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Alan Matheson  
City Planning Team Leader  
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**CHRISTCHURCH**

**By Email**

Dear Alan

## **REVIEW OF PROPOSED CHRISTCHURCH CITY PLAN – INDUSTRIAL CHAPTER**

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### **1. MY APPROACH**

Further to my review of the commercial chapter dated 27 May 2014 this memorandum sets out salient findings from my parallel review of the draft industrial chapter of the Proposed City Plan. Similar to the commercial review I have drawn upon documents provided by Mark Stevenson, other documents and background context on the Council website, and related planning documents. This has included:

- The draft plan structure.
- The draft “Strategic Directions” chapter.
- The draft “Industrial” chapter itself.
- The associated draft Section 32 document.
- Draft versions of the proposed zoning maps online.
- The economic analysis completed by Property Economics Ltd (November 2013).
- The submission provided by the Property Council (28 March 2014).

I have also drawn upon the contextual review I conducted for the commercial chapter review – notably review of the Central City Recovery Plan (“CCRP”) and relevant sections of the Regional Policy Statement (“RPS”) and Land Use Recovery Plan (“LURP”).

My advice is set out under the broad headings below:

- Section 2: “Comments on general approach”.
- Section 3: “Specific content and drafting matters”.
- Section 4: “The market responsiveness of specific provisions”.
- Section 5: “Summary recommendations”.

My approach to each section mirrors the approach taken in the commercial chapter review, and some of the findings, particularly on structural and drafting matters are the same. To avoid unnecessary repetition I refer back to comments in that review at various points. I have also taken on board our telephone discussions earlier in the week and this explains why I haven't repeated my advice from the commercial review (e.g. consideration of controlled activities as enabling provisions).

## **2. COMMENTS ON GENERAL APPROACH**

### **Overall approach**

My general impression of this chapter is that it has a clearer, more enabling intent than the commercial chapter, with specific references up front in the objectives and policies section about the importance of adequate land supply and industrial redevelopment in the earthquake phase.

I also note that "amenity" is regarded as a consideration (Objective 2 and associated policies) and that this is followed through to the provisions, for example, the various landscaping requirements. Notwithstanding the fact that some of the zones justifiably have higher amenity requirements than others (i.e. Industrial Park Zone vs. Industrial Heavy Zone) in general terms industrial zones are not known for their amenity. Against this context I question the emphasis put on amenity, given the influence objectives and policies have in discretionary and non-complying consent processes (see further comment on objectives and policies below).

The industrial chapter also needs to be understood in the context of the commercial chapter, as commercial and industrial zones can be similarly attractive to retail and office activities for example. My view is that a "carrot and stick" approach needs to be employed to ensure that these critical activities establish in commercial zones – there should be explicit discouragement in industrial zones and enabling provisions in commercial zones.

Currently the balance between the commercial and industrial provisions is not right and risks the establishment of retail and office activities in industrial zones, which in concert with the substantial current supply of industrial land (the Section 32 report states 906ha) could pose a real risk to the centres network. Comments on relevant industrial chapter provisions are set out in the sections below, but in particular the commercial zone the urban design and retail floorspace thresholds must be set at the right level to avoid pushing commercial activities into industrial zones.

### **Objectives and policies**

Overall the objectives and policies are more focused and enabling than those in the draft commercial chapter. Statements like "maintain a sufficient supply of industrial zoned land..." (Policy 1) and "enable the development of industrial areas to support recovery" (Policy 2) establish a clear direction for industrial activities but this is eroded by the equal emphasis on amenity (see comments above). There is an opportunity here to present the trade-off between amenity and enablement, and signal a bias towards enablement. That is not to say that amenity should be completely cast aside, but in the context of the earthquake rebuild and the generally lower amenity of industrial areas this approach could be justified.

Although the objectives and policies are more focused than those in the commercial chapter my view is that they still don't provide a broad enough foundation for the different zones, rules and standards that follow – many of which are nuanced and locally specific. My recommendation is to increase the number of objectives and policies to explicitly address such things as:

- The use of outline development plans and development plans to achieve comprehensive planning outcomes.
- The use of local area rules to respond to localised resource management issues and incorporate legacy provisions (i.e. those settled via prior Court decision etc.)
- The use of standard rules which appear across the chapter (e.g. warehousing and distribution activities which are permitted in most zones).

This will demonstrate the cascading effect of objectives and policies down into the rules and standards, thereby providing greater guidance for the assessment of discretionary and non-complying activities. In the same vein there needs to be a stronger link between the objectives and the four resource management issues described in the draft Section 32 report relating to land supply, reverse sensitivity, east Christchurch and amenity. If these are the primary resource management considerations then they should be matched with objectives, with the policies flowing from there.

On a specific matter I note Policy 7 “Brownfield redevelopment” starts with the wording “to support the redevelopment of brownfield sites for residential or mixed-use activities where...”. Although the subsequent bullet points address reverse sensitivity etc., “support” is a strong word that could be problematic in resource consent processes. I suggest a reworded policy along the following lines:

*“To allow the development of industrially zoned brownfield sites for residential and mixed-use activities where the following outcomes can be demonstrated...”*

- (a) *“The activity will not impose reverse sensitivity effects on adjacent industrial activities*
- (b) *“The activity will not unreasonably reduce opportunities for industrial activities*
- (c) *“....*

This revised approach maintains flexibility but clearly signals a preference towards industrial activities. Overall the plan review's starting point should be to ensure sufficient land is available within each of the broad zoning category (industrial, residential etc.) so that there is no reliance on say the industrial zone to provide a proportion of the city's future housing needs. If this is not the case then the quantum of land in each broad zoning category should be revisited.

## **Use of enabling provisions**

My impression of the chapter is that it makes more use of permitted activity status than the draft commercial chapter, with uniformly long lists of permitted activities and less stringent activity standards. I again note that controlled activities are not used, and drawing on discussions earlier in the week acknowledge Council is applying this approach across the board.

The primary opportunity to use more enabling provisions is to apply non-notification clauses more broadly to restricted discretionary rules. The chapter uses restricted discretionary rules for a range of anticipated rule breaches still in-keeping with the purpose of the zone (for example Rule 16.3.2.3 RD1 for permitted activities with bulk and location infringements). The effects of such restricted discretionary activities are likely to be limited and/or confined to a small number of neighbouring properties, therefore full non-notification clauses and clauses excluding public notification should be considered. This will require a thorough audit exercise across each rule section.

### **Structural matters**

A number of structural matters raised in my commercial review are also relevant to the draft industrial chapter. In summary these are:

- Repetition of rules and standards across the general and local area sub-zones resulting in excessive volume across the chapter as a whole.
- Full repetition of rules and other provisions instead of basic cross-referencing, also contributing to excessive volume.
- Repetition of the “how to use rules” section across the different zones when single use at the front of the chapter would be sufficient.

I note our previous discussion that the structure of the rule sections is dictated to some extent by Council’s initiative to put the plan into an “e-Plan” format, and that this does not always translate well into hard copy format. If this proves to be an insurmountable impediment to some of the structural issues I have raised then Council should consider other methods of providing clarity to the operation of the rules (in addition to the how to use rules section). Rules reference tables like those used in the Wellington City District Plan or Proposed Auckland Unitary Plan might be useful in this regard (examples attached).

### **3. SPECIFIC CONTENT AND DRAFTING MATTERS**

I note the following specific content and drafting matters:

- A number of the local area sub-zones (e.g. Industrial Park Zone Tait Campus) are subject to area specific provisions – I assume that these are legacy provisions from the operative Plan, plan changes, Court decisions etc.
- I note that across the chapter ‘parking lots and parking buildings’ are discretionary activities – I am not clear as to whether this relates to commercial parking activities or applies more generally. Given the key role parking and hard stand areas play in industrial areas and the need to provide for this I have assumed it relates to commercial parking activities.
- I note there is a standard rule (generally P7) which permits food beverage outlets subject to individual tenancies being 150m<sup>2</sup> GLFA or less. With this approach there is a risk that developments with multiple food and beverage tenancies could be established without the need for resource consent and could impose retail

distribution effects on centres and commercial zones. I suggest that the 150m<sup>2</sup> be applied to the overall development.

- I note that sunlight and outlook controls apply to boundaries with “sensitive areas”. These requirements should be considered in concert with zone setback requirements and height limits, as there is potential for them to be redundant and/or unnecessary.
- Further on setback requirements I note that some of these are large (setbacks in the 10 – 30m range are common). In general terms I am not concerned about these given the generally large size of industrial lots and ability to use setback areas of parking, landscaping etc. However, I do emphasise the importance of ensuring that setback distances are responsive to lot size and development economics.
- In relation to the Industrial Park Zone I note the general zone standards for site coverage (standard 16.4.3.2, maximum 25%) and landscaping (standard 16.4.3.7, minimum site coverage 20%) which together comprise a large proportion of the site. Notwithstanding the higher amenity objectives for the zone, this approach may drive outcomes where car parking and hard stand areas become dominant. I acknowledge there may be legacy issues and site specific considerations that have led to these standards.
- Overall there is a strong emphasis on landscaping throughout the zone, with a requirement – for example a general permitted landscaping standard requiring 1 tree for every 5 car parks at the site frontage (e.g. standard 16.4.3.7 (d)). Whilst I don’t see this as a fundamental issue there are some environments where this could be viewed as onerous, most notably in the Industrial Heavy Zone.
- As per my advice for the draft commercial chapter there needs to be an audit to ensure consistency of headers and terminology to ensure that rules, standards and matters of discretion are properly linked.

#### **4. THE MARKET RESPONSIVENESS OF SPECIFIC PROVISIONS**

In general terms the provisions have not raised the same number of market responsiveness issues as the draft commercial chapter, but I raise three points:

- The market responsiveness of the commercial and industrial chapters need to be considered in concert, and with the current drafting there is a risk of retail and office activity leaking into industrial zones (see Section 2).
- Broader and more explicit use of non-notification clauses and tightening of matters of discretion, allied to rationalisation of those matters (see comments in my commercial review) would give greater confidence to the market.
- There does not appear to be any fundamental issues regarding the responsiveness of the draft industrial zone provisions aside from the details of specific provisions raised in Section 3 above (e.g. setbacks etc.).

## 5. SUMMARY RECOMMENDATIONS

Drawing on the individual points made in sections above, my recommendations are set out in summary form as follows:

- Consider reducing the importance of “amenity” in the objectives and policies – particularly for the Industrial Heavy Zone.
- Rebalance the commercial and industrial chapters to represent a genuine “carrot and stick approach” – specific recommendations contained below and in my commercial chapter review.
- Restructure the objectives and policies around the four primary resource management issues set out in the draft Section 32 report – this will assist in watering down the importance of amenity (see bullet point above).
- Extend the objectives and policies section to provide a bigger, more detailed foundation for the specific approaches taken in the rules and standards (use of ODPs, local area rules etc.).
- Amend Policy 7 in accordance with my suggestion in Section 2 of this memorandum.
- Make broader and more explicit use of non-notification clauses for restricted discretionary activities and narrow the matters of discretion to give applicants greater confidence about the scope of their applications (as per my suggestions on the draft commercial chapter).
- Reduce volume in the chapter by avoiding repetition of rules and standards across the general and local zones, more use of cross referencing, and placing the “how to use rules” section at the front of the chapter.
- Clarify whether the discretionary activity rule for ‘parking lots and buildings’ applies to all parking activities or only commercial parking activities – in my view it must only apply to commercial parking activities.
- Amend the permitted activity rule for <150m<sup>2</sup> food and beverage outlets so that it applies generally, not to individual tenancies.
- If not undertaken already audit the interrelationship of setback, height and recession plane standards to ensure the recession plane standards are necessary.
- More generally audit the impact of setback standards on individual sites (again if not undertaken already).
- Ensure the header titles are consistent, particularly across the rules, standards and matters of discretion, to ensure the sections are clearly linked and the chapter is easily understood.
- Consider the necessity for tree planting requirements in lower amenity ones – particularly the Industrial Heavy Zone.
- Consider the combined impact of the maximum site coverage (25%) and the minimum landscaping requirement (20%) in the Industrial Park Zone in terms of the built outcome, potential for dominance of car parking, and inefficient use of land.

I hope that you find the advice contained herein useful. I would be delighted to discuss it with you, and note that there is likely to be context and area specific information that will clarify some issues I have raised.

Yours sincerely



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