

Issues and Options Assessment – Plan Change 19 – Industrial Zones (Carters Flat, Aotearoa Park & Cook Street)

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1 September 2020

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Executive Summary

This report summarises the outcome of an investigation into the issues and options for zoning three discrete areas in Cambridge, being:

- Carter's Flat,
- the commercial zone on Cook and Shakespeare Streets in Leamington, and
- the industrial area around Matos Segedin Drive.

The purpose of the review was to identify the most appropriate zone that would give effect to the current and desired future use of each area.

A 'desk top' assessment was undertaken looking at the strategic context and background of the zones; existing land uses in each location; a previous issues and options review undertaken for two of the sites; and previous resource and building consents issued at each location.

Based on this, it is recommended that the Deferred Commercial Zone of Carter's Flat be rezoned to Commercial Zone with specific provisions pertaining to the type of commercial and light industrial activity sought for the area. This approach aligns with the strategic direction set out in the Cambridge Town Concept Plan, would enable place-specific provisions to recognise the existing uses and nature of the area, and adopts an approach that is already used in the District Plan.

No changes are recommended to the Commercial zoning for Cook and Shakespeare Streets in Leamington. This report notes landowner concerns expressed to Waipā District Council that the current zone doesn't adequately reflect light industrial uses in the area, however in considering alternative options and the drivers for the existing approach, it is recommended that the current approach be retained.

No changes are recommended to the industrial zoning for Aotearoa Park on Matos Segedin Drive as no issues have been identified.

To progress the Carter's Flat option further, engagement with the community and iwi is recommended. Further work to assess the types of commercial and light industrial activities will be needed, alongside a transport and landscaping and urban design assessment setting out requirements specific to this location.

1. Introduction

This report summarises the outcome of an investigation into the issues and options for zoning three discrete areas in Cambridge, being Carter's Flat, the commercial zone on Cook and Shakespeare Streets in Leamington, and the industrial area around Matos Segedin Drive. This report builds on earlier work undertaken for Council in July 2019 investigating two of these sites.

The purpose of the review is to identify the most appropriate zone that will give effect to the current and desired future use of each area.

National planning standards under the Resource Management Act 1991 were introduced in May 2019 to make council plans and policy statements easier to prepare, understand and comply with. All District Plans, including the Waipa District Plan, will need to be updated to reflect the National Planning Standards over the coming years. In undertaking this issues and options assessment, the National Planning Standards have been referred to where a new zone, definition or approach is being considered.

2. Area 1 – Carter’s Flat

2.1 Background

The extent of the area to be considered at Carter’s Flat is illustrated in Figure 1 below. This area is 25 hectares in total. The Deferred Commercial Zone area denoted by the diagonal lines is about 13.4 hectares.



Figure 1 – Carter’s Flat, showing extent of area to be reviewed

Carter’s Flat is located on the south-eastern side of the Cambridge Town Centre. The area has a mixture of commercial and industrial land uses. It is separated from the town centre by the steep hill of Queen Street. This has resulted in Carter’s Flat being an area that is not readily accessible to pedestrians although it still experiences a high level of vehicular traffic.

Within the commercial zoned areas there is a mix of commercial uses including Mitre 10, various warehouse facilities and other smaller commercial operations. West of Albert Street supports mainly commercial activities including Farm Source, an outboard motor store, engineering and supplies, and a bicycle store.

Within the Deferred Commercial Zone the predominant land uses are of a light industrial nature. At the northern end of Oliver Street reside a mix of commercial to light industrial activities including steel fabricators, engineering services and a poultry processing plant. On Oliver Street between Carter’s Crescent and Queen Street is a large wood distribution facility, an ITM, warehousing facilities, retail and various commercial activities. At the Eastern end of Queen Street are concrete yards and an earthworks operation, as well as light industrial warehousing facilities. South of Gillies Street is a mixture of commercial and light industrial activities including a joinery workshop, commercial cyberware manufacturing company and a contractor fencing yard.

The area was zoned General in the previous District Plan, and in the Operative District Plan is partly zoned Commercial and partly Deferred Commercial zone. The Deferred Commercial Zone status in Carter’s Flat allows existing land uses to continue to operate, which are largely of an industrial nature. Parts of the area are subject to a policy overlay of “Cultural Landscape Area Alert – Te Koo Utu”. A review of resource consents from the past

10 years for this location indicates that industrial and commercial activities are being granted resource consent to develop in this area.

In the Operative District Plan, rezoning of land from Deferred Commercial Zone to Commercial has been tied to two key factors, the availability of alternative locations for industrial activity in Cambridge and the completion of the Waikato Expressway Cambridge section. The Waikato Expressway Cambridge section is now complete, and a recent Future Proof Industrial Land Supply study (March 2020) has indicated that Waipā and Cambridge have a good supply of industrial land capacity.

The Industrial Land Supply study indicates the industrial land capacity in Cambridge as a whole over the next 30 years is 205 ha with the majority of this coming from the development in Hautapu and 8.9 ha coming from Aotearoa Park.

The Industrial Land Supply study notes that for the Hautapu strategic industrial node, the Waikato Regional Policy Statement allocates a total of 96ha of industrial land. Vacant industrial land at Hautapu comprises 196.1ha (this excludes 35.4ha in the Bardowie block which is currently under construction). 69.5ha of vacant industrial land in this node is Industrial Zoned land that is available in the short term and medium terms, and the remaining 22.5ha (northern parcel in Bardowie block) together with a further 104.1ha are available in the medium and long term respectively. The study assesses vacant land availability against projected demand to confirm that supply is sufficient to meet demand (which includes a margin above projected demand as required by the National Policy Statement).

Since June 2019 further uptake has occurred with the construction of the APL building within the Bardowie block now well underway. New bulk water and wastewater services are being constructed and will service the area by 2020.

The assumption can be made that there will be sufficient industrial land available within the Cambridge area to service the growing population over the next 30 years.

2.2 Strategic context

The Waipa 2050 District Growth Strategy provides the overarching vision for growth within the Waipā District. The Strategy states that by 2050, Cambridge will be home to approximately 30,300 people, an increase in population by approximately 14,200. To cater for this growth approximately 582 hectares (ha) of new residential land, 122ha of industrial land and 27ha of commercial land (including 5ha of retail with the remaining being primarily office space) is required.

The Strategy identifies that the Hautapu Industrial Area (C8 and C9) and growth cell C10 are both considered suitable for industrial development. The Strategy identifies the Hautapu area as a strategic node of approximately 90ha in area to be developed between 2017 and 2061. Based on the structure plan work undertaken, growth cells C8 and C9 are identified as preferred for earlier development over C10, although provision of both provides flexibility to the market and to landowners reflecting their development aspirations. Since the development of the Waipa 2050 Strategy a portion of the C10 structure cell (Bardowie Block) has been developed.

Council is also required under the National Policy Statement on Urban Development Capacity (2016) to have a Future Development Strategy to ensure that there is sufficient development capacity for residential, industrial and commercial land. The Future Proof Growth Strategy 2017 is the 'Future Development Strategy' for the purposes of the NPS-UDC. It identifies Cambridge town centre as the major commercial centre for Cambridge and identifies Hautapu as a strategic industrial node for future industrial land supply.

On 20 August 2020 the National Policy Statement on Urban Development 2020 (NPS-UD) will come into force and replace the National Policy Statement on Urban Development Capacity. The NPS-UD includes requirements for a Future Development Strategy and Housing and Business Development Capacity Assessment (HBA). It requires sufficient development capacity for business land to meet the expected demand for business land in the short, medium and long term. In order to be considered sufficient to meet expected demand, the development capacity must be plan enabled, infrastructure ready, suitable to meet the demands of different business sectors and include a competitiveness margin.

The Cambridge Town Concept Plan 2010 identifies that there is a shortage of large format retail supply in Cambridge. Under section 5.1.4 of the concept plan, Key Strategy 2 suggested providing for a change of land use to large format low foot traffic commercial uses such as suppliers of bulky items, or light industrial commercial mixes, but excluding supermarkets and other heavy foot traffic uses and compatible activities. The area was identified to be located within a high amenity park landscape, with strong connections to Lake Te Ko Utu and the Karapiro Stream valley. It was also indicated this area could provide for community amenities such as a movie theatre, bowling facilities and other recreation activities, and a restaurant and café area overlooking the Karapiro Stream valley and connecting with the Dr Seddon Walkway. Open green routes between Lake Te Ko Utu and the Karapiro Stream valley should be provided.

The Town Concept Plan Refresh 2019 is a supporting document of the Town Concept Plan 2010 to take into account the changes experienced in Cambridge and reidentify the needs of the wider community over the next 30 years. Community Priority Area 14 identifies Carter's Flat as a future commercial area focused on large format retail that supports the town centre.

2.3 District Plan provisions

Outlined below is a description of the Commercial, Industrial and Deferred Commercial Zones of the Waipa District Plan, which are the zones that currently impact on Carter's Flat. A short description is included outlining what the zones provide for and where they are located.

Section 6 - Commercial Zone

The Commercial Zone is located in Te Awamutu and Cambridge and also in Pirongia, Kihikihi and Ōhaupo. The central business districts of Cambridge and Te Awamutu provide the primary retail, office and commercial service areas in the District, supported by a network of local shops and a large format retail centre near Te Awamutu. The Commercial Zones in Kihikihi, Pirongia and Ōhaupo, provide smaller scale services to support the day to day needs of those communities.

These tiers form the commercial hierarchy within the District, which are:

- (a) The District wide primary commercial centres - the central business districts of Cambridge and Te Awamutu.
- (b) The village commercial centres located in Kihikihi, Pirongia and Ōhaupo.
- (c) The neighbourhood centres - located in Leamington, Cambridge North (C1 Structure Plan).
- (d) The large format centre - located on Cambridge Road, Te Awamutu.
- (e) Local shops - existing shops providing a local need within their immediate area.

A variety of activities are promoted within the Commercial Zone. Pedestrian frontages have been identified within the primary commercial centres and village commercial centres to reinforce the pedestrian focus and

vibrancy of these areas. Larger scale commercial activities including those that are vehicle orientated are encouraged within the Commercial Zone outside of the pedestrian frontage areas.

Outside of the identified pedestrian frontage, the Commercial Zone encourages a range of larger scale retail activities, commercial service and vehicular orientated activities, where the activity does not impact on the role and function of the identified pedestrian frontages. Permitted activities include a range of commercial and retail activities, residential above ground level, supermarkets, as well as trade suppliers, yard based facilities and Building Improvement Centres.

Section 6.1.8 states that: *“The Carters Flat location is currently zoned Industrial, adjoins the central business district of Cambridge, and has a range of industrial and commercial activities located within it. The area is identified as a Deferred Commercial Zone in the Plan. It is intended that this area be developed for commercial activities that are vehicle oriented, provided that alternative locations for industrial development are provided within Cambridge and the Cambridge Bypass is constructed. It is intended that Carters Flat will be rezoned to the Commercial Zone once these matters have been addressed.”*

Section 14 – Deferred Zone

The Deferred Zone is located throughout the District for areas that have been identified as being suitable for conversion from the current land use to a new land use. In Deferred Zones, the Plan notes that it is critical that current land use practices do not conflict with the intended future land use, including its ability to be adequately serviced. In most cases, the provisions of the Rural Zone apply, except for the Deferred Commercial Zone at Carter’s Flat, where the current land use is industrial.

Section 14 of the Waipa District Plan includes policies that identify that land subject to deferred zoning can only accommodate land uses which do not compromise the ability for the area’s natural and physical resources to be used for the purpose of the deferred zoning. The policies set up a framework requiring structure plans for new growth areas, and set out the process for rezoning to occur, either by way of a plan change or Council resolution.

The activity status tables identify that activities occurring in the Deferred Commercial Zone in Carter’s Flat are permitted, controlled, restricted discretionary or non-complying activities dependent upon the activity status as set out in the Industrial Zone. The rules also specify that structure plans for an entire Deferred Zone area as shown in the Planning maps become discretionary activities. Structure Plans that only cover part of a Deferred Zone become non-complying.

Rule 14.4.1.10 sets out the preconditions for uplifting a Deferred Zone. This rule states that if the deferred status of the zone were to be uplifted, the following steps would apply:

(a) The precondition that no amendments are required to the District Plan objectives, policies, or rule framework has been met; and

(b) A structure plan, has been approved:

(i) By way of a change to the Waipa District Plan; or

(ii) For the whole of the Deferred Zone area in accordance with a resource consent granted under Rule 14.4.1.4(b), or

(iii) For part of the Deferred Zone area in accordance with a resource consent granted under Rule 14.4.1.5(e) identified in the Planning Maps; and

(c) The Development Infrastructure required to service the Deferred Zone area is either in place, or Council is satisfied that there is a solution to deliver the necessary infrastructure; and

(d) n/a

(e) Council has made a formal Council resolution to remove the Deferred Zone, and to allow development to proceed in accordance with the resolved new zone(s); and

(f) n/a

(g) Structure plans for Deferred Zones can be initiated and prepared by Council, a landowner / developer, or a combination thereof.

After the resolution is made by Council, the full provisions of the relevant zone(s) and district wide provisions shall apply.

Section 7 – Industrial Zone

The Industrial Zone in Waipā District is mainly located within the two towns of Te Awamutu and Cambridge. In Cambridge there is industrial zoned land located at Hautapu / Bardowie and Matos Segedin Drive. Carter’s Flat has a large portion zoned Deferred Commercial Zone, which is managed currently through the Industrial Zone rules as directed by the Section 14 – Deferred Zone rules.

The Plan states that it is important that Industrial Zoned land is retained for industrial activities. In this Plan, most retail and commercial service activities are anticipated to occur within the Commercial Zone of the District; in order to support existing businesses, and the continued vibrancy of the existing commercial centres. However, it is anticipated that some retail activities, such as yard based suppliers, could locate within the Industrial Zone, as it is not practical, nor an efficient use of land for such industries to locate within the Commercial Zone.

2.4 Problem definition / issue

The Town Concept Plan Refresh 2019 and the Cambridge Community Board have expressed a desire to uplift the deferred status at Carter’s Flat. The purpose of undertaking this issues and options report is to identify the most appropriate zone to give effect to future aspirations in this locality.

Waipa 2050 indicates that to cater for anticipated population growth in Cambridge of up to 30,300 people by 2050, 27ha of commercial land (including 5ha of retail with the remaining being primarily office space) will be required. The Strategy states that there is demand for additional commercial land within Cambridge. Potential capacity to provide for this demand includes in and around the existing town centre, Leamington, and also within the growth cells C1, and C2/C3.

Carter’s Flat has been identified as an appropriate area for commercial growth since release of the Cambridge Town Concept Plan 2010, although the exact mix of activities has never been fully assessed. The District Plan reinforces this expectation through the current zoning approach. The Town Concept Plan Refresh 2019 mentions large format retail to support the town centre.

Currently consents are being approved in the Carter’s Flat area for activities that include a mix of commercial and light industrial activities. The land ownership pattern indicates that the lots are owned by a mix of landowners with no one company owning a significant portion.

A question in developing Carter’s Flat further is the relationship with and impact on Cambridge Town Centre. Strategic documents clearly set out a desire for Cambridge Town Centre to be a key commercial centre with a

pedestrian focussed vibrant central area. Carter's Flat is in close proximity to the centre of Cambridge and is physically separated by the topography of the land, with a steep rise separating the township from Carter's Flat. Queen Street and Albert Street are identified as a Major Arterial Road that creates a barrier between the township and Carter's Flat.

The Future Proof Industrial Land Study illustrates there is sufficient land capacity for industrial activities in Cambridge. There is a question, however, about whether there is a need for some light industrial activities to remain in closer proximity to the town centre in order to serve the town's needs. Examples include vehicle repair and servicing. There is also a question over willingness of industrial activities to move.

2.5 Options considered

A number of zoning options have been considered below for Carter's Flat. These have been identified in discussion with Council staff, based on a review of the background information and strategic context, and through reviewing the National Planning Standards.

Option 1 – Do nothing

The Deferred Zone objectives, policies and activity statuses allow industrial activities in this area where these would not preclude future transition to a commercial zone. Retaining this zoning would mean that industrial uses would continue to predominate in the area.

The benefits of this approach are:

- This approach is a good holding pattern until the timing is right to rezone the area.

The costs of this approach are:

- This approach is not in alignment with the long-term strategic direction to change the zoning of this area away from Industrial when certain conditions are met.
- It is understood that this approach is not supported by the Community Board, which has indicated a desire to uplift the Deferred Zoning status.
- The existing holding pattern directs activities located in the Deferred Commercial Zone towards the Industrial Zone rules, with additional considerations being the appropriateness when considered in light of future rezoning, and with higher activity status for industrial activities that would otherwise be discretionary activities. As such, this places a higher test on industrial activities until such time as the area is rezoned.
- Industrial activities will continue to operate and expand in this area, until such time as the Operative District Plan provisions change.

Option 2 – Uplift of Deferred Status via change to the Plan or resource consent to become Commercial Zone

To uplift the deferred status of the zone would result in the area becoming commercially zoned based on the existing provisions in the plan. It would require a structure plan as a precondition to use these provisions that has been approved by way of a plan change or resource consent.

The benefits of this approach are:

- Uplifting the deferred status would allow it to operate and contribute to the commercial nature of a town centre as currently set out in the Plan.
- It would enable a range of commercial and retail activities, as well as some residential activity, community activities, and some trade and yard based activities.

- It would be broadly consistent with the strategic direction set out for this area.

The costs of this approach are:

- This approach wouldn't enable place-based provisions to be included in the Plan that recognise the nature of the area or manage any potential effects on Cambridge Town Centre, as use of Rule 14.4.1.10 relies upon no changes being made to the provisions of the plan.
- This approach wouldn't recognise and provide for light industrial activities currently operating in this area, thereby adding financial costs to those businesses.
- There are financial and resourcing costs to Council and the community to prepare a structure plan and uplift of deferred zone process in accordance with Rule 14.1.4.10.
- This approach would have unknown impacts on the existing town centre that need to be better understood to confirm this as a viable option.
- A risk with this approach is that Rule 14.4.1.10 may be removed by way of Plan Change 13 and this option may no longer be available.

Option 2a – Plan Change to Commercial Zone

This approach would result in the area becoming commercially zoned based on the existing provisions in the Plan. It would use a plan change approach to achieve this, rather than using the uplift provisions in the plan.

The benefits of this approach are:

- This approach would allow the area to operate and contribute to the commercial nature of a town centre as currently set out in the Plan.
- It would enable a range of commercial and retail activities, as well as some residential activity, community activities, and some trade and yard-based activities.
- It would be broadly consistent with the strategic direction set out for this area.

The costs of this approach are:

- This approach wouldn't enable place-based provisions to be included in the Plan that recognise the nature of the area or manage any potential effects on Cambridge Town Centre.
- This approach wouldn't recognise and provide for light industrial activities currently operating in this area, thereby adding financial costs to those businesses.
- There are financial and resourcing costs to Council and the community to undertake a plan change process.
- This approach would have unknown impacts on the existing town centre that need to be better understood to confirm this as a viable option.

Option 3 – Change to commercial zone with specific rules pertaining to the type of commercial activity sought for Carter's Flat

This approach would follow a similar approach to that currently used for the Commercial Zone in Leamington around Cook Street / Shakespeare Street and Wordsworth Street. This recognises the area as a Commercial Zone but includes specific provisions that recognise the unique characteristics of the locality, potentially including light industrial activities.

The benefits of this approach are:

- This would use an approach that is already in the Plan so is already understood.

- It would enable place-based provisions specific to Carter’s Flat to be included in the plan.
- This approach would support the existing strategic direction for Carter’s Flat to become a Commercial Zone that is complementary to the town centre, but more focussed on larger format retail or supporting commercial activities.
- This approach could enable the development of provisions to provide for light industry, if appropriate. This takes a conservative approach to industrial land supply by continuing to enable industrial activities within a Carter’s Flat commercial zone.
- This approach aligns with the National Planning Standards ‘specific controls’ approach.
- This option does not preclude a precinct approach being used later on if this approach is adopted through the National Planning Standard updates to the Waipa District Plan.

The costs of this approach are:

- This approach would require further work to clarify the appropriate type and form of activities to support the town centre.
- There are financial and resourcing costs to Council and the community to undertake a plan change process.
- There may be a financial cost to light industrial businesses operating in this area or seeking to locate in this area, as the assumption will be a move towards Commercial Activities.

Option 4 – Plan Change to re-zone Carter’s Flat from deferred Commercial Zone to Light Industrial Zone

The Operative District Plan does not include a Light Industrial Zone, however, it is included in the National Planning Standards, and any change to the District Plan should be in keeping with these standards where possible.

The purpose statement in the National Planning Standards of the Light Industrial Zone is: *“Areas used predominantly for a range of industrial activities, and associated activities, with adverse effects (such as noise, odour, dust, fumes and smoke) that are reasonable to residential activities sensitive to these effects.”*

The benefits of this approach are:

- The types of activities currently operating in this area are consistent with activities that would be found in a Light Industrial Zone.
- Carter’s Flat would remain as a location for light industrial premises to locate in close proximity to central Cambridge.
- When considering the type and scale of activities permitted in this zone, it could also include activities found in Commercial Zones, including large format retail activities.

The costs of this approach are:

- It is understood that the Cambridge Community Board support uplifting the deferred status and change to commercial zoning, not light industrial zoning. Communication and engagement would be needed with this group to understand perspectives and share knowledge.
- There are financial and resourcing costs to Council and the community to undertake a plan change process.
- A light industrial zone would not support the long term strategic direction for this area.

Option 5 – Plan Change to a Mixed Use Zone

A mixed use concept design for Carter’s Flat has been provided privately to Council. The description in the National Planning Standards for the Mixed Use Zone is:

“Areas used predominantly for a compatible mixture of residential, commercial, light industrial, recreational and/or community activities.”

The benefit of a plan change to mixed use (based on the National Planning standards) is that:

- It would cater for some of the existing mix of activities that are currently present, being commercial, residential and light industrial, and explicitly enable a wider range of activities beyond what is currently located in the zone, being residential and community activities.
- It would enable existing light industrial uses to remain in the area in close proximity to central Cambridge.

The costs and risks of the plan change are:

- This would introduce a whole new zone into the District Plan and may necessitate the need to consider other zones being rezoned as mixed use.
- This approach does not fully align with the strategic direction for Cambridge and may necessitate the need to re-evaluate the strategic direction.
- The potential impact on the town centre would need to be assessed to ensure that the mix of uses does not undermine the pedestrian focus and vibrancy sought for the centre of Cambridge.
- Connections to central Cambridge would need to be assessed to ensure the physical barrier between the two areas does not result in transport issues.
- There are financial and resourcing costs to Council and the community to undertake and participate in a plan change process.
- Risk – would need to manage the types and format of activities to enable the desired mix of uses.

Option 6 – Plan change to a Large Format Retail Zone

The purpose statement in the National Planning Standards of the Large Format Retail Zone is: *Areas used predominantly for commercial activities which require large floor or yard areas.*

The benefits of this approach are:

- It would clearly set out an expectation that the area is to be used for commercial activities which require large floor or yard areas.
- It recognises aspects of the direction in strategic documents for this area to provide support to Cambridge town centre through provision of large format retail.

The costs of this approach are:

- This approach does not provide for the current mix of activities present in the area.
- This would introduce a whole new zone into the District Plan and may necessitate the need to consider other zones being rezoned as large format retail.
- A similar outcome could be achieved using the existing commercial zone, with specific rules catering to the size of commercial activities.
- This approach would require further work to clarify the appropriate type and form of activities to support the town centre.

- There are financial and resourcing costs to Council and the community to undertake and participate in a plan change process.

Option 7 – Plan change to Commercial Zone with a precinct for Carter’s Flat

The National Planning Standards provides for precincts, which can provide *additional place-based provisions which may modify or refine aspects of the policy approach or outcomes anticipated in the underlying zone(s)*.

Using this approach would mean that the existing commercial zone provisions could be used as the underlying zone, with place-based modifications to the provisions for the Carter’s Flat area to address specific vision for the area.

The benefit of this approach is:

- This would align with a National Policy Standard approach.
- It recognises the direction in strategic documents for this area to provide support to Cambridge town centre through a Commercial zone that supports the town.
- It would enable place-based provisions specific to Carter’s Flat to be included in the plan.

The costs and risks of a plan change to create a precinct are:

- This would introduce a whole new approach for managing activities in the commercial zone into the District Plan and may necessitate the need to consider other areas being considered as a precinct.
- This approach would require further work to clarify the appropriate type and form of activities to support the town centre.
- There are financial and resourcing costs to Council and the community to undertake and participate in a plan change process.
- There is a risk that introducing a precinct ahead of the plan change process to bring the District Plan in line with the National Planning Standards could result in this site being an outlier or different to other precincts, requiring further changes.

2.6 Discussion and recommendation

Option 3 is recommended to rezone the Deferred Commercial Zone to Commercial Zone with specific provisions pertaining to the type of activities sought in Carter’s Flat, likely to be a mix of large format commercial and light industrial, to align with the strategic direction set out in the Cambridge Town Concept Plan.

To progress this option, further work will be required. As a starting point engagement with the community and iwi, and the following studies will likely be needed:

- An assessment of the types of commercial and light industrial activities needed to be provided for in this zone so that they will service the community and not undermine the centres hierarchy.
- A transport assessment setting out requirements that would be specific to this location.
- A landscaping and urban design assessment setting out requirements that would be specific to this location.

It is noted that this recommendation is based upon the Operative Waipa District Plan provisions. If a plan change is required to give effect to the intensification components of the National Policy Statement on Urban Development it would be worth considering the development of a plan change arising from this report alongside that process.

If Council intends to adopt a precinct approach when the District Plan is updated in line with National Planning Standards, then Option 3 would facilitate and not preclude that occurring. As an alternative Option 7 could be proceeded with instead of Option 3 at this point in time.

Lastly, if there is a preference to progress a mixed use zone for Carter's Flat, then it is recommended that the strategic vision for the area be reassessed now and the community engaged to seek buy in and revise the strategic framework for this area ahead of zoning options being considered further.

3. Area 2 – Shakespeare Street / Cook Street

3.1 Background

The Leamington area is located in a block of land bounded by Shakespeare Street, Cook Street, Wordsworth Street and Burns Street, as illustrated in Figure 2. This area is just over 4 hectares in size.



Figure 2 – Leamington Commercial Zone showing extent of area to be reviewed

The previous Waipa District Plan zoned this area of Leamington as General. During the District Plan review, the Proposed Plan was notified with this area zoned as Industrial as there was no longer a general zone or equivalent. During the submission and hearing process residents raised concerns about the zoning, as it was felt industrial was inappropriate in this location.

At the time Waipā District Council staff investigated this issue in detail. They compared uses between the General Zone, Commercial Zone and Industrial Zone and noted a key concern was that if the area was zoned commercial with the full range of permitted activities there was potential for adverse effects to be created on the role and function of the town centre and the Leamington Neighbourhood Centre. Property Economics were employed to look at the range of retail activities appropriate for this area that would not undermine the centres hierarchy established in the Plan. Property Economics also noted offices were not appropriate in this location. As a result, the area was rezoned to Commercial through the hearings and decisions process with specific provisions incorporated to identify the appropriate mix of uses in this location that limited retail and offices. At the same time just over 2 hectares on Wordsworth Street was also rezoned and included with the specific Cook Street / Shakespeare Street provisions.

In making a decision the Committee noted that while a number of the existing businesses in this area are industrial, this area is not the main future location for industry. The Committee decided to change to a Commercial Zone for the Shakespeare / Cook Street area that provides for a range of activities, but enabled

retail effects on the Leamington town centre and Cambridge town centre to be assessed as part of a resource consent application.

The current activities in the Leamington commercial zone are varied, including panel beaters, garages and automotive repair premises, as well as some food and liquor retail, a café, a childcare centre, a veterinary practice, and some residential housing off Cook Street. This results in a mix of light industrial and commercial activities, with some residential near to the reserve.

3.2 Strategic context

The Waipa 2050 District Growth Strategy provides the overarching vision for growth within the Waipā District. The Strategy states that by 2050, Cambridge will be home to approximately 30,300 people, an increase in population by approximately 14,200. To cater for this growth approximately 582 hectares (ha) of new residential land, 122ha of industrial land and 27ha of commercial land (including 5ha of retail with the remaining being primarily office space) is required. The Strategy recognises that there is demand for additional commercial land within Cambridge. Potential capacity to provide for this demand includes in and around the existing town centre, Leamington, and also within the growth cells C1, and C2/C3.

The Cambridge Town Concept Plan 2010 identifies this area as being part of the Leamington Character Area. The Cambridge Town Concept Plan 2019 Refresh identifies a key challenge for this part of Leamington is that it is a traffic through-route. The opportunity identified is to introduce traffic calming and transport choice, including active modes in this area. Recommended Action 14 is to provide for a continual multi-modal corridor along Victoria Street from Hautapu to the south end of Leamington and through the town centre. These documents do not elaborate on the land uses envisaged in this area.

The Waipa District Plan sets out in Section 1 Strategic Policy Framework objectives and policies for the settlement pattern of the District. Of relevance to the site in Leamington is the following policy 1.3.1.2:

“To provide for a consolidated settlement pattern by ensuring that new urban activities are focused within the urban limits of the towns of the District and in particular:

(f) Developments within the Commercial Zone and Industrial Zone that increase the type and range of employment opportunities within the District and reduce the level of commuting traffic into Hamilton will be supported.”

3.3 District Plan provisions

The Operative Waipa District Plan includes in Section 6 – Commercial Zone, specific policies and rules for the Commercial Zone at Cook Street/Shakespeare Street/ Wordsworth Street. This includes the commercial area to the west of this study area on Wordsworth Street.

Policy 6.3.1.6 enables activities in the Cook Street/Shakespeare Street/Wordsworth Street Commercial Zone, where they do not affect the function of the primary commercial centres or the neighbourhood centres.

Policy 6.3.2.5 outlines that residential activities and residential based visitor accommodation are enabled where they adjoin reserves along the Waikato river and meet certain criteria around access and Crime Prevention Through Environmental Design (CPTED) principles. Policy 6.3.2.6 provides for activities, buildings and fencing on this zone and adjoining the reserve along the Waikato River, where the activity or building design and layout results in improved public interface with the River and meets the principles of CPTED.

The Commercial Zone activity status table has a column of rules specific to this area that differ from the rest of the Commercial zoned land in the district.

Permitted activities include places of assembly, education facilities, visitor accommodation, service stations, wholesale shops, trade suppliers and yard-based facilities. Any activity not listed as a permitted activity in the area identified in the Shakespeare Street/Cook Street/Wordsworth Street area identified on the Planning Maps, except for listed prohibited activities, become discretionary activities. This would likely include retail and light industrial activities.

Assessment criteria for discretionary activities in this zone include effects on the retail hierarchy of the District, access to the River for sites adjoining the reserve and site layout and design issues, particularly in relation to adjoining residential activities.

3.4 Problem definition / issue

It is understood that there was an issue raised to council regarding the appropriateness of the zoning. One proposal was for a resource consent in 2018 to erect a workshop and storage shed for an industrial activity in the Commercial Zone and to dispense with fencing rule. This required consent as a discretionary activity. Written approvals from neighbours were provided with the application and it was approved on a non-notified basis. The issue raised by this landowner was that this current Commercial Zone does not cater to a range of activities that exist in this area and this results in inefficiencies for new developments and onerous resource consents for changing land use. It is understood there has also been other landowner interest in the suitability of the zoning.

The purpose of investigating the suitability of the zone is to identify the most appropriate zone for the activities that occur in this locality.

Analysis of the limited number of resource consents and pre-application meeting notes that have been lodged in the past 10 years, indicate that activities not provided for as a permitted activity are being approved and the objective and policy framework is enabling a range of both commercial and light industrial activities to occur. Some activities have also required consent for failing to meet standards around parking and landscaping.

Cook Street and Shakespeare Streets are busy thoroughfares classified as major and minor arterials, and the area has limited on-street parking and pedestrian infrastructure. There are numerous vehicle crossings fronting both Cook Street and Shakespeare Street.

The Future Proof Industrial Land Supply Study (March 2020) did not identify the Cook Street/Shakespeare Street/ Wordsworth Street area as having any industrial land supply identified or allocated as the area is zoned as commercial.

3.5 Options considered

Option 1 - Do Nothing

This approach would retain the Commercial zoning as set out in the Operative District Plan.

The District Plan policy direction for this area is to enable activities that do not affect the function of the primary commercial centres or neighbourhood centres, and to enable larger scale retail activities, commercial service and vehicular oriented activities. Policies specific to this locality also enable residential activities at ground level near the reserve.

Based on the existing rule structure in the Plan this approach would require new retail, cafes and light industrial activities to apply for resource consent as a discretionary activity. Conversely, a range of commercial and residential activities are provided for as permitted activities, such as places of assembly, education, visitor

accommodation, service stations, wholesale shops, yard-based facilities, dwellings above ground level and dwellings at ground level where they do not directly adjoin the Waikato River.

The benefits of this approach are:

- The rule structure allows for a mix of activities in this zone and does not default to non-complying if an activity is not listed in the activity table. This infers that a range of activities are appropriate subject to resource consent and assessment against the policy direction in the plan.
- Discretionary activity status enables consideration of effects on neighbouring uses.
- This approach seems to have been working and activities have been approved under the more permissive discretionary activity status without difficulty.

The costs of this approach are:

- The policy framework doesn't directly support light industrial activities. This approach may discourage new activities that require consent from locating in this area, and over time may encourage light industrial activities to locate elsewhere.
- Adds additional financial and resourcing costs to activities that require consent.

Option 2 – Minor amendment to existing Commercial Zone

This approach would retain the existing District Plan framework for managing activities in this area, with amendments to policies and rules to clarify that light industrial activities are appropriate in this location subject to consent, whether as a discretionary activity or restricted discretionary activity.

While the National Planning Standards do include a light industrial zone, they do not include a light industrial zone definition. As such this approach would require creation of a new definition as enabled in the National Planning Standards. The Hamilton City District Plan includes a definition of light industrial which could be used or modified.¹

The benefits of this approach are:

- It would retain the existing approach which appears from resource consents and building consents to be largely working, whilst better recognising the concerns raised by the submitter about light industrial activities in the zone.
- It would better recognise existing activities and enable a mix of residential, commercial and light industrial activities, unique to this location within Leamington.
- This approach would only require limited changes to the District Plan.
- This approach could be easily transferred to conform with the National Planning Standards via a precinct type approach when the District Plan is updated as a whole to conform with the National Planning Standards.

¹ Hamilton District Plan's definition of light industry is: Means manufacturing, warehouse, bulk storage, service and repair activities which do not involve the use of heavy machinery, are carried out indoors and are unlikely to give rise to significant adverse effects beyond the site and are generally of a small scale. They include printing works, furniture manufacture, car repairs, light engineering, tradesmen's depots and the like.

The costs and risks of this approach are:

- This would require introducing a new definition into the district plan for light industrial.
- This approach may require consideration of whether changes are required to other zones to accommodate light industrial activity.
- This approach would still require light industrial activities to obtain resource consent.
- The National Planning Standards do not currently include a definition for light industry, although they do include a light industrial zone. There is a risk to including a new definition.
- This approach would have some financial and resourcing costs to Council and the community to undertake a plan change process.
- This approach could also have an impact on the Wordsworth Street commercial area.

Option 3 – Plan Change to light industrial

The purpose statement in the National Planning Standards of the Light Industrial Zone is: *“Areas used predominantly for a range of industrial activities, and associated activities, with adverse effects (such as noise, odour, dust, fumes and smoke) that are reasonable to residential activities sensitive to these effects.”*

The benefit of a plan change to light industrial zoning (based on the National Planning Standards) is that:

- The light industrial activities currently operating in this area would be consistent with activities that would be found in a Light Industrial Zone.
- It would enable existing light industrial activities that occur in this area.

The costs and risks of a plan change to Light Industrial are:

- This would introduce a whole new zone and definition for light industrial activities into the District Plan and may necessitate the need to consider other zones to be re-zoned from Industrial to Light Industrial.
- The area is not currently used solely for light industrial activities with activities such as veterinary practices, cafes, retail, residential and child-based care also included within the mix of activities.
- The interface with the surrounding residential activities would still need to be managed.
- There is a risk of lack of support in the community for a light industrial zone change given the previous opposition to an industrial zone during the District Plan review.
- There are financial and resourcing costs to Council and the community to undertake and participate in a plan change process that involves a new zone.
- This approach could also have an impact on the Wordsworth Street commercial area.

Option 4 – Plan Change to Industrial

The Heavy Industrial Zone within the National Planning Standards is not considered to be appropriate for this area due to the size and potential adverse effects on the adjoining residential areas. Further, residents opposed the use of an Industrial Zone in this locality during the District Plan review.

Option 5 - Plan Change to mixed use

The description in the National Planning Standards for the Mixed Use Zone is:

“Areas used predominantly for a compatible mixture of residential, commercial, light industrial, recreational and/or community activities.”

The benefit of a plan change to mixed use (based on the National Planning standards) is that:

- It would cater for the mix of activities that are currently present – commercial, residential and light industrial.

The costs and risks of the plan change are:

- This would introduce a whole new zone into the District Plan and may necessitate the need to consider other zones being rezoned as mixed use.
- The interface with the surrounding residential activities and the centres hierarchy would still need to be managed.
- There are financial and resourcing costs to Council and the community to undertake and participate in a plan change process.
- Risk – would need to manage the types and format of activities to enable the desired mix of uses.
- This approach could also have an impact on the Wordsworth Street commercial area.

Option 6 – Include a precinct

The National Planning Standards provides for precincts, which can provide additional place-based provisions which may modify or refine aspects of the policy approach or outcomes anticipated in the underlying zone(s).

The rules in the Commercial Zone currently include specific policies and rules for the Leamington area that differentiate it from commercial zoned rules in the rest of the District Plan. This acts very much like a precinct approach. If a precinct were used the policies and rules could potentially be modified to accommodate light industrial zones as well.

The benefit of a plan change to create a precinct are:

- This would update the Leamington provisions to be in line with a National Policy Standard approach.

The costs and risks of a plan change to create a precinct are:

- This would introduce a whole new approach into the District Plan and may necessitate the need to consider other areas being considered as a precinct.
- The interface with the surrounding residential activities would still need to be managed.
- There are financial and resourcing costs to Council and the community to undertake and participate in a plan change process.
- A precinct approach would not achieve an outcome considerably different than the existing approach.
- There is a risk that introducing a precinct ahead of the plan change process to bring the District Plan in line with the National Planning Standards could result in this site being an outlier or different to other precincts, requiring further changes.

3.6 Recommendation

Based on this desk-top assessment and review of all available information including previous reports, it is recommended that Option 1 (no change) is proceeded with as the preferred option for engagement with landowners as the next step. Option 2 (minor amendments to existing zone), should also be consulted on for landowner feedback. However, this study has not indicated any significant issues with the zoning or spatial distribution of land use activities that could be considered to meet the statutory requirements under section 32 of the Resource Management Act to justify a change in zone. Landowner and public feedback will help inform the final recommended option presented back to the Committee.

As an alternative, if it was decided to proceed with a precinct approach for Carter’s Flat, then it might be appropriate to reformat the existing provisions for Cook Street and Shakespeare Street into a precinct approach.

4. Area 3 – Aotearoa Park

4.1 Background

Aotearoa Park is located on Matos Segedin Drive on the outskirts of Leamington, Cambridge. It is adjacent to the Cambridge Wastewater Treatment Plant and beside the Waikato river.



Land uses within this area are industrial in nature and include storage facilities, yard-based activities, car wreckers, manufacturing, doggy day-care, landscape suppliers, aggregate companies, the animal pound and waste transfer station.

To the west of the industrial area is rural zoned land that is designated (D91) for the Cambridge Wastewater Treatment Plant for the treatment and disposal of sewage, liquid wastes and sludge. To the south west is rural zoned land that is currently used as a sand quarry. To the south of the Industrial zoned area are deferred residential and deferred large lot zones, and to the south and east are deferred reserve zone and residential zoned land. To the north is reserve zone and the Waikato River.

4.2 District Plan provisions

The previous District Plan zoned this area Industrial and that zoning has been retained in the Operative Waipa District Plan.

4.3 Issues

Plan Change 5 to the Waipa District Plan rezoned all of the growth cells identified in the Waipa 2050 Growth Strategy zoned as Rural to Deferred Zoning and introduced changes for release of deferred zones. During this process Aotearoa Park Development Ltd submitted concerns about potential reverse sensitivity effects arising from the proposed Deferred Large Lot Residential zone to the south west of the industrial zoned land and

impacting on the existing Industrial Zone. The resolution of this problem was to create a rural zone buffer between the Industrial Zone and Deferred Large Lot zone.

GMD were asked to investigate whether there were any issues that needed to be addressed with the zoning in this area. Having spoken to Revital Group, Aotearoa Park and Council staff in relation to the Council assets including the Cambridge Wastewater Treatment Plant, and having looked at resource consents for the area, no issues have been identified with the current zone provisions which seem to adequately provide for envisaged existing and future activities.

In the future there are a couple of matters that could arise, but these are at the early stages of being investigated.

Waipā District Council staff advise that a business case is being prepared for the Cambridge Wastewater Treatment Plant expansion. This is likely to be complete by March or April 2021, but it is too early to determine what may arise from that process.

The dog pound, which is currently located within this industrial area, has raised the question about whether it could expand into the Wastewater Treatment Plant designation area. From a land availability perspective Council has confirmed that this could be achieved. Waipā District Council staff advised this was an early conversation and nothing has been confirmed in relation to this possibility.

The Future Proof Industrial Land Supply Study identified that as of June 2019 Aotearoa Park has 8.9 ha of available land over the short, medium and long term, comprising 30 years.

4.4 Options considered

Option 1 - Do Nothing

This approach would retain the Industrial zoning as set out in the Operative District Plan.

Option 2 – Modify the zoning boundary for the dog pound

This approach would relocate the boundary slightly to accommodate any future dog pound expansion into the wastewater treatment plant designation area. Given the possibility of extending the dog pound is still in the early stages of discussion and relocation of the zone boundary may not be the best solution to manage any extension, it is considered too early in the process to consider this option further at this stage.

4.5 Recommendation

In consultation with Council staff and landowners in the area, and having reviewed existing land uses, and resource and building consents, no issues have been identified in this area. There is potential that the dog pound may wish to expand into the Wastewater Treatment Plant designation area at some point in the future. There is also a business case underway for the Cambridge Wastewater Treatment Plant expansion. It is recommended that the outcome of the Business Case and discussions around the dog pound expansion are progressed further to determine if there are any issues that need to be addressed.

It is therefore recommended that Option 1 – Do Nothing is appropriate in this area.

5. Conclusion

This report summarises the outcome of an investigation into the issues and options for zoning three discrete areas in Cambridge, being Carter's Flat, the commercial zone on Cook and Shakespeare Streets in Leamington, and the industrial area around Matos Segedin Drive.

In conclusion, this report recommends that:

1. Option 3 to rezone the Deferred Commercial area of Carter's Flat to Commercial Zone, with specific rules pertaining to the type of commercial and light industrial activity sought for Carter's Flat, is investigated further.
2. No changes are required to the District Plan for Area 2 – Cook and Shakespeare Streets, Leamington.
3. No changes are required to the District Plan for Area 3 – Aotearoa Park.