

2.1 Proposed Structure Plan – Hikuai Settlement Road

TO	Tairua-Pauanui Community Board
FROM	Bruce Baker - Senior Policy Planner
DATE	3 October 2018
SUBJECT	Proposed Structure Plan – Hikuai Settlement Road

1 Purpose of Report

To provide information on what a structure plan is, why structure planning is used and the process involved in developing one, including costs.

2 Background

The issue of future development and subdivision of properties with access onto Hikuai Settlement Road has arisen over a period of time, invariably following a resource consent application for the subdivision or development of land in this area.

During the District Plan Review in 2013, a number of submissions were received in regard to land with access onto Hikuai Settlement Road. Decision Report 1 by the District Plan Hearing Panel reported on the overall hearing process and included a number of 'non-regulatory recommendations' for Council to consider, including the following:

- *"Undertake a planning/structure plan exercise for the land between Pauanui and the lakes Resort Golf Course."*

This non-statutory recommendation was repeated in Decision Report 30 on 'Zoning and Rezoning Requests' (albeit in a slightly different way):

- *"That the Council undertake a planning process with the community, e.g. a structure planning process, to coordinate and plan for future subdivision and development of land along Hikuai Settlement Road, in the light of the number of poorly coordinated/integrated rezoning requests received through submissions to the Plan."*

Following Council's decisions on the submissions to the Proposed District Plan (Proposed Plan) six appeals were lodged with the Environment Court in relation to land in the Pauanui area:

- a) Bellagio at Pauanui Ltd - This appeal sought to rezone the 23ha lot at 671 Hikuai Settlement Road, in the vicinity of Duck Creek, from Rural Zone to Low Density Residential Zone. The settlement of the appeal rezoned this land as Low Density Residential Zone.
- b) Inspired Property Ltd - This appeal sought to rezone 879 Hikuai Settlement Road to Residential Zone and Industrial Zone, being land adjoining the Pauanui Orchard Estate Structure Plan overlay. The settlement of this appeal rezoned land adjacent to the Tairua River to Residential Zone, a 6.92ha lot with a lot yield of about 50 residential lots. The balance of the land remained in the Rural Lifestyle Zone.
- c) Gregory and Barbara Needham - This appeal sought to remove the Rural Lifestyle Zone and rezone 996 Hikuai Settlement Road as a combination of Residential, Rural and Open Space Zones, with a structure plan overlay (similar provisions to those of

Plan Change 6 to the Operative District Plan, which did not proceed to a hearing and have a decision issued). This appeal was withdrawn by the appellant.

- d) Pauanui Waterways Ltd, Whitianga Waterways Ltd and Hopper Developments Ltd - This appeal, in part, sought to amend the 'Yard' definition and the activity status for the canal frontage yard standard. The settlement of the appeal amended the "Yard exclusion" definition.
- e) Two other appeals by David Saunders and Mike Slater; and by Trevor Barrett were focussed on the provisions relating to Pauanui Airfield. Both these appeals have been settled.

The consequence of decisions made through the District Plan Review process and the settlement of these appeals is that the land along Hikuai Settlement Road has several zones, these being:

- Rural Zone - most of the land on Hikuai Settlement Road is this zone and generally used for farming and forestry purposes; the Rural Zone also includes the Lakes Resort Golf Course and the residential properties within this vicinity;
- Low Density Residential Zone - a 23ha lot at Duck Creek rezoned through the settlement of the Bellagio appeal; this zone is used in the Proposed Plan on the fringes of settlements;
- Rural Lifestyle Zone - two areas of land in a zone used in the Proposed Plan on the periphery of settlements;
- Industrial Zone - the site of the Refuse Transfer Station and land adjoining this facility with vehicle access from Tangitaroria Lane;
- Residential Zone - land at the entrance to Pauanui which is yet to be developed for residential housing, a potential lot yield of approximately 430 lots; this includes the Pauanui Orchard Estate Structure Plan (possibly 330 lots);
- Recreation Passive Zone - the site of the Wastewater Treatment Plant and the hill on the opposite side of the road;
- Recreation Active Zone - the tennis courts site.

There are also a range of existing activities on land along Hikuai Settlement Road, including:

- Hikuai Service Station and Garage, and another industrial activity close to the state highway intersection;
- The public walkway along the Tairua River;
- A contractors depot in the vicinity of Duck Creek;
- Lakes Resort Golf Course, with commercial activities and residential development;
- A consented quarry at 944 Hikuai Settlement Road;
- A number of rural lifestyle lots on smaller rural properties i.e. less than 20ha;

In addition to these existing activities, there may be other resource consents that have been granted for activities along this road that have yet to be put into effect. .

A submission from the Pauanui Community Office in the consultation on the 2018-2028 Long Term Plan (LTP) sought to include a 'Hikuai Settlement Road Structure Plan' in the LTP.

3 Issue

This report explores the structure planning process and considers the need for a 'Hikuai Settlement Road Structure Plan' and whether this is an appropriate method to address development pressures in this location.

4 Discussion

In preparing a structure plan there is a need to gather information on the land in the structure plan area. This will provide background information necessary to support any subsequent plan changes and identify opportunities and constraints for the future development of the area.

Background Technical Reports

These reports contain information to enable a structure plan to be written. They include detailed investigations relating to potential development opportunities within the structure plan area. These reports include:

- a) Archaeological - an assessment to identify sites that future development should avoid or where development should be focussed.
- b) Landscape - the landscape and visual effects from possible future land uses are assessed and any special matters that should be addressed are identified.
- c) Urban Design - appropriate standards for sites adjoining the road should be identified, as the proposed structure plan is the 'entrance' to Pauanui.
- d) Ecological - important ecological features are identified and measures outlined to provide for maintenance and enhancement of these areas e.g. esplanade reserves.
- e) Geotechnical - investigation to ensure that any proposed zone changes are appropriate for the land.
- f) Transport - an assessment of existing traffic movements and predicted future traffic growth to support any infrastructure improvements.
- g) Cultural assessment - identification of sites of significance to Māori.

Prepare a Draft Structure Plan

- a) Possible zoning layout - the current zones in the Proposed District Plan may provide scope for possible zone changes.
- b) Reserve areas - identification of areas where public open space should be provided.
- c) Transportation network - improvements to the road network can be identified.
- d) Identification of cultural, heritage or landscape features - more knowledge of these features would enable developers to take these values into account.
- e) Infrastructure requirements - note any extension of infrastructure that has been identified in the technical reports.

Consultation

There are a large number of landowners on Hikuai Settlement Road. Some will have envisaged a range of development opportunities; whilst others may wish to retain the existing environment they currently live and/or work in.

Much of the land on Hikuai Settlement Road is currently within the Rural Zone but it is anticipated that most of the future or proposed development will take place on land that is relatively close to Pauanui where a change of zone may have more community support.

All landowners within the structure plan area will need to be consulted to make sure they have all information that supports a structure plan. There will also be other stakeholders, such as New Zealand Transport Agency and the Waikato Regional Council, who will need to be consulted in the structure planning process before a structure plan is finalised.

Key stakeholders, landowners and the public should be invited to attend an 'Open Day' to provide an opportunity to discuss and to make comment or offer feedback on the Draft Structure Plan. It is important to let the community participate in development of the structure plan and have a good knowledge of the process and outcomes.

Finalised Structure Plan

A final structure plan will provide a guide for future land use and development in the structure plan area. The use of spatial plans, such as a structure plan, provides the opportunity to 'lay out' infrastructure networks and identify the desired outcome for particular sites or zones. This has been done in the Proposed Plan to some extent through the zones that have been used for land in this area but the structure plan can include more detail on a structure plan diagram and in the policy and rules to ensure that land use outcomes do

eventuate. The use of zones is appropriate to meet the objectives of the Proposed Plan but is a blunt planning tool that does not have the detail that a structure plan can include.

However the structure plan will sit outside of the District Plan and is not part of a statutory document until there is a plan change to include it in the Plan. The RMA does provide for the structure plan to be referred to in the assessment of a resource consent application, but it only "has teeth" through being a part of the Proposed Plan.

The process for including the structure plan in the Proposed Plan is to notify a plan change/variation. This is a publicly notified process under Schedule 1 of the RMA and provides the opportunity for further public participation. The notification process will attract submissions, both in support of and opposed to part or the entire structure plan. In this way, it must be noted that the structure plan may be amended through this process to include it in the Proposed Plan.

Options

- 1 Do not proceed with a structure plan.
- 2 Initiate a structure plan for the entire length of Hikuai Settlement Road (SH25 intersection to the roundabout at The Quay/Panarama Parade).
- 3 Initiate a structure plan for a section of Hikuai Settlement Road (e.g. Lakes Resort Golf Course to the roundabout at The Quay/Panarama Parade).

Assessment of Options

- 1 Do not proceed with a structure plan

This option would involve making no changes to the Proposed District Plan and continuing to respond to resource consent applications assessed in accordance with provisions of the Plan. This option limits Council's ability to be proactive in coordinating land use and infrastructure provision.

The main advantage of this option is there is no 'up-front' cost to the ratepayer. However there is a possibility of 'down-stream' costs through consent and Environment Court proceedings where proposed development is not consistent with the outcomes in the Proposed District Plan.

- 2 Initiate a structure planning process for the entire length of Hikuai Settlement Road (SH25 intersection to the roundabout at The Quay/Panarama Parade)

This option will provide a framework for the consideration of planning for development of the study area. This option would have the benefit of looking (in detail) at the provision of infrastructure needed to support development of the entire area.

Significant costs are associated with this option – approximately \$80-100,000 to develop a structure plan for the entire area (all estimates are based on figures from previous structure plans):

• Geotechnical assessment	\$15,000
• Transport assessment	\$10,000
• Ecological assessment	\$10,000
• Archaeological assessment	\$10,000
• Landscape and visual assessment	\$15,000
• Water and Wastewater assessment	\$10,000
• Consultation	\$5,000
• Open Day consultation	\$5,000

An additional \$30,000 would be needed to finalise the structure plan (following consultation) and to develop a plan change.

This cost does not include the preparation of a plan change, notification of the plan

change, summarising of submissions, the preparation of a hearing report, the actual hearing, or attendance to subsequent appeals.

There is also a potential disadvantage in that Council may be paying for work that could be funded via privately initiated plan changes.

- 3 Initiate a structure planning process for a section of Hikuai Settlement Road (e.g. Lakes Resort Golf Course to the roundabout at The Quay/Panarama Parade)

This option is similar to Option 2 but would cover a much smaller spatial area - Hikuai Settlement Road between Lakes Resort Golf Course and the roundabout at Pauanui Waterways. The land outside of the proposed 'structure plan area' would remain subject to the provisions of the Proposed District Plan.

With an area that is not spatially extensive, an initial phase could include a pre-structure plan consultation exercise with landowners to seek their views on the structure plan process. This is relatively inexpensive involving writing to landowners and possibly holding an initial meeting to hear ideas in greater detail.

The information required would be limited to a smaller area. Consequently the costs of producing the structure plan would be less than in Option 2, but the same reports are required to prepare the draft and final structure plans. The costs are consequently lower but there are no savings to be made for the statutory process in notification of a plan change.

Options 2 and 3 both have several funding options. Council could either utilise district retained earnings in the 2018/19 year to begin the work needed for the structure plan, or include the project as part of the 2019/20 Annual Plan to be district funded as part of the District Plan activity. Alternatively, Council could determine not to pursue the structure plan as a variation and instead treat it as a private plan change initiated by the Tairua-Pauanui Community Board and funded by local rates.

Recommended Option

Staff would recommend Option 3.

This option was in the Decisions Report with a recommendation from the District Plan Hearing Panel.

5 Suggested Resolution(s)

That the Tairua-Pauanui Community Board:

1. Receives the 'Proposed Structure Plan – Hikuai Settlement Road' report.
2. Recommend to Council to initiate a structure planning process for Hikuai Settlement Road between Lakes Resort Golf Course and the roundabout at Pauanui Waterways as a variation to the Proposed District Plan.