

PLANNING COMMITTEE 3. 10. 2012

11. NORTH WEST REVIEW AREA

General Manager responsible:	General Manager Strategy and Planning, DDI 941-8281
Officer responsible:	City Planning Unit Manager
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PURPOSE OF REPORT

1. This report seeks the adoption of recommendations which propose that the North West Review Area, defined in **Attachment 1**, is rezoned as part of the District Plan review to a special 'Rural-Urban Fringe' zone or similar. The intention is to provide for the ongoing use of the area for rural activities and to maintain the natural and physical resources of the NWRA while enabling certain compatible activities to establish. The recommendations also propose that staff be directed to prepare a plan change for rezoning specific areas for industrial business activities within the NWRA to enable development to proceed ahead of the rezoning of the balance of the North West Review Area. It is also recommended that a separate parallel plan change is prepared to provide a framework of objectives and policies for the Special Purpose (Airport) zone (SPAZ) in the City Plan and a review is undertaken of the rules including activities permitted within the SPAZ. In doing so, consideration will be given to the appropriateness of enabling a wider range of industrial activities in Dakota Park, which forms part of the airport zone.

EXECUTIVE SUMMARY

2. The North West Review Area (NWRA) is an area of approximately 860 ha situated between the airport and the City's western urban edge as shown on Attachment 1. The area currently provides for rural activities and acts as a buffer between the airport and residential areas. The NWRA comprises natural and physical resources of significance to the City including groundwater aquifers that provide water supply to the City, and high quality soils.
3. A review of the area's function and future land uses arose from the Commissioners recommendations and the Regional Council's decisions on Proposed Change 1 (PC1) to the Regional Policy Statement, which concluded that it was not an "*appropriate resource management treatment to leave this (defined in Attachment 1) land exclusively as rural land over the next 35 years*". The decisions on PC1 were on the basis that the economic use of the soils in the NWRA is compromised. The area was therefore identified as a 'Special Treatment Area' ('STA1') within the urban limits in PC1 with a requirement for specific analysis to be undertaken to determine the appropriate land uses for the area. The Council lodged an appeal on this aspect of PC1 and sought that it be identified outside the urban limits, with provision for up to 100ha of business land. The area was subsequently described as the 'North West Review Area' and defined outside the urban limits in Chapter 12A of the Regional Policy Statement, made operative the Minister of Earthquake Recovery in October 2011. Chapter 12A also identified scope for up to 100 ha to be identified for business use in the NWRA, following a review of the area. Under Chapter 12A, the 100 ha would be deemed to be within urban limits upon the completion of a review of the area without a change to the Regional Policy Statement.
4. While the outcomes of the appeals to the Environment Court on PC1 and Court of Appeal on Chapter 12A will determine whether the NWRA is within or outside the urban limits, both documents require a review of the area to be undertaken. It is considered necessary to review the area's function and appropriate land uses given its strategic location between the airport and urban area, the natural and physical resources in the area, and the need for business land in this part of the City.
5. The majority of the NWRA is currently zoned Rural 5 (Airport Influences Zone) and Rural 3 (Styx-Marshland Rural zone) in the City Plan. These zones provide for productive uses such as intensive horticulture that utilises the highly productive soils in the area. The PC1 decision signalled that the current zoning provisions may no longer be appropriate.
6. Having regard to the natural resources and the location of the NWRA, its role is considered to be as an 'Rural-Urban Fringe', which the rezoning should reflect. An 'Rural-Urban Fringe' zone is usually regarded as the transition zone between urban and rural areas that provides for

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activities typically associated with an peri-urban area while retaining open space and trees. Activities that are considered appropriate within the NWRA include non noise-sensitive "urban" activities e.g. industrial business activities, formal and informal open spaces, sporting and recreational facilities, in addition to the ongoing use of the area for rural activities and associated dwellings. Residential subdivision, education and health facilities (noise sensitive activities) are not considered to be appropriate in the NWRA, which is within the 50 dBA Ldn airport noise contour that noise sensitive activities are to be avoided in.

7. A report (**Attachment 3**) on the NWRA that considers the appropriateness of different land uses concludes that 100 hectares of industrial business land should be identified in the area. This is based on a review of the supply of industrial land and take up of land across the City, which highlights a potential shortfall in supply in the north west of Christchurch. There are also indications of increased demand for industrial land as businesses relocate from other parts of the City, as well as demand for land associated with the rebuild. The location of the NWRA in close proximity to Christchurch International Airport also makes the NWRA attractive for businesses that use air freight and/or have clients/ staff who frequently travel by air. The airport is a significant node of economic activity that will also generate demand for business land in the surrounding area including the NWRA.
8. The NWRA study has identified areas within the NWRA to meet future demand for industrial land including land between Russley Road and Hawthornden Road, north of Avonhead Park; land north of Wairakei Road between Woolridge Road and Russley Road and north of Waimakariri Road (see **Attachment 2**). The identification of these areas is on the basis of a number of criteria, which are consistent with promoting sustainable management including urban form, accessibility, the availability of infrastructure, continuity with existing business areas and environmental values amongst other matters. Since a workshop with the Planning Committee held on 21 August, two additional areas have been identified north of Wairakei Road and north of Waimakariri Road, between Harewood Road and Sawyers Arms Road. There has been demand for industrial land associated with the rebuild and relocation of businesses since the earthquakes; and it is necessary to provide sufficient capacity for growth over the next 25 years with certainty.
9. Given the physical proximity of the NWRA to the airport, the assessment of business land issues, and some identified deficiencies with the existing Special Purposes (Airport) zone framework, it is appropriate to consider possible changes to the Special Purposes (Airport) zone in parallel so as to ensure an integrated resource management approach. The review of the NWRA and airport need to be dealt with in a comprehensive way given the potential for each area to support similar business activities in the future and the issues that need to be considered in planning each area, for example, groundwater and noise. The airport is part of the same geographic context as the NWRA, with a road being the only boundary between the two areas, and is part of the same local economy. The airport is a significant hub of economic activity that generates demand for land in the North West. The potential for Dakota Park (**Attachment 4**), an existing 'Cargo and Freight' zone within the Special Purpose (Airport) zone, to provide for a wider range of industrial business activities has also been considered as part of the report (**Attachment 3**).
10. Rules in the City Plan currently restrict activities permitted within the Special Purpose (Airport) Zone to those that are airport related. Since 2009, there have been a number of resource consents granted for non-airport related development within Dakota Park. The Commissioner in the most recent decision on a non-airport related activity in the Special Purpose (Airport) zone has recommended that Council gives some consideration to the cumulative effects of non-airport development on the integrity of the City Plan. In the decisions to date, it has also been highlighted that there are no specific objectives and policies for the Special Purpose (Airport) zone to support the anticipated outcomes for the zone. A letter from CIAL dated 18 September 2012 (**Attachment 5**) highlights the issues that have emerged and the uncertainty created for CIAL due to the absence of a clear policy framework for the SPAZ.
11. Having regard to the decisions on resource consents for development in Dakota Park, the precedent these have set and the inappropriateness of an ad-hoc approach to further non-

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airport related development within the airport zone, staff consider that a plan change is necessary to provide a clear policy framework for managing development in the Special Purpose (Airport) zone. The purpose of the plan change would be to clarify the objectives and policies to ensure that CIAL is not put through consent processes with unnecessary cost and uncertainty.

12. A plan change would also consider the need to amend the rules prescribing the activities permitted within the SPAZ. Particular consideration would be given to the activities permitted within Dakota Park having regard to decisions on resource consents in this area amongst other matters. As a part of the plan change process, there is a need to consider alternatives and the costs/ benefits of each option. For example, enabling a wide range of non-airport uses in the wider Special Purpose (Airport) zone could significantly reduce capacity in the long term for airport activities that may put development pressure on surrounding rural areas, compromising their productive potential. In the opinion of officers, it would not be sound resource management practice for this matter not to be considered given the investigations into business land and the proximity of the airport to the NWRA.

FINANCIAL IMPLICATIONS

13. Provision has been made in the 2012/13 Annual Plan (District Plan Activity) for funding that will enable the Council to implement the recommendations of the report on the North West Review Area.

Do the Recommendations of this Report Align with 2009-19 LTCCP budgets?

14. The recommendations align with the 2009-19 LTCCP budgets and other subsequent funding allocations by the Council.

LEGAL CONSIDERATIONS

Have you considered the legal implications of the issue under consideration?

15. The North West Area Review is necessary in light of decisions and appeals on Proposed Change 1 and therefore it is appropriate that the Council consider the appropriate use of the NWRA for the next 35 years. While the review is a precursor to a statutory process under the Resource Management Act, the recommendations are consistent with achieving the sustainable management of natural and physical resources while providing for the social and economic wellbeing of people and communities (purpose of the Resource Management Act).
16. The review of the area has included consideration to promoting the social, economic, environmental, and cultural well-being of communities and applying consultation principles in accordance with the Local Government Act and purpose of the Resource Management Act.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

Do the recommendations of this report support a level of service or project in the 2009-19 LTCCP?

17. The recommendations directly align with the LTCCP and Activity Management Plan levels of service. The relevant performance standard in the Activity Management Plan is the development of policy and plans to implement the Council's component of the Greater Christchurch Urban Development Strategy Action Plan. The relevant priority actions of the UDS Action Plan are to "*Undertake strategic land use studies to clarify the potential for business land use in identified parts of Greater Christchurch*" and "*Make Operative and then give effect to RPS PC1*".

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ALIGNMENT WITH STRATEGIES

Do the recommendations align with the Council's strategies?

18. The review of the NWRA gives effect to Policy 12 in Proposed Change 1 of the Regional Policy Statement, which identifies the area as a Special Treatment Area that necessitates specific analysis and planning to achieve the sustainable management of natural and physical resources. The recommendations are consistent with the City Plan objectives and policies and other Council strategies and plans by seeking to retain the rural amenity of the NWRA, protect groundwater recharge areas and versatile soils and manage urban growth to avoid adverse effects on these natural resources while ensuring sufficient business land is provided to enable the economic recovery of the City.

CONSULTATION FULFILMENT

19. The Council undertook consultation with land owners, occupiers and interest groups in the North West Review Area at an initial stage in 2011. Views were sought on the future development potential and types of land use activities sought in this rural-urban fringe location, which have informed the recommendations in the report. There have also been meetings and discussions with stakeholders including the CIAL, New Zealand Transport Agency and landowners.
20. Landowners, whose properties are identified as being appropriate for industrial business use have recently been consulted and are generally supportive of the proposal. At the time of preparing a plan change, further consultation will be undertaken with landowners and other affected parties in the surrounding area.
21. The land identified for industrial business use between Hawthornden Road and Russley Road includes an area identified by Council's Greenspace team for future extension of the Avonhead Cemetery. The Team Leader Asset Network Planning Greenspace has advised that funding has been allocated for future purchase of the land, which will be subject to negotiations with the landowner in the future. At the time of staff preparing a plan change, consideration will be given to the future use of land and it may be necessary for Council to purchase the land to safeguard its potential for use as a cemetery.
22. Land at 711 Johns Road, north of Waimakariri Road, is currently owned by Council as a reserve for gravel extraction. Part of this site is proposed for an electrical substation under an exchange agreement with Orion. The balance of approximately 14 hectares is to be returned to the Crown in the future, reflecting a previous Council decision. The Property unit has been consulted on the proposed identification of the land for business, which does not affect the exchange processes currently in progress under the Reserves Act.
23. In respect of the Special Purpose (Airport) zone, CIAL support a plan change being prepared to provide a clearer policy framework for the zone. A letter from CIAL dated 18 September 2012 (Attachment 5) describes the reasons for this position including the uncertainty created by the current provisions for the SPAZ.
24. There has also been a workshop with the Planning Committee, held on the 21st August, to brief Councillors on the review and the work undertaken to date. Since the workshop, additional areas have been identified for industrial business activities to the north of Wairakei Road and north of Waimakariri Road, between Harewood Road and Sawyers Arms Road. There has been demand for industrial land associated with the rebuild and relocation of businesses since the earthquakes; and it is necessary to provide sufficient capacity for growth over the next 25 years with certainty.
25. Workshops with the Fendalton Waimairi Community Board and Shirley Papanui Community Board were also held on 18 and 19 September respectively. Both Community Boards have indicated their general support to the review of the NWRA. Further input will be sought from the Boards at the time of preparing a plan change for the areas identified for business and as part of the District Plan Review.

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STAFF RECOMMENDATION

It is recommended that the Council resolves:

- (a) To adopt the 'North West Review Area Report' dated September 2012 (Attachment 3) and the recommendations in the report.
- (b) To direct staff to rezone the North West Review Area to a special 'Rural-Urban Fringe' zone as a part of the District Plan review, with the exception of the those areas subject to recommendation (c).
- (c) To direct staff to prepare a Council led plan change to rezone 100 ha for industrial business purposes in the following areas (refer to Attachment 3):
 - approximately 15 ha for industrial business purposes at 711 Johns Road, north of Waimakariri Road (Area 1);
 - approximately 50 ha for industrial business purposes, north of Wairakei Road between Woolridge Road and Russley Road (Area 2) and
 - approximately 35 ha for industrial business purposes, between Hawthornden Road and Russley Road (Area 3).
- (d) That individual Outline Development Plans shall be prepared for the whole of each area identified for business in Recommendation (c) as a plan change. The Outline Development Plans shall be prepared in accordance with the decisions version of Proposed Change 1 (or Chapter 12A should it be reinstated).
- (e) To direct staff to prepare a Council led plan change to provide a clearer policy framework in the City Plan for the Special Purpose (Airport) zone and to review the rules prescribing activities permitted within the SPAZ with consideration given to enabling a wider range of business activities in Dakota Park (80 ha) (Attachment 4).

BACKGROUND (THE ISSUES)

Overview of North West Review Area

- 26. The North West Review Area is located on the north-west edge of Christchurch City. Extending for approximately 10 km along State Highway 1 between Yaldhurst Road in the south and Johns Road adjacent to the Groynes/ Clearwater Resort in the north. The area is a long and relatively narrow strip of land of approximately 860 hectares (See Attachment 1). The location of the NWRA parallel to State Highway 1 and adjacent to Christchurch International Airport contributes to the area's role as a strategic corridor and gateway to the City.
- 27. The NWRA is currently used for agriculture, intensive horticulture and rural lifestyle living, an outcome sought for the area in the City Plan, which zones the majority of the NWRA as Rural 5 (Airport Influences Zone) and Rural 3 (Styx-Marshland Rural zone). These zones provide for productive uses such as intensive horticulture that utilise the highly productive soils in the area. There are also community facilities including a church and school, and clusters of residential properties (approx. 1,000 m² sections) established through historical subdivision. The City Plan establishes a minimum lot size for subdivision of 4 ha in the Rural 3 and Rural 5 zones, which prevents the creation of additional residential sections in the NWRA.
- 28. The NWRA contains highly versatile soils, which have inherently high productive values. The majority of the NWRA has well drained soils and gravels/ hard soils tend to be at a deep level (45 cm or deeper), enabling digging and ploughing for agricultural/ horticultural activities. Some parts of the NWRA continue to support rural activities that utilise the high quality soils, while other areas have reduced capacity given the subdivision that has occurred. The pattern of subdivision has a strong influence on the ability for the natural resource of soils to be utilised and as allotment sizes have reduced, the range of options for productive use of the soils has also reduced.

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29. The natural resources of the area are significant in a strategic context. The groundwater resource beneath the NWRA comprise the most vulnerable parts of the groundwater system due to the unconfined nature of the aquifers. The groundwater resource is the principal source of drinking water for Christchurch City and therefore objectives and policies in the Natural Resources Regional Plan emphasise the importance of protecting this resource. The area also has a number of surface waterways including the Styx River, Smacks Creek and Waimairi Stream, which are vulnerable to contamination from land use changes.
30. The area also provides a buffer between residential areas and Christchurch International Airport. The area is within the 50 dBA Ldn airport noise contour as defined by Proposed Change 1 to the Regional Policy Statement, within which noise sensitive activities including residential, education and health facilities are to be avoided. This minimises the potential for curfews or other restrictions on the operation and development of the airport while protecting residents from a noisy environment.
31. There has been a history of pressure for rural subdivision and the development of urban activities in the NWRA. The zoning of the NWRA for urban activities has historically been resisted in planning documents, reflecting the natural and physical resources in the area, proximity to Christchurch International Airport, which is identified in PC1 as "Strategic Infrastructure", and policies directed towards urban containment and consolidation.

Policy Framework

32. Proposed Change 1 (PC1) of the Regional Policy Statement as recommended by Commissioners and adopted by the Council in December 2009, provides strategic direction for managing long term growth across Greater Christchurch. It identifies the area now known as the North West Review Area as Special Treatment Area 1, an area requiring investigation and planning to determine its medium to long term role in meeting the Objectives of Proposed Change 1.
33. Decisions on Proposed Change 1 (PC1) concluded that it was not appropriate to leave the area in exclusively rural use in the long term. This was in recognition of the limitations to economic rural activity in the area including:
 - the pattern of subdivision being too small to provide a productive base for farming;
 - closure of the produce markets and the inability for rural production in the NWRA to meet significant demands of supermarkets for example;
 - inability to move heavy farm vehicles and machinery on roads with high traffic volumes; and
 - Reverse sensitivity impacts arising from proximity between rural and urban activities.
34. It was determined that 'specific analysis and testing should be undertaken to determine the medium and long-term sustainable future of the area'. The long term future of the area was considered to be in some form of urban activity and was therefore included within the urban limits.
35. Proposed Change 1 was subject to appeals to the Environment Court. An appeal by the Council related specifically to the NWRA and sought that it be identified outside urban limits with provision for up to 100 ha of business land. The 100 ha would be deemed to be within urban limits following a review. The Regional Council accepted this relief and formally changed its position on this matter from what was set out in the decisions version of PC1. This position continued until the Minister of Earthquake Recovery revoked PC1 and inserted Chapters 12A and 22 into the Operative Regional Policy Statement in October 2011. In Chapter 12A, STA1 was renamed the North West Review Area and was annotated on Map 1 as a Policy 15(f) area. Unlike PC1, the NWRA was outside the urban limits in Chapter 12A, which also identified scope for up to 100 ha to be identified in the NWRA for business use, dependent on the outcome of a review (this Review). A note below Table 3 of Policy 6 in Chapter 12A stated that the area identified for business in the NWRA as a part of the review would be deemed to be within the urban limits.

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36. An application for judicial review of the Minister's decision to revoke PC1 and insert Chapters 12A and 22 into the RPS was lodged and subsequently granted on 24 July 2012. The effect of this ruling was for the Minister's decision to be set aside and PC1 to be reinstated in the Environment Court meaning all appeals on PC1 continue at this stage.
37. While the High Court's decision has subsequently been appealed to the Court of Appeal and there is therefore the possibility of Chapters 12A and 22 being reinstated, the current policy document for managing the future growth of Greater Christchurch and of relevance to the NWRA at the time of preparing this report is the decisions version of Proposed Change 1 December 2009 (It is noted however that this is not the version supported by Environment Canterbury and the UDS Partners as part of the Environment Court proceedings on PC1). This effectively means that the area known as the NWRA is a Special Treatment Area and inside the urban limits. Further, a request to develop a Land Use Recovery Plan has been sent on behalf of all of the UDS Partners to the Minister of Earthquake Recovery. Aspects of that Recovery Plan may involve the NWRA and its implementation, however this is yet to be confirmed.
38. The outcomes of the Courts' decisions on PC1 and Chapter 12A will determine whether the NWRA area is within or outside the urban limits and whether the area is a 'Special Treatment Area'. Regardless, there is a need to review the area's function and appropriate land uses given its location between the airport and urban area, and the strategically important natural and physical resources in the area including the groundwater aquifers and soils.
39. In establishing the appropriate function of the NWRA and land use activities to be provided for, an assessment has been undertaken of the existing policy framework. The key points emerging from the review of plans and strategies are as follows:
 - Development should support the objective of urban consolidation by being contiguous with existing or proposed residential and business areas
 - Groundwater and surface water quality is to be maintained or enhanced by avoiding adverse effects of land use changes
 - The natural character of rivers and their margins is to be maintained and enhanced through the identification and acquisition of land
 - Versatile soils are retained for their productive potential where appropriate
 - Development does not compromise the safe, efficient and effective operation of the strategic road network
 - Land use activities do not have an adverse effect on the operation and development of Christchurch International Airport.

Consultation

40. The Council undertook consultation with land owners, occupiers and interest groups in the North West Review Area at an initial stage in the review to inform the analysis of issues and planning of the area's long term future. Views were sought on the future development potential and types of land use activities sought in this rural-urban fringe location.
41. The key findings from community and stakeholder feedback indicated a desire to retain the areas' rural character and amenity, respondents valuing the sense of openness and spaciousness. There was also support for the retention of a buffer between rural/urban activities and residential areas/airport.
42. There was also support for change over the next 30 years with an increase in development including business activities. The locations considered most appropriate for business were alongside or as an extension of existing business/commercial areas on Wairakei Road or to compliment the existing developments on the Airport land near Russley and Johns Road.
43. While there was recognition of the airport noise contour acting as a constraint to residential activities, submitters sought a change from the 50 dBA Ldn airport noise contour to a reduced

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55 dBA Ldn contour to enable residential development. If the airport noise contour were to change in the future, the appropriateness of the NWRA for residential activities would need to be revisited. However, there is considered to be sufficient land identified in PC1/ Chapter 12A to accommodate long term residential growth.

44. Landowners, whose properties are identified as being appropriate for industrial business use have recently been consulted and are generally supportive of the proposal. Two properties have been excluded from consideration for this purpose, as the landowners were opposed to the identification of their properties for industrial business use. The two owners are also concerned about the effects on amenity of a business development adjacent to their properties. At the time of preparing a plan change to rezone the surrounding land, there will be further consultation with these landowners. There will also be a need to consider the potential effects of business development on residents and how these effects will be mitigated. This may include requirements for development to be set back a suitable distance from adjoining properties and landscaping.
45. Land identified for industrial business use between Hawthornden Road and Russley Road includes land to the immediate west of Avonhead Cemetery, which has been identified as a future extension of the cemetery. The Team Leader Asset Network Planning - Greenspace has advised that funding has been allocated for future purchase of the land, which will be subject to negotiations with the landowner in the future. At the time of staff preparing a plan change, consideration will be given to the future use of land and it may be necessary for Council to purchase the land to safeguard its potential for use as a cemetery.
46. Consultation is proposed with affected persons in the surrounding area at an early stage in preparation of a plan change in accordance with the Resource Management Act.
47. It is also considered appropriate to review the existing Special Purposes (Airport) zone framework given the investigations into business land and the proximity of the airport to the NWRA. It is apparent from a number of resource consent decisions in this zone that the current plan provisions are deficient and do not enable the zone to achieve its intended purpose. In respect of the Special Purpose (Airport) zone, CIAL has indicated support to a plan change to provide a policy framework for the zone.

Function in the NWRA

48. In recognition of the NWRA's location between residential areas and the airport, the area continues to act as a buffer within which noise sensitive activities are to be avoided. This limits the potential for urban activities in the area. Its position between the urban area and airport also makes the NWRA unique relative to other areas on the fringe of the City.
49. As discussed, the NWRA has natural and physical resources of strategic importance including the groundwater resource, soils and natural features such as the Styx River that originate in the area. The historical use of the area for agricultural and horticultural activities has also given the NWRA a different character to other parts of the City. These values need to be recognised in the development of the NWRA.
50. Having regard to the values of the area and the conclusions on Proposed Change 1, the function of the NWRA is considered to be as a 'Rural Urban Fringe', which should be reflected in the zoning of the NWRA. A rural-urban fringe location is often characterised by certain land uses which have either purposely moved away from the urban area, or require much larger tracts of land for example:
 - Utilities and public facilities e.g. waste transfer stations and recycling facilities
 - recreation and tourism facilities and activities,
 - industries associated with rural produce
 - lifestyle blocks.

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51. Despite the presence of these land uses, a rural-urban fringe location remains largely open with the majority of the land in agricultural or other rural use. The proposed zoning would enable activities typically found in a peri-urban area including passive and active open space, and sport and recreational facilities while supporting its ongoing use for rural activities and retaining its openness. Except in locations where business land is proposed, it is not expected that the area will undergo significant change. While the Commissioners on PC1 concluded that its long term use was not exclusively in rural use, there are parts of the NWRA that continue to support rural activities that utilise the high quality soils and continuation of these activities should be provided for. This is reflected in submissions from landowners who sought the continuation of agricultural and horticultural activities in the area.

Assessment of industrial business land to determine the quantum required in the NWRA

52. An assessment has been undertaken of the need for industrial business land in the NWRA. Chapter 12A as inserted into the Regional Policy Statement by the Minister of Earthquake Recovery identified scope for up to 100 hectares to be identified in the NWRA for business use, which provides a starting point. A review has therefore been undertaken of industrial land supply and demand across the City to determine whether there is a need for additional industrial land.
53. In terms of supply, there was 271 ha of 'vacant' (defined as unoccupied by buildings or designated as road or reserve) zoned land in industrial business zones as at June 2011 (including greenfield areas identified in Chapter 12A that had been rezoned). An additional 164 ha has been rezoned for industrial business purposes since then (Total 435 ha of vacant zone land including areas rezoned up to August 2012).
54. Further analysis of the data indicates that a proportion of vacant land is occupied for storage and other activities, the actual amount of unutilised land being closer to 300 ha. An additional 285 hectares is identified in chapter 12A of for greenfield business activities in Christchurch City to 2041 including the 'MAIL' site at the corner of Russley Road and Memorial Ave (19 ha), which is outside the NWRA. While this indicates a significant supply of industrial business land, there is potential for a shortfall in supply in some parts of the City including the Business 4 zone, a suburban industrial zone intended for light industrial and servicing activities (not heavy industry), and higher amenity Business 4T zone, the technology park off Sir William Pickering Drive, Russley.
55. It is also evident from an assessment of existing and future industrial land supply that some industrial areas are not suitable for industrial activities that discharge large volumes of wastewater, particularly the south west of Christchurch. There are limitations on the discharge of wastewater in the South West due to the presence of the unconfined aquifer, the need to maintain surface waterways and the distance and associated cost of transporting wastewater to the treatment plant at Bromley, which are also applicable to the NWRA. Demand for land in areas such as the eastern suburbs that enables large volumes of wastewater to be discharged may result in increased costs for land, forcing dry industries that currently occupy these areas to relocate to areas such as the North West Review Area.
56. There is anecdotal evidence of increased demand for land in the west of the City as businesses relocate due to earthquake damage. There is also displaced demand expected from the inner suburbs as they reach capacity and undergo change to a mix of uses envisaged in the Central City Plan. It is expected that the rebuild of Christchurch will result in increased demand for land and in the long term, growth is anticipated in the machinery and equipment manufacturing sector. This is demonstrated by Tait Electronics, who already have a strong presence on the edge of the NWRA at Wairakei Road and who propose a plan change to rezone land within the North West Review Area for industrial business purposes. Having regard to the limited quantum of vacant industrial land in the north west and potential demand, there is considered to be a need for additional industrial business land, particularly in the short term. In the longer term, the amount of land provided for needs to be considered within the context of the recovery of the Central City, and the eastern suburbs.

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57. A technical report on business land identifies a number of strengths that make the NWRA attractive for industrial business activities including its location adjacent to and accessible to the strategic road network (SH1 and SH73) and in close proximity to the airport for international markets and airport related business. The airport in particular is a significant node of economic activity that will generate demand for business land in the surrounding area including the NWRA.
58. Other strengths of the NWRA for industrial business activities include:
- A number of east west routes providing access to the Central City, suburban centres and other parts of the City;
 - Existing industrial areas and a Technology Park on Wairakei Road, which could be extended;
 - Proximity to rural areas with potential demand from industries that depend on rural activities;
 - Bus routes that can be extended;
 - High levels of amenity for business; and
 - Ability to operate within the airport noise contour which constrains a number of other activities.

Identified areas to accommodate future demand for industrial business land

59. To address the need for additional industrial land, three areas that total 100 ha are identified within the NWRA as being appropriate for industrial business purposes (see Attachment 1):
- Land at 711 Johns Road, north of Waimakariri Road (15 ha);
 - Land north of Wairakei Road between Woolridge Road and Russley Road (50 ha); and
 - Land between Russley Road and Hawthornden Road, north of Avonhead Park (35 ha).
60. The types of activities that are considered to be appropriate in these areas are light industrial activities providing for high value manufacturing companies (such as Tait Electronics) while retaining open space and trees. This can be achieved through rezoning the identified areas with provisions that retain a sense of openness.
61. There is also a need to avoid activities that may have an adverse effect on groundwater, such as heavy industrial activities that may use and store a large volume of hazardous substances, while also ensuring adverse effects on the surrounding environment are avoided.
62. The identification of the three areas is on the basis of a number of criteria, which are consistent with the purpose of sustainable management including urban form, accessibility, the availability of infrastructure, continuity with existing business areas and environmental values amongst other matters.
63. There are changes occurring within and in the vicinity of the NWRA that have also been considered in assessment of parts of the NWRA. In particular, the New Zealand Transport Agency's Western Corridor proposals involving the 4 laning of Masham Road, Russley Road and Johns Road will affect access to the NWRA.
64. There are also changes in the policy context at a strategic level. At the time of writing, Proposed Change 1 to the Regional Policy Statement as decided by the Canterbury Regional Council is the relevant document guiding the future management of growth in Greater Christchurch, notwithstanding the appeals on PC1 in the Environment Court. Should the airport noise contour change as a result of appeals, there would be a need to review the appropriateness of the NWRA for residential activities. However, there is considered to be sufficient land identified in PC1/ Chapter 12A to accommodate long term household growth.

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Consideration of effectiveness of Special Purposes (Airport) zone

65. Given the physical proximity of the NWRA to the airport, the assessment of business land issues, and some identified deficiencies with the existing Special Purposes (Airport) zone framework (described below), it is also appropriate to consider possible changes to the Special Purposes (Airport) zone in parallel so as to ensure an integrated resource management approach. The review of the NWRA and airport need to be dealt with in a comprehensive way given the potential for each area to support similar business activities in the future and the issues that need to be considered in planning each area, for example, groundwater and noise. The airport is part of the same geographic context as the NWRA, with a road being the only boundary between the two areas, and is part of the same local economy. The airport is a significant hub of economic activity that generates demand for land in the North West.
66. The airport land is currently zoned Special Purpose (Airport) Zone (SP zone), which provides for airport related activities, the zone's purpose being for "*activities clearly associated with operations and associated functions of the airport and aviation*" (Section 1.3, Part 8 City Plan). Reasons for rules limiting the scope of activities is to avoid the potential for pressure on the limited land resources available for airport activities within the zone and resultant pressure for expansion of the zone into the surrounding rural area.
67. In the Christchurch International Airport Master Plan 2006 (which is an external document, not incorporated into the City Plan), two areas are identified in the SP zone for cargo and freight handling related activities (114 ha). One of these areas, Dakota Park (80 ha), south of Avonhead Road, and to the immediate north and west of the NWRA, is undergoing development as a 'Cargo and Freight zone' (Attachment 4) intended for airport related activities including freight and logistics activities.
68. Since 2009, four applications for non-airport related activities have been granted in Dakota Park. A Commissioner's decision on the first of these applications stated that the zone's purpose was not supported by '*any clear objectives and policies for the zone*' and '*if the Council wishes to ... prevent a wide range of activities ... having little or no relationship to the airport, becoming established*' ... (and) it needs to amend its plan to include such a policy and to more clearly set out the objectives for the zone". Similar conclusions have been reached in subsequent decisions on resource consent applications in the "Cargo and Freight zone" at Dakota Park, which have all highlighted "the absence of a policy framework to justify the activities approach adopted for the airport".
69. A letter from CIAL dated 18 September 2012 (Attachment 5) emphasises the uncertainty created for CIAL due to the absence of a clear policy framework for the SPAZ. CIAL indicate in the letter that legal advice has been received to suggest that "*most applications for resource consent for any activity should continue to be granted until a point is reached sometime in the future where the amount of land used for development begins to raise the possibility that there may be insufficient land available for core aeronautical activities*". As highlighted by Commissioners in resource consent decisions for non-airport related uses, a precedent has been established by the RECALL development (subject of the first resource consent granted for a non-airport related use within Dakota Park), notwithstanding further applications for non-airport related activities at the airport needing to be assessed on their own particular merits.
70. While there is a significant quantum of land zoned for airport purposes, there is a need to ensure certainty in the policy framework. Otherwise, further development unrelated to the airport will continue to take place and the supply of land for aeronautical purposes will potentially become an issue.
71. Having regard to the consents granted for non-airport related development within the Special Purpose (Airport) zone, the absence of a policy framework to support the purpose of the zone, and the need to avoid an ad-hoc approach to non-airport related development, staff consider that a plan change is necessary to provide a clear policy framework for managing development in the Special Purpose (Airport) zone. . It would be artificial not to consider this in parallel to the NWRA work, given the relationships described earlier.

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72. There is also the need for a plan change to review the rules prescribing activities permitted within the SPAZ with particular consideration given to the range of activities provided for in Dakota Park having regard to decisions on resource consents in this area amongst other matters. As a part of the plan change process, there is a need to consider alternatives and the costs/ benefits of each option. For example, enabling a range of non-airport uses in the wider Special Purpose (Airport) zone could significantly reduce capacity in the long term for airport activities that may put pressure on rural areas, compromising their productive potential.