SmartGrowth Strategy 2023-2073

ISSUES AND OPTIONS PAPER

Future Development Strategy – Business Industrial Land

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Staff Narrative

Overview of feedback received

Eight submissions were received on the industrial land topic from:

- Thwaites, Donald Alan submitter 49
- Te Puke Economic Development Group submitter 64
- Golden Bay, A Division of Fletcher Concrete & Infrastructure submitter 66
- Waste Management NZ submitter 74
- Clear the Air & Tauranga Moana Fumigant Group submitter 78
- Urban Task Force submitter 81
- SmartGrowth submitter 82
- Bell Road Limited Partnership submitter 83.

Issue 1: General – Potential future industrial land areas

Four submitters sought new or alternative future potential business land locations be identified. These are addressed as separate issues for Bell Road/Wairākei South, Ōmokoroa/Apata, Te Puna and Te Puke. In addition, one submitter (SmartGrowth) sought specific additional wording to Map 18 of the draft FDS.

One submitter (Clear the Air) seeks provision for heavy industry in specific suitable locations to enable the long-term relocation of existing heavy industry emitters where those activities are located in unsuitable locations.

<u>Issue 2: General – Providing for existing industrial activities</u>

Several submitters sought that the SmartGrowth Strategy better recognise existing industrial activities, with one submitter seeking that the impact of industrial activities be recognised.

Golden Bay seeks recognition of existing industrial activities in the SmartGrowth Strategy. They seek amendments to ensure the operational and functional need of industrial activities on industrial land within the Port of Tauranga are supported, and that industrial activities are recognised for their contribution to both the

economy and assisting in housing delivery both at a regional and national level. Golden Bay also seek amendments to the draft SmartGrowth Strategy to provide for the continued development and intensification of existing industrial land to protect business and industrial land, which they consider will in turn assist in the growth of the regional and national economy and assist in housing supply.

Clear the Air & Tauranga Moana Fumigant Group seek that provision is made for heavy industry in specific suitable locations to enable the long term relocation of existing heavy industry emitters where those activities are located in unsuitable locations. They also seek that zoning and plan provisions be aligned with the National Planning Standards to differentiate light medium and heavy industry zones, and that integration between land use and regional plan provisions for air and water quality occur.

Waste Management NZ is concerned with providing for existing heavy industry and considers it is unclear how the SmartGrowth Strategy intends on meeting anticipated demand for industrial land. They seek:

- (a) equal recognition of existing industrial uses, particularly at the Truman Lane Site and the Oil Recovery Site, as well as recognition of the constraints industries face which otherwise hinders their ability to internalise all of their effects; and
- (b) recognition of the adverse health and amenity effects and reverse sensitivity effects, should residential housing be directed in proximity to effects-generating industrial activity.

<u>Issue 3: Potential Future Business Area - Wairākei South</u>

The Bell Road Limited Partnership submitted that no future industrial area has been identified in the draft FDS for the Eastern growth corridor. They consider that the Wairākei South area is suitable for urban development, and that engineering solutions are able to address flooding, coastal inundation risks and land quality and other constraints. A map is included as an appendix to their submission showing the Wairākei South land sought to be identified in the FDS for business employment and residential uses.

The Urban Taskforce states that no further business land has been identified in the strategy for the eastern/central corridor and considers that 60 ha of land needs to be brought forward [in this corridor]. They seek that further land is identified in the eastern/central corridor such as at Wairākei South to cater for future needs, and for the assessment tables on page 148 of the Strategy to be updated.

<u>Issue 4: Potential Future Business Area - Ōmokoroa/Apata</u>

Don Thwaites considers that further investigation of business land development at Apata is required.

Issue 5: Potential Future Business Area - Te Puna

Don Thwaites considers that Te Puna is not a suitable location for any further industrial activity, while the Tauranga Urban Taskforce seeks Te Puna be included as a short and medium term growth area for business employment land based on the technical assessment work underpinning the draft strategy.

<u>Issue 6: Potential Future Business Area - Te Puke</u>

Te Puke Economic Development Agency seeks that new industrial land is made available in the vicinity of the Te Puke township and that the existing Te Puke West zoned land is enabled through the consenting process.

Key considerations

- The extent to which the FDS needs to signal where future business land ie. industrial land, should be located ahead of structure planning, servicing, funding and plan change processes.
 - It is recommended that the FDS provide certainty under the NPS-UD as to the potential locations for business land over the next 30 years, in the same manner as for residential growth areas.
- 2. Whether potential future growth areas for business land are shown in the Eastern growth corridor.
 - The HBA Business Capacity Assessment by Market Economics found there is sufficient existing zoned and planned industrial land in the Eastern growth corridor to meet the expected demand for business land over the next 30 years, including through the Rangiuru Business Park. There is uncertainty as to the timing and additional business land requirements arising from the Eastern Town (Te Kāinga) and the timing of the delivery of business land in the Te Tumu growth area. Further information is required as to whether Wairākei South is suitable as a potential future business land location, given the flooding and other constraints within the Bell Road catchment.
- 3. The need for clear direction on Upper Belk Road for the FDS on whether Upper Belk Road should be residential, industrial or a mix of both.
 - The Government's SDP process under the Urban Development Act 2020 can be used to deliver on the growth requirements of this area. Kāinga Ora are expected to recommend to ministers a scenario which provides for 150–200ha of business land alongside residential housing. The need for business land in the Western growth corridor requires planning to commence as soon as possible in order to meet business land demand in the medium to longerterm.

The following documents which inform and support the draft FDS business land section should also be referred to (available from the SmartGrowth website at the links below):

- SmartGrowth Industrial Land Study Technical Report, June 2023
- SmartGrowth Industrial Land Study Supplementary Report, May 2023
- SmartGrowth Industrial Land Study Further Investigations, November 2023

Tauranga City and Western Bay of Plenty Business Capacity Assessment
 December, 2022

Options overview		
Issue 1 General – Potential future industrial land areas	Option 1A: Status Quo - Retain the draft FDS text and Map 18 locations showing potential long term growth areas for business land	
	Option 1B: Amend the draft FDS text showing potential long term growth areas for business land (Recommended)	
	Option 1C: Amend the Map 18 locations text (page 154) showing potential long term growth areas for business land	
	Option 1D: Retain the draft FDS text and Map 18 locations showing potential long term growth areas for business land, but include a notation and outline of possible other sites that may be suitable	
Issue 2: General – Providing for existing industrial activities	Option 2A: Status quo – Retain current wording of the SmartGrowth Strategy and FDS in relation to existing industrial activities	
	Option 2B: Insert additional text to recognise existing industrial activities and their effects (Recommended)	
Issue 3: Potential Future Business Area - Bell Road/Wairākei	Option 3A: Status quo – Do not identify Wairākei South as a potential long term growth area for residential and/or business land in the FDS. (Recommended)	
South	Option 3B: Identify Wairākei South as a 'Potential long term growth area – business land' in Map 18 of the FDS and in the Business Employment Land assessment	
	Option 3C: Make no further changes to Map 18 and the Business Employment Land assessment but include a notation to identify Wairākei South as a potential future growth area	
Issue 4: Potential Future Business Area – Ōmokoroa/Apata	Option 4A: Status quo –Confirm Ōmokoroa/Apata as a potential future growth area for business land (Recommended)	
	Option 4B: Provide for further investigation of business land development at Apata	
Issue 5: Potential Future Business Area – Te Puna	Option 5A: Status quo - Do not include Te Puna as a short and medium term growth area for business employment land in the FDS (Recommended)	

	Option 5B: Include Te Puna as a short and medium term growth area for business employment land in the FDS	
Issue 6: Potential Future Business Area – Te Puke	Option 6A: Status quo - Do not provide for new industrial land in the vicinity of Te Puke and leave consenting of the existing Te Puke West zoned land to the appropriate processes (Recommended)	
	Option 6B: Provide for new industrial land in the vicinity of Te Puke and support consenting of the existing Te Puke West zoned land	

Issue 1: General – Potential future industrial land areas

Option 1A: Retain the draft FDS text and Map 18 locations showing potential long term growth areas for business land (Status Quo).

Advantages

- Approach signals where certainty can be afforded to progress future structure planning and rezoning plan changes for industrial land in the northern and western corridors.
- Based on technical assessments supporting the potential long term growth areas for business land.
- Other submitters may have submitted on the draft FDS if other potential longer-term growth areas for business land were identified in the draft FDS.

Disadvantages

 Does not directly respond to some of the submission points received on the draft FDS.

Financial implications

None identified.

Other considerations

Also refer site specific issues and options 3, 4, 5 and 6 below.

Option 1B: Amend the draft FDS text to better clarify the potential long term growth areas for business land, as follows: (Recommended)

i. Add a table to page 148 after the existing strategic industrial land allocations table to show the Business Employment Land Growth Allocations for the next 30 years as follows:

"The following table outlines the potential additional business land allocations over the next 30 years and beyond, informed by the HBA and supporting desk-top assessments.

Potential Long-term Growth Area - Business Land	Allocation (hectares)	Delivery timing
Upper Belk Road	150-200	Long-term (2034-2054)
Ōmokoroa	70	Long-term (2034-2054)
Pukemapu*	115	Post-2054
Rangiuru Business Park extension	45	Long-term (2034-2054)

^{*} Pukemapu is subject to further assessment for urban purposes and feasibility

ii. Amend the text at page 149 (paragraphs 5, 6 and 7) as follows

"In addition to the above planned business land provision, a further 300 to 400 ha of greenfield land is required to support business (industrial) land uses within the sub-region over the next 30 years.

Potential locations to provide for future business land demand needs in the northern and western growth corridors have been identified at Ōmokoroa/Apata, Upper Belk Road and Pukemapu- Potential business land locations in the Eastern growth corridor are not required within the period of the FDS.

The locations of potential growth areas for business land are shown on Map 18 and are indicative only. For example, in the Northern growth corridor a potential growth area is identified in the general vicinity of Ōmokoroa and Apata adjacent to State Highway 2 for long-term consideration."

Advantages

- Provides greater certainty for future decision-makers, authorities, landowners, communities and developers
- Aligns with the residential urban growth table in the FDS in providing for the expected developable yield of business land with the potential growth areas.
- Reflects that feasibility studies and assessment to support a future plan change process for rezoning of land would be required.
- Allows for future consideration of other areas in the Eastern growth corridor.

Disadvantages

- Would result in removal of the possible future locations for strategic business land (short-listed sites).
- May provide less certainty for future decision-makers, authorities, landowners, communities and developers.

Financial implications

None identified. If required, amendments can be made to the FDS text and Map 18 within the existing budget.

- The NPS-UD requires councils to spatially identify broad locations for development, infrastructure required and any constraints on development. In doing so the Future Development Strategy (FDS) is also required to balance the certainty regarding the provision of future urban development with the need to be responsive to demand for such development.
- The FDS forms the basis for integrated, strategic and long-term planning. An FDS helps local authorities set the high-level vision for accommodating urban growth over the long term, and identifies strategic priorities to inform other development-related decisions, such as:
 - o district plan zoning and related plan changes
 - priority outcomes in long-term plans and infrastructure strategies, including decisions on funding and financing
 - o priorities and decisions in regional land transport plans.

Option 1C: Amend the Map 18 locations text (page 154) showing potential long term growth areas for business land, as follows:

Add additional text to the FDS map alongside the existing text which states: "The Future Development Areas are indicative only". Additional text to state: "The Industrial Land Study has been undertaken using desktop information only, further investigations are required. The locations of potential industrial land as shown on the map are indicative only. For example, in the Northern Corridor there are a range of long listed sites in the Apata and Ōmokoroa area for long-term consideration."

Advantages

- Reflects that the SmartGrowth Industrial Land Study was a desk-top analysis of available information.
- Allows for future consideration of other areas.

Disadvantages

- Undermines the work undertaken to date in identifying the potential future locations for strategic business land.
- Provides less certainty for future decision-makers, authorities, landowners, communities and developers.
- Provides additional confusion as to the potential growth area identified on the map.
- The additional text is unnecessary as the existing text includes the sentence "The future development areas shown are indicative only".

Financial implications

None identified. If required, amendments can be made to the FDS text accompanying Map 18 on page 154 within the existing budget.

Other considerations

The additional wording is in response to one submitter, who considers land at Apata to be a more suitable location for future business land than the location adjacent to the Takitumu Northern Link interchange at Ōmokoroa identified in the SmartGrowth Industrial Land Study and further investigation work. Apata was assessed as part of the study and further investigation work.

Option 1D: Retain the draft FDS text and Map 18 locations showing potential long term growth areas for business land, but include a notation on Map 18 (pages 154) and outline of possible other sites that may be suitable in the text at pages 149 as follows:

"Potential business land locations in the Eastern growth corridor are not required within the period of the FDS. Possible sites have been identified at Wairākei South, Rangiuru, Paengaroa and Te Puke."

Advantages • May disadvantage landowners and communities by indicating future business land.

- Identifies other potential long-term growth area suitable for business land on Map 18, based on the short-listed areas in the draft FDS and in the SmartGrowth Industrial Land Technical Study report (Aurecon, June 2023)
- Enables the Eastern growth corridor sites to be included.
- Adopts the Future Proof approach in their FDS (2022) for identifying other possible sites for future industrial land in the subregion.
- Would show additional longer-term growth areas for business land that are not required to meet the expected demand for business land. Sufficient supply is afforded from existing zoned industrial land, including the Rangiuru Business Park and in Te Puke.
- Would signal possible future urban development of land identified as highly versatile land.

Financial implications

None identified. If required, amendments can be made to the FDS text within the existing budget.

Other considerations

The extent to which other possible sites have sufficient information to carry forward into any formal RMA planning process.

Issue 2: General – Providing for existing industrial activities

Refer also "Te Taiao Environment" and "Economy" issues and options papers

Option 2A: Status quo – Retain current wording of the SmartGrowth Strategy and FDS in relation to existing industrial activities

Advantages

- Existing industrial activities are required to meet the relevant planning and consenting standards, which consider any adverse effects on the environment and the health and wellbeing of people.
- Reflects that the FDS is about planning for future growth and land use change.

Disadvantages

- May not adequately reflect the economic benefits of existing industry to the subregional and New Zealand as a whole.
- The existing draft strategy does not recognise that some emitting industrial activities are having an adverse effect on people and communities.

Financial implications

None identified.

- Resource consenting requirements for industrial activities under the relevant City/District Plan and Regional Natural Resources Plan requirements.
- The Mount Industrial Planning Study which has considered mana whenua, businesses and community issues as to the co-existence or relocation of existing emitting industries and adjoining sensitive land uses within the industrial area. Tauranga City Council is to commence work towards a proposed city-wide commercial and industrial plan change during 2024 which will adopt the relevant specified zones under the National Planning Standards 2019.

Option 2B: Insert additional text to recognise existing industrial activities and their effects, as follows (text to be inserted shown <u>underlined</u>) (Recommended)

- i. Insert additional wording in Part 1: Introduction and Context Economic Objectives to recognise and support existing industrial activities that provide for economic and housing growth. "Enable and support the continued establishment, operation and maintenance of existing industrial activities that contribute to the regional and national economy, provided the health and wellbeing of people and the environment are safeguarded."
- ii. -Amend wording in Part 1: Introduction and Context Sub-Regional Context- Marine Corridor on Page 27 as follows: "Industrial activities that require shipping links to and from the Port of Tauranga".
- iii. -Amend wording in Part 2: The Growth Challenge Opportunities on Page 40 as follows: "Industrial activities that provide an economic opportunity for the region".
- iv. -Amend wording in Part 3: The Spatial Plan Chapter 06. Urban Form and Centres introduction on Page 102 as follows: "...horticulture and construction materials" as a key industry to the nationally significant Port of Tauranga.
- v. -Insert additional wording in Part 3: The Spatial Plan Chapter 07. Housing Housing system growth directives on Page 114 as follows: "Support existing local industries that provide for construction materials that assist in housing delivery".
- vi. Insert additional wording in the draft FDS at page 148 that recognises the impacts of existing heavy industry as follows:

 "The SmartGrowth Strategy seeks to reduce the impacts of existing industrial activities on the environment and the health of people living or working in proximity to those activities. Opportunities for the relocation of existing industrial activities to other locations, both within and outside the sub-region, are supported where they will assist in reducing those impacts".

Advantages

 Recognises that some emitting industrial activities are having an adverse effect on people and communities.

Disadvantages

- May not recognise the existing use rights of businesses operating lawfully within current regulatory requirements.
- Existing industrial activities are required to meet the relevant planning and consenting standards, which consider any adverse effects on the environment and the health and wellbeing of people.

Financial implications

None identified. If required, amendments can be made to the FDS text within the existing budget.

- The NPS-UD requirements for future development strategies.
- The SmartGrowth Industrial Land Study technical report (Aurecon, 2023) identifies the possible areas for future business land within the sub-region that would be technically suitable for heavy industrial uses, however site-specific investigation would be required.

• The National Planning Standards 2019 are required to be given effect to by councils under the Resource Management Act 1991. Tauranga City Council is likely to commence implementing the commercial and industrial zoning from the National Planning Standards through a future plan change in 2024.

Issue 3: Potential Future Business Area - Wairākei South

Option 3A: Status quo – Do not identify Wairākei South as a potential long term growth area for residential and/or business land in the FDS. (Recommended)

Advantages

- Aligns with evidence-based decisions made around the FDS.
- Acknowledges that the wider catchment is subject to natural hazard risk exacerbated by climate change, with cultural values as set out in the Kaituna River document.
- Identifies that a catchment level approach is required to manage flood risk in the Bell Road catchment, including both downstream and upstream.
- Maintains the SmartGrowth position that supports a 'Go Carefully' approach to this area.
- Lowers the risk of identifying a potential growth area that may not be able to be developed due to natural hazard, cultural or environmental constraints.

Disadvantages

- Lost opportunity cost with willing developer and large land parcels in single ownership, near strategic transport corridors and labour supply.
- Relies on the sufficiency of desk top investigations undertaken to date through the SmartGrowth Industrial Land Study.

Financial implications

None identified.

- Under this option further information would be required to demonstrate how flooding, geotechnical and other natural hazard risk would be adequate avoided, remedied or mitigated. A pathway would still exist for the Bell Road Limited Partnership to seek a private plan change.
- The Bell Road LP provided engineering, geotechnical and planning statements at the SmartGrowth hearings. These statements of evidence rely on a number of untested technical and expert conclusions in the face of known flooding, natural hazard risk and geotechnical issues identified by engineering staff at BOPRC, TCC and WBOPDC.

- The SmartGrowth councils acknowledge that there is work underway by the Bell Road LP to undertake investigations as to the suitability of Wāirakei South for urban development purposes. It is anticipated that when this information is provided to the councils consideration will be given at that time.
- The Bell Road catchment is currently serviced by a pumping scheme which indicates that flood risk is an existing issue. This suggests the Bell Road catchment is high risk and a precautionary approach should be adopted at this strategic planning step.
- While the location and transport benefits are acknowledged, these would not outweigh the wider issue of providing for urban growth in an
 overallocated stormwater catchment and resulting costs of resilience if development were to occur in a piece-meal fashion within the
 catchment.
- Acknowledgement of the Te Maru o Kaituna River Authority and the inconsistency of large-scale and incremental urban land use change in the surrounding and upstream catchments with the vision and objectives of the Kaituna River Document.
- Consideration of the likely requirements arising from the Proposed National Policy Statement for Natural Hazard Decision Making 2023.

Option 3B: Identify Wairākei South as a 'Potential long term growth area – business land' in Map 18 of the FDS and in the Business Employment Land assessment.

Specifically:

- i. Identify Wairākei South as a 'Potential long term growth area business land' in Map 18 of the FDS and
- ii. Include Wairākei South in the Business Employment Land assessment on page 149 through the following changes:
 - Include 100ha of employment land in the 2027-2034 (medium term) and 45ha of employment land in the 2034-2054 (long term) planning periods.

Advantages

- Provides additional future business land capacity within the Eastern growth corridor.
- Provides certainty for the landowner (Bell Road Limited Partnership) to then seek a private plan change to progress any urban development of Wairākei South through the required rezoning process under the RMA.
- The amount of additional business land required to be identified within the subregion by way of other potential long-term growth areas for business uses would be reduced.

Disadvantages

- There is sufficient zoned business land within the Eastern growth corridor to meet expected demand over the next 30 years.
- While statements of geotechnical and engineering evidence were submitted to the hearing, this technical information does not enable the suitability of the land for urban development to be confirmed and that there will be no impact on the wider catchment.
- The SmartGrowth Industrial Land Study reports identify significant natural hazard issues which would need to be addressed to enable consideration of Wairakei South for urban development.
- Identifies land in the Eastern growth corridor ahead of other investigations around Rangiuru (Eastern Town) and Te Puke (Te Puke Spatial Plan).

Urban development at Wairākei South may result in downstream	
water quality and ecology effects on the Kaituna River and	
surrounding and lower catchment area which has been the benefit	
of substantial downstream restoration works.	

Financial implications

None identified.

Other considerations

- The Bell Road Limited Partnership provided further information at the hearings in relation to their submission as statements of evidence from planning, geotechnical and engineering experts. No technical reports were provided.
- While natural hazard risks and protection of the wider catchment would need to be satisfactorily addressed, Wairakei South has not been identified in the FDS as being required to provide residential and business land over the period of the FDS (2024-2054).
- It is recognised that there are constraints and opportunities in delivering the potential business land growth areas to the market.
- Acknowledgement of the Te Maru o Kaituna River Authority and the inconsistency of large-scale and incremental urban land use change in the surrounding and upstream catchments with the vision and objectives of the Kaituna River Document.

Option 3C: Make no further changes to pages 148 and 149 and Map 18 (Page 154) <u>but</u> include a notation to identify Wairākei South as a potential future growth area

Advantages

- Bell Road is already identified as a possible site in the draft FDS at page 149.
- Provides a potential future pathway for urban development.

Disadvantages

- Lost opportunity cost.
- No sites in the Eastern growth corridor are currently shown in the draft FDS Map 18.
- Downstream water quality and ecology effects on the Kaituna River and surrounding and lower catchment area which has been the benefit of substantial downstream restoration works.

Financial implications

None identified.

- Bell Road is specifically referred to as a potential site at page 149 of the draft FDS along with the other possible sites deemed suitable for industrial land uses. The three yearly review of the SmartGrowth Strategy/FDS required by the NPS-UD allows for changes and any additional potential growth areas to be included in the strategy should these be able to be supported.
- Under this option Wairākei South would be identified in some form in the FDS as subject to technical investigations. FutureProof included three other possible business land sites in their FDS on a separate map as subject to further investigation.

• Acknowledgement of the Te Maru o Kaituna River Authority and the inconsistency of large-scale and incremental urban land use change in the surrounding and upstream catchments with the vision and objectives of the Kaituna River Document.

Issue 4: Potential Future Business Area – Ōmokoroa/Apata

Option 4A: Status quo – Confirm Ōmokoroa/Apata as a potential future growth area for business land (Recommended)

Advantages

- Maintains the recommended position put forward in the draft FDS that Apata is not a potential future long-term strategic growth area for business land.
- Locks in Ōmokoroa (adjacent to the proposed Takitumu Northern Link interchange) as a potential future growth area in the FDS.
- Lowers the risk of identifying a potential growth area that may not be able to be developed due to natural hazard, cultural or environmental constraints.

Disadvantages

- SmartGrowth may be seen as insufficiently responsive to development requests in the context of the projected long-term shortfall in business land.
- Relies on the sufficiency of desk top investigations undertaken to date through the SmartGrowth Industrial Land Study.

Financial implications

None identified.

Other considerations

- For the northern growth corridor further industrial land in proximity to the Ōmokoroa urban growth area is considered more appropriate to enable live, work, learn and play to meet the future needs of this population.
- Apata was investigated and is further away from potential labour force, contains highly versatile land and would result in greater transport emissions.
- The Port of Tauranga has no current interest in a freight hub or inland port at Apata.

Option 4B: Provide for further investigation of business land development at Apata

Advantages

• Would recognise the Apata rail yards and rail transport connections.

Disadvantages

 Desk top investigations of Apata and other sites in the vicinity of Ōmokoroa have been undertaken through the SmartGrowth Industrial land Study. Apata did not score as highly as the Ōmokoroa sites.

Financial implications

Funding for any further investigations would be required.

Other considerations

- For the northern growth corridor further industrial land in proximity to the Ōmokoroa urban growth area is considered more appropriate to enable live, work, learn and play to meet the future needs of this population.
- Apata was investigated and is further away from the potential labour force of Ōmokoroa, contains highly versatile land and would result in greater transport emissions.
- The Port of Tauranga has no current interest in a freight hub or inland port at Apata.

Issue 5: Potential Future Business Area – Te Puna

Option 5A: Status quo - Do not include Te Puna as a short and medium term growth area for business employment land in the FDS (Recommended)

Advantages

- Provides certainty for the Te Puna community given recent concerns with industrial land development and zoning at Te Puna Station Road.
- Maintains the recommended position put forward in the draft FDS that Te Puna is not a potential future long-term strategic growth area for business land.
- Lowers the risk of identifying a potential growth area that may not be able to be developed due to natural hazard, cultural or environmental constraints.

Disadvantages

- SmartGrowth may be seen as insufficiently responsive to development requests in the context of the projected long-term shortfall in business land.
- Fails to recognise the technical supporting assessments, which identified Te Puna (in the vicinity of SH2/Minden Road) as the highest scoring MCA site in the long-listing phase of the SmartGrowth Industrial Land Study technical report (Aurecon, 2023).

Financial implications

None identified.

Other considerations

For the northern growth corridor further industrial land in proximity to the Ōmokoroa urban growth area is considered more appropriate to enable live, work, learn and play to meet the future needs of this population.

Option 5B: Include Te Puna as a short and medium term growth area for business employment land in the FDS

Advantages

- Recognises the technical supporting assessments, which identified Te Puna (in the vicinity of SH2/Minden Road) as the highest scoring MCA site in the long-listing phase of the SmartGrowth Industrial Land Study technical report (Aurecon, 2023).
- Strategic location with Takitimu Northern Link.

Disadvantages

- The Te Puna community has not been engaged with on whether Te Puna should be a potential future long-term strategic growth area for business land.
- Wastewater servicing of a new growth area at Te Puna would need to be provided.

Financial implications

None identified.

Other considerations

- While desktop analysis supports the potential suitably of Te Puna as a future long-term strategic growth area for business land, it is considered there are better sites within the northern growth corridor that support the growth and development at Ōmokoroa.
- A process to develop a community led spatial plan for Te Puna is likely to commence in the next two years, which will consider the issues facing Te Puna and what actions may be required. This will canvass whether further urban development is enabled or restricted.

Issue 6: Potential Future Business Area - Te Puke

Option 6A: Status quo - Do not provide for new industrial land in the vicinity of Te Puke and leave consenting of the existing Te Puke West zoned land to the appropriate processes (Recommended)

Advantages

- Maintains the recommended position put forward in the draft FDS that Te Puke is not currently a potential future long-term strategic growth area for additional business land.
- Lowers the risk of identifying a potential growth area that may not be able to be developed due to natural hazard, cultural or environmental constraints.

Disadvantages

- May result in lost business opportunities for Te Puke.
- SmartGrowth may be seen as insufficiently responsive to development requests in the context of the projected long-term shortfall in business land.

Financial implications

None identified

Other considerations

• The development potential for Te Puke West has been there for some time and was zoned through a private plan change. Whether the current industrial zoning is appropriate should be a matter for the Te Puke Spatial Plan to consider and engage with landowners, stakeholders and the community on options.

Option 6B: Provide for new industrial land in the vicinity of Te Puke and support consenting of the existing Te Puke West zoned land

Advantages

• Provides further business land capacity at Te Puke.

Disadvantages

- Identifies land in the eastern growth corridor ahead of other investigations around Rangiuru (Eastern Town) and Te Puke (Te Puke Spatial Plan).
- The SmartGrowth Strategy and FDS is not able to circumvent the resource consenting requirements under the RMA to provide for the development of existing zoned industrial land.

Financial implications

None identified.

- The Te Puke West zoned industrial land has significant geotechnical and stormwater issues to be addressed in obtaining the necessary resource consents. Existing processes under the RMA and Western Bay of Plenty District Plan provide for the development of Te Puke West if those issues are able to be satisfactorily addressed.
- Plan Change 94 (Washer Road industrial area) was made operative by WBOPDC in December 2022 and provides additional industrial zoned land at Te Puke.
- The Te Puke Spatial Plan is being undertaken by WBOPDC with the community, tangata whenua and stakeholders, including Te Puke Economic Development Group. This process is expected to be completed towards the end of 2024 and may identify the need for additional business land to service local demand.

Recommended Decisions

Issue 1: General - Potential future industrial land areas

Option 1B: Amend the draft FDS text to better clarify the potential long term growth areas for business land, as follows:

i. Add a table to page 148 after the existing strategic industrial land allocations table to show the Business Employment Land Growth Allocations for the next 30 years as follows:

"The following table outlines the potential additional business land allocations over the next 30 years and beyond, informed by the HBA and supporting desktop assessments.

Potential Long-term Growth Area – Business Land	Allocation (hectares)	Delivery timing
Upper Belk Road	150-200	Long-term (2034- 2054)
Ōmokoroa/Apata	70	Long-term (2034- 2054)
Pukemapu*	115	Post-2054
Rangiuru Business Park extension	45	Long-term (2034- 2054)

^{*} Pukemapu is subject to further assessment for urban purposes and feasibility

ii. Amend the text at page 149 (paragraphs 5, 6 and 7) as follows:

"In addition to the above planned business land provision, a further 300 to 400 ha of greenfield land is required to support business (industrial) land uses within the sub-region over the next 30 years.

Potential locations to provide for future business land demand needs in the northern and western growth corridors have been identified at Ōmokoroa/Apata, Upper Belk Road and Pukemapu.

Potential business land locations in the Eastern growth corridor are not required within the period of the FDS. .

The locations of potential growth areas for business land are shown on Map 18 and are indicative only. For example, in the Northern growth corridor a potential growth area is identified in the general vicinity of Ōmokoroa and Apata adjacent to State Highway 2 for long-term consideration."

Issue 2: General – Providing for existing industrial activities

<u>Option 2B:</u> Insert additional text to recognise existing industrial activities and their effects, as follows (text to be inserted shown <u>underlined</u>):

- i. Insert additional wording in Part 1: Introduction and Context Economic Objectives to recognise and support existing industrial activities that provide for economic and housing growth. "Enable and support the continued establishment, operation and maintenance of existing industrial activities that contribute to the regional and national economy, provided the health and wellbeing of people and the environment are safeguarded."
- ii. -Amend wording in Part 1: Introduction and Context Sub-Regional Context- Marine Corridor on Page 27 as follows: "Industrial activities that require shipping links to and from the Port of Tauranga".
- *iii.* -Amend wording in Part 2: The Growth Challenge Opportunities on Page 40 as follows: "Industrial activities that provide an economic opportunity for the region".
- iv. -Amend wording in Part 3: The Spatial Plan Chapter 06. Urban Form and Centres introduction on Page 102 as follows: "...horticulture and construction materials" as a key industry to the nationally significant Port of Tauranga.
- v. -Insert additional wording in Part 3: The Spatial Plan Chapter 07. Housing Housing system growth directives on Page 114 as follows: "Support existing local industries that provide for construction materials that assist in housing delivery".
- vi. Insert additional wording in the draft FDS at page 148 that recognises the impacts of existing heavy industry as follows:
 - "The SmartGrowth Strategy seeks to reduce the impacts of existing industrial activities on the environment and the health of people living or working in proximity to those activities. Opportunities for the relocation of existing industrial activities to other locations, both within and outside the sub-region, are supported where they will assist in reducing those impacts".

Issue 3: New Potential Growth Area - Wairākei South

Option 3A: Status quo – Do not identify Wairākei South as a potential long term growth area for residential and/or business land in the FDS.

Issue 4: New Potential Future Business Area - Ōmokoroa/Apata

Option 4A: Status quo –Confirm Ōmokoroa/Apata as a potential future growth area for business land.

Issue 5: New Potential Future Business Area – Te Puna

Option 5A: Status quo - Do not include Te Puna as a short and medium term growth area for business employment land in the FDS.

Issue 6: New Potential Future Business Area - Te Puke

<u>Option 6A:</u> Status quo - Do not provide for new industrial land in the vicinity of Te Puke and leave consenting of the existing Te Puke West zoned land to the appropriate processes.

Recommended Reasons

The Housing and Business Capacity Assessment (HBA) business land assessment by Market Economics determined business land requirements and expected shortfall in the longer-term (10-30 year period from 2034-2054). The HBA assessment considered existing and planned business land within the Eastern growth corridor will be sufficient to meet the expected market demand for business land over the next 30 years.

The Te Puke Spatial Plan is to be progressed by Western Bay of Plenty District Council over the next 12 months and will identify if any additional local business land is required to support this community and expected growth. The current Te Puke West zoned industrial land is proposed to be reconsidered through this spatial plan process, given the difficulties in addressing stormwater, access and other issues over the area.

Similarly, while no potential sub-regional growth area for business land is identified or required at Te Puna, future work on a Te Puna Spatial Plan may identify the need for local business land.

. There is insufficient information to enable the requested Wairākei South growth area to be identified as a potential longer term growth area for business land in the FDS. The suitability of this area for urban development remains questionable given natural hazard risks, including flooding within the wider catchment and future climate change impacts. The vision and objectives of the Kaituna River Document are also required to be taken into account, which aims to protect, enhance and restore the Kaituna River and its catchment for current and future generations.

The SmartGrowth councils acknowledge that there is work underway by the Bell Road LP to undertake investigations as to the suitability of Wāirakei South for urban development purposes. It is anticipated that when this information is provided to the councils consideration will be given at that time.

The location of potential long-term growth areas for business land in the Northern growth corridor is confirmed in the vicinity of Ōmokoroa/Apata from desk top analysis and technical information available to date. The strategic location adjoining the Ōmokoroa urban growth area and future Takitumu Northern Link Stage 2 interchange support the identification of this area on Map 18 of the strategy. However, that does not preclude a more suitable area in the wider Ōmokoroa/Apata area through future feasibility assessment ahead of structure planning and rezoning.

Upper Belk Road is confirmed as a potential long term growth area for business land to assist in addressing the business land shortfall in the Western growth corridor and this is supported by current demand and uptake in the Tauriko Business Estate and its planned extension into Stage 4. An allocation of 150-200ha of developable land for business use (industrial employment) has been allowed

for in the FDS, within a wider growth area that would provide for residential housing, open space and other land uses in future. Upper Belk Road planning is expected to occur in conjunction with a Government led Specified Development Projects process under the Urban Developments Act 2000.

It is accepted that current heavy industry has a place in the western Bay of Plenty subregion, while also acknowledging that some emitting industry can have adverse effects on the wellbeing of people and communities. Additions to the strategy are recommended in response to submissions received concerned about the importance of industry not being highlighted, as well as those concerned about air quality and other impacts. The SmartGrowth partnership supports efforts to address land use conflicts that currently exist and to ensure that future planning for greenfield areas avoids creating adverse impacts on any adjoining sensitive land uses.

The SmartGrowth Implementation and Funding Plan is to also consider as an action taking a subregional approach to applying the National Planning Standards 2019 for business land (in response to the submissions from Clear the Air and the Urban Taskforce). Initial work has been undertaken by officers from Western Bay of Plenty District Council and Tauranga City Council on applying the planning standards to centres and business land across the subregion.

Date approved:

Approved by: