



Section 32 Evaluation Report

Rural Industrial Sub Zone

Contents

Section 32 Evaluation Report: Rural Industrial Sub Zone	2
1. Statutory Context	2
2. Iwi Management Plans	5
3. Regional Planning Documents	7
4. Resource Management Issues	9
5. Purpose and Options	10
6. Scale and Significance Evaluation	12
7. Evaluation of proposed Objective Section 32 (1) (a)	12
8. Evaluation of the proposed provisions Section 32 (1) (b)	14
9. Efficiency and effectiveness of the provisions	21
10. The risk of not acting	21
Attachments:	21

Section 32 Evaluation Report: Rural Industrial Sub Zone

Section 32 of the *Resource Management Act 1991* (the Act) requires objectives in plan change proposals to be examined for their appropriateness in achieving the purpose of the Act, and the policies and methods of those proposals to be examined for their efficiency, effectiveness and risk in achieving the objectives (MFE, 2014).

As required by section 32 of the RMA, this report provides the following:

- An overview of the applicable **Statutory Policy Context**
- Description of the **Non-Statutory Context** (strategies, studies and community plans) which have informed proposed provisions
- Description of the **Resource Management Issues** which provide the driver for proposed provisions
- An **Evaluation** against Section 32(1)(a) and Section 32(1)(b) of the Act, that is:
 - o Whether the objectives are the most appropriate way to achieve the RMA's purpose (s32(1)(a)).
 - o Whether the provisions (policies and methods) are the most appropriate way to achieve the objectives (S32(1)(b)), including:
 - identifying other reasonably practicable options for achieving the objectives,
 - assessing the efficiency and effectiveness of the provisions in achieving the objectives, and
 - summarising the reasons for deciding on the provisions.
- A **level of detail** that corresponds to the scale and significance of the environmental, economic, social and cultural effects that are anticipated from the implementation of the proposal (s32(1)(c))
- Consideration of **Risk**

1. Statutory Context

Resource Management Act 1991

The purpose of the Act requires an integrated planning approach and direction, as reflected below:

5 Purpose

- (1) *The purpose of this Act is to promote the sustainable management of natural and physical resources.*
- (2) *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—*
 - (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 assessment contained within this report considers the proposed provisions in the context of advancing the purpose of the Act to achieve the sustainable management of natural and physical resources. The District's landscapes and natural environment are highly recognised and valued. The Council's Economic Development Strategy 2015 states:

'The outstanding scenery makes the District a highly sought after location as a place to live and visit.' And, 'The environment is revered nationally and internationally and is considered by residents as the area's single biggest asset.'

The Queenstown Lakes District is one of the fastest growing areas in New Zealand and the recent estimates (refer to more detail in the Strategic Directions Section 32 report) predict that the District will continue to experience significant population growth over the coming years, largely off the back of strong forecasted growth in visitors. A strategic policy approach is essential to manage future growth pressures in a logical and coordinated manner to promote the sustainable management of the valued landscape, nature conservation, productive land and infrastructure resources within the Rural Zone.

Section 31 of the Act outlines the function of a territorial authority in giving effect to the purpose of the Act:

31 Functions of territorial authorities under this Act

(1) Every territorial authority shall have the following functions for the purpose of giving effect to this Act in its district:

(a) the establishment, implementation, and review of objectives, policies, and methods to achieve integrated management of the effects of the use, development, or protection of land and associated natural and physical resources of the district

Section 31 provides the basis for objectives, policies, and methods within a District Plan, to manage the effects of use, development or protection of land and associated natural and physical resources of the district.

Consistent with the intent of Section 31, the proposed provisions of the Rural Zone Chapter enables an integrated approach to the management of the multiple resources within the Rural Zone.

Section 6 Matters of National Importance is of direct relevance to the Rural Zone Chapter.

6 Matters of National Importance

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 recognise and provide for the following matters of national importance:

- (a) the preservation of the natural character of the coastal environment (including the coastal marine area), wetlands, and lakes and rivers and their margins, and the protection of them from inappropriate subdivision, use, and development:*
- (b) the protection of outstanding natural features and landscapes from inappropriate subdivision, use, and development:*
- (c) the protection of areas of significant indigenous vegetation and significant habitats of indigenous fauna:*
- (d) the maintenance and enhancement of public access to and along the coastal marine area, lakes, and rivers:*
- (e) the relationship of Maori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga:*
- (f) the protection of historic heritage from inappropriate subdivision, use, and development:*
- (g) the protection of protected customary rights*

Section 7 Other matters also includes a number of matters directly relevant to these chapters.

7 Other matters

In achieving the purpose of this Act, all persons exercising functions and powers under it, in relation to managing the use, development, and protection of natural and physical resources, shall have particular regard to—

- (a) kaitiakitanga:*
- (aa) the ethic of stewardship:*
- (b) the efficient use and development of natural and physical resources:*

- (ba) the efficiency of the end use of energy:*
- (c) the maintenance and enhancement of amenity values:*
- (d) intrinsic values of ecosystems:*
- (e) [Repealed]*
- (f) maintenance and enhancement of the quality of the environment:*
- (g) any finite characteristics of natural and physical resources:*
- (h) the protection of the habitat of trout and salmon:*
- (i) the effects of climate change:*
- (j) the benefits to be derived from the use and development of renewable energy.*

In particular, Section 7(b) requires regard is had to the efficient use and development of natural and physical resources. The Rural Zone contains land utilised for primary production purposes.

Local Government Act 2002

Section 14 - Principles relating to local authorities

Sections 14(c), (g) and (h) of the Local Government Act 2002 are also of relevance in terms of policy development and decision making:

- (c) when making a decision, a local authority should take account of—*
 - (i) the diversity of the community, and the community's interests, within its district or region; and*
 - (ii) the interests of future as well as current communities; and*
 - (iii) the likely impact of any decision on the interests referred to in subparagraphs (i) and (ii):*
- (g) a local authority should ensure prudent stewardship and the efficient and effective use of its resources in the interests of its district or region, including by planning effectively for the future management of its assets; and*
- (h) in taking a sustainable development approach, a local authority should take into account—*
 - (i) the social, economic, and cultural interests of people and communities; and*
 - (ii) the need to maintain and enhance the quality of the environment; and*
 - (iii) the reasonably foreseeable needs of future generations*

As per Part II of the RMA, the provisions emphasise a strong intergenerational approach, considering not only current environments, communities and residents but also those of the future. They demand a future focussed policy approach, balanced with considering current needs and interests. Like the RMA, the provisions also emphasise the need to take into account social, economic and cultural matters in addition to environmental ones.

Section 14(g) is of relevance in so far as a planning approach emphasises that the Rural Zone comprises the majority of the District's valued landscapes, surface of waterbodies, indigenous biodiversity and rural productive land resources.

Having regard to these provisions, the planning approach is to not interpret these provisions through a single lens, but to manage the resource for the benefit of the District and wider region. The approach through this review is to provide a balanced framework in the District Plan to manage these resources appropriately. Furthermore, there is an emphasis on presenting the provisions in a manner that is clearly interpreted to facilitate effective and efficient District Plan administration.

2. Iwi Management Plans

When preparing or changing a district plan, Section 74(2A)(a) of the RMA states that Council's must take into account any relevant planning document recognised by an iwi authority and lodged with the territorial authority, to the extent that its content has a bearing on the resource management issues of the district.

The following iwi management plans are relevant:

The Cry of the People, Te Tangi a Tauria: Ngāi Tahu ki Murihiku Natural Resource and Environmental Iwi Management Plan 2008 (MNRMP 2008)

Section 3.4, Takitimu Me Ona Uri: High Country and Foothills contain the following policies that have specific regard to subdivision and development:

3.4.2 High Country Pastoral Farming

Policy 1. Encourage sustainable pastoral farm land management practice whereby impacts on soil, vegetation and water quality are minimised.

3.4.8 Access and Tourism

Policy 2. Development that includes building activity should consider specific landscape and geographical features and the significance of these to Ngāi Tahu Whānui. Activity whereby buildings will protrude above ridgelines or displace site of cultural significance should be avoided.

Part 3.5.10: General Water Policy: includes,
Policies:

- 3. Protect and enhance the mauri, or life supporting capacity, of freshwater resources throughout Murihiku.*
- 4. Manage our freshwater resources wisely, mō tātou, ā, mō ngā uri ā muri ake nei, for all of us and the generations that follow.*
- 5. Promote the management of freshwater according to the principle of ki uta ki tai, and thus the flow of water from source to sea.*
- 6. Promote catchment management planning (ki uta ki tai), as a means to recognise and provide for the relationship between land and water.*
- 16. Prioritise the restoration of those waterbodies of high cultural value, both in terms of ecological restoration and in terms of restoring cultural landscapes.*
- 17. Ensure that activities in upper catchments have no adverse effect on mahinga kai, water quality and water quantity in lower catchments.*

Part 3.5.19: Riparian Zones, includes the following policies:

Policy 6. Avoid stock access to riparian zones and streambeds, except when required for intermittent vegetation control.

Policy 7. Encourage fencing of streams to protect riparian vegetation, and promote healthy riparian establishment.

3.4.14 Protecting Sites of Significance in High Country and Foothill Areas

Policy 6. Avoid compromising unidentified, or unknown, sites of cultural significance as a consequence of ground disturbance associated with land use, subdivision and development.

Section 3.5, Southland Plains: Te Rā a Takitimu contains the following policies that have specific regard to subdivision and development:

3.5.2 Wastewater

9. Encourage creative, innovative and sustainable approaches to wastewater disposal that make use of the best technology available, and that adopt principles of waste reduction and cleaner production (e.g. recycling grey water for use on gardens, collecting stormwater for a pond that can then be used for recreation in a new subdivision).

3.5.7 Subdivision and Development

Policies 1- 18 of the MNRMP contain a range of policies that are relevant to Subdivision and Development, and cover iwi involvement in planning processing and plan development, and interaction with developers and iwi, particularly where there may be significant effects, long term planning and cumulative effects, avoiding adverse effects on the natural environment and advocating for the use of esplanades reserves.

Kāi Tahu ki Otago Natural Resource Management Plan 2005 (KTKO NRMP 2005)

Part 10: Clutha/Mata-au Catchments *Te Riu o Mata-au* outlines the issues, and policies for the Clutha/Mata-au Catchments. Included in this chapter is a description of some of the Kāi Tahu ki Otago values associated with the Clutha/Mata-au Catchments. Generic issues, objectives and policies for all catchments across the Otago Region are recorded in Chapter 5 Otago Region.

The following policies are of particular relevance;

5.3.4: Bank Erosion:

Policy 43. To discourage activities on riverbanks that have the potential to cause or increase bank erosion.

Policy 44. To encourage the planting of indigenous vegetation from the local environs to help reduce continual erosion of the edge of rivers.

5.3.4: Land Use and management

Policy 54. To promote land use that suits the type of land and climatic conditions.

Policy 55. To encourage the exclusion of stock from waterways.

Policy 56. To oppose the draining of wetlands. All wetlands are to be protected.

Policy 57. To require a programme to monitor the effect of stock and agricultural activity on groundwater quality be established.

Policy 58. To promote integrated riparian management throughout entire catchments.

Policy 59. To oppose the indiscriminate use of chemicals or poisons in or near waterways.

5.6.4 Cultural Landscapes General Policies

Subdivisions:

- 1. To discourage subdivisions and buildings in culturally significant and highly visible landscapes.*
- 2. To encourage a holistic planning approach to subdivisions between the Local Government Agencies that takes into account the following:*
 - i. All consents related to the subdivision to be sought at the same time.*
 - ii. Protection of Kāi Tahu ki Otago cultural values.*
 - iii. Visual amenity.*
 - iv. Water requirements.*
 - v. Wastewater and storm water treatment and disposal.*
 - vi. Landscaping.*
 - vii. Location of building platforms.*

3. To require that where any earthworks are proposed as part of a subdivision activity, an accidental discovery protocol is to be signed between the affected papatipu Rūnaka and the Company.
4. To require applicants, prior to applying for subdivision consents, to contact Kāi Tahu ki Otago to determine the proximity of the proposed subdivision to sites of significance identified in the resource inventory.
5. To require public foot access along lakeshores and riverbanks within subdivisions.

Land Use 10.2.3 Wai Māori Policies in the Clutha/Mata-au Catchment

9. To encourage the adoption of sound environmental practices, adopted where land use intensification occurs.
10. To promote sustainable land use in the Clutha/Mata-au Catchment.
11. To encourage all consents related to subdivision and lifestyle blocks are applied for at the same time including, land use consents, water consents, and discharge consents.

3. Regional Planning Documents

Operative Regional Policy Statement 1998

Section 74 of the Act requires that a district plan prepared by a territorial authority must “give effect to” any operative Regional Policy Statement. The operative *Otago Regional Policy Statement 1998* is the relevant regional policy statement to be given effect to within the District Plan.

The operative RPS contains a number of objectives and policies of relevance to this plan change, specifically Objectives 5.4.1 to 5.4.4 (Land) and related policies which, in broad terms promote the sustainable management of Otago’s land resource by:

- Maintaining and enhancing the primary productive capacity and life supporting capacity of land resources;
- Avoid, remedy or mitigate degradation of Otago’s natural and physical resources resulting from activities utilising the land resource;
- Protect outstanding natural features and landscapes from inappropriate subdivision, use and development.

Objective 9.4.3 (Built Environment) and related policies are relevant and seek to avoid, remedy or mitigate the adverse effects of Otago’s built environment on Otago’s natural and physical resources, and promote the sustainable management of infrastructure.

These objectives and policies highlight the importance of the rural resource both in terms of the productive resources of the rural area and the protection of the District’s outstanding natural features and landscapes.

Proposed Regional Policy Statement 2015

Section 74 of the Act requires that a District Plan must “have regard to” any proposed regional policy statement.

The Proposed RPS was notified for public submissions on 23 May 2015, and contains the following objectives and policies relevant to the Rural Zone:

Proposed RPS 2015 Objective	Objectives	Policies	Relevance to the review of the Rural Zone
The principles of Te Tiriti o Waitangi are taken into account in resource management decision.	1.1	1.1.1, 1.1.2	The Ngāi Tahu Claims Settlement Act 1998 and associated Statutory Acknowledgement Areas in the Queenstown Lakes District are

			located within the Rural Zone. In addition, the lakes and rivers and majority of indigenous vegetation is contained within the Rural Zone. Refer to the respective Section 32 reports for these.
Kai Tahu values, rights and customary resources are sustained	1.2	21.2.1, 1.2.2, 1.2.3	The Rural Zone chapter manages land that is of interest and value in terms of culture and practices, ancestral lands, water, site, wahi tapu and other taoka.
The values of Otago's natural and physical resources are recognised, maintained and enhanced	2.1	2.1.1, 2.1.2, 2.1.5, 2.1.6, 2.1.7	Without falling out of scope or unnecessarily duplicating functions, the integrated management of resources includes the management of activities with regard to freshwater values, margins of water bodies, soil values, ecosystem and biodiversity values, recognising values of natural features and landscapes.
Otago's significant and highly-valued natural resources are identified, and protected or enhanced	2.2	2.2.1, 2.2.2, 2.2.3, 2.2.4, 2.2.5, 2.2.6, 2.2.14, 2.2.15. Schedule 4, Schedule 5	The Rural Zone contains the majority of the District's land that contains significant natural areas, outstanding natural features and landscapes, special amenity landscapes and the soil resource for the productive use of land.
Natural resource systems and their interdependencies are recognised.	2.3	2.3.1, 2.3.2	Applying an integrated approach to the management of Otago's physical resources to achieve sustainable management. To ensure that effects of activities on the whole of a resource are considered when that resource is managed by sub-units.
Protection, use and development of natural and physical resources recognises environmental constraints.	3.1	3.1.1	The Rural Zone contains areas of varying sensitivity that may create opportunities or constraints for activities seeking to utilise the respective resource.
Risk that natural hazards pose to the communities are minimised.	3.2	3.2.1, 3.2.2, 3.2.3, 3.2.4, 3.2.5, 3.2.6, 3.2.7, 3.2.8, 3.2.9, 3.2.10, 3.2.11	The Rural Zone contains land that is subject to natural hazards. Many non-farming activities including residential activity require resource consent as a discretionary activity and this provides the Council with the opportunity to assess the risk of natural hazards to development proposals.
Good quality infrastructure and services meet community needs. Infrastructure of national and regional significance is managed in a sustainable way.	3.4 and 3.5	3.4.1, 3.4.2, 3.4.3, 3.4.4, 3.5.1, 3.5.2, 3.5.3,	While much of the District's infrastructure is located within urban areas. Roads, Airports, and utilities pass through or affect the development potential of the Rural

Energy supplies to Otago's communities are secure and sustainable.			Zone. Also, often the resource is located within the Rural areas. The creation and maintenance of these need to be managed to be protected and to avoid impacts on users and receivers.
Energy Supplies to Otago's communities are secure and sustainable	3.6	3.6.1, 3.6.2, 3.6.3, 3.6.4, 3.6.5, 3.6.6	Much of the District's energy supplies are located within the Rural Zone, noting the Hydro Generation zone is not in the scope of stage 1 of review.
Urban growth is well designed and integrates effectively with adjoining urban and rural environments.	3.8	3.8.1, 3.8.2, 3.8.3	The maintenance of rural landscape values and retention of soil resource is co-dependant on the strategic planning of urban areas and the certainty provided by the identification of urban growth boundaries.
Public access to areas of value to the community is maintained or enhanced.	4.1	4.1.1	Public trails are contained within the rural zone. Public access is often raised as an issue that presents both opportunities and constraints for development proposals and the maintenance of productive activities.
Sufficient land is managed and protected for economic production.	4.3	4.3.1, 4.3.2, 4.3.6	Notwithstanding the value of the landscape and recreational resources to the District, The rural economy is an important component and the protection of the soil resource is recognised.
Otago's communities can make the most of the natural and built resources available for use.	4.4	4.4.3	Both permitted farming and viticulture and horticulture activities, in addition to other development proposals that seek to locate in the rural areas can degrade ecosystem health and recognition for opportunities to enhance existing areas.
Adverse effects of using and enjoying Otago's natural and built environment are minimised	4.5	4.5.1, 4.5.4, 4.5.5, 4.5.6, 4.5.7, 4.5.8	People are drawn to the rural areas for a wide range of farming and entrepreneurial opportunities and recreational activities. How these activities are managed will impact the communities' experience of the resource.

The evaluation and provisions have regard to the Proposed RPS.

4. Resource Management Issues

The resource management issue set out in this section has been identified from the following sources:

- Initial feedback on the Rural section of the District Plan Review
- Meetings with interested landowner

The key issue is:

Issue : Managing Rural Industrial Activities

While the predominant land use within the Rural Zone is farming there is a range of industrial and service activities that are aligned with farming and rural productive activities and have historically located in rural areas.

These activities compliment and support farming and rural productive activities and include fencing and agricultural contractors yards, firewood operations, sawmills, factories and fabrication yards.

Many of these activities, due to their scale and nature, are not ideally suited to industrial areas located within or adjacent to urban areas and by necessity seek to locate in rural areas. Consequently there are a number of established nodes on rural industrial development throughout the District.

The Operative District Plan, however, makes little to no provision for rural industrial activities with buildings (other than those located within an approved residential building platform) being a discretionary activity and Site Standard 5.3.5.1 iii, which relates to the scale and nature of activities, requiring that no good, materials or equipment is stored outside of a building and that all manufacturing, repair or processing of goods is undertaken within a building.

As such, regardless of a rural industrial activity's scale or potential effects, operators and landowners are faced with uncertainty and an often costly consent process when trying to establish within rural areas.

While this approach acknowledges the sensitivity of the District's rural areas in terms of landscape, character and amenity, it fails to acknowledge the contribution rural industrial activities make to the viability of farming and rural productive activities or the locations within the rural areas where such activities can be undertaken without resulting in significant adverse effects.

5. Purpose and Options

The overarching purpose of the proposed changes to the Operative District Plan is to provide for rural industrial activities to be undertaken within the Rural Zone while managing their adverse environmental effects.

In general terms, and within the context of this review, these goals and objectives are met by:

- Identifying a specific area(s) within which rural industrial activities are being or can be undertaken while protecting the landscape and amenity values of the wider Rural Zone.

Determining the most appropriate methods to resolve the issue identified will enable the Plan to give effect to relevant parts of the Strategic Directions chapter, and ultimately meet the purpose of the Act.

As required by section 32(1)(b) RMA, the following section considers various broad options considered to address the issue, and makes recommendations as to the most appropriate course of action.

Broad options considered to address the identified issue

Issue : Managing Rural Industrial Activities

Option 1: Retain the operative provisions

Option 2: Maintain the majority of the provisions with modification where necessary

Option 3: Comprehensive modification to the operative provisions **(Recommended)**

	Option 1: Status quo/ No change	Option 2: Amend Operative Provisions	Option 3: Comprehensive Changes
Costs	- Operators required to obtain consent for relatively small scale activities that have historically, and by necessity, occurred in rural areas - Consenting costs will be passed on to consumers and/or operators will be forced to look elsewhere - Council staffing costs	- Time/cost of research and consideration of alternatives - Potential for Environment Court Appeals - Likely to prove difficult to provide for rural industrial activities within the existing provisions while protecting the landscape, character and amenity values of the rural areas as a whole	- Potentially greater time/cost incurred when compared to Option 2 - Greater potential for Environment Court Appeals
Benefits	- Council staff already familiar with provisions and process - Current provisions acknowledge sensitivity of the rural environment in a general sense	District Plan Review is currently budgeted for and underway	- A comprehensive review is already budgeted for and underway - Review of rural industrial provisions could be incorporated into comprehensive review of the wider rural provisions - Provision can be made for rural industrial activities that support the viability of the wider rural zone - Specific locations for rural industrial activities can be identified while protecting the landscape, character and amenity values of the wider rural area.
Ranking	3	2	1

The principal aims of the District Plan review is to simplify the plan where appropriate and to provide greater clarity and certainty around development matters in the District. It is anticipated that this will remove some of the uncertainties that can restrict potential economic growth and associated employment provision. In accordance with these aims and based on the assessment above, Option 3 is considered the most practicable option.

6. Scale and Significance Evaluation

The level of detailed analysis undertaken for the evaluation of the proposed objective and provisions has been determined by an assessment of the scale and significance of the implementation of the proposed provisions for rural industrial activities in the Rural Zone. In making this assessment, regard has been had to the following, namely whether the objective and provisions:

- Result in a significant variance from the existing baseline.
- Have effects on matters of national importance.
- Adversely affect those with specific interests, e.g., Tangata Whenua.
- Involve effects that have been considered implicitly or explicitly by higher order documents.
- Impose increased costs or restrictions on individuals, communities or businesses.

7. Evaluation of proposed Objective Section 32 (1) (a)

Section 32(1) of the RMA requires the Council to evaluate the extent to which the objectives are the most appropriate way to achieve the purpose of the Act.

Specifically, the proposed Objective for rural industrial activities has been developed to set a clear direction for the establishment of a Rural Industrial Sub Zone while avoiding more sensitive locations within the wider Rural Zone and ensuring that landscape, character and amenity values are protected thus balancing the environmental, social, economic and cultural needs of the District.

Proposed Objective	Appropriateness
21.2.13 (Rural Zone) <i>Enable rural industrial activities within specific locations, which support farming and rural productive activities, while protecting, maintaining and enhancing rural character, amenity and landscape values.</i>	While the predominant land use within the Rural Zone is farming there is a range of industrial and service activities that are aligned with farming and rural productive activities and have historically located in rural areas. These activities of an industrial nature compliment and support farming and rural productive activities and include fencing and agricultural contractors yards, firewood operations, sawmills, factories and fabrication yards. Many of these activities, due to their scale and nature, are not ideally suited to industrial areas located within or adjacent to urban areas and by necessity seek to locate in rural areas. Consequently there are a number of established nodes on rural industrial development throughout the District. The objective is the most appropriate way to meet the purpose of the RMA to recognise for rural service based and industrial in appropriate locations within the Rural Zone. Strategic Directions: • Relevant to 3.2.1.4 - Recognise the potential for rural areas to diversify their land use beyond the strong productive value of farming, provided a sensitive approach is taken to rural amenity, landscape character and healthy ecosystems. • Consistent with Objective 3.2.2.1 'Ensure Urban development occurs in a logical manner'. • Consistent with Objective 3.2.5.1 'Protect the natural character of Outstanding Natural Landscapes and Outstanding Natural Features from subdivision, use and development'. • Consistent with Objective 3.2.5.2 - Minimise the adverse landscape effects of subdivision, use or development in specified Rural Landscapes. • Consistent with Objective 3.2.5.3 - Direct new subdivision, use or development to occur in those areas which have potential to absorb change without detracting from landscape and visual amenity values. • Consistent with Objective 3.2.5.4 - Recognise there is a finite capacity for residential activity in rural areas if the qualities of our landscape are to be maintained. • Consistent with Objective 3.2.5.5 - Recognise that agricultural land use is fundamental to the character of our landscapes. Gives effect to RPS objectives 5.4.1, 5.4.2 and 5.4.3 and policies 5.5.2, 5.5.3, 5.5.4 and 5.5.6 (Land). Gives effect to RPS objectives 9.4.1 and 9.4.3 and policy 9.5.4 (Built Environment). Gives effects to RPS objectives 5.4.1, 5.4.3 and policies 5.5.2, 5.5.3 and 5.5.4 (Land)

	Gives effect to RPS objective 9.4.3 and policy 9.5.4 (Built Environment). Has regard to the Proposed RPS 2015: • Objective 2.2 – Otago’s significant and highly-valued natural resources are identified, and protected or enhanced. • Objective 2.3 - Natural Resource systems and their interdependence are recognised • Objective 4.3 – Sufficient land is managed and protected for economic production
--	--

The above objective is considered to be the most appropriate method of achieving the purpose of the Act, as it identifies and gives direction as to the how the specific issues that pertain to the management of rural industrial activities within the Rural Zone are addressed.

8. Evaluation of the proposed provisions Section 32 (1) (b)

The below table considers whether the proposed provisions are the most appropriate way to achieve the relevant objective. In doing so, it considers the costs and benefits of the proposed provisions and whether they are effective and efficient. The proposed provisions are grouped by issue for the purposes of this evaluation.

(See also Table detailing broad options considered in Section 4, above)

Issue : Managing Rural Industrial Activities

21.2.13 (Rural Zone) – Enable rural industrial activities within specific locations, which support farming and rural productive activities, while protecting, maintaining and enhancing rural character, amenity and landscape values.

Summary of proposed provisions that give effect to this objective:

Rural Policies

- *New policy (21.2.13.1) Provide for rural industrial activities and buildings within established nodes of industrial development while protecting, maintaining and enhancing landscape and amenity values.*
- *New policy (21.2.13.2) Provide for limited retail and administrative activities within the Rural Industrial Sub Zone on the basis it is directly associated with and ancillary to the Rural Industrial Activity on the site.*

Zoning Changes

- *Identification of a Rural Industrial Sub Zone.*

Rural Rules

- *Reference to the Rural Industrial Sub Zone added at 21.3.3.8 to clarify that all rules applicable to the Rural Zone apply to the Rural Industrial Sub Zone unless otherwise stated.*
- *Provisions made within Table 1 for retail and office activities ancillary to rural industrial activities within the Rural Industrial Sub Zone.*
- *Provisions added within Table 1 relating to Industrial Activities.*
- *Amendment to Rule 21.5.1 of Table 2 to exclude the Rural Industrial Sub Zone from the general internal boundary setback requirement.*
- *Table 8 added setting out Standards for activities within the Rural Industrial Sub Zone.*

Definitions

- *New definition added for Rural Industrial Activities.*

Proposed provisions	Costs	Benefits	Effectiveness & Efficiency
<u>Policies:</u> <i>Proposed Policy 21.2.13.1</i> <i>Provide for rural industrial activities and buildings within established nodes of industrial development while protecting, maintaining and enhancing landscape and amenity values.</i> <i>Proposed Policy 21.2.13.2</i> <i>Provide for limited retail and administrative activities within the Rural Industrial Sub-Zone on the basis it is directly associated with and ancillary to the Rural Industrial activity on the site.</i>	The proposed policy encourages rural industrial activities to be undertaken within existing nodes of industrial development. If not carefully considered and appropriately defined this could result in the expansion and intensification of existing nodes of industrial development to a point where the landscape, character and amenity of the wider Rural Zone may be compromised. The proposed policy allows for some retail and administrative activities to be undertaken within the Rural Industrial Sub Zone which may result in an increased level of activity within the Sub Zone and on adjoining roads than might otherwise occur.	The proposed policy recognises the necessity for certain industrial activities to locate within the Rural Zone and directs those activities to locations within the zone where landscape, character and amenity values are less likely to be compromised. The proposed policy acknowledges that industrial activities generally include some form of ancillary retail or administrative activity and makes provision for such activities to occur within the Rural Industrial Sub Zone while making it clear that the Sub Zone is primarily intended for industrial activities and the nature and scale of ancillary activities will be limited.	The proposed policy is considered an effective and efficient means of achieving the proposed Objective in that it promotes the location of rural industrial activities in areas of the Rural Zone which are less sensitive to change while seeking to protect landscape and amenity values. The proposed policy is considered an effective and efficient means of ensuring that the primary purpose of the Rural Industrial Sub Zone is to provide for rural industrial activities while acknowledging that limited ancillary activities will be appropriate.

<u>Zoning Changes:</u> <i>Proposed Rural Industrial Sub Zone</i>	The identification of a Rural Industrial Sub Zone promotes the development and intensification of rural industrial activities within those areas. The degree of control which Council holds over rural industrial activities within the Rural Industrial Sub Zone will be reduced. The direction of rural industrial activities to locate within the Rural Industrial Sub Zone reduced the scope for rural industrial activities to be undertaken elsewhere in the Rural Zone.	The identification of a Rural Industrial Sub Zone provides a location within which rural industrial activities may be undertaken without the need for a costly and uncertain consent process. The direction of rural industrial activities towards the Rural Industrial Sub Zone will allow Council to better manage the adverse effects of industrial activities in the wider Rural Zone.	The identification of a Rural Industrial Sub Zone is considered an effective and efficient way of identifying areas of the Rural Zone where industrial activities can be located without resulting in adverse effects on the landscape and amenity values of the wider Rural Zone.
<u>Proposed Rules:</u> <i>Rule 21.3.3.8 – clarification of provisions</i>	It is considered that there is no cost associated with this rule.	The amendment of Rule 21.3.3.7 to make reference to the proposed Rural Industrial Sub Zone provided clarification on how the Rural Zone rules will be applied.	The proposed clarification is considered effective and efficient in that it avoids uncertainty as to how the rules will be applied and/or unnecessary repetition of rules.
<i>Rules Table 1</i>	These rules provide for retail and office activities that are ancillary to industrial activities to be located within the Rural Industrial Sub Zone. This may result in a degree of activity within the Sub Zone and on the adjoining roads that might not otherwise occur.	It is likely that rural industrial activities located within the Rural Industrial Sub Zone will include some form of retail sales of goods produced on site and/or ancillary office activities. The provision for this through the proposed rules will avoid the need for additional resource consents for these ancillary activities. The scale and nature of ancillary retail	It is considered that the inclusion of proposed rules is an effective and efficient means of providing for activities that are ancillary to, and support, the principal industrial activities that may be undertaken within the Sub Zone. Further control over the scale and nature of these ancillary activities can be provided through the proposed rules specifically relating to the Rural Industrial Sub Zone

<i>Rules 21.4.33 to 21.4.35– Table 1</i>	Aside from the provision for Rural Industrial Activities to locate within specific areas of the Rural Zone it is considered that there is no cost associated with grouping the Table 1 rules relating to industrial activities as a separate sub group within Table 1.	activities can be controlled through proposed Rule 21.5.34 that restricts the display of items for sale to 10% of the floor area. Proposed Rule 21.4.33 provides for Rural Industrial Activities to be located within the Rural Industrial Sub Zone as a permitted activity and therefore achieves the proposed Objective. The creation of a sub group of rules, within Table 1, relating to industrial activities provides clarity and makes a distinction between industrial activities from commercial activities.	(Table 8). The proposed rules are considered an effective and efficient means of addressing industrial activities within Table 1.
<i>Rule 21.5.1 –Table 2</i>	The exclusion of the Rural Industrial Sub Zone from the general setback from internal boundaries rule effectively means that there will be no internal boundary setback for buildings within the Rural Industrial Sub Zone. This is likely to result in a reduced level of openness and amenity within the Sub Zone.	The exemption of the Rural Industrial Sub Zone from the general setback requirements acknowledges that the anticipated character and amenity of the Sub Zone will different to that of the wider Rural Zone with a greater emphasis being placed on the provision of useable land than the protection of openness or amenity values within the Sub Zone.	The proposed exemption of the Rural Industrial Sub Zone from the general setback requirements is considered an effective and efficient means of maximising the land within the Sub Zone that can be actively used for rural industrial activities thus increasing the Sub Zones capacity to accommodate such activities and reducing pressure for the location of industrial activities in the wider Rural Zone.
<i>Rules 21.5.32 to 21.5.37 – Table 8</i>	The proposed rules provide for a reasonably significant degree of development within the Rural Industrial Sub Zone which may result in an increase in adverse environmental effects within the localized area of the Sub Zone.	The proposed rules provide for a reasonably significant degree of development within the Rural Industrial Sub Zone while setting limits, in terms of the scale of buildings and the nature of activities, beyond which more significant adverse effects on the landscape, character and amenity values of the wider	The proposed rules within Table 8 are considered an effective and efficient means of providing for Rural Industrial Activities to be undertaken within the Rural Industrial Sub Zone, reducing costly and uncertain consent processes while protecting the landscape, character and amenity values of

<i>Definition – Rural Industrial Activities</i>	It is considered that there is no cost associated with the addition of a definition of Rural Industrial Activities.	Rural Zone might be generated. While the proposed Sub Zone does not include any internal boundary setback requirements proposed rule 21.5.35 requires that a setback is provided from the Sub Zone boundaries in order to ensure that the openness and amenity of the wider Rural Zone is not compromised. In addition proposed rule 21.5.36 sets a relatively tight limit on the extent of ancillary retail activities that may be undertaken within the Sub Zone, thus clarifying that the primary intent of the Sub Zone is to provide for rural industrial activities and that retail activities are only provided for to a limited extent. The addition of a definition of Rural Industrial Activities creates a distinction between Industrial and Rural Industrial Activities, making it clear that Rural Industrial Activities must be clearly aligned with rural productive activities.	the wider Rural Zone. The proposed limits on retail activities will ensure that the primary purpose of the Sub Zone will be retained and that it does not become a de facto commercial zone. The proposed definition underpins the creation of a Rural Industrial Sub Zone and is considered an effective and efficient means of ensuring that the Sub Zone meets its intended purpose.
<i>Alternative options considered less appropriate to achieve the relevant objectives and policies:</i>			
<i>Option 1: Status Quo</i>	• <i>Maintaining the operative Rural General rules would be ineffective in terms of providing for rural industrial activities and reducing the cost and uncertainty for operators and landowners who wish to undertake industrial activities which have historically and by necessity been located within rural areas.</i> • <i>Under the current provisions consent applications would continue to be received and processed on an ad hoc basis without any direction for such activities to locate within specific areas.</i>		

<i>Option 2: Retain and amend the operative provisions</i>	• <i>Retaining and amending the operative provisions, to provide for rural industrial activities within the Rural Zone in a general, zone-wide sense would most likely fail to adequately protect landscape, character and amenity values or would require inefficient, case by case assessment.</i>
---	--

9. Efficiency and effectiveness of the provisions

The above provisions are drafted to specifically address the resource management issue identified with the current provisions, and to enhance those provisions that already function well. A number of areas of the existing chapter have been removed to aid the readability of the Plan by keeping the provisions at a minimum, whilst still retaining adequate protection for the resource.

By simplifying the objectives, policies and rules (the provisions), the subject matter becomes easier to understand for users of the Plan both as applicant and processing planner. Removal of technical or confusing wording, also encourages correct use. With easier understanding, the provisions create a more efficient consent process by reducing the number of consents required and by expediting the processing of those consents.

10. The risk of not acting

Section 32(c) of the RMA requires an assessment of the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions. It is not considered that there is uncertain or insufficient information about the subject matter of the provisions.

The issues identified and options taken forward are the most appropriate way to achieve the purpose of the RMA. If these changes were not made there is a risk the District Plan would fall short of fulfilling its functions.

Attachments:

1. Plan of the Proposed Rural Industrial Sub Zone.- [Link](#)