMPs must be taken into account when preparing or changing regional policy statements and regional and district plans (Sections 61(2A)(a), 66(2A)(a), and 74(2A) of the RMA).

No iwi planning documents that should be taken into account have been identified.

9.5 Strategic Context

The proposed plan change is consistent with, and supportive of, the Accelerate 25 economic growth initiative for the region. In relation to national issues, the plan change would increase the amount of land available for industrial business development in a location which is a logical extension of the existing industrial area and is well located in respect to capitalising on its strategic position close to transport infrastructure.

10. ASSESSMENT AGAINST DISTRICT PLAN ZONE OBJECTIVES

10.1 Industrial Zone Objectives

As already noted, the proposal does not look to change the existing District Plan Industrial Zone Objectives and Policies. The proposal is therefore considered against the existing Objectives and Policies to understand if it is the best way to achieve these.

The District Plan identifies the following RMA issue as being relevant to the Industrial Zone:

Encourage industrial activity on appropriately-zoned land, as these activities are not generally compatible with more sensitive land uses such as residential.

The existing Industrial Zone objectives and policies are as follows:

Objective 5: Industrial activities are sited in appropriate locations and their effects managed where these are significant.

A1-5.1 Contain industrial activities principally within the Industrial Zone to manage environmental effects, permit industrial activities in other zones where effects are minor, and enable industrial activities associated with primary production in the Rural Zone.*

A1-5.2 Ensure non-industrial activities do not, through reverse sensitivity effects, create conflicts with industrial activities.

A1-5.3 Maintain connection between industrial activities and key road[^] and rail corridors in the District.*

The zone change will better align any future industrial activity on the site with the District Plan Objectives and Policies as the rezoning would provide for planned industrial activities in a location chosen by the Council and therefore the activity will be anticipated by the Plan.

The Proposed Plan Change would allow future industrial activities to be contained within the Industrial Zone to manage effects and provide economic efficiencies through potential clustering of activities. This is a strategic approach to direct new industrial activity to a specific area, in effect being an extension to the existing industrial zone boundary. The alternative, where opportunistic locations are determined by developers on an ad-hoc basis, could result in a dispersed pattern of industrial activity and associated effects across the Rangitikei District.

The location of the Proposed Plan Change will provide for clustering of like activities, reducing the potential for reserve sensitivity effects due to the site being surrounded by Rural and Industrial Zone land and bounded by roads or the rail line, as opposed to more sensitive land uses such as residential activities. The location will also provide access to existing infrastructure, particularly a direct connection to SH1 and the Main Trunk Line rail corridor.

11. SECTION 32 EVALUATION - APPROPRIATENESS, EFFICIENCY AND EFFECTIVENESS OF PROPOSED PLAN CHANGE

11.1 Section 32 Requirements

The RMA requires under section 32 that an evaluation be undertaken of any proposed plan, plan change or variation. Section 32 is set out in full as follows:

(1) An evaluation report required under this Act must –

(a) examine the extent to which the objectives of the proposal being evaluated are the most appropriate way to achieve the purpose of this Act; and

(b) examine whether the provisions in the proposal are the most appropriate way to achieve the objectives by—

(i) identifying other reasonably practicable options for achieving the objectives; and

(ii) assessing the efficiency and effectiveness of the provisions in achieving the objectives; and

(iii) summarising the reasons for deciding on the provisions; and

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

(2) An assessment under subsection (1)(b)(ii) must:

(a) identify and assess the benefits and costs of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the provisions, including the opportunities for—

(i) economic growth that are anticipated to be provided or reduced; and

(ii) employment that are anticipated to be provided or reduced; and

(b) if practicable, quantify the benefits and costs referred to in paragraph (a); and

(c) assess the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions.

(3) If the proposal (an amending proposal) will amend a standard, statement, regulation, plan, or change that is already proposed or that already exists (an existing proposal), the examination under subsection (1)(b) must relate to—

(a) the provisions and objectives of the amending proposal; and

(b) the objectives of the existing proposal to the extent that those objectives—

(i) are relevant to the objectives of the amending proposal; and

(ii) would remain if the amending proposal were to take effect.

(6) In this section,—

objectives means,—

(a) for a proposal that contains or states objectives, those objectives:

(b) for all other proposals, the purpose of the proposal

proposal means a proposed standard, statement, regulation, plan, or change for which an evaluation report must be prepared under this Act

provisions means,—

(a) for a proposed plan or change, the policies, rules, or other methods that implement, or give effect to, the objectives of the proposed plan or change:

(b) for all other proposals, the policies or provisions of the proposal that implement, or give effect to, the objectives of the proposal.

11.2 Is the proposal the Most Appropriate Way to Achieve the Purpose of the RMA? Section 32(1)(a)

The following assessment considers whether the objective (purpose of the proposal) is the most appropriate way to achieve the purpose of the RMA. For clarity, the purpose of the proposal is *to enable new investment in industrial activities in Marton by providing additional Industrial Zone land.*

As explained in Section 3 of this report, the current Industrial Zone land supply in the Rangitikei District is not considered appropriate to meet the needs of large industrial activities or for the targeted clustering of activities. Therefore, additional land with an Industrial Zone will be needed for any future activity of this nature. No alternative locations were considered as the Plan Change is specific to this site.

As outlined in Section 8 of this report, the proposal amends the District Plan in a way that will still achieve integrated management of the effects for the use and development of land for industrial purposes:

- The proposal seeks to enable people and communities to provide for their social and economic wellbeing by providing a greater area of industrial land enables future investment in industrial activities in the district.
- The proposal does involve an additional loss of versatile land from the Rangitikei District for agricultural purposes, which is a consideration when having regard to meeting the needs of future generations and safeguarding the capacity of soil, as well as the finite characteristics of natural and

physical resources, however the encroachment on productive soils would likely have a small impact on the district's farming in the medium term.

- The establishment of additional Industrial Zone land on a site neighbouring an existing established Industrial Zone provides for the clustering of like activities. Such clustering of industrial activities lessens the potential for reverse sensitivity effects by reducing the potential for industrial activities to be located next to sensitive activities (as compared to stand alone industrial activities).
- Tools such as performance standards can help to avoid, remedy and mitigate any adverse effects on the environment including the management of significant risks from natural hazards, and the maintenance and enhancement of amenity values and the quality of the environment.
- Consolidation of industrial activities and ancillary activities requiring access to the rail and state highway network is an efficient use of the physical resource of the road and rail network and existing wastewater and water mains provides for efficient use and development of natural and physical resources and the efficiency of the end use of energy.
- Consultation with Ngā Wairiki-Ngāti Apa has not identified any particular issues in regard to meeting Treaty of Waitangi obligations.

Ultimately, the proposal gives effect to the Regional Policy Statement, and is efficient and effective in providing for long term industrial growth in the Rangitikei District in a way and at a rate which enables people and communities to provide for their social, economic and cultural wellbeing; meets the reasonably foreseeable needs of future generations; safeguards the life-supporting capacity of air, water, soil and ecosystems; and avoids, remedies or mitigates adverse effects on the environment. As such, the proposal is confirmed as representing the most appropriate way to provide for the sustainable management of the district's resources – the purpose of the RMA.

11.3 Are the Provisions the Most Appropriate Way to Achieve the purpose of the proposal? Section 32(2)(b)

The assessment considers whether the proposed amendments to the District Plan Maps to provide additional Industrial Zone land are the most appropriate way to enable new investment industrial activities in Marton. Three options were identified and assessed:

- **Rezone as proposed:** this option involves rezoning the 217 ha of land to Industrial as proposed.
- **Do nothing:** this option involves retaining the Rural Zone. Resource Consent could be applied for to undertake industrial activities on the site.
- **Reduce the area to be rezoned (approximately 100ha):** this option involves rezoning a smaller area than proposed to Industrial.
- **Site specific bespoke industrial provisions:** this option includes greater amenity controls and controls to address infrastructure constraints or natural hazard risks

The assessment was undertaken based on all the information available including specialist reports. Refer to Table 1 in Appendix 1.

11.4 Efficiency and effectiveness

Overall the evaluation identifies **Option 1** (the Proposal) as the most effective and efficient at achieving the purpose. Option 2 (Do Nothing / Resource Consent) may not be effective at achieving the purpose as the industrial activity may not take place at all if the zoning framework is not appropriately enabled (noting the land is currently zoned for rural purposes). The efficiency of Option 2 would be significantly

lower as industrial activities such as those being targeted would not be anticipated in the District Plan, This option would mean a less certain, and a more costly and onerous process for both developer and the consenting authorities. Option 3 (Reduced Area) could potentially impact on the viability and reduce the benefits based on the '*Potential Industry Types*' assessment outcomes as discussed in Section 3.1.3.1. Option 4 (Site Specific Provisions) would not be efficient as the current objectives and policies are appropriate, relevant and tested.

Ultimately, the Industrial Zone objectives and policies are appropriate in terms of their efficiency and effectiveness for the following reasons:

- They have been tested through the process of preparing the District Plan and its adoption and becoming operative.
- They have previously been subject to a Section 32 analysis as part of the above process.
- The industrial zone objectives and policies have been specifically designed to relate to industrial areas. It is appropriate to apply them to this area as it is a logical extension of an existing industrial area of the district.

Alternatives to the adoption of the industrial area objectives and policies are:

- To continue with the rural zone objectives and policies which effectively prevent the type of industrial development that the change seeks to facilitate.
- To provide site specific objectives and policies which would, in effect, create a new zone. This would not be efficient as the current objectives and policies are appropriate, relevant and tested.

11.5 Risk of Acting / Not Acting

The risks associated with the plan change are generally understood. Analysis has identified that further information regarding traffic effects and geotechnical effects would be beneficial to assess the proposal. The Council is addressing the insufficiency of the information in both cases identified and the evidence/information on those matters will inform the position taken at the hearing and will be available to rely on for the purpose of any further evaluation under section 32AA. As such, the risk of acting is assessed as low because the information insufficiency is likely to be addresses through the plan change process and the work being undertaken in response to the identification of insufficiency.

The real issue is that the risks attached to not proceeding with the plan change are likely to include:

- Lost opportunities for industrial development.
- Underutilisation of land and infrastructure.

12. SUMMARY AND CONCLUSIONS

This report has provided a background as to why the Proposed Plan Change, involving changing Rural to Industrial Zone land is necessary and includes a description of what is proposed. The potential effects of the proposal are assessed and the consultation that has been undertaken to date has been outlined.

Under the RMA any plan change is required to be assessed against various statutory instruments. Such an assessment is provided in this report, including an assessment of the proposal against:

- Sections 72 – 75 of the RMA
- Part 2 of the RMA
- The Regional Policy Statement (Horizons Regional One Plan)
- Section 32 of the RMA

The purpose of the proposal is established in the report as *“to enable new investment in industrial activities in Marton by providing additional Industrial Zone land”*.

The analysis demonstrates that the objectives and policies of the Industrial Zone are appropriate, efficient and effective in addressing the issues. The assessment of alternative methods shows that the plan change mechanism offers the best solution. Consideration of the costs and benefits, in social, economic and environmental terms, demonstrates the advantages of pursuing the plan change – and the fact that there are few disadvantages, and that they are minor.

The report demonstrates that the proposal and provisions to achieve the proposal promote sustainable management in terms of the purpose of the RMA and are appropriate for achieving the above purpose and the relevant objectives of the Plan.

Next Steps

Submissions will be sought on this Proposed Plan Change. The submission period will be for a minimum of 20 days. Any changes, as informed by submissions or further information received, will be made to the Proposed Plan Change before the further submission period. The Plan Change will then be taken to a public hearing.

APPENDIX 1.

Table 1: Assessment of proposal options and costs and benefits

Provision Options	Costs	Benefits
<p>1. Rezone as proposed: this option involves rezoning the 217 ha of land to Industrial as proposed – using the existing Industrial Zone provisions</p>	<p>Environmental:</p> <ul style="list-style-type: none"> - Increased discharges, earthworks, and run-off. <p>Economic:</p> <ul style="list-style-type: none"> - Loss of productive rural land for the district. - Existing landowners will not have ongoing income. - Additional infrastructure capacity required. <p>Social & Cultural</p> <ul style="list-style-type: none"> - Amenity effects / reverse sensitivity (e.g. noise, odour, visual) effects of future industrial activities on neighbouring properties. - No known cultural effects. 	<p>Environmental:</p> <ul style="list-style-type: none"> - Industrial Zone provides controls to manage discharges, earthworks, and run-off. - Location of site allows for maximum utilisation of rail network for transportation of goods. <p>Economic:</p> <ul style="list-style-type: none"> - Increased likelihood of new industrial activities locating in the district with significant ongoing economic and employment benefits. - Efficient use of rail infrastructure to reduce costs. <p>Social & Cultural</p> <ul style="list-style-type: none"> - Wider variety of employment options which could reduce unemployment in the district (potential increases to household incomes) as well as flow on benefits for other businesses. - Industrial Zone provides for controls to manage amenity effects. - No known cultural effects.
<p>2. Do nothing: this option involves retaining the</p>	<p>Environmental:</p> <ul style="list-style-type: none"> - If potential industrial activities are approved under a resource consent process then there would be increased discharges, earthworks, and run-off. As 	<p>Environmental:</p> <ul style="list-style-type: none"> - If industrial uses were undertaken through a resource consent process provisions would control discharges, earthworks, and run-off however as the activity would

<p>Rural Zone. Resource Consent could be applied for to undertake industrial activities on the site.</p>	<p>the activity would not be anticipated in the plan, district and regional planning may not be consistent with the land use.</p> <p>Economic:</p> <ul style="list-style-type: none"> - If a resource consent application was made there would be less certainty that land could be used for industrial activities and a more onerous process which could discourage industrial activities taking place. This could result in the potential loss of industrial uses of significantly higher economic value than the existing rural uses. - Greater costs to the Council if the activity is not anticipated as infrastructure, particularly transport upgrades, may need to be incorporated into long term planning. <p>Social & Cultural</p> <ul style="list-style-type: none"> - If industrial activities are not approved, the potential benefits from greater employment would not be realised. - No known cultural effects. 	<p>not be anticipated in the plan, it may not be applied consistently with other Industrial Zones.</p> <ul style="list-style-type: none"> - Location of site allows for maximum utilisation of rail network for transportation of goods (reducing CO2 emissions). <p>Economic:</p> <ul style="list-style-type: none"> - If potential industrial activities are approved through a resource consent process, there will be significant ongoing economic and employment benefits for the district. - If resource consent approved, industrial activities could achieve efficient use of rail infrastructure to reduce costs. - If resource consent not approved, financial returns from the land likely to remain similar to the status quo as the land is not suitable for more intensive farming. <p>Social & Cultural</p> <ul style="list-style-type: none"> - If resource consent approved, a wider variety of employment options which could reduce unemployment in the district (potential increases to household incomes) as well as flow on benefits for other businesses. - If resource consent is not approved, potential amenity / reverse sensitivity effects of industrial activities on neighbouring properties will be avoided. - No known cultural effects.
<p>3. Reduce the area to be rezoned</p>	<p>Environmental:</p> <ul style="list-style-type: none"> - If industrial activities take place, there are likely to be increased discharges, earthworks, and run-off 	<p>Environmental:</p> <ul style="list-style-type: none"> - If industrial activities are possible, the effects (discharges, earthworks, and run-off) of industrial

<p>(approximately 100ha): this option involves rezoning a smaller area than proposed to Industrial</p>	<p>when compared to existing rural uses.</p> <ul style="list-style-type: none"> - The proposed site area has access options from both Wings Line and Makirikiri Road. A reduced area would potentially only enable access from one of these roads, possibly reducing efficiency, safety and putting additional pressure on the road network. <p>Economic:</p> <ul style="list-style-type: none"> - Overall economic benefits are likely to be less than proposed site area due to smaller scale of activities however the remainder of the land could still be used for rural production and therefore could retain some economic benefits from that activity. - Risk that industrial activities would be unfeasible or would not be able to realise benefits of clustering activities on a smaller site area and therefore would not take place at all. - Additional infrastructure capacity would likely still be required regardless of smaller land area. <p>Social & Cultural</p> <ul style="list-style-type: none"> - If industrial activities are possible, increased potential reverse sensitivity / amenity effects on neighbours directly adjacent to the site. The proposed site area is bounded by roads on three sides, and the Main Trunk Line on part of the fourth side, which provides a natural boundary. This could impact on potential activities that could take place on the site. - If industrial activities are not possible, the potential 	<p>activities is likely to be slightly less than that of the proposed site area due to the reduction of industrial activities.</p> <ul style="list-style-type: none"> - Location of site allows for maximum utilisation of rail network for transportation of goods. <p>Economic:</p> <ul style="list-style-type: none"> - Retaining some of the land for rural productive uses would allow the economic benefits (albeit less benefits than for industrial activities) from this activity to continue. - Efficient use of rail infrastructure to reduce costs. <p>Social & Cultural</p> <ul style="list-style-type: none"> - If industrial activities are feasible there would be a wider variety of employment options which could reduce unemployment in the district (potential increases to household incomes) as well as flow on benefits for other businesses however these would be less than the proposed site area. - No known cultural effects.
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	<p>benefits from greater employment would not be realised.</p> <ul style="list-style-type: none"> - No known cultural effects. 	
<p>4. Site specific bespoke industrial zone and rules: Could include greater amenity controls, and controls to address infrastructure constraints or natural hazard risks</p>	<p>Environmental:</p> <ul style="list-style-type: none"> - Increased discharges, earthworks, and run-off. <p>Economic:</p> <ul style="list-style-type: none"> - Loss of productive rural land for the district. - Existing landowners will not have ongoing income. - Additional infrastructure capacity required. - Different objectives and policies than in the existing Industrial Zone which could result in an inconsistent approach to industrial activities in the district and potentially more onerous provisions for potential developers to meet. - Need to formulate new and different objectives and policies and the ongoing interpretation and application costs to Council. <p>Social & Cultural</p> <ul style="list-style-type: none"> - Amenity effects / reverse sensitivity (e.g. noise, odour, visual) effects of future industrial activities on neighbouring properties. - No known cultural effects. 	<p>Environmental:</p> <ul style="list-style-type: none"> - Industrial Zone provides controls to manage discharges, earthworks, and run-off. - Location of site allows for maximum utilisation of rail network for transportation of goods. <p>Economic:</p> <ul style="list-style-type: none"> - Increased likelihood of new industrial activities locating in the district with significant ongoing economic and employment benefits. - Efficient use of rail infrastructure to reduce costs. - Bespoke controls to address any infrastructure constraints on the site which could reduce costs to Council. <p>Social & Cultural</p> <ul style="list-style-type: none"> - Wider variety of employment options which could reduce unemployment in the district (potential increases to household incomes) as well as flow on benefits for other businesses. - Bespoke controls to specifically manage amenity effects on neighbouring properties. - No known cultural effects.